

IF YOU WERE ENROLLED IN AN AUTOMATICALLY RENEWING SUBSCRIPTION OR MEMBERSHIP PRODUCT OR SERVICE BY TAUNTON, YOU MAY BE ENTITLED TO COMPENSATION

NOTICE OF CLASS ACTION SETTLEMENT

Mitchell v. The Taunton Press, Inc.
San Diego County Superior Court
Case No. 37-2019-00029474-CU-BT-CTL

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE CONTAINS IMPORTANT INFORMATION ABOUT A PROPOSED CLASS ACTION SETTLEMENT. YOUR RIGHTS MAY BE AFFECTED BY THIS SETTLEMENT.

The purpose of this Notice is to inform Class Members about a proposed settlement (“Settlement”) of a class action lawsuit that is pending in the San Diego County Superior Court (the “Court”). The lawsuit is called *Mitchell v. The Taunton Press, Inc.*, Case No. 37-2019-00029474-CU-BT-CTL (the “Lawsuit”).

This Notice will explain: (1) what the Lawsuit is about; (2) the main terms of the Settlement; and (3) Class Members’ rights and options under the Settlement. A full version of the Settlement Agreement is available on the Website: www.MitchellAutoRenewalSettlement.com

To receive money under the Settlement, Class Members do not need to take any action. If you are a Class Member, the Release described in Section IV will apply to you unless you submit a timely and valid request for exclusion pursuant to Section III.2.

I. What the Litigation is About

The Lawsuit alleges that The Taunton Press, Inc. (“Taunton”) enrolled certain California consumers in automatically renewing or continuous service subscriptions or memberships without first presenting the consumer with all of the automatic renewal offer terms in a clear and conspicuous manner as required by law. The Lawsuit alleges that Taunton has violated the California Automatic Renewal Law, Cal. Bus. & Prof. Code § 17600 *et seq.*, and certain other provisions of California consumer protection laws. The Lawsuit is brought on behalf of a class defined as follows:

All individuals in California who (a) were enrolled by Taunton in an automatic renewal or continuous service program or offer on or before January 31, 2020 and (b) made one or more payments in connection with such automatic renewal or continuous service program or offer between June 10, 2015 and February 15, 2020. Excluded from the Class are all employees of Taunton, all employees of Plaintiff’s counsel, and the judicial officer to whom this case is assigned.

Each individual within the foregoing Class definition is referred to as a “Class Member.”

Taunton denies the allegations of the Lawsuit. The Court has not decided which party is right. The parties have agreed to a Settlement to provide benefits to eligible Class Members and to resolve the case without admission of any liability or wrongdoing.

The parties have exchanged detailed information about the claims, defenses, and alleged damages in the Lawsuit. After lengthy settlement negotiations overseen by an independent mediator, the parties have reached a proposed Settlement that, if approved by the Court, will resolve the claims asserted against Taunton. Plaintiff and his counsel believe the Settlement is fair, reasonable, and in the best interests of the Class Members. In entering into the Settlement, Taunton continues to deny any and all allegations of liability, fault, or wrongdoing asserted in the Lawsuit.

On August 20, 2020, the Court preliminarily approved the Settlement; certified the Class for settlement purposes only; appointed the law firm of Dostart Hannink & Coveney LLP as Class Counsel for settlement purposes only; appointed David Mitchell as the Class Representative, for settlement purposes only; designated CPT Group, Inc. as the Settlement Administrator; and authorized the parties to provide this Notice to the Class.

II. The Main Terms of the Settlement

Subject to Court approval, the main terms of the Settlement are as follows:

1. **Settlement Amount.** In full and complete settlement of the claims of the Class Members who do not exclude themselves, Taunton will pay the principal amount of Four Hundred Thousand Dollars (\$400,000). The Settlement Amount, plus any interest thereon, will be used to pay Class Counsel's attorneys' fees and litigation expenses (as approved by the Court), any service payment that the Court may award to the Class Representative, the expenses of settlement administration (including class notice), and the settlement payments to the Class Members. If any funds are remaining by reason of uncashed settlement checks or otherwise, the remaining amount will be paid to one or more *cy pres* recipients approved by the Court, or as otherwise directed by the Court. In addition to the monetary consideration, the Settlement also includes injunctive relief.

2. **Notice to Class Members.** No later than twenty-one (21) days following the Preliminary Approval Date, the Settlement Administrator will email the Court-approved Summary Class Notice to the last-known email address of each potential Class Member, as reflected in the business records of Taunton. If the business records of Taunton do not contain an email address for a potential Class Member, the Settlement Administrator will mail the Court-approved Summary Class Notice to the last-known mailing address of that potential Class Member, as reflected in the business records of Taunton, or an updated address provided by the U.S. Postal Service. Before mailing, the Settlement Administrator will run the mailing addresses through the U.S. Postal Service's National Change of Address database, and will update the addresses accordingly. The date on which the Summary Class Notice is emailed and mailed as set forth above is referred to as the "Notice Date."

3. **Eligibility for Payment.** The date that is forty-nine (49) days after the Notice Date shall be referred to as the "Exclusion/Objection Deadline." Class Members who do not exclude themselves from the Settlement on or before the Exclusion/Objection deadline will be referred to as "Participating Class Members" and, if the Settlement is granted final approval by the Court, will receive a settlement payment in accordance with the terms of the Settlement. Any Class Member who does not want to be legally bound by the Settlement can exclude himself or herself on or before the Exclusion/Objection Deadline, as described below in Section III.2. Taunton will have the right to rescind the Settlement if more than 1,000 Class Members submit valid requests for exclusion. Any Class Member who wishes to object to the Settlement may do so either orally or in writing. Any written objection must be filed with the Court and served on Counsel for the settling parties and on the Settlement Administrator no later than the Exclusion/Objection Deadline, as described below in Section III.3. Alternatively, any Class Member may present an objection to the Court orally at the final approval hearing. Any Class Member who does not request to be excluded from the Class may, if so desired, enter an appearance through counsel.

4. **Settlement Payments to Participating Class Members.** If the Settlement is granted final approval, after deduction of any Court-approved attorneys' fees, litigation expenses, service payment to the Class Representative, and expenses of settlement administration, the remaining amount ("Net Settlement Amount") will be divided equally between the Participating Class Members. As soon as practicable after the Effective Date of the Settlement, the Settlement Administrator will mail to each Participating Class Member a check representing that person's settlement payment.

5. **Service Payment.** Class Counsel will file a motion requesting a service payment to the Class Representative not to exceed \$7,500. Taunton has agreed that it will take no position regarding this request, provided the request made to the Court is consistent with this Section. As soon as practicable following the Effective Date, the Settlement Administrator will pay from the Settlement Amount any service payment awarded by the Court.

6. Attorneys' Fees and Litigation Expenses. Class Counsel will file a motion requesting an award of attorneys' fees of up to 38% of the Settlement Amount, plus actual litigation expenses not exceeding \$15,000. Taunton has agreed that it will take no position regarding these requests, provided the requests made to the Court are consistent with this Section. As soon as practicable following the Effective Date, the Settlement Administrator will pay to Class Counsel from the Settlement Amount the attorneys' fees and litigation expenses awarded by the Court. These amounts are all subject to Court approval.

7. Release. Class Members who do not exclude themselves from the Settlement will be deemed to release all of the claims described in Section IV below.

III. Class Members' Rights and Options Under the Settlement

Class Members have three options under the Settlement. If you are a Class Member, you may: (1) do nothing, in which case you will be deemed to be a Participating Class Member qualified to receive a pro-rata share of the Net Settlement Amount following final court approval; (2) exclude yourself from the Settlement; or (3) object to the Settlement. The following paragraphs explain these options in more detail.

1. Do Nothing/No Action Is Necessary for Class Members to Claim Money Under the Settlement. If you do nothing, you will be deemed to be a Participating Class Member and, if the Settlement is given final court approval, you will be sent a settlement payment in accordance with the terms of this Settlement.

2. To Be Excluded From the Settlement. Any Class Member who wishes to be excluded from the Settlement must complete and return a request for exclusion via U.S. Mail, email, or personal delivery, and that request for exclusion must be validated by the Settlement Administrator. The request for exclusion must be in writing, and must list the Class Member's name, address, and telephone number, along with the statement: "I wish to be excluded from the *Mitchell v. Taunton* Settlement", or words to that effect, and must be dated and signed by the person requesting exclusion. To be timely, the request for exclusion must be returned to the Settlement Administrator no later than October 29, 2020. If the request for exclusion is returned by U.S. Mail, the date of return will be the date of the postmark. If the request for exclusion is returned by personal delivery or email, the date of return will be the date the request for exclusion is received by the Settlement Administrator. Those Class Members who submit timely and valid requests for exclusion in the form described above will be referred to as "Excluded Class Members." Excluded Class Members will not receive any consideration under the Settlement and will not be bound by any provision of the Settlement. Requests for exclusion can be mailed or delivered to the Settlement Administrator, as follows: Mitchell v. Taunton Settlement Administrator, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606; email: MitchellAutoRenewalSettlement@cptgroup.com. A judgment in the action will bind all Class Members who do not timely request exclusion. Any Class Member may enter an appearance through counsel.

3. To Object to the Settlement. Any Class Member who wishes to object to the Settlement may do so orally or in writing. Any written objection must be filed with the Court and served on Class Counsel, Taunton's counsel, and the Settlement Administrator, no later than October 29, 2020. A written objection must set forth the name of the lawsuit (*Mitchell v. The Taunton Press, Inc.*, Case No. 37-2019-00029474-CU-BT-CTL), the objector's full name, address, and current telephone number, and the following statement: "I declare under penalty of perjury that, to the best of my knowledge, I was enrolled by Taunton in an automatic renewal or continuous service program or offer on or before January 31, 2020 and made one or more payments in connection therewith between June 10, 2015 and February 15, 2020, and I wish to object to the Settlement." Any written objection must state the basis of the objector's belief that he or she is a Class Member, and must also state the factual and legal basis for the objection, and whether he or she intends to appear at the Final Approval Hearing on his or her own behalf or through counsel. Any written objection shall also identify any lawyer who assisted, provided advice, or represents the objecting Class Member with respect to the Lawsuit or such objection. If an objection is submitted in writing, any documents that the objecting Class Member wishes for the Court to consider must also be attached to the objection. Class Counsel and Taunton will respond to any objections, as appropriate, either in briefs filed in advance of the Final Approval Hearing or at the Final Approval Hearing. Any written objection

must be filed with the Court and served by mail as follows: (1) to the Settlement Administrator, at Mitchell v. Taunton Settlement Administrator, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606; (2) to counsel for Taunton, Ana Tagvoryan, Blank Rome LLP, 2029 Century Park East, 6th Floor, Los Angeles, CA 90067; and (3) to Class Counsel, Zach P. Dostart, Dostart Hannink & Coveney LLP, 4180 La Jolla Village Drive, Suite 530, La Jolla, CA 92037. Alternatively, an objection may be made to the Court orally at the Final Approval Hearing.

IV. Release of Claims by Class Members

If the Settlement is approved by the Court and becomes effective, then immediately upon full payment of the Settlement Amount by Taunton as contemplated by the Settlement Agreement, all Class Members who do not exclude themselves from the Settlement, on behalf of themselves, and each of their respective heirs, assigns, executors, administrators, successors and agents, shall be deemed to release, resolve, relinquish, and discharge each and all of the Released Parties from each of the Released Claims. For purposes of this paragraph, “Released Parties” means Taunton and any of its past, present, and future owners, parents, subsidiaries, or affiliated companies (including but not limited to Taunton, Inc., Taunton Direct, Inc., Taunton Trade, Inc., and Taunton Interactive, Inc.), and any of their respective past, present, and future officers, directors, managers, employees, general partners, limited partners, principals, insurers, reinsurers, shareholders, attorneys, advisors, representatives, successors, or assigns. For purposes of this paragraph, “Released Claims” means any and all causes of action or claims for relief, including but not limited to injunctive relief, actual damages, nominal damages, statutory damages, punitive damages, restitution, disgorgement, attorneys’ fees and costs, and/or any other form of monetary consideration whatsoever, whether known or unknown, for any and all claims that have been pled in the Action, or that could have been pled in this Action, that arise out of or relate to the causes of action, allegations, practices, and conduct at issue in the Complaint, the First Amended Complaint, and the Second Amended Complaint.

V. Final Approval Hearing

The Court will hold a hearing on February 26, 2021 at 8:30 a.m. to determine whether the Settlement should be finally approved and to rule on Class Counsel’s motion for award of attorneys’ fees, reimbursement of litigation expenses, and a class representative service payment. The Court is located at 330 West Broadway, Department 65, San Diego, CA 92101. The hearing may be continued without further notice. **YOU ARE NOT REQUIRED TO ATTEND THE HEARING, BUT YOU MAY IF YOU CHOOSE.**

VI. For More Information

This Notice contains only a summary of the terms of the proposed Settlement. You may view the Settlement Agreement and other important documents on the Settlement Website. You may also review the pleadings and other papers filed in the Lawsuit at the Court’s Business Office, located at 330 West Broadway, San Diego, CA 92101.

PLEASE DO NOT CONTACT THE COURT ABOUT THIS NOTICE.

If you have questions about the Settlement, please contact the Settlement Administrator or Class Counsel, as follows:

Settlement Administrator
Mitchell v. Taunton Settlement Administrator
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
Tel: 1-888-664-1697
Email: MitchellAutoRenewalSettlement@cptgroup.com

Class Counsel
Dostart Hannink & Coveney LLP
4180 La Jolla Village Dr., Ste. 530
La Jolla, CA 92037
Tel: (858) 623-4265
Email: cklobucar@sdlaw.com