

EXHIBIT D

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

<p>CITY OF ST. CLAIR SHORES GENERAL EMPLOYEES RETIREMENT SYSTEM and MADISON INVESTMENT TRUST, On behalf of Itself and All Others Similarly Situated, and Derivatively On behalf of Inland Western Retail Real Estate Trust, Inc.,</p> <p style="text-align: center;">Plaintiffs,</p> <p>v.</p> <p>INLAND WESTERN RETAIL REAL ESTATE TRUST, INC., INLAND REAL ESTATE INVESTMENT CORPORATION; THE INLAND GROUP, INC., INLAND WESTERN RETAIL REAL ESTATE ADVISORY SERVICES, INC., INLAND SOUTHWEST MANAGEMENT CORP., INLAND NORTHWEST MANAGEMENT CORP., INLAND WESTERN MANAGEMENT CORP., ROBERT D. PARKS, BRENDA G. GUJRAL, FRANK A. CATALANO, JR., KENNETH H. BEARD, PAUL R. GAUVREAU, GERALD M. GORSKI, BARBARA A. MURPHY, STEVEN P. GRIMES, DANIEL L. GOODWIN, ROBERT H. BAUM, G. JOSEPH COSENZA, KPMG LLP, AND WILLIAM BLAIR & COMPANY, L.L.C.,</p> <p style="text-align: center;">Defendants.</p>	<p>Case No. 07 C 6174</p> <p>Judge Robert W. Gettleman</p>
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STIPULATION OF SETTLEMENT

This Stipulation of Settlement is made and entered into by and among the Parties, by and through the undersigned Co-Lead Counsel and counsel for the Defendants.

WHEREAS, on August 14, 2007, Inland Western Retail Real Estate Trust, Inc. entered into that certain Agreement and Plan of Merger by which it would acquire Inland Western Retail Real Estate Advisory Services, Inc., Inland Southwest Management Corp., Inland Northwest Management Corp., and Inland Western Management Corp. from Inland Real Estate Investment Corporation and IWEST Merger Agent, LLC, as agent for the selling stockholders, in consideration for 37,500,000 Inland Western Retail Real Estate Trust, Inc. shares.

WHEREAS, on September 10, 2007, Inland Western Retail Real Estate Trust, Inc. filed with the Securities and Exchange Commission a Schedule 14A proxy statement soliciting shareholder ratification of the Agreement and Plan of Merger. And, whereas, in September 2007, Inland Western Retail Real Estate Trust, Inc. also mailed the Schedule 14A proxy statement to stockholders who were shareholders of record as of August 31, 2007.

WHEREAS, on November 13, 2007, Inland Western Retail Real Estate Trust, Inc. shareholders ratified the Agreement and Plan of Merger.

WHEREAS, on November 15, 2007, Inland Western Retail Real Estate Trust, Inc. closed on the Agreement and Plan of Merger. And, whereas, on the same date, Inland Western Retail Real Estate Trust, Inc., Inland Real Estate Investment Corporation, IWEST Merger Agent, LLC, as agent for the selling stockholders, and LaSalle Bank, N.A., as escrow agent, entered into that certain Escrow Agreement by which certain merger consideration, consisting of 20,625,000 Inland Western Retail Real Estate Trust, Inc. shares, was deposited into the Escrow Fund.

WHEREAS, on November 1, 2007, the City of St. Clair Shores General Employees Retirement System filed a class action and derivative complaint against Inland Western Retail Real Estate Trust, Inc., Inland Real Estate Investment Corporation, The Inland Group, Inc., Inland Western Retail Real Estate Advisory Services, Inc., Inland Southwest Management Corp., Inland Northwest Management Corp., Inland Western Management Corp., Robert D. Parks, Brenda G. Gujral, Frank A. Catalano, Jr., Kenneth H. Beard, Paul R. Gauvreau, Gerald M. Gorski, Barbara A. Murphy, Steven P. Grimes, Daniel L. Goodwin, Robert H. Baum, G. Joseph Cosenza, and William Blair & Company, LLC.

WHEREAS, on January 22, 2008, the Court, pursuant to 15 U.S.C. § 78u-4(a)(3)(B), appointed the City of St. Clair Shores General Employees Retirement System and Madison Investment Trust Co-Lead Plaintiffs and appointed the law firms of Chimicles & Tikellis LLP, Labaton Sucharow LLP, and Wolf Haldenstein Adler Freeman & Herz LLP as Co-Lead Counsel.

WHEREAS, on June 12, 2008, the City of St. Clair Shores General Employees Retirement System and Madison Investment Trust filed an amended class action and derivative complaint against Inland Western Retail Real Estate Trust, Inc., Inland Real Estate Investment Corporation, The Inland Group, Inc., Inland Western Retail Real Estate Advisory Services, Inc., Inland Southwest Management Corp., Inland Northwest Management Corp., Inland Western Management Corp., Robert D. Parks, Brenda G. Gujral, Frank A. Catalano, Jr., Kenneth H. Beard, Paul R. Gauvreau, Gerald M. Gorski, Barbara A. Murphy, Steven P. Grimes, Daniel L. Goodwin, Robert H. Baum, G. Joseph Cosenza, KPMG LLP, and William Blair & Company, LLC.

WHEREAS, in July 2008, Defendants moved to dismiss the amended class action and derivative complaint.

WHEREAS, on April 1, 2009, the Court granted in part and denied in part Defendants' motions to dismiss the amended class action and derivative complaint.

WHEREAS, on May 1, 2009, the City of St. Clair Shores General Employees Retirement System and Madison Investment Trust filed a second amended class action complaint against Inland Western Retail Real Estate Trust, Inc., Inland Real Estate Investment Corporation, The Inland Group, Inc., Inland Western Retail Real Estate Advisory Services, Inc., Inland Southwest Management Corp., Inland Northwest Management Corp., Inland Western Management Corp., Robert D. Parks, Brenda G. Gujral, Frank A. Catalano, Jr., Kenneth H. Beard, Paul R. Gauvreau, Gerald M. Gorski, Barbara A. Murphy, Steven P. Grimes, Daniel L. Goodwin, Robert H. Baum, G. Joseph Cosenza, KPMG LLP, and William Blair & Company, LLC.

WHEREAS, on May 29, 2009, Defendants moved to dismiss the second amended class action complaint.

WHEREAS, on June 4, 2009, the Court denied the motion to dismiss the second amended class action complaint.

WHEREAS, beginning in July 2009 the Parties engaged in discovery.

WHEREAS, in and subsequent to January 2010, the Parties engaged in mediation with Jonathan Marks.

NOW, THEREFORE, in consideration of the mutual undertakings and consideration provided for herein, the Co-Lead Plaintiffs, on behalf of themselves and the Settlement Class, on the one hand, and the Defendants, on the other hand, subject to approval by the court pursuant to Federal Rule of Civil Procedure 23(e), hereby stipulate and agree that the Action is hereby settled and compromised upon the terms and conditions set forth herein:

1. **DEFINITIONS**

For purposes of this Stipulation of Settlement, the following terms have the indicated meanings, unless a section or subsection of this Stipulation of Settlement otherwise provides:

- a. "Action" means *City of St. Clair Shores General Employees Retirement System, et al. v. Inland Western Retail Real Estate Trust, Inc., et al.*, No. 07 C 6174 (N.D. Ill.).
- b. "Advisor" means Inland Western Retail Real Estate Advisory Services, Inc.
- c. "Baum" means Robert H. Baum (individually and in his capacity as Vice President of IWEST Merger Agent LLC).
- d. "Beard" means Kenneth H. Beard.
- e. "Blair" means William Blair & Company, LLC.

- f. "Catalano" means Frank A. Catalano, Jr.
- g. "Class Notice" means the Notice of Pendency and Proposed Settlement of Class Action that is to be mailed to the Settlement Class substantially in the form attached as Exhibit A hereto.
- h. "Co-Lead Counsel" means the law firms of Chimicles & Tikellis LLP, Labaton Sucharow LLP, and Wolf Haldenstein Adler Freeman & Herz LLP.
- i. "Co-Lead Plaintiffs" means City of St. Clair Shores General Employees Retirement System and Madison Investment Trust.
- j. "Cosenza" means G. Joseph Cosenza.
- k. "Court" means the United States District Court for the Northern District of Illinois and the Honorable Robert W. Gettleman, to whom the Action was assigned.
- l. "Defendants" means IWEST, IREIC, TIGI, Advisor, ISMC, INMC, IWMC, Parks, Gujral, Catalano, Beard, Gauvreau, Gorski, Murphy, Grimes, Goodwin, Baum, Cosenza, KPMG, and William Blair.
- m. "Discovery" means the discovery conducted by Co-Lead Counsel prior to and throughout the litigation relating to the allegations in the Action.
- n. "Effective Date" means the date by which all of the following have occurred: (i) the Stipulation of Settlement has been finally approved by the Court; (ii) the Judgment has been entered by the Court and not vacated or materially modified upon appeal or otherwise, unless such material modifications are agreed to in writing by the Defendants and Co-Lead Counsel; (iii) the dismissal with prejudice of the Action against each and all of the Defendants; and (iv) either (x) the time to appeal, or otherwise seek review of the Judgment, has expired without any appeal having been taken or review sought, or (y) if an appeal is taken or review sought, the expiration of five (5) days after the final decision on any such appeal or review shall have been rendered by the highest court before which appeal or review is sought and such decision is not subject to further judicial review, or such appeal has been dismissed.
- o. "Equitable Relief" means any remedy other than Legal Relief, including, without limitation, a declaratory judgment, an injunction, specific performance, rescission, reformation, disgorgement, restitution, cancellation of shares, repurchase of shares, retirement of shares, an accounting, or a constructive trust.

- p. "Escrow Agreement" means that certain agreement entered into on November 15, 2007 by and between IREIC, IWEST, IWEST Merger Agent, LLC, and LaSalle Bank, N.A.
- q. "Escrow Fund" means the 20,625,000 IWEST Shares placed into and still remaining in escrow pursuant to the Agreement and Plan of Merger and the Escrow Agreement.
- r. "Gauvreau" means Paul R. Gauvreau.
- s. "Goodwin" means Daniel L. Goodwin (individually and in his capacity as sole member and President of IWEST Merger Agent LLC).
- t. "Gorski" means Gerald M. Gorski.
- u. "Grimes" means Steven P. Grimes.
- v. "Gujral" means Brenda G. Gujral.
- w. "Inland Parties" means IWEST, INMC, ISMC, IWMC, Advisor, Parks, Gujral, Catalano, Beard, Gauvreau, Gorski, Murphy, Grimes, Goodwin, Baum, and/or Cosenza.
- x. "INMC" means Inland Northwest Management Corp, a Delaware Corporation.
- y. "IREIC" means Inland Real Estate Investment Corporation, a Delaware corporation.
- z. "ISMC" means Inland Southwest Management Corp, a Delaware corporation.
- aa. "IWEST" means Inland Western Retail Real Estate Trust, Inc, a Maryland corporation.
- bb. "IWEST Director and Officer Defendants" means Parks, Gujral, Catalano, Beard, Gauvreau, Gorski, Murphy, and Grimes.
- cc. "IWEST Merger Agent" means IWEST Merger Agent, LLC, a Delaware limited liability company.
- dd. "IWEST Shares" means shares of IWEST stock.
- ee. "IWMC" means Inland Western Management Corp., a Delaware corporation.

- ff.** “Judgment” means the order approving this Stipulation of Settlement, and the Final Judgment entered pursuant to that order substantially in the form attached as Exhibit B hereto.
- gg.** “KPMG” means KPMG LLP.
- hh.** “Legal Relief” means compensatory, punitive, incidental, liquidated, consequential, or nominal damages.
- ii.** “Murphy” means Barbara A. Murphy.
- jj.** “Opt-Out Litigation” means any and all claims, duties, demands, actions, causes of action, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of whatever kind, nature, character, or description asserted by IWEST shareholders who opt out or purport to opt out of the Settlement Class, whether arising in tort, contract, or otherwise, whether known or unknown, whether anticipated or unanticipated, whether or not matured, accrued, or ripe, that are based upon, related to, or arise out of in whole or in part (i) the facts, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures to act that were alleged or could have been alleged in the Action or (ii) any count or allegation contained in any complaint in the Action against any of the Released Persons.
- kk.** “Opt-Out Threshold” means the percentage of IWEST outstanding shares set forth in a side letter agreement between Co-Lead Plaintiffs and Defendants to be filed under seal with the Court.
- ll.** “Parks” means Robert D. Parks.
- mm.** “Parties” means any party in this Action, including: (i) Co-Lead Plaintiffs; (ii) the Settlement Class; and (iii) the Defendants.
- nn.** “Preliminary Approval Order” means the order granting preliminary approval of this Stipulation of Settlement substantially in the form attached as Exhibit C hereto.
- oo.** “Proxy” means the Schedule 14A proxy statement soliciting shareholder ratification of the Agreement and Plan of Merger filed with the Securities and Exchange Commission by IWEST on September 10, 2007, pursuant to Section 14(a) of the Securities Exchange Act of 1934, as amended or supplemented on October 10, October 12, and November 9, 2007.
- pp.** “Released Persons” shall include: (i) the Defendants; (ii) any individual or entity that could have been named by the Co-Lead Plaintiffs as a defendant in the Action (collectively the “Potential Defendants”); (iii) any

affiliates of the Defendants or Potential Defendants, including, without limitation, limited liability companies, partnerships and corporations (the "Affiliates"); (iv) the heirs, legatees, beneficiaries, trustees, personal representatives, predecessors, successors, and assigns of the Defendants, Potential Defendants, and Affiliates; and (v) the respective past and present officers, directors, managers, members, partners, employees, agents, consultants, advisors, attorneys, accountants, experts, or representatives of the Defendants, Potential Defendants, and Affiliates.

- qq. "Settled Defense Claims" means any and all claims (including, without limitation, cross-claims, third party claims, indemnification claims, and contribution claims), duties, obligations, demands, actions, causes of action, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of whatever kind, nature, character, or description by any Defendant in the Action against any other Defendant in the Action, whether for Legal Relief or Equitable Relief, whether arising in tort, contract, or otherwise, whether known or Unknown Claims, whether anticipated or unanticipated, whether or not matured, accrued, or ripe, or whether or not alleged in the Action, based upon, related to, or arising out of, in whole or in part: (i) the Proxy, including all Independent Auditors' Reports contained therein; (ii) the facts, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures to act that were alleged in the Action; or (iii) the litigation and settlement of this Action. Notwithstanding anything to the contrary in this Stipulation of Settlement or this section hereof, Settled Defense Claims exclude any and all claims (including, without limitation, cross-claims, third party claims, indemnification claims, and contribution claims), duties, obligations, demands, actions, causes of action, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of whatever kind, nature, character, or description, whether for Legal Relief or Equitable Relief, whether arising in tort, contract, or otherwise, whether known or Unknown Claims, whether anticipated or unanticipated, whether or not matured, accrued, or ripe, or whether or not alleged in the Action: (i) by and between KPMG or Blair, on the one hand, and the Inland Parties, on the other hand, based upon, relating to, or arising out of the Opt-Out Litigation; (ii) by and between those certain individuals, on the one hand, and IREIC, IWEST Merger Agent, and the Stockholders, on the other hand, as set forth in, and subject to, the Indemnity Letter Agreement; (iii) by and between the IWEST Director and Officer Defendants, on the one hand, and IWEST, on the other hand, for indemnification pursuant to: (x) Article VII of the Third Amended and Restated Bylaws of IWEST; (y) Article XIV of the IWEST Fourth Articles of Amendment and Restatement; or (z) individual indemnification agreements between IWEST Director and Officer Defendants and IWEST, based upon, relating to, or arising out of the Opt-Out Litigation; and (iv) by and between

Defendants based upon, relating to, or arising out of the interpretation or enforcement of the terms of this Stipulation of Settlement.

- rr. “Settled Equitable Claims” means any and all claims, duties, obligations, demands, actions, causes of action, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of whatever kind, nature, character, or description for Equitable Relief, whether arising in tort, contract, or otherwise, whether known or Unknown Claims, whether anticipated or unanticipated, whether or not matured, accrued, or ripe, or whether or not alleged in the Action, based upon, related to, or arise out of in whole or in part (i) the Proxy, including all Independent Auditors’ Reports contained therein; (ii) the facts, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures to act that were alleged in the Action; or (iii) any count or allegation contained in any complaint in the Action by any of the Co-Lead Plaintiffs against any one or more of the Released Persons through the date when Judgment is entered dismissing the Action with prejudice.
- ss. “Settled Legal Claims” means any and all claims, duties, obligations, demands, actions, causes of action, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of whatever kind, nature, character, or description for Legal Relief, whether arising in tort, contract, or otherwise, whether known or Unknown Claims, whether anticipated or unanticipated, whether or not matured, accrued, or ripe, or whether or not alleged in the Action, based upon, related to, or arise out of in whole or in part (i) the Proxy, including all Independent Auditors’ Reports contained therein; (ii) the facts, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures to act that were alleged in the Action; or (iii) any count or allegation contained in any complaint in the Action by any of the Co-Lead Plaintiffs against any one or more of the Released Persons through the date when Judgment is entered dismissing the Action with prejudice.
- tt. “Settlement Class” means shareholders of IWEST, and their parents, subsidiaries, affiliates, predecessors, successors, heirs, legatees, beneficiaries, trustees, personal representatives, and assigns, who were shareholders of record as of the close of business on August 31, 2007 and entitled to vote on the matters that were the subject of the Schedule 14A Proxy Statement that was filed with the SEC by IWEST on September 10, 2007, pursuant to Section 14(a) of the Securities Exchange Act of 1934, as amended or as supplemented on October 10, October 12, and November 9, 2007. The Settlement Class excludes: (i) Defendants; (ii) officers and directors of Defendants; (iii) members of each individual Defendant’s immediate family; (iv) any entity in which any Defendant has a controlling interest; and (v) the legal affiliates, representatives, heirs, legatees, beneficiaries, trustees, personal representatives, controlling

persons, successors, and predecessors in interest or assigns of any such excluded person or entity.

- uu. "Settlement Consideration" means the consideration and benefits set forth in section 2 below.
- vv. "Settlement Hearing" means the final approval hearing to be scheduled by the Court to determine whether the proposed Stipulation of Settlement is fair, reasonable, and adequate and should be approved pursuant to Federal Rule of Civil Procedure 23(e).
- ww. "Summary Notice" means the form of Summary Notice of Pendency and Proposed Settlement of Class Action substantially in the form attached as Exhibit D hereto.
- xx. "TIGI" means The Inland Group, Inc, a Delaware corporation.
- yy. "Unknown Claims" means either: (i) any claims that Co-Lead Plaintiffs or the Settlement Class do not know or suspect 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; or (ii) any claims that a Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of the other Defendants which, if known by him, her, or it, might have affected his, her, or its settlement with and release of the other Defendants, or might have affected his, her, or its decision to enter into this settlement.

2. SETTLEMENT CONSIDERATION

In consideration of the covenants and mutual promises provided for herein and in full, complete, and irrevocable satisfaction and settlement of the Action and of all Settled Legal Claims and Settled Equitable Claims, the Settlement Consideration shall consist of the following:

- a. **Return of IWEST Shares.** IWEST, IREIC, and IWEST Merger Agent shall cause an amendment to the Escrow Agreement extending the distribution date of the Escrow Fund to the Effective Date. Upon the Effective Date, IWEST, IREIC, and IWEST Merger Agent shall cause 9,000,000 IWEST Shares to be transferred from the Escrow Fund to IWEST. Defendants shall not object to Plaintiffs' use and reference, in valuing the Settlement, to a range of value for the 9,000,000 IWEST Shares that includes \$10 per share (the price used to calculate the Internalization Consideration) and the estimated values disclosed by IWEST in its public filings since the commencement of the Action.

- b. **Class Notice Expenses.** KPMG LLP shall pay the reasonable costs and expenses relating to Class Notice and Summary Notice up to \$150,000. IWEST shall pay the reasonable costs and expenses relating to Class Notice and Summary Notice exceeding \$150,000. IWEST, in the manner and form agreed to by the Parties and in accordance with the Preliminary Approval Order, shall administer Class Notice and Summary Notice.
- c. **Attorneys' Fees, Costs, And Expenses.** IWEST shall cause to be paid a fee award on behalf of the Settlement Class to Co-Lead Counsel in an amount to be awarded by the Court but not to exceed \$10,000,000, inclusive of expenses and costs, pursuant to Section 3(a), *infra*.

3. **ATTORNEYS' FEES, COSTS, AND EXPENSES**

- a. Co-Lead Counsel shall file a fee petition seeking reasonable attorneys' fees and costs and expenses in an amount not to exceed \$10,000,000. Defendants shall not oppose such fee petition so long as the amount sought does not exceed \$10,000,000. IWEST's payment of fees to Co-Lead Counsel shall be conditioned upon the entry of a fee and expense award by the Court. IWEST shall make payment of the fee and expense award, if any, in an amount not to exceed \$10,000,000 within three (3) days after the Effective Date.
- b. The failure of the Court to approve the fee petition set forth in Section 3(a), *supra*, shall not relieve the Parties of their respective obligations as set forth in this Stipulation of Settlement. This Stipulation of Settlement is not conditioned upon the Court awarding payment of attorneys' fees and costs and expenses to Co-Lead Counsel.
- c. Except as otherwise provided in this Section 3 and 2.b., as between the Parties, the Co-Lead Plaintiffs and Defendants shall bear all of their own costs, fees, and expenses associated with the prosecution and settlement of this Action.

4. **SETTLEMENT CLASS**

The Settlement Class shall be certified under Federal Rule of Civil Procedure 23(b)(2) and 23(b)(3), as defined in Section 1, *supra*, and described in further detail below:

- a. Solely for purposes of this Stipulation of Settlement, the Parties to this Action stipulate to the certification, pursuant to Federal Rule of Civil Procedure 23(b)(2) and 23(b)(3), of the Settlement Class solely for purposes of settling and releasing the Settled Legal Claims and Settled Equitable Claims. By stipulating to the certification of the Settlement Class, Defendants do not admit that class certification under Rule 23(b)(2) or Rule 23(b)(3) would be proper for any other purpose in this Action or for any purpose in another action or proceeding.

b. The Settlement Class representatives are Co-Lead Plaintiffs. Certification of the Co-Lead Plaintiffs as Settlement Class representatives by virtue of this Stipulation of Settlement shall be solely for purposes of this Settlement. By stipulating to the appointment of Co-Lead Plaintiffs as the Settlement Class representatives, Defendants do not admit that Co-Lead Plaintiffs constitute adequate representatives of the members constituting the Settlement Class for any other purpose in this Action or for any purpose in another action or proceeding.

c. The Parties understand, agree, and intend that, in settling the Settled Equitable Claims pursuant to Federal Rule of Civil Procedure 23(b)(2), IWEST shareholders shall have no right to request exclusion, or be excluded from, the Settlement Class with respect to the Settled Equitable Claims, and all IWEST shareholders shall irrevocably be bound to the settlement thereof, including the releases hereinafter provided with respect to the Settled Equitable Claims.

d. The Parties understand, agree, and intend that, in settling the Settled Legal Claims pursuant to Federal Rule of Civil Procedure 23(b)(3), IWEST shareholders shall be given, by means of the Class Notice, notice and reasonable opportunity to request exclusion from the Settlement Class with respect to, and only with respect to, the Settled Legal Claims. The last date for opting out of the Settlement Class with respect to the Settled Legal Claims shall be no later than twenty-one (21) days prior to the Settlement Hearing.

5. SETTLEMENT HEARING

- a. As soon as practicable after execution of this Stipulation of Settlement, Co-Lead Plaintiffs and Defendants shall jointly move for entry of the Preliminary Approval Order. Among other things, the Preliminary Approval Order shall:
 - i. preliminarily approve the terms and conditions of this Stipulation of Settlement;
 - ii. preliminarily certify the Settlement Class;
 - iii. approve the form and content of the Class Notice and direct the manner and timing of its dissemination to the Settlement Class members; and
 - iv. establish the date, time, and place for conducting the Settlement Hearing.
- b. At the Settlement Hearing, Co-Lead Plaintiffs shall seek:

- i. approval by the Court of the terms and conditions of this Stipulation of Settlement as being fair, reasonable, and adequate and warranting approval pursuant to Federal Rule of Civil Procedure 23(e);
- ii. entry of the Judgment; and
- iii. approval of the payment of attorneys' fees, costs, and expenses, in accordance with this Stipulation of Settlement.

6. **RELEASE**

- a. **Plaintiffs.** Co-Lead Plaintiffs, for themselves and their parents, subsidiaries, affiliates, predecessors, members, participants, investors, beneficiaries, successors, and assigns, as well as each Settlement Class member, by Court approval of this Stipulation of Settlement and by operation of the Judgment (and any other necessary orders), fully, finally, irrevocably, and forever release, relinquish, and discharge all Settled Equitable Claims and Settled Legal Claims against each of the Released Persons.
- b. **Defendants.** Each Defendant, for itself and its parents, subsidiaries, affiliates, predecessors, successors, and assigns, fully, finally, irrevocably, and forever releases, relinquishes, and discharges all Settled Defense Claims against each of the Released Persons, and any claims against Co-Lead Plaintiffs and Co-Lead Counsel arising out of the commencement and prosecution of this Action.

7. **RELEASE REPRESENTATIONS AND WARRANTIES**

- a. Each of Co-Lead Plaintiffs, on behalf of itself and all members of the Settlement Class, represent and warrant to the Released Persons that they have title to, and have not previously transferred or otherwise encumbered, the Settled Equitable Claims and the Settled Legal Claims.
- b. Each of Defendants represent and warrant to one another that she, he, or it has title to, and has not previously transferred or otherwise encumbered, the Settled Defense Claims.
- c. Each of Co-Lead Plaintiffs (on behalf of itself and all members of the Settlement Class), IWEST, IREIC, TIGI, Advisor, ISMC, INMC, IWMC, KPMG, Blair, Parks, Gujral, Catalano, Beard, Gauvreau, Gorski, Murphy, Grimes, Goodwin, Baum, and Cosenza hereby waive any and all rights under any state, federal, or foreign law, regulation, or legal principle limiting the effect of a release of Unknown Claims, including under 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.”

- d. The releases set forth in Section 6 of this Stipulation of Settlement, *supra*, shall take effect upon the Effective Date.

8. DENIAL OF LIABILITY

Defendants have denied and continue to deny that they have committed any act or omission giving rise to any liability and/or any violation of law or any act of negligence or misconduct, and state they are entering into the Stipulation of Settlement to eliminate the burden and expense of further litigation. Further, by entering into this Stipulation of Settlement, Defendants do not admit any fault or liability with respect to any claim of wrongdoing or damage whatsoever or any infirmity in the defenses asserted by the Defendants.

9. COOPERATION

- a. The Parties hereto and their counsel agree to cooperate fully with one another in seeking preliminary and final Court approval of this Stipulation of Settlement and consummation of its terms. Neither Co-Lead Plaintiffs nor Defendants shall seek to evade their good faith obligations to cooperate in seeking approval and implementation of this Stipulation of Settlement by virtue of any rulings, orders, governmental report, or other development, whether in this Action or in any other proceedings, that might hereafter occur and might be deemed to alter the relative strength of the Parties with respect to any claim or defense or their relative bargaining power with respect to negotiating a Stipulation of Settlement.
- b. If the terms of this Stipulation of Settlement are finally approved by the Court, the Parties shall jointly request that the Court enter the Judgment, substantially in the form of Exhibit B, as well as such other orders, if any, as may be necessary to direct the Parties to implement the terms of the Stipulation of Settlement.

10. TERMINATION

- a. This Stipulation of Settlement shall terminate only upon the occurrence of one of the following events:
 - i. Co-Lead Counsel reasonably and in good faith determine that the Discovery does not support the fairness, adequacy, and reasonableness of the settlement and provide written notice of termination to Defendants no later than 5:00 pm E.S.T. on June 4, 2010;

- ii. the Court does not approve this Stipulation of Settlement (except with respect to any decision by the Court concerning attorneys' fees, costs, and expenses as set forth in Section 3, *supra*);
 - iii. the Court approves this Stipulation of Settlement with material modifications (except with respect to any decision by the Court concerning attorneys' fees, costs, and expenses as set forth in Section 3, *supra*) and the adversely affected Party(ies) provides written notice of termination to the other Parties within five (5) days after such Court approval;
 - iv. the Court enters the Judgment with material modifications (except with respect to any decision by the Court concerning attorneys' fees, costs, and expenses as set forth in Section 3, *supra*) and the adversely affected Party(ies) provides written notice of termination to the other Parties within five (5) days after such entry of Judgment;
 - v. the United States Court of Appeals for the Seventh Circuit or the United States Supreme Court reverses, vacates, or otherwise materially modifies, on appeal, an order of the Court approving this Stipulation of Settlement and/or the Judgment (except with respect to any decision by the Court concerning attorneys' fees, costs, and expenses as set forth in Section 3, *supra*) and the adversely affected Party(ies) provide written notice of termination to the other Parties within five (5) days after entry of the appellate order effecting such reversal, vacatur, or material modification; or
 - vi. IWEST shareholders representing more shares than the Opt-Out Threshold timely and properly opt out of the Settlement Class with respect to the Settled Legal Claims, Co-Lead Counsel are unable to solicit and receive irrevocable withdrawals or retractions of opt-outs so as to bring the number of opt-out shares below the Opt-Out Threshold within ten (10) days after the final date for opting out, and Goodwin or IWEST provides a written notice of termination to Co-Lead Counsel no later than five (5) days after such ten (10) day period.
- b. Upon the termination of this Stipulation of Settlement:
- i. the Stipulation of Settlement and any orders entered pursuant thereto shall be null, void, and unenforceable;
 - ii. the Parties shall revert to their litigation positions immediately prior to the execution of this Stipulation of Settlement;

- iii. any orders that may have been vacated or expunged as a result of this Stipulation of Settlement shall be reinstated *nunc pro tunc*; and
 - iv. the fact and terms of the Stipulation of Settlement shall not be used in any proceeding against the Defendants or the Released Persons.
- c. All documents produced, formally or informally, in Discovery and all statements or communications made during the course of any interviews conducted by Co-Lead Counsel for the purpose of determining whether to exercise their terminations rights under Section 10(a)(i) (“Interviews”) shall be treated as “Confidential” under the terms of the Stipulated Confidentiality Agreement and Order entered in the Action on August 7, 2009. In addition, in the event this Stipulation of Settlement is terminated for any reason, no Interviews may thereafter be used in the Action or in any other proceeding.
- d. Notwithstanding anything to the contrary herein, Section 10 shall survive the termination of this Stipulation of Settlement, and this Stipulation of Settlement thereafter shall be admissible solely to enforce the terms of Section 10.

11. **GENERAL**

- a. **Limited Use of Stipulation of Settlement.** Neither this Stipulation of Settlement, whether or not executed or consummated, nor its terms, provisions, or exhibits, nor the negotiations or proceedings connected with it, nor any other document created in connection with the implementation of the settlement of this Action shall be:
- i. construed as an admission of any sort whatsoever, or a finding of negligence or wrongful conduct, act, or omission, or useable for any purpose except the enforcement of this Stipulation of Settlement by any Party;
 - ii. offered or received as evidence in the Action or in any other proceeding between one or more of Co-Lead Plaintiffs and one or more of the Defendants except to enforce this Stipulation of Settlement; or
 - iii. referred to by Co-Lead Counsel or Co-Lead Plaintiffs in a press release, article, web-site posting, or other written publication unless the author or speaker: (x) expressly references the Defendants’ Denial of Liability as specified in Section 8 of this Stipulation of Settlement; and (y) refrains from making any such press release, public statement, disclosure, communication,

comment, or written publication until the date on which the Settlement is referred to in a press release, filing, or other public disclosure by one of the Defendants. The time restraint in (y) shall not apply to Co-Lead Counsel's communications with members of the Settlement Class.

b. Calculation of Time. All time periods set forth herein shall be computed in calendar business days unless otherwise expressly provided. In computing any period of time prescribed or allowed by this Stipulation of Settlement or by order of Court, the following days shall be excluded: (i) the day of the act, event, or default from which the designated period of time begins to run; (ii) Saturdays and Sundays; and (iii) legal holidays. As used in this subsection, "legal holiday" means New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Thanksgiving Day, Christmas Day, and any other day appointed as a holiday by the President or the Congress of the United States of America. If the last day of the period falls on one of the dates described above, the date of performance shall be on the next day that is not a Saturday, Sunday, or legal holiday.

c. Notice. Whenever this Stipulation of Settlement requires or contemplates that one or more Parties shall or may give notice to the other Parties, notice shall be provided by e-mail and overnight courier service as follows:

i. If to Co-Lead Plaintiffs, then to:

Nicholas E. Chimicles
Chimicles & Tikellis LLP
361 West Lancaster Avenue
Haverford, Pennsylvania 19041
Phone: (610) 642-8500
Email: nick@chimicles.com

Lawrence A. Sucharow
Labaton Sucharow LLP
140 Broadway, 34th Floor
New York, New York
Phone: (212) 907-0700
E-mail: lsucharow@labaton.com

Adam J. Levitt
Wolf, Haldenstein, Adler, Freeman & Herz LLC
55 West Monroe Street, Suite 1111
Chicago, Illinois 60603
Phone: (312) 984-0000

E-mail: levitt@whafh.com

- ii. If to TIGL, IREIC, Baum, Cosenza, Goodwin, Gujral, and/or Parks, then to:

James L. Thompson
Jenner & Block LLP
353 North Clark Street
Chicago, Illinois 60654
Phone: (312) 923-2944
E-mail: jthompson@jenner.com

- iii. If to IWEST, Advisor, ISMC, INMC, IWMC, Catalano and/or Grimes, then to:

Samuel B. Isaacson
DLA Piper LLP (US)
203 North LaSalle Street, Suite 1900
Chicago, Illinois 60601
Phone: (312) 368-2163
Email: samuel.isaacson@dlapiper.com

- iv. If to Beard, Gauvreau, Gorski, and/or Murphy, then to:

Richard B. Kapnick
Sidley Austin LLP
One South Dearborn
Chicago, Illinois 60603
Phone: (312) 853-7846
E-mail: rkapnick@sidley.com

- v. If to KPMG LLP, then to:

Jonathan C. Medow
Mayer Brown LLP
71 South Wacker Drive
Chicago, Illinois 60606
Phone: (312) 701-7060
E-mail: jmedow@mayerbrown.com

- vi. If to William Blair & Company, LLC, then to:

Harold C. Hirshman
Sonnenschein, Nath & Rosenthal LLP
233 South Wacker Drive, Suite 7800
Chicago, Illinois 60606

Phone: (312) 876-8025

E-mail: hhirshman@sonnenschein.com

- d. **Merger.** This Stipulation of Settlement supersedes and revokes any and all previous oral or written representations, warranties, or agreements entered into between the Parties relating to the subject matter of this Stipulation of Settlement.
- e. **Integration.** Each of Co-Lead Plaintiffs and Defendants acknowledges, warrants, and represents that no promises, representations, or inducements, except as herein set forth, have been offered or made by the other to secure the execution of this Stipulation of Settlement, and that this Stipulation of Settlement is executed without reliance on any statements or any representations not contained herein. Each of the Co-Lead Plaintiffs and Defendants knowingly waives: (i) any claim that this Stipulation of Settlement was induced by any misrepresentation or nondisclosure; and (ii) any right to rescind or avoid this Stipulation of Settlement based upon presently existing facts, known or unknown.
- f. **No Oral or Unilateral Modification or Waiver.** This Stipulation of Settlement may not be amended, revoked, changed, or modified except by way of a written agreement executed by Co-Lead Plaintiffs and Defendants. No waiver of any provision of this Stipulation of Settlement shall be valid unless in writing and signed by the Party against whom such waiver is charged. The failure to enforce any term or condition of this Stipulation of Settlement is not intended and shall not act as a waiver of any future breach or of any right or remedy under this Stipulation of Settlement or applicable law.
- g. **Third Party Beneficiaries.** Each of the Parties intends that this Stipulation of Settlement shall not benefit or create any right or cause of action in or on behalf of any individual or entity other than the Parties to this Stipulation of Settlement. Notwithstanding anything to the contrary in this Stipulation of Settlement or this section hereof, third party beneficiaries of the releases set forth in Section 6 of this Stipulation of Settlement shall be entitled to enforce the releases and the related representations and warranties in Section 7 of this Stipulation of Settlement in accordance with their terms.
- h. **Choice of Law.** This Stipulation of Settlement shall be governed by the substantive laws of the State of Illinois without regard to its choice-of-law or conflict of law principles or provisions. The Parties hereby waive any and all objections and instead submit to personal jurisdiction, subject matter jurisdiction, and venue in the United States District Court for the Northern District of Illinois in connection with any legal action to

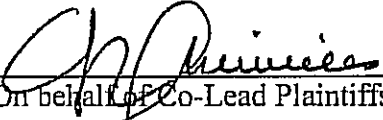
implement or enforce the terms of this Stipulation of Settlement or the Judgment.

- i. **Assignment.** This Stipulation of Settlement shall be binding upon and inure to the benefit of each of the Parties' respective successors and assigns.
- j. **Drafted Equally.** Each of Co-Lead Plaintiffs and Defendants agrees that this Stipulation of Settlement was negotiated fairly between them at arm's length and that the final terms of this Stipulation of Settlement are the product of arms length negotiations. Each of Co-Lead Plaintiffs and Defendants further agrees that this Stipulation of Settlement shall be deemed to have been jointly and equally drafted by them, and the provisions of this Stipulation of Settlement shall not be construed against a Party on the grounds that said Party drafted or was more responsible for drafting any of its provisions.
- k. **Counterparts.** This Stipulation of Settlement may be executed in counterparts and via electronic mail and facsimile. Each counterpart when so executed shall be deemed to be an original, and all such counterparts together constitute the same instrument.
- l. **Counsel.** Each of Co-Lead Plaintiffs and Defendants acknowledges that she, he, or it has been represented by counsel in connection with this Stipulation of Settlement, and specifically in connection with the review and execution of this Stipulation of Settlement, and each has read and fully understands the provisions of this Stipulation of Settlement and intends to be legally bound hereby. Each signatory hereto represents and warrants that such person has had an opportunity to consult with their respective attorneys and/or business advisors prior to the execution of this Stipulation of Settlement.
- m. **Authority.** Each signatory hereto represents and warrants that such person has authority to bind the Party for whom such person acts as well as that Party's parents, subsidiaries, affiliates, predecessors, successors, heirs, legatees, beneficiaries, trustees, personal representatives, and assigns.

DATED: July 14, 2010

[Signatures appear on the following pages]

Nicholas E. Chimicles
Chimicles & Tikellis LLP


On behalf of Co-Lead Plaintiffs and the
Settlement Class

Lawrence A. Sucharow
Labaton Sucharow LLP

On behalf of Co-Lead Plaintiffs and the
Settlement Class

Lawrence P. Kolker
Wolf Haldenstein Adler Freeman
& Herz LLP

On behalf of Co-Lead Plaintiffs and the
Settlement Class

Adam J. Levitt
Wolf Haldenstein Adler Freeman
& Herz LLC

On behalf of Co-Lead Plaintiffs and the
Settlement Class

Jerold S. Solovy
Jenner & Block, LLP

On behalf of Defendants Goodwin, Baum,
Cosenza, Parks, Gujral, The Inland Group, Inc.,
and Inland Real Estate Investment Corporation

Samuel B. Isaacson
DLA Piper LLP (US)

On behalf of Defendants Grimes, Catalano,
Inland Western Retail Real Estate Trust, Inc.,
Inland Western Retail Real Estate Advisory
Services, Inc., Inland Southwest Management
Corp., Inland Northwest Management Corp., and
Inland Western Management Corp.

Richard B. Kapnick
Sidley Austin LLP

On behalf of Defendants Beard, Gauvreau,
Gorski, and Murphy


Harold C. Hirshman
Sommerschein Nath & Rosenthal LLP

On behalf of Defendant William Blair & Co.,
LLC

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Chimicles & Tikellis LLP

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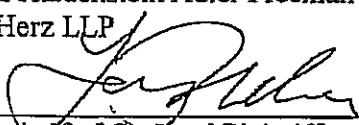
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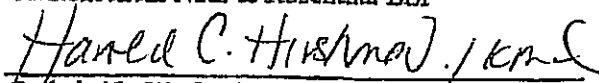
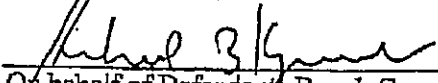
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Sonnenschein Nath & Rosenthal LLP



On behalf of Defendants Beard, Gauvreau,
Gorski, and Murphy

On behalf of Defendant William Blair & Co.,
LLC

Jonathan C. Medow
Mayer Brown LLP


On behalf of Defendant KPMG LLP

EXHIBIT A

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS

CITY OF ST. CLAIR SHORES GENERAL EMPLOYEES RETIREMENT SYSTEM, et. al. v. INLAND WESTERN RETAIL REAL ESTATE TRUST, INC., et. al.	Case No. 07 C 6174 <u>CLASS ACTION</u> Hon. Robert W. Gettleman
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**NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION, SETTLEMENT
HEARING AND APPLICATION FOR ATTORNEYS' FEES**

TO: ALL PERSONS WHO WERE INLAND WESTERN RETAIL REAL ESTATE TRUST, INC. SHAREHOLDERS OF RECORD AS OF THE CLOSE OF BUSINESS ON AUGUST 31, 2007.

THIS NOTICE CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHTS CONCERNING A PROPOSED CLASS ACTION SETTLEMENT. A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

You do not need to file a claim form or respond to this Notice in order to participate in the Settlement.

Summary of Notice and Settlement

In November of 2007, Lead Plaintiff City of St. Clair Shores General Employees Retirement System ("CSCS GERS"), subsequently joined by Madison Investment Trust ("Madison"), started this Class Action lawsuit (the "Action") by filing a complaint on behalf of themselves and all others who were shareholders of record of Inland Western Retail Real Estate Investment Trust, Inc. ("IWEST") as of the close of business on August 31, 2007 ("Settlement Class"). The Action, titled *City of St. Clair Shores General Employees Retirement System, et. al. v. Inland Western Retail Real Estate Investment Trust, Inc.*, Case No. 07 C 6174, alleged that defendants (described in this Notice) violated federal securities laws and various state laws. The Judge presiding over this case is the Honorable Robert W. Gettleman, United States District Judge (the "Judge") of the United States District Court for the Northern District of Illinois (the "Court"), in Chicago, Illinois.

The parties have reached a proposed settlement ("Settlement"), the terms of which are summarized below.

Persons Affected by Settlement and Issues: This Action is on behalf of all persons who were shareholders of record of Inland Western Retail Real Estate Investment Trust, Inc. ("IWEST") as of the close of business on August 31, 2007 ("Settlement Class"). The Settlement Class was asked to vote at IWEST's November 13, 2007 Annual Meeting of stockholders on the matters that were the subject of a September 10, 2007 proxy statement. The September 10, 2007 Proxy Statement was filed with the Securities and Exchange Commission by IWEST, and was amended or supplemented on October 10, October 12, and November 9, 2007 ("Proxy"). The Proxy asked shareholders to approve a transaction, called the "Internalization", whereby IWEST would purchase its property managers and business advisor for 37.5 million IWEST shares, which had a deemed-value at that time of approximately \$375 million ("Internalization Consideration"). The Action raised the questions of whether the Proxy provided sufficient information to shareholders and whether IWEST paid too much.

Settlement: The proposed Settlement provides for the return of 24% of the Internalization Consideration, or nine million (9,000,000) shares of IWEST common stock ("Settlement Shares") to IWEST. The Settlement Shares were valued at \$90,000,000 at the time of the Internalization.

Settlement Hearing: This Notice has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the Court. The purpose of this Notice is to inform you that there is a proposed settlement of the Action, as provided for in the Stipulation of Settlement dated July 14 2010 (the "Stipulation" or the "Settlement") and to give you notice of your rights. The Court has scheduled a hearing on the fairness of the Settlement, the certification of the Settlement Class and the request for attorneys' fees and reimbursement of expenses ("Settlement Hearing"). The Settlement Hearing will be held on [date], 2010, at [time], before the Judge in Courtroom 1419, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604.

Reasons for the Settlement: Plaintiffs believe that the Settlement of this Action, on the terms set out in the Stipulation, is in the best interests of the Settlement Class. The Settlement provides for a substantial recovery while avoiding the costs and risks associated with continued litigation, including the danger of no recovery.

If the Action Had Not Settled: In the absence of a settlement, the Action would continue. It is possible that the Plaintiffs might prevail and might achieve a larger recovery. However, it is also possible that Defendants might prevail. The parties disagree on both liability and damages, and do not agree on the amount of damages that would be recoverable if Plaintiffs were to have prevailed on each claim alleged. There was a substantial risk that Plaintiffs might not have prevailed on all of their claims, and could have recovered nothing or substantially less than the benefits achieved by the Settlement. Defendants have denied and continue to deny that (i) they are liable to the Plaintiffs or the Settlement Class, (ii) this Action can proceed as a class action; and (ii) Plaintiffs or the Settlement Class have suffered any damages. Defendants assert that Plaintiffs could not demonstrate that: (i) the statements made in the Proxy were false or misleading; (ii) the statements, if false or misleading, were material to shareholders in voting on the matters that were the subject of the Proxy; (iii) all Defendants were proper parties to this Action and could be held liable under the federal securities laws for making or disseminating a materially false and misleading Proxy; (iv) the Plaintiffs or the Settlement Class were injured as a result of any alleged misstatement by any of the Settling Defendants; and (v) the Plaintiffs and the Settlement Class were entitled to have the Internalization undone or have a portion of the Internalization Consideration returned. If Defendants' arguments concerning liability or damages prevailed, the Action would be dismissed or there would be no recovery for Plaintiffs and the Settlement Class. Since there is a significant possibility that the Plaintiffs would not prevail on all or any claims, Plaintiffs and their counsel believe that the proposed Settlement is fair, reasonable, and adequate and in the best interests of the Settlement Class.

Fees and Expenses: The Plaintiffs' attorneys ("Co-Lead Counsel") have not received any payment for their work which included extensively investigating the facts, conducting this litigation (filing the complaint, researching and drafting motions and opposing motions, conducting discovery), and mediating and negotiating the settlement. They will ask the Court to award attorneys' fees and reimbursement of expenses in an amount not to exceed \$10 million. Defendants do not oppose that request and IWEST will cause the amount ultimately awarded by the Court to be paid to Co-Lead Counsel.

More Information: Further information regarding the Action and this Notice may be obtained by contacting any of the Co-Lead Counsel: Nicholas E. Chimicles, Esq., CHIMICLES & TIKELLIS LLP, 361 West Lancaster Avenue, Haverford, PA 19041, Phone: (610) 642-8500, Email: nick@Chimicles.com, Website: www.chimicles.com; Lawrence A. Sucharow, Esq., LABATON SUCHAROW LLP, 140 Broadway, New York, NY 10005, Phone: (212) 907-0700, Website: www.labaton.com; or Lawrence P. Kolker, Esq., WOLF HALDENSTEIN ADLER FREEMAN & HERZ LLP, 270 Madison Avenue, New York, NY 10016, Phone: (212) 545-4600, Website: www.whafh.com.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

DO NOTHING:	If you were a shareholder of record of Inland Western Retail Real Estate Trust, Inc. as of the close of business on August 31, 2007 ("Settlement Class") you will be bound by the Settlement unless you request exclusion ("opt-out"). You do not need to submit anything or respond to this Notice in order to be included as a member of the Class.
EXCLUDE YOURSELF ("OPT-OUT"):	The Court preliminarily certified the Settlement Class pursuant to Federal Rule of Civil Procedure 23(b)(2) and 23(b)(3). If you are a member of the Settlement Class, you have no right to request exclusion from the Settlement Class with respect to the Settled Equitable Claims. If you are a member of the Settlement Class, you may request exclusion ("opt-out") from the Settlement Class with respect to the Settled Legal Claims. The deadline to opt-out is _____.
OBJECT BUT REMAIN IN THE SETTLEMENT:	Write to the Court if you find all or part of the Settlement objectionable.
GO TO A HEARING:	The Settlement Hearing on _____ at ____:00 __.m. is open to the public. You do not need to attend the Hearing unless you wish to attend to speak either in support of the Settlement or in support of any objection you may have filed.

These rights and options, and the deadlines to exercise them, are explained in further detail in this Notice.
 The Court still has to decide whether to approve the Settlement.

WHAT THIS NOTICE CONTAINS:

[page numbers to be inserted]

SUMMARY OF THE ACTION

DETAILED INFORMATION

- Why did I receive this Notice?**
- Why is the Action called a class action?**
- Who is included in the Settlement Class?**
- Who is not included in the Settlement Class?**
- I'm still not sure if I am included.**
- What are the Settlement's benefits?**
- What am I giving up by the Settlement?**
- Can I remove myself from the Settlement Class?**
- Do I have a lawyer in this case?**
- Will remaining a member of the Settlement Class cost me anything?**
- What will Co-Lead Counsel be paid?**

OBJECTING TO THE SETTLEMENT

- What can I do if I object to the Settlement?**

THE SETTLEMENT HEARING

- When and where will the Court consider whether to approve the Settlement, and the Request for Attorneys' Fees and Expenses?**
- Do I have to come to the Settlement Hearing?**

GETTING MORE INFORMATION

- Are there more details about the Settlement?**

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

SUMMARY OF THE ACTION

From its inception until November 15, 2007, IWEST's day-to-day business was conducted by Inland Western Retail Real Estate Advisory Services, Inc., which was called the "Advisor." IWEST's properties were managed by three "Property Managers": Inland Western Management Corporation ("IWMC"), Inland Northwest Management Corporation ("INMC") and Inland Southwest Management Corporation ("ISMC").

On August 14, 2007, IWEST entered into an agreement and plan of merger by which it would acquire its Advisor and Property Managers ("Internalization") for 37.5 million shares of IWEST stock with a deemed value as of that time of \$375 million ("Internalization Consideration").

On September 10, 2007, IWEST filed the Proxy with the Securities and Exchange Commission ("SEC") asking shareholders to ratify the Internalization, and in September 2007, IWEST mailed the Proxy to shareholders of record as of August 31, 2007. On November 13, 2007, IWEST's shareholders ratified the Internalization, and on November 15, 2007 IWEST completed the Internalization.

On November 1, 2007, an IWEST shareholder, City of St. Clair Shores General Employees' Retirement System ("CSCS GERS") filed a class action and derivative complaint ("Initial Complaint") against: IWEST, the Advisor, the Property Managers, Inland Real Estate Investment Corporation, The Inland Group, Inc., Robert D. Parks, Brenda G. Gujral, Frank A. Catalano, Jr., Kenneth H. Beard, Paul R. Gauvreau, Gerald M. Gorski, Barbara A. Murphy, Steven P. Grimes, Daniel L. Goodwin, Robert H. Baum, G. Joseph Cosenza, and William Blair & Company, LLC ("Defendants"). The Initial Complaint asserted violations of the federal securities laws under Sections 14 and 20(a) of the Securities Exchange Act of 1934 ("Exchange Act") and violations of state law for breach of fiduciary duty and breach of contract. The Initial Complaint alleged that the members of the Settlement Class ratified the Internalization based on a false and misleading Proxy.

On January 22, 2008, the Court, pursuant to 15 U.S.C. § 78u-4(a)(3)(b), appointed CSCS GERS and Madison Investment Trust ("Madison") as Co-Lead Plaintiffs and appointed the law firms of Chimicles & Tikellis LLP, Labaton Sucharow LLP, and Wolf Haldenstein Adler Freeman & Herz LLP as Co-Lead Counsel.

On June 12, 2008, Co-Lead Plaintiffs filed an amended class action and derivative complaint against the Defendants named in the initial complaint and KPMG LLP ("Amended Complaint"). The Amended Complaint alleged that the Proxy was false and misleading concerning the value of the Internalization in violation of the Exchange Act. ("Proxy Claims") and asserted direct and derivative claims against certain defendants for breach of fiduciary duty and aiding and abetting breaches of fiduciary duties in connection with the Internalization.

In July 2008, Defendants moved to dismiss the Amended Complaint, and on April 1, 2009, the Court granted in part and denied in part Defendants' motions to dismiss the Amended Complaint.

On May 1, 2009, Co-Lead Plaintiffs filed an amended complaint, seeking damages and injunctive relief on behalf of the Settlement Class related to the Proxy Claims. ("Operative Complaint"). On May 29, 2009, Defendants moved to dismiss the Operative Complaint, and on June 4, 2009, the Court denied the motion.

Co-Lead Counsel's investigation of the claims began prior to the filing of the Initial Complaint and involved, among other things, working with a forensic financial expert highly experienced in evaluating complex transactions in the real estate industry such as the Internalization. In this connection, Co-Lead Counsel analyzed IWEST's filings with the SEC as well as other publicly-available information relating to the Internalization. Throughout the litigation, Co-Lead Counsel and their financial experts, as well as experts they retained in the fields of commercial real estate and accounting and auditing practices, actively monitored and analyzed all matters relating to IWEST that were publicly available and that impacted the asserted claims. Beginning in July 2009, Co-Lead Plaintiffs and Defendants engaged in discovery which included, among other things, the production of thousands of documents from Defendants and several third parties, which were analyzed by Co-Lead Counsel and its experts. Co-Lead Counsel also conducted several in-depth interviews of key witnesses and parties.

On January 7 and 8, 2010 in Chicago, Illinois, counsel for the Defendants and co-lead plaintiffs met, in-person, with a mediator Jonathan B. Marks of MarksADR, LLC ("Mediator") to commence a non-binding mediation of the Action. The Mediator has 29 years of experience mediating numerous complex litigations, and, specifically, federal securities class actions. Extensive factual and legal presentations were exchanged between the parties advocating their respective positions on liability and damages issues. The mediation continued through frequent teleconferences with the Mediator and among the parties' counsel and on July 14, 2010, the parties entered into the Stipulation of Settlement.

DETAILED INFORMATION

1. Why did I receive this Notice?

The Court authorized this Notice to be sent to you because you may be a member of the Settlement Class. If you are a member of the Settlement Class you have a right to know about the proposed Settlement of

the Action, and about your rights, obligations, and options, before the Court decides whether to approve the Settlement. This Notice explains the Action, the Settlement and your legal rights.

THE COURT HAS NOT FINALLY DETERMINED THE MERITS OF PLAINTIFFS' CLAIMS OR THE DEFENSES THERETO. THIS NOTICE DOES NOT IMPLY THAT THERE HAS BEEN OR WOULD BE A FINDING OF A VIOLATION OF THE LAW OR THAT RECOVERY COULD BE HAD IN ANY AMOUNT IF THE ACTION WERE NOT SETTLED.

2. Why is the Action called a class action?

In a class action, one or more people or entities, called plaintiffs, sue on behalf of all the other people and entities that have similar claims. All of them are referred to as the class or, individually, as class members. In a class action like this case, one court resolves in a single action the issues common to all class members.

3. Who is included in the Settlement Class?

The Court has preliminarily certified this Action to proceed as a class action on behalf of the following Settlement Class:

Shareholders of IWEST, and their parents, subsidiaries, affiliates, predecessors, successors, heirs, legatees, beneficiaries, trustees, personal representatives, and assigns, who were shareholders of record as of the close of business on August 31, 2007 and entitled to vote on the matters that were the subject of the Schedule 14A proxy statement that was filed with the SEC by IWEST on September 10, 2007, pursuant to Section 14(a) of the Securities Exchange Act of 1934, as amended or supplemented on October 10, October 12, and November 9, 2007.

The Class Representatives for the Settlement Class are CSCS GERS and Madison. Excluded from the Settlement Class are the persons and entities set out in Paragraph No. 4, below.

4. Who is not included in the Settlement Class?

The Defendants, officers and directors of Defendants, members of each individual Defendants' immediate family, any entity in which any Defendant has a controlling interest, and the legal affiliates, representatives, heirs, beneficiaries, trustees, personal representatives, controlling persons, successors or predecessors in interest or assigns of any such excluded person or entity.

5. I'm still not sure if I am included.

If you are still not sure whether you are included in the Settlement Class, you can ask for help free of charge. You can contact Co-Lead Counsel at the phone numbers and addresses listed above.

6. What are the Settlement's benefits?

Pursuant to the Settlement, certain of the Defendants will cause a significant portion of the Internalization Consideration -- nine million (9,000,000) shares of IWEST common stock (the "Settlement Shares") -- to be returned to the Company.

Securing the return of a significant portion of the Internalization Consideration is an excellent result for the Class and the Company. The proposed Settlement -- which has the effect of reducing the Internalization Consideration from 37.5 million shares to 28.5 million shares -- represents a 24% reduction of the Internalization Consideration. The return of 24% of the Internalization Consideration equals \$90,000,000 of the \$375,000,000 of value attributed to IWEST's stock used to pay for the Internalization. The Settlement Shares also represent a 35% recovery of the estimated recoverable damages (the overpayment of approximately 25 million shares), as calculated by Plaintiffs' Counsel and their experts. The return of the Settlement Shares will enhance the

Company's per share performance and reduce any dilutive impact shareholders experienced as a result of the Internalization.

7. What am I giving up by the Settlement?

As a member of the Settlement Class, in consideration of the benefits of the Settlement, you will release all of your Settled Equitable and Legal Claims against the Defendants and Released Persons (all defined below), and the Action will be dismissed in its entirety.

"Settled Equitable Claims" means any and all claims, duties, obligations, demands, actions, causes of action, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of whatever kind, nature, character, or description for Equitable Relief, whether arising in tort, contract, or otherwise, whether known or Unknown Claims, whether anticipated or unanticipated, whether or not matured, accrued, or ripe, or whether or not alleged in the Action, based upon, related to, or arise out of in whole or in part (i) the Proxy, including all Independent Auditors' Reports contained therein; (ii) the facts, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures to act that were alleged in the Action; or (iii) any count or allegation contained in any complaint in the Action by any of the Co-Lead Plaintiffs against any one or more of the Released Persons through the date when Judgment is entered dismissing the action with prejudice.

"Settled Legal Claims" means any and all claims, duties, obligations, demands, actions, causes of action, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of whatever kind, nature, character, or description for Legal Relief, whether arising in tort, contract, or otherwise, whether known or Unknown Claims, whether anticipated or unanticipated, whether or not matured, accrued, or ripe, or whether or not alleged in the Action, based upon, related to, or arise out of in whole or in part (i) the Proxy, including all Independent Auditors' Reports contained therein; (ii) the facts, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures to act that were alleged in the Action; or (iii) any count or allegation contained in any complaint in the Action by any of the Co-Lead Plaintiffs against any one or more of the Released Persons through the date when Judgment is entered dismissing the Action with prejudice.

"Released Persons" shall include: (i) the Defendants; (ii) any individual or entity that could have been named by the Co-Lead Plaintiffs as a defendant in the Action (collectively the "Potential Defendants"); (iii) any affiliates of the Defendants or Potential Defendants, including, without limitation, limited liability companies, partnerships and corporations (the "Affiliates"); (iv) the heirs, legatees, beneficiaries, trustees, personal representatives, predecessors, successors, and assigns of the Defendants, Potential Defendants, and Affiliates; and (v) the respective past and present officers, directors, managers, members, partners, employees, agents, consultants, advisors, attorneys, accountants, experts, or representatives of the Defendants, Potential Defendants, and Affiliates.

"Unknown Claims" means any claims that Co-Lead Plaintiffs or the Settlement Class do not know or suspect 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.

8. Can I exclude myself from the Settlement Class?

The Court preliminarily certified the Settlement Class pursuant to Federal Rule of Civil Procedure 23(b)(2) and 23(b)(3). Members of the Settlement Class shall have no right to request exclusion from the Settlement Class with respect to the Settled Equitable Claims.

If you want to keep the right to sue, or continue to sue, any of the Defendants, or to assert any Settled Legal Claims against any of the Released Persons on your own, then you must take steps to exclude yourself from the Settlement Class only with respect to the Settled Legal Claims. Each member of the Settlement Class shall be bound by the Settlement, unless he files a written request for exclusion or "opts-out" with respect to the Settled Legal Claims. Defendants may terminate the Settlement if more than a certain amount of opt-outs are

made. To opt-out, you must mail, by first-class mail, postmarked no later than [date], 2010, a written request for exclusion from the Settlement Class with respect to the Settled Legal Claims. ("Exclusion Request"). The Exclusion Request must:

- (a) State that you "request exclusion from the Settlement Class only with respect to the Settled Legal Claims in *City of St. Clair Shores General Employees Retirement System, et. al. v. Inland Western Retail Real Estate Investment Trust, Inc.*, Case No. 07 C 6174";
- (b) State the name, address and telephone number of the person seeking exclusion;
- (c) State the number of shares of IWEST common stock owned by the person seeking exclusion as of August 31, 2007 and the number of shares owned as of the date of the Exclusion Request; and
- (d) Include the signature of the person seeking exclusion and those of any joint owners of the shares.

If your Exclusion Request does not include that information, you will not be excluded and you will be deemed to continue to be a member of the Settlement Class. Your Exclusion Request must be postmarked *no later than* [date], 2010 and mailed to:

Nicholas E. Chimicles, Esq.
 CHIMICLES & TIKELLIS LLP
 361 West Lancaster Avenue
 Haverford, PA 19041
 Phone: (610) 642-8500
 Website: www.chimicles.com

Lara McDermott
 Gilardi & Co., LLC
 3301 Kerner Boulevard
 San Rafael, CA 94901
 Phone: (415) 461-0410
 Website: www.gilardi.com

9. Do I have a lawyer in this case?

Yes. Chimicles & Tikellis LLP, Labaton Sucharow LLP and Wolf Haldenstein Adler Freeman & Herz LLP are Co-Lead Counsel for Plaintiffs and the Class:

Nicholas E. Chimicles, Esq.
 CHIMICLES & TIKELLIS LLP
 361 West Lancaster Avenue
 Haverford, PA 19041
 Phone: (610) 642-8500
 Website: www.chimicles.com

Lawrence A. Sucharow, Esq.
 LABATON SUCHAROW LLP
 140 Broadway
 New York, NY 10005
 Phone: (212) 907-0700
 Website: www.labaton.com

Lawrence P. Kolker, Esq.
 WOLF HALDENSTEIN ADLER
 FREEMAN & HERZ LLP
 270 Madison Avenue
 New York, NY 10016
 Phone: (212) 545-4600
 Website: www.whafh.com

There is no need to retain your own lawyer. If you want to be represented by your own lawyer, you may hire one at your own expense and your lawyer must file with the Court an appearance on your behalf on or before [date], 2010, and must serve copies of such appearance on the attorneys listed in Paragraph No.12.

10. Will remaining a member of the Settlement Class cost me anything?

You will not be charged by Co-Lead Counsel for such representation and will not be asked to pay anything. Co-Lead Counsel will ask the Court to award them reasonable attorneys' fees and expenses (described in Paragraph No. 11), and IWEST will pay Co-Lead Counsel the amount of attorneys' fees and expenses awarded by the Court in an amount not to exceed \$10 million.

11. What amount will Co-Lead Counsel be paid?

Co-Lead Counsel will ask the Court to approve an award of reasonable attorneys' fees and expenses not to exceed \$10 million. Defendants do not oppose an award of reasonable attorneys' fees and expenses to Co-

Lead Counsel for an amount that does not exceed \$10 million, and IWEST will cause the amount ultimately awarded by the Court to be paid to Co-Lead Counsel.

OBJECTING TO THE SETTLEMENT

12. What Can I Do If I Object to the Settlement?

If you believe you have a reason to do so, as a member of the Settlement Class you can make a written submission to the Court setting out objections to any aspect of the Settlement, including, but not limited to, the request for attorneys' fees and expenses. In order for your objection to be considered, you must comply with the following procedures.

On or before [date], 2010 you must file with the Clerk of the Court a statement or letter saying what you are objecting to and the reasons for your objection, and any supporting documentation. Your filing should include:

- (a) the case name and number: *City of St. Clair Shores General Employees Retirement System, et. al. v. Inland Western Retail Real Estate Investment Trust, Inc.*, Case No. 07 C 6174;
- (b) your name, address, telephone number, and signature;
- (c) information concerning the number of shares of IWEST stock you owned as of the close of business on August 31, 2007 (to evidence proof of membership in the Class), and the number of shares you own as of the date of your filing;
- (d) the reason(s) you object to the Settlement; and
- (e) all legal support you wish to bring to the Court's attention or evidence you have to support your objection.

If you wish to appear in person at the Settlement Hearing, you must also file a Notice of Intention to Appear.

You must also, on or before [date], 2010 provide to the Court and counsel for the Parties, either in person or by mail, copies of all papers you filed with the Clerk of the Court at the following addresses:

To the Court:
Honorable Robert W. Gettleman
United States District Court, Northern District of Illinois
Everett McKinley Dirksen United States Courthouse
219 South Dearborn Street, Courtroom 1419
Chicago, IL 60604

AND
(continued on next page)

To Co-Lead Counsel:
Nicholas E. Chimicles, Esq.
Chimicles & Tikellis LLP
One Haverford Centre
361 West Lancaster Avenue
Haverford, PA 19041
Phone: (610) 642-8500
www.chimicles.com

To Defense Counsel:
Samuel B. Isaacson
DLA Piper LLP (US)
203 North LaSalle Street,
Suite 1900
Chicago, IL 60601
Phone: (312) 368-2163
samuel.isaacson@dlapiper.com

To Defense Counsel:
James L. Thompson
Jenner & Block, LLP
353 North Clark Street
Chicago, IL 60654
Phone: (312) 923-2944
jthompson@jenner.com

To Defense Counsel:
Richard B. Kapnick
Sidley Austin LLP
One South Dearborn
Chicago, IL 60603
Phone: (312) 853-7846
rkapnick@sidley.com

To Defense Counsel:
Jonathan C. Medow
Mayer Brown LLP
71 South Wacker Drive
Chicago, IL 60606
Phone: (312) 701-7060
jmedow@mayerbrown.com

To Defense Counsel:
Harold C. Hirshman
Sonnenschein Nath &
Rosenthal LLP
233 South Wacker Drive,
Suite 7800
Chicago, IL 60606
Phone: (312) 876-8025
hhirshman@sonnenschein.com

Waiver of Objections. Any person who fails to comply with the requirements for objecting to the Settlement shall be deemed to have waived all such objections and shall be foreclosed from raising any objection to the proposed Settlement. Any Class Member may attend the Settlement Hearing, but only those Settlement Class members who comply with the provisions hereof will be permitted to raise any objections to the proposed Settlement.

THE SETTLEMENT HEARING

13. When and where will the Court consider whether to approve the Settlement and the request for attorneys' fees and expenses?

The Judge will hold a Settlement Hearing on [date], 2010, at [time] at the United States District Court for the Northern District of Illinois, Courtroom 1419, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604. At the Settlement Hearing, the Judge will consider whether the Settlement is fair, reasonable, and adequate. At or after the Settlement Hearing, the Judge will also consider whether to approve the Request for Attorneys' Fees and Expenses. If there are objections, the Judge will also consider them. The Judge has discretion to listen to people who have asked to speak at the hearing. We do not know how long the Settlement Hearing will last or how long it will take for the Court to decide whether to approve the Settlement or the request for attorneys' fees and expenses.

14. Do I have to come to the Settlement Hearing?

No. Co-Lead Counsel will answer any questions the Court may have on behalf of Plaintiffs and the Settlement Class. However, if you have a reason to, you are welcome to attend the Settlement Hearing at your own expense, or pay your own lawyer to attend the Settlement Hearing, but you don't need to. If you do hire your own lawyer or if you want to speak at the Settlement Hearing, you must file a Notice of Intention to Appear in the manner described in Paragraph No. 12, above. The Court may choose to reschedule the Settlement Hearing without sending a further notice to the Settlement Class. If you plan to come to the Settlement Hearing, you should contact one of the Counsel listed above to make sure it has not been rescheduled.

GETTING MORE INFORMATION

15. Are there more details about the Settlement?

Yes. This Notice summarizes the proposed Settlement. More details (including the definitions of various terms used in this Notice) are contained in the pleadings and other papers in this Action, including the formal Stipulation of Settlement, which has been filed with the Court. In addition, Plaintiffs' submissions in support of the Settlement and Co-Lead Counsel's fee and expense application will be filed with the Court on [date], 2010. If you want a copy of any of these papers or if you have any questions, you may:

- Contact Co-Lead Counsel, see paragraph 9 above
- Send an e-mail to kimdonaldson@Chimicles.com.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you hold shares of IWEST common stock as a nominee for a beneficial owner who is a member of the Settlement Class, then within ten (10) days after you receive this Notice, you must either: (1) mail copies of this Notice by first-class mail to each such beneficial owner; or (2) send a list of the names and addresses of such beneficial owners to:

Lara McDermott
Gilardi & Co., LLC
3301 Kerner Boulevard
San Rafael, CA 94901
Phone: (415) 461-0410
Website: www.gilardi.com

PLEASE DO NOT CALL THE COURT OR CLERK OF COURT.

DATED: ---

BY ORDER OF THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS

EXHIBIT B

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

<p>CITY OF ST. CLAIR SHORES GENERAL EMPLOYEES RETIREMENT SYSTEM and MADISON INVESTMENT TRUST, On behalf of Itself and All Others Similarly Situated, and Derivatively On behalf of Inland Western Retail Real Estate Trust, Inc.,</p> <p style="text-align: center;">Plaintiffs,</p> <p>v.</p> <p>INLAND WESTERN RETAIL REAL ESTATE TRUST, INC., INLAND REAL ESTATE INVESTMENT CORPORATION; THE INLAND GROUP, INC., INLAND WESTERN RETAIL REAL ESTATE ADVISORY SERVICES, INC., INLAND SOUTHWEST MANAGEMENT CORP., INLAND NORTHWEST MANAGEMENT CORP., INLAND WESTERN MANAGEMENT CORP., ROBERT D. PARKS, BRENDA G. GUJRAL, FRANK A. CATALANO, JR., KENNETH H. BEARD, PAUL R. GAUVREAU, GERALD M. GORSKI, BARBARA A. MURPHY, STEVEN P. GRIMES, DANIEL L. GOODWIN, ROBERT H. BAUM, G. JOSEPH COSENZA, KPMG LLP, AND WILLIAM BLAIR & COMPANY, L.L.C.,</p> <p style="text-align: center;">Defendants.</p>	<p>Case No. 07 C 6174</p> <p>Judge Robert W. Gettleman</p>
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FINAL JUDGMENT

IT IS HEREBY ORDERED THAT:

1. All capitalized terms used in this Final Judgment shall have the meaning ascribed to them in the Stipulation of Settlement ("Settlement Agreement"), a true and correct copy of which is attached hereto as Exhibit A.

2. Solely for purposes of settlement, the Court hereby certifies pursuant to Federal Rule of Civil Procedure 23(b)(2) and 23(b)(3) the following Settlement Class:

Shareholders of IWEST, and their parents, subsidiaries, affiliates, predecessors, successors, heirs, legatees, beneficiaries, trustees, personal representatives, and assigns, who were shareholders of record as of the close of business on August 31, 2007 and entitled to vote on the matters that were the subject of the Schedule 14A Proxy Statement that was filed with the SEC by IWEST on September 10, 2007, pursuant to Section 14(a) of the Securities Exchange Act of 1934, as amended or as supplemented on October 10, October 12, and November 9, 2007.

The Settlement Class excludes: (i) Defendants; (ii) officers and directors of Defendants; (iii) members of each individual Defendant's immediate family; (iv) any entity in which any Defendant has a controlling interest; and (v) the legal affiliates, representatives, heirs, legatees, beneficiaries, trustees, personal representatives, controlling persons, successors, and predecessors in interest or assigns of any such excluded person or entity.

3. Solely for purposes of settlement, the Court hereby certifies as Settlement Class representatives the Co-Lead Plaintiffs.

4. The Court determines that the Settlement Class satisfies the requirements for class certification under Federal Rule of Civil Procedure 23(a). In support of this ruling, and solely for purposes of settlement, the Court finds that the Settlement Class is so numerous that joinder of all members is impracticable, there are questions of law or fact common to the Settlement Class, the claims or defenses of the representative parties are typical of the claims or defenses of the Settlement Class, and Co-Lead Plaintiffs will fairly and adequately protect the interests of the Settlement Class.

5. The Court determines that the Settlement Class satisfies the requirements for class certification under Federal Rule of Civil Procedure 23(b)(2) for purposes of settling and releasing the Settled Equitable Claims. In support of this ruling, and solely for purposes of settlement, the Court finds that Defendants have acted or refused to act on grounds that apply generally to the class, so that final injunctive relief is appropriate respecting the Settlement Class as a whole.

6. The Court determines that the Settlement Class satisfies the requirements for class certification under Federal Rule of Civil Procedure 23(b)(3) for purposes of settling and releasing the Settled Legal Claims. In support of this ruling, and solely for purposes of settlement, the Court finds that the questions of law or fact common to the Settlement Class predominate over any questions affecting only individual members of the Settlement Class, and that a class action is superior to other available methods for fairly and efficiently adjudicating the controversy.

7. Class Notice and Summary Notice have been mailed and/or published to the Settlement Class pursuant to and in the manner directed by the Preliminary Approval Order, proof of the mailing of the Class Notice has been filed with the Court by Co-Lead Counsel, proof of the publication of the Summary Notice has been filed with the Court by Co-Lead Counsel, and a full opportunity to be heard has been afforded to all Parties, the Settlement Class, and persons

in interest. The form and manner of the Class Notice and Summary Notice are hereby determined to have been the best notice practicable under the circumstances and to have been given in full compliance with the requirements of due process and the notice requirements of the Federal Rules of Civil Procedure and any other applicable law.

8. The Court finds that the Settlement Agreement is fair, adequate, reasonable, and in the best interests of the Settlement Class.

9. Co-Lead Counsel has filed with the Court a list of persons who timely requested exclusion from the Settlement Class, a true and correct copy of which is attached hereto as Exhibit B and incorporated as if fully set forth herein. The persons identified on Exhibit B have not released, and shall not be deemed to have released, their Settled Legal Claims pursuant to the Settlement Agreement, and are not enjoined from filing Settled Legal Claims against the Released Persons pursuant to this Final Judgment. However, as permitted by Federal Rule of Civil Procedure 23(b)(2), the persons identified on Exhibit B have released, and shall be deemed to have released, their Settled Equitable Claims pursuant to the Settlement Agreement, and are enjoined permanently from filing Settled Equitable Claims against the Released Persons pursuant to this Final Judgment.

10. The Parties shall comply with the terms of the Settlement Agreement attached hereto as Exhibit A, the terms of which are incorporated as if fully set forth herein.

11. Co-Lead Plaintiffs, for themselves and their parents, subsidiaries, affiliates, predecessors, members, participants, investors, beneficiaries, successors, and assigns, as well as each member of the Settlement Class, by Court approval of the Settlement Agreement and by operation of this Final Judgment, fully, finally, irrevocably, and forever release, relinquish, and discharge all Settled Equitable Claims and Settled Legal Claims against each of the Released Persons.

12. For purposes of enforcing the foregoing release, except for the class members identified on Exhibit B and solely with respect to their Settled Legal Claims, the members of the Settlement Class are permanently enjoined from filing either Settled Equitable Claims or Settled Legal Claims against any of the Released Persons.

13. Each Defendant, for itself and its parents, subsidiaries, affiliates, predecessors, successors, and assigns, fully, finally, irrevocably, and forever releases, relinquishes, and discharges all Settled Defense Claims against each of the Released Persons, and any claims against Co-Lead Plaintiffs and Co-Lead Counsel arising out of the commencement and prosecution of this Action.

14. By attaching the Settlement Agreement as an exhibit and incorporating its terms herein, the Court determines that this Final Judgment complies in all respects with Federal Rule of Civil Procedure 65(d)(1). To the extent this Final Judgment is later determined to violate Federal Rule of Civil Procedure 65(d)(1) in any respect, each of the Parties expressly waives his, her, or its rights thereunder.

15. The Court shall rule in a separate order on Co-Lead Counsel's fee petition seeking reasonable attorneys' fees and costs and expenses which comports with the applicable provisions of the Settlement Agreement.

16. This above-entitled cause is dismissed with prejudice.

ENTERED this ____ day of _____, 2010.

BY THE COURT:

Hon. Robert W. Gettleman

EXHIBIT C

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

<p>CITY OF ST. CLAIR SHORES GENERAL EMPLOYEES RETIREMENT SYSTEM and MADISON INVESTMENT TRUST, On behalf of Itself and All Others Similarly Situated, and Derivatively On behalf of Inland Western Retail Real Estate Trust, Inc., Plaintiffs,</p> <p>v.</p> <p>INLAND WESTERN RETAIL REAL ESTATE TRUST, INC., INLAND REAL ESTATE INVESTMENT CORPORATION; THE INLAND GROUP, INC., INLAND WESTERN RETAIL REAL ESTATE ADVISORY SERVICES, INC., INLAND SOUTHWEST MANAGEMENT CORP., INLAND NORTHWEST MANAGEMENT CORP., INLAND WESTERN MANAGEMENT CORP., ROBERT D. PARKS, BRENDA G. GUJRAL, FRANK A. CATALANO, JR., KENNETH H. BEARD, PAUL R. GAUVREAU, GERALD M. GORSKI, BARBARA A. MURPHY, STEVEN P. GRIMES, DANIEL L. GOODWIN, ROBERT H. BAUM, G. JOSEPH COSENZA, KPMG LLP, AND WILLIAM BLAIR & COMPANY, L.L.C., Defendants.</p>	<p>Case No. 07 C 6174 Judge Robert W. Gettleman</p>
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[PROPOSED] ORDER
PRELIMINARILY APPROVING CLASS ACTION SETTLEMENT, GRANTING
CONDITIONAL CERTIFICATION OF SETTLEMENT CLASS, APPROVING NOTICE
PLAN, AND SETTING OF FAIRNESS HEARING

Subject to Court approval Co-Lead Plaintiffs City of St. Clair Shores General Employees' Retirement System ("CSCS") and Madison Investment Trust ("Madison") and Defendants in this Action entered into a Stipulation of Settlement dated July 14, 2010 in proposed Settlement of the Action ("Stipulation of Settlement").

Application has been made for preliminary approval of the Settlement, upon the terms and conditions in the Stipulation of Settlement. The Court has received and reviewed: (i) the

Stipulation of Settlement and all Exhibits attached thereto; (ii) Plaintiffs' Memorandum In Support Of Plaintiffs' Motion For Preliminary Approval Of Settlement, Conditional Certification Of Settlement Class, Approval Of Notice Plan, And Setting Of Settlement Hearing and all Exhibits attached thereto; (iii) Declaration of Kimberly M. Donaldson; (iv) all other pleadings and matters of record; and (v) such additional evidence or argument as was received at the July 21, 2010 hearing.

On July 21, 2010, the Court preliminarily considered the Settlement to determine, among other things, whether the Settlement is sufficient to warrant the issuance of notice to members of the Settlement Class (as defined below). Upon reviewing the Stipulation of Settlement, it is hereby ORDERED as follows:

1. The Court has jurisdiction over the subject matter of the Action, the Parties and all members of the Settlement Class.

2. Subject to this Court's authority to determine whether to finally approve the Settlement at the final approval hearing ("Settlement Hearing") described in Paragraph 13 of this Order:

- a. The Court hereby preliminarily approves the Stipulation of Settlement and the settlement contemplated thereby ("Settlement"), as being a fair, reasonable and adequate settlement as to all members of the Settlement Class within the meaning of Rule 23 of the Federal Rules of Civil Procedure, and directs the Parties to proceed with the Settlement pursuant to the terms and conditions of the Stipulation of Settlement and exhibits thereto.

- b. The terms of the Stipulation of Settlement are preliminarily approved for the purpose of sending and publishing the Class Notice and the Summary Notice to the Settlement Class.

3. Capitalized terms herein shall have the same meaning as used in the Stipulation of Settlement unless indicated otherwise.

4. The Court conditionally certifies for purposes of this Settlement only the following Settlement Class in this Action, subject to further consideration at the Settlement Hearing:

- a. Pursuant to Fed. R. Civ. P. 23(a) and (b)(2) and (b)(3), a class of shareholders of Inland Western Retail Real Estate Investment Trust, Inc. ("IWEST"), and their parents, subsidiaries, affiliates, predecessors, successors, heirs, legatees, beneficiaries, trustees, personal representatives, and assigns, who were shareholders of record as of the close of business on August 31, 2007 and entitled to vote on the matters that were the subject of the Schedule 14A proxy statement that was filed with the Securities and Exchange Commission by IWEST on September 10, 2007, pursuant to Section 14(a) of the Securities Exchange Act of 1934, as amended or supplemented on October 10, October 12, and November 9, 2007.
- b. Excluded from the Settlement Class are the Defendants, officers and directors of Defendants, members of each individual Defendants' immediate family, any entity in which any Defendant has a controlling interest, and the legal affiliates, representatives, heirs, beneficiaries, trustees, personal

representatives, controlling persons, successors or predecessors in interest or assigns of any such excluded person or entity.

- c. The Court hereby approves Co-Lead Plaintiffs as representatives of the Settlement Class pursuant to Rule 23 of the Federal Rules of Civil Procedure, and finds that, for settlement purposes only, these representative plaintiffs have and will fairly and adequately protect the interests of the Settlement Class.
- d. The Court hereby also approves Co-Lead Counsel, Chimicles & Tikellis LLP, Labaton Sucharow LLP and Wolf Haldenstein Adler Freeman & Herz LLP, as Settlement Class counsel pursuant to Rule 23 of the Federal Rules of Civil Procedure, and finds that, for settlement purposes only Co-Lead Counsel have and will fairly and adequately protect the interests of the Settlement Class.

5. Subject to final approval of the Stipulation of Settlement by the Court, members of the Settlement Class, in consideration of the benefits of the Settlement, will release Settled Equitable Claims and Settled Legal Claims against the Defendants and Released Persons (as defined in the Stipulation of Settlement). Members of the Settlement Class shall have a right to comment on the Settlement in accordance with Paragraph 10, herein. Members of the Settlement Class shall have no right to request exclusion from the Settlement Class with respect to the Settled Equitable Claims. Members of the Settlement Class shall have a right to request exclusion from the Settlement Class with respect to the Settled Legal Claims in accordance with Paragraph 9, herein.

6. Co-Lead Counsel are authorized to act on behalf of the Settlement Class with respect to all acts required by the Stipulation of Settlement or such other acts which are

reasonably necessary to consummate the proposed Settlement set forth in the Stipulation of Settlement.

7. The Court hereby finds and orders that the proposed notice plan and the Class Notice and Summary Notice fully satisfy Rule 23 of the Federal Rules of Civil Procedure and the requirements of due process, provide the best notice practicable under the circumstances to the members of the Settlement Class, provide individual notice to all members of the Settlement Class who or which can be identified through reasonable effort, and provide publication notice to members of the Settlement Class. The Court hereby directs that the Class Notice and Summary Notice be provided to the members of the Settlement Class substantially in the forms set out as Exhibit A and B, hereto, provided that, the Parties, by agreement, may revise the Class Notice and Summary Notice in ways that are not material, or in ways that are appropriate to update those documents for purposes of accuracy.

8. Defendants are hereby authorized to retain the firm of Gilardi & Co., LLC (“Notice Administrator”) to supervise and administer the Class Notice and Summary Notice:

- a. Within ten (10) days from the date of entry of this Order (the “Notice Mailing Date”), Defendants shall cause to be mailed to all members of the Settlement Class at their last known addresses, via first-class mail, the Class Notice, substantially in the form attached hereto as Exhibit A.
- b. Within twenty (20) days from the date of entry of this Order (the “Publication Date”), Defendants shall cause to be published in *Investors Business Daily* the Summary Notice, substantially in the form attached hereto as Exhibit B.
- c. Defendants shall provide notice pursuant to 28 USC § 1715 (b), Class Action Fairness Action of 2005 (“CAFA”) (“CAFA Notice”) no later than July 31,

2010 which under 28 USC § 1715(b) is the tenth (10th) day after the proposed Settlement was filed with the Court.

- d. The Class Notice and Summary Notice, along with a copy of the Stipulation of Settlement (including all exhibits) shall also appear on www.chinicles.com, the website of Chinicles & Tikellis LLP.
- e. Seven (7) days before the date fixed by this Court for the Settlement Hearing, Defendants shall file with the Clerk of this Court, affidavits or declarations of the person or persons under whose general direction the mailing of the Class Notice, publication of the Summary Notice and mailing of the CAFA Notice were accomplished which affidavits shall verify that such mailings and publication were made in accordance with this Order.
- f. Pursuant to the terms of the Stipulation of Settlement, all costs for mailing and publishing the Class Notice and Summary Notice are the responsibility of Defendants, and Co-Lead Plaintiffs, Co-Lead Counsel and the Settlement Class shall have no responsibility or obligation to reimburse such expended amounts in the event the Effective Date does not occur.

9. The Class Notice will inform members of the Settlement Class of their right to submit a request for exclusion, or "opt-out," from the conditionally certified Settlement Class with respect to the Settled Legal Claims only. The Class Notice will inform members of the Settlement Class that to opt-out they must mail, by first-class mail, postmarked no later than on or before twenty-one (21) days prior to the date fixed by this Court for the Settlement Hearing, a written request for exclusion from the Settlement Class with respect to the Settled Legal Claims. ("Exclusion Request").

- a. The Exclusion Request must:
- i. State that the members of the Settlement Class “request exclusion from the Settlement Class only with respect to the Settled Legal Claims in *City of St. Clair Shores General Employees Retirement System, et. al. v. Inland Western Retail Real Estate Investment Trust, Inc.*, Case No. 07 C 6174”;
 - ii. State the name, address and telephone number of the person seeking exclusion;
 - iii. State the number of shares of IWEST common stock owned by the person seeking exclusion as of August 31, 2007 and the number of shares owned as of the date of the Exclusion Request; and
 - iv. Include the signature of the person seeking exclusion and those of any joint owners of the shares.
- b. If the Exclusion Request does not include that information, the member of the Settlement Class will not be excluded and will be deemed to continue to be a member of the Settlement Class.
- c. The Exclusion Request must be postmarked no later twenty-one (21) days prior to the date fixed by this Court for the Settlement Hearing and mailed to:

Nicholas E. Chemicles, Esq.
CHIMICLES & TIKELLIS LLP
361 West Lancaster Avenue
Haverford, PA 19041
Phone: (610) 642-8500
Website: www.chimicles.com

Lara McDermott
Gilardi & Co., LLC
3301 Kerner Boulevard
San Rafael, CA 94901
Phone: (415) 461-0410
Website: www.gilardi.com

10. Any member of the Settlement Class may appear at the Settlement Hearing in person or by counsel (if an appearance is filed and served) and may be heard to the extent allowed by the Court in support of, or in opposition to, the fairness, reasonableness and adequacy of the Settlement or the request for an award of Attorneys' Fees and Expenses of Co-Lead Counsel; provided, however, no person shall be heard in opposition to the Settlement and, if the Settlement is approved, the judgment entered thereon, and no papers or briefs submitted by any such person shall be accepted or considered by the Court unless, on or before twenty-one (21) days prior to the date fixed by this Court for the Settlement Hearing, such member of the Settlement Class: (a) has filed with the Clerk of the Court a notice of intention to appear together with a statement that indicates the basis for such opposition along with any supporting documentation, including proof of membership in the Class; and (b) has served copies of such notice, statement, and documentation together with copies of any other papers or briefs filed with the Court, either in person or by mail, upon the following counsel:

To Co-Lead Counsel:
Nicholas E. Chimicles, Esq.
Chimicles & Tikellis LLP
One Haverford Centre
361 West Lancaster Avenue
Haverford, PA 19041
Phone: (610) 642-8500
www.chimicles.com

To Defense Counsel:
Samuel B. Isaacson
DLA Piper LLP (US)
203 North LaSalle Street,
Suite 1900
Chicago, IL 60601
Phone: (312) 368-2163
samuel.isaacson@dlapiper.com

To Defense Counsel:
James L. Thompson
Jenner & Block, LLP
353 North Clark Street
Chicago, IL 60654
Phone: (312) 923-2944
jthompson@jenner.com

To Defense Counsel:
Richard B. Kapnick
Sidley Austin LLP
One South Dearborn
Chicago, IL 60603
Phone: (312) 853-7846
rkapnick@sidley.com

To Defense Counsel:
Jonathan C. Medow
Mayer Brown LLP
71 South Wacker Drive
Chicago, IL 60606
Phone: (312) 701-7060
jmedow@mayerbrown.com

To Defense Counsel:
Harold C. Hirshman
Sonnenschein Nath &
Rosenthal LLP
233 South Wacker Drive,
Suite 7800
Chicago, IL 60606
Phone: (312) 876-8025
hhirshman@sonnenschein.com

11. Briefs in support of the Settlement (other than responses to timely filed objections) and briefs in support of Co-Lead Counsel's request for attorneys' fees and expenses shall be filed with the Clerk of the Court on or before twenty-eight (28) days prior to the Settlement Hearing. Each memoranda of law filed in support of the Settlement and request for attorneys' fees and expenses shall not exceed 35 pages.

12. No later than seven (7) days before the date fixed by this Court for the Settlement Hearing, Co-Lead Counsel shall cause to be filed with the Clerk of this Court: (a) a list of members of the Class Opt-Outs who made timely and proper Exclusion Requests; and (b) a response to any timely filed objections to the Settlement or request for an award of Attorneys' Fees and Expenses of Co-Lead Counsel.

13. The Settlement Hearing shall be held before the undersigned at _____ a.m. on _____, 2010, in Courtroom 1419 in the United States District Court, Northern District of Illinois, Eastern Division, 219 South Dearborn Street, Chicago, Illinois 60604, to consider: the fairness, reasonableness, and adequacy of the Stipulation of Settlement; whether the Settlement Class should be finally certified for purposes of Settlement; whether the Settlement should be finally approved; the entry of a Judgment dismissing the Action with prejudice; the request of Co-Lead Counsel for attorneys' fees and expenses; and other related matters.

14. The Court reserves the right to adjourn the Settlement Hearing from time to time without further notice by adjournment announced in open court and to rule upon the Settlement, or the award of Attorneys' Fees and Expenses to Co-Lead Counsel at any time after the Settlement Hearing.

15. All members of the Class, except those members of the Settlement Class who validly opt-out and submit timely Exclusion Requests, shall be bound by all determinations and judgments in the Action, whether favorable or unfavorable to the Settlement Class.

16. All proceedings in the Action, other than such as may be necessary to carry out the terms and conditions of the Stipulation of Settlement or the responsibilities related or incidental thereto, are stayed and suspended until further Order of this Court.

17. Pending resolution of these settlement proceedings, no other action now pending or hereafter filed arising out of all or any part of the subject matter of the Action shall be maintained as a class action, and, except as provided by this or further order of this Court, for good cause shown, all members of the Settlement Class are hereby enjoined during the pendency of these settlement proceedings from filing or prosecuting purported class actions against any Released Person with respect to any of the Settled Equitable Claims or Settled Legal Claims.

18. If the Settlement is not approved or consummated for any reason whatsoever, the Settlement and all proceedings in connection with the Settlement shall be without prejudice to the *status quo ante* rights of the Parties to the Action, except insofar as the Stipulation of Settlement expressly provides to the contrary.

19. Neither the Stipulation of Settlement nor the Settlement contained therein, nor any of the negotiations or proceedings connected with it, nor any act performed or document executed pursuant to or in furtherance of the Stipulation of Settlement or the Settlement: (a) is or may be deemed to be, or may be used as, an admission of, or evidence of, the validity of any Settled Equitable Claim or Settled Legal Claim, or of any wrongdoing or liability of the Released Persons; or (b) is or may be deemed to be, or may be used as, an admission of, or evidence of,

any fault or omission of any of the Released Persons in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal.

SO ORDERED this _____ day of _____, 2010.

HONORABLE ROBERT W. GETTLEMAN
UNITED STATES DISTRICT JUDGE

EXHIBIT A
To Preliminary Approval Order

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS

<p>CITY OF ST. CLAIR SHORES GENERAL EMPLOYEES RETIREMENT SYSTEM, et. al. v. INLAND WESTERN RETAIL REAL ESTATE TRUST, INC., et. al.</p>	<p>Case No. 07 C 6174 <u>CLASS ACTION</u> Hon. Robert W. Gettleman</p>
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NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION, SETTLEMENT HEARING AND APPLICATION FOR ATTORNEYS' FEES

TO: ALL PERSONS WHO WERE INLAND WESTERN RETAIL REAL ESTATE TRUST, INC. SHAREHOLDERS OF RECORD AS OF THE CLOSE OF BUSINESS ON AUGUST 31, 2007.

THIS NOTICE CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHTS CONCERNING A PROPOSED CLASS ACTION SETTLEMENT. A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

You do not need to file a claim form or respond to this Notice in order to participate in the Settlement.

Summary of Notice and Settlement

In November of 2007, Lead Plaintiff City of St. Clair Shores General Employees Retirement System ("CSCS GERS"), subsequently joined by Madison Investment Trust ("Madison"), started this Class Action lawsuit (the "Action") by filing a complaint on behalf of themselves and all others who were shareholders of record of Inland Western Retail Real Estate Investment Trust, Inc. ("IWEST") as of the close of business on August 31, 2007 ("Settlement Class"). The Action, titled *City of St. Clair Shores General Employees Retirement System, et. al. v. Inland Western Retail Real Estate Investment Trust, Inc.*, Case No. 07 C 6174, alleged that defendants (described in this Notice) violated federal securities laws and various state laws. The Judge presiding over this case is the Honorable Robert W. Gettleman, United States District Judge (the "Judge") of the United States District Court for the Northern District of Illinois (the "Court"), in Chicago, Illinois.

The parties have reached a proposed settlement ("Settlement"), the terms of which are summarized below.

Persons Affected by Settlement and Issues: This Action is on behalf of all persons who were shareholders of record of Inland Western Retail Real Estate Investment Trust, Inc. ("IWEST") as of the close of business on August 31, 2007 ("Settlement Class"). The Settlement Class was asked to vote at IWEST's November 13, 2007 Annual Meeting of stockholders on the matters that were the subject of a September 10, 2007 proxy statement. The September 10, 2007 Proxy Statement was filed with the Securities and Exchange Commission by IWEST, and was amended or supplemented on October 10, October 12, and November 9, 2007 ("Proxy"). The Proxy asked shareholders to approve a transaction, called the "Internalization", whereby IWEST would purchase its property managers and business advisor for 37.5 million IWEST shares, which had a deemed-value at that time of approximately \$375 million ("Internalization Consideration"). The Action raised the questions of whether the Proxy provided sufficient information to shareholders and whether IWEST paid too much.

Settlement: The proposed Settlement provides for the return of 24% of the Internalization Consideration, or nine million (9,000,000) shares of IWEST common stock ("Settlement Shares") to IWEST. The Settlement Shares were valued at \$90,000,000 at the time of the Internalization.

Settlement Hearing: This Notice has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the Court. The purpose of this Notice is to inform you that there is a proposed settlement of the Action, as provided for in the Stipulation of Settlement dated July 14 2010 (the "Stipulation" or the "Settlement") and to give you notice of your rights. The Court has scheduled a hearing on the fairness of the Settlement, the certification of the Settlement Class and the request for attorneys' fees and reimbursement of expenses ("Settlement Hearing"). The Settlement Hearing will be held on [date], 2010, at [time], before the Judge in Courtroom 1419, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604.

Reasons for the Settlement: Plaintiffs believe that the Settlement of this Action, on the terms set out in the Stipulation, is in the best interests of the Settlement Class. The Settlement provides for a substantial recovery while avoiding the costs and risks associated with continued litigation, including the danger of no recovery,

If the Action Had Not Settled: In the absence of a settlement, the Action would continue. It is possible that the Plaintiffs might prevail and might achieve a larger recovery. However, it is also possible that Defendants might prevail. The parties disagree on both liability and damages, and do not agree on the amount of damages that would be recoverable if Plaintiffs were to have prevailed on each claim alleged. There was a substantial risk that Plaintiffs might not have prevailed on all of their claims, and could have recovered nothing or substantially less than the benefits achieved by the Settlement. Defendants have denied and continue to deny that (i) they are liable to the Plaintiffs or the Settlement Class, (ii) this Action can proceed as a class action; and (ii) Plaintiffs or the Settlement Class have suffered any damages. Defendants assert that Plaintiffs could not demonstrate that: (i) the statements made in the Proxy were false or misleading; (ii) the statements, if false or misleading, were material to shareholders in voting on the matters that were the subject of the Proxy; (iii) all Defendants were proper parties to this Action and could be held liable under the federal securities laws for making or disseminating a materially false and misleading Proxy; (iv) the Plaintiffs or the Settlement Class were injured as a result of any alleged misstatement by any of the Settling Defendants; and (v) the Plaintiffs and the Settlement Class were entitled to have the Internalization undone or have a portion of the Internalization Consideration returned. If Defendants' arguments concerning liability or damages prevailed, the Action would be dismissed or there would be no recovery for Plaintiffs and the Settlement Class. Since there is a significant possibility that the Plaintiffs would not prevail on all or any claims, Plaintiffs and their counsel believe that the proposed Settlement is fair, reasonable, and adequate and in the best interests of the Settlement Class.

Fees and Expenses: The Plaintiffs' attorneys ("Co-Lead Counsel") have not received any payment for their work which included extensively investigating the facts, conducting this litigation (filing the complaint, researching and drafting motions and opposing motions, conducting discovery), and mediating and negotiating the settlement. They will ask the Court to award attorneys' fees and reimbursement of expenses in an amount not to exceed \$10 million. Defendants do not oppose that request and IWEST will cause the amount ultimately awarded by the Court to be paid to Co-Lead Counsel.

More Information: Further information regarding the Action and this Notice may be obtained by contacting any of the Co-Lead Counsel: Nicholas E. Chemicles, Esq., CHIMICLES & TIKELLIS LLP, 361 West Lancaster Avenue, Haverford, PA 19041, Phone: (610) 642-8500, Email: nick@Chemicles.com, Website: www.chemicles.com; Lawrence A. Sucharow, Esq., LABATON SUCHAROW LLP, 140 Broadway, New York, NY 10005, Phone: (212) 907-0700, Website: www.labaton.com; or Lawrence P. Kolker, Esq., WOLF HALDENSTEIN ADLER FREEMAN & HERZ LLP, 270 Madison Avenue, New York, NY 10016, Phone: (212) 545-4600, Website: www.whafh.com.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

DO NOTHING:	If you were a shareholder of record of Inland Western Retail Real Estate Trust, Inc. as of the close of business on August 31, 2007 ("Settlement Class") you will be bound by the Settlement unless you request exclusion ("opt-out"). You do not need to submit anything or respond to this Notice in order to be included as a member of the Class.
EXCLUDE YOURSELF ("OPT-OUT"):	The Court preliminarily certified the Settlement Class pursuant to Federal Rule of Civil Procedure 23(b)(2) and 23(b)(3). If you are a member of the Settlement Class, you have no right to request exclusion from the Settlement Class with respect to the Settled Equitable Claims. If you are a member of the Settlement Class, you may request exclusion ("opt-out") from the Settlement Class with respect to the Settled Legal Claims. The deadline to opt-out is _____.
OBJECT BUT REMAIN IN THE SETTLEMENT:	Write to the Court if you find all or part of the Settlement objectionable.
GO TO A HEARING:	The Settlement Hearing on _____ at _____:00 ____m. is open to the public. You do not need to attend the Hearing unless you wish to attend to speak either in support of the Settlement or in support of any objection you may have filed.

These rights and options, and the deadlines to exercise them, are explained in further detail in this Notice. The Court still has to decide whether to approve the Settlement.

WHAT THIS NOTICE CONTAINS:

[page numbers to be inserted]

SUMMARY OF THE ACTION

DETAILED INFORMATION

- Why did I receive this Notice?**
- Why is the Action called a class action?**
- Who is included in the Settlement Class?**
- Who is not included in the Settlement Class?**
- I'm still not sure if I am included.**
- What are the Settlement's benefits?**
- What am I giving up by the Settlement?**
- Can I remove myself from the Settlement Class?**
- Do I have a lawyer in this case?**
- Will remaining a member of the Settlement Class cost me anything?**
- What will Co-Lead Counsel be paid?**

OBJECTING TO THE SETTLEMENT

- What can I do if I object to the Settlement?**

THE SETTLEMENT HEARING

- When and where will the Court consider whether to approve the Settlement, and the Request for Attorneys' Fees and Expenses?**
- Do I have to come to the Settlement Hearing?**

GETTING MORE INFORMATION

- Are there more details about the Settlement?**

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

SUMMARY OF THE ACTION

From its inception until November 15, 2007, IWEST's day-to-day business was conducted by Inland Western Retail Real Estate Advisory Services, Inc., which was called the "Advisor." IWEST's properties were managed by three "Property Managers": Inland Western Management Corporation ("IWMC"), Inland Northwest Management Corporation ("INMC") and Inland Southwest Management Corporation ("ISMC").

On August 14, 2007, IWEST entered into an agreement and plan of merger by which it would acquire its Advisor and Property Managers ("Internalization") for 37.5 million shares of IWEST stock with a deemed value as of that time of \$375 million ("Internalization Consideration").

On September 10, 2007, IWEST filed the Proxy with the Securities and Exchange Commission ("SEC") asking shareholders to ratify the Internalization, and in September 2007, IWEST mailed the Proxy to shareholders of record as of August 31, 2007. On November 13, 2007, IWEST's shareholders ratified the Internalization, and on November 15, 2007 IWEST completed the Internalization.

On November 1, 2007, an IWEST shareholder, City of St. Clair Shores General Employees' Retirement System ("CSCS GERS") filed a class action and derivative complaint ("Initial Complaint") against: IWEST, the Advisor, the Property Managers, Inland Real Estate Investment Corporation, The Inland Group, Inc., Robert D. Parks, Brenda G. Gujral, Frank A. Catalano, Jr., Kenneth H. Beard, Paul R. Gauvreau, Gerald M. Gorski, Barbara A. Murphy, Steven P. Grimes, Daniel L. Goodwin, Robert H. Baum, G. Joseph Cosenza, and William Blair & Company, LLC ("Defendants"). The Initial Complaint asserted violations of the federal securities laws under Sections 14 and 20(a) of the Securities Exchange Act of 1934 ("Exchange Act") and violations of state law for breach of fiduciary duty and breach of contract. The Initial Complaint alleged that the members of the Settlement Class ratified the Internalization based on a false and misleading Proxy.

On January 22, 2008, the Court, pursuant to 15 U.S.C. § 78u-4(a)(3)(b), appointed CSCS GERS and Madison Investment Trust ("Madison") as Co-Lead Plaintiffs and appointed the law firms of Chimicles & Tikellis LLP, Labaton Sucharow LLP, and Wolf Haldenstein Adler Freeman & Herz LLP as Co-Lead Counsel.

On June 12, 2008, Co-Lead Plaintiffs filed an amended class action and derivative complaint against the Defendants named in the initial complaint and KPMG LLP ("Amended Complaint"). The Amended Complaint alleged that the Proxy was false and misleading concerning the value of the Internalization in violation of the Exchange Act. ("Proxy Claims") and asserted direct and derivative claims against certain defendants for breach of fiduciary duty and aiding and abetting breaches of fiduciary duties in connection with the Internalization.

In July 2008, Defendants moved to dismiss the Amended Complaint, and on April 1, 2009, the Court granted in part and denied in part Defendants' motions to dismiss the Amended Complaint.

On May 1, 2009, Co-Lead Plaintiffs filed an amended complaint, seeking damages and injunctive relief on behalf of the Settlement Class related to the Proxy Claims. ("Operative Complaint"). On May 29, 2009, Defendants moved to dismiss the Operative Complaint, and on June 4, 2009, the Court denied the motion.

Co-Lead Counsel's investigation of the claims began prior to the filing of the Initial Complaint and involved, among other things, working with a forensic financial expert highly experienced in evaluating complex transactions in the real estate industry such as the Internalization. In this connection, Co-Lead Counsel analyzed IWEST's filings with the SEC as well as other publicly-available information relating to the Internalization. Throughout the litigation, Co-Lead Counsel and their financial experts, as well as experts they retained in the fields of commercial real estate and accounting and auditing practices, actively monitored and analyzed all matters relating to IWEST that were publicly available and that impacted the asserted claims. Beginning in July 2009, Co-Lead Plaintiffs and Defendants engaged in discovery which included, among other things, the production of thousands of documents from Defendants and several third parties, which were analyzed by Co-Lead Counsel and its experts. Co-Lead Counsel also conducted several in-depth interviews of key witnesses and parties.

On January 7 and 8, 2010 in Chicago, Illinois, counsel for the Defendants and co-lead plaintiffs met, in-person, with a mediator Jonathan B. Marks of MarksADR, LLC ("Mediator") to commence a non-binding mediation of the Action. The Mediator has 29 years of experience mediating numerous complex litigations, and, specifically, federal securities class actions. Extensive factual and legal presentations were exchanged between the parties advocating their respective positions on liability and damages issues. The mediation continued through frequent teleconferences with the Mediator and among the parties' counsel and on July 14, 2010, the parties entered into the Stipulation of Settlement.

DETAILED INFORMATION

1. Why did I receive this Notice?

The Court authorized this Notice to be sent to you because you may be a member of the Settlement Class. If you are a member of the Settlement Class you have a right to know about the proposed Settlement of

the Action, and about your rights, obligations, and options, before the Court decides whether to approve the Settlement. This Notice explains the Action, the Settlement and your legal rights.

THE COURT HAS NOT FINALLY DETERMINED THE MERITS OF PLAINTIFFS' CLAIMS OR THE DEFENSES THERETO. THIS NOTICE DOES NOT IMPLY THAT THERE HAS BEEN OR WOULD BE A FINDING OF A VIOLATION OF THE LAW OR THAT RECOVERY COULD BE HAD IN ANY AMOUNT IF THE ACTION WERE NOT SETTLED.

2. Why is the Action called a class action?

In a class action, one or more people or entities, called plaintiffs, sue on behalf of all the other people and entities that have similar claims. All of them are referred to as the class or, individually, as class members. In a class action like this case, one court resolves in a single action the issues common to all class members.

3. Who is included in the Settlement Class?

The Court has preliminarily certified this Action to proceed as a class action on behalf of the following Settlement Class:

Shareholders of IWEST, and their parents, subsidiaries, affiliates, predecessors, successors, heirs, legatees, beneficiaries, trustees, personal representatives, and assigns, who were shareholders of record as of the close of business on August 31, 2007 and entitled to vote on the matters that were the subject of the Schedule 14A proxy statement that was filed with the SEC by IWEST on September 10, 2007, pursuant to Section 14(a) of the Securities Exchange Act of 1934, as amended or supplemented on October 10, October 12, and November 9, 2007.

The Class Representatives for the Settlement Class are CSCS GERS and Madison. Excluded from the Settlement Class are the persons and entities set out in Paragraph No. 4, below.

4. Who is not included in the Settlement Class?

The Defendants, officers and directors of Defendants, members of each individual Defendants' immediate family, any entity in which any Defendant has a controlling interest, and the legal affiliates, representatives, heirs, beneficiaries, trustees, personal representatives, controlling persons, successors or predecessors in interest or assigns of any such excluded person or entity.

5. I'm still not sure if I am included.

If you are still not sure whether you are included in the Settlement Class, you can ask for help free of charge. You can contact Co-Lead Counsel at the phone numbers and addresses listed above.

6. What are the Settlement's benefits?

Pursuant to the Settlement, certain of the Defendants will cause a significant portion of the Internalization Consideration -- nine million (9,000,000) shares of IWEST common stock (the "Settlement Shares") -- to be returned to the Company.

Securing the return of a significant portion of the Internalization Consideration is an excellent result for the Class and the Company. The proposed Settlement -- which has the effect of reducing the Internalization Consideration from 37.5 million shares to 28.5 million shares -- represents a 24% reduction of the Internalization Consideration. The return of 24% of the Internalization Consideration equals \$90,000,000 of the \$375,000,000 of value attributed to IWEST's stock used to pay for the Internalization. The Settlement Shares also represent a 35% recovery of the estimated recoverable damages (the overpayment of approximately 25 million shares), as calculated by Plaintiffs' Counsel and their experts. The return of the Settlement Shares will enhance the

Company's per share performance and reduce any dilutive impact shareholders experienced as a result of the Internalization.

7. What am I giving up by the Settlement?

As a member of the Settlement Class, in consideration of the benefits of the Settlement, you will release all of your Settled Equitable and Legal Claims against the Defendants and Released Persons (all defined below), and the Action will be dismissed in its entirety.

"Settled Equitable Claims" means any and all claims, duties, obligations, demands, actions, causes of action, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of whatever kind, nature, character, or description for Equitable Relief, whether arising in tort, contract, or otherwise, whether known or Unknown Claims, whether anticipated or unanticipated, whether or not matured, accrued, or ripe, or whether or not alleged in the Action, based upon, related to, or arise out of in whole or in part (i) the Proxy, including all Independent Auditors' Reports contained therein; (ii) the facts, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures to act that were alleged in the Action; or (iii) any count or allegation contained in any complaint in the Action by any of the Co-Lead Plaintiffs against any one or more of the Released Persons through the date when Judgment is entered dismissing the action with prejudice.

"Settled Legal Claims" means any and all claims, duties, obligations, demands, actions, causes of action, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of whatever kind, nature, character, or description for Legal Relief, whether arising in tort, contract, or otherwise, whether known or Unknown Claims, whether anticipated or unanticipated, whether or not matured, accrued, or ripe, or whether or not alleged in the Action, based upon, related to, or arise out of in whole or in part (i) the Proxy, including all Independent Auditors' Reports contained therein; (ii) the facts, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures to act that were alleged in the Action; or (iii) any count or allegation contained in any complaint in the Action by any of the Co-Lead Plaintiffs against any one or more of the Released Persons through the date when Judgment is entered dismissing the Action with prejudice.

"Released Persons" shall include: (i) the Defendants; (ii) any individual or entity that could have been named by the Co-Lead Plaintiffs as a defendant in the Action (collectively the "Potential Defendants"); (iii) any affiliates of the Defendants or Potential Defendants, including, without limitation, limited liability companies, partnerships and corporations (the "Affiliates"); (iv) the heirs, legatees, beneficiaries, trustees, personal representatives, predecessors, successors, and assigns of the Defendants, Potential Defendants, and Affiliates; and (v) the respective past and present officers, directors, managers, members, partners, employees, agents, consultants, advisors, attorneys, accountants, experts, or representatives of the Defendants, Potential Defendants, and Affiliates.

"Unknown Claims" means any claims that Co-Lead Plaintiffs or the Settlement Class do not know or suspect 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.

8. Can I exclude myself from the Settlement Class?

The Court preliminarily certified the Settlement Class pursuant to Federal Rule of Civil Procedure 23(b)(2) and 23(b)(3). Members of the Settlement Class shall have no right to request exclusion from the Settlement Class with respect to the Settled Equitable Claims.

If you want to keep the right to sue, or continue to sue, any of the Defendants, or to assert any Settled Legal Claims against any of the Released Persons on your own, then you must take steps to exclude yourself from the Settlement Class only with respect to the Settled Legal Claims. Each member of the Settlement Class shall be bound by the Settlement, unless he files a written request for exclusion or "opts-out" with respect to the Settled Legal Claims. Defendants may terminate the Settlement if more than a certain amount of opt-outs are

made. To opt-out, you must mail, by first-class mail, postmarked no later than [date], 2010, a written request for exclusion from the Settlement Class with respect to the Settled Legal Claims, ("Exclusion Request"). The Exclusion Request must:

- (a) State that you "request exclusion from the Settlement Class only with respect to the Settled Legal Claims in *City of St. Clair Shores General Employees Retirement System, et. al. v. Inland Western Retail Real Estate Investment Trust, Inc.*, Case No. 07 C 6174";
- (b) State the name, address and telephone number of the person seeking exclusion;
- (c) State the number of shares of IWEST common stock owned by the person seeking exclusion as of August 31, 2007 and the number of shares owned as of the date of the Exclusion Request; and
- (d) Include the signature of the person seeking exclusion and those of any joint owners of the shares.

If your Exclusion Request does not include that information, you will not be excluded and you will be deemed to continue to be a member of the Settlement Class. Your Exclusion Request must be postmarked *no later than* [date], 2010 and mailed to:

Nicholas E. Chimicles, Esq.
 CHIMICLES & TIKELLIS LLP
 361 West Lancaster Avenue
 Haverford, PA 19041
 Phone: (610) 642-8500
 Website: www.chimicles.com

Lara McDermott
 Gilardi & Co., LLC
 3301 Kerner Boulevard
 San Rafael, CA 94901
 Phone: (415) 461-0410
 Website: www.gilardi.com

9. Do I have a lawyer in this case?

Yes. Chimicles & Tikellis LLP, Labaton Sucharow LLP and Wolf Haldenstein Adler Freeman & Herz LLP are Co-Lead Counsel for Plaintiffs and the Class:

Nicholas E. Chimicles, Esq.
 CHIMICLES & TIKELLIS LLP
 361 West Lancaster Avenue
 Haverford, PA 19041
 Phone: (610) 642-8500
 Website: www.chimicles.com

Lawrence A. Sucharow, Esq.
 LABATON SUCHAROW LLP
 140 Broadway
 New York, NY 10005
 Phone: (212) 907-0700
 Website: www.labaton.com

Lawrence P. Kolker, Esq.
 WOLF HALDENSTEIN ADLER
 FREEMAN & HERZ LLP
 270 Madison Avenue
 New York, NY 10016
 Phone: (212) 545-4600
 Website: www.whafh.com

There is no need to retain your own lawyer. If you want to be represented by your own lawyer, you may hire one at your own expense and your lawyer must file with the Court an appearance on your behalf on or before [date], 2010, and must serve copies of such appearance on the attorneys listed in Paragraph No.12.

10. Will remaining a member of the Settlement Class cost me anything?

You will not be charged by Co-Lead Counsel for such representation and will not be asked to pay anything. Co-Lead Counsel will ask the Court to award them reasonable attorneys' fees and expenses (described in Paragraph No. 11), and IWEST will pay Co-Lead Counsel the amount of attorneys' fees and expenses awarded by the Court in an amount not to exceed \$10 million.

11. What amount will Co-Lead Counsel be paid?

Co-Lead Counsel will ask the Court to approve an award of reasonable attorneys' fees and expenses not to exceed \$10 million. Defendants do not oppose an award of reasonable attorneys' fees and expenses to Co-

Lead Counsel for an amount that does not exceed \$10 million, and IWEST will cause the amount ultimately awarded by the Court to be paid to Co-Lead Counsel.

OBJECTING TO THE SETTLEMENT

12. What Can I Do If I Object to the Settlement?

If you believe you have a reason to do so, as a member of the Settlement Class you can make a written submission to the Court setting out objections to any aspect of the Settlement, including, but not limited to, the request for attorneys' fees and expenses. In order for your objection to be considered, you must comply with the following procedures.

On or before [date], 2010 you must file with the Clerk of the Court a statement or letter saying what you are objecting to and the reasons for your objection, and any supporting documentation. Your filing should include:

- (a) the case name and number: *City of St. Clair Shores General Employees Retirement System, et. al. v. Inland Western Retail Real Estate Investment Trust, Inc.*, Case No. 07 C 6174;
- (b) your name, address, telephone number, and signature;
- (c) information concerning the number of shares of IWEST stock you owned as of the close of business on August 31, 2007 (to evidence proof of membership in the Class), and the number of shares you own as of the date of your filing;
- (d) the reason(s) you object to the Settlement; and
- (e) all legal support you wish to bring to the Court's attention or evidence you have to support your objection.

If you wish to appear in person at the Settlement Hearing, you must also file a Notice of Intention to Appear.

You must also, on or before [date], 2010 provide to the Court and counsel for the Parties, either in person or by mail, copies of all papers you filed with the Clerk of the Court at the following addresses:

To the Court:
Honorable Robert W. Gettleman
United States District Court, Northern District of Illinois
Everett McKinley Dirksen United States Courthouse
219 South Dearborn Street, Courtroom 1419
Chicago, IL 60604

AND
(continued on next page)

To Co-Lead Counsel:
Nicholas E. Chimicles, Esq.
Chimicles & Tikellis LLP
One Haverford Centre
361 West Lancaster Avenue
Haverford, PA 19041
Phone: (610) 642-8500
www.chimicles.com

To Defense Counsel:
Samuel B. Isaacson
DLA Piper LLP (US)
203 North LaSalle Street,
Suite 1900
Chicago, IL 60601
Phone: (312) 368-2163
samuel.isaacson@dlapiper.com

To Defense Counsel:
James L. Thompson
Jenner & Block, LLP
353 North Clark Street
Chicago, IL 60654
Phone: (312) 923-2944
jthompson@jenner.com

To Defense Counsel:
Richard B. Kapnick
Sidley Austin LLP
One South Dearborn
Chicago, IL 60603
Phone: (312) 853-7846
rkapnick@sidley.com

To Defense Counsel:
Jonathan C. Medow
Mayer Brown LLP
71 South Wacker Drive
Chicago, IL 60606
Phone: (312) 701-7060
jmedow@mayerbrown.com

To Defense Counsel:
Harold C. Hirshman
Sonnenschein Nath &
Rosenthal LLP
233 South Wacker Drive,
Suite 7800
Chicago, IL 60606
Phone: (312) 876-8025
hhirshman@sonnenschein.com

Waiver of Objections. Any person who fails to comply with the requirements for objecting to the Settlement shall be deemed to have waived all such objections and shall be foreclosed from raising any objection to the proposed Settlement. Any Class Member may attend the Settlement Hearing, but only those Settlement Class members who comply with the provisions hereof will be permitted to raise any objections to the proposed Settlement.

THE SETTLEMENT HEARING

13. When and where will the Court consider whether to approve the Settlement and the request for attorneys' fees and expenses?

The Judge will hold a Settlement Hearing on [date], 2010, at [time] at the United States District Court for the Northern District of Illinois, Courtroom 1419, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604. At the Settlement Hearing, the Judge will consider whether the Settlement is fair, reasonable, and adequate. At or after the Settlement Hearing, the Judge will also consider whether to approve the Request for Attorneys' Fees and Expenses. If there are objections, the Judge will also consider them. The Judge has discretion to listen to people who have asked to speak at the hearing. We do not know how long the Settlement Hearing will last or how long it will take for the Court to decide whether to approve the Settlement or the request for attorneys' fees and expenses.

14. Do I have to come to the Settlement Hearing?

No. Co-Lead Counsel will answer any questions the Court may have on behalf of Plaintiffs and the Settlement Class. However, if you have a reason to, you are welcome to attend the Settlement Hearing at your own expense, or pay your own lawyer to attend the Settlement Hearing, but you don't need to. If you do hire your own lawyer or if you want to speak at the Settlement Hearing, you must file a Notice of Intention to Appear in the manner described in Paragraph No. 12, above. The Court may choose to reschedule the Settlement Hearing without sending a further notice to the Settlement Class. If you plan to come to the Settlement Hearing, you should contact one of the Counsel listed above to make sure it has not been rescheduled.

GETTING MORE INFORMATION

15. Are there more details about the Settlement?

Yes. This Notice summarizes the proposed Settlement. More details (including the definitions of various terms used in this Notice) are contained in the pleadings and other papers in this Action, including the formal Stipulation of Settlement, which has been filed with the Court. In addition, Plaintiffs' submissions in support of the Settlement and Co-Lead Counsel's fee and expense application will be filed with the Court on [date], 2010. If you want a copy of any of these papers or if you have any questions, you may:

- Contact Co-Lead Counsel, see paragraph 9 above
- Send an e-mail to kimdonaldson@Chimicles.com.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you hold shares of IWEST common stock as a nominee for a beneficial owner who is a member of the Settlement Class, then within ten (10) days after you receive this Notice, you must either: (1) mail copies of this Notice by first-class mail to each such beneficial owner; or (2) send a list of the names and addresses of such beneficial owners to:

Lara McDermott
Gilardi & Co., LLC
3301 Kerner Boulevard
San Rafael, CA 94901
Phone: (415) 461-0410
Website: www.gilardi.com

PLEASE DO NOT CALL THE COURT OR CLERK OF COURT.

DATED: ---

BY ORDER OF THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS

EXHIBIT B
To Preliminary Approval Order

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS

CITY OF ST. CLAIR SHORES GENERAL EMPLOYEES RETIREMENT SYSTEM, et. al. v. INLAND WESTERN RETAIL REAL ESTATE TRUST, INC., et. al.	Case No. 07 C 6174 <u>CLASS ACTION</u> Hon. Robert W. Gettleman
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TO: ALL PERSONS WHO WERE INLAND WESTERN RETAIL REAL ESTATE TRUST, INC. SHAREHOLDERS OF RECORD AS OF THE CLOSE OF BUSINESS ON AUGUST 31, 2007.

THIS NOTICE ONLY CONTAINS A SUMMARY OF IMPORTANT INFORMATION ABOUT YOUR RIGHTS CONCERNING A PROPOSED CLASS ACTION SETTLEMENT.

In November of 2007, Lead Plaintiff City of St. Clair Shores General Employees Retirement System ("CSCS GERS"), subsequently joined by Madison Investment Trust ("Madison"), started this Class Action lawsuit (the "Action") by filing a complaint on behalf of themselves and all others who were shareholders of record of Inland Western Retail Real Estate Investment Trust, Inc. ("IWEST") as of the close of business on August 31, 2007 ("Settlement Class"). The Action alleged that defendants violated federal securities laws and various state laws.

The Action is on behalf of all persons who were shareholders of record of Inland Western Retail Real Estate Investment Trust, Inc. ("IWEST") as of the close of business on August 31, 2007 ("Settlement Class"). The Settlement Class was asked to vote at IWEST's November 13, 2007 Annual Meeting of stockholders on the matters that were the subject of a September 10, 2007 proxy statement which asked shareholders to approve a transaction, called the "Internalization," whereby IWEST would purchase its property managers and business advisor for 37.5 million IWEST shares, which had a deemed-value at that time of approximately \$375 million ("Internalization Consideration"). The Action raised the questions of whether the Proxy provided sufficient information to shareholders and whether IWEST paid too much.

The parties have reached a proposed settlement ("Settlement") which provides for the return of 24% of the Internalization Consideration, or nine million (9,000,000) shares of IWEST common stock ("Settlement Shares") to IWEST. The Settlement Shares were valued at \$90,000,000 at the time of the Internalization.

The Settlement will resolve all claims of Lead Plaintiffs and the Settlement Class, including known and unknown claims, that were alleged or could have been alleged in the Action related to the subject matter of the Action through the Effective Date, against all Defendants and their affiliates, including Inland Western Retail Real Estate Advisory Services, Inc., Inland Western Management Corporation, Inland Northwest Management Corporation, Inland Southwest Management Corporation, Inland Real Estate Investment Corporation, The Inland Group, Inc., Robert D. Parks, Brenda G. Gujral, Frank A. Catalano, Jr., Kenneth H. Beard, Paul R. Gauvreau, Gerald M. Gorski, Barbara A. Murphy, Steven P. Grimes, Daniel L. Goodwin, Robert H. Baum, G. Joseph Cosenza, William Blair & Company, LLC and KMPG LLP. For a complete description of the Settlement, please refer to the Stipulation of Settlement, which has been filed with the Court and is available upon request to kimdonaldson@Chimicles.com.

A hearing will be held on [date], 2010, at [time], before the Honorable Robert W. Gettleman, United States District Judge in Courtroom 1419 of the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604 to determine whether the proposed Settlement should be approved by

the Court as fair, reasonable, and adequate, and to consider the application of plaintiffs' counsel for attorneys' fees and reimbursement of expenses. ("Settlement Hearing").

IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS DESCRIBED ABOVE AND MORE FULLY IN THE CLASS NOTICE, YOUR RIGHTS WILL BE AFFECTED BY THE SETTLEMENT. If you have not yet received the Notice of Pendency and Proposed Settlement of Class Action (the "Class Notice"), you may obtain a copy of it and related documents by contacting:

Lara McDermott
Gilardi & Co., LLC
3301 Kerner Boulevard
San Rafael, CA 94901
Phone: (415) 461-0410
Website: www.gilardi.com

Copies of the Class Notice and related documents also may be downloaded from www.chimicles.com. If you were a shareholder of record of Inland Western Retail Real Estate Trust, Inc. as of the close of business on August 31, 2007 ("Settlement Class") you will be bound by the Settlement unless you request exclusion ("opt-out"). **You do not need to submit anything or respond to the Class Notice in order to be included as a member of the Class.**

The Court preliminarily certified the Settlement Class pursuant to Federal Rule of Civil Procedure 23(b)(2) and 23(b)(3). If you are a member of the Settlement Class, you have no right to request exclusion from the Settlement Class with respect to the Settled Equitable Claims. If you are a member of the Settlement Class, you may request exclusion ("opt-out") from the Settlement Class with respect to the Settled Legal Claims. The deadline to opt-out is _____.

Any objection to the proposed Settlement or application for attorneys' fees and reimbursement of litigation expenses must be filed with the Court and delivered to counsel for the parties in the manner and form explained in the Class Notice, by no later than _____.

Further information regarding the Action may be obtained by contacting any of the Co-Lead Counsel: Nicholas E. Chimicles, Esq., CHIMICLES & TIKELLIS LLP, 361 West Lancaster Avenue, Haverford, PA 19041, Phone: (610) 642-8500, Email: nick@Chimicles.com, Website: www.chimicles.com; Lawrence A. Sucharow, Esq., LABATON SUCHAROW LLP, 140 Broadway, New York, NY 10005, Phone: (212) 907-0700, Website: www.labaton.com; or Lawrence P. Kolker, Esq., WOLF HALDENSTEIN ADLER FREEMAN & HERZ LLP, 270 Madison Avenue, New York, NY 10016, Phone: (212) 545-4600, Website: www.whafh.com.

PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE.

DATED: ---

BY ORDER OF THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS

EXHIBIT D

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS

<p>CITY OF ST. CLAIR SHORES GENERAL EMPLOYEES RETIREMENT SYSTEM, et. al. v. INLAND WESTERN RETAIL REAL ESTATE TRUST, INC., et. al.</p>	<p>Case No. 07 C 6174</p> <p><u>CLASS ACTION</u></p> <p>Hon. Robert W. Gettleman</p>
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TO: ALL PERSONS WHO WERE INLAND WESTERN RETAIL REAL ESTATE TRUST, INC. SHAREHOLDERS OF RECORD AS OF THE CLOSE OF BUSINESS ON AUGUST 31, 2007.

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The Action is on behalf of all persons who were shareholders of record of Inland Western Retail Real Estate Investment Trust, Inc. ("IWEST") as of the close of business on August 31, 2007 ("Settlement Class"). The Settlement Class was asked to vote at IWEST's November 13, 2007 Annual Meeting of stockholders on the matters that were the subject of a September 10, 2007 proxy statement which asked shareholders to approve a transaction, called the "Internalization," whereby IWEST would purchase its property managers and business advisor for 37.5 million IWEST shares, which had a deemed-value at that time of approximately \$375 million ("Internalization Consideration"). The Action raised the questions of whether the Proxy provided sufficient information to shareholders and whether IWEST paid too much.

The parties have reached a proposed settlement ("Settlement") which provides for the return of 24% of the Internalization Consideration, or nine million (9,000,000) shares of IWEST common stock ("Settlement Shares") to IWEST. The Settlement Shares were valued at \$90,000,000 at the time of the Internalization.

The Settlement will resolve all claims of Lead Plaintiffs and the Settlement Class, including known and unknown claims, that were alleged or could have been alleged in the Action related to the subject matter of the Action through the Effective Date, against all Defendants and their affiliates, including Inland Western Retail Real Estate Advisory Services, Inc., Inland Western Management Corporation, Inland Northwest Management Corporation, Inland Southwest Management Corporation, Inland Real Estate Investment Corporation, The Inland Group, Inc., Robert D. Parks, Brenda G. Gujral, Frank A. Catalano, Jr., Kenneth H. Beard, Paul R. Gauvreau, Gerald M. Gorski, Barbara A. Murphy, Steven P. Grimes, Daniel L. Goodwin, Robert H. Baum, G. Joseph Cosenza, William Blair & Company, LLC and KMPG LLP. For a complete description of the Settlement, please refer to the Stipulation of Settlement, which has been filed with the Court and is available upon request to kimdonaldson@Chimicles.com.

A hearing will be held on [date], 2010, at [time], before the Honorable Robert W. Gettleman, United States District Judge in Courtroom 1419 of the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604 to determine whether the proposed Settlement should be approved by

the Court as fair, reasonable, and adequate, and to consider the application of plaintiffs' counsel for attorneys' fees and reimbursement of expenses. ("Settlement Hearing").

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Lara McDermott
Gilardi & Co., LLC
3301 Kerner Boulevard
San Rafael, CA 94901
Phone: (415) 461-0410
Website: www.gilardi.com

Copies of the Class Notice and related documents also may be downloaded from www.chimicles.com. If you were a shareholder of record of Inland Western Retail Real Estate Trust, Inc. as of the close of business on August 31, 2007 ("Settlement Class") you will be bound by the Settlement unless you request exclusion ("opt-out"). **You do not need to submit anything or respond to the Class Notice in order to be included as a member of the Class.**

The Court preliminarily certified the Settlement Class pursuant to Federal Rule of Civil Procedure 23(b)(2) and 23(b)(3). If you are a member of the Settlement Class, you have no right to request exclusion from the Settlement Class with respect to the Settled Equitable Claims. If you are a member of the Settlement Class, you may request exclusion ("opt-out") from the Settlement Class with respect to the Settled Legal Claims. The deadline to opt-out is _____.

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Further information regarding the Action may be obtained by contacting any of the Co-Lead Counsel: Nicholas E. Chimicles, Esq., CHIMICLES & TIKELLIS LLP, 361 West Lancaster Avenue, Haverford, PA 19041, Phone: (610) 642-8500, Email: nick@Chimicles.com, Website: www.chimicles.com; Lawrence A. Sucharow, Esq., LABATON SUCHAROW LLP, 140 Broadway, New York, NY 10005, Phone: (212) 907-0700, Website: www.labaton.com; or Lawrence P. Kolker, Esq., WOLF HALDENSTEIN ADLER FREEMAN & HERZ LLP, 270 Madison Avenue, New York, NY 10016, Phone: (212) 545-4600, Website: www.whafh.com.

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DATED: ---

BY ORDER OF THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS