

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

IN RE EVCI CAREER COLLEGES
HOLDING CORP. SECURITIES LITIGATION

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) Master File No. 05 Civ. 10240 (CM)
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**NOTICE OF: (1) PENDENCY OF CLASS ACTION, AND (2) HEARING ON PROPOSED SETTLEMENT
AND ATTORNEYS' FEE PETITION AND RIGHT TO SHARE IN NET SETTLEMENT FUND**

NOTICE OF PENDENCY OF SETTLEMENT OF CLASS ACTION: If you purchased or otherwise acquired the common stock of EVCI Career Colleges Holding Corp. during the period from August 14, 2003 through and including December 6, 2005, please be advised that your rights may be affected by a class action lawsuit pending in this Court (the "Litigation").

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

NOTICE OF SETTLEMENT: Please also be advised that Lead Plaintiff Arkansas Teacher Retirement System ("Lead Plaintiff") has reached a proposed settlement of the Action that will resolve all claims of Lead Plaintiff and the Class (as defined in ¶1 below) against all defendants (the "Settlement"). This Notice explains important rights you may have, including your possible receipt of cash from the Settlement. Your legal rights will be affected whether or not you act. Also enclosed is a proof of claim and release form (the "Claim Form") that you must complete and submit postmarked no later than August 29, 2007 to participate in the Settlement. Please read this Notice carefully!

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

SUBMIT A CLAIM FORM POSTMARKED NO LATER THAN AUGUST 29, 2007	The only way to get a payment.
EXCLUDE YOURSELF FROM THE CLASS POSTMARKED NO LATER THAN JULY 13, 2007	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against Defendants with respect to the claims in this case.
OBJECT NO LATER THAN JULY 13, 2007	Write to the Court and explain why you do not like the Settlement.
GO TO THE HEARING ON JULY 27, 2007 AT 9:30 A.M. AND FILE A NOTICE OF INTENTION TO APPEAR NO LATER THAN JULY 13, 2007	Ask to speak in Court about the fairness of the Settlement.
DO NOTHING	Get no payment. Give up your rights.

1. **Statement of Plaintiff Recovery:** This Notice relates to a proposed settlement of a class action lawsuit filed against EVCI Career Colleges Holding Corp. (“EVCI” or the “Company”), Arol I. Buntzman, John J. McGrath, and Richard Goldenberg (collectively, “Defendants”). Subject to Court approval, Lead Plaintiff, on behalf of the Class, has agreed to settle all claims that were or could have been asserted in the Action in exchange for a settlement payment of \$7,725,000.00 in cash. Pending final approval of the Settlement, this amount will be contributed to a “Settlement Fund” to pay claims of investors who, during the period from August 14, 2003 through and including December 6, 2005 (the “Class Period”), purchased or otherwise acquired EVCI common stock (the “Class”). Such investors are referred to in this Notice as “Class Members.” The Net Settlement Fund (the Settlement Fund less taxes, notice and administration costs and attorneys’ fees and litigation expenses awarded to counsel representing Lead Plaintiff (“Lead Counsel”)) will be distributed in accordance with a plan of allocation (the “Plan of Allocation”) that is described in this Notice. Lead Plaintiff’s damages expert estimates that approximately 11.6 million shares may have been affected by the conduct at issue in the Action. Thus, assuming that the owners of all affected shares elect to participate, the average per share recovery from the Settlement Fund would be approximately \$0.67 per affected share, before the deduction of attorneys’ fees, costs and expenses, as approved by the Court.
2. **Reasons for the Settlement:** In light of the amount of the Settlement and the immediacy of recovery to the Class, Lead Plaintiff believes that the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Class. Lead Plaintiff believes that the Settlement provides a substantial benefit now, namely \$7,725,000.00 in cash less the various deductions described in this Notice, as compared to the risk that all or some of the claims in the Action could have been dismissed in response to Defendants’ anticipated motions for summary judgment, or that a similar, smaller, or no recovery would be achieved after a trial and appeals, possibly years in the future, in which Defendants would have the opportunity to assert substantial defenses to the claims asserted against them. Defendants deny the claims asserted against them in the Action or that they have engaged in any wrongdoing, violation of law or breach of duty, and the Settlement may not be construed as an admission of wrongdoing by any of the Defendants. Defendants have agreed to the Settlement in order to eliminate the burden and expense of continued litigation.
3. **Statement of Average Amount of Damages Per Share:** The parties do not agree on the average amount of damages per share that would be recoverable if Lead Plaintiff were to prevail on the claims asserted against Defendants. Defendants deny that any shares were damaged as Lead Plaintiff has alleged. In addition, Defendants were prepared to establish that the price of EVCI’s common stock was not inflated as the result of any allegedly false or misleading public statement by any Defendant, and that the decline in the price of EVCI’s common stock alleged in the Litigation was not the result of the disclosure of information that allegedly had been wrongfully withheld by any Defendant.
4. **Statement of Attorneys’ Fees and Expenses Sought:** Lead Counsel (as defined in paragraph 7) intends to apply for an award of attorneys’ fees in the amount of 18 % of the Settlement Fund net of Court-approved litigation expenses. In addition, Lead Counsel also intends to apply for reimbursement of litigation expenses paid and incurred in connection with the prosecution and resolution of the claims against Defendants, in an amount not to exceed \$60,000. If the Court (as defined in paragraph 8) approves Lead Counsel’s fee and expense application, the average cost per affected share will be approximately \$0.12.
5. **Identification of Attorneys’ Representatives:** Any questions regarding the Settlement should be directed to Lead Counsel: Jeffrey N. Leibell, Bernstein Litowitz Berger & Grossmann LLP, 1285 Avenue of the Americas, New York, NY 10019, 800-380-8496, www.blbglaw.com.

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WHY DID I GET THIS NOTICE?

- This Notice is being sent to you pursuant to an Order of the United States District Court for the Southern District of New York (the "Court") because you or someone in your family may have purchased or otherwise acquired EVCI common stock during the Class Period. The Court has directed us to send you this Notice because, as a potential Class Member, you have a right to know about your options prior to the trial or settlement of this case. Additionally, you have the right to understand how a class action lawsuit may generally affect your legal rights. If the Court approves the Settlement, after any objections and appeals are resolved, a claims administrator selected by Lead Plaintiff and approved by the Court will make payments pursuant to the Settlement.
- In a class action lawsuit, the Court selects one or more people, known as class representatives, to sue on behalf of all people with similar claims, commonly known as the class or the class members. By Order dated May 9, 2006, the Court appointed Arkansas Teacher Retirement System to serve as "Lead Plaintiff" under a federal law relating to lawsuits such as this one, and approved the selection by Lead Plaintiff of the law firm of Bernstein Litowitz Berger & Grossmann LLP ("Lead Counsel") to serve as Lead Counsel in the Action. A class action is a type of lawsuit in which the claims of a number of individuals are resolved together, thus providing the class members with both consistency and efficiency. Once the class is certified, the Court must resolve all issues on behalf of the class members, except for those, if any, who choose to exclude themselves from the class. (For more information on excluding yourself from the Class, please read "What If I Do Not Want To Be A Part Of The Settlement? How Do I Exclude Myself?" located further below.)
- The Court in charge of this case is the United States District Court for the Southern District of New York, and the case is known as *In re EVCI Career Colleges Holding Corp. Securities Litigation*. The Judge presiding over this case is the Honorable Colleen McMahan, United States District Judge. The people who are suing are called plaintiffs, and those who are being sued are called defendants. In this case, the Plaintiff is referred to as Lead Plaintiff, on behalf of itself and the Class, and Defendants are EVCI, as well as Arol I. Buntzman, John J. McGrath, and Richard Goldenberg, who may be referred to as the "Individual Defendants."

9. This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. The purpose of this Notice is to inform you of this case, that it is a class action, how you might be affected and how to exclude yourself from the Settlement if that is your preference. It also is being sent to inform you of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the proposed Settlement and the application by Lead Counsel for attorneys' fees and reimbursement of litigation expenses, including lost wages directly relating to the representation of the Class to Lead Plaintiff serving on behalf of the Class, and interest thereon (the "Final Approval Hearing").
10. The Final Approval Hearing will be held on July 27, 2007 at 9:30 a.m., before the Honorable Colleen McMahon, at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, Courtroom 21-B, New York, New York, 10007-1312, to determine:
 - (i) whether the proposed Class should be certified;
 - (ii) whether the proposed Settlement is fair, reasonable and adequate and should be approved by the Court;
 - (iii) whether the claims against Defendants should be dismissed with prejudice as set forth in the Stipulation;
 - (iv) whether the proposed Plan of Allocation is fair and reasonable and should be approved; and
 - (v) whether the application by Lead Counsel for an award of attorneys' fees and reimbursement of litigation expenses, including lost wages directly relating to the representation of the Class to Lead Plaintiff serving on behalf of the Class, and interest thereon, should be approved.
11. This Notice does not express any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement, payments will be made after appeals, if any, are resolved, and after the completion of all claims processing. Please be patient.

WHAT IS THIS CASE ABOUT? WHAT HAS HAPPENED SO FAR?

12. EVCI is a holding company for three commercial colleges: Interboro Institute ("Interboro"), Technical Career Institutes, and Pennsylvania School of Business. Interboro services disadvantaged, inner city students who largely qualify for federal and state grants. These grants make up roughly 94% of Interboro's tuition. The Company is a Delaware Corporation with its principal executive offices located in Yonkers, New York. Shares of EVCI traded on the NASDAQ under the ticker symbol "EVCI."
13. In the Action, Lead Plaintiff alleges that EVCI and members of its senior management made false statements and omitted material facts between August 14, 2003 and December 6, 2005 regarding the Company's growth and viability, which had the effect of artificially inflating EVCI's stock price.
14. Beginning on December 6, 2005, a number of lawsuits were filed on behalf of investors. By Order dated May 9, 2006, the Court consolidated all of the lawsuits into one action, appointed Lead Plaintiff and approved Lead Plaintiff's selection of Lead Counsel.
15. On July 21, 2006, Lead Plaintiff filed its Consolidated Amended Complaint (the "Consolidated Complaint") asserting claims under §10(b) and §20(a) of the Securities Exchange Act of 1934, and SEC Rule 10b-5 promulgated thereunder, against the Company and the Individual Defendants arising from public statements concerning the Company that Defendants made and omissions concerning the Company Defendants failed to make from August 14, 2003 through December 6, 2005. The allegations in the Consolidated Complaint were based upon an investigation conducted by Lead Plaintiff that included the review of public and non-public information and numerous interviews of witnesses with percipient knowledge of the facts. The Consolidated Complaint sought to proceed on behalf of a class consisting of all Persons or entities who purchased or otherwise acquired EVCI common stock during the period August 14, 2003 through December 6, 2005, inclusive. Defendants moved to dismiss the Consolidated Complaint under Rule 12(b)(6) of the Federal Rules of Civil Procedure on or about September 15, 2006. Lead Plaintiff opposed the motion on October 11, 2006, and Defendants filed their reply in further support of the motion to dismiss on November 6, 2006. On December 13, 2006, the Court denied Defendants' motion; Defendants answered and denied all allegations of wrongdoing in the Consolidated Complaint on December 18, 2006.
16. Lead Counsel has conducted extensive discovery in this Action, including: (i) a review and analysis of EVCI's public disclosures (to the Securities and Exchange Commission and otherwise); (ii) an analysis of EVCI's financial statements; (iii) interviewing numerous witnesses with percipient knowledge of the facts, (iii) reviewing numerous documents obtained from the New York State Education Department through a Freedom of Information Law request, and documents obtained from the United States Department of Education through a Freedom of Information Act request; and (iv) extensive research of the applicable law with respect to the claims asserted in the pleadings and Defendants' potential defenses thereto.
17. The Settlement proposed in the Stipulation was achieved after intense arm's-length negotiations. During these negotiations, Lead Counsel and counsel for Defendants presented, among other things, their respective views regarding the merits of the Action including, the defenses, the claims and the damages sought. In addition, numerous telephonic and written communications between counsel were exchanged in order to finalize the principal terms of the Settlement.

HOW DO I KNOW IF I AM PART OF THE SETTLEMENT?

18. If you are a Member of the Class, you are subject to the Settlement whether or not you submit a Claim Form, unless you timely request to be excluded. The Class consists of all Persons who purchased or otherwise acquired EVCI common stock during the period August 14, 2003 through December 6, 2005, inclusive. Excluded from the Class are: (i) Defendants; (ii) members of the family of each Individual Defendant; (iii) any Person who was an officer or director of EVCI during the Class Period; (iv) any firm, trust, corporation, officer, or other entity in which any Defendant had a controlling interest; and (v) the legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such excluded party. The Class shall also exclude those Persons who timely request exclusion from the Class pursuant to this Notice (see “What If I Do Not Want To Participate In The Settlement? How Do I Exclude Myself?” below).

RECEIPT OF THIS NOTICE DOES NOT NECESSARILY MEAN THAT YOU ARE A CLASS MEMBER OR ARE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT. IF YOU WISH TO PARTICIPATE IN THE SETTLEMENT, YOU MUST SUBMIT THE ENCLOSED CLAIM FORM POSTMARKED NO LATER THAN AUGUST 29, 2007.

WHAT RECOVERY DOES THE SETTLEMENT PROVIDE?

19. The Settlement provides for a recovery of \$7,725,000 in cash, which has been deposited into an interest-bearing escrow account. Lead Counsel’s fees, expenses and costs (including the award of reasonable costs and expenses, including lost wages, directly relating to the representation of the Class to the Lead Plaintiff serving on behalf of the Class) with interest thereon, to the extent allowed by the Court, as well as taxes, notification costs, and administration costs will be deducted from these Settlement proceeds, and the balance will be distributed to the Class. The amount of any recovery will depend on a number of factors, including when and for what price Class Members purchased and/or sold their EVCI common stock and the total number of shares for which timely and valid Claim Forms are submitted by Class Members (“Authorized Claimants”) (see “How Much Will My Payment Be?” below).
20. Lead Plaintiff’s damages expert estimates that approximately 11.6 million shares of the Company’s common stock were traded during the Class Period and may have been affected by the conduct at issue in the Consolidated Complaint. Thus, assuming that the owners of all affected shares elect to participate, the average per share recovery from the Settlement Fund would be approximately \$0.67 per affected share before deduction of attorney’s fees, costs and expenses as approved by the Court.

WHY IS THERE A SETTLEMENT?

21. Under the proposed Settlement, the Court will not decide in favor of either Lead Plaintiff or Defendants. By agreeing to the Settlement, Lead Plaintiff and Defendants avoid the costs of further litigation and the risks of a trial, and the Class Members are compensated.
22. In light of the amount of the Settlement, and the immediacy of recovery to the Class, Lead Plaintiff and Lead Counsel believe that the proposed Settlement is fair, reasonable and adequate, and in the best interests of Class Members. Lead Plaintiff believes that the Settlement provides a substantial benefit, namely \$7,725,000 in cash, less the various deductions described in this Notice, as compared to the risk that all or some of the claims in the Action could have been dismissed in response to Defendants’ anticipated motions for summary judgment, or the risk that a similar, smaller, or no recovery would be achieved after a trial and appeals, possibly years in the future, in which Defendants would have the opportunity to assert substantial defenses to the claims asserted against them.

WHAT LED UP TO THE SETTLEMENT?

23. The Settlement resulted from over a year of litigation and extensive arm’s-length negotiations among Lead Plaintiff, Lead Counsel and counsel for Defendants. Several settlement discussions took place, which ultimately resulted in an agreement to settle the claims asserted in the Action.

WHY HAVE DEFENDANTS AGREED TO THE SETTLEMENT?

24. Defendants deny that they have engaged in any wrongdoing, violated any law or breached any duty, and deny that the claims asserted against them in the Consolidated Complaint have any merit. Defendants believe that they have substantial defenses to all of those claims. However, Defendants consider it desirable, and in their best interests, that the claims against them be dismissed on the terms set forth in the Stipulation to avoid further expense and protracted litigation, taking into account the uncertainty and risks inherent in any litigation. The Settlement is not evidence of, an admission of, or a concession by any of the Defendants of any fault or liability whatsoever, or any infirmity in any defenses they have asserted or intended to assert in the Action.

WHAT ARE THE LEAD PLAINTIFF'S REASONS FOR THE SETTLEMENT?

25. Lead Plaintiff and Lead Counsel believe that the claims asserted against Defendants have merit. However, they recognize the expense and length of continued proceedings necessary to pursue their claims against Defendants through trial and appeals. Lead Plaintiff and Lead Counsel also have taken into account the possibility that the claims asserted in the Consolidated Complaint might have been dismissed in response to Defendants' anticipated motions for summary judgment, and have considered issues that would have been decided by a jury in the event of a trial of the Action, including whether Defendants acted with an intent to mislead investors, whether the alleged misrepresentations or omissions were material to investors, whether any loss was caused by the alleged misrepresentations or omissions, and the amount of any damages. Lead Plaintiff and Lead Counsel also have considered the uncertain outcome and trial risk in complex lawsuits like this one. Lead Plaintiff believes that a recovery now will provide an immediate benefit to Class Members, which is superior to the risk and delay of proceeding with the Action. Considering these factors, and balancing them against the certain and substantial benefits that the Class will receive as a result of the Settlement, Lead Plaintiff and Lead Counsel determined that the Settlement described herein is fair, reasonable and adequate, and that it is in the best interests of the Class to settle the claims against Defendants on the terms set forth in the Stipulation and this Notice.

WHAT MIGHT HAPPEN IF THERE WAS NO SETTLEMENT?

26. If there was no Settlement and Lead Plaintiff failed to establish any essential legal or factual element of its claims, neither Lead Plaintiff nor the Class would recover anything from Defendants. Also, if Defendants were successful in proving any of their defenses, the Class likely would recover substantially less than the amount provided in the Settlement, or nothing at all.

HOW MUCH WILL MY PAYMENT BE?

THE PROPOSED PLAN OF ALLOCATION: GENERAL PROVISIONS

27. EVCI has agreed to have paid, through its insurers, Seven Million Seven Hundred and Twenty-Five Thousand Dollars (\$7,725,000) in cash (the "Settlement").
28. After approval of the Settlement by the Court and upon satisfaction of the other conditions to the Settlement, the Net Settlement Fund will be distributed to Authorized Claimants in accordance with the Plan of Allocation described below.
29. The Settlement Fund will be distributed as follows:
- (i) First, to pay all federal, state and local taxes on any income earned by the Settlement Fund and to pay the reasonable costs incurred in connection with determining the amount of, and paying, taxes owed by the Settlement Fund (including reasonable expenses of tax attorneys and accountants);
 - (ii) To pay costs and expenses in connection with providing Notice to Class Members and administering the Settlement on behalf of Class Members;
 - (iii) To reimburse Lead Counsel for, and to pay, costs and expenses incurred by Lead Counsel in connection with, commencing and prosecuting the Action, with interest thereon, if and to the extent allowed by the Court;
 - (iv) To pay Lead Counsel's attorneys' fees, to the extent allowed by the Court; and
 - (v) Subject to an Order of the Court granting approval of the Settlement and the Plan of Allocation (or such other allocation plan as the Court may approve) becoming final (meaning that the time for appeal or appellate review of the Order granting final approval has expired, or if the Order is appealed, that appeal is either decided without causing a material change in the Order or upheld on appeal and no longer subject to appellate review by further appeal or writ of certiorari) the balance of the Net Settlement Fund shall be distributed to Authorized Claimants in accordance with the Plan of Allocation.
30. There will be no distribution of the Net Settlement Fund until a Plan of Allocation is finally approved, and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, has expired.
31. Defendants are not entitled to get back any portion of the Settlement Fund once the Court's Order approving the Settlement becomes final. Moreover, Defendants have no liability, obligation or responsibility for the administration of the Settlement or disbursement of the Net Settlement Fund or the Plan of Allocation.
32. Approval of the Settlement is independent from approval of the Plan of Allocation. Any determination with respect to the Plan of Allocation will not affect the Settlement, if approved.
33. Only those Class Members who purchased or otherwise acquired EVCI common stock during the Class Period **AND WERE DAMAGED AS A RESULT OF SUCH PURCHASES**, will be eligible to share in the distribution of the Net Settlement Fund. Each person wishing to participate in the distribution must timely submit a valid Claim Form and all required documentation postmarked no later than August 29, 2007, to the address set forth in the Claim Form that accompanies this Notice. Unless otherwise ordered by the Court, any Class Member who fails to submit a Claim Form postmarked no later than August 29, 2007 shall be forever barred from receiving payments pursuant to the Settlement set forth in the Stipulation but will in all

other respects be subject to the provisions of the Stipulation, including the terms of any Judgment entered and releases given. This means that each Class Member releases the Released Claims against the Released Parties (including Defendants) and is enjoined and prohibited from filing, prosecuting, or pursuing any of the Released Claims against any of the Released Parties (including Defendants) regardless of whether or not such Class Member submits a Claim Form.

34. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the Claim of any Class Member. The Court also reserves the right to modify the Plan of Allocation without further notice to Class Members. Payment pursuant to the Plan of Allocation approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Plaintiff, Lead Counsel or the Claims Administrator or other agent designated by Lead Counsel based on the distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court.

THE PROPOSED PLAN OF ALLOCATION: CALCULATION OF LOSS AMOUNT

35. A "Loss Amount" will be calculated for each purchase or acquisition of EVCI common stock that is listed in the Claim Form, and for which adequate documentation is provided. The calculation of the Loss Amount will depend upon several factors, including when the shares of EVCI common stock were purchased or otherwise acquired and whether they were held until the conclusion of the Class Period or sold during the Class Period, and if so, when they were sold.
36. **Information Required on the Claim Form:** Each Claim Form must indicate each Authorized Claimant's position in EVCI common stock as of the close of trading on August 13, 2003, the day before the first day of the Class Period, and the closing position in EVCI common stock as of the close of trading on December 6, 2005, the last day of the Class Period. Each Claim Form also must list *all* transactions in EVCI common stock, including all purchases and sales, made during the Class Period.

BASIS FOR CALCULATION OF LOSS AMOUNT

37. The objective of the Plan of Allocation is to equitably distribute the settlement proceeds to those Class Members who suffered economic losses as a result of the alleged fraud, as opposed to losses caused by market, industry or other non-fraud related Company specific factors. The Plan of Allocation reflects Lead Plaintiff's damages expert's analysis undertaken to that end, including a review of publicly available information regarding EVCI and statistical comparisons of the price movements of EVCI'S common stock with the price performance of relevant market and industry indices during the Class Period.
38. Recognized Losses are based on the level of alleged artificial inflation in the price of EVCI's common stock at the time of purchase. However, in order to have compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the securities. In this case, Lead Plaintiff alleges that EVCI and members of its senior management made false statements and omitted material facts between August 14, 2003 and December 6, 2005 regarding the Company's growth and viability, which had the effect of artificially inflating EVCI's stock price. Such misrepresentations increased in scope over time, leading to Class-Period maximum alleged artificial inflation on October 19, 2005.
39. In order to have recoverable damages, disclosure of the alleged misrepresentations about the Company's growth and viability must be the cause of the decline in the price of the security. The alleged artificial inflation was partially cured after market close on October 19, 2005, when EVCI announced that it had received a draft report from the New York State Board of Education. On the morning of December 6, 2005, before the opening of the market, EVCI announced that the New York State Board of Education had issued its final report, which EVCI filed later that day with the Securities Exchange Commission. This announcement ended the Class Period and disclosed the full extent of EVCI's alleged misstatements and omissions concerning the Company's growth and viability.
40. The alleged artificial inflation resulting from EVCI's alleged misstatements and omissions may be found on a daily basis in Table A. Each Claimant's Loss Amount on his, her or its transactions in EVCI common stock during the Class Period may be calculated from Table A. However, a share must be held past a corrective disclosure in order to be eligible for damages; that is, a share purchased or otherwise acquired during the Class Period prior to October 20, 2005, must be held until or beyond October 20, 2005, the first trading day after the first corrective disclosure. Similarly, a share purchased or otherwise acquired on or after October 20, 2005, must be held until December 6, 2005, the day of the second and final corrective disclosure. Thus, for all shares of EVCI common stock that (i) were purchased or otherwise acquired from August 14, 2003 through and including October 19, 2005 and that were sold on or before October 19, 2005, and (ii) were purchased or otherwise acquired from October 20, 2005 through December 5, 2005 and were sold on or before December 5, 2005 the Recognized Loss per share is \$0. This is because any losses that Class Members may have suffered with respect to shares that were purchased or otherwise acquired within the periods described above and that were sold within the same periods were not related to the alleged misstatements or omissions and are not compensable through an action for violation of the securities laws.
41. Loss Amounts will be reduced dollar-for-dollar to the extent that: (i) EVCI common stock was purchased or otherwise acquired at a price below the lowest reported trading price for EVCI common stock on the date during the Class Period on which the purchase or acquisition was made (*e.g.*, at a discounted price); or (ii) EVCI common stock was sold at a price above the highest reported trading price for EVCI common stock on the date during the Class Period on which the sale was made.

SPECIFIC LOSS AMOUNTS

42. Specific Loss Amounts will be calculated as follows:

A. Introductory Provisions:

To receive a distribution from the Net Settlement Fund, all Persons must:

- (i) Establish membership in the Class;
- (ii) Complete a valid Claim Form and supply all required documentation;
- (iii) Submit the completed Claim Form and documentation so that it is postmarked for mailing to the Claims Administrator no later than August 29, 2007.

B. Calculation of Recognized Loss for Claims:

A "Recognized Loss" will be calculated for each purchase of EVCI common stock that is listed in the Claim Form, and for which adequate documentation is provided. The calculation of the Recognized Loss will depend upon several factors, including:

- (i) When each share of EVCI common stock was purchased or otherwise acquired; and
- (ii) Whether each share of EVCI common stock was held through December 5, 2005 or whether it was sold during the Class Period, and if so, when it was sold.

C. Recognized Gains and Losses:

- (i) **Shares of EVCI common stock that were purchased or otherwise acquired from August 14, 2003 through October 19, 2005 and held until the close of trading on October 19, 2005:**

1. **And that were *still held* as of the close of trading on December 5, 2005:** For each share of EVCI common stock that was purchased or otherwise acquired during the period from August 14, 2003 through and including October 19, 2005, and that was *still held* at the close of trading on December 5, 2005, the Recognized Loss is the Loss Amount indicated in Table A for the date that share was purchased or acquired.

2. **And that were sold at a loss between the period from October 20, 2005 to December 5, 2005:** For each share of EVCI common stock that was purchased or otherwise acquired during the period from August 14, 2003 through and including October 19, 2005, and that was sold at a loss between the period from October 20, 2005 to December 5, 2005, the Recognized Loss is the amount by which the Loss Amount per share on the date of purchase or acquisition exceeds the Loss Amount per share on the date of sale, each as set forth in Table A.

- (ii) **Shares of EVCI common stock that were purchased or otherwise acquired from October 20, 2005 through December 5, 2005 and held until the close of trading on December 5, 2005:**

1. For each share of EVCI common stock that was purchased or otherwise acquired during the period from October 20, 2005 through and including December 5, 2005, and that was *still held* at the close of trading on December 5, 2005, the Recognized Loss is the Loss Amount indicated in Table A for the date that share was purchased or acquired.

- (iii) **Shares of EVCI common stock that were purchased or otherwise acquired on December 6, 2005:** For each share of EVCI common stock that was purchased or otherwise acquired on December 6, 2005 at a price greater than \$1.80 per share, the Recognized Loss is 10% of the amount by which the purchase price exceeds \$1.80. Class Members who purchased EVCI common stock on December 6, 2005 would face the potential defense that their loss, if any, was not related to the alleged misrepresentations because EVCI had publicly disclosed the issuance of the New York State Board of Education's final report before the market opened on December 6, 2005. The discount to 10% reflects this greater difficulty such Class Members would face.

D. General Provisions:

- (i) The Net Settlement Fund will be allocated among all eligible Class Members.
- (ii) Each Authorized Claimant shall recover his or her Recognized Loss. However, in the event that the sum total of Recognized Losses of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each such Authorized Claimant shall receive his/her *pro rata* share of the Net Settlement Fund, which shall be his/her Recognized Loss divided by the total of all Recognized Losses to be paid from the Net Settlement Fund, multiplied by the total amount in the Net Settlement Fund. The proration factor applied to the Authorized Claims of Class Members will be based on the amount in the Net Settlement Fund available to satisfy those claims, as set forth in ¶1, above.
- (iii) If the Net Settlement Fund exceeds the sum total amount of the Recognized Losses of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment out of the Net Settlement Fund.
- (iv) Each Authorized Claimant will be required to provide proof of his or her ownership position(s) in EVCI common stock as of the close of trading on August 13, 2003 and December 6, 2005. Each Claim Form also must list *all*

transactions in EVCI common stock, including all purchases and sales, made during the Class Period (August 14, 2003 through and including December 6, 2005).

- (v) In the event a Class Member has more than one purchase or sale of EVCI common stock during the Class Period, all purchases and sales shall be matched on a First In First Out (“FIFO”) basis. Class Period sales will be matched first against any EVCI shares held at the beginning of the Class Period, and then against purchases in chronological order, beginning with the earliest purchase made during the Class Period. Purchases and sales of EVCI common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, devise or operation of law of EVCI common stock during the Class Period shall not be deemed a purchase or sale of such EVCI shares of common stock for the calculation of an Authorized Claimant’s Recognized Loss, nor shall it be deemed an assignment of any claim relating to the purchase of such EVCI shares of common stock unless specifically provided in the instrument of gift or assignment.
- (vi) To the extent a Claimant had a gain from his, her or its overall transactions in EVCI common stock during the Class Period, the value of the Recognized Loss will be zero. Such claimants will in any event be bound by the Settlement. To the extent that a Claimant suffered an overall loss on his, her or its overall transactions in EVCI common stock during the Class Period, but that loss was less than the Recognized Loss calculated above, then the Recognized Loss shall be limited to the amount of the actual loss.
- (vii) For purposes of determining whether a Claimant had a gain from his, her or its overall transactions in EVCI common stock during the Class Period or suffered a loss, the Claims Administrator shall: (i) total the amount the Claimant paid for all EVCI common stock purchased or otherwise acquired during the Class Period (the “Total Purchase Amount”); (ii) match any sales of EVCI common stock during the Class Period first against the Claimant’s opening position in the stock (the proceeds of those sales will not be considered for purposes of calculating gains or losses); (iii) total the amount received for sales of the remaining shares of EVCI common stock sold during the Class Period (the “Sales Proceeds”); and (iv) ascribe a \$1.80 per share holding value for the number of shares of EVCI common stock purchased or otherwise acquired during the Class Period and still held at the end of the Class Period (“Holding Value”). The difference between (x) the Total Purchase Amount ((i) above) and (y) the sum of the Sales Proceeds ((iii) above) and the Holding Value ((iv) above) will be deemed a Claimant’s gain or loss on his, her or its overall transactions in EVCI common stock during the Class Period.
- (viii) A payment to any Authorized Claimant of less than **\$10** in total will not be included in the calculation and will not be distributed.

WHAT RIGHTS AM I GIVING UP BY AGREEING TO THE SETTLEMENT?

- 43. If the Settlement is approved, the Court will enter a judgment (the “Judgment”). The Judgment will dismiss the claims against Defendants with prejudice and provide that Lead Plaintiff and all other Class Members, except those who validly and timely requested to be excluded from the Class, shall upon the Effective Date of the Settlement, be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, waived, discharged and dismissed any and all Released Claims, including “Unknown Claims” (as defined in the Stipulation), against the Released Persons (as defined in the Stipulation) and any claims or potential claims that were or could be asserted in connection with the Action or Released Claims.
- 44. “Released Claims” means collectively any and all claims (including Unknown Claims, as defined in Paragraph 1.40 of the Stipulation), debts, demands, rights or causes of action, actions, suits, matters, and issues or liabilities of every nature and description whatsoever (including, but not limited to, any claims of negligence, gross negligence, omissions, breaches of duty of care and/or breaches of any other duty, fraud, or violations of any state or federal statutes, regulations, or rules, and any claims for damages, interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether known or unknown, whether fixed, contingent, accrued, unaccrued, liquidated, unliquidated, or absolute, whether suspected or unsuspected, whether disclosed or undisclosed, whether matured or unmatured, whether or not concealed or hidden, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, at law or in equity, whether class or individual in nature, that (i) have been asserted in the Action against any of the Released Parties; or (ii) could have been or might be asserted in any litigation or forum by Lead Plaintiff or any of the Class Members, or their successors or assigns, in any capacity against any of the Released Parties that arise out of, relate to, or are based upon the purchase, acquisition or sale of EVCI common stock in connection with (a) the subject matter of the Action; or (b) the allegations, transactions, events, facts, acts, disclosures, statements, matters, occurrences, representations, omissions, or failures to act involved, set forth or referred to in the Action; or (iii) arise out of, relate to, or are in connection with the Settlement or resolution of the Action; or (iv) have been or could have been asserted in the Action or in any forum by Defendants or any of them or the successors or assigns of any of them against the Lead Plaintiff, any Class Member or their attorneys, which arise out of or relate in any way to the institution, prosecution, or settlement of the Action. Provided, however, that Released Claims shall not include any claim, right or cause of action or liability specifically alleged by the plaintiff in the derivative action denominated *Ferre v. John J. McGrath, et al.*, 06 Civ. 1684 (CM), which action has been dismissed and judgment entered in favor of defendants in that case.
- 45. The Judgment also will provide that Defendants and any of the other Released Parties shall each be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, waived, and discharged all claims, whether known

or unknown (including Unknown Claims), and whether arising under federal state or any other law, which have been, or could have been, asserted in the Litigation or in any court or forum, by Defendants, or any of them, against any of the Lead Plaintiffs, all Plaintiff's counsel, and/or any of their agents, which arise out of or relate in any way to the institution, maintenance, or settlement of the Litigation, except claims relating to the enforcement of the Settlement. The Judgment will also bar all claims for contribution, indemnification or equitable indemnification against any party relating to the facts of this action; provided, however, that claims by Individual Defendants against EVCI for defense costs and claims by the Defendants against their D&O carriers are not barred.

WHAT PAYMENT ARE THE ATTORNEYS FOR THE CLASS SEEKING? HOW WILL THE LAWYERS BE PAID?

46. Lead Counsel have not received any payment for their services in pursuing claims against Defendants on behalf of the Class, nor have they been reimbursed for their out-of-pocket expenses. At the Settlement Hearing described below, or at such other time as the Court may direct, Lead Counsel intends to apply to the Court for an award of attorneys' fees in the amount of 18% of the Settlement Fund net of Court-approved litigation expenses. The amount of fees sought by Lead Counsel in the fee application is pursuant to the terms of an agreement negotiated and entered into with Lead Plaintiff. Lead Plaintiff has reviewed the fee application and has determined that it is fair and reasonable.
47. Lead Counsel also intends to apply for reimbursement of litigation expenses in an amount not to exceed \$60,000. If the application for attorneys' fees, reimbursement of litigation expenses is approved by the Court, the average cost per affected share would be approximately \$0.12. **THE COURT HAS NOT EXPRESSED ANY OPINION ON THE APPLICATION FOR ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES.**
48. To date, Lead Counsel has not received any payment for their services in prosecuting this Action on behalf of the Class, nor has Lead Counsel been reimbursed for its out-of-pocket expenses. The fee requested by Lead Counsel would compensate Lead Counsel for its efforts in achieving the Settlement for the benefit of the Class, and for its risk in undertaking this representation on a contingency basis. The fee requested is within the range of fees awarded under similar circumstances in litigation of this type. The Court will determine the amount of the award.

HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

49. For settlement purposes only, the Court has certified this action as a class action. If you purchased or otherwise acquired EVCI common stock during the period from August 14, 2003 through and including December 6, 2005, and you are not excluded by the definition of the Class and do not elect to exclude yourself, then you are a Class Member, and you will be bound by the proposed Settlement provided for in the Stipulation, in the event it is approved by the Court, as well as by any judgment or determination of the Court affecting the Class. Unless otherwise provided by the Court, any Class Member who fails to submit a Claim Form postmarked no later than August 29, 2007 shall be forever barred from receiving any payments pursuant to the Settlement set forth in the Stipulation but will in all other respects be subject to the provisions of the Stipulation, including the terms of any judgments entered and the releases given.
50. If you wish to remain a Class Member, you may be eligible to share in the proceeds of the Settlement, provided that you timely submit an acceptable Claim Form. The Claim Form must be supported by such documents as specified in the Claim Form. The Claim Form is enclosed. Extra copies of the Claim Form may be obtained from the Claims Administrator at the website noted below or downloaded from Lead Counsel's website at www.blbglaw.com.
51. The Court may disallow or adjust the Claim of any Class Member. The Court also may modify the Plan of Allocation without further notice to the Class. Payments pursuant to the Plan of Allocation, as approved by the Court, will be conclusive against all Authorized Claimants. No Person shall have any claim against Lead Plaintiff, Lead Counsel or the Claims Administrator, or any other agent designated by Lead Counsel, based on the distributions made substantially in accordance with the Stipulation and the Settlement, the Plan of Allocation or further orders of the Court. Each Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the Southern District of New York with respect to his, her or its Claim Form.
52. As a Class Member, you are represented by Lead Plaintiff and Lead Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file an appearance on your behalf and must serve copies of such appearance on the attorneys listed in the section entitled, "When and Where Will the Court Decide Whether to Approve the Settlement," below.
53. If you do not wish to remain a Class Member, you may exclude yourself from the Class by following the instructions in the section entitled, "What If I Do Not Want To Be A Part Of The Settlement? How Do I Exclude Myself?" below.
54. If you object to the Settlement or any of its terms, the proposed Plan of Allocation, or Lead Counsel's application for attorneys' fees and reimbursement of litigation expenses, and if you do not exclude yourself from the Class, you may present your objections by following the instructions in the section entitled, "When and Where Will the Court Decide Whether to Approve the Settlement?" below.

WHAT IF I DO NOT WANT TO BE A PART OF THE SETTLEMENT? HOW DO I EXCLUDE MYSELF?

55. Each Class Member will be bound by all determinations and judgments in this lawsuit concerning the Settlement, whether favorable or unfavorable, unless such Person mails, by first class mail, a written Request for Exclusion from the Class, addressed to:

In re EVCI Career Colleges Holding Corp. Securities Litigation - EXCLUSIONS
c/o Analytics, Incorporated, Claims Administrator
P.O. Box 2003
Chanhassen, MN 55317-2003

postmarked no later than July 13, 2007. You will not be able to exclude yourself from the Class after that date. Each Request for Exclusion must set forth the name and address of the person or entity requesting exclusion; must state that such Person “requests exclusion from the Class in *In re EVCI Career Colleges Holding Corp. Securities Litigation*, No. 06 Civ. 10240 (CM)”; be signed by such Person; and provide a telephone number, and the date(s), price(s), and number(s) of shares of all purchases and sales of EVCI common stock during the Class Period. Requests for Exclusion will not be valid if they are not made within the time stated above, unless the Requests for Exclusion are otherwise accepted by the Court.

56. If a Class Member requests to be excluded from the Class, that Class Member will not receive any benefit provided for in the Stipulation.

**WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?
DO I HAVE TO COME TO THE HEARING?
MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?**

If you do not wish to object to the proposed Settlement, the application for attorneys’ fees and reimbursement of litigation expenses, and/or the proposed Plan of Allocation, you need not attend the Final Approval Hearing.

57. The Final Approval Hearing will be held on July 27, 2007 at 9:30 A.M. before the Honorable Colleen McMahon, at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, Courtroom 21-B, New York, New York, 10007-1312. The Court reserves the right to approve the Settlement at or after the Final Approval Hearing with such modifications as may be consented to by the Parties to the Stipulation and without further notice to the members of the Class.
58. Any Class Member who does not request exclusion postmarked no later than July 13, 2007 may appear at the Final Approval Hearing and be heard on any of the matters to be considered at the hearing; provided, however, that no such Person shall be heard unless his, her or its objection or opposition is made in writing and is filed, together with copies of all other papers (including proof of all purchases of EVCI common stock during the Class Period) and briefs, with the Clerk’s Office at the United States District Court for the Southern District of New York, 500 Pearl Street, New York, New York 10007, on or before July 13, 2007, and is served on the same day by hand or overnight delivery to each of the following:

Lead Counsel for the Class

BERNSTEIN LITOWITZ BERGER &
GROSSMANN LLP
Darnley D. Stewart, Esq.
Alyson C. Bruns, Esq.
1285 Avenue of the Americas
New York, NY 10019

Counsel for EVCI, Arol I. Buntzman, John J. McGrath, and Richard Goldenberg

WILSON SONSINI GOODRICH & ROSATI
Gideon A. Schor
Meredith E. Kotler
Glenn C. Colton
1301 Avenue of the Americas
New York, NY 10019

59. The filing must demonstrate your membership in the Class, including the number of shares of EVCI common stock purchased or otherwise acquired during the Class Period and price(s) paid. Only Class Members who have submitted their position in this manner will be entitled to be heard at the Final Approval Hearing, unless the Court orders otherwise. You may file an objection without having to appear at the Final Approval Hearing. Class Members who approve of the Settlement need not appear at the Final Approval Hearing.
60. Attendance at the hearing is not necessary; however, Persons wishing to be heard orally in opposition to the approval of the Settlement, the proposed Plan of Allocation and/or the request for attorneys’ fees and reimbursement of litigation expenses are

required to notify the above counsel in advance of the hearing. Persons who intend to object to the Settlement, the proposed Plan of Allocation and/or Lead Counsel's application for an award of attorneys' fees and reimbursement of litigation expenses and desire to present evidence at the Final Approval Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Final Approval Hearing.

61. The Final Approval Hearing may be delayed from time to time by the Court without further written notice to the Class. If you intend to attend the Final Approval Hearing, you should confirm the date and time with Lead Counsel.

Unless otherwise ordered by the Court, any Class Member who does not object in the manner described herein will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the application for attorneys' fees and reimbursement of litigation expenses and/or the proposed Plan of Allocation. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

WHAT IF I BOUGHT SHARES ON SOMEONE ELSE'S BEHALF?

62. If you purchased or otherwise acquired EVCi common stock during the Class Period for the beneficial interest of a Person or organization other than yourself, you are directed to send a copy of this Notice and the Claim Form, to the beneficial owner of the shares postmarked no later than fourteen (14) days from the date of this Notice, or to provide the names and addresses of such persons no later than fourteen (14) days from the date of this Notice to:

In re EVCi Career Colleges Holding Corp. Securities Litigation
c/o Analytics, Incorporated, Claims Administrator
P.O. Box 2003
Chanhassen, MN 55317-2003

in which case the beneficial owner will be sent a copy of the Notice. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred in complying herewith by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice and the Claim Form may also be obtained from the Claims Administrator's website www.evcisecuritiesettlement.com or calling toll-free 1-888-822-9522, or may be downloaded from Lead Counsels' websites at www.blbglaw.com.

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

63. This Notice contains only a summary of the terms of the proposed Settlement. For a more detailed statement of the matters involved in the Action, you are referred to the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Clerk, United States District Court for the Southern District of New York, 500 Pearl Street, New York, New York, 10007.
64. All inquiries concerning this Notice or the Claim Form should be directed to:

In re EVCi Career Colleges Holding Corp. Securities Litigation
c/o Analytics, Incorporated, Claims Administrator
P.O. Box 2003
Chanhassen, MN 55317-2003
1-888-822-9522 www.evcisecuritiesettlement.com

OR

Darnley D. Stewart, Esq.
Jeffrey N. Leibell, Esq.
Alyson C. Bruns, Esq.
Bernstein Litowitz Berger & Grossmann LLP
1285 Avenue of the Americas
New York, NY 10019
800-380-8496

Lead Counsel

DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE CLERK OF THE COURT REGARDING THIS NOTICE.

Dated: May 1, 2007

By Order of the Clerk of the Court
United States District Court
for the Southern District of New York

Table A
EVCI Common Stock Artificial Inflation

Date	Closing Price	Artificial Inflation									
08/14/03	\$1.980	\$0.002	11/04/03	\$4.550	\$0.326	01/28/04	\$8.850	\$1.258	04/20/04	\$12.040	\$2.561
08/15/03	\$2.090	\$0.005	11/05/03	\$4.990	\$0.364	01/29/04	\$8.360	\$1.199	04/21/04	\$12.280	\$2.627
08/18/03	\$2.040	\$0.008	11/06/03	\$5.160	\$0.383	01/30/04	\$8.920	\$1.290	04/22/04	\$12.110	\$2.605
08/19/03	\$2.110	\$0.010	11/07/03	\$4.781	\$0.361	02/02/04	\$8.900	\$1.299	04/23/04	\$12.050	\$2.607
08/20/03	\$2.140	\$0.013	11/10/03	\$4.600	\$0.353	02/03/04	\$8.540	\$1.257	04/26/04	\$11.600	\$2.524
08/21/03	\$2.080	\$0.015	11/11/03	\$4.700	\$0.366	02/04/04	\$8.640	\$1.282	04/27/04	\$12.030	\$2.633
08/22/03	\$2.073	\$0.018	11/12/03	\$4.550	\$0.360	02/05/04	\$8.520	\$1.275	04/28/04	\$11.750	\$2.586
08/25/03	\$2.070	\$0.020	11/13/03	\$4.380	\$0.352	02/06/04	\$8.500	\$1.282	04/29/04	\$11.700	\$2.589
08/26/03	\$2.070	\$0.023	11/14/03	\$4.970	\$0.406	02/09/04	\$8.169	\$1.242	04/30/04	\$12.220	\$2.720
08/27/03	\$2.080	\$0.026	11/17/03	\$4.979	\$0.412	02/10/04	\$7.739	\$1.187	05/03/04	\$11.700	\$2.618
08/28/03	\$2.230	\$0.030	11/18/03	\$5.500	\$0.462	02/11/04	\$8.250	\$1.275	05/04/04	\$10.690	\$2.406
08/29/03	\$2.250	\$0.033	11/19/03	\$5.510	\$0.470	02/12/04	\$8.060	\$1.256	05/05/04	\$10.290	\$2.328
09/02/03	\$2.150	\$0.035	11/20/03	\$5.480	\$0.474	02/13/04	\$7.690	\$1.208	05/06/04	\$10.489	\$2.386
09/03/03	\$2.150	\$0.037	11/21/03	\$5.290	\$0.464	02/17/04	\$7.510	\$1.189	05/07/04	\$10.160	\$2.324
09/04/03	\$2.220	\$0.041	11/24/03	\$5.600	\$0.499	02/18/04	\$8.120	\$1.295	05/10/04	\$9.940	\$2.286
09/05/03	\$2.160	\$0.043	11/25/03	\$5.520	\$0.498	02/19/04	\$7.860	\$1.263	05/11/04	\$10.640	\$2.460
09/08/03	\$2.390	\$0.050	11/26/03	\$5.250	\$0.480	02/20/04	\$7.900	\$1.280	05/12/04	\$10.140	\$2.357
09/09/03	\$2.440	\$0.054	11/28/03	\$5.340	\$0.495	02/23/04	\$7.730	\$1.262	05/13/04	\$9.600	\$2.243
09/10/03	\$2.440	\$0.057	12/01/03	\$5.550	\$0.522	02/24/04	\$8.120	\$1.335	05/14/04	\$10.000	\$2.349
09/11/03	\$2.510	\$0.062	12/02/03	\$6.090	\$0.580	02/25/04	\$8.840	\$1.465	05/17/04	\$9.190	\$2.170
09/12/03	\$2.400	\$0.062	12/03/03	\$5.810	\$0.560	02/26/04	\$9.500	\$1.586	05/18/04	\$9.210	\$2.186
09/15/03	\$2.350	\$0.064	12/04/03	\$5.950	\$0.581	02/27/04	\$9.631	\$1.620	05/19/04	\$9.000	\$2.148
09/16/03	\$2.510	\$0.071	12/05/03	\$5.500	\$0.544	03/01/04	\$10.700	\$1.813	05/20/04	\$9.070	\$2.176
09/17/03	\$2.470	\$0.073	12/08/03	\$5.250	\$0.526	03/02/04	\$10.960	\$1.870	05/21/04	\$8.981	\$2.165
09/18/03	\$2.820	\$0.087	12/09/03	\$5.300	\$0.537	03/03/04	\$10.600	\$1.822	05/24/04	\$9.009	\$2.183
09/19/03	\$2.850	\$0.092	12/10/03	\$4.850	\$0.498	03/04/04	\$11.360	\$1.966	05/25/04	\$9.320	\$2.270
09/22/03	\$2.860	\$0.095	12/11/03	\$4.450	\$0.462	03/05/04	\$11.420	\$1.991	05/26/04	\$9.930	\$2.431
09/23/03	\$2.660	\$0.092	12/12/03	\$4.520	\$0.475	03/08/04	\$10.240	\$1.798	05/27/04	\$10.801	\$2.658
09/24/03	\$2.510	\$0.090	12/15/03	\$4.940	\$0.525	03/09/04	\$10.190	\$1.802	05/28/04	\$10.680	\$2.641
09/25/03	\$2.400	\$0.089	12/16/03	\$4.610	\$0.496	03/10/04	\$9.500	\$1.691	06/01/04	\$10.650	\$2.647
09/26/03	\$2.370	\$0.091	12/17/03	\$4.750	\$0.517	03/11/04	\$9.590	\$1.719	06/02/04	\$10.640	\$2.657
09/29/03	\$2.500	\$0.099	12/18/03	\$4.800	\$0.528	03/12/04	\$9.950	\$1.796	06/03/04	\$10.650	\$2.673
09/30/03	\$2.600	\$0.106	12/19/03	\$5.030	\$0.560	03/15/04	\$9.710	\$1.765	06/04/04	\$11.340	\$2.860
10/01/03	\$2.610	\$0.110	12/22/03	\$4.750	\$0.534	03/16/04	\$9.990	\$1.828	06/07/04	\$11.750	\$2.978
10/02/03	\$2.537	\$0.110	12/23/03	\$4.700	\$0.535	03/17/04	\$10.430	\$1.922	06/08/04	\$12.050	\$3.069
10/03/03	\$2.490	\$0.111	12/24/03	\$4.819	\$0.554	03/18/04	\$12.120	\$2.248	06/09/04	\$12.020	\$3.076
10/06/03	\$2.580	\$0.118	12/26/03	\$5.429	\$0.631	03/19/04	\$11.100	\$2.072	06/10/04	\$12.120	\$3.117
10/07/03	\$2.540	\$0.119	12/29/03	\$5.370	\$0.631	03/22/04	\$11.490	\$2.159	06/14/04	\$12.300	\$3.179
10/08/03	\$2.450	\$0.118	12/30/03	\$5.500	\$0.653	03/23/04	\$11.320	\$2.141	06/15/04	\$12.280	\$3.189
10/09/03	\$2.450	\$0.121	12/31/03	\$5.390	\$0.646	03/24/04	\$11.480	\$2.186	06/16/04	\$12.520	\$3.266
10/10/03	\$2.450	\$0.124	01/02/04	\$5.660	\$0.686	03/25/04	\$12.160	\$2.330	06/17/04	\$12.100	\$3.172
10/13/03	\$2.960	\$0.154	01/05/04	\$5.700	\$0.698	03/26/04	\$12.350	\$2.382	06/18/04	\$11.570	\$3.047
10/14/03	\$2.950	\$0.157	01/06/04	\$5.611	\$0.694	03/29/04	\$13.090	\$2.541	06/21/04	\$11.610	\$3.072
10/15/03	\$2.950	\$0.160	01/07/04	\$6.000	\$0.749	03/30/04	\$12.050	\$2.354	06/22/04	\$11.700	\$3.110
10/16/03	\$2.800	\$0.156	01/08/04	\$6.350	\$0.801	03/31/04	\$12.610	\$2.479	06/23/04	\$11.350	\$3.031
10/17/03	\$2.830	\$0.161	01/09/04	\$6.220	\$0.792	04/01/04	\$13.699	\$2.710	06/24/04	\$10.500	\$2.817
10/20/03	\$3.250	\$0.189	01/12/04	\$6.230	\$0.801	04/02/04	\$13.250	\$2.638	06/25/04	\$10.450	\$2.817
10/21/03	\$3.720	\$0.221	01/13/04	\$6.140	\$0.797	04/05/04	\$13.950	\$2.794	06/28/04	\$10.290	\$2.786
10/22/03	\$3.890	\$0.236	01/14/04	\$6.280	\$0.823	04/06/04	\$14.000	\$2.822	06/29/04	\$10.180	\$2.769
10/23/03	\$3.600	\$0.223	01/15/04	\$6.490	\$0.859	04/07/04	\$14.200	\$2.879	06/30/04	\$10.520	\$2.875
10/24/03	\$3.730	\$0.235	01/16/04	\$6.400	\$0.855	04/08/04	\$13.700	\$2.795	07/01/04	\$10.620	\$2.915
10/27/03	\$3.900	\$0.251	01/20/04	\$6.290	\$0.848	04/12/04	\$13.890	\$2.851	07/02/04	\$10.660	\$2.939
10/28/03	\$4.300	\$0.282	01/21/04	\$7.670	\$1.043	04/13/04	\$13.420	\$2.771	07/06/04	\$10.580	\$2.930
10/29/03	\$4.150	\$0.277	01/22/04	\$7.530	\$1.033	04/14/04	\$13.130	\$2.727	07/07/04	\$10.500	\$2.921
10/30/03	\$3.960	\$0.269	01/23/04	\$8.140	\$1.127	04/15/04	\$12.800	\$2.675	07/08/04	\$10.350	\$2.892
10/31/03	\$4.749	\$0.329	01/26/04	\$8.870	\$1.239	04/16/04	\$12.660	\$2.661	07/09/04	\$10.210	\$2.866
11/03/03	\$4.770	\$0.336	01/27/04	\$9.200	\$1.297	04/19/04	\$12.420	\$2.626	07/12/04	\$10.750	\$3.031

Date	Closing Price	Artificial Inflation									
07/13/04	\$10.560	\$2.990	10/05/04	\$6.410	\$2.283	12/29/04	\$9.850	\$4.226	03/24/05	\$7.000	\$3.514
07/14/04	\$10.580	\$3.009	10/06/04	\$6.460	\$2.308	12/30/04	\$9.600	\$4.131	03/28/05	\$6.950	\$3.497
07/15/04	\$10.400	\$2.970	10/07/04	\$6.050	\$2.169	12/31/04	\$9.600	\$4.143	03/29/05	\$7.040	\$3.551
07/16/04	\$10.370	\$2.975	10/08/04	\$6.000	\$2.159	01/03/05	\$9.680	\$4.189	03/30/05	\$6.760	\$3.419
07/19/04	\$10.250	\$2.953	10/11/04	\$6.510	\$2.350	01/04/05	\$9.690	\$4.205	03/31/05	\$7.600	\$3.853
07/20/04	\$10.250	\$2.966	10/12/04	\$6.820	\$2.471	01/05/05	\$9.530	\$4.148	04/01/05	\$7.500	\$3.811
07/21/04	\$10.490	\$3.048	10/13/04	\$6.730	\$2.446	01/06/05	\$9.400	\$4.103	04/04/05	\$7.340	\$3.739
07/22/04	\$10.490	\$3.061	10/14/04	\$6.730	\$2.455	01/07/05	\$9.400	\$4.114	04/05/05	\$6.920	\$3.534
07/23/04	\$10.400	\$3.048	10/15/04	\$6.850	\$2.507	01/10/05	\$9.460	\$4.152	04/06/05	\$7.150	\$3.660
07/26/04	\$10.760	\$3.166	10/18/04	\$6.950	\$2.552	01/11/05	\$9.050	\$3.984	04/07/05	\$6.960	\$3.571
07/27/04	\$10.790	\$3.189	10/19/04	\$7.000	\$2.579	01/12/05	\$9.390	\$4.145	04/08/05	\$7.140	\$3.673
07/28/04	\$10.210	\$3.030	10/20/04	\$6.810	\$2.518	01/13/05	\$9.360	\$4.143	04/11/05	\$7.130	\$3.676
07/29/04	\$9.980	\$2.974	10/21/04	\$7.000	\$2.597	01/14/05	\$9.320	\$4.137	04/12/05	\$7.000	\$3.618
07/30/04	\$9.960	\$2.980	10/22/04	\$6.670	\$2.482	01/18/05	\$9.630	\$4.287	04/13/05	\$6.790	\$3.518
08/02/04	\$7.690	\$2.311	10/25/04	\$6.750	\$2.520	01/19/05	\$9.510	\$4.245	04/14/05	\$6.340	\$3.292
08/03/04	\$7.110	\$2.145	10/26/04	\$6.620	\$2.480	01/20/05	\$9.550	\$4.275	04/15/05	\$6.240	\$3.248
08/04/04	\$6.460	\$1.957	10/27/04	\$6.820	\$2.563	01/21/05	\$9.300	\$4.174	04/18/05	\$6.180	\$3.225
08/05/04	\$6.680	\$2.032	10/28/04	\$7.170	\$2.704	01/24/05	\$9.350	\$4.208	04/19/05	\$6.250	\$3.269
08/06/04	\$6.880	\$2.101	10/29/04	\$7.830	\$2.962	01/25/05	\$9.080	\$4.098	04/20/05	\$6.350	\$3.329
08/09/04	\$7.050	\$2.162	11/01/04	\$7.650	\$2.904	01/26/05	\$8.870	\$4.014	04/21/05	\$6.250	\$3.284
08/10/04	\$6.700	\$2.063	11/02/04	\$7.500	\$2.856	01/27/05	\$9.000	\$4.084	04/22/05	\$6.190	\$3.260
08/11/04	\$6.310	\$1.950	11/03/04	\$7.600	\$2.904	01/28/05	\$9.050	\$4.118	04/25/05	\$6.090	\$3.215
08/12/04	\$7.000	\$2.172	11/04/04	\$7.470	\$2.863	01/31/05	\$8.910	\$4.065	04/26/05	\$6.110	\$3.233
08/13/04	\$6.960	\$2.169	11/05/04	\$7.800	\$2.999	02/01/05	\$9.100	\$4.163	04/27/05	\$5.960	\$3.161
08/16/04	\$6.930	\$2.168	11/08/04	\$7.850	\$3.028	02/02/05	\$9.200	\$4.220	04/28/05	\$5.719	\$3.040
08/17/04	\$6.700	\$2.104	11/09/04	\$7.920	\$3.065	02/03/05	\$9.200	\$4.232	04/29/05	\$5.840	\$3.112
08/18/04	\$6.710	\$2.116	11/10/04	\$7.900	\$3.067	02/04/05	\$9.240	\$4.261	05/02/05	\$5.980	\$3.194
08/19/04	\$6.370	\$2.016	11/11/04	\$7.800	\$3.038	02/07/05	\$8.850	\$4.093	05/03/05	\$5.970	\$3.196
08/20/04	\$7.000	\$2.224	11/12/04	\$7.780	\$3.040	02/08/05	\$9.020	\$4.182	05/04/05	\$5.800	\$3.112
08/23/04	\$7.500	\$2.393	11/15/04	\$8.150	\$3.194	02/09/05	\$9.050	\$4.207	05/05/05	\$5.980	\$3.216
08/24/04	\$7.590	\$2.431	11/16/04	\$8.300	\$3.263	02/10/05	\$9.000	\$4.195	05/06/05	\$5.950	\$3.208
08/25/04	\$7.430	\$2.389	11/17/04	\$8.770	\$3.459	02/11/05	\$9.060	\$4.234	05/09/05	\$5.750	\$3.107
08/26/04	\$7.420	\$2.395	11/18/04	\$8.750	\$3.462	02/14/05	\$8.990	\$4.213	05/10/05	\$5.450	\$2.952
08/27/04	\$6.750	\$2.187	11/19/04	\$8.680	\$3.445	02/15/05	\$9.060	\$4.257	05/11/05	\$5.280	\$2.866
08/30/04	\$6.810	\$2.215	11/22/04	\$8.409	\$3.348	02/16/05	\$9.050	\$4.263	05/12/05	\$5.670	\$3.085
08/31/04	\$7.240	\$2.363	11/23/04	\$8.310	\$3.319	02/17/05	\$10.210	\$4.822	05/13/05	\$4.960	\$2.705
09/01/04	\$7.300	\$2.392	11/24/04	\$8.840	\$3.541	02/18/05	\$10.030	\$4.750	05/16/05	\$5.000	\$2.733
09/02/04	\$7.200	\$2.368	11/26/04	\$8.710	\$3.500	02/22/05	\$8.750	\$4.154	05/17/05	\$5.010	\$2.744
09/03/04	\$7.320	\$2.417	11/29/04	\$8.900	\$3.587	02/23/05	\$8.520	\$4.056	05/18/05	\$4.990	\$2.739
09/07/04	\$7.070	\$2.343	11/30/04	\$9.169	\$3.707	02/24/05	\$7.950	\$3.794	05/19/05	\$4.850	\$2.669
09/08/04	\$7.350	\$2.445	12/01/04	\$9.280	\$3.764	02/25/05	\$7.900	\$3.780	05/20/05	\$4.840	\$2.669
09/09/04	\$7.160	\$2.390	12/02/04	\$9.200	\$3.742	02/28/05	\$7.950	\$3.814	05/23/05	\$5.290	\$2.924
09/10/04	\$6.900	\$2.312	12/03/04	\$9.250	\$3.774	03/01/05	\$7.820	\$3.761	05/24/05	\$5.220	\$2.891
09/13/04	\$6.900	\$2.321	12/06/04	\$9.110	\$3.728	03/02/05	\$7.290	\$3.515	05/25/05	\$4.980	\$2.765
09/14/04	\$6.970	\$2.353	12/07/04	\$9.089	\$3.731	03/03/05	\$7.500	\$3.626	05/26/05	\$4.990	\$2.776
09/15/04	\$6.860	\$2.324	12/08/04	\$9.140	\$3.763	03/04/05	\$7.940	\$3.848	05/27/05	\$5.020	\$2.799
09/16/04	\$6.800	\$2.312	12/09/04	\$9.150	\$3.779	03/07/05	\$7.760	\$3.771	05/31/05	\$4.990	\$2.789
09/17/04	\$6.630	\$2.263	12/10/04	\$8.820	\$3.653	03/08/05	\$7.680	\$3.741	06/01/05	\$4.980	\$2.789
09/20/04	\$6.530	\$2.236	12/13/04	\$8.570	\$3.560	03/09/05	\$7.330	\$3.580	06/02/05	\$5.000	\$2.807
09/21/04	\$6.500	\$2.234	12/14/04	\$10.300	\$4.292	03/10/05	\$7.120	\$3.486	06/03/05	\$5.000	\$2.813
09/22/04	\$6.710	\$2.315	12/15/04	\$10.640	\$4.447	03/11/05	\$6.950	\$3.412	06/06/05	\$5.000	\$2.819
09/23/04	\$6.930	\$2.399	12/16/04	\$10.700	\$4.485	03/14/05	\$6.899	\$3.395	06/07/05	\$5.400	\$3.051
09/24/04	\$7.040	\$2.446	12/17/04	\$10.140	\$4.263	03/15/05	\$6.860	\$3.384	06/08/05	\$5.540	\$3.137
09/27/04	\$7.070	\$2.465	12/20/04	\$9.500	\$4.005	03/16/05	\$6.750	\$3.338	06/09/05	\$5.740	\$3.258
09/28/04	\$7.139	\$2.498	12/21/04	\$10.060	\$4.254	03/17/05	\$6.780	\$3.362	06/10/05	\$5.850	\$3.327
09/29/04	\$7.000	\$2.458	12/22/04	\$9.810	\$4.160	03/18/05	\$6.940	\$3.450	06/13/05	\$5.880	\$3.352
09/30/04	\$7.065	\$2.490	12/23/04	\$10.000	\$4.253	03/21/05	\$6.790	\$3.383	06/14/05	\$6.410	\$3.662
10/01/04	\$7.040	\$2.490	12/27/04	\$9.600	\$4.095	03/22/05	\$6.850	\$3.422	06/15/05	\$6.270	\$3.589
10/04/04	\$6.891	\$2.445	12/28/04	\$9.920	\$4.244	03/23/05	\$6.910	\$3.460	06/16/05	\$6.250	\$3.586

Date	Closing Price	Artificial Inflation
06/17/05	\$6.250	\$3.593
06/20/05	\$6.450	\$3.716
06/21/05	\$6.440	\$3.719
06/22/05	\$6.480	\$3.750
06/23/05	\$6.530	\$3.787
06/24/05	\$6.300	\$3.661
06/27/05	\$6.390	\$3.721
06/28/05	\$6.400	\$3.735
06/29/05	\$6.400	\$3.743
06/30/05	\$6.300	\$3.692
07/01/05	\$6.750	\$3.964
07/05/05	\$6.970	\$4.102
07/06/05	\$6.830	\$4.028
07/07/05	\$6.720	\$3.972
07/08/05	\$6.610	\$3.915
07/11/05	\$6.560	\$3.893
07/12/05	\$6.510	\$3.872
07/13/05	\$6.590	\$3.927
07/14/05	\$6.500	\$3.882
07/15/05	\$6.400	\$3.830
07/18/05	\$6.510	\$3.904
07/19/05	\$6.680	\$4.014
07/20/05	\$6.490	\$3.908
07/21/05	\$6.180	\$3.729
07/22/05	\$6.050	\$3.658
07/25/05	\$6.400	\$3.877
07/26/05	\$6.070	\$3.685
07/27/05	\$6.080	\$3.699
07/28/05	\$6.320	\$3.852
07/29/05	\$6.400	\$3.909

Date	Closing Price	Artificial Inflation
08/01/05	\$6.300	\$3.856
08/02/05	\$6.300	\$3.864
08/03/05	\$6.360	\$3.908
08/04/05	\$6.330	\$3.898
08/05/05	\$6.390	\$3.943
08/08/05	\$6.380	\$3.944
08/09/05	\$6.310	\$3.909
08/10/05	\$6.130	\$3.805
08/11/05	\$6.140	\$3.819
08/12/05	\$6.130	\$3.820
08/15/05	\$6.490	\$4.052
08/16/05	\$6.410	\$4.010
08/17/05	\$6.410	\$4.018
08/18/05	\$6.500	\$4.083
08/19/05	\$6.500	\$4.091
08/22/05	\$6.300	\$3.973
08/23/05	\$6.400	\$4.044
08/24/05	\$6.420	\$4.064
08/25/05	\$6.500	\$4.123
08/26/05	\$6.480	\$4.118
08/29/05	\$6.370	\$4.056
08/30/05	\$6.400	\$4.083
08/31/05	\$6.370	\$4.072
09/01/05	\$6.430	\$4.118
09/02/05	\$6.420	\$4.120
09/06/05	\$6.420	\$4.128
09/07/05	\$6.460	\$4.161
09/08/05	\$6.480	\$4.182
09/09/05	\$6.570	\$4.249
09/12/05	\$6.450	\$4.179

Date	Closing Price	Artificial Inflation
09/13/05	\$6.400	\$4.154
09/14/05	\$6.580	\$4.279
09/15/05	\$6.550	\$4.268
09/16/05	\$6.440	\$4.204
09/19/05	\$6.570	\$4.297
09/20/05	\$6.510	\$4.266
09/21/05	\$6.420	\$4.215
09/22/05	\$6.300	\$4.144
09/23/05	\$6.160	\$4.060
09/26/05	\$6.270	\$4.140
09/27/05	\$6.350	\$4.201
09/28/05	\$6.350	\$4.208
09/29/05	\$6.350	\$4.216
09/30/05	\$6.380	\$4.244
10/03/05	\$6.540	\$4.359
10/04/05	\$6.450	\$4.307
10/05/05	\$6.330	\$4.234
10/06/05	\$6.320	\$4.235
10/07/05	\$6.160	\$4.136
10/10/05	\$6.180	\$4.157
10/11/05	\$6.210	\$4.185
10/12/05	\$6.070	\$4.098
10/13/05	\$5.990	\$4.051
10/14/05	\$5.900	\$3.998
10/17/05	\$5.690	\$3.862
10/18/05	\$5.680	\$3.863
10/19/05	\$5.530	\$3.767
10/20/05	\$2.450	\$0.717
10/21/05	\$2.450	\$0.717
10/24/05	\$2.260	\$0.661

Date	Closing Price	Artificial Inflation
10/25/05	\$2.340	\$0.685
10/26/05	\$2.330	\$0.682
10/27/05	\$2.210	\$0.647
10/28/05	\$2.220	\$0.650
10/31/05	\$2.409	\$0.705
11/01/05	\$2.500	\$0.732
11/02/05	\$2.610	\$0.764
11/03/05	\$2.710	\$0.793
11/04/05	\$2.710	\$0.793
11/07/05	\$2.600	\$0.761
11/08/05	\$2.450	\$0.717
11/09/05	\$2.410	\$0.705
11/10/05	\$2.480	\$0.726
11/11/05	\$2.430	\$0.711
11/14/05	\$2.060	\$0.603
11/15/05	\$1.900	\$0.556
11/16/05	\$1.810	\$0.530
11/17/05	\$2.040	\$0.597
11/18/05	\$2.130	\$0.623
11/21/05	\$2.200	\$0.644
11/22/05	\$3.130	\$0.916
11/23/05	\$2.880	\$0.843
11/25/05	\$2.650	\$0.775
11/28/05	\$2.390	\$0.699
11/29/05	\$2.390	\$0.699
11/30/05	\$2.400	\$0.702
12/01/05	\$2.350	\$0.688
12/02/05	\$2.550	\$0.746
12/05/05	\$2.600	\$0.761
12/06/05	\$1.800	\$0.000