

CLASS ACTION SETTLEMENT AGREEMENT

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CLASS ACTION SETTLEMENT AGREEMENT

IT IS HEREBY STIPULATED AND AGREED by, between, and among Plaintiffs Napoleon Ebarle, Jeanne Stamm, Brian Litton, and Renier Jerome Ebarle (collectively, “Plaintiffs”) and Defendant LifeLock, Inc. (“LifeLock”), with all terms as defined below, through their counsel, that the action entitled *Ebarle, et al. v. LifeLock, Inc.*, Case No. 3:15-CV-00258 HSG (N.D. Cal.) (the “Action”) is settled and judgment shall be entered on the terms and conditions set forth in this Settlement Agreement, subject to the Court’s approval.

I. INTRODUCTION

A. On January 22, 2015, LifeLock was served with a Class Action Complaint filed by Plaintiffs Napoleon Ebarle and Jeanne Stamm alleging that LifeLock’s advertisements regarding its identity theft protection services violated Arizona’s Consumer Fraud Act, Ariz. Rev. Stat. § 44-1522(A) (“ACFA”), for which they sought declaratory judgment, compensatory damages, attorneys’ fees, and costs. LifeLock responded by filing a Motion to Dismiss the Complaint on March 6, 2015. In lieu of responding to LifeLock’s Motion to Dismiss, Plaintiffs amended their Complaint on March 27, 2015, to add Brian Litton as a Plaintiff and to expand upon their allegations and causes of action. In their First Amended Complaint (“FAC”), Plaintiffs generally allege that LifeLock makes numerous representations which it does not deliver upon. Plaintiffs allege these misrepresentations fall into four categories: (1) LifeLock’s promise to provide “comprehensive” services in detecting fraud; (2) LifeLock’s promise to provide timely and continuous alerts of potential fraud twenty-four hours a day, seven days a week, three hundred sixty-five days a year; (3) LifeLock’s promise regarding its information security program; and (4) LifeLock’s promise to provide a “\$1 Million Total Service Guarantee,” which, as the promise suggests, purports to provide insurance in an amount up to

\$1,000,000 against identity theft. Plaintiffs' FAC seeks declaratory judgment, compensatory damages, equitable relief, attorneys' fees, and costs.

B. LifeLock expressly denies any wrongdoing and does not admit or concede any actual or potential fault, wrongdoing, or liability in connection with any facts or claims that have been alleged against it in this Action. Nevertheless, LifeLock considers it desirable to resolve the Action on the terms stated herein in order to avoid further expense, inconvenience, and interference with its business operations and to dispose of burdensome litigation. Therefore, LifeLock has determined that the settlement of the Action on the terms set forth herein is in its best interests.

C. This Settlement Agreement reflects a compromise between the Parties and shall in no event be construed as or deemed an admission or concession by any Party of the truth of any of the pleadings in the Action or of any fault on the part of LifeLock and all such allegations or the validity of any purported claim or defense asserted are expressly denied. Nothing in this Settlement Agreement shall constitute an admission of liability or may be used as evidence of liability by or against any Party hereto.

D. LifeLock has informally produced approximately 10,000 pages of relevant documents in the Action to Class Counsel, which Class Counsel has thoroughly reviewed. In particular, LifeLock's production included, but was not limited to: (i) 416 exemplars of print advertisements, comprising approximately 1,279 pages, which were disseminated between April 2010 and December 2012; (ii) 75 exemplars of aired television commercials; (iii) account histories for the individual Plaintiffs; (iv) the Settlement Agreement in the Multi District Litigation entitled *In Re LifeLock, Inc. Marketing and Sales Practices Litigation*, MDL Docket No. 08-1977-MHM in the United States District Court for the District of Arizona; (v) certain

documents filed in *Federal Trade Commission v. LifeLock, Inc.*, Case No. 10-CV-00530-PHX-MHM (D. Ariz.); (vi) transcripts of depositions taken in other litigation involving LifeLock; (vii) an affidavit signed by Stephen Burke, a former LifeLock employee; (viii) consumer surveys LifeLock conducted concerning certain of its advertisements; (ix) “white papers” that LifeLock provided to the FTC in connection with its 18-month investigation; (x) contracts between LifeLock and its vendors; (xi) LifeLock call-center scripts; (xii) LifeLock’s terms of service during the alleged Class Period; (xiii) insurance policies underlying LifeLock’s \$1 million guarantee; (xiv) information regarding LifeLock subscribers; (xv) alert histories including times when alerts may not have been delivered immediately; (xvi) product pricing; (xvii) identity theft protection plan cancellations; (xviii) monitored financial institutions; and (xix) LifeLock’s responses to numerous of the FTC’s requests for information. LifeLock also designated and produced two witness for deposition in response to Plaintiffs’ Rule 30(b)(6) Deposition Notice: (1) Gregory Lim, Vice President Enterprise Risk & Strategic Operations; and (2) Sharma Upadhyayula, Sr. Director, Product Management. Class Counsel deposed Mr. Lim on September 24, 2015, and Mr. Upadhyayula on September 25, 2015.

E. Based upon their review, investigation, and evaluation of the facts and law relating to the matters alleged in the Action, Plaintiffs and Class Counsel, on behalf of the putative Class, have agreed to settle the Action pursuant to the provisions of this Settlement Agreement, after considering, among other things: (1) the substantial benefits to the Class Members under the terms of this Settlement Agreement; (2) the risks, costs, and uncertainty of protracted litigation, especially in complex actions such as this, as well as the difficulties and delays inherent in such litigation; and (3) the desirability of consummating this Settlement Agreement promptly in order to provide expeditious and effective relief to the Class Members.

F. The Parties have therefore agreed to a Settlement in which LifeLock will pay Sixty-Eight Million Dollars (\$68,000,000) (the “Settlement Amount”) for use as compensation for Settlement Class Members and Settlement Subclass Members. LifeLock will separately pay the reasonable costs of administering the Settlement, any Class Counsel fees and expenses awarded, and any Service Awards to the named Plaintiffs.

G. This Settlement was reached over the course of seven months of settlement negotiations among and between Class Counsel, LifeLock, and LifeLock’s Counsel including an in-person meeting on April 22, 2015, and two mediation sessions, one on July 1, 2015, and a second on August 18, 2015, before Justice Howard W. Wiener. The Settlement was reached only after the mediator made a mediator’s proposal at the August 18, 2015 mediation, which resulted in the execution of a Non-Binding Confidential Memorandum of Understanding that day and further negotiations concerning the terms of the definitive settlement reflected in this Settlement Agreement over the course of over two months.

II. DEFINITIONS

As used in this Settlement Agreement, including the exhibits attached hereto (which are an integral part of this Settlement Agreement and are incorporated in their entirety by reference), the following terms have the following meanings, unless this Settlement Agreement specifically provides otherwise:

1. “Action” means the putative class action complaint, including all amended complaints, filed in the matter entitled *Ebarle, et al. v. LifeLock, Inc.*, Case No. 3:15-CV-00258 HSG currently pending in the Northern District of California.

2. “Administrative Costs” means and includes: the reasonable costs and expenses of the Settlement Administrator (and any persons or entities they retain to assist them consistent

with the terms of this Settlement Agreement) associated with disseminating notice to the Class, implementing the Claim Process, and carrying out any other responsibility consistent with the terms of this Settlement Agreement. Administrative Costs do not include other fees, costs, or expenses, including Attorneys' Fees and Expenses, court costs, or Service Awards to Plaintiffs.

3. "Attorneys' Fees and Expenses" means such funds as may be awarded by the Court to Class Counsel to compensate all Plaintiffs' Counsel for their fees and expenses in connection with the Action and the Settlement, as described in Section XIII of this Settlement Agreement, not to exceed \$10,200,000.

4. "Claim" means the claim of a Class Member or his or her legal representative submitted in compliance with the procedure provided in this Settlement Agreement as described in Section VIII.

5. "Claimant" means a Class Member or his or her legal representative who submits a Claim.

6. "Claim Deadline" means sixty (60) days following the Notice Date.

7. "Claim Form" means the document substantially in the form attached as **Exhibit 1** to this Settlement Agreement.

8. "Claim Process" means the process for submitting and reviewing Claims as described in Section VIII of this Settlement Agreement.

9. "Class" means all members of a LifeLock identity theft protection plan in the United States at any time between September 1, 2010, and the date of the Preliminary Approval Order. LifeLock estimates there will be approximately 6.8 million Class Members.

10. "Class Counsel" means: Joseph Henry ("Hank") Bates and Randall K. Pulliam of Carney Bates & Pulliam, PLLC, 2800 Cantrell Rd., Suite 510, Little Rock, Arkansas 72202,

and Michael W. Sobol of Lieff, Cabraser, Heimann & Bernstein, LLP, 275 Battery Street 29th Floor, San Francisco, California 94111.

11. “Class Data” means the data and information available to LifeLock, after a reasonable review to ascertain the accuracy of that data and information, to be provided by LifeLock to the Settlement Administrator for the Settlement Administrator’s use in disseminating Notice, processing Claims, and making Settlement payments, including information in LifeLock’s possession identifying each Class Member’s name, last known address and/or last known email address, and date of enrollment in a LifeLock identity theft protection plan.

12. “Class Fund” means the amount available to pay claims submitted by Valid Claimants after deduction from the Settlement Fund of the Subclass Fund.

13. “Class Member” means any individual falling within the Class definition.

14. “Class Notice” means all types of notice that will be provided to the Class Members pursuant to Federal Rules of Civil Procedure 23(c)(2) and 23(e)(1), the Preliminary Approval Order, and this Settlement Agreement, including email notice, first class mail notice, website notice, publication notice, and any additional notice that may be ordered by the Court.

15. “Court” means the United States District Court for the Northern District of California.

16. “Defendant” refers to LifeLock, Inc.

17. “Fairness Hearing” means the hearing at or after which the Court shall make a final decision regarding whether to finally approve this Settlement Agreement as fair, reasonable, and adequate.

18. “Final Approval Order” means the Court’s order, substantially in the form attached to this Settlement Agreement as **Exhibit 2**, finally approving the Settlement and this Settlement Agreement, as described in Section XIV of this Settlement Agreement.

19. “Final Judgment” means the Court’s order finally disposing of the Action, substantially in the form attached to this Settlement Agreement as **Exhibit 3**.

20. “Final Settlement Date” means the next business day after both of the following have occurred:

- (1) This Settlement Agreement is fully executed by all signatories; and
- (2) The Court enters the Final Approval Order.

21. “FTC Action” means the action currently pending in the United States District Court for the District of Arizona entitled *Federal Trade Commission v. LifeLock, Inc.*, Case No. 10-CV-00530-PHX-MHM.

22. “LifeLock” means Defendant LifeLock, Inc.

23. “LifeLock’s Counsel” means: Luanne Sacks of Sacks, Ricketts & Case LLP, 177 Post Street, Suite 650, San Francisco, California 94108, and Cynthia Ricketts of Sacks, Ricketts & Case LLP, 2800 N. Central Avenue, Suite 1230, Phoenix, Arizona 85004.

24. “Long Form Class Notice” means a notice substantially in the form attached as **Exhibit 4** to this Settlement Agreement and approved by the Court, which the Settlement Administrator shall make available on the Settlement Website pursuant to the terms of this Settlement Agreement.

25. “Notice Date” means thirty (30) days following the entry of the Preliminary Approval Order.

26. “Objection Deadline” means forty-five (45) days following the Notice Date.

27. “Opt-out Deadline” means forty-five (45) days following the Notice Date.

28. “Parties” means Plaintiffs and LifeLock, collectively, as each of those terms is defined in this Settlement Agreement.

29. “Payment Date” means the date by which (i) the Settlement Fund (not including any re-mailed or re-issued payments) will be distributed to the Valid Claimants and Settlement Subclass Members pursuant to paragraphs 58 and 68-70 of this Settlement Agreement; (ii) any funds otherwise due to Class Counsel and the class representatives pursuant to paragraphs 97-105 of this Settlement Agreement will be distributed; and (iii) any funds due to the Settlement Administrator pursuant to paragraph 64 of this Settlement Agreement will be distributed. The Payment Date shall be twenty (20) days following the Final Settlement Date.

30. “Plaintiffs” means and includes Napoleon Ebarle, Jeanne Stamm, Brian Litton, and Renier Jerome Ebarle.

31. “Preliminary Approval Order” means the order to be entered by the Court preliminarily approving the Settlement as outlined in Section XIV of this Settlement Agreement and that is substantially in the form attached as **Exhibit 5** to this Settlement Agreement.

32. “Release” means the release and waiver set forth in Section XII of this Settlement Agreement.

33. “Released Parties” means LifeLock and each of its respective present and former parents, subsidiaries, divisions, affiliates, predecessors, successors, assigns, and insurers, including all of their insurers’ affiliates, predecessors, successors, assigns, and reinsurers, and the respective agents, servants, attorneys, employees, officers, directors, shareholders, and representatives of the foregoing, and each of them, and all of the present and former directors, officers, employees, agents, attorneys, and shareholders of LifeLock and each of their present and former parents, subsidiaries, divisions, affiliates, predecessors, successors, and assigns.

34. “Releasing Parties” means Plaintiffs and the Settlement Class Members, including, only to the extent they may have a right to a claim on behalf of a Plaintiff or a Settlement Class Member, each of their respective spouses, executors, representatives, heirs, predecessors, successors, bankruptcy trustees, guardians, wards, joint tenants, tenants in common, tenants by the entirety, co-borrowers, agents, attorneys, and assigns, and all others of those who claim through them or who assert claims on their behalf.

35. “Service Award” means an award authorized by the Court to be paid to each Plaintiff in recognition of his/her efforts in prosecuting the Action and obtaining the benefits of the Settlement for the Class Members, such award not to exceed Two Thousand Dollars (\$2,000) for each of the Plaintiffs.

36. “Settlement” or “Settlement Agreement” means this Settlement Agreement, including the exhibits attached hereto.

37. “Settlement Administrator” means Garden City Group, LLC, subject to Court approval.

38. “Settlement Class” means all Class Members who do not timely and validly exclude themselves from the Class pursuant to the procedure set forth in Section IX of this Settlement Agreement.

39. “Settlement Class Member” means any member of the Settlement Class.

40. “Settlement Fund” means Sixty-Eight Million Dollars (\$68,000,000), which LifeLock has agreed to pay pursuant to the terms and conditions set forth in this Settlement Agreement.

41. “Settlement Subclass” means all Subclass Members who do not timely and validly exclude themselves from the Class pursuant to the procedure set forth in Section IX of

this Settlement Agreement.

42. “Settlement Subclass Member” means all individuals who are members of the Settlement Subclass.

43. “Subclass” means all individuals who enrolled in (i.e., became a member of) a LifeLock identity theft protection plan in the United States at any time between January 1, 2012, and April 30, 2015. LifeLock estimates there are approximately 3.4 million Subclass Members.

44. “Subclass Fund” means the amount of the Settlement Fund that shall be available for direct automatic distribution to Settlement Subclass Members and shall be determined by the percentage of the Class that the Subclass comprises. For instance, if the Subclass comprises fifty percent (50%) of the Class, then fifty percent (50%) of the Settlement Fund shall be allocated to the Subclass Fund for use in making direct automatic payments to the Settlement Subclass.

45. “Subclass Member” means any individual falling within the Subclass definition.

46. “Summary Notice” means the notice substantially in the form attached as **Exhibit 6** to this Settlement Agreement and approved by the Court that the Settlement Administrator shall email or mail to Class Members.

47. “Valid Claimant(s)” means and includes all Class Members who have not opted-out and who the Settlement Administrator determines have submitted a timely and valid Claim.

III. CONVENTIONS

48. Other capitalized terms used in this Settlement Agreement but not defined in the Definitions Section (Section II) of this Settlement Agreement shall have the meanings ascribed to them elsewhere in this Settlement Agreement.

49. All personal pronouns used in this Settlement Agreement, whether used in masculine, feminine, or neuter gender, shall include all other genders and the singular shall include the plural and vice versa except where expressly provided to the contrary.

50. All references herein to sections, paragraphs, and exhibits refer to sections, paragraphs, and exhibits of and to this Settlement Agreement, unless otherwise expressly stated in the reference.

51. The headings and captions contained in this Settlement Agreement are included only as a matter of convenience and in no way define, limit, extend, or describe the scope of this Settlement Agreement or the intent of any provision herein.

IV. SECOND AMENDED COMPLAINT

52. As a material part of this Settlement, at the time of seeking preliminary approval, Plaintiffs shall seek leave to file a Second Amended Complaint (“SAC”) naming Renier Jerome Ebarle as a Plaintiff. The proposed SAC is attached hereto as **Exhibit 7**.

53. As a material part of this Settlement, LifeLock stipulates to and does not oppose the filing of the SAC provided that a Preliminary Approval Order, a Final Approval Order, and Final Judgment each is entered and this Settlement Agreement becomes effective on the Final Settlement Date.

54. If a Preliminary Approval Order is not entered or a Final Approval Order and Final Judgment is not entered, this Settlement Agreement and the Settlement proposed herein does not become effective for any reason, or if this Settlement Agreement and the Settlement proposed herein is terminated, canceled, or fails to become effective for any reason whatsoever, and subject to paragraphs 112 and 114, the Plaintiffs shall withdraw the SAC within five (5) days of the denial of Preliminary Approval, the denial of Final Approval, the termination or

cancellation of this Settlement Agreement, or when the Parties agree in writing this Settlement Agreement shall not become effective for any reason, and that if the Court does not allow withdrawal of the SAC, then the Parties agree that LifeLock reserves all rights to challenge the validity of the SAC.

V. CERTIFICATION OF THE CLASS AND SETTLEMENT CLASS

55. LifeLock, while reserving all defenses if this Settlement Agreement is not finally approved, hereby consents, solely for purposes of and in consideration of the Settlement set forth herein, to the certification for settlement purposes only of the Class and Subclass upon entry of the Preliminary Approval Order, to the certification of the Settlement Class and Settlement Subclass upon entry of the Final Approval Order, to the appointment of Class Counsel, and to the approval of the Plaintiffs as suitable representatives of the Settlement Class.

56. The conditional certification of the Class and Subclass upon entry of the Preliminary Approval Order, the certification of the Settlement Class and Settlement Subclass upon entry of the Final Approval Order, the appointment of the Plaintiffs as class representatives, and the appointment of Class Counsel shall be binding only with respect to this Settlement and this Settlement Agreement. If the Court fails to enter a Preliminary Approval Order or a Final Approval Order, this Settlement Agreement and the Settlement proposed herein does not become effective for any reason, or if this Settlement Agreement and the Settlement proposed herein is terminated, canceled, or fails to become effective for any reason whatsoever, the class certification, to which the Parties have stipulated solely for the purposes, and in consideration, of the Settlement set forth herein, this Settlement Agreement and all the provisions of any Preliminary Approval Order or any Final Approval Order shall be vacated by their own terms and the Action shall revert to its status as existed prior to the date of this

Settlement Agreement with respect to class certification, appointment of Plaintiffs as class representatives, and appointment of Class Counsel. In that event, LifeLock shall retain all rights it had immediately preceding the execution of this Settlement Agreement to object to the maintenance of the Action as a class action, the appointment of Plaintiffs as class representatives, and the appointment of Class Counsel as class counsel and, in that event, nothing in this Settlement Agreement or other papers or proceedings related to the Settlement shall be used as evidence or argument by any of the Parties concerning whether the Action may properly be maintained as a class action under applicable law, whether any of the Plaintiffs are adequate or typical class representatives, or whether Class Counsel is adequate class counsel.

VI. SETTLEMENT RELIEF

57. No later than ten (10) days after entry of the Preliminary Approval Order, LifeLock shall either (i) pay to the Settlement Administrator the sum of Sixty-Eight Million Dollars (\$68,000,000.00) to create the Settlement Fund; or (ii) move for an Order directing distribution from the Court's Registry in the FTC Action the sum of Sixty-Eight Million Dollars (\$68,000,000.00) for use by the Settlement Administrator to create the Settlement Fund. If LifeLock elects to move for an Order directing distribution of Sixty-Eight Million Dollars (\$68,000,000.00) from the Court's Registry in the FTC Action and all or part of the Sixty-Eight Million Dollars (\$68,000,000.00) has not been distributed from the Court's Registry in the FTC Action to the Settlement Administrator by the date of entry of the Final Approval Order, then LifeLock agrees to pay within three (3) business days following entry of the Final Approval Order sufficient funds to enable the Settlement Administrator to create the Settlement Fund in the amount of Sixty-Eight Million Dollars (\$68,000,000.00). The Settlement Fund must be distributed to Settlement Subclass Members and Valid Claimants pursuant to the terms of

Paragraph 62 of this Agreement, and such distribution must be completed by the deadlines set forth in paragraphs 62-63. If LifeLock elects to move for an Order directing distribution from the Court's Registry in the FTC Action, any funds that remain after eighteen months from the date on which the Court in the FTC Action enters the Stipulated Consent Order must be returned by the Settlement Administrator, including interest accrued thereon, to the Court's Registry in the FTC Action, and LifeLock shall concurrently pay an equal amount to the Settlement Administrator to restore the Settlement Fund. The Settlement Fund will be maintained by the Settlement Administrator as a Court-approved Qualified Settlement Fund pursuant to Section 1.468B-1 et seq. of the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code of 1986, as amended. Provided that this Settlement Agreement is finally approved by the Court without material change, amendment, or modification, the Settlement Fund is to be used solely to provide compensation to all Valid Claimants and all Settlement Subclass Members. Any and all interest earned by the Qualified Settlement Fund prior to the Payment Date shall be distributed to Valid Claimants and Settlement Subclass Members pursuant to the terms of this Settlement Agreement (i.e., as part of the Settlement Fund), or distributed to the Court's Registry in the FTC Action as otherwise provided in this Paragraph, and shall not be used for any other purpose.

58. As set forth in paragraph 62 of this Settlement Agreement, each Settlement Subclass Member will receive an automatic *pro rata* distribution from the Subclass Fund. All Class Members (including those who are also members of the Subclass) may submit a claim for Twenty Dollars (\$20.00) substantially in the form of **Exhibit 1** before the Claim Deadline, which claims will be paid solely from the Class Fund. Any sum due to a Settlement Subclass Member who is also a Valid Claimant shall be paid by the Settlement Administrator in a single

check from the Settlement Fund. No amount of the Settlement Fund shall be refunded or revert to LifeLock.

59. Beginning no later than fourteen (14) days after the entry of the Preliminary Approval Order and continuing until the processing of Claims is completed, the Settlement Administrator shall provide weekly updates to Class Counsel and LifeLock's Counsel regarding Claims submissions and regarding its review and processing of Claims.

60. The Settlement Administrator shall conduct reasonable audit(s) to ensure the integrity of the Claims Process, including that appropriate controls are in place to prevent fraud.

61. By no later than fourteen (14) days after the Claims Deadline, the Settlement Administrator, using the Class Data and the information submitted by Valid Claimants, shall create and provide to Class Counsel and LifeLock's Counsel a complete and final list of Valid Claimants and Settlement Subclass Members, including for each the member's name and total payment amount as calculated pursuant to Section VIII of the Settlement Agreement. LifeLock's Counsel, LifeLock, and Class Counsel shall take appropriate steps to safeguard the list and shall not use it for any purpose other than the administration and implementation of this Settlement Agreement. Class Counsel agrees to return this list to the Settlement Administrator sixty (60) days after the Final Settlement Date.

62. By no later than the Payment Date, the Settlement Administrator shall mail checks via First Class U.S. Mail, proper postage prepaid, to the Valid Claimants and Settlement Subclass Members, drawn from the Settlement Fund as set forth in paragraph 58 of this Settlement Agreement. Payment checks to Valid Claimants shall be sent to the mailing address indicated in each Class Member's Claim Form. For Settlement Subclass Members who are not also Valid Claimants, their payment checks shall be mailed to the addresses indicated in the

Class Data, as updated by the Settlement Administrator through the National Change of Address Database and as otherwise stated in Section VII of this Settlement Agreement. Checks to Valid Claimants and Settlement Subclass Members shall be valid for a period of one hundred and twenty (120) days from the date appearing on the payment check. For any payment check that is returned undeliverable with forwarding address information, the Settlement Administrator shall re-mail the check to the new address indicated. For any payment check that is returned undeliverable without forwarding address information, the Settlement Administrator shall make reasonable efforts to identify updated address information and re-mail the check to the extent an updated address is identified.

63. If payment checks from the Settlement Fund are returned undeliverable or have not been cashed one hundred and twenty (120) days after the date appearing on the payment check, the Parties agree that the Settlement Administrator shall, within ten (10) days of expiration of that one hundred and twenty (120) day period, distribute the uncashed funds on a *pro rata* basis to each Valid Claimant who cashed an initial payment check. If these second payment checks are returned undeliverable or have not been cashed one hundred and twenty (120) days after the date appearing on the second payment check, the Parties agree that the Settlement Administrator shall deposit the amount of the uncashed Settlement Fund into the Court Registry in the FTC Action without delay upon the expiration of that second one hundred and twenty (120) day period, and in no case more than nine (9) days after such expiration. Funding the FTC facilitates the purposes of the Plaintiffs' lawsuit by furthering the FTC's mission of protecting consumers.

64. Any and all reasonable Administrative Costs incurred by the Settlement Administrator associated with the administration of this Settlement, distribution of Class

Notice, the publication and Internet/Media Notice Program, launching and maintaining the Settlement Website, distribution of the Settlement Fund, and any and all other tasks assigned to the Settlement Administrator by this Agreement or by the Court shall be paid by LifeLock, subject to approval by LifeLock's Counsel. The Settlement Administrator shall provide a copy of invoices to LifeLock's Counsel on a monthly basis.

VII. NOTICE TO THE CLASS

65. **Class Notice.** Plaintiffs, Class Counsel, and LifeLock agree to the following Class Notice procedures which the Parties agree is the best notice practicable.

A. Dissemination of the Summary Notice.

(1) By no later than three (3) business days following the entry of the Preliminary Approval Order, LifeLock shall provide the Settlement Administrator with the Class Data. The Class Data shall include two separate data sets: (1) a list of all Class Members and (2) a list of all Subclass Members. Each list shall include the Member's (i) first and last name; (ii) last known mailing address, if available; and (iii) last known email address, if available. The Class Data shall not be provided to Plaintiffs, Class Counsel, or anyone other than the Settlement Administrator.

(2) By no later than the Notice Date, the Settlement Administrator shall send the Summary Class Notice, in the form approved by the Court, to Class Members via email for those Class Members for whom an email address is available and via First Class U.S. Mail, proper postage prepaid, for those Class Members for whom an email address is not available. The subject line for all emails covered by this paragraph shall be: Notice of Class Action Settlement.

(3) The Settlement Administrator shall update the mailing addresses

in the Class Data through the National Change of Address Database prior to sending any Summary Notice via First Class U.S. Mail, proper postage prepaid.

(4) The Settlement Administrator shall perform a single Skip Trace using information identifying the Class Members, as necessary, to conduct an address update with respect to any Summary Notice sent via First Class U.S. Mail and returned to the Settlement Administrator as undeliverable not bearing a forwarding address using an industry accepted source such as Accurint and shall send the Summary Notice to the mailing address identified by the Skip Tracing. The Settlement Administrator shall resend via First Class U.S. Mail, proper postage prepaid, the Summary Notice to the new address for each such Class Member within three (3) business days of obtaining each such new address.

(5) Any mailed Summary Notice returned to the Settlement Administrator as undelivered and bearing a forwarding address shall be re-mailed by the Settlement Administrator within three (3) business days following receipt of the returned mail.

(6) Any emailed Summary Notice that bounces back or is returned to the Settlement Administrator as undeliverable after three (3) unsuccessful delivery attempts shall be mailed by the Settlement Administrator if a mailing address is also provided in the Class Data. If no mailing address is provided in the Class Data, the Settlement Administrator shall perform a single Skip Trace using information identifying the Class Member, as necessary, to conduct an address update to allow the Summary Notice to be sent via U.S. Mail, proper postage prepaid. The Settlement Administrator shall send the Summary Notice to any mailing or physical address identified by the Skip Tracing within seven (7) business days following receipt of the bounced back or returned as undeliverable email enclosing the Summary Notice.

B. **Dissemination of the Long Form Notice:** By no later than the Notice Date, the Settlement Administrator shall post the Long Form Notice on the Settlement Website.

C. **Publication and Internet/Media Notice:** The Settlement Administrator shall cause the Summary Notice to be published in publication and media outlets as agreed upon by the Parties. Notice shall also be provided via an Internet-based notice program. The publication and Internet/Media Notice Program described in this paragraph shall commence as soon as practicable following the entry of the Preliminary Approval Order and, in all events, shall commence not later than the Notice Date.

D. **Contents of the Summary Notice and the Long Form Notice:** The Summary Notice shall be substantially in the form attached as **Exhibit 6**, and the Long Form Notice shall be substantially in the form attached as **Exhibit 4** as approved by the Court. Both the Summary Notice and the Long Form Notice shall include the following information:

(1) **General Terms:** The notices shall contain a plain, neutral, objective, and concise description of the nature of the Action and the proposed Settlement, include an estimate of the anticipated amount of the Class Fund and Subclass Fund, and a brief description of the FTC Action and the status of that action.

(2) **Opt-Out Rights:** The notices shall inform Class Members that they have the right to opt-out of the Class and the Settlement and shall provide the deadline and procedures for exercising this right.

(3) **Objection to Settlement:** The notices shall inform Class Members of their right to object to the proposed Settlement, Class Counsel's fee application, and/or the requested Service Awards for Plaintiffs and of their right to appear at the Fairness Hearing and shall also provide the deadlines and procedures for exercising these rights.

(4) **Fees and Expenses:** The Long Form Notice shall inform Class Members about the amounts being sought by Class Counsel as Attorneys' Fees and Expenses and the amounts of the Service Awards being sought for the Plaintiffs and shall explain that any Attorneys' Fees or Expenses and Service Awards for the Plaintiffs that are awarded by the Court will not be paid from the Settlement Fund but instead will be paid separately by LifeLock.

(5) **Claim Form for Class Members:** The notices shall advise the Class Members that a Claim Form is available on the Settlement Website or may be obtained from the Settlement Administrator and that a Claim Form may be submitted online or emailed or mailed to the Settlement Administrator. The Claim Form shall be in the form approved by the Court and the notices shall remind Class Members that only Subclass Members are eligible to receive an automatic cash payment. The notices shall also inform Class Members who are not also Subclass Members that they must submit a timely and valid Claim Form to secure a cash payment. The notices shall further inform Subclass Members that they are eligible to submit a Claim Form to receive a payment in addition to the automatic payments they will receive from the Subclass Fund. The notices shall also provide the deadline and procedures for submitting a Claim Form.

E. **Settlement Website:** The Settlement Administrator shall establish and maintain an Internet website, at the web address www.ebarleclasssettlement.com ("Settlement Website") where Class Members can obtain further information about the terms of this Settlement, their rights, important dates and deadlines, and related information. Class Members shall also be able to submit a Claim Form electronically via the Settlement Website. The Settlement Website shall include, in PDF format, the SAC, this Settlement Agreement, the

Motion for Preliminary Approval, the Preliminary Approval Order, the Class Notice, any papers filed in support of final approval of the Settlement, Class Counsel's application for attorneys' fees and costs (after it is filed), the Final Approval Order (after it is entered), and other case documents as agreed upon by the Parties and/or required by the Court and shall be operational and live by no later than thirty (30) days following entry of the Preliminary Approval Order. The Settlement Website shall be optimized for display on mobile phones. The Settlement Administrator shall maintain the Settlement Website as operational and shall not take it down until thirty (30) days after the Payment Date. Within five (5) business days after the Settlement Website is taken down, the Settlement Administrator shall transfer ownership of the URL for the Settlement Website to LifeLock.

F. **Toll-Free Telephone Number:** The Settlement Administrator shall establish and maintain a toll-free telephone number ("Toll-Free Number") where Class Members can obtain further information about the Settlement and their rights and request that a hard copy Claim Form or Long Form Notice be mailed to them. The Toll-Free Number shall be operational and live by no later than thirty (30) days following entry of the Preliminary Approval Order.

66. **CAFA Notice.** Within the time prescribed by 28 U.S.C. § 1715, the Settlement Administrator shall serve notice of this Settlement to the appropriate federal and state officials in compliance with the Class Action Fairness Act ("CAFA"), 28 U.S.C. § 1715. The Settlement Administrator shall be responsible for drafting and preparing the CAFA notice in conformity with 28 U.S.C. § 1715 and for identifying the appropriate federal and state officials to be notified. LifeLock agrees to pay the cost of drafting, preparing, and distributing the CAFA notice and that such costs shall not be paid from the Settlement Fund.

67. **Best Notice Practicable.** Plaintiffs and Class Counsel agree that the Parties are providing the best notice practicable and will not of their own initiative advocate for content or methods of Class Notice beyond that to which the Parties have agreed in this Section VII of the Settlement Agreement.

VIII. CLASS CLAIMS PROCESS

68. Each Class Member may make a claim for Twenty Dollars (\$20.00) from the Class Fund by submitting a completed Claim Form to the Settlement Administrator via email, via the Settlement Website, or via U.S. Mail at the address specified on the Claim Form, the Long Form Notice, and the Settlement Website on or before the Claims Deadline. To be valid, a completed Claim Form must include the name and mailing address of the person submitting a Claim Form. If the Claimant has an email address, the email address should also be included on the Claim Form; however, failure to include an email address on the Claim Form does not invalidate a Claim.

69. In the event that Claims submitted by Class Members who the Settlement Administrator determines are Valid Claimants exceed the total amount of the Class Fund, each Valid Claimant shall have a right to receive a *pro rata* distribution from the Class Fund.

70. To the extent that Claims submitted by Valid Claimants do not exhaust the Class Fund, the remainder of the Class Fund shall be distributed by the Settlement Administrator to each member of the Settlement Subclass on a *pro rata* basis.

IX. REQUESTS FOR EXCLUSION

71. Any Class Member or person legally entitled to act on his or her behalf who wishes to be excluded from the Class must email or mail a written request for exclusion to the Settlement Administrator at the email address or mailing address provided in the Class Notice,

postmarked no later than the Opt-out Deadline and specifying that he or she wants to be excluded from the Class. Such written request for exclusion (i) must contain the name and address of the person to be excluded; (ii) if applicable, must contain the name and address of any person claiming to be legally entitled to submit an exclusion request on behalf of the Class Member and the basis for such legal entitlement; (iii) must be made via email or mailed by First Class U.S. Mail, proper postage prepaid, to the Settlement Administrator at the specified mailing address or email address; (iv) must be submitted or postmarked on or before the Opt-out Deadline; and (v) must clearly indicate that he/she wants to be excluded from the Class.

72. Any Class Member who does not submit a timely and valid written request for exclusion as provided in paragraph 71 shall be bound by all subsequent proceedings, orders, and judgments in the Action, including, but not limited to, the Release, even if he or she has litigation pending or subsequently initiates litigation against LifeLock relating to the Released Claims.

73. Any Class Member who timely submits a request for exclusion as provided in paragraph 71 shall waive and forfeit any and all rights (s)he may have to benefits of the Settlement if it is approved and becomes final, including monetary relief, and shall waive and forfeit any and all rights to object to the fairness, reasonableness, or adequacy of the Settlement, Class Counsel's request for Attorneys' Fees and Costs, and/or the requested Service Awards to Plaintiffs.

74. Not later than ten (10) days after the Opt-out Deadline, the Settlement Administrator shall provide to Class Counsel and LifeLock's Counsel a complete and final list of Class Members who submitted timely and valid requests to exclude themselves from the Class.

X. OBJECTIONS TO SETTLEMENT

75. Any Class Member or person legally entitled to act on his or her behalf may object to the fairness, reasonableness, or adequacy of the Settlement, Class Counsel's request for Attorneys' Fees and Costs, and/or the requested Service Awards to Plaintiffs. To be valid, any objection must be made in writing and mailed to the Settlement Administrator at the address provided in the Class Notice, postmarked no later than the Objection Deadline. In addition, any objection must include the following: (i) the name of this Action; (ii) the objector's full name, address, and telephone number; (iii) if applicable, the name and address of any person claiming to be legally entitled to object on behalf of a Class Member and the basis of such legal entitlement; (iv) all grounds for the objection; (v) whether the objector is represented by counsel and, if so, the identity of such counsel; and (vi) the objector's signature.

76. Not later than ten (10) days after the Objection Deadline, the Settlement Administrator shall provide to Class Counsel and LifeLock's Counsel all objections submitted by Class Members.

77. Any Class Member who submits a timely written objection as described in paragraph 75 may appear at the Fairness Hearing, either in person or through personal counsel hired at the Class Member's own personal expense.

78. Any Class Member who fails to make a timely objection shall waive and forfeit any and all rights (s)he may have to object and shall be bound by all the terms of this Settlement Agreement and by all proceedings, orders, and judgments in the Action including the Final Approval Order and Final Judgment.

79. Any Class Member who objects to the Settlement shall nevertheless be entitled to all benefits of the Settlement if it is approved and becomes final, including monetary relief if (s)he is a Valid Claimant or a Settlement Subclass Member.

80. Not later than twenty (20) days after the Objection Deadline, Class Counsel shall file with the Court any and all objections to the Settlement Agreement and/or to Class Counsel's Application for Attorneys' Fees and Expenses and Request for Service Awards.

XI. SETTLEMENT ADMINISTRATOR

81. The Settlement Administrator shall be responsible for, without limitation, dissemination of the Class Notice by mail and email, launching and maintaining the Settlement Website, and implementing the terms of the Claim Process and related administrative activities that include communications with Class Members concerning the Settlement, Claim Process, and their options thereunder. In particular, the Settlement Administrator shall be responsible for: (a) printing, mailing, or arranging for the mailing of the Class Notice; (b) emailing or arranging for the emailing of the Class Notice; (c) handling returned mail not delivered to Class Members; (d) attempting to obtain updated address information for any mailed Class Notice returned without a forwarding address; (e) attempting to obtain updated address information for any emailed Class Notice returned as undeliverable or that bounces back; (f) making any additional mailings or emailings required under the terms of this Settlement Agreement; (g) establishing a Settlement Website that contains the Settlement Agreement, Preliminary Approval Order, Class Notice, the Claim Form, a mechanism by which the Claim Form may be completed and submitted online, any papers filed in support of final approval of the Settlement, Class Counsel's Application for an award of Attorneys' Fees and Expenses and other relevant documents related to the Action and this Settlement; (h) publication and Internet/Media Notice

Program; (i) establishing a Toll-Free Number at which Class Members may seek information about the Action and the Settlement; (j) receiving and maintaining on behalf of the Court and the Parties any Class Member correspondence regarding requests for exclusion and objections to the Settlement, Application for Attorneys' Fees and Costs, or the Claim Process; (k) forwarding inquiries from Class Members to Class Counsel for a response, if warranted; (l) establishing a post office box for the receipt of Claim Forms, exclusion requests, objections, and any other correspondence related to this Settlement; (m) reviewing and verifying Claim Forms; (n) calculating payment amounts for Valid Claimants and Settlement Subclass Members pursuant to the terms of this Settlement Agreement; (o) mailing and re-mailing payments to Valid Claimants and Settlement Subclass Members pursuant to the terms of this Settlement Agreement; (p) otherwise implementing and/or assisting with the claim review and payment process; (q) paying to the Court's Registry in the FTC Action any sums remaining in the Qualified Settlement Fund after all payments have been made from the Settlement Fund; and (r) as otherwise ordered by the Court or jointly requested and agreed upon by the Parties.

82. If the number of Class Members who submit requests to be excluded from the Settlement exceeds two percent (2%) of all Class Members to whom Summary Notice was mailed or emailed, the Settlement Administrator shall notify the Parties, in writing, immediately and in no event later than three (3) days after this fact is known. If more than two percent (2%) of the total number of Class Members ask to be excluded from the Settlement, LifeLock shall have the right to withdraw from this Settlement Agreement as set forth in Paragraph 113 of this Settlement Agreement.

83. Not later than fifteen (15) days after the Claims Deadline, the Settlement Administrator shall provide to Class Counsel and LifeLock's Counsel and Class Counsel shall

file with the Court a declaration(s) detailing the scope, methods, and status of the Class Notice program and the Claim Process.

84. The Settlement Administrator shall provide weekly reports to Class Counsel and LifeLock's Counsel including, but not limited to, the number of Claims received and the number of requests for exclusion received.

85. The Parties each represent that he, she, or it will not have any financial interest in the Settlement Administrator ultimately appointed by the Court and otherwise will not have a relationship with the Settlement Administrator ultimately appointed that could create a conflict of interest.

86. The Parties acknowledge and agree that the Settlement Administrator is not an agent of the Plaintiffs, Class Counsel, LifeLock, or LifeLock's Counsel and that the Settlement Administrator is not authorized by this Settlement Agreement or otherwise to act on behalf of the Plaintiffs, Class Counsel, LifeLock, or LifeLock's Counsel.

87. Subject to Section XIX of this Settlement Agreement, the Parties agree that within one (1) year plus thirty (30) days of the Payment Date, the Settlement Administrator shall destroy all Class Members' personal identifying information received from LifeLock and otherwise in connection with the implementation and administration of this Settlement.

88. Upon completion of the implementation and administration of the Settlement, the Settlement Administration shall provide written certification of such completion to Class Counsel and LifeLock's Counsel.

XII. RELEASE AND WAIVER

89. The Parties agree to the following release and waiver, which shall take effect upon the Final Settlement Date.

90. In consideration for the Settlement benefits described in this Settlement Agreement, Releasing Parties will fully, finally, and forever release, relinquish, acquit, and discharge the Released Parties from, and shall not now or hereafter institute, maintain, or assert on their own behalf, on behalf of the Settlement Class, or on behalf of any other person or entity, any and all manner of claims, actions, causes of action, suits, rights, debts, sums of money, payments, obligations, reckonings, contracts, agreements, executions, promises, damages, liens, judgments, and demands of whatever kind, type, or nature whatsoever, both at law and in equity, whether past, present, mature or not yet mature, known or unknown, suspected or unsuspected, contingent or non-contingent, whether based on federal, state, or local law, statute, ordinance, regulation, code, contract, common law, or any other source, or any claim that Plaintiffs or Settlement Class Members ever had, now have, may have, or hereafter can, shall, or may ever have against the Released Parties that were or reasonably could have been alleged in the Action or in any other court, tribunal, arbitration panel, commission, agency, or before any governmental and/or administrative body, or any other adjudicatory body, on the basis of, connected with, arising from, or relating to the subject matter or allegations of the Action, including, without limitation, any such claims: (1) alleged in the Action; (2) for rescission, restitution, or unjust enrichment for all damages of any kind related in any way to their enrollment or re-enrollment in or renewal of a LifeLock identity theft protection plan; (3) for violations of any state's deceptive, unlawful, and/or unfair business and/or trade practices, false, misleading, or fraudulent advertising, consumer fraud, and/or consumer protection statutes; (4) for failure to make any consumer disclosures required under any state or federal law or statute; (5) for engaging in unfair or deceptive acts or practices in or affecting commerce; or (6) for damages, costs, expenses, extra-contractual damages,

compensatory damages, exemplary damages, special damages, consumer redress, penalties, punitive damages, and/or damage multipliers, disgorgement, declaratory relief, equitable relief, injunctive relief, expenses, interest, and/or attorneys' fees and costs.

91. Notwithstanding the language in this Section and/or this Settlement Agreement, the Settlement Class Members, other than Plaintiffs, are not releasing any claims of or relating to personal injury.

92. Plaintiffs, and, by application of law, all Settlement Class Members represent and warrant that they are the sole and exclusive owner of all claims that they personally are releasing under this Settlement Agreement. Plaintiffs and all Settlement Class Members further acknowledge that they have not assigned, pledged, or in any manner whatsoever, sold, transferred, assigned, or encumbered any right, title, interest, or claim arising out of or in any way whatsoever pertaining to the Action, and that they are not aware of anyone other than themselves claiming any interest, in whole or in part, in the Action, or in any benefits, proceeds, or values under the Action on their behalf.

93. Plaintiffs expressly understand and acknowledge that they and all Settlement Class Members will be deemed by the Final Approval Order and Final Judgment to acknowledge that certain principles of law, including, but not limited to, **Section 1542 of the Civil Code of the State of California, provide that “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”** do not apply to this Settlement. To the extent that anyone might argue that these principles of law are applicable, Plaintiffs hereby agree that the provisions of all such principles of law or similar federal or state laws, rights, rules, or legal

principles, to the extent they are found to be applicable herein, are hereby knowingly and voluntarily waived, relinquished, and released by Plaintiffs and, by application of law, all Settlement Class Members

94. The Parties shall be deemed to have agreed that the Release set forth herein may be raised as a complete defense to and would preclude any action or proceeding based on the claims released by and through this Settlement Agreement.

95. Nothing in this Release shall preclude any action to enforce the terms of this Settlement Agreement.

96. Plaintiffs and LifeLock hereby agree and acknowledge that the provisions of this Release together constitute an essential and material term of this Settlement Agreement and shall be included by reference in any Final Approval Order and Final Judgment entered by the Court.

XIII. ATTORNEYS' FEES AND EXPENSES AND PLAINTIFF SERVICE AWARDS

97. Subject to the provisions of this Section, Class Counsel will make, and LifeLock agrees not to oppose, an application for an award of Attorneys' Fees and Expenses in an amount not to exceed Ten Million Two Hundred Thousand Dollars (\$10,200,000). Class Counsel shall file their application for Attorneys' Fees and Expenses and their request for Service Awards for the Plaintiffs no later than thirty (30) days after the Notice Date. The Settlement Administrator shall post on the Settlement Website such application promptly after it is filed.

98. Any Attorneys' Fees and Expenses awarded by the Court shall not be paid out of the Settlement Fund but, instead, shall be paid separately by LifeLock. Class Counsel, in their

sole discretion, shall allocate and distribute any Attorneys' Fees and Expenses that are awarded by the Court.

99. In the event the Court declines to approve, in whole or in part, the payment of Attorneys' Fees and Expenses in the amounts requested, the remaining provisions of this Settlement Agreement shall remain in full force and effect.

100. Payment by LifeLock of the amounts awarded by the Court in Attorneys' Fees and Expenses shall be the sole aggregate compensation paid by LifeLock to Class Counsel and Plaintiffs' counsel in connection with the Action and shall constitute full satisfaction by LifeLock of any obligation to pay any amounts to any person, attorney, or law firm for attorneys' fees, expenses, or costs in the Action incurred by any attorney on behalf of the Plaintiffs, the Class Members, or the Settlement Class and shall relieve LifeLock, LifeLock's Counsel, and the Released Parties of any other claims or liability to any other attorney or law firm for any attorneys' fees, expenses, and/or costs in which any of them may claim to be entitled on behalf of the Plaintiffs, the Class Members, and/or the Settlement Class Members, any Released Claim, or the Action.

101. Any Service Awards awarded by the Court shall not be paid out of the Settlement Fund but instead paid separately by LifeLock. Class Counsel will make, and LifeLock agrees not to oppose, an application for Service Awards, in an amount not to exceed Two Thousand Dollars (\$2,000.00) for each of the Plaintiffs to compensate them for their efforts and commitment on behalf of the Class. Neither Class Counsel's application for, nor any Plaintiff's entitlement to, a Service Award shall be conditioned in any way upon the Plaintiffs' support for this Settlement Agreement.

102. In the event the Court declines to approve, in whole or in part, the payment of Service Awards in the amounts requested, the remaining provisions of this Settlement Agreement shall remain in full force and effect.

103. In accordance with instructions for payment provided by Class Counsel to LifeLock, the Attorneys' Fees and Expenses and Service Awards awarded by the Court shall be paid within twenty (20) days following the later of entry of the Final Approval Order or entry of any separate order awarding Attorneys' Fees and Expenses and Service Awards. In the event the order approving Attorneys' Fees and Expenses and Service Awards is reversed on appeal or the Settlement Agreement is voided, rescinded, or terminated for any other reason provided under the terms of this Agreement ("Repayment Event"), then Class Counsel shall, within ten (10) business days after the Repayment Event, return to LifeLock all Attorneys' Fees and Expenses and Service Awards consistent with the relevant court ruling.

104. Any Service Award paid to any of the Plaintiffs shall be reported on an IRS form 1099 (i.e., as "Other Income") and provided to each Plaintiff and applicable governmental authorities.

105. Contemporaneous with executing this Settlement Agreement, each of the Plaintiffs will execute the General Release substantially in the form attached hereto as **Exhibits 8, 9, 10, and 11**. If this Settlement Agreement is terminated or does not become final for any reason set forth in Section XVI of this Settlement Agreement, each General Release will be rendered null, void and non-binding.

XIV. PRELIMINARY APPROVAL ORDER, FINAL APPROVAL ORDER, FINAL JUDGMENT, AND RELATED ORDERS

106. On or before November 16, 2015, or any subsequent mutually agreed upon date, Plaintiffs shall file with the Court a motion seeking preliminary approval of the Settlement and

asking the Court to enter a Preliminary Approval Order substantially in the form attached as **Exhibit 5** to this Settlement Agreement.

107. In connection with the motion for preliminary approval, the Parties shall ask the Court to set a date for the Fairness Hearing as soon as practicable, but in no event no earlier than the Claim Deadline and a date that ensures compliance with the requirements of 28 U.S.C. § 1715(d).

108. Not later than thirty (30) days following the Claims Deadline, the Parties shall file motion(s) seeking final approval of the Settlement and asking the Court to enter the Final Approval Order and Final Judgment substantially in the form attached to this Settlement Agreement as **Exhibits 2 and 3**.

109. After entry of the Final Approval Order, the Parties agree that the Court shall retain jurisdiction to enforce the terms of this Settlement Agreement and the Final Approval Order and the Final Judgment.

XV. MODIFICATION OF THIS SETTLEMENT AGREEMENT

110. This Settlement Agreement may not be amended or modified in any respect except by a written document executed by all of the Parties to this Settlement Agreement or their counsel who are authorized to make such amendment or modification.

111. The Parties agree that any mutually approved nonmaterial amendments, modifications, or expansions to this Settlement Agreement may be made in writing after the Preliminary Approval Order or the Final Approval Order without the need to seek the Court's approval. Specifically, the Parties may by written agreement effect such amendments, modifications, reasonable extensions of time, or expansions of this Settlement Agreement and its implementing documents (including all exhibits hereto) without further notice to the Class or

approval by the Court if such changes are consistent with the Court's Preliminary Approval Order or its Final Approval Order and Final Judgment and do not limit or adversely affect the rights of Class Members under this Settlement Agreement.

112. If the Court indicates, prior to Preliminary Approval or Final Approval, that the Settlement will not be approved unless certain changes are made, the Parties will attempt in good faith to reach an agreement as to any such changes prior to withdrawing from this Settlement Agreement. However, if no such agreement can be reached within thirty (30) days after the Court indicates that the Settlement will not be approved unless certain changes are made, then the Plaintiffs or LifeLock may terminate and withdraw from this Settlement Agreement. If this Settlement Agreement is terminated under such circumstances, the Plaintiffs, LifeLock, and the Class Members shall be deemed to be in the same position as existed prior to its execution, with the same *status quo ante* rights and interests as they may have had absent the execution of this Settlement Agreement and any and all understandings and agreements between the Parties and their respective counsel relating to the Settlement shall be deemed to be null and void and of no force and effect. Upon termination under this paragraph of this Settlement Agreement, the Parties shall jointly notify the Court of the need to set a schedule for LifeLock's anticipated motion to dismiss the FAC and Plaintiffs shall notify the Court of the withdrawal of the SAC consistent with paragraph 54 of this Settlement Agreement.

XVI. CONDITIONS IMPACTING FINALITY OF SETTLEMENT

113. If more than two percent (2%) of the total number of Class Members to whom Summary Notice was mailed or emailed request to exclude themselves from the Settlement, LifeLock shall have the option, at its sole discretion, of terminating and withdrawing from the Settlement in its entirety; provided, however, that LifeLock must notify Class Counsel and the

Court in writing that it is exercising such option within ten (10) days after being notified in writing by the Settlement Administrator that the number of Class Members who have timely requested exclusion exceeds two percent (2%) of the total number of Class Members to whom the Summary Notice was sent via email or mail.

114. The Parties expressly agree that in the event of any of the following conditions:

- A. the Court does not grant the Plaintiffs' motion for leave to file the SAC;
- B. The Court does not preliminarily approve the Settlement;
- C. The Court does not enter the Final Approval Order;
- D. Either Party exercises its right to withdraw from and terminate the

Settlement pursuant to paragraph 112;

E. LifeLock withdraws from and terminates the Settlement pursuant to paragraph 113 of this Settlement Agreement; or

F. This Settlement does not become final for any reason including on subsequent review by any appellate court(s) in the Action, the Court ultimately rejects, modifies, or denies approval of any portion of this Settlement Agreement that either Plaintiffs or LifeLock reasonably determines is material, including, without limitation, the terms of relief, the provisions relating to notice, the definition of the Class, and/or the terms of the Release;

then Plaintiffs and LifeLock each has the right to withdraw from and terminate this Agreement. Notwithstanding the foregoing, neither the denial of, an appeal of, a modification of, nor a reversal on appeal of any Attorneys' Fees and Expenses Award or any Service Award shall constitute grounds for cancellation or termination of this Settlement Agreement.

115. Any Party exercising its right to terminate and withdraw must exercise this option as provided under paragraph 114 above by a signed writing served on the other Parties no later than twenty-one (21) days after receiving notice of the event prompting the termination.

116. The Parties recognize that the Payment Date may occur prior to the resolution of any potential appeal and agree that, in the event that an appeal occurs, then upon the completion of an appeal with no impact on the finality of this Settlement Agreement, the Release shall apply nunc pro tunc. Nothing herein shall limit Lifelock's rights to assert any legal or equitable defense to any claim by a Class Member if this Settlement does not become final for any reason related to a subsequent review by any appellate court(s) in the Action, as set forth in paragraph 114.

117. In the event that a terminating party exercises its option to withdraw from and terminate this Settlement Agreement pursuant to paragraph 114:

A. This Settlement Agreement and the Settlement proposed herein shall be null and void and shall have no force or effect and no party to this Settlement Agreement shall be bound by any of its terms, except for the terms of paragraph 54, 56, and this paragraph 117 of the Settlement Agreement or as otherwise specifically provided for herein;

B. The Parties will petition to have any stay orders that are entered pursuant to this Settlement Agreement lifted;

C. This Settlement Agreement and all of its provisions, and all negotiations, statements, and proceedings relating to it, shall be without prejudice to the rights of LifeLock, Plaintiffs, or any Class Member, all of whom shall be restored to their respective positions existing immediately before the execution of this Settlement Agreement, except that the Parties

shall cooperate in requesting that the Court set a new scheduling order such that neither Party's substantive or procedural rights is prejudiced by the attempted Settlement;

D. The Released Parties, as defined herein, expressly and affirmatively reserve all defenses, arguments, and motions as to all claims that have been or might later be asserted in the Action, including, without limitation, LifeLock's argument that the Action may not be litigated as a class action;

E. Plaintiffs and all other Class Members, on behalf of themselves and their heirs, assigns, executors, administrators, predecessors, and successors, expressly and affirmatively reserve and do not waive any motions as to, and arguments in support of, all claims, causes of actions, or remedies that have been or might later be asserted in the Action including, without limitation, any argument concerning class certification, consumer fraud, and damages;

F. This Settlement Agreement, the fact of its having been made, the negotiations leading to it, any informal discovery or action taken by a Party or Class Member pursuant to or in connection with this Settlement Agreement, or any documents or communications pertaining to this Settlement Agreement shall not be admissible or entered into evidence for any purpose whatsoever in the Action or in any other proceeding between the Parties, other than to enforce the terms of this Settlement Agreement; provided, however, that LifeLock may rely on such evidence to defend itself in any other action not brought on behalf of the Class and relating to the subject matter of this Action

G. All reasonable Administrative Costs incurred and approved but not yet paid will be paid by LifeLock. Plaintiffs, Class Counsel, and LifeLock's Counsel shall not be responsible for any of these costs or any other Settlement-related costs;

H. Notwithstanding the terms of this Section, if the Settlement is not consummated, Class Counsel may include any time spent in settlement efforts as part of any fee petition filed at the conclusion of the case and LifeLock reserves the right to object to such requested fees.

I. Notwithstanding the terms of this Section, in the event of the denial of Preliminary Approval or Final Approval, Plaintiffs and/or LifeLock may seek appellate review through a writ or pursue any other available appellate remedy in support of the Settlement or this Settlement Agreement. The Parties agree that nothing herein is intended to restrict or limit the rights of either LifeLock or the Plaintiffs to appeal any order of this Court in the event the Settlement is not finally approved for any reason. During the pendency of any appeal of the denial of Preliminary Approval or Final Approval, this Settlement Agreement shall remain valid and binding.

XVII. SCHEDULE OF EVENTS

118. Based upon the terms of this Settlement Agreement, the Parties anticipate the following schedule related to Preliminary Approval and Final Approval of this Settlement Agreement and performance of this Agreement, which is subject to the Court's approval:

Date	Event
November 16, 2015	Deadline for Preliminary Approval Motion
Three (3) business days after entry of Preliminary Approval Order	Deadline for LifeLock to provide Class Data to Settlement Administrator
Ten (10) days after filing of Preliminary Approval Motion	Deadline for Settlement Administrator to provide notice to federal or state officials per U.S.C. § 1715
Ten (10) days after entry of Preliminary Approval Order (or within three (3) calendar days after entry of Final Approval Order if money not released from Court's Registry in the FTC Action)	LifeLock shall pay the sum to the Settlement Administrator of Sixty-Eight Million Dollars (\$68,000,000.00) to create the Settlement Fund
Thirty (30) days after entry of Preliminary Approval Order	Notice Date and deadline for the Settlement Website and Toll-Free Number to go live

Date	Event
Thirty (30) days after Notice Date	Deadline for Class Counsel to file application for Attorneys' Fees and Expenses and request for Service Awards
Forty-five (45) days after Notice Date	Objection, Opt-Out Deadline
Sixty (60) days after Notice Date	Claim Deadline
Ten (10) days after notification from Settlement Administrator that more than two percent (2%) of the Class has requested exclusion	Deadline for LifeLock to notify Class Counsel and the Court that it is cancelling the settlement
Fifty-five (55) days after Notice Date	Settlement Administrator to provide to Class Counsel and LifeLock's Counsel a final list of Class Members who requested exclusion or objected
Seventy-five (75) days after Notice Date	Settlement Administrator to provide and Class Counsel to file a declaration detailing the scope, method, and status of the Class Notice program and the Claim process.
Seventy-five (75) days after Notice Date	Deadline for Final Approval Motion; and for the parties to provide any responses to Settlement Objections
One business day after entry of the Final Approval Order	Final Settlement Date
Twenty (20) days after the Final Settlement Date, or earlier if agreed upon by parties.	Payment Date (i.e., Deadline for Settlement Administrator to Disburse Settlement Fund)
Thirty (30) days after Payment Date	Settlement Website taken down
Thirty-five (35) days after Payment Date	Settlement Administrator to transfer Settlement Website URL to LifeLock
One hundred and twenty (120) days after Payment Date	Settlement checks expire
One hundred and eighty (180) days after Final Settlement Date	Deadline for Class Counsel to return documents produced by LifeLock
One (1) year plus thirty (30) days after Payment Date	Deadline for Settlement Administrator to return documents received from Class Counsel or LifeLock's Counsel

XVIII. NONDISPARAGEMENT

119. Each of the Plaintiffs and Class Counsel agrees that he, she, and/or they will not disparage LifeLock or any of the Released Parties in any manner potentially harmful to them or their business, business reputation, or personal reputation related to the Released Claims. This agreement not to disparage includes, but is not limited to, publishing disparaging statements

(whether anonymously or for ascription) on the web, in blogs, in chat rooms, in emails, or in other electronic means of transmitting information.

XIX. CONFIDENTIALITY

120. Plaintiffs and Class Counsel agree that the confidential information made available to them, including but not limited to attorneys' eyes only information made available to Class Counsel, solely through the mediation and settlement process was made available, as agreed to, on the condition that neither Plaintiffs nor Class Counsel disclose it to third parties; that it not be the subject of public comment; that it not be used by Plaintiffs or Class Counsel in any way in the Action should Settlement not be achieved; and that it is to be returned or destroyed; provided, however, that nothing contained herein shall prohibit Plaintiffs from seeking such information through formal discovery or from referring to the existence of such information in connection with this Settlement and the Preliminary Approval and Final Approval of this Settlement.

121. Plaintiffs and Class Counsel agree that they will not make any statements or comments, written or oral, about this Settlement or Settlement Agreement to any person other than to Class Members in any way other than as provided in this Settlement Agreement, the Class Notice, on the Settlement Website, or as otherwise agreed upon by LifeLock in writing in each instance. Notwithstanding the terms of this provision, Class Counsel may display a link to the Settlement Website on their respective firms' websites and reference this Settlement as evidence of Class Counsel's professional qualifications in resumes, curriculum vitae, and motions for appointment as class counsel pursuant to Fed. R. Civ. P. 23 and similar state rules of procedure, but only to state that (i) it was a nationwide consumer class; (ii) the general

allegations involved in the action; and (iii) the general terms of the Settlement, including the Settlement Fund of Sixty-eight Million Dollars (\$68,000,000.00).

122. Within one hundred and eighty (180) days after the Final Settlement Date (unless the time is extended by written agreement of the Parties), Class Counsel, any Plaintiffs' Counsel, and any expert or other consultant employed by them in such capacity or any other individual with access to documents provided by LifeLock to Class Counsel, shall either: (i) return to LifeLock's Counsel all such documents and materials (and all copies of which documents in whatever form made or maintained) informally produced by LifeLock in the Action and any and all handwritten notes summarizing, describing, or referring to such documents; or (ii) certify to LifeLock's Counsel that all such documents and materials (and all copies of such documents in whatever form made or maintained) informally produced by LifeLock in the Action and any and all handwritten and/or electronically recorded notes summarizing, describing, or referring to such documents have been destroyed; provided, however, that this Section shall not apply to any documents made part of the record in connection with a Claim, nor to any documents made part of a Court filing, nor to Class Counsel's work product. LifeLock's Counsel agrees to hold all documents returned by Class Counsel and any expert or other consultant or any other individual employed by Class Counsel in such capacity with access to documents provided by LifeLock until two years after the Payment Date.

XX. AGREEMENT TO COOPERATE

123. The Parties, their successors and assigns, and their counsel agree to use reasonable efforts with one another in seeking Court approval of this Settlement Agreement and to implement the terms of this Settlement and to use reasonable efforts to resolve any disputes

that may arise in the implementation of this Settlement Agreement, the Preliminary Approval Order, and/or the Final Approval Order.

124. The Parties, their successors and assigns, and their counsel further agree to cooperate in the Settlement administration process and implementation of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in the administration and implementation of the Settlement.

XXI. WARRANTIES

125. Class Counsel represents that: (1) they are authorized to enter into this Settlement Agreement on behalf of their respective law firms; and (2) they are seeking to protect the interests of the Class.

126. Plaintiffs represent and certify that: (1) they have agreed to serve as representatives of the Class; (2) they are willing, able, and ready to perform all of the duties and obligations of representatives of the Class; (3) they have read the operative Complaint or have had the contents of such pleadings described to them; (4) they are generally familiar with the results of the fact-finding undertaken by Class Counsel; (5) they have read this Settlement Agreement or have received a detailed description of it from Class Counsel and they have agreed to its terms; (6) they have consulted with Class Counsel about the Action and this Settlement Agreement and the obligations imposed on them as representatives of the Class; and (7) they shall remain and serve as representatives of the Class until the terms of the Settlement Agreement are effectuated, this Settlement Agreement is terminated in accordance with its terms, or the Court at any time determines that said Plaintiffs cannot represent the Class.

127. Plaintiffs each further warrant and represent that (s)he is the sole and lawful owner of all rights, title, and interest in and to all of their respective Released Claims and that

(s)he has not heretofore voluntarily, by operation of law or otherwise, sold, assigned, or transferred or purported to sell, assign, or transfer to any other person or entity any of the Released Claims or any part or portion thereof.

128. LifeLock represents and warrants that the individual executing this Settlement Agreement is authorized to enter into this Settlement Agreement on behalf of LifeLock.

XXII. NO ADMISSIONS

129. This Settlement Agreement reflects, among other things, the compromise and settlement of disputed claims among the Parties hereto and neither this Settlement Agreement nor the releases given herein, nor any consideration therefor, nor any actions taken to carry out this Settlement Agreement are intended to be, nor may they be deemed or construed to be, an admission or concession of liability, or the validity of any claim or defense, or of any point of fact or law (including but not limited to matters respecting class certification) on the part of any of the Parties.

130. LifeLock expressly denies Plaintiffs' allegations in the Action, the original Complaint, the FAC, and the SAC. Neither this Settlement Agreement, nor the fact of settlement, nor the settlement proceedings, nor settlement negotiations, nor any related document shall be used as an admission of any fault or omission by LifeLock or be offered or received in evidence as an admission, concession, presumption, or inference of any wrongdoing by LifeLock in any proceeding, other than such proceedings as may be necessary to consummate, interpret, or enforce this Settlement Agreement.

131. Nothing in this Settlement Agreement may be construed as, or may be used as an admission by Plaintiffs that any of their claims are without any merit. Plaintiffs expressly affirm that the allegations contained in the original complaint, the FAC, and the SAC were

made in good faith and have a basis in fact, but consider it desirable for the Action to be settled and dismissed because of the substantial benefits that the proposed Settlement will provide to Class Members.

132. The Parties expressly acknowledge and agree that this Settlement Agreement and its exhibits, along with all related drafts, motions, pleadings, conversations, negotiations, and correspondence, constitute an offer of compromise and a compromise within the meaning of Federal Rule of Evidence 408 and any equivalent rule of evidence in any state. In no event shall this Settlement Agreement, any of its provisions, or any negotiations, statements, or court proceedings relating to its provisions in any way be construed as, offered as, received as, used as, or deemed to be evidence of any kind in the Action, any other action, or in any judicial, administrative, regulatory, or other proceeding, except in a proceeding to enforce this Settlement Agreement or the rights of the Parties or their counsel. Without limiting the foregoing, neither this Settlement Agreement nor any related negotiations, statements, or court proceedings shall be construed as, offered as, received as, used as, or deemed to be evidence or an admission or concession of any liability or wrongdoing whatsoever on the part of any person or entity, including, but not limited to, the Released Parties, Plaintiffs, the Class, or the Settlement Class or as a waiver by the Released Parties, Plaintiffs, or the Class of any applicable privileges, claims, or defenses.

133. If this Settlement Agreement does not become effective or is cancelled, withdrawn, or terminated for any reason, it shall be deemed negotiation for settlement purposes only and will not be admissible in evidence or usable for any purpose whatsoever in the Action, any proceeding between the Parties, or in any action related to the Released Claims or

otherwise involving the Parties, the Federal Trade Commission, any State Attorney General, or any Released Party.

134. LifeLock's execution of this Settlement Agreement shall not be construed to release—and LifeLock expressly does not intend to release—any claim LifeLock may have or make against any insurer for any cost or expense incurred in connection with this Settlement including, without limitation, for attorneys' fees and costs.

XXIII. GENERAL MATTERS AND RESERVATIONS

135. This Settlement Agreement, complete with its exhibits, sets forth the sole and entire agreement among the Parties with respect to its subject matter and it may not be altered, amended, or modified except by written instrument executed by Class Counsel and LifeLock's Counsel. The Parties expressly acknowledge that no other agreements, arrangements, or understandings not expressed in this Settlement Agreement exist among or between them and that in deciding to enter into this Settlement Agreement, they are relying solely upon their own judgment and knowledge. This Settlement Agreement supersedes any prior agreements, understandings, or undertakings (written or oral) by and between the Parties regarding the subject matter of this Settlement Agreement.

136. This Settlement Agreement and any amendments thereto shall be governed by and interpreted according to the law of the State of Arizona, notwithstanding its conflict of laws provisions.

137. Any disagreement and/or action to enforce this Settlement Agreement shall be commenced and maintained only in the Court in which the Action is pending.

138. Whenever this Settlement Agreement requires or contemplates that one of the Parties shall or may give notice to the other, notice shall be provided by email and next-day (excluding Saturdays, Sundays, and Legal Holidays) express delivery service as follows:

A. If to LifeLock, then to:

Luanne Sacks
Sacks, Ricketts & Case LLP
177 Post Street, Suite 650
San Francisco, CA 94108
lsacks@srclaw.com

B. If to Plaintiffs, then to:

Michael W. Sobol
Lief, Cabraser, Heimann & Bernstein, LLP
275 Battery Street 29th Floor
San Francisco, CA 94111
msobol@lchb.com

139. All time periods set forth herein shall be computed in calendar days unless otherwise expressly provided. In computing any period of time prescribed or allowed by this Settlement Agreement or by order of the Court, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a Legal Holiday (as defined in Fed. R. Civ. P. 6(a)(6)), or, when the act to be done is the filing of a paper in court, a day on which weather or other conditions have made the office of the clerk of the court inaccessible, in which event the period shall run until the end of the next day that is not one of the aforementioned days.

140. The Class, the Settlement Class, Plaintiffs, Class Counsel, LifeLock, or LifeLock's Counsel shall not be deemed to be the drafter of this Settlement Agreement or of any particular provision, nor shall they argue that any particular provision should be construed

against its drafter or otherwise resort to the *contra proferentem* canon of construction. All Parties agree that this Settlement Agreement was drafted by counsel for the Parties during extensive arm's length negotiations. No parol or other evidence may be offered to explain, construe, contradict, or clarify its terms, the intent of the Parties or their counsel, or the circumstances under which this Settlement Agreement was made or executed.

141. In the event of a conflict between this Settlement Agreement and any other document prepared pursuant to the Settlement or in connection with the implementation of this Settlement Agreement, the terms of this Settlement Agreement supersede and control.


142. The waiver by one party of any breach of this Settlement Agreement by another party shall not be deemed a waiver of any prior or subsequent breach of this Settlement Agreement.

143. If one party to this Settlement Agreement considers another party to be in breach of its obligations under this Settlement Agreement, that party must provide the breaching party with written notice of the alleged breach and provide a reasonable opportunity to cure the breach before taking any action to enforce any rights under this Settlement Agreement.

144. This Settlement Agreement may be signed with a facsimile signature or .pdf scanned signature and in counterparts, each of which shall constitute a duplicate original. This Settlement Agreement is not effective until all Parties have executed a counterpart of this Settlement Agreement.

Agreed to on the date indicated below.

DATED: 10/28/15


Napoleon Ebarle

DATED: 10/28/15



Jeanne Stamm

DATED: _____

Brian Litton

DATED: _____

Renier Jerome Ebarle

DATED: _____

LIFELOCK, INC.

By _____
Its Chief Legal Strategist

DATED: _____

Jeanne Stamm

DATED: Oct 28, 2015

Brian Litton

Brian Litton

DATED: _____

Renier Jerome Ebarle

DATED: _____

LIFELOCK, INC.

By _____
Its Chief Legal Strategist

DATED: _____

DATED: Oct 28, 2015

DATED: _____

Brian Litton

Reiner Jerome Ebarle
Reiner Jerome Ebarle

LIFELOCK, INC.

By _____
Its Chief Legal Strategist

DATED: _____

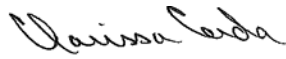
Brian Litton

DATED: _____

Renier Jerome Ebarle

DATED: 11/3/2015

LIFELOCK, INC.

By 
Its Chief Legal Strategist