NOTICE TO CLASS MEMBERS – AUTHORIZED CLASS ACTION AND PROPOSED SETTLEMENT AGREEMENT ZUCKERMAN V. TARGET CORPORATION 500-06-000686-143

PROCEEDINGS

On January 18, 2017, the Honourable Justice Hamilton of the Superior Court of Quebec authorized a class action brought by the Plaintiff Evan Zuckerman on behalf of all Residents of Québec whose payment card data and/or personal information was lost by and/or stolen from the Defendant Target Corporation (USA) as a result of a breach of its computer network by unknown hackers. A Settlement Agreement was reached between the parties, subject to the approval of the Superior Court of Quebec.

WHAT IS THIS LAWSUIT ABOUT?

On December 19, 2013, Target announced that it had been the victim of a criminal attack on its computer network by third-party intruders who stole the payment card data of persons who used their credit or debit card at a Target store located in the United States between November 27 and December 15, 2013. The intruders also stole personal information, such as email and home addresses from Target customers who provided such personal information to Target in the United States at any time before December 15, 2013. The Target stores located in Canada were not affected. Plaintiff claims that Target did not adequately protect the Class Members' payment card data and personal information. Target denies any wrongdoing, and no court has concluded to any wrongdoing by Target.

PROPOSED SETTLEMENT AGREEMENT

The Settlement Agreement provides that Target Corporation, without admission of liability, will pay an amount not exceeding \$345,000 which will be used to pay an amount of up to \$5,000 to each Class Member who provides documentary evidence of their losses and up to \$50 to each Class Member without such evidence.

Target Corporation will separately pay: 1) the fees of the Claims Administrator; 2) the cost related to the notice program; 3) the Plaintiff's lawyers' fees in the amount of \$150,000 plus taxes, and; 4) the Plaintiff's claim in the amount of \$4,999.99.

A copy of the Settlement Agreement and other related documentation is available online at <u>www.targetdatabreachsettlementquebec.ca</u> and <u>www.lexgroup.ca</u>.

SETTLEMENT AGREEMENT APPROVAL HEARING

Before the Settlement Agreement becomes effective, the Superior Court of Québec must approve both the Settlement Agreement and the fees and expenses of Class Counsel, Lex Group Inc. The Court will review them to ensure that they are fair, reasonable and in the best interests of Class Members.

The Approval Hearing will take place on May 23, 2018 at 10:00 AM before the Superior Court of Québec, at the Montreal Courthouse, 1 Notre-Dame Street East, in Montreal, Quebec, Canada in room 15.08. At this hearing, the Court will hear any objection(s) raised by Class Members with respect to the proposed Settlement Agreement, in accordance with the deadlines and procedure set forth in the Settlement Agreement. Class Members who do not oppose the proposed settlement are not required to attend this hearing or to take any action to indicate that they intend to be bound by it.

If you are a Class Member and do not object to the Settlement, you do NOT have to do anything and you do NOT have to attend the Settlement Approval Hearing.

AMIA CLASS MEMBER?

You are a Class Member if you are a resident of Quebec who either:

- (1) provided personal information to Target in the United States before December 15, 2013; and/or
- (2) shopped at a Target store located in the United States between November 27, 2013 and December 15, 2013 and used a credit or debit card. **Target stores located in Canada were not affected.**

WHAT ARE MY OPTIONS?

If you are a Class Member, you have the following three (3) options:

- 1. Stay in the Class and make a valid claim no later than July 23, 2018 in order to obtain compensation for your losses up to \$5,000 if you provide documentary evidence of your losses or up to \$50 if you do not have such evidence; or
- 2. Stay in the Class and object to the settlement if you disagree with the settlement agreement. To object the settlement agreement, you must deliver a written submission by May 1, 2018; or
- 3. Opt out of the Class by sending a letter to exclude yourself no later than May 1, 2018. You may not submit a claim form or object to the settlement if you opt out of the Class, but you may pursue your rights against Target directly.

Explanations, deadlines and details regarding the process of objecting or opting-out of the settlement are set out in the Settlement Agreement.

WHAT CAN I GET FROM THE PROPOSED SETTLEMENT?

Each Class Member may be eligible for one of two types of benefits. If you have documentation, you can receive reimbursement of losses and/or expenses up to \$5,000. If you do not have documentation, you may be eligible for an amount not exceeding \$50 or an equal share of the capped amount of \$345,000 after payment of claims for documented losses, should that amount not be exhausted. The amount of actual payments will depend on the total monetary amount of valid and approved claims received.

TELL ME MORE ABOUT WHAT "REIMBURSEMENT OF LOSSES AND/OR EXPENSES" MEANS

All Class Members who had their personal and/or financial information compromised can get reimbursed for losses and/or expenses caused by the data breach of up to \$5,000. These losses and/or expenses could be related to:

- Unauthorized, unreimbursed charges on your credit or debit card;
- Time spent addressing unauthorized charges on your credit or debit card;
- Costs to hire someone to help correct your credit report;
- Higher interest rate on an account or higher interest fees that you paid;
- Loss of access or restricted access to funds;
- Fees paid on your accounts (such as late fees, declined payment fees, overdrafts, returned checks, customer service, or card cancellation or replacement);
- Credit-related costs (such as buying credit reports, credit monitoring or identity theft protection, or costs to place a freeze or alert on your credit report); or
- Other costs or unreimbursed expenses as a result of the Target Data Breach.

HOW DO I MAKE A CLAIM?

To make a claim, you must, no later than July 23, 2018:

- Complete a claim form online at www.targetdatabreachsettlementquebec.ca; or
- Obtain a claim form in paper format from the Claims Administrator or the attorneys of the class action, complete it and send it by email or by mail to the Claims Administrator.

WHEN WILL I RECEIVE MY PAYMENT?

If you submit a complete, accurate, valid, and timely Claim Form, the Settlement Administrator will send your payment to you after the settlement is finally approved and all appeals and other reviews have been exhausted.

WHAT AM I GIVING UP BY STAYING IN THE PROPOSED SETTLEMENT?

Unless you exclude yourself from the Class (opt out), you cannot sue Target or be part of any other lawsuit against Target about the issues this settlement resolves. Unless you exclude yourself (opt out), all of the decisions by the Court will bind you. You will be "releasing" Target and all related people as described in the Settlement Agreement.

The Settlement Agreement describes the released claims with specific descriptions, so read it carefully. If you have any questions, you can talk to the Class Counsel law firm for free, or you can, of course, talk to your own lawyer (at your own expense) if you have questions about what this means.

HOW DO I EXCLUDE MYSELF FROM THE CLASS? (OPT OUT)

If you want to keep the right to sue or continue to sue Target based on claims this settlement resolves, you must take the following steps to get out of the Class (opt out).

To exclude yourself from the Class (opt out), you must inform the Court Clerk by sending a letter by mail to the following address:

Superior Court of Québec, Class Action Division Montreal Courthouse 1 Notre-Dame Street East, Montreal, Quebec H2Y 1B6

With an additional copy sent by mail to the Claims Administrator at the following address:

Quebec Target Data Breach Settlement P.O. Box 1044, Station Desjardins Montréal, Québec H5B 1C2

In order to be valid, your "Request for Exclusion" must be postmarked no later than May 1, 2018 and must include ALL of the following information:

- The name and Court number of this proceeding (Zuckerman v. Target Corporation 500-06-000686-143);
- Your name, email address(es), telephone number(s) and address;
- The words "Request for Exclusion" at the top of the document or a statement requesting exclusion from the Class; and
- Your signature.

You cannot exclude yourself by telephone or by email. You cannot exclude yourself by mailing a request to any other location or after the deadline. You cannot exclude yourself if you intend to object to the Settlement. Your Request for Exclusion must be signed by you, personally, and not your lawyer or anyone else acting on your behalf.

IF I DO NOT EXCLUDE MYSELF, CAN I SUE TARGET FOR THE SAME THING LATER?

No. Unless you exclude yourself, you give up the right to sue Target for the claims that this settlement resolves.

IF I EXCLUDE MYSELF, DO I STILL GET A PAYMENT?

No. You will not get a payment if you exclude yourself from the class.

DO I HAVE A LAWYER IN THIS CASE?

Yes. The attorneys representing the Class Members are the law firm Lex Group Inc. You will not be charged by this law firm for its work on the case. If you want to be represented by your own lawyer, you may hire one at your own expense.

HOW WILL THE LAWYERS BE PAID?

As part of the settlement of this case, Target has agreed to pay Class Counsel an amount of \$150,000 plus applicable taxes for their fees and costs. This payment will not reduce the benefits provided to the Class Members.

WHAT IF I DISAGREE WITH THE PROPOSED SETTLEMENT?

If you disagree with the proposed settlement, you can object to it by delivering a written submission on or before May 1, 2018. You cannot file an objection to the settlement if you exclude yourself from the Class (opt out). You may also attend the Approval Hearing which will take place on May 23, 2018 in order to present your objection to the court. Your objection must be sent to Class Counsel by letter, email, or fax, and include all of the following information:

- a) a heading which refers to the name and Court number of this proceeding (Zuckerman vs. Target Corporation 500-06-000686-143);
- b) your full name, mailing address, telephone number(s), and email address and, if represented by counsel, the name, address, telephone number, fax number, and email address of your counsel;
- c) a statement whether you intend to appear at the Settlement Approval Hearing, either in person or through counsel;
- d) a declaration that you consider yourself to be a Class Member;
- e) a statement of the objection and the grounds supporting the objection;
- f) copies of any papers, briefs, or other documents upon which the objection is based;
- g) a declaration under the penalty of perjury that the foregoing information is true and correct.
- h) your signature.

Do NOT send an objection directly to the Court. Class Counsel will file copies of all objections with the Court.

HOW DO I OBTAIN MORE INFORMATION?

For more information, please contact:

Claims Administrator Quebec Target Data Breach Settlement P.O. Box 1044, Station Desjardins Montréal, QC H5B 1C2 1-866-306-9920 Class Counsel Lex Group Inc. 4101 Sherbrooke Street West Montréal, QC H3Z 1A7 514-451-5500 / info@lexgroup.ca

Please note that in case of any discrepancy between the terms of this Notice and the Settlement Agreement, the terms of the Settlement Agreement shall prevail. Any term not defined in this Notice shall have the meaning ascribed in the Settlement Agreement.

The publication of this notice has been authorized by the Superior Court of Quebec.