

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Lloyd v. Xanitos, Inc., Case No. 2018-CH-15351

(Circuit Court of Cook County, Illinois)

If you are a current or former employee or independent contractor of Xanitos, Inc. that used a finger scanner time clock in the State of Illinois between October 19, 2013 and January 24, 2019, a class action settlement may affect your rights.

*An Illinois State Court authorized this Notice. You are not being sued.
This is not a solicitation from a lawyer.*

- A Settlement has been reached in a class action lawsuit between Xanitos, Inc. (“Defendant” or “Xanitos”) and some of its former Illinois employees. The suit alleges that Xanitos violated an Illinois law called the Biometric Information Privacy Act (“BIPA”) by collecting employees’ fingerprints on time clocks in Illinois without obtaining their informed written consent. Xanitos denies any wrongdoing and maintains that it has not violated any laws. The Settlement does not establish who is correct, but rather is a compromise to end the lawsuit and avoid the uncertainties and expenses associated with ongoing litigation.
- You are included in the Settlement if you are a current or former employee or independent contractor of Xanitos, Inc. that used a finger scanner time clock in the State of Illinois between October 19, 2013 and January 24, 2019.
- If you’re eligible and the Court approves the Settlement, a check will automatically be mailed to you for approximately \$750, which accounts for payment of the costs—if approved by the Court—of administrative expenses and legal fees. Xanitos has also agreed to comply with the BIPA in the future.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will receive a payment under the Settlement and give up your rights to sue Defendant about the issues in this case.
EXCLUDE YOURSELF	You will receive no payment, but you will retain any rights you currently have to sue Defendant about the issues in this case.
OBJECT	Write to the Court explaining why you don’t like the Settlement.
ATTEND A HEARING	Ask to speak in Court about the fairness of the Settlement.

These rights and options—and the deadlines to exercise them—are explained in this notice.

Questions? Visit www.XanitosFingerScanSettlement.com

The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be provided only after any issues with the Settlement are resolved. Please be patient.

BASIC INFORMATION

1. What is this notice and why should I read it?

A Court authorized this notice to let you know about a proposed Settlement with the Defendant. You have legal rights and options that you may act on before the Court decides whether to approve the proposed Settlement. You may be eligible to receive a cash payment as part of the Settlement. This notice explains the lawsuit, the Settlement, and your legal rights.

Judge Franklin Ulyses Valderrama of the Circuit Court of Cook County, Illinois, is overseeing this class action. The case is called *Lloyd v. Xanitos, Inc.*, Case No. 2018-CH-15351. The person who filed the lawsuit, Brittany Lloyd, is the Plaintiff. The company she sued, Xanitos, Inc., is the Defendant.

2. What is a class action lawsuit?

A class action is a lawsuit in which one or more plaintiffs—in this case, Brittany Lloyd—sue on behalf of a group of people who have similar claims. Together, this group is called a “Class” and consists of “Class Members.” In a class action, the court resolves the issues for all class members, except those who exclude themselves from the class. After the Parties reached an agreement to settle this case, the Court granted preliminary approval of the Settlement and recognized it as a case that should be treated as a class action for settlement purposes.

THE CLAIMS IN THE LAWSUIT AND THE SETTLEMENT

3. What is this lawsuit about?

This lawsuit alleges that Xanitos violated an Illinois law called the Biometric Information Privacy Act (“BIPA”) by using finger scanner time clocks in Illinois without complying with the law’s requirements, including getting employees’ written consent to the collection and providing a publicly-available retention policy.

Xanitos denies Plaintiff’s claims of wrongdoing and contends that it violated no laws. No court has decided who is right. The parties are instead entering into the Settlement to avoid time-consuming and expensive litigation. The Settlement is not an admission of wrongdoing by Xanitos. More information about the complaint in the lawsuit and the Defendant’s position can be found in the “Documents” section of the Settlement website at www.xanitosfingerscansettlement.com.

4. Why is there a Settlement?

The Court has not decided whether Plaintiff or Defendant should win this case. Instead, both sides agreed to the Settlement. That way, they can avoid the uncertainty and expense of ongoing litigation, and Class Members will get compensation now rather than years from now—if ever. Plaintiff and her attorneys (“Class Counsel”) believe that the Settlement is in the best interests of the Class Members.

WHO'S INCLUDED IN THE SETTLEMENT?

5. Who is in the Settlement Class?

The Court decided that this Settlement includes all current or former employees or independent contractors of Xanitos, Inc. that used a finger scanner time clock in the State of Illinois between October 19, 2013 and January 24, 2019.

6. How do I know if I am in the Settlement Class?

If you are a current or former employee or independent contractor of Xanitos, Inc. that used a finger scanner time clock in the State of Illinois between October 19, 2013 and January 24, 2019, you are a member of the Settlement Class and may be entitled to a Settlement Payment.

THE SETTLEMENT BENEFITS

7. What does the Settlement provide?

Cash Payments to Class Members: If you're eligible and the Court approves the Settlement, Xanitos has agreed to pay a gross amount of \$1,300 per Class Member. Class counsel will apply to the Court for compensation of administrative expenses and up to 35% of the total payments to Class Members (the "Settlement Fund") in legal fees. This amount and the costs of administering the Settlement will be deducted from the Settlement Fund before it is equally distributed to Class Members, which if granted, Class Counsel expect will result in payments to Class Members of approximately \$750 each.

Agreement on Future Conduct: As part of the Settlement, Xanitos has agreed that it will comply with BIPA in the future by implementing policies and procedures to comply with the Illinois Biometric Information Privacy Act by obtaining written releases from Illinois employees who use finger scanner time clocks, making BIPA-required disclosures, destroying biometric data that it no longer needs, and establishing a retention policy.

HOW TO GET BENEFITS

8. How do I get a payment?

If you are a Class Member, the Settlement Administrator will send a check to your last known address.

9. When will I get my payment?

The hearing to consider the fairness of the Settlement is scheduled for July 25, 2019 at 2:30 p.m. CT. If the Court approves the Settlement, eligible Class Members will automatically be sent a check. Please be patient. All checks will expire and become void 90 days after they are issued. Uncashed checks will be donated to LAF (formerly the Legal Assistance Foundation of Metropolitan Chicago), pending court approval.

THE LAWYERS REPRESENTING YOU

10. Do I have a lawyer in the case?

Yes, the Court has appointed lawyers Jay Edelson, Ari Scharg, and J. Eli Wade-Scott of Edelson PC as the attorneys to represent you and other Class Members. These attorneys are called "Class Counsel."

In addition, the Court appointed Plaintiff Brittany Lloyd to serve as the Class Representative. She is a Class Member like you. Class Counsel can be reached by calling 1-866-354-3015.

11. Should I get my own lawyer?

You don't need to hire your own lawyer because Class Counsel is working on your behalf. You may hire your own lawyer, but if you want your own lawyer, you will have to pay that lawyer.

12. How will the lawyers be paid?

Class Counsel will ask the Court for attorneys' fees and expenses of up to 35% of the Settlement Fund and will also request an incentive award of \$5,000 for the Class Representative. The Court will determine the proper amount of any attorneys' fees and expenses to award Class Counsel and the proper amount of any award to the Class Representative. The Court may award less than the amounts requested.

YOUR RIGHTS AND OPTIONS

13. What happens if I do nothing at all?

If you do nothing, you will be in the Class, and if the Court approves the Settlement, you will automatically receive a payment and you will also be bound by all orders and judgments of the Court. Unless you exclude yourself, you won't be able to start a lawsuit or be part of any other lawsuit against the Defendant or any other related entity for the claims or legal issues being resolved by this Settlement.

14. What happens if I ask to be excluded?

If you exclude yourself from the Settlement, you will receive no payment under the Settlement and you will no longer be a member of the Class. You will keep your right to start your own lawsuit against Defendant for the same legal claims made in this lawsuit. You will not be legally bound by the Court's judgments related to the Class and the Defendant in this class action.

15. How do I ask to be excluded?

You can send a letter stating that you want to be excluded from the Settlement. Your letter must: (1) be in writing; (2) identify the case name, "*Lloyd v. Xanitos, Inc.*, Case No. 2018-CH-15351 (Cir. Ct. Cook Cty.)"; (3) state your full name and current address; (4) be physically signed by you; and (5) be postmarked or received by the Settlement Administrator on or before June 26, 2019. Your request to be excluded must also include a statement to the effect that: "I hereby request to be excluded from the proposed Settlement Class in *Lloyd v. Xanitos, Inc.*, Case No. 2018-CH-15351 (Cir. Ct. Cook Cty.)." You must mail your exclusion request no later than June 26, 2019 to:

Lloyd v. Xanitos Settlement
c/o Settlement Administrator
P.O. Box 58192
Philadelphia, PA 19102-8192

You can't exclude yourself on the phone or by email.

16. If I don't exclude myself, can I sue the Defendant for the same thing later?

No. Unless you exclude yourself, you give up any right to sue the Defendant and any other released party for the claims being resolved by this Settlement.

17. If I exclude myself, can I get anything from this Settlement?

No. If you exclude yourself, you will not receive a Settlement Payment.

18. How do I object to the Settlement?

If you do not exclude yourself from the Class, you can object to the Settlement if you don't like any part of it. You can give reasons why you think the Court should deny approval by filing an objection. To object, you must file a letter or brief with the Court stating that you object to the Settlement in *Lloyd v. Xanitos, Inc.*, Case No. 2018-CH-15351 (Cir. Ct. Cook Cty.), no later than June 26, 2019. Your objection must be sent to the Circuit Court of Cook County at the following address:

Clerk of the Circuit Court of Cook County - Chancery Division
Richard J. Daley Center, 8th Floor
50 West Washington Street
Chicago, Illinois 60602

The objection must be in writing, must be personally signed, and must include the following information: (1) your full name and current address, (2) a statement that you believe yourself to be a member of the Settlement Class, (3) the specific grounds for your objection, (4) all documents or writings that you desire the Court to consider, (5) the name and contact information of any and all attorneys representing, advising, or in any way assisting you in connection with the preparation or submission of your objection or who may profit from the pursuit of your objection, and (6) a statement indicating whether you (or your counsel) intend to appear at the Final Approval Hearing. If you are represented by a lawyer, he or she must file an appearance or seek *pro hac vice* admission to practice before the Court, and electronically file the objection.

In addition to filing your objection with the Court, you must send via mail, hand, or overnight delivery service, by no later than the June 26, 2019, copies of your objection and any supporting documents to both Class Counsel and the Defendant's lawyers at the addresses listed below:

Class Counsel	Defense Counsel
J. Eli Wade-Scott EDELSON PC 350 North LaSalle Street, 14th Floor Chicago, IL 60654	Clifford Perry III LANER MUCHIN, LTD. 515 North State Street, Suite 2800 Chicago, Illinois 60654

Class Counsel will file with the Court and post on the settlement website its request for attorneys' fees and incentive award on June 12, 2019.

19. What's the difference between objecting and excluding myself from the Settlement?

Objecting simply means telling the Court that you don't like something about the Settlement. You can object only if you stay in the Class. Excluding yourself from the Class is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

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

The Court will hold the Final Approval Hearing at 2:30 p.m. CT on **July 25, 2019** before the Honorable Franklin U. Valderrama in Room 2402 of the Richard J. Daley Center, 50 West Washington Street, Chicago, Illinois 60602. The purpose of the hearing is for the Court to determine whether the Settlement is fair, reasonable, adequate, and in the best interests of the Class. At the hearing, the Court will hear any objections and arguments concerning the fairness of the proposed Settlement, including those related to the amount requested by Class Counsel for attorneys' fees and expenses and the incentive award to the Class Representative.

Note: The date and time of the fairness hearing are subject to change by Court Order. Any changes will be posted at the settlement website, www.xanitosfingerscansettlement.com.

21. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. You are, however, welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as your written objection was filed or mailed on time and meets the other criteria described in the Settlement, the Court will consider it. You may also pay a lawyer to attend, but you don't have to.

22. May I speak at the hearing?

Yes. If you do not exclude yourself from the Class, you may ask the Court for permission to speak at the hearing concerning any part of the proposed Settlement. If you filed an objection (*see* Question 17 above) and intend to appear at the hearing, you must state your intention to do so in your objection.

GETTING MORE INFORMATION

23. Where do I get more information?

This notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, please see the Settlement Agreement available at www.xanitosfingerscansettlement.com, contact Class Counsel at 1-866-354-3015, or visit the office of the Clerk of the Circuit Court of Cook County – Chancery Division, Richard J. Daley Center, 8th Floor, 50 West Washington Street, Chicago, Illinois 60602, between 8:30 a.m. and 4:30 p.m., Monday through Friday, excluding Court holidays.

PLEASE DO NOT CONTACT THE COURT, THE JUDGE, THE DEFENDANT OR THE DEFENDANT'S LAWYERS WITH QUESTIONS ABOUT THE SETTLEMENT OR CLAIMS PROCESS.