

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEVADA

**As a partner in a Freedom Strategic Partners Royalty Participation Partnership,
you may be entitled to money under a class action settlement.**

*A federal court authorized this notice. This is **not** a solicitation from a lawyer. Your legal rights are affected whether you act or don't act. So please read this notice carefully.*

A proposed settlement has been reached on behalf of partners in the “Royalty Participation Partnerships, No. 1 through 25” formed to fund the enforcement and licensing of certain patents by Freedom Wireless, Inc. The proposed Settlement establishes a process by which such partners are eligible to receive both (a) a greater share of future royalties received by Freedom Wireless than provided for under the existing agreements, and (b) a pro rata share of the net proceeds (after attorney fees and other expenses) of a \$9.0 million settlement fund to be distributed to those partners who remain a member of the settlement class. Additional benefits of the proposed settlement are described below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
PARTICIPATE IN THE SETTLEMENT	If you wish to participate in the proposed settlement, you need not take any further action; you will automatically be included if you fall within the Class definition.
EXCLUDE YOURSELF	If you do not wish to participate in the proposed settlement, you must send in a written request to opt-out.
OBJECT	As a participating class member, you may write to the Court about anything you don't like about the settlement.
GO TO A HEARING	As a participating class member, you may go to speak in Court about the fairness of the settlement.
DO NOTHING	If you do nothing, you will automatically be included in the settlement, and share in all its benefits in return for a release of your rights to sue on the claims relating to the settlement.

- These rights and options -- **and the deadlines to exercise them** -- are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the proposed settlement. Payments will be made in accordance with the settlement only if the Court approves the settlement and after any appeals are resolved. Please be patient.

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BASIC INFORMATION

1. Why did I get this notice package?

You are shown in the records of Freedom Strategic Partners, LLC (“FSP”) as holding one or more full or fractional units of the series of Nevada general partnerships managed by FSP – known as “Royalty Participation Partnerships” (“the Partnerships”) -- which were established to provide funds to Freedom Wireless, Inc. (“Freedom Wireless”) for the enforcement and licensing of a patent known as Patent ‘067 and its related patents (collectively, “Patent ‘067”). As such, you are a member of the class of people affected by the proposed settlement defined in answer to Question 5, below. If you do not meet this definition, you are not a member of the class and will not be affected in any way by the proposed settlement.

The Court has directed that you be sent this notice because class members have a right to know about a proposed settlement of a class action lawsuit, and about their options, before a court decides whether to approve a class settlement.

This package explains the lawsuit, the settlement, the legal rights of class members, what benefits are available, who is eligible for them, and how to get them. It also explains how you may, if you wish, obtain a copy of the formal Stipulation of Settlement if you wish to see it.

The Court in charge of the case is the United States District Court for the District of Nevada, and the case is known as *Klein, et al v. Freedom Strategic Partners, LLC. et al*, Case No. 2:08-CV-01369-PMP-PAL, assigned to The Honorable Philip M. Pro.

2. What is this lawsuit about?

The class action lawsuit concerns allegations by several partners (collectively, “Plaintiffs”) that Freedom Wireless and FSP and certain of their individual representatives (collectively, “Defendants”) did not comply with their contractual and fiduciary duties with respect to the way in which Patent ‘067 royalties recovered by Freedom Wireless were shared with the Partnerships. Defendants deny those allegations, and argue that any such claims have in any event been waived by virtue of certain amendments voted upon in November 2007, under which the Partnerships’ share of the royalties was extended from 2008 until 2015 (“the Extended Period”).

3. Why is this case a class action?

In a class action, one or more people, called class representatives (in this case, the Plaintiffs), sue on behalf of people who have similar claims. All these people with similar claims are a class or class members. One court resolves the issues for all class members, except for those who exclude themselves from the class. U.S. District Judge Philip M. Pro is in charge of this particular class action.

4. Why is there a settlement?

Both sides agreed to a settlement. Plaintiffs and their attorneys think the settlement is the best result for everyone who falls within the definition of the class.

WHO IS IN THE SETTLEMENT CLASS

5. How do I know if I am part of the settlement?

To participate in the settlement, you must be a member of the following class:

All persons who, on August 29, 2008, held one or more Units in the series of Nevada general Partnerships known as the “Royalty Participation Partnerships, No. 1 through 25,” excluding Defendants and their Affiliates.

6. Which Partnerships are included?

The settlement covers the following Partnerships known as the “Royalty Participation Partnerships, No. 1 through 25.”

7. What do I do if I’m still not sure if I am included?

If you are still not sure whether you are included in the class, you can ask for free help by calling 1-800-847-9094.

THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the settlement provide?

Under the settlement, Defendants agree to voluntarily reduce the expenses charged against all future royalties received for Patent ‘067 paid to the Partnerships throughout the Extended Period. Specifically, notwithstanding any prior agreements or practices, the amounts paid to the Partnerships can be reduced *only* by documented legal fees and expenses. In addition, Defendants agree to pay \$9 million into a settlement fund to be distributed, net of court-approved attorneys’ fees and expenses, and other expenses related to this Settlement, on a pro rata basis to all members of the class who do not opt-out of the settlement. This payment is made in two installments: first \$7 million paid upon court approval of the settlement, and then \$2 million paid on or before the later of January 29, 2011, or thirty (30) days after court approval becomes final. The \$2 million payment is secured by funds placed in escrow by Defendants. In addition, Defendants agree to make certain changes in FSP management, to supply key information to Plaintiffs’ counsel, to cap the annual expenses of FSP as the Partnerships’ managing partner, and to conduct an annual review under a set of agreed-upon procedures by a reputable CPA firm to ensure that all sums due to partners under the existing agreements and under this settlement are paid at the proper time and in the proper amounts.

9. What can I get from the settlement?

If you do not opt-out of the settlement, you will receive both (a) an increased share of the Patent ‘067 royalties throughout the Extended Period and (b) a *pro rata* share of the \$9 million cash settlement fund remaining after the payment of court-approved fees and expenses. The precise amount you recover will depend upon the number of full or fractional partnership units you held as of August 29, 2008, the date Plaintiffs filed their complaint.

THE RELEASE OF CLAIMS – WHAT YOU GIVE UP

10. What am I giving up if I stay in the class and participate in the settlement?

If you stay in the class and share in the benefits of the settlement, it means that you give up the right to sue, to continue to sue, or to be part of any other lawsuit against any of the Defendants concerning their past handling of the Patent ‘067 royalties, ever again. The specific claims being released as part of the settlement are as follows:

“Released Claims” means collectively all claims, demands, rights, liabilities and causes of action of every nature and description, known or unknown, asserted or that might have been asserted against a Released Party in, arising out of, or in any way related to the allegations of the Action, or in any way arising from or related to (a) Plaintiffs’ filing and prosecution of the Action, or (b) Defendants’ calculation and distribution of Royalties under the Royalty Participation Agreement, the Amendment to the Royalty Participation Agreement and the Partnership Agreements, including but not limited to, breach of contract claims, breach of fiduciary duty claims, statutory claims, administrative claims, tort claims, claims for breach of the covenant of good faith and fair dealing and claims for attorneys fees, litigation expenses and taxable or non-taxable costs. Released Claims include Unknown Claims which the Settling Parties do not know or suspect to exist in their favor at the time of the release and which, if known by them, might have affected their decision to settle, including without limitation, any and all claims, asserted or unasserted, known or unknown, accrued or not yet accrued, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts.

You are also dismissing with prejudice the claims that were filed.

If you have any questions regarding this release or dismissal with prejudice, do not hesitate to contact Class Counsel; see Question 23.

EXCLUDING YOURSELF FROM THE SETTLEMENT

11. How do I get out of the settlement?

If you are a member of the Class and you don’t want to participate in this settlement and keep the right to sue or continue to sue Defendants on your own behalf, then you must act to take yourself out of the class. This is called excluding yourself from (or “opting out” of) the class.

To exclude yourself, you must send a letter by mail saying that you want to be excluded from the class in *Klein v. Freedom Strategic*. Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request postmarked no later than June 7, 2010, to Francis J. Balint, Jr., Bonnett, Fairbourn, Friedman & Balint, P.C., 2901 North Central Avenue, Suite 1000, Phoenix, Arizona 85012.

You can’t exclude yourself on the telephone or by e-mail. If you ask to be excluded on time, you will not be legally bound by anything that happens in this class action case. If excluded, you will not receive benefits of the settlement, and you cannot object to the settlement.

12. If I don’t exclude myself, can I sue the Defendants for the same thing later?

No. Unless you exclude yourself, you give up the right to sue Defendants for the claims that this settlement resolves, including specifically any claims for breach of contract or breach of fiduciary duties with respect to all earlier payments of royalties to the Partnerships.

13. If I do exclude myself, can I get money from this settlement?

No. If you exclude yourself, you are out of the Class and cannot receive the benefits of the settlement.

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in this case?

The law firms of Bonnett, Fairbourn, Friedman & Balint, P.C. and Tiffany & Bosco, PA represent the Plaintiffs and other class members. Together, they and other lawyers representing the class are called Class

Counsel. You will not be individually charged for these lawyers' services. If you want to be represented by your own lawyer, you may hire one at your own expense.

15. How will the lawyers be paid?

Class Counsel will be paid through a "common fund" application to the Court, consistent with the fee agreement reached with the Plaintiffs before the settlement was reached. In this way, the fees and expenses incurred by Class Counsel are evenly spread over all of the members of the class. Counsel will request court approval of fees and expenses in the amount of \$3,250,000. Class Counsel will also ask the court to approve an award of \$7,500 for each current or former named plaintiff who took the trouble to spearhead this litigation, which included being deposed by the Defendants.

OBJECTING TO THE SETTLEMENT

If you do not opt-out of the class, you can tell the court that you don't agree with the settlement or some part of it.

16. How do I tell the court that I don't like the settlement?

If you remain a class member, you can object to the proposed settlement if you don't like any part of it. You can give reasons why you think the court should not approve it. The court will consider your views. To object, you must send a letter saying that you object to the proposed settlement in *Klein v. Freedom Strategic*. Be sure to include your name, address, telephone number, your signature, and the reasons you object to the settlement. Mail the objection to these three different places postmarked no later than June 7, 2010:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Clerk of Court United States District Court District of Nevada 333 Las Vegas Blvd., South Las Vegas, NV 89101	Francis J. Balint, Jr. Bonnett, Fairbourn, Friedman & Balint, P.C. 2901 North Central Ave., Suite 1000 Phoenix, AZ 85015	Kevin P. Martin Goodwin Procter LLP 53 State Street Boston, MA 02109

17. What's the difference between objecting and excluding?

Objecting is simply telling the court that you want to remain part of the class, but you don't like something about the settlement. You can object only if you stay in the class. Excluding yourself is telling the court that you don't want to be part of the class and the settlement at all. If you exclude yourself, you have no grounds to object because the class action case and proposed settlement no longer affect you in any way.

THE COURT'S FAIRNESS HEARING

Judge Pro will hold a hearing to decide whether or not to approve the settlement. You may attend and you may ask to speak, but you don't have to in order to have your objection considered by the court.

18. When and where will the court decide whether to approve the settlement?

The court will hold a "Fairness Hearing" at 10:00 a.m. on Tuesday, July 6, 2010, at the United States District Court for the District of Nevada, 333 Las Vegas Blvd. South, Las Vegas, Nevada, 89101, in Courtroom 7C. At this hearing the court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the court will consider them. The court may also decide how much Class Counsel and the

Plaintiffs are to be awarded for their efforts on behalf the class. At or after the hearing, the court will decide whether to approve the settlement. We do not know how long these decisions will take.

19. Do I have to come to the hearing?

No. Class Counsel and Defendants will answer questions Judge Pro may have. But you are welcome to come at your own expense. If you send an objection, you don't have to come to court to talk about it. As long as you mailed your written objection on time to the people listed in Question 16, the court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

20. May I speak at the hearing?

If you did not exclude yourself from the class, you may ask the court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your "Intention to Appear" at the Fairness Hearing in *Klein v. Freedom Strategic*. Be sure to include your name, address, telephone number, and your signature. Your "Notice of Intention to Appear" must be postmarked no later than June 21, 2010, and be sent to the Clerk of the Court, Class Counsel, and Defendants' counsel, at the three addresses in the answer to Question 16. You cannot speak at the hearing if you do not do this.

IF YOU DO NOTHING

21. What happens if I do nothing at all?

If you are a class member and do nothing, you'll stay in the class and receive all the benefits of the settlement. But you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants about their past handling of the Patent '067 royalties, ever again.

GETTING MORE INFORMATION

22. Are there more details about the settlement?

This notice summarizes the proposed settlement. More details are in the written "Stipulation of Settlement." You can get a copy of this document at <http://www.bffb.com/freedomsettlement.htm>, or by writing to Francis J. Balint, Jr., Bonnett, Fairbourn, Friedman & Balint, P.C., 2901 North Central Avenue, Suite 1000, Phoenix, Arizona 85012.

23. How do I get more information?

You can call 1-800-847-9094 toll free, or you can write to Francis J. Balint, Jr., Bonnett, Fairbourn, Friedman & Balint, P.C., 2901 North Central Avenue, Suite 1000, Phoenix, Arizona 85012.

DATED: April 7, 2010.

FSBRPP Notice Administrator
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