

**IN THE COURT OF COMMON PLEAS
BUTLER COUNTY, OHIO**

ESTATE OF ALDEN B. CRAIG Sr.	: CASE NO. CV2009-01-0196
David Craig, Administrator	:
Plaintiff,	: <u>Judge Hedric</u>
vs.	:
	: <u>CLASS ACTION</u>
ADVANCED HEARING TECHNOLOGIES, INC:	: NOTICE OF
Defendant	: JUDGMENT ENTRY AND
	: ORDER OF COMPLIANCE

TO ALL CLASS MEMBERS:

This notice informs you that, pursuant to the proposed settlement agreement, a Judgment Entry and Order of Compliance was entered against Advanced Hearing Technologies, Inc. This notice also informs you of your rights as a settlement class member.

1. Judgment entry declarations:

- a. The Judgment entry declared Advanced Hearing Technologies, Inc. violated the Ohio Consumer Sales Practices Act when it:
 - i. sued Ohio residents in Fort Wayne Indiana,
 - ii. took default judgments against Ohio residents,
 - iii. added court costs to the Ohio resident's account, and
 - iv. added attorney fees to the Ohio resident's account.
- b. Further, its standard contract violated the Ohio Consumer Sales Practices Act, O.R.C. § 1345.30, and O.R.C § 4747.09 by:
 - i. Stating in the contract that 3 visits for adjustments were required before accepting a return of the hearing aid within 30 days of purchase;
 - ii. Failing to list the audiologist's license number on the agreement;
 - iii. Failing to state:

**RIGHT TO RETURN THE HEARING AID WITHIN 30
DAYS AND RECEIVE A REFUND**

Under Ohio law (O.R.C. § 1345.30), a consumer has the right to return a hearing aid for any reason within 30 days after it is originally delivered to the consumer or a person acting on the consumer's behalf and to receive a refund of the consideration paid for the hearing aid less an amount specified by the hearing aid dealer, hearing aid fitter, physician, or audiologist to cover expenses incurred in connection with the hearing aid not later than

15 days after presenting proof of payment for the hearing aid and returning it in the condition in which it was received, except for normal wear and tear. In this case the amount deducted from the refund will be \$.....

iv. Failing to state in type no smaller than the body of the contract:

The purchaser is advised that any examination, fitting, recommendation, or representation made by a licensed hearing aid dealer or fitter in connection with the sale of this hearing aid is not an examination, diagnosis, or prescription made by a person licensed to practice medicine in this state and therefore must not be regarded as medical opinion or advice.

v. Failing to list the local office address on the contract.

c. The Judgment entry issued a permanent injunction which provides:

- i. Advanced Hearing Technologies, Inc. shall not sue a customer except in the state where the customer resides or the contract was executed by the customer.
- ii. Advanced Hearing Technologies, Inc. shall use a contract in Ohio which conforms to O.R.C. § 1345.30 and O.R.C § 4747.09.

2. Class Damages: The Judgment Entry States:

- a. Advanced Hearing Technologies, Inc. shall provide to each class member who made purchases between January 1, 2006 and January 20, 2009 inclusive **a credit of \$250** to be applied to any outstanding balance to the customer's account, with the balance of any credit remaining to be used for the future purchase or service of a product sold by Advanced Hearing Technologies, Inc.
- b. However, if said class member **returned the product within 60 days of purchase**, upon presentation of an Affidavit by said customer to that effect, Advanced Hearing Technologies, Inc. shall credit back all charges to make said account \$0 and shall pay said class member \$250.00.
- c. **If a class member is deceased**, upon presentation of a death certificate, Advanced Hearing Technologies, Inc. shall credit the payment to any outstanding balance owed and pay the class member's estate any resulting credit balance.
- d. Advanced Hearing Technologies shall make only one \$250.00 cash payment to any class member under this section.
- e. All claims under 2b and c must be **received by** the Notice Administrator no later than **April 1, 2011**.
- f. The aggregate cash payments to this section of the class shall not exceed \$10,000.00. If claims are made under section 2b and c in excess of this amount, the cash payments in this section shall be divided *pro rata* among all claimants under sections 2b and c.

- g. Distant Forum Sub-Class: **If you were sued by Advanced Hearing Technologies, Inc. in Indiana, this section also applies to you.**
- i. Advanced Hearing Technologies, Inc. shall vacate every judgment and dismiss all pending collection cases filed in Indiana against all class members who are Ohio residents.
 - ii. *In addition to any payments made under 2b and c*, Advanced Hearing Technologies, Inc. will **credit** to the account of each class member sued in Fort Wayne, Indiana, **\$350.00** as non-economic damages.
 - iii. Advanced Hearing Technologies, Inc. shall **credit back any charges for attorney fees, collection fees, or court costs** which were added to the customer's account or to the judgment.
 - iv. For each proceeding in aid of execution filed after the judgment was entered, Advanced Hearing Technologies, Inc. will credit to each class member's account an additional \$350.00 in non-economic damages.
 - v. In addition, Advanced Hearing Technologies, Inc. will credit to each class member's account **any class member's economic damages (such as mileage, lost wages, attorney fees paid by a class member, etc.) if said class member submits damage documentation in the form of an affidavit.** If reasonableness of the charges is disputed, these charges may be submitted to the court for determination at a hearing. All such claims must be **received by** the Notice Administrator no later than **April 1, 2011**.
 - vi. **If said class member returned the product within 60 days of purchase**, upon receipt by the Notice Administrator no later than **April 1, 2011** of an Affidavit by said customer, Advanced Hearing Technologies, Inc. shall credit back all charges to make said account \$0 and shall pay said class member damages as set out above.
 - vii. The amount of damages paid by Advanced Hearing Technologies, Inc. in the form of cash payments to class members in this section shall be capped at \$25,000.00. If the claims for cash payments in this subclass are more than \$25,000.00, then the fund will be divided *pro rata* among the claimants in this section.
- h. If any of the damages described above result in a credit balance to the account, Advanced Hearing Technologies, Inc. shall refund said balance to the customer.
- i. If there is a cash payment to a class member whose address is unknown, Advanced Hearing Technologies, Inc. shall pay said refund to Ohio's Unclaimed Funds providing the customer's name, last known address and date the contract was executed.

3. Attorney Fees and Costs

Advanced Hearing Technologies, Inc. shall pay Pro Seniors' reasonable attorney fees incurred in this action, including management of the class in the amount of \$25,000, payable in 12 equal monthly installments of \$2,000 per month

beginning January 3, 2011 with the remaining balance of \$1000 being paid in month 13 beginning January 3, 2012.

Advanced Hearing Technologies shall pay all costs of administration of the class, including but not limited to the cost of printing all notices to class members required by the court (e.g. 26c and 26e notices), costs of mailing, publication, (including reimbursing Pro Seniors' payment of said costs) and shall pay all court costs.

4. General Terms

- a. This Judgment Entry does not affect Advanced Hearing Technologies, Inc.'s legal obligation to provide warranty work or customer service as required under its contract with individual class members.
- b. This Judgment entry has no effect on any class member's claims against Advanced Hearing Technologies, Inc. for breach of contract, breach of warranty or any other claims or causes of action not specifically enumerated and included in this class action.

5. FILING OF CLAIMS

- a. Claims must be **received** by the Notice Administrator no later than **April 1, 2011** at this address:

**Advanced Hearing Technologies Class Action Litigation
Notice Administrator
c/o Pro Seniors, Inc.
7162 Reading Road, Suite 1150
Cincinnati, Ohio 45237**

- b. Advanced Hearing Technologies, Inc. shall have until **May 7, 2011** to:
 - i. Submit any dispute with a class member's claim for economic damages in writing to Counsel for Plaintiff.
 - a) The parties shall attempt to resolve any dispute within 30 days of submission.
 - b) If a dispute cannot be resolved, the parties shall contact the court to set the matter for hearing.
- c. Advanced Hearing Technologies, Inc. shall have until **July 1, 2011** to comply with its agreements set forth in section 2 above.
- d. By **July 15, 2011**, Advanced Hearing Technologies, Inc. shall submit to Counsel for Plaintiff documentation that it has met its obligations hereunder.

Whom can I call with questions?

Please visit Pro Seniors, Inc.'s website at www.proseniors.org/AHTClassAction or call (513) 458-5502.