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Via ECF

The Honorable Denise L. Cote
United States District Court Judge
Southern District of New York
500 Pearl St., Room 1610
New York, NY 10007-1312

Re: *In re: Electronic Books Antitrust Litig.*, No. 11-md-02293 (DLC);
The State of Texas v. Penguin Group (USA), Inc., No. 12-cv- 3394 (DLC)

The parties write to inform the Court that the Class Plaintiffs, State Plaintiffs, and Apple have executed a binding agreement in principle to resolve the Class litigation, and the damages phase of the States' litigation. The parties submit as a separate document under seal for the Court's review the binding memorandum of understanding, pending the parties' preparation and filing of the final settlement agreement to present to the Court for preliminary approval within thirty days. The parties acknowledge that Apple has appealed the District Court's July 10, 2013 Opinion and Order finding Apple liable for violating federal and state antitrust laws, and until final disposition of that appeal, a bona fide justiciable dispute remains as to the District Court's findings and conclusions on liability and injunctive relief. As set forth in the memorandum of understanding, any payment to be made by Apple under the settlement agreement will be contingent on the outcome of that appeal.

In light of the binding agreement among all parties, the parties respectfully request the Court immediately suspend the dissemination of interim notice, pending the Court's review of the memorandum of understanding. By doing so, the litigants, as well as several third-party retailers, will avoid incurring unnecessary notice costs and also avoid customer confusion if the Court finds the settlement terms fair, reasonable, and adequate. The parties also respectfully request the Court vacate the schedule in conjunction with suspending interim notice from being disseminated. This will allow the parties to focus their resources on expeditiously presenting the final agreement to the Court for preliminary approval. The parties submit a joint proposed order herewith.

If approved, the final settlement agreement will moot the pending motions before the Court, specifically Class Plaintiffs' motion for summary judgment (ECF No. 521 in 11-md-02293), Apple's motion for reconsideration of the Court's *Daubert* rulings excluding all or part

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of Apple's experts' testimony (ECF No. 606 in 11-md-02293), and Apple's motion for interlocutory appeal pursuant to 28 U.S.C. section 1292 (ECF No. 506 in 12-cv-03394).

Respectfully,

HAGENS BERMAN SOBOL SHAPIRO LLP

/s/ Steve W. Berman

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