

NOTICE OF CLASS ACTION AND PROPOSED SETTLEMENT

TO: All natural persons who paid a housekeeping and/or energy surcharge, tax or gratuity at the Atlantis Paradise (“Atlantis”) or the Ocean Club at any time from June 24, 2001 to the present, and who were located in or otherwise subject to the laws of the United States of America at the time of booking their reservation at the Atlantis or Ocean Club.

IF YOU ARE A MEMBER OF THIS CLASS OF PERSONS, YOU SHOULD READ THIS NOTICE CAREFULLY BECAUSE IT WILL AFFECT YOUR RIGHTS.

There is now pending in the Superior Court of California, County of Los Angeles an action entitled James Kalcheim v. Kerzner International Bahamas Limited, Case No. BC335612 (the “Litigation”).

WHAT THIS ACTION IS ABOUT

Plaintiff in the Litigation filed a putative class action lawsuit against Kerzner International Bahamas Limited (“KIBL”) on behalf of the class described above. KIBL is the owner and operator of Atlantis Paradise Island Resort (“Atlantis”) and the Ocean Club hotels, both located in the Bahamas. The Complaint alleges that KIBL provided inadequate or misleading disclosure of hotel fees, including a housekeeping and/or energy surcharge, tax or gratuity. The Complaint also alleges that such conduct constituted a breach of contract and violated California Business and Professions Code sections 17200 and 17500, *et seq.*

While KIBL vigorously denies any wrongdoing and any liability whatsoever, it has concluded it is in its best interest to settle the Litigation on the terms generally set forth herein in order to avoid expense, inconvenience and interference with ongoing business operations. The Settlement Agreement has been entered into as a compromise of the disputed claims and does not mean that liability or damages would have been found or awarded.

The Court has not heard, decided or passed on any of the parties’ contentions and this Notice shall not be interpreted as an expression of any opinion by the Court as to the merits of or defenses to any of the claims by any party.

The parties have negotiated a proposed settlement. The Superior Court of California, County of Los Angeles has determined that this action should proceed as a class action, for purposes of settlement only, with Plaintiff as the representative of the Class, and has granted preliminary approval of the settlement, subject to a final settlement hearing discussed below.

This notice explains the nature of the lawsuit and the general terms of the settlements, and informs you of your legal rights and obligations. This notice is dated May 19, 2006.

THE PROPOSED SETTLEMENT

THE PARTIES HAVE AGREED TO THE SETTLEMENT GENERALLY DESCRIBED BELOW. IF THE SETTLEMENT IS FINALLY APPROVED, THE FOLLOWING BENEFITS WILL RESULT:

A. KIBL has agreed to change on its website www.atlantis.com the term “Energy Surcharge” to “Utility Service Fee” and the term “Housekeeping Gratuity” to “Mandatory Housekeeping Gratuity.”

B. KIBL has agreed that any person in the Settlement Class who stayed at the Atlantis or Ocean Club and paid a housekeeping and/or energy surcharge, tax or gratuity between June 24, 2001 and the present may receive a coupon in the amount of \$5.00 per person per night by completing a declaration (“Declaration”). A Declaration must be submitted to Class Counsel by September 23, 2006 (thirty (30) days after the final settlement hearing) in order to be eligible for a coupon. The Declaration will be available on the websites www.kerzner.com and www.atlantis.com during the class notice period (sixty (60) days commencing within ten (10) days after receipt by KIBL of notice of entry of the order preliminarily approving the settlement), which ends on July 19, 2006. The Declaration will also be available upon request at the Atlantis and Ocean Club during the class notice period. KIBL will have 30 days after Class Counsel has forwarded any and all timely submitted Declarations to KIBL to challenge the validity of a Declaration if it appears to be inaccurate for any reason. The Parties then will meet and confer in good faith to resolve any perceived inaccuracies. The Parties further agree that in the event there is a dispute as to the validity of a Declaration that the Parties cannot resolve, the issue of validity will be decided by a JAMS or AAA neutral upon which the Parties agree, or if the Parties cannot agree upon a neutral, the Court. The Parties have agreed that if the total amount of valid requests for coupons exceeds \$1,500,000, then KIBL may reduce the value of the coupons on a pro-rata basis.

If the Court approves the proposed settlement, it will enter a judgment that will dismiss the Action on the merits and with prejudice as to all Settlement Class members. All Settlement Class members shall be forever barred from prosecuting their own lawsuits and shall be deemed to have released KIBL and all other related persons from all claims, causes of action or losses of any kind whatsoever which any Settlement Class member has or may claim to have against such persons which are based upon, arising out of, or in any way relating to any of the acts, omissions or other conduct that has been alleged or otherwise referred to in the Litigation.

ATTORNEYS’ FEES, COURT COSTS AND LITIGATION EXPENSES

At the time of the hearing on the fairness of the proposed settlement, class counsel will submit an application for an award of attorneys’ fees, costs and litigation expenses incurred in prosecuting this Litigation. KIBL has agreed to not oppose such an application seeking an award not exceeding \$75,000. Such fees, costs and litigation expenses awarded, if any, shall not in any manner reduce the class benefits payable under this settlement. In no instance will any class member be responsible for class counsels’ attorneys’ fees, costs or litigation expenses.

FINAL SETTLEMENT HEARING

On August 24, 2006, at 8:45 a.m., a hearing will be held on the fairness of the proposed settlement. At the hearing, the Court will be available to hear any objections and arguments concerning the fairness of the proposed settlement. The August 24, 2006 hearing will take place before the Honorable James E. Satt in Department 40 of the Superior Court of California, County of Los Angeles, located at the Stanley Mosk Courthouse, 111 North Hill Street, Los Angeles, California.

WHAT YOU CAN DO

1. If you are a member of the Settlement Class, you need do nothing at this time. You will be represented by counsel for the Settlement Class. As a member of the Settlement Class you will not be personally responsible for any attorneys’ fees or costs of the Litigation unless you exercise your right to retain your own counsel, in which case, you will be responsible for his or her attorneys’ fees and costs.

2. If you wish to obtain a copy of the Declaration to seek a coupon, the Declaration will be available at the websites www.kerzner.com and www.atlantis.com, and upon request at the Atlantis and Ocean Club during the class notice period (sixty (60) days commencing within ten (10) days after receipt by KIBL of notice of entry of the order preliminarily approving the settlement). Instructions on how to file a Declaration are contained in the Declaration itself.

3. You may also obtain additional information regarding the settlement by calling the toll-free number 1-888-292-0405.

4. Pursuant to Court order, a hearing regarding the settlement and Class Counsels' application for award of attorneys' fees, costs and litigation expenses will be heard on August 24, 2006 at 8:45 a.m. in the courtroom of Honorable James E. Satt, in Department 40 of the Superior Court of California, County of Los Angeles, located at the Stanley Mosk Courthouse, 111 North Hill Street, Los Angeles, California, for the purpose of determining whether the settlement is fair, adequate and reasonable. You may, but are not required, to appear and be heard. The hearings may be continued without further notice by order of the Court.

5. If you are a member of the of the Settlement Class and do not wish to remain a member, you may exclude yourself from the Settlement Class by submitting by mail or delivery a request for exclusion in writing that you have personally signed. Requests for exclusion must be postmarked on July 24, 2006 and sent to the following address:

Mitch Kalcheim, Esq.
Amber S. Healy, Esq.
KALCHEIM SALAH
2049 Century Park East, Suite 2150
Los Angeles, California 90067

Any request for exclusion must refer to the name and number of this Litigation, James Kalcheim v. Kerzner International Bahamas Limited, Case No. BC335612, and state your name, your address and your telephone number, and that you elect to be excluded from the class and from any judgment entered pursuant to the Settlement. Your request must be dated and signed. The address of an attorney alone is insufficient. If you validly request exclusion from the Settlement Class, (a) you will be excluded from the Settlement Class, (b) you will not share in the benefits of the Settlement Agreement described herein, (c) you will not be bound by any judgment entered in the Litigation and (d) you will have no rights with respect to this Settlement.

6. If you object to the settlement, you may intervene in the Litigation and/or object to the terms of the settlement under the procedures set forth below. If your objection is rejected you will be bound by the final judgment just as if you had not objected. You may appear at the hearing scheduled on August 24, 2006, to show cause why the settlement should not be approved by the Court, or why Class Counsel's application for fees and costs should not be awarded, provided that you have, by July 24, 2006, filed with the Court a written notice of your intention to appear, all supporting papers, and a sworn statement under penalty of perjury that you are in fact a member of the Settlement Class, and have served such notice and papers upon counsel for Plaintiff and counsel for Defendant at the following addresses:

Mitch Kalcheim, Esq. Amber S. Healy, Esq. KALCHEIM SALAH 2049 Century Park East, Suite 2150 Los Angeles, California 90067	Roxane A. Polidora, Esq. Ryan Takemoto, Esq. PILLSBURY WINTHROP SHAW PITTMAN LLP 50 Fremont Street San Francisco, California 94105
Counsel for Plaintiff Class	Counsel for Kerzner International Bahamas Limited

The sworn statement must be signed by the party filing the objection, and must include the objector's name, business name and address. To be considered, the notice and papers must be received by the Court and delivered or postmarked to Plaintiff's counsel and Defendant's counsel no later than July 24, 2006. CLASS MEMBERS WHO DO NOT TIMELY MAKE THEIR OBJECTIONS IN THIS MANNER WILL BE DEEMED TO HAVE WAIVED ALL OBJECTIONS AND SHALL NOT BE ENTITLED TO BE HEARD AT THE FINAL SETTLEMENT HEARING.

You may, but need not, enter an appearance through counsel of your choice. If you do, you will be responsible for your personal attorney's fees and costs.

This description of the case and the settlement is general and does not cover all of the issues and proceedings thus far. In order to see the complete file including the individual terms of the settlement in the James Kalcheim v. Kerzner International Bahamas Limited litigation, you should visit the office of the Clerk of the Court of the Superior Court of California, County of Los Angeles, located at the Stanley Mosk Courthouse, 111 North Hill Street, Los Angeles, California. The Clerk will make the file relating to this lawsuit available to you for inspection and copying at your own expense.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR TO THE JUDGE.

Dated: May 19, 2006

By: Order of the Superior Court of California, County
of Los Angeles
HONORABLE JAMES E. SATT
JUDGE OF THE SUPERIOR COURT