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NEWS RELEASE

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Class Action Residual Fund Award Provides Key Support to Legal Aid

More than \$4 Million in Unclaimed Funds from Class Action Settlement to Support Legal Aid and Public Interest Law Organizations in Chicago and throughout the Country

Chicago, IL - Chicago' pro bono and legal aid system received a critical boost this week as four organizations were approved to receive a total of \$1.3 million from unclaimed settlement funds in a nationwide class action case in the U.S. District Court for the Northern District of Illinois. In the order entered this week by Judge Elaine E. Bucklo, more than 10 legal aid and public interest law organizations throughout the country will receive a total of \$2.84 million as well.

The law firms of Cafferty Faucher LLP, Milberg LLP, Cohen Milstein Sellers & Toll PLLC, Kanner & Whiteley LLC and Leiff, Cabraser, Heimann & Bernstein LLP were lead counsel for the plaintiff class. Jones Day was counsel for the defense. Members of the class claimed more than 90% of the net settlement fund (i.e., the amount available for distribution after payment of attorneys' fees and expenses).

While less than 10% of the overall settlement funds went unclaimed, those funds will provide critical support for pro bono and legal aid services in the Chicago area and throughout the country. The awards to organizations located in Chicago are:

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| Health & Disability Advocates | \$500,000 |
| The Chicago Bar Foundation | \$300,000 |
| Legal Assistance Foundation of Metropolitan Chicago | \$300,000 |
| Chicago Volunteer Legal Services | \$200,000 |

"We are honored to be the recipients of this unexpected award and intend to use it to fund critical services on behalf of our clients during this time of unprecedented economic

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hardship and health care transition.” said Barbara Otto, CEO of Health & Disability Advocates, a Chicago-based national nonprofit organization that promotes income security and improves health care access and services for children, people with disabilities and low-income, older adults.

The awards to legal aid and public interest law organizations serving the other parts of the country receiving funds from this award range from \$100,000 to as much as \$500,000, with organizations engaged in work of national scope receiving a larger share of the award.

The collective award in this case is one of the largest awards of residual funds in a class action (often referred to as *cy pres* awards) to support legal aid in recent years. These funds will provide critical support for legal aid organizations struggling to meet increased demands for services in a challenging funding climate. Census numbers released in 2010 show that nearly 57 million Americans now qualify for civil legal assistance from programs funded by the federally-funded Legal Services Corporation (LSC), an increase of 3 million from 2008 and the highest number of people eligible for legal aid around the nation in LSC's 35-year history. At the same time, most other major sources of funding for legal aid are declining or under severe stress. As a result, people around the country in desperate need of legal assistance--children and families, seniors, veterans, and other vulnerable individuals--are being turned away and left to solve complex legal problems on their own because there is simply not enough capacity to serve them. These awards will make a significant impact on the ability of these organizations to meet the increased need.

Diana White, LAF's Executive Director, expressed LAF's thanks this way: “In a time of widespread economic hardship, more and more people find that one legal problem can be the tipping point, jeopardizing everything they have worked for. High medical costs often are the triggering event in a downward spiral. An award like this makes an enormous difference to LAF and its clients, and lets us help more people get back on their feet.”

“I was stunned and absolutely thrilled when I received this news,” said Margaret C. Benson, executive director of Chicago Volunteer Legal Services. “At a time like this, when the need is growing daily and available money is shrinking, a \$200,000 gift is a godsend. We will be as fiscally prudent as we always are and will make sure that this money helps us help even more people in need.”

As the courts continue to see growing numbers of unrepresented litigants as a result of the economic downturn, the award to the CBF will enable the CBF to continue its funding for several successful court-based pro bono and *pro se* assistance projects that are helping thousands of people in need in federal and state courts. As Bob Glaves, executive director of the CBF noted, “The CBF's initial funding for these projects was made possible by *cy pres* awards, and awards like this one enable us to sustain our grant support for these important court-based projects for the longer term and to provide other critical support for pro bono and legal aid services in our community.”

For more information, please call Bob Glaves at 312-554-1205 or email him at bglaves@chicagobar.org.

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Chicago' pro bono and legal aid system received a critical boost as four organizations recently were approved to receive a total of \$1.3 million from unclaimed settlement funds in a nationwide class action case in the U.S. District Court for the Northern District of Illinois. Pictured from left are: Richard Wheelock of the Legal Assistance Foundation of Metropolitan Chicago; Stephanie Altman of Health and Disability Advocates; Jennifer Sprengel and Dom J. Rizzi of Cafferty Faucher, counsel for the plaintiff class; Margaret Benson of Chicago Volunteer Legal Services; and Bob Glaves of The Chicago Bar Foundation.