

Notice of Paysafe Data Security Incident Class Action Settlement

*A California federal court has authorized this Notice. This is not a solicitation from a lawyer.
Please read this Notice carefully and completely.*

THIS NOTICE MAY AFFECT YOUR RIGHTS. PLEASE READ IT CAREFULLY.

Para una notificación en Español, llamar 1-888-888-8888 o visitar nuestro sitio web [www.\[website\].com](http://www.[website].com).

- A Settlement has been proposed in a class action lawsuit against Paysafe Payment Processing Solutions, LLC (“Paysafe”), relating to a data security incident that Paysafe initially disclosed in or around December 2020 (the “Data Security Incident”). The Data Security Incident occurred from May 2018 to October 2020, during which time a legacy server under Paysafe’s custody or control may have been accessed without authorization. As a result, Personal Information of thousands of individuals who enrolled for merchant services with Paysafe’s affiliate(s) may have been accessed by unauthorized persons. The Personal Information obtained may have included name, contact details, Social Security number, and bank account information. If your Personal Information may have been compromised as a result of the Data Security Incident, you are included in this Settlement as a member of the Settlement Class.
- Under the Settlement, Paysafe has agreed to establish a \$2.0 million Settlement Fund to: (1) reimburse Class Members for up to \$25,000 in Out-Of-Pocket Losses and/or Attested Time; and (2) provide cash payments equal to a *pro rata* share of what remains in the Net Settlement Fund after payment of all valid claims for Out-of-Pocket Losses and Attested Time and other fees and expenses (“Residual Cash Payment”). The Settlement Fund will also be used to pay for the costs of the settlement administration, a court-approved Service Award for the named Plaintiff, and attorneys’ fees and costs. In addition, Paysafe has agreed to undertake certain remedial measures and enhanced data security measures.
- Your legal rights will be affected whether you act or do not act. You should read this entire Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
FILE A CLAIM FORM EARLIEST DEADLINE: [XXXX XX, 202X]	Submitting a Claim Form is the only way that you can receive reimbursement for Out-of-Pocket Losses and/or Attested Time. If you submit a Claim Form, you will give up the right to sue Paysafe and certain related parties in a separate lawsuit about the legal claims this Settlement resolves. You do not need to submit a Claim Form to receive a Residual Cash Payment.
EXCLUDE YOURSELF FROM THIS SETTLEMENT DEADLINE: [XXXX XX, 202X]	This is the only option that allows you to sue, continue to sue, or be part of another lawsuit against Paysafe, or certain related parties, for the claims this Settlement resolves. If you exclude yourself, you will give up the right to receive any Settlement Benefits from this Settlement.
OBJECT TO OR COMMENT ON THE SETTLEMENT DEADLINE: [XXXX XX, 202X]	You may object to the Settlement by writing to the Court and informing it why you do not think the Settlement should be approved. You can also write the Court to provide comments or reasons why you support the Settlement. You may also object to the Settlement by appearing at the Final Approval Hearing via Zoom. If you object, you may still file a Claim Form to receive reimbursement for Out-of-Pocket Losses and/or Attested Time and you will still be entitled to receive a Residual Cash Payment, but you will give up the right to sue Paysafe in a separate lawsuit about the legal claims this Settlement resolves.
GO TO THE “FINAL APPROVAL” HEARING DATE: [XXXX XX, 202X]	You may attend the Final Approval Hearing via Zoom where the Court will hear arguments about whether to approve the Settlement. You are <u>not</u> required to attend the Final Approval Hearing.
DO NOTHING	If you do nothing, you will receive a Residual Cash Payment and you will give up your rights to sue Paysafe and certain related parties for the claims this Settlement resolves.

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. No Settlement Benefits or payments will be provided unless the Court approves the Settlement and it becomes final.

This Settlement affects your legal rights even if you do nothing.
Questions? Go to [www.\[website\].com](http://www.[website].com) or call 1-888-888-8888.

BASIC INFORMATION

1. Why did I get this Notice?

The United States District Court for the Northern District of California authorized this Notice because you have the right to know about the proposed Settlement of this class action lawsuit and about all of your rights and options before the Court decides whether to grant final approval of the Settlement. This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Honorable Joseph C. Spero of the U.S. District Court for the Northern District of California is overseeing this class action. The case is known as *Kamal Bitmouni v. Paysafe Payment Processing Solutions, LLC*, Case No. 3:21-cv-00641-JCS (the “Action”). The person who filed this lawsuit is called the “Plaintiff” and the entity he sued, Paysafe Payment Processing Solutions, LLC (“Paysafe”), is called the “Defendant.” The Plaintiff and the Defendant agreed to this Settlement.

2. What is this lawsuit about?

On or about November 6, 2020, Paysafe discovered that an unauthorized actor may have accessed a legacy server under Paysafe’s custody or control from May 2018 to October 2020. As a result, Personal Information of approximately 91,706 individuals who enrolled for merchant services with Paysafe’s affiliate(s) may have been accessed. Impacted Personal Information may have included name, contact details, Social Security number, and bank account information.

The Plaintiff claims that Paysafe failed to adequately protect his and other Class Members’ Personal Information and that he and other Class Members were injured as a result. Paysafe denies any wrongdoing, and no court or other entity has made any judgment or other determination of any wrongdoing or that the law has been violated. Paysafe denies these and all other claims made in the Action. By entering into the Settlement, Paysafe is not admitting that it did anything wrong.

3. Why is this a class action?

In a class action, one or more people called the Class Representatives sue on behalf of all people who have similar claims. Together all of these people are called a Class or Class Members. One court resolves the issues for all Class Members, except for those Class Members who exclude themselves from the Class.

The Settlement Class Representative in this case is Kamal Bitmouni.

4. Why is there a Settlement?

The Settlement Class Representative and Paysafe do not agree about the claims made in this Action. The Action has not gone to trial and the Court has not decided in favor of the Settlement Class Representative or Paysafe. Instead, the Settlement Class Representative and Paysafe have agreed to settle the Action. The Class Representative and the attorneys for the Class (“Class Counsel”) believe the Settlement is best for all Class Members because of the risks and uncertainty associated with continued litigation and the nature of the defenses raised by Paysafe.

WHO IS INCLUDED IN THE SETTLEMENT

5. How do I know if I am part of the Settlement?

The Court has decided that everyone who fits the following description is a member of the Settlement Class:

All individuals who were notified by direct notice by Paysafe that their personal information was or may have been compromised in the Data Security Incident.

If you received Notice of this Settlement, you have been identified by the Settlement Administrator as a Settlement Class Member. More specifically, you are a Settlement Class Member, and you are affected by this Settlement.

You may contact the Settlement Administrator if you have any questions as to whether you are a Settlement Class Member.

6. Are there exceptions to individuals who are included as Class Members in the Settlement?

Yes, the Settlement does not include: (1) the judges presiding over this Litigation, and members of their direct families; (2) the Defendant, its subsidiaries, parent companies, successors, predecessors, and any entity in which the Defendant or its parents have a controlling interest and their current or former officers, directors, and employees; and (3) Settlement Class Members who submit a valid Request for Exclusion prior to the Opt-Out Deadline.

7. What if I am still not sure whether I am part of the Settlement?

If you are still not sure whether you are a Class Member, you may go to the Settlement Website at [www.\[website\].com](http://www.[website].com), or call the Settlement Administrator’s toll-free number at 1-888-888-8888.

**Questions? Go to [www.\[website\].com](http://www.[website].com) or call 1-888-888-8888.
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THE SETTLEMENT BENEFITS—WHAT YOU GET IF YOU QUALIFY

8. What does the Settlement provide?

As a Class Member, you are eligible to submit a claim for one or more of the following:

- **Reimbursement for Out-of-Pocket Losses:** all Class Members may submit a claim for up to \$25,000 for reimbursement of Out-of-Pocket Losses fairly traceable to the Data Security Incident, which must be accompanied by (i) third-party documentation supporting the loss; and (ii) a brief description of the documentation describing the nature of the loss if not apparent from the documentation alone. A claim for Out-of-Pocket Losses may be combined with a claim for reimbursement for Attested Time but in no circumstance will a Settlement Class Member be eligible to receive more than \$25,000 for such reimbursements combined. A claim for Out-of-Pocket Losses may be reduced *pro rata* if the aggregate value of all claims exceeds \$400,000.
- **Reimbursement for Attested Time:** all Class Members may submit a claim for reimbursement of Attested Time up to ten (10) hours at \$25 per hour for time spent remedying issues related to the Data Security Incident, which must be supported by a brief description of the actions taken in response to the Data Security Incident and the time associated with each action. A claim for Attested Time may be combined with a claim for reimbursement for Out-of-Pocket Losses but in no circumstance will a Settlement Class Member be eligible to receive more than \$25,000 for such reimbursements combined. A claim for Attested Time may be reduced *pro rata* if the aggregate value of all claims exceeds \$400,000.

All Class Members are entitled to receive a Residual Cash Payment equal to a *pro rata* share of the Net Settlement Fund after payment of all Valid Claims for reimbursement for Out-of-Pocket Losses and Attested Time and other fees and expenses.

In addition, Paysafe has agreed to take certain remedial measures and enhanced security measures as a result of this Action.

9. Reimbursement for Out-of-Pocket Losses.

You may elect to submit a Claim Form for reimbursement of Out-of-Pocket Losses. If you spent money remedying or addressing identity theft and fraud that was more likely than not related to the Data Security Incident or you spent money to protect yourself from future harm because of the Data Security Incident, and this amount was not otherwise recoverable through insurance, you may submit a claim for Out-of-Pocket Losses for reimbursement of up to \$25,000.

Out-of-Pocket Losses consist of unreimbursed losses incurred on or after May 1, 2018, that were related to identity theft and fraud and are more likely than not a result of the Data Security Incident, as well as any expenses related to the Data Security Incident. For example, credit card or debit card cancellation or replacement fees, late fees, declined payment fees, overdraft fees, returned check fees, customer service fees, credit-related costs associated with purchasing credit reports, credit monitoring or identity theft protection, costs to place a freeze or alert on credit reports, costs to replace a Social Security number, professional services, and out-of-pocket expenses for notary, fax, postage, delivery, copying, mileage, and long-distance telephone charges. Other losses or costs related to the Data Security Incident that are not insurance reimbursable may also be eligible for reimbursement. To protect the Settlement Fund and valid claims, all Claim Forms that seek payment related to credit or debit card fraudulent transactions will be carefully scrutinized by the Settlement Administrator.

Claims for Out-of-Pocket Losses must be supported by third party documentation. Third party documentation means written documents supporting your claim, such as credit card statements, bank statements, invoices, telephone records, and receipts.

A claim for Out-of-Pocket Losses may be reduced *pro rata* if the aggregate value of all claims exceeds \$400,000.

To receive reimbursement for Out-of-Pocket Losses, you must submit a completed Claim Form electing to receive reimbursement for Out-of-Pocket Losses. If you file a Claim Form for Out-of-Pocket Losses and it is rejected by the Settlement Administrator and you do not correct it, you will not be eligible for reimbursement of Out-of-Pocket Losses.

10. Reimbursement for Attested Time

In addition to Reimbursement for Out-of-Pocket Losses, you may elect to submit a Claim Form for reimbursement of Attested Time. If you lost time related to your efforts undertaken to prevent or mitigate fraud and identity theft following announcement of the Data Security Incident, or to otherwise respond to the Data Security Incident, you may make a claim for Reimbursement for Attested Time for up to ten (10) hours of lost time at a rate of \$25 per hour, for a maximum of \$250.

A claim for Attested Time may be reduced *pro rata* if the aggregate value of all claims exceeds \$400,000.

To receive reimbursement for Attested Time you must submit a completed Claim Form electing to receive reimbursement for Attested Time. If you file a Claim Form for Attested Time and it is rejected by the Settlement Administrator and you do not correct it, you will not be eligible for reimbursement of Attested Time.

11. Residual Cash Payment.

Questions? Go to [www.\[website\].com](http://www.[website].com) or call 1-888-888-8888.
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All Participating Settlement Class Members are entitled to receive a Residual Cash Payment consisting of a *pro rata* share of the Net Settlement Fund after payment of all Valid Claims for reimbursement of Out-of-Pocket Losses and Attested Time and other fees and expenses.

You are not required to submit a Claim Form to receive a Residual Cash Payment. All Settlement Class Members who do not exclude themselves from the Settlement will be mailed a Residual Cash Payment.

12. How will Settlement Benefits be paid?

Court-awarded attorneys' fees up to a maximum of 25% of the \$ 2.0 million Settlement Fund (*i.e.*, \$500,000.00), reasonable costs and expenses incurred by attorneys for the Class up to \$50,000, Administrative Expenses for costs of the settlement administration, and a Service Award of up to \$15,000 to the Class Representative will be deducted from the Settlement Fund before making payments to Class Members. The Court may award less than these amounts. The remainder of the Settlement Fund (the "Net Settlement Fund") will be distributed to Participating Settlement Class Members.

In the event that the aggregate value of all claims for reimbursement of Out-of-Pocket Losses and Attested Time exceeds \$400,000, then the value of such payments shall be reduced on a *pro rata* basis, such that the aggregate value of all claims equals \$400,000. All funds in the Net Settlement Fund that remain after payment of all Valid Claims for reimbursement of Out-of-Pocket Losses and Attested Time will be distributed by mail to all Participating Settlement Class Members on a *pro rata* basis as a Residual Cash Payment. If any unclaimed funds remain in the Net Settlement Fund 90 days after the Residual Cash Payments are made, the excess funds shall be awarded to _____, a qualified charitable recipient that has been approved by the Court. All *pro rata* determinations shall be performed by the Settlement Administrator.

13. Tell me more about Paysafe's remedial measures and enhanced security measures.

Paysafe has agreed to implement and/or maintain certain reasonable steps to enhance the security of its systems and environments, including certain remedial measures and enhanced data security measures, including cybersecurity training and awareness programs, data security policies, monitoring and response capabilities, and restrictions on accessing PII. In addition, the legacy website involved in the Data Security Incident has been disabled.

14. What is the total value of the Settlement?

The Settlement provides a \$2.0 million Settlement Fund and remedial actions to be taken by Paysafe for the benefit of the Class. Any court-approved attorneys' fees, costs, and expenses, Service Award to the Class Representative, taxes due on any interest earned by the Settlement Fund, if necessary, and any notice and settlement administration expenses will be paid out of the Settlement Fund, and the balance ("Net Settlement Fund") will be used to pay for the above Settlement Benefits. Any costs associated with Paysafe's remedial and enhanced security measures will be paid by Paysafe in addition to the Settlement Fund.

15. What am I giving up to get a Settlement Benefit or stay in the Class?

Unless you exclude yourself, you are choosing to remain in the Class as a Participating Settlement Class Member. If the Settlement is approved and becomes final, all of the Court's orders will apply to you and legally bind you. You will not be able to sue, continue to sue, or be part of any other lawsuit against Paysafe and related parties about the legal issues in this Action, resolved by this Settlement, and released by the Class Action Settlement Agreement and Release. The specific rights you are giving up are called Released Claims (*see* next question).

16. What are the Released Claims?

In exchange for the Settlement, each of the Settlement Class Representatives and Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, partners, successors, attorneys, and assigns, present and former ("Releasing Parties"), shall be deemed to have fully, finally, and forever released, acquitted, and discharged Paysafe and its present and former predecessors, successors, assigns, parents, subsidiaries, divisions, affiliates, departments, and any and all of their past, present, and future officers, directors, employees, stockholders, partners, servants, agents, successors, attorneys, advisors, consultants, representatives, insurers, reinsurers, subrogees and the predecessors, successors, and assigns of any of the foregoing (collectively, the "Released Persons") from any and all Released Claims. This release expressly includes Paysafe's insurer with respect to all obligations under any part of the insurance policy applicable to the Released Claims, and from any and all claims arising out of the investigation, handling, adjusting, defense, or settlement of the claim including, without limitation, any claims for negligence, invasion of privacy, violations of California's Unfair Competition Law (cal. Bus. & Prof. Code § 17200, et seq.), and violations of California's Consumer Privacy Act (Cal. Civ. Code § 1798.150).

"Released Claims" means any and all claims or causes of action of every kind and description, including any causes of action in law, claims in equity, complaints, suits, or petitions, and any allegations of wrongdoing, demands for legal, equitable or administrative relief (including, but not limited to, any claims for injunction, rescission, reformation, restitution, disgorgement, constructive trust, declaratory relief, compensatory damages, consequential damages, penalties, exemplary damages, statutory damages, punitive damages, attorneys' fees, costs, interest or expenses) that the Releasing Parties had, have, or may claim now or in the future to have (including, but not

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limited to, assigned claims and any and all “Unknown Claims” as defined below) that were or could have been asserted or alleged arising out of the same nucleus of operative facts as any of the claims alleged or asserted in the Litigation, including but not limited to the facts, transactions, occurrences, events, acts, omissions, or failures to act that were alleged, argued, raised, or asserted in any pleading or court filing in the Litigation, including but not limited to those concerning: 1) the disclosure of the Participating Settlement Class Members’ personal information in the Data Security Incident; 2) Paysafe’s maintenance of the Participating Settlement Class Members’ personal information as it relates to the Data Security Incident; 3) Paysafe’s security policies and practices as it relates to the Data Security Incident; or 4) Paysafe’s provision of notice to the Participating Settlement Class Members following the Data Security Incident.

The Released Claims include the release of Unknown Claims. “Unknown Claims” means claims that could have been raised in the Litigation and that any of the Settlement Class Representative or Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, partners, successors, attorneys, and assigns, does not know or suspect to exist, which, if known by him, her, or it, might affect his, her, or its agreement to release Paysafe and its present and former predecessors, successors, assigns, parents, subsidiaries, divisions, affiliates, departments, and any and all of their past, present, and future officers, directors, employees, stockholders, partners, servants, agents, successors, attorneys, advisors, consultants, representatives, insurers, reinsurers, subrogees and the predecessors, successors, and assigns of any of the foregoing, or the Released Claims, or might affect his, her, or its decision to agree, object, or not to object to the Settlement. Upon the Effective Date, each of the Settlement Class Representative and Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, partners, successors, attorneys, and assigns shall be deemed to have, and shall have, waived any and all provisions, rights, and benefits conferred by any law of any state, the District of Columbia or territory of the United States, by federal law, or principle of common law, or the law of any jurisdiction outside of the United States. Specifically, the Settling Parties stipulate and agree that upon the Effective Date, the Representative Plaintiffs and Settlement Class Members expressly shall have and by operation of the Judgment shall have, released any and all Released Claims, including Unknown Claims, and waived the provisions, rights, and benefits conferred by California Civil Code § 1542, and also any and all provisions, rights, and benefits conferred by any law of any state, province, or territory of the United States which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Settlement Class Representative and Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, partners, successors, attorneys, and assigns acknowledge that they may discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of the Release, but that it is their intention to finally and forever settle and release the Released Claims, including but not limited to any Unknown Claims they may have, as that term is defined in this Paragraph.

More information is provided in the Class Action Settlement Agreement and Release which is available at [www.\[website\].com](http://www.[website].com).

HOW TO GET SETTLEMENT BENEFITS

17. How do I submit a claim for Out-of-Pocket Losses or Attested Time?

You may submit a claim for reimbursement for Out-of-Pocket Losses and/or Attested Time by submitting a Claim Form on the Settlement Website, or by downloading, printing, and completing a Claim Form and mailing it to the Settlement Administrator.

You must complete and submit a Claim Form online by **xxxx xx, 202X**, 11:59 pm Pacific Time, or via mail so the form is postmarked by **xxxx xx, 202X**. Claim Forms may be submitted online at [www.\[website\].com](http://www.[website].com), or printed from the website and mailed to the Settlement Administrator at the address on the form. Claim Forms are also available by calling 1-**888-888-8888** or by writing to Paysafe Data Breach Settlement, P.O. Box _____, _____, _____. The quickest way to file a claim is online.

Use your Class Member ID contained on your Notice to file your Claim Form. If you lost or do not know your Class Member ID, please call 1-**888-888-8888** to obtain it. Further instructions on submitting claims are provided below.

18. How do I submit a claim for a reimbursement of Out-of-Pocket Losses?

To file a claim for reimbursement of Out-of-Pocket Losses of up to \$25,000, you must submit a valid Claim Form electing to receive reimbursement for Out-of-Pocket Losses.

The Claim Form requires that you sign an attestation regarding the information you provided and that you include third party documentation, such as credit card statements, bank statements, invoices, telephone records, or receipts.

Questions? Go to [www.\[website\].com](http://www.[website].com) or call 1-888-888-8888**.
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If your claim for reimbursement of Out-of-Pocket Losses is rejected by the Settlement Administrator and you do not correct it, and you will not be eligible for reimbursement of Out-of-Pocket Losses.

Instructions for filling out a claim for reimbursement of Out-of-Pocket Losses are included on the Claim Form. You may access the Claim Form at [www.\[website\].com](http://www.[website].com).

The deadline to file a Claim Form for reimbursement of Out-of-Pocket Losses is **xxxx xx, 202X**. Claims must be submitted to the Settlement Website or postmarked by this deadline.

19. How do I make a claim for reimbursement of Attested Time?

To file a claim for reimbursement of Attested Time of up to \$250, you must submit a valid Claim Form electing to receive reimbursement for Attested Time.

The Claim Form requires that you indicate the number of hours (up to 10) lost to efforts undertaken to prevent or mitigate fraud or identity theft following the announcement of the Data Security Incident or to otherwise respond to the Data Security Incident. The Claim Form also requires that you sign an attestation regarding the information you provide.

Instructions for filling out a claim for reimbursement of Attested Time are included on the Claim Form. You may access the Claim Form at [www.\[website\].com](http://www.[website].com).

The deadline to file a Claim Form for reimbursement of Attested Time is **xxxx xx, 202X**. Claims must be submitted to the Settlement Website or postmarked by this deadline.

20. How do I get a Residual Cash Payment?

You do not need to do anything in order to receive a Residual Cash Payment. So long as you are on the Settlement Class list and do not exclude yourself from the Settlement you will be mailed a Residual Cash Payment.

21. What happens if my contact information changes after I submit a claim?

If you change your mailing address or email address after you submit a Claim Form, it is your responsibility to inform the Settlement Administrator of your updated information. You may notify the Settlement Administrator of any changes by calling 1-888-888-8888 or by writing to:

Paysafe Data Breach Settlement Administrator
P.O. Box XXXX
XXXXXX, XX XXXXX

22. When and how will I receive the Settlement Benefits?

Payments for Valid Claims for Out-of-Pocket Losses and/or Attested Time and Residual Cash Payments will be issued by the Settlement Administrator after the Settlement is approved by the judge and becomes final. You may elect to receive payment for Valid Claims for Out-of-Pocket Losses and/or Attested Time via Zelle, Venmo, PayPal, or by check by submitting the appropriate information with your Claim Form filed through the Settlement Website. Anyone who does not elect to receive payment via Zelle, Venmo, or PayPal will receive their payment via check sent through U.S. Mail. Residual cash payments will be made through checks sent through U.S. Mail.

The court approval process may take time. Please be patient and check [www.\[website\].com](http://www.[website].com) for updates.

23. What happens if money remains after all of the Settlement Claims are paid?

None of the money in the \$2.0 million Settlement Fund will be paid back to Paysafe. If any money remains in the Settlement Fund 90 days after the distribution of Residual Cash Payments to Participating Settlement Class Members, the excess funds shall be awarded to _____, a mutually agreed-upon and qualified charitable recipient that has been approved by the Court.

THE LAWYERS REPRESENTING YOU

24. Do I have a lawyer in this case?

Yes, the Court has appointed Michael Anderson Berry and Gregory Haroutunian of Clayco C. Arnold, PLC and John A. Yanchunis and Ryan D. Maxey of Morgan & Morgan Complex Litigation Group, as Class Counsel to represent you and the Class for the purposes of this Settlement. You may hire your own lawyer at your own cost and expense if you want someone other than Class Counsel to represent you in this Action.

25. How will Class Counsel be paid?

Class Counsel will file a motion asking the Court to award them attorneys' fees of up to a maximum of 25% of the \$2.0 million Settlement Fund (*i.e.*, \$500,000.00), plus reasonable costs and expenses up to \$50,000. They will also ask the Court to approve up to \$15,000 as a

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Service Award to the Class Representatives for participating in this Action and for his efforts in achieving the Settlement. If awarded, these amounts will be deducted from the Settlement Fund before making payments to Class Members. The Court may award less than these amounts.

Class Counsel's application for attorneys' fees and expenses, and the Service Award, will be made available on the Settlement Website at [www.\[website\].com](http://www.[website].com) before the deadline for you to comment on or object to the Settlement. You can also request a copy of the application by contacting the Settlement Administrator, at 1-888-888-8888.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you are a Class Member and want to keep any right you may have to sue or continue to sue Paysafe on your own based on the claims raised in this Action or released by the Released Claims, then you must take steps to get out of the Settlement. This is called excluding yourself from – or “opting out” of – the Settlement.

26. How do I get out of the Settlement?

To exclude yourself from the Settlement, you must complete and sign a Request for Exclusion. The Request for Exclusion must be in writing and identify the case name *Kamal Bitmouni v. Paysafe Payment Processing Solutions, LLC, Case No. 3:21-cv-00641-JCS*; state the name, address, and telephone number of the Class Members seeking exclusion; be physically signed by the Person(s) seeking exclusion; and must also contain a statement to the effect that “I/We hereby request to be excluded from the proposed Settlement Class in *Kamal Bitmouni v. Paysafe Payment Processing Solutions, LLC, Case No. 3:21-cv-00641-JCS*.” The Request for Exclusion must be (i) submitted electronically on the Settlement Website, or (ii) postmarked or received by the Settlement Administrator at the address below no later than **xxxx xx, 202X**:

Paysafe Data Breach Settlement Administrator
P.O. Box XXXX
XXXXXXXX, XX XXXXX

You cannot exclude yourself by telephone or by e-mail.

27. If I exclude myself, can I still get a Settlement Payment?

No. If you exclude yourself, you are telling the Court that you do not want to be part of the Settlement. You can only get a cash payment if you stay in the Settlement.

28. If I do not exclude myself, can I sue Paysafe for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Paysafe and Released Parties for the claims that this Settlement resolves. You must exclude yourself from this Action to start or continue with your own lawsuit or be part of any other lawsuit against Paysafe or any of the Released Parties. If you have a pending lawsuit, speak to your lawyer in that case immediately.

OBJECT TO OR COMMENT ON THE SETTLEMENT

29. How do I tell the Court that I do not like the Settlement?

You can ask the Court to deny approval of the Settlement by filing an objection. You cannot ask the Court to order a different settlement; the Court can only approve or reject the Settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

Objections to the proposed settlement may be submitted in writing. If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (*Kamal Bitmouni v. Paysafe Payment Processing Solutions, LLC, Case No. 3:21-cv-00641-JCS*); (b) state your full name, current mailing address, and telephone number; (c) contain a signed statement that you believe you are a member of the Settlement Class; (d) identify the specific grounds for the objection; (e) include all documents or writings that you desire the Court to consider; (f) contain a statement regarding whether you (or counsel of your choosing) intend to appear at the Final Approval Hearing; (g) be submitted to the Court either by filing them with the Court or mailing them to the United States District Court for the Northern District of California, San Francisco Courthouse, Courtroom F – 15th Floor, 450 Golden Gate Avenue, San Francisco, CA 94102; and (h) be filed with the Court or postmarked on or before **xxxx xx, 202X**.

You may also object verbally at the Final Approval Hearing by appearing via Zoom whether or not you have submitted a written objection.

30. What is the difference between objecting and requesting exclusion?

Questions? Go to [www.\[website\].com](http://www.[website].com) or call 1-888-888-8888.
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Objecting is telling the Court you do not like something about the Settlement. You can object only if you stay in the Class (that is, do not exclude yourself). If the Court approves the Settlement, you are still entitled to Settlement Benefits. Requesting exclusion is telling the Court you do not want to be part of the Class or the Settlement. If you exclude yourself, you cannot object to the Settlement because it no longer affects you and you will not receive any Settlement Benefits.

THE FINAL APPROVAL HEARING

31. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing on **xxxx xx, 202X** at **: 0 .m.** before the Honorable Joseph C. Spero, United States District Court for the Northern District of California. Remote access to the Final Approval Hearing is available via Zoom at <https://cand.uscourts.zoomgov.com/j/1619260804?pwd=RE5qWDhGOTdWWTZUOFIOKzhNc3pjZz09>

The date and time of the Final Approval Hearing is subject to change without further notice to the Settlement Class. Class Members should monitor the Settlement Website or the Court's PACER site (see Question 36) to confirm whether the date for the Final Approval Hearing has changed.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and will decide whether to approve: the Settlement; Class Counsel's application for attorneys' fees, costs and expenses; and the Service Award to the Class Representative. If there are objections, the Court will consider them. The Court will also listen to people who have asked to speak at the hearing.

32. Do I have to come to the Final Approval Hearing?

No. Class Counsel will answer any questions the Court may have. However, you are welcome to appear via Zoom. If you send a written objection, you do not have to appear at the hearing to talk about it. As long as you mail your written objection on time, the Court will consider it.

33. May I speak at the Final Approval Hearing?

Yes. If you make a written objection, you must indicate whether you intend to appear and speak at the Final Approval Hearing (see Question 29). Your objection must state that it is your intention to appear at the Final Approval Hearing and must identify any witnesses you may call to testify or exhibits you intend to introduce into evidence at the Final Approval Hearing. If you plan to have your attorney speak for you at the Final Approval Hearing, your objection must also include your attorney's name, address, and phone number. You may also choose to attend and speak at the Final Approval Hearing and make an oral objection even if you have not submitted a written objection.

IF YOU DO NOTHING

34. What happens if I do nothing at all?

If you are a Class Member and you do nothing, you will receive a Residual Cash Payment. You will also give up certain rights, including your right to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Paysafe or any of the Released Parties about the legal issues in this Action and released by the Class Action Settlement Agreement and Release.

GETTING MORE INFORMATION

35. How do I get more information?

This Notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, please see the Class Action Settlement Agreement and Release available at [www.\[website\].com](http://www.[website].com), or by contacting Class Counsel (see below), or by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>.

If you have questions about the proposed Settlement or anything in this Notice, you may contact Class Counsel at:

**Questions? Go to [www.\[website\].com](http://www.[website].com) or call 1-888-888-8888.
This Settlement affects your legal rights even if you do nothing.**

<p>M. Anderson Berry Clayeo C. Arnold, A Professional Law Corp. 865 Howe Avenue Sacramento, CA 95825 (916) 777-7777 Fax: (916) 924-1829 Email: aberry@justice4you.com</p>	<p>Gregory Haroutunian Clayeo C. Arnold, A Professional Law Corporation 865 Howe Avenue Sacramento, CA 95825 (916) 777-7777 Fax: (916) 924-1829 Email: gharoutunian@justice4you.com</p>	<p>John A. Yanchunis Morgan and Morgan, P.A. 201 N. Franklin Street, 7th Floor Tampa, FL 33602 (813) 275-5272 Email: jyanchunis@forthepeople.com</p>	<p>Ryan D. Maxey Morgan and Morgan Complex Litigation Group 201 N. Franklin Street, 7th FL Tampa, FL 33602 813-223-5505 Email: rmaxey@forthepeople.com</p>
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PLEASE DO NOT CONTACT THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

**Questions? Go to www.legalrights.com or call 1-888-888-8888.
This Settlement affects your legal rights even if you do nothing.**

Court Approved Legal Notice

Case No. 3:21-cv-00641-JCS

If You Were Subject to the PAYSAFE PAYMENT PROCESSING SOLUTIONS DATA SECURITY INCIDENT, You Could be Eligible for a Payment.

*A California federal court has authorized this Notice.
This is not a solicitation from a lawyer.*

Complete and Return the Claim Form by **Month XX, 202X.**

www.[website].com

1-888-888-8888

*Para una notificación en Español, llamar 1-888-888-
8888 o visitar nuestro sitio web [www.\[website\].com](http://www.[website].com).*

*Kamal Bitmouni v. Paysafe Payment Processing Solutions,
LLC*

P.O. Box _____

_____, _____

Forwarding Service Requested



Postal Service: Please do not mark barcode

Claim No.:

[CLAIMANT INFO]

A proposed Settlement for a data security incident has been reached with Paysafe Payment Processing Solutions, LLC (“Paysafe”). On November 6, 2020, Paysafe discovered that an unauthorized actor may have accessed a legacy server under Paysafe’s custody or control. As a result, Personal Information of approximately 91,706 individuals who enrolled for merchant services with Paysafe’s affiliate may have been accessed, including name, contact details, Social Security number, and bank account information.

Who is Included? If you received this Notice, records indicate you are included in the Settlement. The Court decided that Settlement Class Members include individuals identified on the Settlement Class List, which includes all individuals who were notified by direct notice by Paysafe that their personal information was or may have been compromised in the data security incident initially disclosed by Paysafe on or about December 16, 2020.

What does the Settlement Provide? The Settlement establishes a \$2.0 million Settlement Fund to be used to pay for reimbursement of Out-of-Pocket Losses and/or Attested Time and Residual Cash Payments; costs of notice and administration; Service Award to the Class Representative; and attorneys’ fees, costs, and expenses. Paysafe has also agreed to undertake certain remedial measures and enhanced data security measures. Claimants may submit a claim for reimbursement for Out-of-Pocket Losses and/or Attested Time and will still receive a Residual Cash Payment.

Reimbursement of Out-of-Pocket Losses – all Class Members may submit a claim for up to \$25,000 for reimbursement of Out-of-Pocket Losses, which may be combined with reimbursement for Attested Time. A claim for Out-of-Pocket Losses may be reduced *pro rata* depending on the number of claims and funds available.

Reimbursement of Attested Time – all Class Members may submit a claim for reimbursement of Attested Time up to ten (10) hours at \$25 per hour, which may be combined with reimbursement for Out-of-Pocket Losses. A claim for Attested Time may be reduced *pro rata* depending on the number of claims and funds available.

Residual Cash Payment – all Class Members are entitled to receive a Residual Cash Payment equaling a *pro rata* share of what remains in the Net Settlement Fund after payment of all Valid Claims for reimbursement of Out-of-Pocket Losses and Attested Time.

How To Get Benefits: If you do nothing you are still entitled to receive a Residual Cash Payment. To submit a claim for Reimbursement of Out-of-Pocket Losses and/or Attested Time, you must complete and file a Claim Form online or by mail postmarked by **Month XX, 202X**, including required documentation. You can file your claim online at [www.\[website\].com](http://www.[website].com). You may also get a paper Claim Form at the website, or by calling the toll-free number, and submit by mail.

Your Other Options. If you do not want to be legally bound by the Settlement, you must exclude yourself by **Month XX, 202X**. If you do not exclude yourself, you will release any claims you may have against Paysafe or related parties related to the Paysafe Data Security Incident, as more fully described in the Settlement Agreement, available at the settlement website. If you do not exclude yourself, you may still object to the Settlement in writing by **Month XX, 202X**, or verbally at the Final Approval Hearing.

The Final Approval Hearing. The Court has scheduled a hearing in this case (*Kamal Bitmouni v. Paysafe Payment Processing Solutions, LLC, Case No. 3:21-cv-00641-JCS*) for **Month XX, 2022**, to consider whether to approve the Settlement, Service Award, and attorneys’ fees and expenses, and to consider any objections. You or your attorney may attend via Zoom, but you are not required to do so. Instructions on how to attend the hearing can be found at [www.\[website\].com](http://www.[website].com).

More Information. Complete information about your rights and options, as well as the Claim Form, the Long Form Notice, and Settlement Agreement are available at [www.\[website\].com](http://www.[website].com), or by calling toll free 1-888-888-8888.

Email Notice

If You Were Subject to the PAYSAFE DATA SECURITY INCIDENT, You Could Be Eligible for a Payment.

The United States District Court for the Northern District of California has authorized this Notice. This is not a solicitation from a lawyer.

Para una notificación en Español, llamar 1-888-888-8888 o visitar nuestro sitio web [www.\[website\].com](http://www.[website].com).

Click here to file a claim by **Month XX, 202X.**

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