

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND**

IN RE A.T. CROSS SECURITIES LITIGATION	X : : X	CIVIL ACTION NO. 00 203 ML JURY TRIAL DEMANDED
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NOTICE OF PENDENCY OF CLASS ACTION

TO: ALL PERSONS WHO PURCHASED A.T. CROSS CO. COMMON STOCK DURING THE PERIOD SEPTEMBER 17, 1997 THROUGH APRIL 22, 1999, INCLUSIVE (THE "CLASS PERIOD"). EXCLUDED FROM THE CLASS ARE DEFENDANTS, MEMBERS OF THE IMMEDIATE FAMILIES OF THE INDIVIDUAL DEFENDANTS, ANY ENTITY IN WHICH ANY DEFENDANT HAS A CONTROLLING INTEREST, AND THE LEGAL AFFILIATES, REPRESENTATIVES, HEIRS, CONTROLLING PERSONS, SUCCESSORS, AND PREDECESSORS IN INTEREST OR ASSIGNS OF ANY SUCH EXCLUDED PARTY (THE "CLASS").

This Notice is required by Rule 23 of the Federal Rules of Civil Procedure and by an Order of the United States District Court for the District of Rhode Island (the "Court"). The purpose of this Notice is to inform you: 1) of the pendency of the above-captioned class action (the "Action"); 2) the certification of the Class described above; 3) how it may affect your rights; and 4) your options with respect to this lawsuit.

I. DESCRIPTION OF THE LITIGATION

1. This litigation (the "Action") is pending in the United States District Court for the District of Rhode Island (the "Court"). The Action is currently brought pursuant to Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), as well as Rule 10b-5 promulgated thereunder, against A.T. Cross Co. ("A.T. Cross"), Bradford R. Boss, the former Chairman of the Board of A.T. Cross, Russell A. Boss, the former President and Director of A.T. Cross, John E. Buckley, the former Executive Vice President and Chief Operating Officer of A.T. Cross, and John T. Ruggieri, the Senior Vice President and Chief Financial Officer of A.T. Cross (the "Defendants").

2. This Action was commenced by the filing of a Class Action Complaint on April 21, 2000. On September 28, 2000, the Court appointed Michael Aldridge as Lead Plaintiff for the Class (defined above). On the same date, the Court also certified as Lead Counsel for the Class the law firm of Berger & Montague, P.C.

3. Plaintiff filed an Amended Complaint For Violations Of The Securities Exchange Act Of 1934 on August 21, 2000, and all Defendants moved to dismiss. On June 4, 2001, this Court granted the motion to dismiss in its entirety. *See Aldridge v. A.T. Cross Corp.*, No. 00-203 ML (D.R.I. June 4, 2001).

4. Plaintiff appealed the Court's dismissal of this Action to the United States Court of Appeals for the First Circuit, and on appeal, in an opinion dated March 20, 2002, the First Circuit reversed in part, reinstating plaintiff's claims asserted against the Defendants named above, but affirming the dismissal of claims brought under Section 20(a) of the Exchange Act against certain other defendants not named herein. *See Aldridge v. A.T. Cross Corp.*, 284 F.3d 72, 84-85 (1st Cir. 2002).

5. On May 7, 2003, Plaintiff filed a Second Amended Class Action Complaint (the "Complaint"), also naming Barbara Aldridge, Michael Aldridge's wife, as a Plaintiff and Class Representative. This action is now nearing the end of discovery, and is expected to be ready for trial in approximately the Fall of 2003.

6. Following a contested motion, on April 17, 2003, the Court ordered that this Action proceed as a class action pursuant to Rule 23(b)(3) of the Federal Rules of Civil Procedure (the "Order") on behalf of a class (the "Class") consisting of all persons who purchased A.T. Cross common stock during the period September 17, 1997 through April 22, 1999, inclusive. Excluded from the Class are Defendants, members of the immediate families of the Individual Defendants, any entity in which any defendant has a controlling interest, and the legal affiliates, representatives, heirs, controlling persons, successors, and predecessors in interest or assigns of any such excluded party (the "Class").

II. FACTUAL ALLEGATIONS

7. Plaintiff alleges in the Complaint and/or will contend at trial that during the Class Period, Defendants knowingly and/or recklessly made, or permitted to be made, misrepresentations of material fact to the public, and/or omitted material facts necessary to make statements that were made not misleading, with regard to A.T. Cross's operations and financial performance, in violation of the federal securities laws.

8. Defendants' conduct, as alleged in the Complaint, stems out of its Pen Computing Group (the "PCG"), a division of A.T. Cross that was created to revive the Company after years of declining sales of pens, its core product. A.T. Cross created the PCG to engage in joint ventures with technology companies such as IBM, and produce and sell pen computing products. This was a field in which A.T. Cross had no prior experience.

9. In 1997, A.T. Cross promised \$25 million in “profitable sales” for its PCG products in 1998. Beginning as early as 1997, A.T. Cross artificially inflated its reported revenue for the PCG in a manner not in conformity with generally accepted accounting principles, or “GAAP.” To that end, during the Class Period, Defendants allegedly employed, among other things, the following extraordinary sales inducement practices and devices to improperly inflate the Company’s sales revenue, none of which was disclosed or properly accounted for:

- Price Protection
- Rights of Return
- Stock Balancing
- Channel Stuffing During The 4th Quarter Of 1998
- Improper Revenue Recognition

10. In addition, Defendants knew as early as 1997 that there was no way that the PCG could be profitable in 1998, yet they told the public that the PCG would be profitable in repeated statements until July 16, 1998.

11. Defendants also materially misstated A.T. Cross’s company-wide financial statements during the Class Period, by incorporating into them, artificially inflated net sales for its PCG.

12. Compensation for A.T. Cross’s top executives, including the Individual Defendants, was partly tied to reported sales and the Company’s stock price, so it was in their best interests to report inflated sales and a concomitant increase in share price in 1998.

13. Defendants did not reveal their wrongdoing until April 22, 1999, when A.T. Cross reported that PCG sales plummeted from \$9 million in the fourth quarter of 1998, to \$1.1 million in the first quarter of 1999, and Defendants admitted to the investing public, for the first time, some of the extraordinary sales inducement practices that they had engaged in.

14. Shortly thereafter, Defendants discontinued their PCG business despite having claimed strongly successful results throughout 1998.

15. Defendants deny the substantive allegations of Plaintiffs’ claims and deny any wrongdoing or liability whatsoever to the Class. The statements in paragraphs 7-14 are allegations of the Plaintiffs, not admissions of the Defendants. The Court has not expressed and is not expressing any opinion about the accuracy of these statements.

III. INSTRUCTIONS TO CLASS MEMBERS

16. IF YOU ARE A MEMBER OF THE CLASS AND WISH TO REMAIN WITHIN THE CLASS, YOU NEED NOT RESPOND TO THIS NOTICE. REMAINING IN THE CLASS WILL NOT OBLIGATE YOU TO PAY ANY ATTORNEYS’ FEES OR COSTS.

17. If you remain in the Class, any claims you have against the Defendants for liability or damages arising from Defendants’ conduct as alleged in the Complaint will be determined in the Action. Any judgment in this Action, whether favorable to the Class or not, and whether entered after trial or settlement, will be binding upon all members of the Class who have not filed valid and timely requests for exclusion. An unfavorable judgment will not obligate you to pay any counsel fees or expenses to Plaintiffs’ Counsel.

18. If there is a recovery in the Action, you will be required to document your Class Period purchases and sales of A.T. Cross common stock through the submission of confirmations, statements, or other reliable evidence. Accordingly, please collect and retain any documents showing those transactions.

19. If you remain a Class member, you may, at your own expense, enter an appearance in this lawsuit personally, or through a lawyer of your choice. If you do not do so on or before August 25, 2003, your interests will be represented by the Class Representatives through Plaintiffs’ Counsel.

20. If you remain a member of the Class, you will not be asked to make any out-of-pocket payment for attorneys’ fees or expenses. If there is a recovery, either as a result of a settlement or judgment, then Plaintiffs’ Counsel will file a petition with the Court for an award of appropriate attorneys’ fees and expenses to be paid only out of any such recovery.

21. IF YOU DO NOT WISH TO REMAIN IN THE CLASS, YOU MUST REQUEST EXCLUSION IN THE MANNER AND BY THE DEADLINE SET FORTH IN PARAGRAPH 23 BELOW.

22. If you exclude yourself from the Class: 1) you will not be entitled to share in any recovery that may be obtained for the Class; 2) you will not be bound by any judgment, whether favorable to the Class or not, that may be entered in this Action; and 3) you may pursue any claims you may have against the Defendants with respect to the claims asserted on behalf of the Class.

23. If you do not wish to remain a member of the Class, you must mail a written request for exclusion, postmarked no later than August 25, 2003, to: Lawrence Deutsch, Berger & Montague, P.C., 1622 Locust Street, Philadelphia, PA 19103. You must state the following information: a) the full name, address and telephone number of the beneficial owner of the person or entity requesting exclusion; b) the number and type of A.T. Cross common stock purchased or sold by the beneficial owner during the Class Period; and c) the date(s) on which said securities were purchased or sold. If the common stock was acquired or sold by, or on behalf of, joint beneficial owners, all such owners should sign the request and provide such information. Any request for exclusion made by a representative on behalf of a Class member must state the capacity in which the representative is acting.

IV. NOTICE TO BANKS, BROKERS AND OTHER NOMINEES

24. Because the deadline for requesting exclusion is August 25, 2003, each bank, brokerage firm or other nominee who purchased or acquired A.T. Cross common stock during the Class Period for a beneficial owner ("Nominees") should, within ten (10) days of receipt of this Notice, provide a list of the names and addresses of such beneficial owners of the common stock purchased or sold during the Class Period to Lawrence Deutsch, Esq. at the address set forth in paragraph 23, who will then mail Notices to them.

V. FURTHER INFORMATION AVAILABLE

25. This Notice is not all-inclusive. For further information concerning the Action, you may refer to the pleadings and other papers, all of which may be inspected at the Office of the Clerk of the Court, United States District Court for the District of Rhode Island, One Exchange Terrace, Federal Building and Courthouse, Providence, Rhode Island 02903, during normal business hours.

26. PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE FOR INFORMATION. ANY INQUIRIES SHOULD BE DIRECTED TO THE FOLLOWING CLASS COUNSEL:

FOR THE CLASS:

Lawrence Deutsch, Esquire
BERGER & MONTAGUE, P.C.
1622 Locust Street
Philadelphia, PA 19103
1-800-424-6690

Dated: June 26, 2003

Clerk of the United States District Court
for the District of Rhode Island

In re A.T. Cross Securities Litigation
Lawrence Deutsch, Berger & Montague, P.C.
1622 Locust Street
Philadelphia, PA 19103

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