

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT - CHANCERY DIVISION**

THOMAS J. REHWALDT, )  
)  
Plaintiff, )  
)  
v. )  
)  
ROBERT A. ROTH, ROBERT E. )  
McCAMANT, THOMAS K. YODER, )  
JANE LEVINE, and CHICAGO )  
READER, INCORPORATED, )  
an Illinois Corporation )  
)  
Defendants. )

No. **06CH 28471**

**VERIFIED COMPLAINT FOR  
EQUITABLE AND OTHER RELIEF**

Pursuant to 805 ILCS 5/12.56, Plaintiff Thomas J. Rehwaldt, through his attorneys, Meltzer, Purtill & Stelle LLC, complains as follows against Defendants Robert A. Roth, Robert E. McCamant, Thomas K. Yoder, Jane Levine, and Chicago Reader, Incorporated:

**Common Factual Allegations**

1. Plaintiff Thomas J. Rehwaldt ("Rehwaldt") is an individual who resides in Evanston, Cook County, Illinois. Rehwaldt owns 19.1% of the outstanding stock of Chicago Reader, Incorporated.
2. Defendant Robert A. Roth is an individual who resides in Chicago, Cook County, Illinois.
3. Defendant Robert E. McCamant ("McCamant") is an individual who resides in Chicago, Cook County, Illinois.

4. Defendant Thomas K. Yoder ("Yoder") is an individual who resides in Chicago, Cook County, Illinois.

5. Defendant Jane Levine ("Levine") is an individual who resides in Seattle, King County, Washington.

6. Defendant Chicago Reader, Incorporated (the "Reader") is an Illinois corporation with its principal place of business in Chicago, Cook County, Illinois. It publishes the Chicago Reader weekly free newspaper.

7. Roth, McCamant, Yoder and Levine (collectively, the "Individual Defendants") are the majority shareholders of the Reader, and own the following percentages of the outstanding shares of stock of the Reader:

Roth	21.2%
McCamant	38.4%
Yoder	11.0%
Levine	2.5%

8. Rehwaidt and the Individual Defendants own approximately the same percentages of the outstanding shares of another weekly free newspaper, published in Washington, D.C., the Washington Free Weekly, Inc. ("WFW") (collectively, the Reader and WFW are referred to below as the "Companies").

9. Several other individuals own the remaining outstanding shares of stock of the Companies.

10. The Individual Defendants constitute the Boards of Directors of both of the Companies. Rehwaidt is also a Director of both Companies. He is not an officer of either of them.

11. Roth is President, Levine is Executive Vice President, McCamant is Vice President, and Yoder is Secretary and Treasurer of both Companies.

12. Venue is proper in this Court because the Reader's principal place of business is in Cook County, three of the four Individual Defendants reside in Cook County, and because the acts and omissions complained of occurred substantially in Cook County, Illinois.

### Count I

#### (Claims Under 805 ILCS 5/12.56)

1.-12. Plaintiff realleges paragraphs 1 through 12 above as paragraphs 1 through 12 of Count I.

13. Rehwaldt is one of the founders of the Reader and has been a shareholder since it was incorporated in 1975.

14. In 1991, in settlement of prior litigation between the parties in which Rehwaldt alleged oppression, waste and mismanagement, the parties signed a shareholder agreement ("Shareholder Agreement") which, among other things, governs the terms under which the Reader may be sold or merged into another corporation:

A Shareholder may Transfer Shares to a third-party transferee with the effect that such Transfer will terminate the Company's S Corporation status, provided that prior to any such Transfer the transferor Shareholder delivers to the Company (a) a written consent signed by the holders of at least ninety percent (90%) of the Company's outstanding Shares, specifically consenting to the Transfer and the termination of the Company's status as an S Corporation or (b) a binding written offer from a bona fide third-party purchaser addressed to each of the Shareholders of the Company offering to purchase all of their outstanding Shares for an aggregate cash purchase price of at least \$25 million or 7.8 times the average Net Income of the Company for the three most recent calendar years, whichever is greater, at the same price per Share, accompanied by the written agreement of holders of at least seventy-five percent (75% of the Company's outstanding Shares to sell their Shares to such purchaser at the price stated in the offer.

(Shareholder Agreement, par. 2.2, attached as Exhibit A.)