

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Sullen, et al. v. Vivint, Inc., Case No. 01-CV-2023-903893 (Ala. Cir. Ct. Jefferson Cnty.)

For more information, visit www.VivintFCRASettlement.com.

Para una notificación en Español, visitar www.VivintFCRASettlement.com.

PLEASE READ THIS NOTICE CAREFULLY. YOU MAY BE ENTITLED TO A CASH PAYMENT FROM A CLASS ACTION SETTLEMENT IF YOUR CREDIT WAS ACCESSED BY VIVINT, INC. TO OPEN ACCOUNTS WITHOUT AUTHORIZATION OR IF YOU WERE SUBJECTED TO COLLECTION ATTEMPTS REGARDING SUCH ACCOUNTS. THIS NOTICE EXPLAINS YOUR RIGHTS AND OPTIONS AND THE DEADLINES TO EXERCISE THEM.

This is a court-authorized notice of a proposed class action settlement. This is not a solicitation from a lawyer and is not notice of a lawsuit against you.

WHY DID I GET THIS NOTICE?

This is a court-authorized notice of a proposed settlement in a class action lawsuit, *Sullen, et al. v. Vivint, Inc.*, Case No. 01-CV-2023-903893, pending in the Circuit Court of Jefferson County, Alabama, Birmingham Division before the Honorable Elisabeth French. The settlement would resolve a lawsuit brought on behalf of persons who allege that Vivint, Inc. (“Vivint”) accessed their credit information without authorization, with certain of those individuals having been subject to collection efforts regarding accounts that were created using the credit information that was accessed without authorization. If you received this notice directly, you have been identified as someone who may have had their credit accessed to create unauthorized accounts. The Court has granted preliminary approval of the settlement and has conditionally certified the Settlement Classes for settlement purposes only. This notice explains the nature of the class action lawsuit, the terms of the Settlement, and the legal rights and obligations of the Settlement Class Members. Please read the instructions and explanations below so that you can better understand your legal rights.

WHAT IS THIS LAWSUIT ABOUT?

The federal Fair Credit Reporting Act (“FCRA”), 15 U.S.C. § 1681 *et seq.*, prohibits accessing consumers’ credit information without a permissible purpose. This lawsuit alleges that Vivint violated the FCRA by accessing credit information of consumers to create accounts without their authority and thereby without a permissible purpose. Certain of those individuals were subject to collection efforts regarding these accounts. Vivint contests these claims and denies that it violated the FCRA.

WHY IS THIS A CLASS ACTION?

A class action is a lawsuit in which an individual called a “Class Representative” brings a single lawsuit on behalf of other people who have similar claims. All of these people together are a “Class” or “Class Members.” Once a Class is certified, a class action Settlement that is finally approved by the Court resolves the issues for all Settlement Class Members, except for those who exclude themselves from the Settlement Class. In a class action lawsuit, it’s possible to have multiple classes, which may be appropriate when class members seek different types of relief, such as monetary damages for one group versus affirmative acts (such as changing of business practices) by a defendant for another group.

WHY IS THERE A SETTLEMENT?

To resolve this matter without the continued expense, delay, and uncertainties of litigation, the Parties have reached a Settlement, which resolves all claims against Vivint. The Settlement requires Vivint to pay money to the Settlement Classes, as well as pay settlement administration expenses, attorneys’ fees and costs to class counsel, a service award payment to the Class Representatives, and requires Vivint to strengthen its business practices related to account creation and collections (if approved by the Court). The Settlement is not an admission of wrongdoing by Vivint and does not imply that there has been, or would be, any finding that Vivint violated the law.

The Court has already preliminarily approved the Settlement. Nevertheless, because the settlement of a class action determines the rights of all members of the class, the Court overseeing this lawsuit must give final approval to the Settlement before it can be effective. The Court has conditionally certified the Settlement Classes for settlement purposes only, so that members of the Settlement Classes can be given this notice and the opportunity to submit a Claim Form to receive the cash benefits offered by the Settlement, to exclude themselves from the Settlement Classes, and to voice their support or opposition to final approval of the Settlement. If the Court does not give final approval to the Settlement, or if it is terminated by the Parties, the Settlement will be void, and the lawsuit will proceed as if there had been no settlement and no certification of the Settlement Classes.

WHO IS IN THE SETTLEMENT CLASSES?

For this Settlement, there is a Damages Settlement Class and an Injunctive Settlement Class, which together form the Settlement Classes.

You are a member of the Damages Settlement Class if, at any time between January 1, 2016, and January 16, 2024, Vivint accessed your credit information without authorization, used that information to create an account, and subjected you to collection efforts regarding such account. You are a member of the Injunctive Settlement Class if, at any time between January 1, 2016, and January 16, 2024, Vivint accessed your credit without authorization and used that information to create an account, but you were not subjected to any collection efforts by Vivint. If you believe you fit into either of the Damages or Injunctive Settlement Classes, then you may visit the settlement website (www.VivintFCRASettlement.com) for further instructions on making a claim for cash benefits.

WHAT ARE MY OPTIONS?

(1) Accept the Settlement.

To accept the Settlement, you must submit a Claim Form by June 7, 2024. You may obtain a Claim Form at www.VivintFCRASettlement.com, and you may submit your Claim Form either electronically via the settlement website, by email to info@VivintFCRASettlement.com, or U.S. Mail (sent or postmarked by June 7, 2024) to the Settlement Administrator at Vivint FCRA Settlement, c/o A.B. Data, Ltd., P.O. Box 173087, Milwaukee, WI 53217. If the Settlement is approved and your claim is deemed timely and valid, a check will be mailed to you. ***Submitting a valid, complete, and timely Claim Form is the only way to receive a cash payment from this Settlement and is the only thing you need to do to receive a payment.*** Once you submit a claim, the Settlement Administrator will utilize Vivint's records and third-party records to determine whether you are entitled to a cash payment from the Settlement and, if so, the value of your claim.

(2) Exclude yourself.

You may exclude yourself from the Settlement. If you do so, you will not receive any cash payment, but you will not release any claims you may have against Vivint and the Released Parties (as that term is defined in the Settlement Agreement) and are free to pursue whatever legal rights you may have by pursuing your own lawsuit against the Released Parties at your own risk and expense. To exclude yourself from the Settlement, you must notify the Settlement Administrator either by email to info@VivintFCRASettlement.com or mail a signed letter to the Settlement Administrator at Vivint FCRA Settlement, Attention: Exclusions, c/o A.B. Data, Ltd., P.O. Box 173001, Milwaukee, WI 53217, postmarked by April 8, 2024. The exclusion email and/or letter must state that you exclude yourself from this Settlement and must include the name and case number of this litigation, as well as include your full name, address and email, Unique ID Number (if applicable) and a statement that you wish to be excluded, and your signature.

(3) Object to the Settlement.

If you wish to object to the Settlement, you must submit your objection in writing to the Clerk of the Court of the Jefferson County Courthouse, 716 N. Richard Arrington Blvd., Birmingham, Alabama 35203. The objection must be received by the Court no later than April 8, 2024. You must also send a copy of your objection to the attorneys for all Parties to the lawsuit, including the attorneys representing the Class Representatives and the Settlement Classes (Jonathan S. Mann, Austin B. Whitten, and Michael C. Bradley of Pittman, Dutton, Hellums, Bradley & Mann, P.C., 2001 Park Place, Suite 1100, Birmingham, AL 35203), as well as the attorneys representing Vivint (Jason Tompkins, Jonathan Hoffmann, BALCH & BINGHAM LLP, 1901 Sixth Ave. N., Suite 1500, Birmingham, AL 35203), postmarked no later than April 8, 2024. Any objection to the proposed Settlement must include your full name, address, and email; all grounds for the objection along with factual and legal support, including documentation or evidence purportedly proving the same, for the stated objection; and the identity of any other class action cases to which you objected in the previous four (4) years. If you hire an attorney in connection with making an objection, that attorney must also file with the Court a notice of appearance by the objection deadline of April 8, 2024. If you do hire your own attorney, you will be solely responsible for payment of any fees and expenses the attorney incurs on your behalf. If you exclude yourself from the Settlement, you cannot file an objection.

You may appear at the Final Approval Hearing, which is to be held on **April 23, 2024, at 9:00 a.m.**, in the Jefferson County Courthouse, 716 N. Richard Arrington Blvd., Courtroom 370, Birmingham, Alabama 35203, in person or through counsel, to show cause of why the proposed Settlement should not be approved as fair, reasonable, and adequate. Attendance at the hearing is not necessary; however, persons wishing to be heard orally in opposition to

the approval of the Settlement, the request for attorneys' fees and expenses, and/or the request for a Service Award to the Class Representatives are required to indicate in their written objection their intention to appear at the hearing on their own behalf or through counsel and to identify the names of any witnesses they intend to call to testify at the Final Approval Hearing, as well as identify and attach any exhibits they intend to introduce at the Final Approval Hearing.

(4) Do Nothing.

If you do nothing, you will receive no money from the Settlement Fund, but you will still be bound by all orders and judgments of the Court. Unless you exclude yourself from the Settlement, you will not be able to file or continue a lawsuit against the Released Parties regarding any of the Released Claims. ***Submitting a valid and timely Claim Form is the only way to receive a cash payment from this Settlement.***

For information on how to request exclusion from the classes or file an objection, or for more information on submitting a claim, please visit the Settlement website www.VivintFCRASettlement.com, or call (800) 513-1506.

WHAT DOES THE SETTLEMENT PROVIDE?

A. Cash Payments. Vivint has agreed to create a \$9,750,000.00 Settlement Fund for the Class Members. All Settlement Class Members are required to submit a Claim Form in order to receive a payment out of the Settlement Fund. If the Settlement is approved, each Damages Settlement Class Member who submits a complete, timely Claim Form that is deemed valid will be entitled to a payment equal to the number of accounts created with their credit information without authorization for which the Damages Settlement Class Member was subject to collection efforts times \$1,200 paid out of the Settlement Fund. If the Settlement is approved, each Injunctive Settlement Class Member who submits a complete, timely Claim Form that is deemed valid will be entitled to a payment equal to the number of accounts created with their credit information without authorization times \$250 paid out of the Settlement Fund. **Settlement Class Members can only receive payment for an account once (i.e., either \$250 or \$1,200 for an account, not \$1,450).** You can be a member of both the Damages and Injunctive Settlement Classes. The exact amount of each Class Member's payment is unknown at this time; the amount may be less than the calculation above depending on several factors, including how many Settlement Class Members return valid Claim Forms and the costs of the other expenses to be paid from the Settlement Fund. The Settlement Administrator will issue a check to each Class Member who submits a valid Claim Form following the final approval of the Settlement. All checks issued to Settlement Class Members (including re-issued checks) will expire and become void 90 days after they are issued. Class Members who receive but, for whatever reason, do not cash an initial check may make a one-time request to the Settlement Administrator to send them a re-issued check. Requests for re-issued checks must be made within 90 days of the date on the initial check. Re-issued checks will be in the same amount as the initial check. Additionally, the attorneys who brought this lawsuit (listed below) will ask the Court to award them attorneys' fees not to exceed one-third (1/3) of the Settlement Fund (or Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000.00)) for the substantial time, effort, and resources expended in investigating the facts, litigating the case, and negotiating the Settlement, in addition to reimbursement of expenses and costs not to exceed One Hundred Sixty-Five Thousand Dollars (\$165,000.00). The Class Representatives will also apply to the Court for a total payment of up to \$30,000 for their time, effort, and service in this matter.

B. Prospective Injunctive Relief (Business Practice Improvements & Assurances). As part of this Settlement, Vivint has also agreed to take the following actions and make the following material changes to its business practices going forward:

- i. Vivint will remove each approved Claimant from any unauthorized Vivint account(s) with which he or she is associated, to the extent they are so associated;
- ii. In order to verify that a prospective customer has consented to Vivint accessing his or her consumer report, Vivint will incorporate into its pre-qualification credit inquiry a process that:
 - a. requires the customer to provide the last four digits of the customer's Social Security Number; and,
 - b. if the system returns a mismatch, will block the transaction from proceeding until sufficient information is entered to produce a match;

- iii. Vivint will incorporate into its financing application process a system to verify the consumer's identity that includes requiring the customer to present government-issued identification;
- iv. Vivint will incorporate into its financing application process a process whereby the customer prepares the financing application from the customer's own device;
- v. Vivint will incorporate into its financing application process a process whereby the customer acknowledges that he or she agrees and understands that Vivint will be using his or her personal information to access his or her consumer report for the purpose of financing home security equipment from Vivint;
- vi. Vivint will incorporate a policy requiring that a government-issued identification for each person signing a Vivint contract for equipment or services be viewed or captured during the account creation or installation processes; and,
- vii. Vivint will take reasonable steps to verify every name and address included with a Vivint account to confirm that the individual is properly included within the account prior to:
 - a. attempting to collect any debt;
 - b. referring an account to a debt collector;
 - c. selling any debt to a debt buyer; or,
 - d. reporting any debt to a consumer reporting agency.

IS THIS SETTLEMENT RELATED TO VIVINT'S SETTLEMENT AGREEMENT WITH THE FEDERAL TRADE COMMISSION?

No, while some of the claims and allegations are similar, this lawsuit was prosecuted by private citizens and is entirely separate from the case that was prosecuted by the Federal Trade Commission. If you are a member of the Settlement Classes in this case, you are entitled to make a claim for cash payment in this Settlement even if you have already received a cash payment from the Federal Trade Commission. However, if you are entitled to receive a cash payment from this Settlement, the amount of your payment will be reduced by the amount that you received from the Federal Trade Commission. Payments will not be reduced to less than \$250.

WHAT RIGHTS AM I GIVING UP IN THIS SETTLEMENT?

Unless you exclude yourself from this Settlement, you will be considered a member of the Settlement Classes, which means you give up your right to file or continue a lawsuit against Vivint and all Released Parties relating to accessing your credit without authorization from January 1, 2016, to January 16, 2024. Giving up your legal claims is called a release. The precise terms of the release are set forth in the Settlement Agreement, which is available on the settlement website. Unless you formally exclude yourself from this Settlement, you will release your claims whether or not you submit a Claim Form and receive payment. If you have any questions, you can talk for free to the attorneys identified below who have been appointed by the Court to represent the Settlement Classes, or you are welcome to talk to any other lawyer of your choosing at your own expense.

WHEN WILL I BE PAID?

The Parties cannot predict exactly when (or whether) the Court will give final approval to the Settlement, so please be patient. However, if the Court finally approves the Settlement, you will be paid as soon as practicable after the Court order becomes final, which should occur within approximately 365 days after the Settlement has been finally approved. If there is an appeal of the Settlement, payment may be delayed. Updated information about the case is available at www.VivintFCRASettlement.com, or you can call the Settlement Administrator at (800) 513-1506 or contact Class Counsel at the information provided below.

WHEN WILL THE COURT RULE ON THE SETTLEMENT?

The Court has already given preliminary approval to the Settlement. A final hearing on the Settlement, called a final approval or fairness hearing, will be held to determine the fairness of the Settlement. At the Final Approval Hearing, the Court will also consider whether to make final the certification of the Classes for Settlement purposes, hear any proper objections and arguments to the Settlement, as well as any requests for an award of attorneys' fees and expenses and a Class Representatives Service Award that may be sought by Class Counsel. The Court will hold the Final Approval Hearing on April 23, 2024, at

9:00 a.m. at the Jefferson County Courthouse, 716 N. Richard Arrington Blvd., Courtroom 370, Birmingham, Alabama 35203.

If the Settlement is given final approval, the Court will not make any determination as to the merits of the claims against Vivint or its defenses to those claims. Instead, the Settlement's terms will take effect and the lawsuit will be dismissed on the merits with prejudice. Both sides have agreed to the Settlement in order to achieve an early and certain resolution to the lawsuit, in a manner that provides specific and valuable benefits to the members of the Settlement Classes.

If the Court does not approve the Settlement, if it approves the Settlement and the approval is reversed on appeal, or if the Settlement does not become final for some other reason, you will not be paid at this time and Class Members will receive no benefits from the Settlement. Plaintiffs, Vivint, and all of the Class Members will be in the same position as they were prior to the execution of the Settlement, and the Settlement will have no legal effect, no class will remain certified (conditionally or otherwise), and the Plaintiffs and Vivint will continue to litigate the lawsuit. There can be no assurance that if the Settlement is not approved, the Settlement Classes will recover more than is provided in the Settlement, or indeed, anything at all.

WHO REPRESENTS THE CLASSES?

The Court has approved the following attorneys to represent the Settlement Classes. They are called "Class Counsel." You will not be charged for these lawyers. If you want to be represented by your own lawyer instead, you may hire one at your own expense.

<p>Jonathan S. Mann Austin B. Whitten Michael C. Bradley Pittman, Dutton, Hellums, Bradley & Mann, P.C. 2001 Park Place, Suite 1100 Birmingham, AL 35203 Tel: (205) 322-8880 jonm@pittmandutton.com austinw@pittmandutton.com mike@pittmandutton.com</p>

WHERE CAN I GET ADDITIONAL INFORMATION?

This notice is only a summary of the proposed Settlement of this lawsuit. More details are in the Settlement Agreement which, along with other documents, can be obtained at www.VivintFCRASettlement.com. If you have any questions, you can also call the Settlement Administrator at (800) 513-1506 or Class Counsel at the numbers or email addresses set forth above. In addition to the documents available on the settlement website, all pleadings and documents filed in Court may be reviewed or copied in the Office of the Clerk of the Court. Please do not call the Judge or the Clerk of the Court about this case, as they will not be able to give you advice on your options.