

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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PLUMBERS AND PIPEFITTERS LOCAL UNION	:	Civil Action No. 1:08-cv-04063-PAE
NO. 630 PENSION-ANNUITY TRUST FUND,	:	
Individually and On Behalf of All Others Similarly	:	<u>CLASS ACTION</u>
Situated,	:	
	:	
	:	
Plaintiff,	:	
	:	
vs.	:	
	:	
ARBITRON INC., et al.,	:	
	:	
Defendants.	:	
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NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

TO: ALL PERSONS WHO PURCHASED ARBITRON INC. ("ARBITRON") COMMON STOCK BETWEEN JULY 19, 2007 AND NOVEMBER 26, 2007, INCLUSIVE (THE "CLASS PERIOD")

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS ACTION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THIS FUND, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM POSTMARKED ON OR BEFORE AUGUST 30, 2012.

This Notice has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York (the "Court"). The purpose of this Notice is to inform you of the proposed settlement of this class action litigation (the "Settlement") and of the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement. The Settlement resolves the Class's claims against Arbitron and Stephen B. Morris (collectively, "Defendants"). This Notice describes the rights you may have in connection with the Settlement and what steps you may take in relation to the Settlement and this class action litigation.

The proposed Settlement creates a fund in the amount of Seven Million United States Dollars (USD \$7,000,000.00) in cash and will include interest that accrues on the fund prior to distribution. Based on Lead Counsel's estimate of the number of shares entitled to participate in the Settlement and the anticipated number of claims to be submitted by Class Members, the average distribution per share to Class Members who purchased Arbitron common stock during the Class Period would be approximately \$0.82 before deduction of Court-approved fees and expenses. Your actual recovery from this fund will depend on a number of variables, including the number of claimants, the number of shares of Arbitron common stock they purchased, the number of shares of Arbitron common stock you purchased, the expense of administering the claims process, and the timing of your purchases and sales, if any (see the Plan of Distribution below for a more detailed description of how the settlement proceeds will be allocated among Class Members).

Defendants have denied and continue to deny specifically each and all of the claims and contentions alleged in the Action. The issues on which the parties disagree include: (1) whether the statements made or facts allegedly omitted were false, material, or otherwise actionable under the federal securities laws; (2) the extent to which the various matters that Lead Plaintiff alleged were materially false or misleading influenced (if at all) the trading price of Arbitron common stock at various times during the Class Period; (3) the extent to which the various allegedly adverse material facts that Lead Plaintiff alleged were omitted influenced (if at all) the trading price of Arbitron common stock at various times during the Class Period; (4) the extent to which external factors, such as general market conditions, influenced the trading price of Arbitron common stock at various times during the Class Period; (5) the effect of various market forces influencing the trading price of Arbitron common stock at various times during the Class Period; (6) the amount by which Arbitron common stock was allegedly artificially inflated (if at all) during the Class Period; and (7) the appropriate economic model for determining the amount by which Arbitron common stock was allegedly artificially inflated (if at all) during the Class Period. Lead Plaintiff and Defendants do not agree on the average amount of damages per share that would be recoverable if Lead Plaintiff was to have prevailed on each claim asserted. Defendants deny that they have violated the federal securities laws or any laws.

Lead Plaintiff believes that the proposed Settlement is a very good recovery and is in the best interests of the Class. There were significant risks associated with continuing to litigate and proceeding to summary judgment and trial, and if Defendants prevailed at either of those stages, the Class would receive nothing. In addition, the amount of damages

recoverable by the Class was and is challenged by Defendants. Recoverable damages in this case are limited to losses caused by conduct actionable under applicable law and, had the Action gone to trial, Defendants intended to assert that all of the losses of Class Members were caused by non-actionable market, industry, or general economic factors. Defendants would also assert that throughout the Class Period, the uncertainties and risks associated with Arbitron's business and financial condition were fully and adequately disclosed.

Plaintiff's Counsel have not received any payment for their services in conducting this Action on behalf of Lead Plaintiff and the members of the Class, nor have they been reimbursed for their out-of-pocket expenditures. If the Settlement is approved by the Court, Lead Counsel will apply to the Court for attorneys' fees not to exceed 30% of the settlement proceeds plus expenses not to exceed \$225,000.00, both to be paid from the Settlement Fund. If the amount requested by counsel is approved by the Court, the average cost per share would be approximately \$0.27. In addition, the Lead Plaintiff may seek reimbursement of its expenses incurred in prosecuting the Action on behalf of the Class in an amount not to exceed \$6,000.00.

This Notice is not an expression of any opinion by the Court about the merits of any of the claims or defenses asserted by any party in this Action or the fairness or adequacy of the proposed Settlement.

For further information regarding this Settlement you may contact: Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, California 92101, Telephone: 800/449-4900. Please do not call any representative of the Defendants or the Court.

I. NOTICE OF HEARING ON PROPOSED SETTLEMENT

A hearing (the "Final Approval Hearing") will be held on October 19, 2012, at 11:00 a.m., before the Honorable Paul A. Engelmayer, United States District Judge, at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, New York 10007. The purpose of the Final Approval Hearing will be to determine: (1) whether the Settlement consisting of Seven Million United States Dollars (USD \$7,000,000.00) in cash plus accrued interest on the Settlement Fund should be approved as fair, reasonable, and adequate to the Class; (2) whether the proposed plan to distribute the settlement proceeds (the "Plan of Distribution") is fair, reasonable, and adequate; (3) whether the application by Lead Counsel for an award of attorneys' fees and expenses and reimbursement of the Lead Plaintiff's expenses should be approved; and (4) whether the Action should be dismissed with prejudice. The Court may adjourn or continue the Final Approval Hearing without further notice to the Class.

II. DEFINITIONS USED IN THIS NOTICE

1. "Authorized Claimant" means any member of the Class who submits a timely and valid Proof of Claim and Release form and whose claim for recovery has been allowed pursuant to the terms of the Settlement Agreement.

2. "Claims Administrator" means the firm of Gilardi & Co. LLC.

3. "Class" means all Persons who purchased Arbitron common stock between July 19, 2007 and November 26, 2007, inclusive, and were damaged thereby. Excluded from the Class are:

(a) Persons or entities who submit valid and timely requests for exclusion from the Class; and

(b) Defendants, members of the immediate family of any such Defendant, any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant has or had a controlling interest during the Class Period, the officers and directors of Arbitron during the Class Period, and legal representatives, agents, executors, heirs, successors or assigns of any such excluded Person.

4. "Class Member" means a Person who falls within the definition of the Class as set forth in paragraph 3 above.

5. "Class Period" means the period July 19, 2007 through November 26, 2007, inclusive.

6. "Defendants" has the same meaning as defined above.

7. "Effective Date" means the first date by which all of the events and conditions specified in paragraph 8.1 of the Stipulation have been met and have occurred.

8. "Escrow Agent" means Robbins Geller Rudman & Dowd LLP or its successor(s).

9. "Final" means when the last of the following with respect to the Judgment approving the Settlement, in the form of Exhibit B attached to the Stipulation, shall occur: (i) the expiration of the time to file a motion to alter or amend the Judgment under Federal Rule of Civil Procedure 59(e) has passed without any such motion having been filed; (ii) the expiration of the time in which to appeal the Judgment has passed without any appeal having been taken; and (iii) if a motion to alter or amend is filed or if an appeal is taken, the determination of that motion or appeal in such a manner as to permit the consummation of the Settlement, in accordance with the terms and conditions of the Settlement Agreement. For purposes of this paragraph, an "appeal" shall include any petition for a writ of certiorari or other writ that may be filed in connection with approval or disapproval of this Settlement, but shall not include any appeal which concerns only the issue of attorneys' fees and expenses or any Plan of Distribution of the Settlement Fund.

10. "Individual Defendant" means Stephen B. Morris.

11. "Judgment" means the judgment and order of dismissal with prejudice to be rendered by the Court upon approval of the Settlement, in the form attached as Exhibit B to the Stipulation, subject to any amendment to the form to comply with the Court's directions.

12. "Lead Counsel" means Robbins Geller Rudman & Dowd LLP or its successor(s).

13. "Lead Plaintiff" means Plumbers and Pipefitters Local Union No. 630 Pension-Annuity Trust Fund.

14. "Net Settlement Fund" means the portion of the Settlement Fund that shall be distributed to Authorized Claimants as allowed by the Court.

15. "Person" means an individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and his, her or its spouses, heirs, predecessors, successors, representatives, or assignees.

16. "Plaintiff's Counsel" means any counsel who filed a complaint in the Action.

17. "Plan of Distribution," as further defined in Section VII of this Notice, means a plan or formula of allocation of the Net Settlement Fund whereby the Settlement Fund shall be distributed to Authorized Claimants after payment of those expenses allowed by the Court for notice and administration of the Settlement, Taxes and Tax Expenses, and such attorneys' fees, costs, expenses, and interest, and other expenses as may be awarded by the Court. Any Plan of Distribution is not part of the Stipulation and the Released Persons shall have no responsibility or liability with respect thereto.

18. "Released Claims" means all claims, whether known or unknown (including, but not limited to, "Unknown Claims"), that were asserted or could have been asserted in this Action by Lead Plaintiff or members of the Class, directly, derivatively, or in any other capacity, against the Released Persons under federal, state, or any other law, including, without limitation, all claims arising out of, or relating to, in whole or in part, (i) the claims or facts and circumstances asserted or that could have been asserted in this Action, and (ii) the purchase of Arbitron common stock during the Class Period by Class Members.

19. "Released Persons" means each and all of Defendants and each and all of their present or former parents, subsidiaries, affiliates (as defined in 17 C.F.R. §210.1-02(b)), successors and assigns, and each and all of the present or former officers, directors, employees, employers, attorneys, accountants, financial advisors, commercial bank lenders, insurers, reinsurers, investment bankers, representatives, general and limited partners and partnerships, heirs, executors, administrators, successors, affiliates, and assigns of each of them.

20. "Settlement Fund" means Seven Million United States Dollars (USD \$7,000,000.00) in cash to be paid by means of check(s), money order(s), or wire transfer(s) to the Escrow Agent pursuant to paragraph 3.1 of the Stipulation, together with all interest and income earned thereon after payment of the Settlement Fund to the Escrow Agent.

21. "Settling Parties" means, collectively, Defendants and Lead Plaintiff on behalf of itself and the Class Members.

22. "Unknown Claims" means any Released Claims which Lead Plaintiff or any Class Member does not know or suspect, or should have known or suspected, to exist in his, her or its favor at the time of the release of the Released Persons which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Persons, or might have affected his, her or its decision not to object to this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff shall expressly and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived to the fullest extent permitted by law the provisions, rights, and benefits of California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Lead Plaintiff shall expressly and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code §1542. Lead Plaintiff and Class Members may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiff shall expressly, and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiff acknowledges, and the Class Members shall be deemed by operation of the Judgment to

have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

III. THE LITIGATION

On April 30, 2008, a class action complaint was filed against Arbitron and others alleging violations of federal securities laws. On July 19, 2008, Judge John G. Koeltl¹ appointed Plumbers and Pipefitters Local Union No. 630 Pension-Annuity Trust Fund as Lead Plaintiff and Robbins Geller Rudman & Dowd LLP as lead counsel ("Lead Counsel"). Lead Plaintiff filed an amended complaint (the "Amended Complaint") on September 22, 2008.

On November 25, 2008, defendants moved to dismiss the Amended Complaint. Briefing on defendants' motion to dismiss was completed, and on September 14, 2009, the Court held a status conference. Following the conference, and in light of new information, Lead Plaintiff filed a second amended complaint. The second amended complaint ("SAC") was filed on October 19, 2009. Defendants' motions to dismiss the SAC were filed on December 17, 2009, and the motions were fully briefed as of March 18, 2010. Oral argument on defendants' motions to dismiss was held on August 6, 2010. On September 24, 2010, Judge Koeltl denied the motions to dismiss by Arbitron and defendant Stephen B. Morris in their entirety and granted defendant Sean R. Creamer's motion to dismiss. Defendants filed their answers to the SAC on October 29, 2010.

Lead Plaintiff filed its motion for class certification on December 15, 2010. Defendants filed their opposition to the motion on March 1, 2011, and Lead Plaintiff filed its reply on May 16, 2011. Oral argument on Lead Plaintiff's motion was held on September 2, 2011. On the same day, Judge Koeltl granted Lead Plaintiff's motion. On September 6, 2011, the Court entered its Order Certifying Class.

Fact discovery commenced on November 8, 2010. Over the course of the following 14 months, Defendants produced 39,351 pages of documents. In addition, Lead Plaintiff issued subpoenas to 24 third-parties, resulting in the production of over 20,000 pages of documents. Counsel for Lead Plaintiff reviewed and analyzed each of these documents. In addition, throughout fact discovery, counsel for Lead Plaintiff engaged in several meet and confers with counsel for Defendants to discuss various discovery issues.

In an effort to resolve the Action through good faith settlement negotiations, the parties attended a mediation on June 22, 2011 before the Honorable Daniel Weinstein (Ret.), who has extensive experience in mediating complex litigations and securities actions. No agreement was reached at the mediation. Following additional discussions and negotiations led by the mediator, in February 2012, the parties reached an agreement-in-principle to settle the litigation.

IV. CLAIMS OF THE LEAD PLAINTIFF AND BENEFITS OF SETTLEMENT

Lead Plaintiff and Lead Counsel believe that the claims asserted in the Action have merit and that the evidence developed to date supports the claims. However, Lead Plaintiff and Lead Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action against the Defendants through trial and through appeals. Lead Plaintiff and Lead Counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this Action, as well as the risks posed by the difficulties and delays inherent in such litigation. Lead Plaintiff and Lead Counsel also are mindful of the defenses to the securities law violations asserted in the Action. Lead Plaintiff and Lead Counsel believe that the Settlement set forth in the Settlement Agreement confers substantial benefits upon the Class. Based on their evaluation, Lead Plaintiff and Lead Counsel have determined that the Settlement set forth in the Settlement Agreement is in the best interests of the Lead Plaintiff and the Class.

V. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY

Defendants have denied and continue to deny that they have violated the federal securities laws or any laws. Defendants accordingly have denied and continue to deny specifically each and all of the claims and contentions alleged in the Action, along with all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Action. Defendants also have denied and continue to deny, *inter alia*, that the Lead Plaintiff or the Class have suffered damage; or that the price of Arbitron common stock was artificially inflated by reasons of alleged misrepresentations, non-disclosures or otherwise.

Nonetheless, Defendants have concluded that further conduct of the Action would be protracted, burdensome and expensive and that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions set forth in the Settlement Agreement. They also have taken into account the uncertainty and risks inherent in any litigation, especially in complex cases like this Action and have, therefore, determined that it is desirable and beneficial to them that the Action be settled in the manner and upon the terms and conditions set forth in the Settlement Agreement.

¹ On October 5, 2011, this Action was transferred to the Honorable Paul A. Engelmayer.

VI. TERMS OF THE PROPOSED SETTLEMENT

The sum of Seven Million United States Dollars (USD \$7,000,000.00) is being transferred to an interest-bearing escrow account under the control of the Escrow Agent. This principal amount of USD \$7,000,000.00 in cash, plus any accrued interest thereafter, shall constitute the Settlement Fund. A portion of the settlement proceeds will be used for certain administrative expenses, including costs of printing and mailing this Notice, the cost of publishing a newspaper notice, payment of any taxes assessed against the Settlement Fund, and costs associated with the processing of claims submitted. In addition, as explained below, a portion of the Settlement Fund may be awarded by the Court to Lead Counsel as attorneys' fees and for expenses incurred in litigating the case, and to the Lead Plaintiff for its expenses. The balance of the Settlement Fund (the "Net Settlement Fund") will be distributed according to the Plan of Distribution described below to Class Members who submit valid and timely Proofs of Claim and Release.

VII. PLAN OF DISTRIBUTION

The Net Settlement Fund will be distributed to Class Members who submit valid, timely Proofs of Claim and Release ("Authorized Claimants") under the Plan of Distribution described below. The Plan of Distribution provides that you will be eligible to participate in the distribution of the Net Settlement Fund only if you have a net loss arising out of all transactions in Arbitron common stock during the Class Period.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Distribution, Lead Plaintiff's counsel have consulted with their damage consultant. The Plan of Distribution reflects an assessment of the damages that could have been recovered as well as Lead Plaintiff's counsel's assessment of the likelihood of establishing liability for various periods of the Class.

To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

The total of all profits shall be subtracted from the total of all losses from transactions during the Class Period to determine if a Class Member has a claim. Only if a Class Member had a net loss, after all profits from transactions in Arbitron common stock during the Class Period are subtracted from all losses, will such Class Member be eligible to receive a distribution from the Net Settlement Fund.

CUSIP: 03875Q108

The allocation below is based on the following price decline as well as the statutory PSLRA 90-day look-back amount of \$40.89:

November 27, 2007 Price Decline: \$7.21

For shares of Arbitron common stock ***purchased between July 19, 2007 and November 26, 2007***, the claim per share shall be as follows:

- a) If sold prior to November 27, 2007, the claim per share is \$0.00.
- b) If retained at the end of November 26, 2007, and sold before February 22, 2008, the claim per share shall be the least of: (i) \$7.21 (November 27, 2007 Price Decline); or (ii) the difference between the purchase price per share and the sales price per share; or (iii) the difference between the purchase price per share and the average closing price per share up to the date of sale as set forth in the table below.
- c) If retained, or sold, on or after February 22, 2008, the claim per share shall be the lesser of: (i) \$7.21 (November 27, 2007 Price Decline); or (ii) the difference between the purchase price per share and \$40.89 per share.

Date	Closing Price	Average Closing Price	Date	Closing Price	Average Closing Price
27-Nov-07	\$41.70	\$41.70	9-Jan-08	\$40.00	\$41.13
28-Nov-07	\$40.60	\$41.15	10-Jan-08	\$40.35	\$41.10
29-Nov-07	\$39.58	\$40.63	11-Jan-08	\$41.00	\$41.10
30-Nov-07	\$39.85	\$40.43	14-Jan-08	\$40.50	\$41.08
3-Dec-07	\$40.10	\$40.37	15-Jan-08	\$40.96	\$41.08
4-Dec-07	\$39.75	\$40.26	16-Jan-08	\$41.36	\$41.09
5-Dec-07	\$40.58	\$40.31	17-Jan-08	\$40.55	\$41.07
6-Dec-07	\$41.99	\$40.52	18-Jan-08	\$40.20	\$41.05
7-Dec-07	\$42.00	\$40.68	22-Jan-08	\$40.16	\$41.03
10-Dec-07	\$41.89	\$40.80	23-Jan-08	\$41.41	\$41.04
11-Dec-07	\$41.39	\$40.86	24-Jan-08	\$40.31	\$41.02
12-Dec-07	\$41.22	\$40.89	25-Jan-08	\$40.26	\$41.00
13-Dec-07	\$42.20	\$40.99	28-Jan-08	\$41.06	\$41.00
14-Dec-07	\$41.60	\$41.03	29-Jan-08	\$40.13	\$40.98
17-Dec-07	\$40.86	\$41.02	30-Jan-08	\$39.50	\$40.95
18-Dec-07	\$41.82	\$41.07	31-Jan-08	\$39.81	\$40.92
19-Dec-07	\$41.93	\$41.12	1-Feb-08	\$41.00	\$40.92
20-Dec-07	\$42.46	\$41.20	4-Feb-08	\$40.13	\$40.91
21-Dec-07	\$42.41	\$41.26	5-Feb-08	\$39.76	\$40.88
24-Dec-07	\$42.00	\$41.30	6-Feb-08	\$39.60	\$40.86
26-Dec-07	\$42.54	\$41.36	7-Feb-08	\$39.42	\$40.83
27-Dec-07	\$42.09	\$41.39	8-Feb-08	\$39.54	\$40.80
28-Dec-07	\$42.20	\$41.42	11-Feb-08	\$39.56	\$40.78
31-Dec-07	\$41.57	\$41.43	12-Feb-08	\$40.12	\$40.77
2-Jan-08	\$40.54	\$41.39	13-Feb-08	\$41.04	\$40.77
3-Jan-08	\$40.27	\$41.35	14-Feb-08	\$42.40	\$40.80
4-Jan-08	\$39.43	\$41.28	15-Feb-08	\$41.95	\$40.82
7-Jan-08	\$39.94	\$41.23	19-Feb-08	\$41.85	\$40.84
8-Jan-08	\$39.39	\$41.17	20-Feb-08	\$42.02	\$40.86
			21-Feb-08	\$41.42	\$40.87
			22-Feb-08	\$41.99	\$40.89

The date of purchase or sale is the “contract” or “trade” date as distinguished from the “settlement” date. The determination of the price paid per share and the price received per share, shall be exclusive of all commissions, taxes, fees, and charges.

For Class Members who made multiple purchases or sales during the Class Period, the first-in, first-out (“FIFO”) method will be applied to such holdings, purchases, and sales for purposes of calculating a claim. Under the FIFO method, sales of shares during the Class Period will be matched, in chronological order, first against shares held at the beginning of the Class Period. The remaining sales of shares during the Class Period will then be matched, in chronological order, against shares purchased during the Class Period.

A Class Member will be eligible to receive a distribution from the Net Settlement Fund only if such Class Member had a net loss, after all profits from transactions in Arbitron common stock during the Class Period are subtracted from all losses.

The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Class Member on equitable grounds.

VIII. PARTICIPATION IN THE CLASS

If you fall within the definition of the Class, you are a Class Member unless you elect to be excluded from the Class pursuant to this Notice. If you do not request to be excluded from the Class, you will be bound by any judgment entered with respect to the Settlement in the litigation against Defendants whether or not you file a Proof of Claim and Release form.

If you are a Class Member, you need do nothing (other than timely file a Proof of Claim and Release if you wish to participate in the distribution of the Net Settlement Fund). Your interests will be represented by Lead Counsel. If you choose, you may enter an appearance individually or through your own counsel at your own expense.

TO PARTICIPATE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND, YOU MUST TIMELY COMPLETE AND RETURN THE PROOF OF CLAIM AND RELEASE THAT ACCOMPANIES THIS NOTICE. The Proof of Claim and Release must be postmarked on or before August 30, 2012, and be delivered to the Claims Administrator at the address below. Unless

the Court orders otherwise, if you do not timely submit a valid Proof of Claim and Release, you will be barred from receiving any payments from the Net Settlement Fund, but will in all other respects be bound by the provisions of the Settlement Agreement dated May 14, 2012 ("Settlement Agreement") and the Final Judgment.

IX. EXCLUSION FROM THE CLASS

You may request to be excluded from the Class. To do so, you must mail a written request stating that you wish to be excluded from the Class to:

Arbitron Securities Litigation
EXCLUSIONS
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 990
Corte Madera, CA 94976-0990

The request for exclusion must state: (1) your name, address, and telephone number; and (2) all purchases and sales of Arbitron common stock made during the Class Period, including the dates of each purchase or sale, and the number of shares purchased or sold. **YOUR EXCLUSION REQUEST MUST BE POSTMARKED ON OR BEFORE OCTOBER 5, 2012.** If you submit a valid and timely request for exclusion, you shall have no rights under the Settlement, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Settlement Agreement or the Judgment.

X. DISMISSAL AND RELEASES

If the proposed Settlement is approved, the Court will enter a final judgment. The Judgment will dismiss the Released Claims with prejudice as to all Defendants as provided in the Settlement Agreement.

The Judgment will provide that all Class Members who have not previously validly and timely requested to be excluded from the Class shall be deemed to have released and forever discharged all Released Claims (to the extent members of the Class have such claims) against all Released Persons as provided in the Settlement Agreement.

XI. APPLICATION FOR ATTORNEYS' FEES AND EXPENSES

At the Final Approval Hearing, Lead Counsel will request the Court to award attorneys' fees not to exceed 30% of the Settlement Fund, plus expenses not to exceed \$225,000.00, which were advanced in connection with the Action, plus interest thereon. In addition, the Lead Plaintiff may seek reimbursement of its expenses incurred in representing the Class in the Action, in an amount not to exceed \$6,000.00. Class Members are not personally liable for any such fees, expenses, or compensation.

To date, Plaintiff's Counsel have not received any payment for their services in conducting this Action on behalf of Lead Plaintiff and the members of the Class, nor have counsel been reimbursed for their expenses. The fee requested by Lead Counsel would compensate counsel for their efforts in achieving the Settlement Fund for the benefit of the Class, and for their risk in undertaking this representation on a contingency basis. The fee requested is within the range of fees awarded to plaintiffs' counsel under similar circumstances in litigation of this type.

XII. CONDITIONS FOR SETTLEMENT

The Settlement is conditioned upon the occurrence of certain events described in the Settlement Agreement. Those events include, among other things: (1) entry of the Judgment by the Court, as provided for in the Settlement Agreement; and (2) expiration of the time to appeal from or alter or amend the Judgment. Pending the Court's consideration of this Settlement, the Court has stayed all proceedings, and Class Members are precluded from bringing or pursuing any litigation that seeks to prosecute the Released Claims.

If, for any reason, any one of the conditions described in the Settlement Agreement is not met, the Settlement Agreement might be terminated and, if terminated, will become null and void, and the Settling Parties to the Settlement Agreement will be restored to their respective positions as of February 3, 2012.

XIII. THE RIGHT TO BE HEARD AT THE FINAL APPROVAL HEARING

Any Class Member who has not validly and timely requested to be excluded from the Class, and who objects to any aspect of the Settlement, the Plan of Distribution, or the application for attorneys' fees and expenses or Lead Plaintiff's expenses may appear and be heard at the Final Approval Hearing. Any such Person must file a written notice of objection, on or before October 5, 2012, with the:

CLERK OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
Daniel Patrick Moynihan United States Courthouse
500 Pearl Street
New York, NY 10007

The written notice of objection must also be served such that it is received by each of the following on or before September 28, 2012:

Counsel for Lead Plaintiff:

ELLEN GUSIKOFF STEWART
ROBBINS GELLER RUDMAN
& DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Counsel for Defendants:

JEFFREY D. ROTENBERG
DLA PIPER LLC
1251 Avenue of the
Americas, 27th Floor
New York, NY 10020

JAMES WAREHAM
JAMES ANKLAM
DLA PIPER LLC
500 Eighth Street, NW
Washington, DC 20004

JONATHAN D. POLKES
ROBERT F. CARANGELO
EVERT J. CHRISTENSEN, JR.
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, NY 10153

The notice of objection must demonstrate the objecting Person's membership in the Class, including the number of shares of Arbitron common stock purchased and sold during the Class Period, and contain a statement of the reasons for objection. Only Class Members who have submitted written notices of objection in this manner will be entitled to be heard at the Final Approval Hearing, unless the Court orders otherwise.

XIV. SPECIAL NOTICE TO BANKS, BROKERS, AND OTHER NOMINEES

If you hold or held any Arbitron common stock purchased during the Class Period as nominee for a beneficial owner, then, within ten (10) calendar days after you receive this Notice, you must either: (1) send a copy of this Notice and the Proof of Claim and Release by First-Class Mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

Arbitron Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 990
Corte Madera, CA 94976-0990

If you choose to mail the Notice and Proof of Claim and Release yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for, or advancement of, reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and Proof of Claim and Release and which would not have been incurred but for the obligation to forward the Notice and Proof of Claim and Release, upon submission of appropriate documentation to the Claims Administrator.

XV. EXAMINATION OF PAPERS

This Notice is a summary and does not describe all of the details of the Settlement Agreement. For full details of the matters discussed in this Notice, you may review the Settlement Agreement filed with the Court, which may be inspected during business hours, at the office of the Clerk of the Court, United States District Court, Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, New York 10007. The motion papers, with exhibits, including the Settlement Agreement, are also available on the Court's ECF website (for a fee) and the Claims Administrator's website www.gilardi.com.

If you have any questions about the settlement of the Action, you may contact a representative of Lead Counsel: Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900.

PLEASE DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

DATED: May 17, 2012

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK