

Schedule A

C A N A D A

PROVINCE OF QUEBEC

DISTRICT OF MONTREAL

N° 500-06-000686-143

S U P E R I O R C O U R T
(Class Action Division)

EVAN ZUCKERMAN

Representative Plaintiff

v.

TARGET CORPORATION

Defendant

Distribution Protocol

I. PREAMBLE

- A. WHEREAS** on March 13, 2014 Plaintiff filed a Motion for Authorization to Institute a Class Action and to ascribe the status of representative (the “**Motion for Authorization**”) against Target Corporation (“**Target**”);
- B. WHEREAS** the Motion for Authorization was granted in part by the Honourable Stephen W. Hamilton, J.S.C. on January 18, 2017;
- C. WHEREAS** the parties have entered into an agreement for the settlement of the Class Action against Target (“**Settlement Agreement**”);
- D. WHEREAS** pursuant to the Settlement Agreement, the Defendant must pay certain amounts on an individual recovery basis as more fully detailed herein;

II. DEFINITIONS

1. The following terms are defined for the purposes of this Distribution Protocol only, including the Preamble. Any undefined term capitalized herein has the meaning ascribed to it in the Settlement Agreement:

“**Approval Judgment**” means the judgment from the Superior Court of Quebec approving the Settlement Agreement including this Distribution Protocol;

“**Cap**” means the maximum amount to be paid by Target for all Class Member claims which is set at \$345,000 inclusive of all fees and interests;

“**Claim Form**” means the document that Class Members must complete and submit, along with the required supporting documentation, if applicable, in order to claim compensation under the Settlement Agreement, as set out in **Schedule D** to the Settlement Agreement;

“Claimant” means a Class Member who has submitted a Claim Form as set forth herein;

“Claims Administrator” or **“Settlement Administrator”** means Rust Consulting, Inc., or any other administrator designated by the Court, the entity responsible for implementing and managing the claims process described herein;

“Claims Deadline” means July 23, 2018 or any other date determined by the Superior Court in the Approval Judgment;

“Claims Period” means the period during which Class Members must submit a claim in order to receive a benefit further to the Settlement Agreement. The period begins on the day of publication of the Notice and ends on the Claims Deadline;

“Class Members” means all persons in Quebec whose payment card data and/or personal information was lost by and/or stolen from Defendant (Target Corporation) as a result of the data breach that occurred between at least November 27, 2013 and December 15, 2013;

“Lost Time” is time spent by Class Members dealing with each type of Substantiated Losses;

“Notice” means the notice to Class Members pursuant to Art. 591 of the *Code of Civil Procedure* in its detailed version (**“Long Form Notice”**) (Schedule C) and summary version (**“Short Form Notice”**) (Schedule B);

“Settlement Agreement” means the settlement agreement signed by the parties;

“Settlement Website” means the following website addresses managed by the Claims Administrator *TargetDataBreachSettlementQuebec.ca*, *TargetDataBreachSettlementQuebec.com*, *TargetvoldedonneesQuebec.ca* and *TargetvoldedonneesQuebec.com*.

III. PUBLICATION OF NOTICE AND CLAIMS FORM

2. The Preamble and Definitions form an integral part of this Distribution Protocol.
3. This Distribution Protocol will only become effective once it is approved by the Superior Court of Quebec. If it is not approved, it will become null and void and will not generate any rights or obligations either for the Parties or the Class Members.
4. The Claims Form will be made available on a dedicated website put on line by the Claims Administrator, and must be completed either directly online or printed and mailed to the Claims Administrator.
5. The Short Form Notice will be published in the following Quebec newspapers: The Montreal Gazette, Le Journal de Montréal and Le Journal de Québec. The Long Form Notice will be made available on the website of Class Counsel (www.lexgroup.ca) and on the Settlement Website.

6. The Claims Administrator will, on behalf of the parties, issue a joint press release in the Province of Quebec, in both French and English, in substantially the form of the Short Form Notice as agreed upon by the Parties;
7. Upon receiving the required information from Target, the Claims Administrator will send the Long Form Notice, in both French and English, by email to the 128 Class Members (Target REDcard holders) for whom Target has an email address and by direct regular mail to the 106 Class Members (Target REDcard holders) for whom Target has a Québec address and postal code but no email address.
8. Class Counsel will be entitled to post the Settlement Agreement and its Schedules on its website.
9. The Claims Administrator will create and maintain a Settlement website that allows users to request hard copies of the Long Form Notice and/or make a claim online.
10. The Claims Administrator will establish and maintain a toll-free interactive voice response system to service Class Members calling as a result of seeing the media Notice.
11. The publication of the Notice is expected to be on or before March 30, 2018.

IV. DISTRIBUTION PROCESS

12. Each Class Member will have to have submitted a Claim Form before the Claims Deadline in order to receive any amount. Class Members can choose to submit one of two types of claims: a Documentary Supported Claim or a Self-Certification Claim.

A. Documentary Supported Claims

13. Class Members who submit a valid Claim Form and documentary evidence of losses caused by the Intrusion are eligible for reimbursement of Substantiated Losses and Lost Time totalling up to a maximum of \$5,000.
14. Substantiated Losses are losses caused by the Intrusion for which the Class Member submits reasonable documentation that the claimed losses were actually incurred and more likely than not arose from the Intrusion. Reasonable documentation of losses is objective proof of losses caused by the Intrusion, such as without limitation credit card statements, invoices, receipts, etc. Substantiated Losses cannot be documented solely by a personal declaration or affidavit from the Claimant.
15. Lost Time is time spent dealing with each type of Substantiated Loss. Class Members who submit valid documentation of Substantiated Losses will also be entitled to receive reimbursement for a maximum of two (2) hours of Lost Time for each type of Substantiated Loss, calculated at a rate of \$10 per hour.
16. Documentary Supported Claims will be paid first, before any payments are made to the Self-Certification Claims. Should the Documentary Supported Claims (including payments for Lost Time as mentioned above) exceed the Cap, the Documentary Supported Claims and Lost Time payments will be reduced on a pro-rata basis and no payment will be made for the Self-Certification Claims.

B. Self-Certification Claims

17. Class Members who submit a valid Claim Form without documentary evidence of losses caused by the Intrusion are eligible to receive an amount of their claim up to a maximum of \$50 per Claimant. Should the Cap be reached, all Self-Certification Claims will be reduced on a pro-rata basis.

C. Claim Form

18. The Claim Form forms part of the Settlement Documentation as Schedule D to the Settlement Agreement. Class Members who choose to submit a Documentary Support Claim must complete the Claim Form, including signing and dating the Claim Form, and submit reasonable documentation as specified in the Claim Form. Class Members who choose to submit a Self-Certification Claim must complete the Claim Form, including signing and dating the Claim Form.

V. CLAIM VALIDATION PROCESS

19. All Claim Forms must be submitted to the Claims Administrator in the manner and by the deadline specified in the Claim Form.

A. Documentary Supported Claims

20. The Claims Administrator, in its sole discretion to be reasonably exercised, will evaluate Documentary Supported Claims to determine whether: a) the Claimant is a Class Member; b) the Claim Form is complete and accurate; c) the Class Member signed the Claim Form as required; d) the Claimant provided the information needed to evaluate the Claim Form; and e) the information and documentation submitted, if true, could lead a reasonable person to believe that, more likely than not, the Claimant has suffered Substantiated Losses.
21. The Claims Administrator will treat any Documentary Supported Claim as a Self-Certification Claim if: a) it is submitted without any objective proof of losses, but the information submitted is deemed sufficient for a Self-Certification Claim; or b) the Substantiated Losses determined by the Claims Administrator are less than the amount to be distributed for Self-Certification Claims.
22. The Claims Administrator, in its discretion to be reasonably exercised, will determine the amount of Substantiated Losses for Documentary Support Claims, up to a maximum of \$5,000 per Class Member. The Claims Administrator's decision will be final, subject to the dispute resolution process set out below.

VI. DISPUTE RESOLUTION FOR ALL CLAIMS

23. If the Claims Administrator determines that the Substantiated Losses are less than the amount requested by the Claimant (including claims submitted with documentation, but for which the Administrator determines the Substantiated Losses are \$0), the Claims Administrator will notify the claimant by email to the email address identified in the Claim Form (or a mailing address for those who do not have an email address).
24. Each recipient of these notices will have 10 days from receipt of this notice to respond to the Claims Administrator by reply email (or regular mail for those who do not have an

email address) by stating whether he or she accepts or rejects the Claims Administrator's determination.

25. If the Claimant rejects the offer, the Claims Administrator will have 10 days to reconsider the original determination, make a final determination, and communicate the final determination to the Claimant by email (or regular mail for those who do not have an email address). The Claimant will have 10 days to reply back to the Claims Administrator to accept or reject the final determination.
26. If the Claimant approves the final determination or fails to send a timely response to any communication from the Claims Administrator, then the approved amount will be the amount approved to be paid. If the final determination is timely rejected by the claimant, then the dispute will be resolved in accordance with the procedures set out below.
27. After receipt of the Claimant's rejection of the final determination, the Claims Administrator will provide Class Counsel and Target's Counsel (together "Counsel") with a copy of the Claim Form and documentation submitted by the Claimant, and the communications between the Claims Administrator and the Claimant (the "**Claim File**").
28. Counsel will confer regarding the amount of Substantiated Losses.
29. If Counsel agree that the Claimant is entitled to the amount of Substantiated Losses requested on the Claim Form, their determination will be final. Counsel will inform the Claims Administrator of their determination by email, and the Claims Administrator will provide notice of the decision to the Claimant.
30. If Counsel agree on the amount to which the Claimant is entitled, this decision will be final.
31. If Counsel cannot agree on the amount of Substantiated Losses, they will notify the Claims Administrator by email and the dispute will be submitted to the Court to make final decisions about disputed claims. The Court's decision will be final.

VII. CALCULATION REGARDING PAYMENT TO CLASS MEMBERS

32. The Claims Administrator will calculate the amount payable to Class Members who presented a valid Documentary Supported Claim up to a maximum of \$345,000 for all Class Members.
33. Should the total amount payable to Class Members who presented a valid Documentary Supported Claim exceed the Cap of \$345,000, their claims will be reduced on pro-rata basis.
34. Should the total amount payable to Class Members who presented a valid Documentary Support Claim be equal or less than \$345,000, the balance, if any, will be payable to Class Members having presented a Self-Certification Claim. However, notwithstanding anything to the contrary, Self-Certification Claims will not exceed \$50 per Class Member.
35. The pre-approved claim of Class Representative is excluded from the Cap.

VIII. PAYMENT

36. On or before October 30, 2018, the Claims Administrator will provide Target and Class Counsel with the details of the amounts payable to the Class Members.
37. The Claims Administrator will mail a cheque for the reimbursements of Substantiated Losses or Self-Certification Claims payable to the Class Members.
38. The Claims Administrator will file a final administration report to the Court, in accordance with Section 59 of the *Règlement de la Cour supérieure du Québec en matière civile*, within sixty (60) days from the mailing of the cheques, which will be provided to Target and Class Counsel.

IX. CLAIMS ADMINISTRATOR

39. The Claims Administrator will be responsible for implementing and managing the claims process detailed hereinabove.
40. All written communications from the Class Members to the Claims Administrator should be sent to the following address:

Claims Administrator
Rust Consulting, Inc.
P.O. Box 1044, Station Desjardins
Montréal, QC H5B 1C2

41. Target will be responsible for any and all costs or disbursements or expenses associated with the distribution process, including remuneration of the Claims Administrator and publication of Notices.