

PRESS RELEASE

December 12, 2008

Today, the L.A. Superior Court approved a settlement of 15 million dollars in our class action age discrimination lawsuit against Circuit City. Our settlement is on behalf of 217 former Circuit City employees.

On March 28, 2007, Circuit City terminated 3,400 workers nationwide, including 621 in California (according to the Los Angeles Times). It did so because it allegedly wanted to cut costs and pay less for those positions than the current workers in those positions were earning.

On April 4, 2007, we filed a class action lawsuit against Circuit City Stores, Inc. in the Los Angeles County Superior Court alleging that this employment practice violates California law by discriminating against California employees on account of their age.

The lead plaintiffs in our lawsuit are Daniel E. Weidler, age 57, Michael F. Yezback, age 59, and Eloise Garcia, age 66. All were employed at Circuit City's Oxnard store. Dan had been employed there for 11 years, Michael for 4 ½ years and Eloise for 17½ years. All had good performance ratings.

Despite these years of dedicated and loyal services, on March 28, 2007 they were shocked to learn that their employer terminated them.

Although they were told that they could reapply for jobs in 10 weeks, there was no guarantee that they could get a position and, if they did, it would be far less than they had previously been earning.

This decision by Circuit City was economically and emotionally devastating to long term employees such as our clients, and it had an adverse impact on older employees.

Because pay rate was the sole criteria and employees were terminated who earned 51 cents or more above the established pay rate those who were terminated were workers with greater seniority and lengths of service. These employees would most likely be the older members of the work force. Those who would replace them would be lower paid, presumably less experienced and younger. In fact, as to the Oxnard Circuit City Store where our clients worked, 6 employees out of the approximately 50 who worked there were terminated. Of the 6 fired, 3 were over the age of 40.

In California, unlike many other states, employees enjoy broad protection against age discrimination. The California Fair Employment and Housing Act protects workers who are at least 40 years old and specifically declares “that the use of salary as the basis for differentiating between employees when terminating employment may be found to constitute age

discrimination if use of that criterion adversely impacts older workers as a group...” That is exactly what we believe occurred here.

Therefore, we filed a class action age discrimination lawsuit on behalf of all former California based employees of Circuit City Stores, Inc. who are at least 40 years of age and whose employment was terminated on March 28, 2007 as part of the corporate wide “wage management initiative” based on the Company’s decision that their “pay rate was 51 cents or more above the established pay range” for their positions.

We alleged a violation of California’s Fair Employment and Housing Act and wrongful discharge in violation of public policy which protects employees from discrimination on account of age.

We were seeking damages for emotional distress and economic loss in an amount to be proven at trial. We were also seeking punitive damages because we allege the corporate decision was made and implemented with a conscious and wilful disregard of the workers’ right to be free of age discrimination.

Circuit City called this action a “wage management initiative”. Our response to their callous disregard for their older employees was our “age discrimination initiative.”

Circuit City's motto has been "Just what I needed". We gave them just what they needed - a lawsuit to protect their older workers.

Although Circuit City recently filed for Chapter 11 Bankruptcy, now that the Court has approved our settlement, we plan to vigorously pursue collecting every dollar of it that is possible to collect in Bankruptcy Court.

We are very proud of our clients who fought for and won this important result. With this victory we have also sent a message that an employer cannot cut costs at the expense of older workers. Age discrimination is not permitted in California and older workers will fight back and win.

December 12, 2008

**GLORIA ALLRED
NATHAN GOLDBERG
Attorneys at Law**

**DAVID DERUBERTIS
Attorney at Law**

Representing 217 Former Employees of CIRCUIT CITY