

**IF YOU WERE ENROLLED IN AN AUTOMATICALLY RENEWING OR
CONTINUOUS SERVICE PROGRAM THROUGH CONSUMER REPORTS, INC.,
YOU MAY BE ENTITLED TO MONEY**

NOTICE OF CLASS ACTION SETTLEMENT

McKinney, Koller et al. v. Consumer Reports, Inc.
San Diego County Superior Court
Case No. 37-2020-00046677-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 *McKinney, Koller et al. v. Consumer Reports, Inc.*, Case No. 37-2020-00046677-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.magazineautorenewalsettlement.com.

To receive money under the Settlement, Class Members must submit a timely and valid Claim. The deadline to submit a Claim is September 27, 2021. If you do not submit a Claim by this deadline, you will not receive money under the Settlement and you will be subject to the Release in Section IV, unless you exclude yourself pursuant to Section II.4.

I. What the Litigation Is About

Defendant Consumer Reports, Inc. (“Defendant”) provides consumers with product reviews and other information through *Consumer Reports* magazine, *Consumer Reports On Health*, *Consumer Reports Online*, and *Consumer Reports All Access*. The Lawsuit alleges that Defendant enrolled certain California consumers in automatically renewing or continuous service programs, and posted charges to the consumers’ credit card, debit card, or third party payment accounts, without first presenting the consumers with all of the automatic renewal offer terms in a clear and conspicuous manner as required by law. The Lawsuit alleges that Defendant has violated the California Automatic Renewal Law, Cal. Bus. & Prof. Code § 17600 *et seq.*, and certain other provisions of California consumer protection law. The Lawsuit is brought on behalf of a class defined as follows:

All individuals in California who, between March 2, 2016 and November 5, 2020, (i) enrolled in an automatic renewal or continuous service program through Consumer Reports for *Consumer Reports* magazine, *Consumer Reports On Health*, *Consumer Reports Online*, and/or *Consumer Reports All Access*, and (ii) were charged for an automatic renewal of such subscription. Excluded from the Class are the judicial officers to whom this case is assigned.

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

Although Defendant believes that its practices were in compliance with California law, Defendant chose to settle this case, without admitting liability, to focus time, effort and resources on protecting consumers, and not on additional legal fees and the uncertainty of litigation. The

Court has not decided which party is right. Rather, the parties have agreed to a Settlement to provide certain benefits to eligible Class Members and to resolve the case without any admission of 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 Defendant. Plaintiffs and their counsel believe the Settlement is fair, reasonable, and in the best interests of the Class Members. In entering into the Settlement, Defendant continues to deny any and all allegations of liability, fault, or wrongdoing asserted in the Lawsuit.

On July 23, 2021, 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 Nino Koller and Michelle Brown as Class Representatives, 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, Defendant will pay the principal amount of One Million One Hundred and Fifty Thousand Dollars (\$1,150,000.00) (the “Settlement Amount”). 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 payments that the Court may award to the Class Representatives, the expenses of settlement administration (including class notice), and the settlement payments to the Class Members who submit timely and valid Claims. 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 thirty-five (35) 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 Defendant. If the business records of Defendant 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 Defendant, 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. Submission of Claims; Eligibility for Payment. In order to qualify to receive a payment under the Settlement, Class Members must submit a Claim that is both (i) timely and (ii) validated by the Settlement Administrator. To be timely, the Claim must be submitted to the Settlement Administrator on or before **September 27, 2021** (the “Claim/Exclusion/Objection Deadline”). See Section III.1., on the next page, regarding how to file a Claim. Class Members who submit a timely and valid Claim on or before the Claim/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.

4. Right to Request Exclusion or Object. Any Class Member who does not want to be legally bound by the Settlement can exclude himself or herself on or before the Claim/Exclusion/Objection Deadline, as described below in Section III.3. Any Class Member who wishes to object to the Settlement may do so in writing. Any objection must be filed with the Court and served on Counsel for the settling parties and on the Settlement Administrator no later than the Claim/Exclusion/Objection Deadline, as described below in Section III.4. Any Class Member who does not request to be excluded from the Class may, if so desired, enter an appearance through counsel.

5. Settlement Payments to Participating Class Members. If the Settlement is granted final approval, after deduction of any Court-approved attorneys’ fees, litigation expenses, service payments to the Class Representatives, 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.

6. Service Payments. Class Counsel will file a motion requesting service payments to the Class Representatives not to exceed \$30,000 in the aggregate. Defendant 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 payments awarded by the Court.

7. 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 \$30,000. Defendant 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.

8. 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 four options under the Settlement. If you are a Class Member, you may: (1) file a Claim, which if submitted timely and validated by the Settlement Administrator, will qualify you as a Participating Class Member entitled to receive a monetary payment following final court approval; (2) do nothing, in which case you will not be a Participating Class Member and you will not qualify to receive a monetary payment, but you will be bound by the release in the Settlement Agreement; (3) exclude yourself from the Settlement; or (4) object to the Settlement. The following paragraphs explain these options in more detail.

1. File a Claim. To potentially qualify for a monetary payment from the Settlement, potential Class Members must file a Claim.

(a) Class Members whose name, address, and/or email information is reflected in the business records produced by Defendant are being sent a Court-approved Summary Class Notice via email or mail, which includes a hyperlink to the Settlement Website or other information

which enables those Class Members to submit a Claim electronically via the Settlement Website. The deadline for submitting a Claim is September 27, 2021. If you miss this deadline, you will not receive any money under the Settlement, but you will be bound by the other terms of the Settlement if you do not request exclusion from the Settlement.

(b) Potential Class Members who do not receive a Summary Class Notice via email or mail may print a Claim Form from the Settlement Website or request a Claim Form from the Settlement Administrator. A printed Claim Form must be completed, dated by the Claimant, signed by the Claimant, and returned to the Settlement Administrator via U.S. Mail, personal delivery, or email. Upon receipt of a Claim Form, the Settlement Administrator will verify whether the Claimant is a member of the Class by comparing the information provided on Claim Form against the records of Defendant. The deadline for submitting a Claim is September 27, 2021. If you miss this deadline, you will not receive any money under the Settlement, but you will be bound by the other terms of the Settlement if you do not request exclusion from the Settlement. If you submit a Claim that is timely and that is validated by the Settlement Administrator, you will be a Participating Class Member and, if the Settlement is given final court approval, you will be entitled to receive a settlement payment in accordance with the terms of the Settlement.

2. Do Nothing. If you do nothing, you will not be a Participating Class Member and you will not qualify to receive a monetary payment, but you will be bound by the release in the Settlement Agreement.

3. 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 *McKinney, Koller et al. v. Consumer Reports, Inc.* 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 **September 27, 2021.** 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. A request to be excluded that does not include all of the required information, or that is sent to an address other than the address designated for exclusion requests, or that is not postmarked within the time specified, shall be invalid, and the person serving such an invalid request shall be bound by this Agreement, if approved. 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: McKinney v. Consumer Reports, Inc. Settlement Administrator, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606; email: magazineautorenewalsettlement@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. **You may not submit both a Claim Form and a letter requesting to be excluded from this Settlement.**

4. To Object to the Settlement. Any Class Member who wishes to object to the Settlement must do so in writing. Any written objection must be filed with the Court and served on Class Counsel, Defendant's counsel, and the Settlement Administrator, no later than **September 27, 2021.** A written objection must set forth the name of the lawsuit (*McKinney, Koller et al. v. Consumer Reports, Inc.*, Case No. 37-2020-00046677-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, between March 2, 2016 and November 5, 2020, I enrolled in an automatic renewal or continuous service program through Consumer Reports for *Consumer Reports magazine*, *Consumer Reports On Health*, *Consumer Reports Online*, and/or *Consumer Reports All Access*, and was charged for an automatic renewal of such subscription, and I wish to object to the Settlement.” The written objection must also state the factual and legal basis for the objection, the magazine or publication to which he or she was a subscriber, the name and contact information of any and all attorneys representing, advising, or in any way assisting the objector in connection with the preparation of the submission of the objection or who may profit from the objection, and a statement indicating whether the objector intends to appear at the final approval hearing. Any documents that the objecting class member wishes for the Court to consider must also be attached to the objection. Class Counsel and Defendant 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 McKinney, Koller v. Consumer Reports, Inc. Settlement Administrator, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606; (2) to counsel for Defendant, Bety Javidzad, Dentons US LLP, 601 S. Figueroa Street, Suite 2500, Los Angeles, CA 90017; and (3) to Class Counsel, Zach P. Dostart, Dostart Hannink & Coveney LLP, 4180 La Jolla Village Drive, Suite 530, La Jolla, CA 92037. If you intend to object to the Settlement but also wish to receive your share of the Settlement if it is approved by the Court, you must also submit a timely and valid Claim Form as explained above.

IV. Release of Claims by Class Members

If the Settlement is approved by the Court and becomes effective, and provided that Defendant has paid the Settlement Amount in full, all Class Members who do not exclude themselves from the Settlement, on behalf of themselves, and each of their respective 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 (as defined below). For purposes of this paragraph, “Released Parties” means Defendant and any of its past, present, and future parents, subsidiaries, or affiliates, and any of its past, present, and future officers, directors, managers, employees, agents, consultants, independent contractors, licensors, licensees, 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, whether in law or equity, including but not limited to injunctive relief, actual damages, nominal damages, statutory damages, punitive damages, exemplary or multiplied damages, restitution, disgorgement, expenses, attorneys’ fees and costs, and/or any other form of consideration whatsoever, for any and all claims by the Class Members that have been pled in the action, or that could have been pled in the action, that in any way relate to or arise from Consumer Reports’ automatic renewal and/or continuous service programs from March 2, 2016 to date of entry of Judgment, including but not limited to any of the facts, transactions, disclosures, statements, or representations related thereto.

V. Final Approval Hearing

The Court will hold a hearing on November 5, 2021 at 10:30 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 class representative service payments. The Court is located at 330 West Broadway, Department 68, San Diego, CA 92101. Due to Court procedures implemented in response to Covid-19, the hearing may be conducted remotely via CourtCall. 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

McKinney, Koller v. Consumer Reports, Inc.

Settlement Administrator

c/o CPT Group, Inc.

50 Corporate Park

Irvine, CA 92606

Tel: 1-888-975-2280

Email:

magazineautorenewalsettlement@cptgroup.com

Class Counsel

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4180 La Jolla Village Dr., Ste. 530

La Jolla, CA 92037

Tel: (858) 623-4265

Email: cklobucar@sdlaw.com