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

WILLIAM RIGGS,

Plaintiff,

v.

Case No. 1:20-cv-5822 Hon. Thomas M. Durkin

KROTO, INC., D/B/A ICANVAS,

Defendant.

NOTICE OF PENDENCY OF CLASS ACTION
SETTLEMENT AND PROPOSED SETTLEMENT HEARING

THIS IS A COURT-AUTHORIZED NOTICE OF A PROPOSED CLASS ACTION SETTLEMENT THAT MAY AFFECT YOUR RIGHTS. IT IS <u>NOT</u> A NOTICE OF A LAWSUIT AGAINST YOU OR A SOLICITATION FROM A LAWYER. PLEASE READ THIS NOTICE CAREFULLY.

To: All individuals residing in the United States who were sent an Incident Notice in or about June 2020, concerning the Data Incident that occurred between May 10, 2020 and May 28, 2020 and any Person asserting a right to a Released Claim through that individual (the "Settlement Class Members").

A proposed Class Settlement Agreement has been reached in a class action lawsuit against Kroto, Inc. d/b/a iCanvas ("iCanvas" or "Defendant"). The lawsuit asserted claims against iCanvas related to a Data Incident that affected iCanvas' checkout page on its website, www.icanvas.com, from May 10, 2020 to May 28, 2020, and was disclosed by iCanvas on or about June 26, 2020 (the "Data Incident"). iCanvas denies all of the claims and denies all alleged wrongdoing.

The Settlement includes all individuals residing in the United States who were sent an Incident Notice in or about June 2020, concerning the Data Incident that occurred between May 10, 2020 and May 28, 2020 and any Person asserting a right to a Released Claim through that individual ("Settlement Class Members").

The Settlement offers Basic Award or Reimbursement Award payments to Settlement Class Members who were potentially affected by the Data Incident. The amount paid will depend upon how many people submit valid Reimbursement Award claims, but the average payout is likely to be about \$26.00 per Settlement Class Member.

If you are a Settlement Class Member, your options are:

DO NOTHING	If you do not (1) opt-out; or (2) submit an Approved Claim for a Reimbursement Award, you will receive a Basic Award payment and will no longer be able to sue Defendant over the claims resolved in the Settlement.
SUBMIT A CLAIM FORM DEADLINE: November 5, 2021	You must submit a valid Claim Form to receive a Reimbursement Award payment from this Settlement.
EXCLUDE YOURSELF DEADLINE: September 21, 2021	Get out of the lawsuit. Get no payment. Keep your right to sue separately with your own lawyer. Exclusion instructions are provided in this notice.
OBJECT DEADLINE: September 21, 2021	If you do not exclude yourself, you may write to the Court to comment on or detail why you do not like the Settlement by following the instructions in this notice. The Court may reject your objection. You must still file a Claim Form if you desire any monetary relief under the Settlement.

The court must give final approval to the Settlement before it takes effect, but has not yet done so. No payments will be made until after the court gives final approval and any appeals are resolved.

Please review this notice carefully. You can learn more about the Settlement by visiting www.iCanvasIncidentSettlement.com or by calling 1-855-411-2281.

Further Information about this Notice and the Lawsuit

1. Why was this Notice issued?

You received this notice because you may be a Settlement Class Member able to receive payment from a proposed settlement of the class action lawsuit *William Riggs v. Kroto, Inc. d/b/a iCanvas*, United States District Court for the Northern District of Illinois, Case No. 1:20-cv-5822 (the "Lawsuit"). The Court overseeing the Lawsuit authorized this Notice to advise Settlement Class Members about the proposed Settlement that will affect their legal rights. This Notice explains certain legal rights and options you have in connection with that Settlement.

2. What is the Lawsuit about?

The Lawsuit is a proposed class action lawsuit brought on behalf of United States residents who were sent an Incident Notice and any Person asserting a right to a Released Claim through that individual. The Data Incident resulted in the potential exposure of payment card data of customers who used a credit or debit card to make a purchase, or attempted to make a purchase and were declined, from the iCanvas website. The potentially-exposed information may include customers' names, addresses, phone numbers, email addresses, payment card numbers, payment card security codes, and payment card months/years of expiration.

The Lawsuit claims iCanvas is legally responsible for the Data Incident and asserts various legal claims, including negligence, declaratory judgment, violation of the Florida Deceptive and Unfair Trade Practices Act, and unjust enrichment. iCanvas denies these claims and denies any alleged wrongdoing.

3. Why is the Lawsuit a class action?

In a class action, one or more representative plaintiffs bring a lawsuit on behalf of others who have similar claims. Together, all of these people are the "class" and each individually is a "class member." There is one Representative Plaintiff in this case: William Riggs. The class in this case is referred to in this Notice as the "Settlement Class."

4. Why is there a Settlement?

The Representative Plaintiff in the Lawsuit, through his attorneys, investigated the facts and law relating to the issues in the Lawsuit. The Representative Plaintiff and Settlement Class Counsel believe that the Settlement is fair, reasonable, and adequate and will provide substantial benefits to the Settlement Class. The Court has not decided whether the Representative Plaintiff's claims or iCanvas' defenses have any merit, and it will not do so if the proposed Settlement is approved. By agreeing to settle, both sides avoid the cost and risk of a trial, and people who submit valid claims will receive compensation. The Settlement does not mean that iCanvas did anything wrong, or that the Representative Plaintiff and the Settlement Class would or would not win their case if it were to go to trial.

Terms of the Proposed Class Settlement Agreement

5. Who is in the Settlement Class?

The Settlement Class is defined by the Court as all individuals residing in the United States who were sent an Incident Notice and any Person asserting a right to a Released Claim through that individual. iCanvas mailed the Incident Notices to its potentially impacted customers on or around June 26, 2020, informing them that between May 10, 2020 and May 28, 2020, an unauthorized script was placed on the checkout page of the iCanvas website, www.icanvas.com, that may have captured certain customer information.

6. What are the terms of the Settlement?

The proposed Settlement would create a Settlement Fund of \$383,600.00 that would be used to pay all Settlement Costs of the Settlement, including: (i) payments to Settlement Class Members who submit valid claims; (ii) costs of Claims Administration (approximately \$37,000); (iii) any payments made to the Claims Referee to resolve any disputed claims; (iv) any attorneys' fees and costs awarded by the Court to Settlement Class Counsel (up to \$126,588 plus costs of approximately \$10,000); and (v) any Service Award to the Representative Plaintiff awarded by the Court (\$5,000 total). The Settlement also releases all claims of Settlement Class Members against iCanvas arising from or related to the Data Incident, as detailed in the Class Settlement Agreement.

7. What claims are Settlement Class Members giving up under the Settlement?

Settlement Class Members who do not validly exclude themselves from the Settlement will be bound by the Class Settlement Agreement and any final judgment entered by the Court, and will give up their right to sue iCanvas for the claims being resolved by the Settlement. The claims that Settlement Class Members are releasing are described in Paragraphs 1.33 and 1.46 of the Class Settlement Agreement and the persons and entities being released from those claims are described in Paragraph 1.34 of the Class Settlement Agreement. Paragraph 8 of the Class Settlement Agreement explains when such releases will occur.

Payments to Settlement Class Members

8. What kind of payments can Settlement Class Members receive?

Settlement Class Members may receive one of two types of payments to be paid from the Settlement Fund: (1) a Basic Award; or (2) Settlement Class members who submit valid claims and all required documentation may receive a Reimbursement Award. Settlement Class Members will receive only one Award. Depending on how many valid claims for Reimbursement Awards are submitted, the amount of each Award payment may be adjusted on a *pro rata* basis among Settlement Class Members, as explained further below in Question 11. Only one Claim for a Reimbursement Award may be submitted per Settlement Class Member. Reimbursement Awards are subject to approval by the Claims Referee.

9. What is a Basic Award?

Every Settlement Class Member who does not (1) opt-out; or (2) submit an Approved Claim for a Reimbursement Award will receive a Basic Award Payment, regardless of whether he or she experienced any unauthorized charges on a credit or debit card used to make a purchase, or declined purchase, from iCanvas. The amount paid as a Basic Award payment will depend upon how many valid Reimbursement Award claims are submitted, but the total amount of Reimbursement Award claims will not exceed \$10,000. After all Approved Claims for Reimbursement Awards and Settlement Costs (notice and claims administration costs of approximately \$37,000, attorneys' fees of up to \$126,588 and expenses of approximately \$10,000, any payments to the Claims Referee, and a Service Award to the Representative Plaintiff of up to \$5,000) have been deducted from the Settlement Fund, the Basic Awards will be distributed *pro rata*. The average Basic Award is likely to be approximately \$25.00.

10. What is a Reimbursement Award?

Settlement Class Members who, at any time between May 10, 2020 and November 6, 2020, experienced fraudulent or unauthorized charges on their credit or debit cards used to make a purchase from the iCanvas website between May 10, 2020 and May 28, 2020 that were not canceled, denied or reimbursed, which charges the Settlement Class Member believes in good faith were incurred as a result of the Data Incident, are eligible to receive a Reimbursement Award of up to \$2,500 as reimbursement for: (i) those unreimbursed, unauthorized charges, (ii) up to three hours of lost time spent dealing with unauthorized charges or the Data Incident, at a rate of \$20 per hour, and (iii) the following types of out of pocket expenses incurred as a result of the Data Incident:

- unreimbursed payment card fees or unreimbursed bank fees, including unreimbursed card reissuance fees, unreimbursed overdraft fees, unreimbursed charges related to unavailability of funds, unreimbursed late fees, unreimbursed over-limit fees, and unreimbursed fees relating to an account being frozen or otherwise unavailable due to the Data Incident;
- cell, internet, or text charges;
- unreimbursed costs or charges for obtaining credit reports, credit freezes, or credit monitoring or identity theft protection services (up to two years of coverage); and
- postage costs.

No other types of expenses will be reimbursed, and you cannot recover for emotional distress. Claimants must exhaust all available credit monitoring insurance and identity theft insurance before seeking a Reimbursement Award. Settlement Class Members seeking a Reimbursement Award must provide the information and documents required on the Claim Form. The amount paid as a Reimbursement Award is subject to adjustment as described below in Question 11.

11. Under what circumstances will the amount of Reimbursement Award Payments be adjusted downward?

If the total value of all valid Reimbursement Award claims exceeds \$10,000.00, the amounts paid for all Reimbursement Awards will be adjusted downward on a *pro rata* basis from the amount listed in Question 10 above.

12. What happens after all claims are processed and there are funds remaining?

If there are any funds remaining after all valid claims are processed and the time to cash any payment checks has passed, those funds shall be distributed as directed and approved by the Court, including potential distribution to a charitable organization. No remaining funds will be returned to iCanvas.

Your Options as a Settlement Class Member

13. If I am a Settlement Class Member, what options do I have?

If you are a Settlement Class Member, you do not have to do anything to remain in the Settlement and receive a Basic Award. However, if you wish to seek a Reimbursement Award, you must complete and submit a Claim Form postmarked or submitted online by November 5, 2021. You may submit a Claim Form by mail or online at www.iCanvasIncidentSettlement.com.

If you do not want to give up your right to sue for claims arising out of the Data Incident or the issues raised in this case, you must exclude yourself (or "Opt-Out") from the Settlement Class. See Question 17 below for instructions on how to exclude yourself.

If you object to the Settlement, you must remain a Settlement Class Member (i.e., you may not also exclude yourself from the Settlement Class by opting out) and file a written objection in this case with the Claims Administrator at the address in Question 20 below. If you object, you must still submit a claim if you want a Reimbursement Award.

14. What happens if I do nothing?

If you do nothing, you will get a Basic Award from this Settlement. Unless you exclude yourself, after the Settlement is granted final approval and the judgment becomes final, you will be bound by the judgment and you will never be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit related to the claims released by the Settlement.

15. How do I submit a claim?

You may complete the Claim Form for a Reimbursement Award online at www.iCanvasIncidentSettlement.com. You may also obtain a paper Claim Form by downloading it at www.iCanvasIncidentSettlement.com or by calling the Claims Administrator at 1-855-411-2281. If you choose to complete a paper Claim Form you may either submit the completed and signed Claim Form and any supporting materials electronically at www.iCanvasIncidentSettlement.com or mail them to: iCanvas Claims Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103.

16. Who decides my Reimbursement Award claim and how do they do it?

The Claims Administrator will initially decide whether a Claim Form is complete and valid and includes all required documentation. The Claims Administrator may require additional information from any claimant. Failure to timely provide all required information will invalidate a Reimbursement Award claim and it will not be paid. If a Claim Form is complete but the Claims Administrator denies the claim, the claimant will have an opportunity to have their claim reviewed by an impartial Claim Referee who has been appointed by the Court.

17. How do I exclude myself from the Settlement?

You must make a signed written request that (i) says you wish to exclude yourself from the Settlement Class in this Lawsuit, and (ii) includes your name, address and phone number. You must mail your request to this address:

iCanvas Claims Administrator Attn: Exclusion Request PO Box 58220 Philadelphia, PA 19102

Your request must be postmarked by **September 21, 2021**.

18. If I exclude myself, can I receive any payment from this Settlement?

No. If you exclude yourself, you will not be entitled to any Award. However, you will also not be bound by any judgment in this Lawsuit.

19. If I do not exclude myself, can I sue for the Data Incident later?

No. Unless you exclude yourself, you give up any right to sue for the claims that this Settlement resolves. You must exclude yourself from the Settlement Class to start your own lawsuit or to be part of any different lawsuit relating to the claims in this case. If you exclude yourself, do not submit a Claim Form requesting a Reimbursement Award payment.

20. How do I object to the Settlement?

All Settlement Class Members who do not request exclusion from the Settlement Class have the right to object to the Settlement or any part of it. You can ask the Court to deny approval by filing an objection. You can't ask the Court to order a different settlement; the Court can only approve or reject the Settlement. If the Court denies approval, no settlement payments will be sent out and the Lawsuit will continue. If that is what you want to happen, you must object.

Any objection to the proposed Settlement must be in writing and it and any supporting papers must be submitted to the Court by filing it with the United States District Court for the Northern District of Illinois. Objections must be filed no later than **September 21, 2021**.

To be considered by the Court, your objection must list the name of this Lawsuit, *William Riggs v. Kroto, Inc. d/b/a iCanvas*, and the case number, Case No. 1:20-cv-5822, and include all of the following information: (i) your name, address, phone number, and an email address (if

you have one); (ii) a statement that you are a member of the Settlement Class and any proof of your membership (e.g., proof of purchase from iCanvas' website during the time period of May 10, 2020 to May 28, 2020); (iii) whether your objection applies only to yourself, to a specific subset of the Settlement Class, or to the entire Settlement Class; (iv) a detailed statement of the specific legal and factual bases for all of your objections, along with any applicable legal support; (v) the identity of any lawyer representing you; (vi) whether you intend to appear at the final settlement approval hearing and the identity of any lawyer(s) who will attend that hearing with you or on your behalf; (vii) a list of anyone you plan to have testify at the Final Approval Hearing in support of your objections; and (viii) your signature and the signature of your attorney or other authorized representative, if any.

If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney.

Court Approval of the Settlement

21. How, when and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Settlement Approval Hearing to decide whether to approve the Settlement. That hearing is scheduled for **October 29, 2021 at 9:00 a.m.** at the United States District Court, Northern District of Illinois, located at 219 South Dearborn Street, Chicago, IL 60604. Please visit the Court's website at https://www.ilnd.uscourts.gov/ for current Court Operations and Safety Protocols information. At the Final Settlement Approval Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are timely objections, the Court will consider them and will listen to people who have properly requested to speak at the hearing. The Court may also consider Settlement Class Counsel's request for attorneys' fees and costs, and the request for a service award for the Representative Plaintiff. After the hearing, the Court will decide whether to approve the Settlement.

It is possible the Court could reschedule the hearing to a different date or time without notice, so it is a good idea before the hearing to check www.iCanvasIncidentSettlement.com or the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at https://pacer.uscourts.gov/ to confirm the schedule if you wish to attend.

22. Do I have to attend the hearing?

No. You do not need to attend the hearing unless you object to the Settlement and wish to appear in person. It is not necessary to appear in person in order to make an objection; the Court will consider any written objections properly submitted according to the instructions in Question 20. You or your own lawyer are welcome to attend the hearing at your expense, but are not required to do so.

23. What happens if the Court approves the Settlement?

If the Court approves the Settlement and no appeal is taken, the Settlement Fund will be funded. The Claims Administrator will pay any Attorney Fees' and Expenses Award and any

Representative Plaintiff Award from the Settlement Fund. Then, within the later of 30 days after the Effective Date or 30 days after all disputed claims have been resolved, the Claims Administrator will send Basic Award payments to Settlement Class Members who (1) did not opt-out; and (2) did not submit an Approved Claim for a Reimbursement Award. The Claims Administrator will also send Reimbursement Award payments to Settlement Class Members who submitted timely and valid Reimbursement Award Claims. No distributions will be made without authorization from the parties.

If any appeal is taken, it is possible the Settlement could be disapproved on appeal.

24. What happens if the Court does not approve the Settlement?

If the Court does not approve the Settlement, no Settlement Fund will be created, there will be no Settlement payments to Settlement Class Members, Settlement Class Counsel or the Representative Plaintiff, and the case will proceed as if no Settlement Agreement had been.

<u>Lawyers for the Settlement Class and iCanvas</u>

25. Who represents the Settlement Class?

The Court has appointed the following Settlement Class Counsel to represent the Settlement Class and Settlement Class Members in this Lawsuit:

Carl Malmstrom
Wolf Haldenstein Adler Freeman & Herz LLC
111 West Jackson, Suite 1700
Chicago, IL 60604
312-984-0000

M. Anderson Berry Clayeo C. Arnold, A Professional Law Corporation 865 Howe Avenue Sacramento, CA 95825 916-777-7777

Settlement Class Members will not be charged for the services of Settlement Class Counsel; Settlement Class Counsel will be paid out of the Settlement Fund, subject to Court approval. However, you may hire your own attorney at your own cost to advise you in this matter or represent you in making an objection or appearing at the final settlement approval hearing.

26. How will the lawyers for the Settlement Class be paid?

Settlement Class Counsel will request the Court's approval of an award of attorneys' fees up to 33% of the Settlement Fund (or up to \$126,588), plus reasonable costs and expenses (approximately \$10,000), which shall be paid from the Settlement Fund. Settlement Class Counsel will also request approval of a service award of \$5,000 to Mr. Riggs, which shall also be paid from the Settlement Fund.

27. Who represents Defendant in the Lawsuit?

Defendants are represented by the following lawyers:

Ronald I. Raether Troutman Pepper Hamilton Sanders LLP 5 Park Plaza, Suite 1400 Irvine, CA 92614 949-622-2700

For Further Information

28. What if I want further information or have questions?

This notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, please see the Class Settlement Agreement available at www.iCanvasIncidentSettlement.com, by contacting Settlement Class Counsel at the phone numbers provided in response to Question 25 above, by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at https://pacer.uscourts.gov/, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of Illinois, 219 South Dearborn Street, Chicago, IL 60604, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

Angeion Group, LLC will act as the Claims Administrator for the Settlement. You can contact the Claims Administrator at:

iCanvas Claims Administrator 1650 Arch Street, Suite 2210 Philadelphia, PA 19103 1-855-411-2281 info@iCanvasIncidentSettlement.com

DO NOT CONTACT THE JUDGE OR DEFENDANT.