

SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN THE COUNTY OF LOS ANGELES

KYNDAL CHRISTOFFERSON, NATALIE GERACE,
AND ERIN RATELLE, individually and on behalf
of all others similarly situated,

Plaintiffs,

v.

CREATION ENTERTAINMENT, INC.,

Defendant.

Case No. 19STCV11000

**NOTICE OF PENDENCY OF CLASS ACTION,
PROPOSED SETTLEMENT AND HEARING**

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

To: U.S. residents who made a purchase using a credit or debit card from Creation Entertainment, Inc. and your Personal Information was accessed and/or compromised by unauthorized individuals as part of a Security Incident.

A proposed Settlement has been reached in a class action lawsuit against Creation Entertainment, Inc. (“Creation”). The lawsuit asserted claims against Creation related to a data breach that affected Creation’s computer systems from approximately February 1, 2018 through October 10, 2018 and was publicly disclosed by Creation on March 19, 2019 (the “Security Incident”). Creation denies all of the claims and denies that it did anything wrong.

The Settlement includes all U.S. residents who made a purchase using a credit or debit card from Creation and whose Personal Information was accessed and/or compromised by unauthorized individuals as part of the Security Incident (“Settlement Class Members”).

The Settlement provides payments to Settlement Class Members who were potentially affected by the Security Incident. The amount paid will depend upon how many people submit valid claims.

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

SUBMIT A CLAIM FORM DEADLINE: JUNE 22, 2021	You must submit a valid claim form to receive a payment from this Settlement. The deadline to submit a claim form is June 22, 2021 .
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DO NOTHING	You will receive no payment and will no longer be able to sue Creation over the claims resolved in the Settlement.
EXCLUDE YOURSELF DEADLINE: MAY 24, 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. If you choose to exclude yourself, you must do so by May 24, 2021 .
OBJECT DEADLINE: MAY 24, 2021	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. If you choose to object, you must do so by May 24, 2021 .
GO TO A COURT HEARING: JUNE 24, 2021	The Final Approval Hearing is on June 24, 2021, at 9:00 a.m. If you or your attorney go to the Hearing it will be at your own expense. You do not need to attend the hearing to receive payment.

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.CreationSettlement.com or by calling 1-888-413-2867.

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 *Christofferson, et al., v. Creation Entertainment, Inc.*, Superior Court of the State of California, County of Los Angeles, Case No. 19STCV11000 (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. The 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 U.S. residents whose Personal Information was accessed and/or compromised by unauthorized individuals as part of the Security Incident. The Security Incident resulted in the potential exposure of payment card data from customers who used their credit or debit cards to make purchases from Creation. The potentially-exposed information included names, addresses, email addresses and payment card information (including card numbers, expiration dates, and security codes).

The Lawsuit claims Creation is legally responsible for the Security Incident and asserts various legal claims, including negligence, breach of implied contract, violation of the California Data Breach Notification Act, violation of the California Unfair Competition Law, violation of the California Consumers Legal Remedies Act, violation of the Maryland Consumer Protection Act and unjust enrichment. Creation denies these claims and denies it did anything wrong.

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 are three Representative Plaintiffs in this case: Kyndal Christofferson, Natalie Gerace and Erin Ratelle. The class in this case is referred to in this Notice as the “Settlement Class.”

4. *Why is there a Settlement?*

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

Terms of the Proposed Settlement

5. *Who is in the Settlement Class?*

The Settlement Class is defined by the Court as all U.S. residents who made a purchase using a credit or debit card from Creation and whose Personal Information was accessed and/or compromised by unauthorized individuals as part of the Security Incident.

Certain people are excluded from the Settlement Class: (i) Creation and its officers and directors; (ii) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; (iii) the Judge assigned to evaluate the fairness of this Settlement; (iv) the attorneys representing the Parties in the Litigation; (v) banks and other entities that issued payment cards which were utilized at Creation during the Security Incident; and (vi) any other Person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding, or abetting the criminal activity occurrence of the Security Incident or who pleads *nolo contendere* to any such charge.

6. *What are the terms of the Settlement?*

The proposed Settlement would create a Settlement Fund of \$950,000.00 funded by Creation that would be used to pay: (i) Settlement Class Members who submit valid claims; (ii) costs of Claims Administration, which are estimated to be \$66,000; (iii) any attorney fees of up to 33% of the Settlement Fund (or \$313,500) and reasonable expenses of up to \$20,000 awarded by the Court to Class Counsel; and (iv) any service awards to the Representative Plaintiffs awarded by the Court. The Settlement also releases all claims of Settlement Class Members against Creation arising from or related to the Security Incident, as detailed in the 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 Settlement Agreement and any final judgment entered by the Court and will give

up their right to sue Creation for the claims being resolved by the Settlement. The claims that Settlement Class Members are releasing are described in Section 1.23 of the Settlement Agreement and the persons and entities being released from those claims are described in Section 1.24 of the Settlement Agreement. Section VIII of the 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 who submit valid claims and all required documentation may receive one of two types of Settlement Payments, to be paid from the Settlement Fund: (1) a Basic Settlement Payment; or (2) an Extraordinary Reimbursement Settlement Payment. Settlement Class Members may receive only one Settlement Payment. Depending on how many valid claims are submitted, the amount of each Settlement Payment may be adjusted upward or downward proportionally among Settlement Class Members submitting valid claims. Only one Settlement Claim may be submitted per Settlement Class Member, and only one Settlement Claim may be submitted per credit or debit card used to make a purchase from Creation.

9. What is a Basic Settlement Payment?

Every Settlement Class Member is eligible to receive a Basic Settlement Payment of up to \$200, regardless of whether he or she experienced any unauthorized charges on a credit or debit card used to make a purchase from Creation. Settlement Class Members seeking a Basic Settlement Payment must provide the information and documents required on the Claim Form. The amount paid as a Basic Settlement Payment is subject to upward or downward adjustment as described below in Question 11.

10. What is an Extraordinary Reimbursement Settlement Payment?

Settlement Class Members who, at anytime between February 1, 2018 and April 19, 2019, experienced unauthorized charges on their credit or debit cards that were not denied or reimbursed, which charges the Settlement Class Member believes in good faith were more likely than not caused by the Security Incident, are eligible to receive an Extraordinary Reimbursement Settlement Payment of up to \$10,000 as reimbursement for: (i) those unreimbursed, unauthorized charges, (ii) up to three hours of lost time spent dealing with unauthorized charges or the Security Incident, at a rate of \$20 per hour, and (iii) the following types of out of pocket expenses related to the Security Incident:

- unreimbursed payment card fees or unreimbursed bank fees incurred as a result of the Security Incident, including bank fees, card reissuance fees, overdraft fees, charges related to unavailability of funds, late fees, over-limit fees and unreimbursed fees relating to an account being frozen or otherwise unavailable due to the Security Incident;
- cell, internet or text charges related to the Security Incident;
- costs or charges for obtaining credit reports or credit freezes as a result of the Security Incident; and

- postage costs incurred as a result of the Security Incident.

Claimants must exhaust all available credit monitoring insurance and identity theft insurance before seeking an Extraordinary Reimbursement Settlement Payment. Settlement Class Members seeking an Extraordinary Reimbursement Settlement Payment must provide the information and documents required on the Claim Form. The amount paid as an Extraordinary Reimbursement Settlement Payment is subject to upward or downward adjustment as described below in Question 11.

11. When and how will the amount of Settlement Payments be adjusted?

The amounts paid for all Basic Settlement Payments and Extraordinary Reimbursement Settlement Payments will be adjusted upward or downward from the amounts listed in Questions 9-10 above depending on how many Settlement Class Members submit valid claims.

If the total dollar value of all valid claims is less than the amount of money available in the Settlement Fund for payment of Settlement Class Member claims at the rates listed above in response to Questions 9-10, the amount of payment for Basic Settlement Payments and Extraordinary Reimbursement Settlement Payments will be adjusted upward proportionally among all valid claims, up to a maximum of twice the dollar amounts listed in Questions 9-10 (e.g., Basic Settlement Payments may be adjusted up to \$400, etc.)

If the total dollar value of all valid claims is more than the amount of money available in the Settlement Fund for payment of Settlement Class Member claims at the amounts listed above in response to Questions 9-10, the amount of payment for Basic Settlement Payments and Extraordinary Reimbursement Settlement Payments will be adjusted downward proportionally among all valid claims.

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 to Public Justice. No remaining funds will be returned to Creation.

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. However, if you wish to seek a Settlement Payment, you **must** complete and submit a Claim Form postmarked or submitted online by **June 22, 2021**. You may obtain a Claim Form and/or submit it online at www.CreationSettlement.com.

If you do not want to give up your right to sue Creation about the Security Incident or the issues raised in this case, you must exclude yourself (or “opt out”) from the Settlement Class. The deadline to exclude yourself is **May 24, 2021**.

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 below. The deadline to object is **May 24, 2021**.

14. What happens if I do nothing?

If you do nothing, you will get no Settlement Payment 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 against Creation involving the claims released by the Settlement.

15. How do I submit a claim?

You may complete the Claim Form online at www.CreationSettlement.com . You may also obtain a paper Claim Form by downloading it at www.CreationSettlement.com or by calling the Claims Administrator at **1-888-413-2867**. 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.CreationSettlement.com or mail them to:

Christofferson, et al. v. Creation Entertainment, Inc.
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606

The deadline to submit a Claim Form is June 22, 2021.

16. Who decides my Settlement 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 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 counsel for the Settling Parties.

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 deliver your request by **May 24, 2021** to this address:

Christofferson, et al. v. Creation Entertainment, Inc.
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606

The deadline to exclude yourself from the Settlement is May 24, 2021.

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

No. If you exclude yourself, you will not be entitled to any Settlement Payment or any other benefits of the Settlement. However, you will also not be bound by any judgment in this Lawsuit.

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

No. Unless you exclude yourself, you give up any right to sue Creation 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 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. If you want to object, your objection must be in writing and be postmarked no later than May 24, 2021. You must deliver your objection by **May 24, 2021** to this address:

Christofferson, et al. v. Creation Entertainment, Inc.
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606

To be considered by the Court, your objection must list the name of this Lawsuit, *Christofferson, et al., v. Creation Entertainment, Inc.*, and the case number, Case No. 19STCV11000, 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 Creation using a credit or debit card); (iii) a detailed statement of the specific legal and factual bases for all of your objections, along with any applicable legal support; (iv) the identity of any lawyer representing you; (v) 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; (vi) a list of anyone you plan to have testify at the final approval hearing in support of your objections; and (vii) your signature and the signature of your attorney or other authorized representative.

The deadline to object to the Settlement is May 24, 2021.

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 Approval Hearing to decide whether to approve the Settlement. That hearing is scheduled for **June 24, 2021 at 9:00 a.m.** in Department 6 at the Superior Court of the State of California, County of Los Angeles located at 312 N. Spring Street, Los Angeles, CA 90012. At the Final 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 hear from any

class member who attends the final approval hearing and asks to speak regarding his or her objection. The Court will also rule on Class Counsel's request for attorneys' fees and costs, and the request for service awards for the Representative Plaintiffs. 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 <http://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil> to confirm the schedule if you wish to attend.

All persons entering any courthouse or courtroom must wear a face covering/mask over his or her nose and mouth at all times within the public areas of the courthouse or courtroom. Individuals who wear a face shield must ensure it covers both the nose and the mouth, wraps around the sides of a wearer's face and extend to below the chin with a cloth drape from the bottom of the face shield to below the neck. For up-to-date information on the Court's facial coverings and social distancing requirements, please visit: <http://www.lacourt.org/newsmedia/ui/HfySfy.aspx>.

22. Do I have to attend the hearing?

No. You do not need to attend the hearing unless wish to object in-person to the Settlement. 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.

Please note that if you do not submit a written notice of intention to object to the Settlement, you may still appear at the Final Fairness Hearing and request to speak to the Court. Please see Question 21 above for facial coverings and social distancing requirements.

23. What happens if the Court approves the Settlement?

If the Court approves the Settlement and no appeal is taken, Creation will fund the Settlement Fund. The Claims Administrator will pay any Attorney Fees' and Costs Award, Representative Plaintiffs Award, and notice and administration costs from the Settlement Fund. Then, within the later of 90 days after the Effective Date or 30 days after all disputed claims have been resolved, the Claims Administrator will send Settlement Payments to Settlement Class Members who submitted timely and valid Settlement Claims.

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, Class Counsel or the Representative Plaintiffs, and the case will proceed as if no Settlement had been attempted.

Lawyers for the Settlement Class and Creation

25. *Who represents the Settlement Class?*

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

Rachele R. Byrd
Brittany N. DeJong
Wolf Haldenstein Adler Freeman & Herz LLP
750 B Street, Suite 1820
San Diego, CA 92101
619-239-4599

Tina Wolfson
Theodore Maya
Ahdoot & Wolfson, PC
2600 West Olive Ave., Suite 500
Burbank, California 91505
310-474-9111

Benjamin F. Johns
Beena M. McDonald
Chimicles Schwartz Kriner & Donaldson-Smith LLP
One Haverford Centre
361 Lancaster Avenue
Haverford, PA 19041
610-642-850

Settlement Class Members will not be charged for the services of Class Counsel; 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 Approval Hearing.

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

Class Counsel will request the Court's approval of an award for attorneys' fees of up to 33% of the Settlement Fund (or \$313,500), plus reasonable expenses of up to \$20,000, which shall be paid from the Settlement Fund. Class Counsel will also request approval of service awards of \$2,500 for each of the three Representative Plaintiffs, and approximately \$66,000 in costs to the Claims Administrator, which shall also be paid from the Settlement Fund.

27. *Who represents Creation in the Lawsuit?*

Creation is represented by the following lawyers:

Ian A. Stewart
Nicole Aaronson

Wilson, Elser, Moskowitz, Edelman & Dicker LLP
555 Flower Street, Suite 2900
Los Angeles, CA 90071-2407
213-443-5100

For Further Information

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

If you think you may be a Class Member and would like more information about the lawsuit or the terms of the proposed Settlement, you may review the pleadings, records and other papers on file in this lawsuit, including the Court's Preliminary Approval Order and the Settlement Agreement, which may be inspected at the Clerk's Office of the Superior Court of California, County of Los Angeles, Spring Street Courthouse, 312 North Spring Street, Los Angeles, California, 90012. You must make an appointment with the Clerk's Office by calling 213-310-7000. All services – telephonic and in-person – will be provided in non-English speaking languages. Face masks and/or facial coverings are required and mandatory at all times to enter any courthouse or courtroom and must be worn covering the nose and mouth. This policy applies to attorneys, parties, witnesses, court staff, Judges, Commissioners, vendors and the general public. The only exceptions to this policy will be for a documented medical condition or excuse, or an ADA accommodation approved by the Court. If an exception is granted, admittance into the courthouse may be restricted to a specific time of the day. If necessary, the time allotted for any granted exception may require the individual to wait until later in the day or schedule an appointment for admittance. For up-to-date information on the Court's facial coverings and social distancing requirements, please visit: <http://www.lacourt.org/newsmedia/ui/HfySfy.aspx>.

You can also find further information about the Lawsuit and this Settlement on the settlement website at www.CreationSettlement.com or by calling **1-888-413-2867**.

CPT Group will act as the Claims Administrator for the Settlement. You can contact the Claims Administrator at:

Christofferson, et al. v. Creation Entertainment, Inc.
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
1-888-413-2867

DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR CREATION.