If you had a Straight Talk, Net10, Simple Mobile, or Telcel America "Unlimited" Mobile Service Plan, you may be entitled to a <u>cash refund</u> from a class action settlement.

A federal court authorized this notice. This isn't a solicitation from a lawyer and you aren't being sued.

- A settlement has been reached in four class action lawsuits about "unlimited" mobile service plans from Straight Talk, Net10, Simple Mobile, and Telcel America.
- The lawsuits claim that Straight Talk, Net10, Simple Mobile, and Telcel America advertised "unlimited" data plans, but then slowed or cut off data service, or terminated all services, for some customers. The defendants in the case are TracFone Wireless, which owns those four brands, and Wal-Mart. TracFone and Wal-Mart deny all liability and deny that they have violated any laws. The Court hasn't decided whether TracFone or Wal-Mart did anything wrong.
- As a result of the settlement, TracFone has agreed to pay \$40 million to a settlement fund. Eligible consumers will be able to file claims for cash refunds TracFone also has agreed to improve its advertising and customer service as part of the settlement.
- <u>You may be eligible for a cash refund if you file a claim</u>. Further details about whether you qualify and how to file a claim are provided below in this notice.

SUMMARY OF YOUR OPTIONS AND LEGAL RIGHTS IN THIS SETTLEMENT		
FILE A CLAIM	This is the only way for you to get a refund under the settlement. You can file a claim online at <u>www.PrepaidPhoneRefund.com</u> , or you can file a claim by mail using the Claim Form at the end of this notice. The deadline to file a claim is June 19, 2015. See Question 10 below.	
EXCLUDE YOURSELF FROM THE SETTLEMENT	You <u>won't</u> receive a refund from the settlement. This is the only option that allows you to retain your right to bring any other lawsuit against TracFone or Wal-Mart about the claims in this case. The postmark deadline to exclude yourself is May 20, 2015. See Question 17 below.	
DO NOTHING	You <u>won't</u> receive a refund from the settlement. You will be giving up rights to be part of any other lawsuit or to make any other claim against TracFone or Wal-Mart about the claims in this case. See Question 21 below.	
OBJECT TO THE SETTLEMENT	Write to the Court if you don't like the settlement. The postmark deadline to send an objection is May 20, 2015. See Question 19 below.	
ATTEND THE HEARING	Ask to speak in Court about the fairness of the settlement. The deadline to send a notice of intent to appear at the hearing is May 20, 2015. See Question 26 below.	

• Your legal rights are affected whether you act or do not act. Read this notice carefully.

- These rights and options, and the deadlines to exercise them, are explained in this notice.
- The Court in this case still has to decide whether to approve the settlement. Eligible consumers who file claims will get refunds if the Court approves the settlement and after any appeals are resolved. Please be patient.

For more information, read on or visit www.PrepaidPhoneRefund.com

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1. Why is there a notice?

A Court authorized this notice because you have a right to know about the proposed settlement of these class action lawsuits and about all of your options before the Court decides whether to give final approval to the settlement. This notice explains the lawsuits, the settlement, and your legal rights.

The United States District Court for the Northern District of California is overseeing this case. The four class action lawsuits included in the proposed settlement are:

- Hansell v. TracFone Wireless, Inc., et al., Case No. 13-cv-03440
- Gandhi v. TracFone Wireless, Inc., Case No. 13-cv-05296
- Blaqmoor v. TracFone Wireless, Inc., Case No. 13-cv-05295
- Browning v. TracFone Wireless, Inc., et al., Case No. 14-cv-01347

These four lawsuits have been combined, for purposes of the settlement, in a single case called <u>In re TracFone Unlimited</u> <u>Service Plan Litigation</u>, Case No. 13-cv-03440-EMC (N.D. Cal.).

2. What are these lawsuits about?

The lawsuits claim that Straight Talk, Net10, Simple Mobile, and Telcel America advertised "unlimited" data plans, but then slowed or cut off data service, or terminated all services, for some customers. The "Defendants" are TracFone Wireless (which owns those four brands) and Wal-Mart.

The customers who filed the lawsuits are called the "Plaintiffs" or "class representatives." The complaints filed in the lawsuits, which are available at <u>www.PrepaidPhoneRefund.com</u>, contain all of the allegations and claims asserted against the Defendants in each of the lawsuits.

3. How do TracFone and Wal-Mart respond to the allegations?

TracFone and Wal-Mart maintain that they haven't violated any laws and that any throttling, suspension, or termination of data services was done in accordance with the terms of service governing all unlimited service plans. In addition, TracFone and Wal-Mart believe that they have other valid defenses, including waiver, estoppel, and that customers suffered no compensable damages. TracFone and Wal-Mart also assert that the claims in the lawsuits are subject to arbitration, rather than adjudication in a court.

4. Has the Court decided who is right?

No. The Court hasn't decided which of the parties, Plaintiffs or Defendants, is right.

5. Why is this a class action?

In a class action, one or more people, called class representatives, sue on behalf of people who have similar claims. All of the people who have claims similar to the class representatives are members of the "Class," except for those who exclude themselves.

6. Why is there a settlement?

The Court hasn't decided in favor of either Plaintiffs or Defendants. Instead, both sides agreed to the settlement. By agreeing to the settlement, the parties avoid the costs and uncertainty of a trial, and class members receive the benefits described in this notice. The class representatives and the attorneys appointed to represent the class (called "Class Counsel") believe that the settlement is in the best interest of those affected. The settlement in these class action lawsuits is being administered in conjunction with a settlement between TracFone and the Federal Trade Commission regarding similar issues.

WHO IS IN THE SETTLEMENT?

7. Who is included in the settlement?

You are a "Class Member" if you purchased a Straight Talk, Net10, Simple Mobile, or Telcel America wireless service plan with "unlimited" data in the United States, and, at any time between July 24, 2009 and December 31, 2014, at TracFone's request, your data usage was "throttled" (slowed), suspended (cut off), or all of your services were terminated before the expiration of your service plan.

Defendants are excluded from the Class as well as any entity in which either of the Defendants has a controlling interest, along with Defendants' legal representatives, officers, directors, assignees, and successors. Also excluded from the Class is any judge to whom this action is assigned, together with any relative of such judge, and the spouse of any such persons.

If you were a Straight Talk, Net10, Simple Mobile, or Telcel America "unlimited" plan customer but are unsure whether you meet the other eligibility criteria, file a claim and the Settlement Administrator supervising the refund program will use the information you provide on the Claim Form to confirm your eligibility for a refund.

You may contact the Settlement Administrator, at (855) 312-3327, if you have any questions about whether you are a Class Member.

THE SETTLEMENT'S BENEFITS

8. What benefits does the settlement provide?

As part of the settlement, TracFone has agreed to pay \$40 million to a settlement fund. Eligible consumers who file valid claims will get cash refunds. For details about how to claim a cash refund and about how refunds will be calculated, see Questions 9-12 below.

As part of the settlement, TracFone also has agreed to improve its advertising and customer service to make clearer to customers its throttling and related policies and their impact on customers' mobile service. See Question 15 below. The Settlement Agreement, available at <u>www.PrepaidPhoneRefund.com</u>, includes all of the details about the improvements TracFone has agreed to make.

9. How do I get a cash refund?

To get a cash refund, you must file a valid <u>Claim Form</u>. See Question 10 below, for instructions on how to file a Claim Form. Only eligible people will get refunds.

If you were a Straight Talk, Net10, Simple Mobile, or Telcel America "unlimited" plan customer but are unsure whether you meet the other eligibility criteria, file a claim and the Settlement Administrator supervising the refund program will use the information you provide on the Claim Form to confirm your eligibility for a refund.

10. How do I file a Claim Form and what is the deadline?

You have two options for filing a Claim Form:

- <u>Online</u>: You can file a Claim Form online at <u>www.PrepaidPhoneRefund.com</u>
- <u>By mail</u>: You can print and fill out the Claim Form that is attached at the back of this notice, and mail your completed Claim Form (with postage) to: Prepaid Phone Refund, Settlement Administrator, P.O. Box 2011, Chanhassen, MN 55317-2011

You must follow the instructions and provide all of the required information on the Claim Form.

Claim Forms filed online must be filed by June 19, 2015. Claim Forms filed by mail must be postmarked by June 19, 2015. If you fail to file online or postmark a Claim Form by June 19, 2015, your claim will be rejected.

11. What happens after a Claim Form is filed?

The Settlement Administrator supervising the refund program will use company records and the information you provide on your Claim Form to determine your eligibility for a refund and your refund amount. If the Settlement Administrator needs more information, it may contact you directly.

12. How will refund amounts be calculated?

Refund amounts will depend on three things: how many people file valid claims, when you were a customer, and how your service was affected.

The refund amount for each consumer with a valid claim will depend on which "Category" they are in on the below Payment Calculation Chart. The Categories are further explained below. <u>You don't need to choose a Category</u>. The Settlement Administrator will use company records and the information you provide on your Claim Form to determine which Category you are in.

It is expected that valid claimants will receive at least the Minimum Amount listed for their Category in the below Payment Calculation Chart. If the total of all of the payments to valid claimants, as calculated using the Minimum Amounts below,

would not use up all of the money in the settlement fund, the refund amounts will be increased as follows: (a) first, refund amounts for Category 1 valid claims will be increased until they are equal to the refund amounts for Category 2 valid claims; and then: (b) refund amounts for all four Categories will be increased proportionately, on a *pro rata* basis, up to the Maximum Amounts listed in the below Payment Calculation Chart.

If the records show that a valid claim falls within more than one Category, the highest number Category will be used to calculate the refund amount for that claim. For example, if a valid claim is in Category 2 and Category 3, it will be treated as Category 3 for purposes of calculating the refund amount.

Category	Minimum Amount	Maximum Amount
Category 1	\$2.15	\$45.00
Category 2	\$6.50	\$45.00
Category 3	\$10.00	\$45.00
Category 4	\$65.00	\$65.00

Payment Calculation Chart

Explanation of Categories

Generally, Categories 1 and 2 include Class Members whose data service was "throttled" (slowed); Category 3 includes Class Members whose data service was suspended (cut off); and Category 4 includes Class Members who had all of their services terminated.

The difference between Category 1 and Category 2 has to do with whether the customer had their data service "throttled" (slowed) before or after October 27, 2013. That date is based on the approximate timing of disclosure changes that TracFone made about "unlimited" plans.

Category 1

Class Members who bought a Straight Talk, Net10, Simple Mobile, or Telcel America brand wireless service plan with "unlimited" data and whose data services were throttled (slowed) at TracFone's request between October 28, 2013 and December 31, 2014.

Category 2

Class Members who bought a Straight Talk, Net10, Simple Mobile, or Telcel America brand wireless service plan with "unlimited" data and whose data services were throttled (slowed) at TracFone's request between July 24, 2009 and October 27, 2013.

Category 3

Class Members who bought a Straight Talk, Net10, Simple Mobile, or Telcel America brand wireless service plan with "unlimited" data and whose data services were suspended (cut off) at TracFone's request between July 24, 2009 and December 31, 2014.

Category 4

Class Members who purchased a Straight Talk, Net10, Simple Mobile, or Telcel America brand wireless service plan with "unlimited" data and who had all of their services terminated at TracFone's request between July 24, 2009 and December 31, 2014.

You don't need to choose a Category. The Settlement Administrator supervising the refund program will use company records and the information you provide in your Claim Form to determine which Category you are in and to calculate your refund amount. Please note that for Class Members who had Simple Mobile unlimited plans prior to May 2013, TracFone does not have sufficient data to tell whether their service was throttled, suspended, or terminated. Valid claimants in this group will be designated as Category 1 or Category 2, depending on their dates of service.

13. Can I file more than one claim?

Yes. If you had more than one phone number with "unlimited" data from Straight Talk, Net10, Simple Mobile, or Telcel America between July 24, 2009, and December 31, 2014, you can file a separate Claim Form for each phone number you had. (It's easier to file multiple claims online at <u>www.PrepaidPhoneRefund.com</u>).

14. When will I receive a refund payment?

Class members who file valid claims will be sent refund payments if the Court grants final approval to the settlement and after any appeals are resolved. Please be patient.

15. What practice changes are included in the settlement?

As part of the settlement, TracFone has also agreed to improve its advertising and customer service to make clearer to customers its throttling and related policies and their impact on customers' mobile service. These improvements include better disclosures in TracFone's marketing and packaging about TracFone's throttling policies, high-speed data caps, and the impact throttling has on customers' services. They also include improvements to TracFone's customer service operations to ensure that the throttling policies and their impact are more clearly disclosed to customers, and other steps to ensure that customers are better informed about the policies, how they can monitor their data usage, and about their choices. The Settlement Agreement, available at <u>www.PrepaidPhoneRefund.com</u>, includes all of the details about the improvements that TracFone has agreed to make.

16. What am I giving up to stay in the Class?

If you don't exclude yourself from the Class by following the process for excluding yourself explained in Question 17, you may make a claim for a refund, but you cannot sue, continue to sue or be part of any other lawsuit against TracFone or Wal-Mart about the issues in this case. It also means that all of the decisions by the Court will apply to you. The Settlement Agreement, available at <u>www.PrepaidPhoneRefund.com</u>, describes all of the claims you are releasing (giving up) by staying in the Class.

EXCLUDING YOURSELF FROM THE CLASS

If you don't want to make a claim for a refund, and you want to keep the right to sue TracFone or Wal-Mart on your own about the issues in this case, then you must take steps to exclude yourself from the Class. This is sometimes referred to as "opting out" of the Class. If you exclude yourself, you are no longer a Class Member and won't get a refund through this settlement.

17. How do I exclude myself from the Class?

If you don't want to be in the Class, you may exclude yourself by writing to the Settlement Administrator. Your request must include the following:

- Your full name, address and telephone number;
- A statement that you want to be excluded from the settlement in <u>In re TracFone Unlimited Service Plan Litigation</u>; and
- Your signature

You must mail your exclusion request, **postmarked by May 20, 2015**, to: Prepaid Phone Refund, Settlement Administrator, P.O. Box 2011, Chanhassen, MN 55317-2011

18. If I don't exclude myself, can I sue TracFone or Wal-Mart for the same thing later?

No. Unless you exclude yourself, you give up the right to sue TracFone or Wal-Mart about the issues in this case.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you don't agree with the settlement or some part of it.

19. How do I tell the Court if I don't like the settlement?

If you are in the Class and don't exclude yourself, you can object to any part of the settlement, the settlement as a whole, Class Counsel's request for attorneys' fees and expenses, and/or the request for service awards for the class representatives. To object, you must send a letter that includes the following:

- The name of this case, which is <u>In re TracFone Unlimited Service Plan Litigation</u>, No. 13-cv-03440-EMC (N.D. Cal.);
- Your full name, address and telephone number;

- An explanation of the basis upon which you claim to be a Class Member, including: (a) the brand(s) (Straight Talk, Net10, Simple Mobile, or Telcel America) of your mobile service that you believe may have been subject to throttling, suspension, or termination; (b) your mobile telephone number(s) for the brand(s); and (c) the approximate time period when you had that mobile service;
- All grounds for your objection, accompanied by any legal and factual support;
- Whether you are represented by counsel, and if so the identity of such counsel;
- A statement confirming whether you intend to personally appear and/or testify at the Fairness Hearing;
- The identity of any counsel who will appear at the Fairness Hearing on your behalf;
- A list of any witnesses you will call to testify, or any documents or exhibits you will use, at the Fairness Hearing;
- Your signature (an attorney's signature is not sufficient).

To be considered, your objection must be mailed to: Prepaid Phone Refund, Settlement Administrator, P.O. Box 2011, Chanhassen, MN 55317-2011, **postmarked no later than May 20, 2015**.

If you don't send a timely or complete objection, you will waive all objections to the settlement, and won't be allowed to object to the settlement at the Fairness Hearing or otherwise.

20. What's the difference between objecting to the settlement and excluding myself from the Class?

You object to the settlement when you wish to remain a Class Member and be subject to the settlement, but disagree with some aspect of the settlement. An objection allows your views to be heard in Court.

In contrast, excluding yourself from the Class means that you are no longer a Class Member and don't want the settlement to apply to you. Once excluded, you lose any right to receive a refund from the settlement or to object to any aspect of the settlement because the case no longer affects you.

IF YOU DO NOTHING

21. What happens if I do nothing at all?

If you do nothing, don't expect to receive any refund from the settlement. Some limited number of Class Members for whom TracFone has valid address information may be automatically deemed to have filed a claim, but you should <u>not</u> assume that you will get any refund if you don't file a valid Claim Form. The only way to ensure you are eligible for a refund is if you file a valid Claim Form.

If you do nothing, you will be giving up your rights to be part of any other lawsuit or make any other claim against TracFone or Wal-Mart about the issues in this case. The Settlement Agreement, available at <u>www.PrepaidPhoneRefund.com</u>, describes all of the claims you are releasing (giving up) by remaining in the Class.

THE LAWYERS REPRESENTING YOU

22. Do I have a lawyer representing me in this case?

Yes. The Court has appointed lawyers to represent the Class. They are called "Class Counsel." You won't be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense. The lawyers appointed as Class Counsel are:

Michael W. Sobol Lieff Cabraser Heimann & Bernstein, LLP 275 Battery Street, 29th Floor San Francisco, California 94111

John A. Yanchunis, Sr. J. Andrew Meyer Morgan & Morgan Complex Litigation Group 201 N. Franklin Street, 7th Floor Tampa, Florida 33602 Daniel M. Hattis Hattis Law 2300 Geng Road, Suite 200 Palo Alto, California 94303

The Court has also appointed plaintiffs David Hansell, Edward Tooley, Christopher Valdez, Mona Gandhi, Marisha Johnston, Marshall Tietje, Martin Blaqmoor, and John Browning as "class representatives" to represent the Class in this case.

23. How will Class Counsel be paid?

Class Counsel intends to ask the Court to award attorneys' fees of up to \$5 million, plus reimbursement of their out-of-pocket litigation expenses of up to \$100,000.

Class Counsel will also ask the Court to award service of awards of \$2,500 each to the eight class representatives, to compensate them for their commitment and efforts on behalf of the Class in this case.

The Court will determine the amount of attorneys' fees, expenses, and service awards to award. Any attorneys' fees, expenses, and service awards awarded by the Court will be paid by TracFone <u>in addition to</u> (that is, on top of) the \$40 million settlement fund, and <u>won't</u> reduce the refunds to Class Members.

Class Counsel's application for attorneys' fees, expenses, and class representative service awards is available at <u>www.PrepaidPhoneRefund.com</u>.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing (the "Fairness Hearing") to decide whether to approve the settlement and the request for attorneys' fees, expenses and class representative service awards. You may attend and you may ask to speak, but you don't have to.

24. When and where will the Court decide whether to approve the settlement?

The Court will hold the Fairness Hearing at June 23, 2015 at 2:30 PM, at the United States District Court for the Northern District of California, 450 Golden Gate Ave, 17th Floor, Courtroom 5, San Francisco, CA 94102. The hearing may be moved to a different date or time without notice, so check for updates at <u>www.PrepaidPhoneRefund.com</u>. At this hearing, the Court will consider whether the settlement is fair, reasonable and adequate. The Court will also consider Class Counsel's application for attorneys' fees and expenses and for service awards for the class representatives. If there are objections, the Court will consider them at the hearing. After the hearing, the Court will decide whether to approve the settlement. We don't know how long the decision will take.

25. Do I have to attend the hearing?

No. You don't have to attend the Fairness Hearing. Class Counsel will answer any questions the Court may have. If you or your personal attorney would like to attend the Fairness Hearing, you are welcome to do so at your expense. If you send a written objection, you don't have to come to Court to talk about it. As long as you send your written objection on time, to the proper address, and it complies with the requirements set forth above, the Court will consider it.

26. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that you intend to appear and wish to be heard. Your Notice of Intent to Appear must include the following:

- Your full name, address and telephone number;
- A statement that this is your "Notice of Intention to Appear" at the Fairness Hearing for the settlement in <u>In re</u> <u>TracFone Unlimited Service Plan Litigation</u>, Case No. 13-cv-03440-EMC (N.D. Cal.);
- The reasons you want to be heard;
- The name of any counsel who will be appearing on your behalf;
- Copies of any papers, exhibits, or other evidence or information that is to be presented to the Court at the Fairness Hearing; and
- Your signature.

You must mail your Notice of Intention to Appear to: Prepaid Phone Refund, Settlement Administrator, P.O. Box 2011, Chanhassen, MN 55317-2011, **postmarked no later than May 20, 2015.**

GETTING MORE INFORMATION

27. How do I get more information?

This notice summarizes the proposed settlement. You can find more details in the Settlement Agreement. You can get a copy of the Settlement Agreement, read other key case documents, and get more information, at <u>www.PrepaidPhoneRefund.com</u>. You can also call (855) 312-3327 for more information. DO NOT CONTACT THE COURT.