

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

The Parties hereto, by and through their respective counsel, in consideration for and subject to the promises, terms, releases, and conditions contained in this Class Action Settlement Agreement and Release, hereby agree, subject to Court approval pursuant to Code of Civil Procedure section 382, and California Rules of Court, rule 3.769, as follows:

RECITALS

WHEREAS, On March 3, 2023, Heather Villegas filed the operative Complaint which initiated this putative class action lawsuit against Cricut, Inc. in the Superior Court of California, County of San Diego, Case No. 37-2023-00009047-CU-FR-CTL;

WHEREAS, the Complaint asserts causes of action for: (1) violation of California's Unfair Competition Law, Bus. & Prof. Code §§ 17200, *et seq.*, based upon, among other things, violations of California's Automatic Renewal Law, Bus. & Prof. Code §§ 17600, *et seq.*; (2) conversion; (3) violation of California's False Advertising Law, Bus. & Prof. Code §§ 17500, *et seq.*; (4) violation of California's Consumers Legal Remedies Act, Civ. Code §§ 1750, *et seq.*; (5) unjust enrichment/restitution; (6) negligent misrepresentation; and (7) fraud;

WHEREAS, Cricut has vigorously denied and continues to deny all of the allegations in the Complaint, denies any wrongdoing and denies any liability to Plaintiff or any Settlement Class Members;

WHEREAS, Class Counsel has conducted a study and investigation of the law and facts relating to the claims that were asserted and that could have been asserted in the Complaint, as well as a study and investigation of the scope of the Settlement Class. Class Counsel has determined that, if the claims asserted in the Complaint are not settled now by voluntary agreement

among the Parties, future proceedings (including potential appeals) would be protracted and expensive, would involve highly complex legal and factual issues relating to liability and damages, and would involve substantial uncertainties, delays, and other risks inherent in litigation, including the risk that class certification would not be granted and that the claims fail on the merits. In light of these factors, Class Counsel has concluded that it is desirable and in the best interests of Plaintiff and the Settlement Class Members to settle the claims asserted in the Complaint at this time;

WHEREAS, Class Counsel has concluded that the Settlement is fair, reasonable, adequate, and in the best interests of Settlement Class Members;

WHEREAS, Cricut has also considered the risks and potential costs of continued litigation, on the one hand, and the benefits of the proposed settlement, on the other hand, and it desires to settle the Action upon the terms and conditions set forth in this Settlement Agreement, including the releases provided to it in exchange for entering into this Settlement Agreement;

WHEREAS, this Settlement Agreement was reached as a result of extensive arm's-length negotiations between Class Counsel and Defense Counsel, including mediation before the Honorable Richard Kramer (ret.), currently affiliated with JAMS, which occurred on October 25, 2023; and

WHEREAS, solely for the purpose of effecting the compromise and settlement of those claims on a California class basis as set forth herein and not for any other purpose, Cricut agrees not to oppose class action treatment of the claims alleged in the Action;

NOW THEREFORE, subject to and conditioned on the approval of the Court, it is hereby stipulated and agreed, by and between the Parties, through their respective counsel, that the Action be fully and finally compromised, settled, resolved, and released on the terms provided herein.

DEFINITIONS

Except as otherwise defined or modified herein, the following terms shall have the following meanings:

1. “Action” means the putative class action lawsuit filed by Plaintiff against Cricut in the Superior Court of California, County of San Diego, Case No. 37-2023-00009047-CU-FR-CTL.
2. “Claims Deadline” means the date that is 45 calendar days after the Notice Date.
3. “Claim Form” means the document substantially in the form attached hereto as **Exhibit A**, which may be modified by agreement between the Parties to meet the requirements of the Settlement Administrator, pursuant to which eligible Settlement Class Members can elect to recover the benefits described in Paragraphs 33 through 42 of this Settlement Agreement.
4. “Class Counsel” means the law firm Bursor & Fisher, P.A.
5. “Class Settlement Fund” means a cash settlement fund of \$625,000, to be funded by Cricut. Upon the Effective Date, the Class Settlement Fund will be non-reversionary.
6. “Complaint” means the operative complaint in the Action.
7. “Court” means the Superior Court of California, County of San Diego.
8. “Cricut” means Cricut, Inc.
9. “Cricut Subscriptions” means the subscription plans for the products and services made available by Cricut that are subject to an auto-renewal program.
10. “Defense Counsel” means the law firm Paul Hastings LLP.

11. “Effective Date” means the date that is 14 calendar days after (a) the Final Order and Judgment has been entered, is no longer subject to reconsideration, appeal, petition, writ, or other form of judicial review, and remains in effect, and (b) orders determining the award of attorneys’ fees and expenses to Class Counsel and of a stipend to Plaintiff have been entered and are no longer subject to reconsideration, appeal, petition, writ, or other form of judicial review, without regard to whether such orders approve, deny, or modify Class Counsel and/or Plaintiff’s requested awards.

12. “Event of Termination” means any of the following:

(a) Mutual written agreement of the Parties to terminate the Settlement Agreement prior to the Effective Date;

(b) The Court denying either the motion to enter the Preliminary Approval Order or the motion to enter the Final Order and Judgment, either with prejudice or in such a way that constitutes a material modification of the terms or conditions of the Settlement embodied in the Settlement Agreement, other than terms pertaining to attorneys’ fees, costs, expenses, and/or stipend payments (material modifications include but are not limited to material modifications to the definitions of the Settlement Class, Settlement Class Members, Releasing Parties, Released Parties, or Released Claims, material changes to the Notice Plan, and/or any material modifications to the terms of the Settlement consideration described in Paragraphs 33 through 42);

(c) Any reviewing court reversing the Preliminary Approval Order or the Final Order and Judgment; or

(d) The Court entering an order, on a preliminary or final basis, that materially modifies the terms or conditions of the Settlement embodied in this Settlement Agreement, other than terms pertaining to attorneys' fees, costs, expenses, and/or stipend payments (material modifications include but are not limited to material modifications to the definitions of the Settlement Class, Settlement Class Members, Releasing Parties, Released Parties, or Released Claims, material changes to the Notice Plan, and/or any material modifications to the terms of the Settlement consideration described in Paragraphs 33 through 42).

13. "Final Fairness Hearing" means the hearing that is to take place for purposes of:

(a) Entering the Final Order and Judgment; and

(b) Ruling on an application by Class Counsel and/or Plaintiff for an award of attorneys' fees and expenses and/or Plaintiff's stipend.

14. "Final Order and Judgment" means an order fully and finally approving the Settlement.

15. "Long Form Notice" means the long form notice of settlement, substantially in the form attached hereto as **Exhibit C**.

16. "Notice Date" means the date that is 45 calendar days after the date of entry of the Preliminary Approval Order.

17. "Notice Plan" means the procedures, described in Paragraphs 46 through 51 of this Settlement Agreement, for notifying Persons falling within the definition of the Settlement Class of the terms of the Settlement.

18. “Parties” means Cricut and Plaintiff.

19. “Person” means any legal entity, including but not limited to a natural person, corporation, organization, partnership, or other legal entity.

20. “Plaintiff” means Heather Villegas.

21. “Preliminary Approval Order” means an order approving the Settlement on a preliminary basis.

22. “Released Claims” means any and all claims, demands, rights, damages, obligations, suits, liens, requests for any type of relief (legal, equitable, or seeking attorneys’ fees or costs), and causes of action of every nature and description whatsoever, ascertained or unascertained, suspected or unsuspected, accrued or unaccrued, existing or claimed to exist, including unknown claims (as described in Paragraph 44 below), as of the Effective Date, that arise out of or are reasonably related in any way to any or all of the acts, omissions, facts, matters, transactions, or occurrences that were directly or indirectly alleged or referred to in the Action (including, but not limited to, alleged violations of any and all federal, state, commonwealth, district, or territorial consumer protection, deceptive or unfair competition or business practices, and/or false or deceptive advertising statutes; breach of contract; breach of express or implied warranty; fraud; negligent misrepresentation; concealment, omission, unjust enrichment, restitution, trespass, conversion, declaratory or injunctive relief, and other equitable claims, common law claims, or otherwise).

23. “Released Parties” means Cricut, and all of each of its parents, subsidiaries, divisions, affiliates, predecessors, heirs, executors, administrators, representatives, agents, attorneys, partners, assigns, employees, officers, directors, and successors.

24. “Releasing Parties” means all Settlement Class Members, and all of each of their respective parents, subsidiaries, divisions, affiliates, predecessors, heirs, executors, administrators, representatives, agents, attorneys, partners, assigns, employees, officers, directors, and successors.

25. “Settlement” means the settlement embodied in this Settlement Agreement.

26. “Settlement Administrator” means the qualified third party selected and retained by the Plaintiff, subject to approval by Cricut (not to be unreasonably withheld), and approved by the Court in the Preliminary Approval Order to administer the Settlement, including the Notice Plan.

27. “Settlement Agreement” means this Class Action Settlement Agreement and Release.

28. “Settlement Class” means all California residents, from January 1, 2018, through the date of the Preliminary Approval Order, who incurred renewal fee(s) in connection with Cricut’s offerings for paid Cricut Subscriptions. For the avoidance of doubt, to fall within the definition of Settlement Class, a Person must have purchased a Cricut Subscription, incurred renewal fee(s) on such Cricut Subscription between January 1, 2018, and the date of the Preliminary Approval, and been a California resident when the Person incurred such renewal fee(s).

29. “Settlement Class Member(s)” means any Person falling within the definition of the Settlement Class, including Plaintiff, who does not validly request exclusion or opt out from the Settlement.

30. “Settlement Website” means the internet website to be designed and administered by the Settlement Administrator that will contain the settlement documents (including but not limited to the Long Form Notice and the Claim Form), a list of important dates, and any other customary information to which the Parties may later agree.

31. “Summary Notice” means the summary notice, substantially in the form attached hereto as **Exhibit B**.

SUBMISSION OF THE SETTLEMENT TO THE COURT AND STAY

32. The Parties agree to stay all trial court litigation proceedings upon the signing of this Settlement Agreement except to carry out or enforce the terms and conditions of this Settlement Agreement, which stay shall be terminated upon an Event of Termination.

THE SETTLEMENT CONSIDERATION

33. In exchange for the Releases reflected in Paragraphs 43 through 45, Cricut agrees to providing the following settlement consideration.

A. Benefits for Class Members

34. Settlement Class Members who timely submit valid Claim Forms, as determined by the Settlement Administrator, shall be entitled to receive their *pro rata* share, in cash, of the Class Settlement Fund, based on the total number of valid claimants. The benefit for each

Settlement Class Member who submits a timely Claim Form shall be determined according to the following formula:

$$\frac{(\$625,000 - \text{stipend approved by the Court to be paid to Plaintiff})}{\text{Total number of valid, timely Claim Forms submitted}}$$

B. Practice Changes

35. Within 60 days of the Effective Date, Cricut shall send written notice to all California consumers of Cricut Subscriptions via e-mail, if available, with a link to updated terms and services, which shall include all information required by California's Automatic Renewal Law, Bus. & Prof. Code §§ 17600, *et seq.* Cricut shall provide written certification that such notice was sent to Class Counsel.

C. Attorneys' Fees-and-Expenses Award

36. Class Counsel may petition the Court for an award of attorneys' fees, costs, and expenses in connection with this Action, up to a maximum amount of \$220,000. Cricut shall not oppose, and shall not encourage or assist a third party in opposing, Class Counsel's request for reasonable attorneys' fees, costs, and expenses in connection with this Action, up to a maximum of \$220,000, and Class Counsel shall not seek an award of attorneys' fees, costs, and expenses in excess of \$220,000. Subject to Court approval and any subsequent judicial review, Cricut shall pay Class Counsel the amount of attorneys' fees, costs, and expenses as determined by the Court, separate and apart from the Class Settlement Fund, by wire to an account designated by Class Counsel no later than 30 days after the Effective Date. Such approved payment shall be in lieu of any statutory fees, costs, or expenses that Class Counsel might otherwise have been entitled to recover, and this amount shall constitute all fees, costs, and expenses owed by Cricut to Class Counsel in connection with the Action.

37. Class Counsel must file their applications for attorneys' fees no later than 15 calendar days before the deadline for the filing of written objections to the Settlement Agreement.

D. Class Representative Stipend

38. Class Counsel and/or Plaintiff may petition the Court to order the Settlement Administrator to pay a stipend from the Class Settlement Fund to Plaintiff, up to a maximum amount of \$5,000, in connection with this Action. Cricut shall not oppose, and shall not encourage or assist a third party in opposing, Class Counsel's and/or Plaintiff's request for Plaintiff to receive a stipend in connection with this Action, up to a maximum of \$5,000, and Class Counsel and/or Plaintiff shall not seek a stipend for Plaintiff in excess of \$5,000. Subject to Court approval and any subsequent judicial review, the Settlement Administrator shall pay Plaintiff the amount of stipend as determined by the Court from the Class Settlement Fund, by wire to an account designated by Class Counsel and/or Plaintiff no later than 30 days after the Effective Date.

39. Class Counsel and/or Plaintiff must file the application for Plaintiff's stipend no later than 15 calendar days before the deadline for the filing of written objections to such application.

40. Plaintiff and Class Counsel each agree that upon Cricut's compliance with the terms and conditions of this Settlement Agreement, Cricut shall forever and finally have satisfied all of its obligations to each of Plaintiff and Class Counsel concerning payment of attorneys' fees, costs, expenses, and stipends in the Action, and shall forever and finally be absolved, released and discharged of any liability whatsoever to each of Plaintiff and Class Counsel concerning attorneys' fees, costs, expenses, and stipends in the Action. It is further agreed that under no circumstances shall Plaintiff or Class Counsel sue Cricut, for, because of, relating to, concerning, or as a result

of any payment or allocation of attorneys' fees, costs, expenses, or stipends made in accordance with this Settlement Agreement.

E. Settlement Administrator Reimbursement

41. Cricut shall reimburse the Settlement Administrator for the reasonable costs, fees, and expenses of administering the Settlement as described herein and as approved by the Court, up to a total amount of \$50,000. In no event shall Cricut be obligated to the Settlement Administrator in any form for any costs, fees, or expenses in excess of \$50,000.

F. Total Economic Consideration

42. In no event shall Cricut's total economic obligations under this Settlement Agreement exceed \$895,000, which reflects the Class Settlement Fund (\$625,000) plus the maximum amount of attorneys' fees (\$220,000) and the maximum amount of cost reimbursement to the Settlement Administrator (\$50,000).

RELEASES

43. Upon the Effective Date, the Releasing Parties shall be deemed to have, and by operation of the Final Order and Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Parties.

44. As defined above, and in no way limiting the definition of Released Claims, the Released Claims include known and unknown claims relating to the Action, and this Settlement Agreement is expressly intended to cover and include all such Released Claims, including all rights of action thereunder. The Releasing Parties hereby expressly, knowingly, and voluntarily waive the provisions of section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The Releasing Parties expressly waive and relinquish any and all rights and benefits that they may have under, or that may be conferred upon them by, the provisions of section 1542 of the California Civil Code, or any other law of any state or territory that is similar, comparable, or equivalent to section 1542, to the fullest extent that they may lawfully waive such rights or benefits pertaining to the Released Claims. In connection with such waiver and relinquishment, the Releasing Parties hereby acknowledge that they are aware that they or their attorneys may hereafter discover claims or facts in addition to or different from those that they now know or believe exist with respect to the Released Claims, but that it is their intention to hereby fully, finally, and forever settle and release all of the Released Claims known or unknown, suspected or unsuspected, that they have against the Released Parties. In furtherance of such intention, the release herein given by the Releasing Parties to the Released Parties shall be and remain in effect as a full and complete general release notwithstanding the discovery or existence of any such additional different claims or facts. Plaintiff acknowledges, and all other Releasing Parties shall be deemed by operation of the Final Order and Judgment to have acknowledged, that the foregoing waiver was bargained for and material consideration for the Settlement of which this release is a part.

45. Upon the Effective Date, the Releasing Parties shall be permanently barred and enjoined from initiating, asserting, or prosecuting any and all Released Claims against the Released Parties in any judicial, administrative, arbitral, or other forum.

NOTICE PLAN AND SETTLEMENT ADMINISTRATOR RESPONSIBILITIES

46. Within 30 days of the issuance of the Preliminary Approval Order, Cricut shall provide the Settlement Administrator with the name, email address, and last address of record for each Person who falls within the definition of the Settlement Class.

47. The Settlement Administrator shall have the obligation to provide notice to Persons falling within the definition of the Settlement Class as follows. Prior to emailing the Summary Notice, the Settlement Administrator shall update the name and address list by use of the National Change of Address Registry. After updating the name and address list, the Settlement Administrator shall email each Person falling within the definition of the Settlement Class with the Summary Notice by the Notice Date. Within 3 calendar days of the Notice Date, the Settlement Administrator shall mail a postcard with the Summary Notice to the applicable billing address for any email notice returned as undeliverable or for any Person falling within the definition of the Settlement Class for whom Cricut does not possess an email address on file. The Summary Notice shall include a unique ID number assigned to the Person receiving it.

48. By no later than the Notice Date, the Settlement Administrator shall establish the Settlement Website, where Class Members can obtain further information about the Settlement. The Settlement Website shall be optimized for display on mobile devices. The Settlement Website shall be maintained by the Settlement Administrator until the administration of payments to eligible Settlement Class Members is completed. The Settlement Website shall include, and make available for download, the Long Form Notice. The Settlement Website shall also include a printable and downloadable hard-copy Claim Form that can be submitted electronically via the Settlement Website or by mail, and downloadable copies of: the Settlement Agreement, the Complaint, the Preliminary Approval Order, and, after it is filed, Class Counsel and/or Plaintiff's

applications for attorneys' fees, costs, and expenses, and Plaintiff's stipend, and any other pleadings or case documents that the Parties mutually agree should be included or as directed by the Court.

49. The Parties agree that the Notice Plan contemplated by this Settlement Agreement is valid and effective, that it provides reasonable notice to the Settlement Class, and satisfies the requirements of due process.

50. The Settlement Administrator shall treat any and all documents, communications, and other information and materials received in connection with the administration of the Settlement as confidential and shall not disclose any or all such documents, communications, or other information to any Person except as provided for in this Settlement Agreement or by court order. The Settlement Administrator shall store all such information in an encrypted database.

51. No later than 14 days before the Final Fairness Hearing, Class Counsel shall file a declaration from the Settlement Administrator with the Court confirming its implementation of the Notice Plan set forth in this Settlement Agreement and describing the total number of Persons falling within the definition of the Settlement Class that validly opted-out of the Settlement.

CLAIM FORM SUBMISSION AND VALIDATION

52. To obtain a cash payment under the Settlement, a Settlement Class Member must submit a valid Claim Form electronically through the Settlement Website or by mail (with details regarding submission contained on the Claim Form) by the Claims Deadline attesting to, among other things, their California residency at the time of renewal of their Cricut Subscription, and providing a valid California postal address where the check may be mailed. For purposes of avoiding fraud, the Settlement Class Member also must include on their completed Claim Form

the unique ID number assigned to them on their copy of the Summary Notice. Each unique ID number may only be used once to submit a Claim Form. The Claim Form shall be signed under penalty of perjury. Claim Forms shall be made available on the Settlement Website. Any Person falling within the definition of the Settlement Class who fails to file a valid Claim Form by the Claims Deadline shall not be entitled to receive any cash payments pursuant to this Settlement Agreement.

53. The Settlement Administrator shall be who determines whether a Claim Form validly fulfills the requirements of this Settlement Agreement. In reviewing a Claim Form for validity, the Settlement Administrator may contact a Settlement Class Member to obtain additional information or supporting documentation if the Claim Form is incomplete. Claim Forms that in the view of the Settlement Administrator do not meet the requirements set forth in this Settlement Agreement and in the Claim Form instructions shall be rejected. The Settlement Administrator shall use all reasonable efforts and means to identify and reject duplicate and/or fraudulent claims. A non-exhaustive list of reasons the Settlement Administrator may reject a Claim Form includes, but is not limited to, the following:

- (a) The Settlement Class Member seeks payment for subscription renewal fees that are not covered by the terms of the Settlement;
- (b) Failure to fully complete and/or sign the Claim Form;
- (c) An illegible Claim Form;
- (d) Failure to provide adequate declaration of California residency;
- (e) The Claim Form is fraudulent;

- (f) The Claim Form is duplicative of another Claim Form;
- (g) The Person submitting the Claim Form does not fall within the definition of the Settlement Class;
- (h) Failure to submit a Claim Form by the Claims Deadline;
- (i) Failure to include a unique ID number or by including a unique ID number that has already been submitted; and/or
- (j) The Claim Form otherwise does not meet the requirements of this Settlement Agreement.

54. Claim Forms that do not meet the requirements set forth in this Settlement Agreement and the Claim Form instructions shall be rejected by the Settlement Administrator. The Settlement Administrator shall notify the Settlement Class Member through the email address provided in the Claim Form of the rejection. The Settlement Administrator shall keep a record of all such correspondence and all such rejections.

55. No Person shall have any claim against Cricut, Defense Counsel, Plaintiff, Settlement Class Members, the Class Settlement Fund, Class Counsel, and/or the Settlement Administrator based on any eligibility determinations or distributions made in accordance with this Settlement Agreement.

PAYMENTS

56. Cricut shall remit the Class Settlement Fund to the Settlement Administrator to be distributed pursuant to the Settlement Agreement within 15 calendar days after the Effective Date. The Settlement Administrator shall distribute such funds to Settlement Class Members in

accordance with the terms of this Settlement Agreement within 15 calendar days after receiving the full Class Settlement Fund. To the extent that any payments to Settlement Class Members have not been cashed within 90 calendar days of their mailing, the Settlement Administrator shall cancel those payments and the outstanding amount shall be provided to the The Legal Aid Society of San Diego.

57. If the Effective Date does not occur, no payments or distributions of any kind shall be made pursuant to this Settlement Agreement, whether to a Settlement Class Member, Class Counsel, Plaintiff, or otherwise.

58. The Released Parties are not and shall not be obligated to compute, estimate, or pay any taxes on behalf of any Plaintiff, Person falling within the definition of the Settlement Class, Class Counsel, and/or the Settlement Administrator. Class Counsel is not and shall not be obligated to compute, estimate, or pay any taxes on behalf of any Plaintiff, Person falling within the definition of the Settlement Class, and/or the Settlement Administrator.

OBJECTION AND OPT-OUT PROCEDURES

59. Any Settlement Class Member who intends to object to the Settlement or Class Counsel's and/or Plaintiff's applications for fees and expenses or stipend must object in writing. All written objections and supporting papers must (a) clearly identify the case name and number (*Villegas v. Cricut, Inc.*, Case No. 37-2023-00009047-CU-FR-CTL), (b) be submitted to the Settlement Administrator by fax, email, or mail no later than the Claims Deadline, and (c) be filed with the Court no later than the Claims Deadline. Settlement Class Members who object must set forth their full name, current address, and telephone number. Settlement Class Members must also state in writing all objections and the reasons for each objection, and state whether they intend to

appear at the Final Fairness Hearing either with or without separate counsel. If the objector intends to call any witnesses or offer any exhibits at the Final Fairness Hearing, the objector must list any such witnesses and exhibits in their written objection. Written objections must be signed by the objecting Person or their counsel. Any Settlement Class Member who fails to object in the manner specified above shall be deemed to have waived all objections. Plaintiff shall not object to the Settlement.

60. Settlement Class Members may appear at the Final Fairness Hearing, either in person or through their own attorney. If a Settlement Class Member appears through their own attorney, the Settlement Class Member is responsible for paying that attorney. Settlement Class Members who wish to object need not be physically present at the Final Fairness Hearing, however, in order to have their objections considered. Absent Court approval, Settlement Class Members shall not be entitled to be heard at the Final Fairness Hearing unless written notice of the intention to appear at the Final Fairness Hearing and copies of any written objections and/or briefs are filed with Court and received by the Settlement Administrator on or before the Claims Deadline, and the written objection complies with the requirements herein.

61. With the exception of the Plaintiff, Persons who fall within the definition of the Settlement Class may elect to opt out of the Settlement, relinquishing their rights to benefits hereunder. Persons satisfying the definition of the Settlement Class who opt out of the Settlement do not release their claims pursuant to this Settlement Agreement. Plaintiff shall not opt out of the Settlement. Persons who fall within the definition of the Settlement Class wishing to opt out of the Settlement must send to the Settlement Administrator by fax, mail, or email a letter including their name, address, and telephone number and providing a clear statement communicating that they elect to be excluded from the Settlement, do not wish to be a Settlement Class Member, and

elect to be excluded from any judgment entered pursuant to the Settlement. The request for exclusion must be personally signed by such Person. No such Person may opt out by having a request for exclusion submitted by an actual or purported agent or attorney acting on behalf of such Person. No request for exclusion may be made on behalf of a group of Persons. Any request for exclusion or opt out must be received by the Settlement Administrator before the Claims Deadline. Persons satisfying the definition of the Settlement Class who fail to submit a valid and timely request for exclusion on or before the Claims Deadline shall be bound by all terms of the Final Order and Judgment, regardless of whether they have requested exclusion from the Settlement in some other form or whether they have timely submitted a valid Claim Form.

62. Any Person satisfying the definition of the Settlement Class who submits a timely request for exclusion or opt out may not file an objection to the Settlement or Class Counsel and/or Plaintiff's applications for fees, costs, and expenses, or Plaintiff's stipend, may not appear at the Final Fairness Hearing, and shall be deemed to have waived any rights or benefits under the Settlement.

63. The Settlement Administrator shall provide to Class Counsel and Defense Counsel weekly reports regarding the number of Claim Forms received and the number of requests for exclusion received, and forward all objections received. Not later than 7 calendar days after the Claims Deadline, the Settlement Administrator shall provide to Class Counsel and Defense Counsel a complete exclusion list together with copies of the exclusion requests. If the Settlement Administrator receives any requests for exclusion after the Claims Deadline, the Settlement Administrator shall promptly provide Class Counsel and Defense Counsel with copies thereof.

FINAL FAIRNESS HEARING

64. On the date set forth in the Preliminary Approval Order, a Final Fairness Hearing shall be conducted to determine final approval of the Settlement. Upon final approval of the Settlement by the Court at or after the Final Fairness Hearing, the Parties shall present the Final Order and Judgment to the Court for approval and entry. Subject to the Court's schedule, such Final Fairness Hearing shall be held within 45 calendar days after the Claims Deadline, or as soon thereafter as is convenient for and permitted by the Court. Class Counsel shall file with the Court a motion for Final Order and Judgment within 30 calendar days following the Notice Date. By no later than 14 calendar days prior to the Final Fairness Hearing, the Parties shall file any responses to any objections and any replies in support of the motion for Final Judgment and Order and/or any applications for attorneys' fees, costs, and expenses, and/or Plaintiff's stipend.

CERTIFICATION OF SETTLEMENT CLASS

65. For purposes of settlement only, the Parties and their counsel consent to the Court entering the Preliminary Approval Order granting provisional certification of the Settlement Class (subject to ratification in the Final Order and Judgment), and appointing Plaintiff as the representative of the Settlement Class and Class Counsel as counsel for the Settlement Class. Cricut does not consent to certification of the Settlement Class for any purpose other than to effectuate the Settlement. No agreements made by or entered into by Cricut in connection with the Settlement may be used by Plaintiff, Persons satisfying the definition of the Settlement Class, or any other Person to establish any fact, claim, or theory, including but not limited to any of the elements of class certification in any litigated proceedings, whether in the Action or any other judicial proceeding.

TERMINATION

66. If an Event of Termination occurs, this Settlement Agreement shall terminate upon written notice to the Court signed by Class Counsel or Cricut or Defense Counsel and the Action and the Parties shall return to the status quo ante as it existed on the date this Settlement Agreement was signed with no admission of any fact or liability, and no prejudice to any respective position or argument. In addition, the order certifying the Settlement Class for purposes of effectuating this Settlement Agreement shall be deemed null and void as if it never existed.

SETTLEMENT NOT EVIDENCE AGAINST PARTIES; NO ADMISSIONS OF LAW OR FACT

67. The provisions contained in this Settlement Agreement are not and shall not be deemed a presumption, concession, or admission by Cricut of any fact, default, theory, liability, or wrongdoing as to any claims alleged or asserted or that could have been alleged or asserted in the Action, or in any actions or proceedings, nor shall they be interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any Person in the Action, or in any other action or proceeding, whether civil, criminal, or administrative. Cricut does not admit that it or any of the Released Parties has or have engaged in any illegal or wrongful activity or that any Person has sustained any damage by reason of any of the facts complained of in the Complaint. Cricut affirmatively denies liability and does not admit any facts by entering into this Settlement Agreement.

BEST EFFORTS

68. Class Counsel shall take all necessary actions to accomplish approval of the Settlement. The Parties and their counsel agree to cooperate fully with one another and to use their best efforts to effectuate the Settlement, including without limitation in seeking preliminary and

final Court approval of the Settlement embodied herein and carrying out the terms of this Settlement Agreement. Any requests for cooperation shall be narrowly tailored and reasonably necessary for the requesting Party to recommend the Settlement to the Court, and to carry out its terms.

MISCELLANEOUS PROVISIONS

69. All documents that are submitted by mail pursuant to this Settlement Agreement shall be deemed received on the date that they are postmarked. All documents submitted by fax, email, or other electronic means shall be deemed received on the date they are transmitted.

70. The Parties agree that the recitals in this Settlement Agreement are contractual in nature and form a material part of this Settlement Agreement. The Parties further agree that the attached Exhibits are each part of this Settlement Agreement and are incorporated herein as material terms.

71. This Settlement Agreement and its accompanying Exhibits set forth the entire understanding of the Parties. No change of this Settlement Agreement by mutual agreement of the Parties shall be effective unless in writing and signed by the Parties. Any and all previous agreements and understandings between or among the Parties regarding the subject matter of this Settlement Agreement, whether written or oral, are superseded by this Settlement Agreement.

72. All of the Parties warrant and represent that they are agreeing to the terms of this Settlement Agreement based upon the legal advice of their respective attorneys, that they have been afforded the opportunity to discuss the contents of this Settlement Agreement with their attorneys, and that the terms and conditions of this document are fully understood and voluntarily

accepted. All of the Parties warrant and represent that they have not relied on any representation made by any other Party in deciding whether to enter into this Settlement Agreement.

73. The headings in this Settlement Agreement are inserted merely for the purpose of convenience and ease of reading.

74. This Settlement Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument.

75. To the extent there is any uncertainty or ambiguity in this Settlement Agreement, none of the Parties shall be deemed to have caused any such uncertainty or ambiguity. Accordingly, this Settlement Agreement should not be construed in favor of or against one Party as to the drafter, and the Parties agree that the provisions of California Civil Code section 1654 shall not apply to the construction or interpretation of this Settlement Agreement.

76. The Parties agree that any dispute that arises regarding the interpretation of the Settlement Agreement shall be submitted to binding arbitration with JAMS, with a stated preference that such arbitration shall be referred to the Honorable Richard Kramer (ret.).

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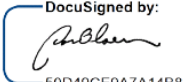
IN WITNESS WHEREOF, the Parties hereto, and intending to be legally bound hereby, have duly executed this Settlement Agreement as of the date set forth below.

DATED: April 30, 2024

By: Heather Villegas
Heather Villegas (Apr 30, 2024 12:52 PM)
HEATHER VILLEGAS
Plaintiff

DATED: ~~April 20, 2024~~ April 20, 2024

CRICUT, INC.

By:  50D49CE9A7A14B8...
DON OLSEN
Executive Vice President

APPROVED AS TO FORM:

DATED: April 30, 2024

BURSOR & FISHER P.A.

By: 
Neal Deckant (Apr 30, 2024 12:41 PDT)

NEAL J. DECKANT

Attorneys for Plaintiff and Class Counsel

Exhibit A

CLAIM FORM AND INSTRUCTIONS

The Settlement Administrator must receive this Claim Form no later than [date] in order for it to be considered.

Villegas v. Cricut, Inc.

Case No.: 37-2023-00009047-CU-FR-CTL (Superior Court of California, San Diego County)

Please read all of the following instructions carefully before filling out your Claim Form.

- 1. Please review the Notice of Settlement (the "Notice") and have the Notice with you when you complete your Claim Form. A copy of the Notice is available from the Settlement Administrator at the settlement website [website], or by calling the Settlement Administrator at the toll-free number below.
- 2. Under the terms of the settlement in this class action lawsuit, a cash settlement fund will be established in the amount of \$625,000. You may be entitled to receive a share of the cash settlement fund within 30 days of the proposed settlement in this lawsuit becoming final. Your share will be calculated using the following formula: (\$625,000 minus the amount of stipend approved by the Court to be paid to Plaintiff) divided by (the number of valid, timely-filed Claim Forms). If you wish to receive this relief, you must submit this Claim Form. Please review the Notice for additional details.
- 3. Complete the Claim Information below by filling in your name, the email address used to register for your Cricut subscription, the unique ID number listed on the card you received by email and/or mail alerting you to this settlement, and the California billing address you used for your Cricut subscription between January 1, 2018, and [date of entry of preliminary approval order]. Please type or print legibly in black ink.
- 4. You must submit your Claim Form electronically at: [website], or by mail to:
[address
from
Settlement
Administrator]
- 5. If you wish to receive an electronic payment you must (a) check this box: ☐ and (b) submit your Claim Form electronically at [website].
- 6. Once your Claim Form is received, the Settlement Administrator will review the Claim Form for compliance.
- 7. Keep a copy of your completed Claim Form for your records, as the Settlement Administrator will not send an acknowledgement of receipt. If your claim is rejected, the Settlement Administrator will notify you by U.S. Mail or email of the rejection and the reasons for such rejection.

CLAIM INFORMATION

Claimant Name:	Email Address (used to register for Cricut):
Street Address:	Unique ID Number (listed on email/mail card):
City, State, Zip Code:	

I understand that in order to obtain relief under the Settlement, I must sign and date the following certification under penalty of perjury:

I certify under penalty of perjury that I (a) purchased a Cricut subscription, (b) incurred an automatic renewal fee between January 1, 2018, and [date of Preliminary Approval Order], and (c) resided at the following valid California address (street number / street name / city / zip code) _____ at the time I incurred such automatic renewal fee.

Signature of Claimant

Date

Print Name

If you have any questions about this form or this Settlement, please contact the Settlement Administrator at:

[Address and Phone Number
from
Settlement
Administrator]

Please do not telephone the Court or the Court Clerk's Office to inquire about this settlement or the claim process.

FOR QUESTIONS ABOUT THE SETTLEMENT TERMS, YOU MAY CONTACT CLASS COUNSEL AT [email address], OR WRITE:

BURSOR & FISHER, P.A.
Neal J. Deckant
ndeckant@bursor.com
Julia K. Venditti
jvenditti@bursor.com
1990 North California Blvd.
Suite 940, Walnut Creek, CA 94596
Telephone: (925)-300-4455

Exhibit B

LEGAL NOTICE

**Current and Former
California Subscribers
of Cricut between
January 1, 2018, and
the present.**

Villegas v. Cricut, Inc.
[Class Action
Administrator Address]

FIRST CLASS
MAIL
PRESORTED
U.S. POSTAGE
PAID

*A Superior Court of California
authorized this notice. This is not a
solicitation from a lawyer.*

<<Barcode>>

Postal Service: Please do not mark barcode

Control # BST-<<ClaimID>> <<MailRec>>

[PHONE NUMBER]
[web address]
[UNIQUE ID NUMBER]

Cricut Subscriber
<<Addr1>>
<<Addr2>>
<<City>>, <<St>> <<ZIP>>

If you, as a California Resident, purchased an annual or monthly Cricut subscription between January 1, 2018 and the [date of Preliminary Approval Order], you may benefit from a class action settlement

READ THIS NOTICE CAREFULLY. YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.

A Superior Court of California authorized this Notice. This is not a solicitation from a lawyer.

A settlement has been reached in a class action lawsuit against Cricut, Inc. ("Cricut") regarding its subscription service that may affect your rights. This notice summarizes the Settlement. For additional information including the longer notice of settlement and the Settlement Agreement with the precise terms and conditions of the Settlement, please see [settlement website]. You may also access the Court docket in this case through the San Diego Superior Court's system at <https://roa.sdcourt.ca.gov/roa/faces/CaseSearch.xhtml> or by visiting Civil Filing/Records, Hall of Justice, 330 West Broadway, Second Floor, San Diego, California 92101 between 8:30 am and 4:00 pm (3:30 pm deadline for requesting copies), Monday through Friday, excluding Court holidays. The case is called *Villegas v. Cricut, Inc.*, No. 37-2023-00009047-CU-FR-CTL. Please do not telephone the Court or the Court Clerk's Office to inquire about this Settlement or the claim process.

In this lawsuit, Plaintiff alleged that Cricut failed to sufficiently inform its customers of the terms of its subscription renewal policies through various causes of action. Cricut vigorously denies these allegations and states that it adequately made users aware that their Cricut Subscriptions would auto-renew and that they would be charged on a recurring basis. The Court did not rule in favor of either Party. Instead, the Parties agreed to a Settlement in order to avoid the expense and risks of continuing the lawsuit. The Settlement is without an admission of liability by Cricut. The Settlement is subject to Court approval.

You fall within the definition of the "Settlement Class" if you are a California resident who incurred renewal fee(s) charged by Cricut in connection with Cricut's offerings for paid Cricut Subscriptions between January 1, 2018, and [date of Preliminary Approval Order]. To be a Settlement Class Member, you must have been charged a subscription renewal fee by Cricut during the relevant period, and you must have been a California resident at the time Cricut charged the renewal fee.

The Settlement creates a Class Settlement Fund of \$625,000. Each Settlement Class Member who validly submits a Claim Form will receive its *pro rata* share of the Class Settlement Fund, based on the number of Settlement Class Members who validly submit Claim Forms. Please see [settlement website] for a copy of the Claim Form. Class Counsel will ask the Court for an incentive payment of \$5,000 for the class representative drawn from the Class Settlement Fund. Class Counsel will also ask that the Court award up to \$220,000 in attorneys' fees and expenses not drawn from the Class Settlement Fund, but if approved to be paid by Cricut separately. The Court will decide whether to approve the Settlement at a hearing on [date] at [time]. This date may be moved, canceled, or otherwise modified; see [settlement website] for more information.

BY ORDER OF THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO

Exhibit C

NOTICE OF SETTLEMENT

If you, as a California Resident, purchased an annual or monthly Cricut subscription between January 1, 2018, and the [date of Preliminary Approval Order], you may benefit from a class action settlement.

READ THIS NOTICE CAREFULLY. YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE CHECK THE SETTLEMENT WEBSITE AT [Settlement Website] REGULARLY FOR UPDATES AND FURTHER DETAILS.

A Superior Court of California authorized this Notice. This is not a solicitation from a lawyer.

- A class action settlement has been reached in *Villegas v. Cricut, Inc.*, No. 37-2023-00009047-CU-FR-CTL. This notice summarizes the Settlement. For the precise terms and conditions of the Settlement, please see the Settlement Agreement, available at the Settlement Website, located at [Settlement Website], or by contacting Class Counsel as explained below. You can access the Court docket in this case by searching for case number 37-2023-00009047 on the San Diego Superior Court's Register of Actions system at <https://roa.sdcourt.ca.gov/roa/faces/CaseSearch.xhtml>, or by visiting Civil Filing/Records, Hall of Justice, 330 West Broadway, Second Floor, San Diego, California 92101 between 8:30 am and 4:00 pm (3:30 pm deadline for requesting copies), Monday through Friday, excluding Court holidays. Please do not telephone the Court or the Court Clerk's Office to inquire about this Settlement or the claim process.
- In this lawsuit, the Plaintiff alleged that Cricut, Inc. ("Cricut") violated California's Unfair Competition Law, Automatic Renewal Law, Consumers Legal Remedies Act, False Advertising Law, and various common laws by failing to sufficiently inform its customers of the terms of its subscription renewal policies.
- Your legal rights may be affected whether you act or do not act. Please read this notice carefully.
- Under the terms of the Settlement, a cash settlement fund of \$625,000 will be created. If you fall within the definition of the "Settlement Class," and you timely submit a valid Claim Form, you will receive a *pro rata* cash payment from the Class Settlement Fund.
- You fall within the definition of the "Settlement Class" if you are a California resident who incurred renewal fee(s) in connection with Cricut's offerings for paid Cricut Subscriptions between January 1, 2018, and [date of Preliminary Approval Order]. To be a Settlement Class Member, you must have been charged a subscription renewal fee by Cricut during the relevant period, and you must have been a California resident at the time Cricut charged the renewal fee. See Questions 5-6 and Questions 10-14, below, for further information and for groups of individuals (e.g., Court employees) who may be excluded.

**YOUR RIGHTS AND CHOICES IF YOU FALL WITHIN THE DEFINITION OF THE
SETTLEMENT CLASS**

<i>YOU MAY:</i>		<i>DUE DATE</i>
FILE A CLAIM FORM	This is the <u>only</u> way that you may receive a cash payment. If you fail to file a Claim Form but do not exclude yourself from the Settlement, you will still be bound by the Settlement, including its release of claims.	Must Be Received by [date] (the “Claims Deadline”)
EXCLUDE YOURSELF	Ask to opt out of the Settlement. If you opt out of the Settlement Class, you cannot get any benefits provided in the Settlement, but you keep your right to sue regarding the claims in the lawsuit.	Must Be Received by the Claims Deadline
OBJECT	Write to the Court about why you do not like the Settlement. Even if you object, you must still submit a valid Claim Form by the Claims Deadline in order to receive a cash payment. You may only object if you <u>do not</u> exclude yourself from the Settlement.	Must Be Received by the Claims Deadline
DO NOTHING	You will not receive a cash payment but you will be bound by the terms of the Settlement, including the Settlement’s release of claims, and you will not be able to pursue any claims covered by the Settlement against Cricut.	

- These rights and choices – **and the deadlines to exercise them** – are further explained below.
- These **deadlines may be moved, cancelled or otherwise modified by the Court**, so please check the Settlement Website at [Settlement Website] regularly for updates and further details.
- The Court has preliminarily approved this Settlement, but not yet decided whether to grant it final approval. All benefits in the Settlement, including cash payments, will be provided only if the Court finally approves the Settlement and after any appeals are resolved.
- All documents that are submitted by mail shall be deemed received on the date that they are postmarked. All documents submitted by fax, email, or other electronic means shall be deemed received on the date they are transmitted.

WHAT THIS NOTICE CONTAINS

BASIC INFORMATION	5
1. Why did I get this Notice?	5
2. What is the lawsuit about?	5
3. Why is this a class action?	5
4. Why is there a Settlement?.....	6
WHO IS IN THE SETTLEMENT CLASS	6
5. How do I know if I am part of the settlement class?.....	6
6. Who is automatically excluded from the Settlement Class?	6
THE SETTLEMENT BENEFITS – WHAT YOU MAY GET	6
7. What does the settlement provide?.....	6
8. How do I submit a claim for benefits?	7
9. When will I get my settlement benefits?	7
YOUR RIGHTS AND CHOICES - EXCLUDING YOURSELF FROM THE SETTLEMENT	7
10. What am I giving up if I remain a Settlement Class Member?	7
11. Can I get out of the Settlement and the Settlement Class?.....	8
12. How do I exclude myself from the Settlement?.....	9
13. If I do not exclude myself, can I still sue Cricut for the same issues in this case later?.....	9
14. If I exclude myself, can I get any benefits from this Settlement?	9
YOUR RIGHTS AND CHOICES - OBJECTING TO THE SETTLEMENT	9
15. If I do not like the Settlement, what should I do?.....	9
16. What is the difference between objecting to the settlement and excluding myself from the settlement?.....	10
YOUR RIGHTS AND CHOICES - APPEARING IN THE LAWSUIT.....	10
17. Can I appear or speak in this lawsuit and Settlement?.....	10
18. How can I appear in this lawsuit?	10
IF YOU DO NOTHING	11
19. What happens if I do nothing at all?.....	11
THE LAWYERS REPRESENTING YOU	11
20. Do I have a lawyer in this case?	11
21. How much will Class Counsel and the class representative be paid and how will they be paid?.....	11
THE COURT’S FAIRNESS HEARING	12
22. When and where will the Court decide whether to approve the Settlement?	12

23. Do I have to come to the hearing?.....12

24. Can I speak at the hearing?12

GETTING MORE INFORMATION.....12

25. Are more details about the lawsuit and the Settlement available?12

26. How do I get more information?12

BASIC INFORMATION

1. Why did I get this Notice?

A Superior Court of California ordered that this Notice be given because you have the right to know about a Settlement that may affect you. You have legal rights and choices to make before the Court decides whether to approve the Settlement.

This Notice explains:

- What the lawsuit is about.
- Who is included in the Settlement.
- How the Settlement may benefit you.
- What your legal rights are.
- The Claim Form process.
- Applicable deadlines.

2. What is the lawsuit about?

In this lawsuit, the Plaintiff alleged that Cricut violated California's Unfair Competition Law, Automatic Renewal Law, Consumers Legal Remedies Act, False Advertising Law, and various common laws by failing to sufficiently inform its customers of the terms of its subscription renewal policies.

Cricut vigorously denies all these claims of wrongdoing, and further states that it adequately made users aware that their Cricut Subscriptions would auto-renew and that they would be charged on a recurring basis. The Court has not issued a final ruling on the strengths or weaknesses of Plaintiff's case or Cricut's contentions in this lawsuit. Nevertheless, Cricut has agreed to the Settlement to avoid the risk and expense of further litigation. Plaintiff believes that her claims have merit. Cricut believes that Plaintiff's claims do not have merit. The Settlement is without an admission of liability by Cricut. Notwithstanding the dispute on the merits, Plaintiff believes that the Settlement is fair and reasonable, and that given the risk and expense of further litigation it is in the best interests of the members of the Settlement Class to agree to the Settlement.

This case is pending in the Superior Court of California, San Diego County. The full name of the action is *Villegas v. Cricut, Inc.*, No. 37-2023-00009047-CU-FR-CTL.

3. Why is this a class action?

In a class action, one or more people, called "class representative(s)," sue on behalf of other people who have similar claims. All these people together are a "class" or "class members." One Court decides all the issues in the lawsuit for all Settlement Class Members, except for those who exclude themselves from the class. In a class action, the Court has a responsibility to ensure that class representative(s) and Class Counsel prosecute and resolve the class claims fairly. In this lawsuit, the class representative is asking the Court to decide the issues for all California residents, from January 1, 2018, through [date of Preliminary Approval Order] who incurred renewal fee(s) in connection with Cricut's offerings for paid Cricut Subscriptions. To determine whether you are a Settlement Class Member, see Questions 5-6.

4. Why is there a Settlement?

The Court did not rule in favor of either party. The Settlement is without an admission of liability by Cricut. Instead, the parties agreed to a Settlement in order to avoid the expense and risks of continuing the lawsuit. The class representative and her attorneys think the Settlement is a fair and reasonable resolution of the lawsuit for all Settlement Class Members.

WHO IS IN THE SETTLEMENT CLASS

5. How do I know if I am part of the Settlement Class?

As part of the Settlement, the Parties have agreed to the certification of a Settlement Class for purposes of this Settlement only. The Settlement Class includes all California residents, from January 1, 2018, through [date of Preliminary Approval Order], who incurred renewal fee(s) in connection with Cricut's offerings for paid Cricut Subscriptions. To be a Settlement Class Member, you must have been charged a subscription renewal fee by Cricut during the relevant period, and you must have been a California resident at the time Cricut charged the renewal fee.

If this describes you, **you are automatically a Settlement Class Member unless you exclude yourself by following the steps for exclusion described in Questions 10 through 14 below.** Also excluded from the Settlement Class are those individuals identified in Question 6 below. Settlement Class Members who timely submit a valid Claim Form will receive a cash payment if the Court gives final approval to the Settlement. Settlement Class Members will be bound by the Settlement, if approved by the Court, whether or not they submit a Claim Form, and will be prevented from bringing other claims covered by the Settlement. Those who exclude themselves from the Settlement Class will not be bound by the Settlement and will not receive any payments from the Settlement.

6. Who is automatically excluded from the Settlement Class?

All persons who are employees, directors, officers and agents of Cricut or their subsidiaries and affiliated companies, as well as the judges, clerks, and staff members of the Superior Court of San Diego, the California Court of Appeal, the California Supreme Court, and their immediate family members, are automatically excluded from the Settlement Class without needing to submit a request for exclusion. If you fall within the definition of the Settlement Class and are not automatically excluded based on the above, you will remain in the Settlement Class unless you exclude yourself as described in Questions 10-14.

THE SETTLEMENT BENEFITS – WHAT YOU MAY GET

7. What does the Settlement provide?

The Settlement creates a Settlement Fund of \$625,000 against which Settlement Class Members may submit claims for a *pro rata* share. Each Settlement Class Member's *pro rata* share shall be calculated by taking the Settlement Fund amount of \$625,000, subtracting any stipend approved by the Court to be paid to the class representative (up to a maximum of \$5,000), and then dividing by the total number of timely valid claims submitted. The Settlement was negotiated between the class representative and Cricut through their attorneys with the aid of a retired judge acting as a mediator. The Court has preliminarily approved the Settlement.

The Settlement Administrator shall determine each authorized Settlement Class Member's benefit based upon each Settlement Class Member's Claim Form and the total number of valid Claim Forms submitted. Each Settlement Class Member who does not submit a Claim Form will not receive a cash payment.

In addition to relief in the form of a cash payment, the Settlement also includes certain injunctive relief as more fully described in the Settlement.

8. How do I submit a claim for benefits?

If you meet the definition of the Settlement Class and you wish to receive a cash payment from the Settlement Fund, you must submit the Claim Form. To submit the Claim Form, you **must** complete an electronic or hard copy Claim Form and submit electronic Claims Forms at [Settlement Website] by the Claims Deadline, or, for hard copy, paper format, by mailing the Claim Form by the Claims Deadline to: *Villegas v. Cricut, Inc.*, c/o [Settlement Administrator's mailing address]. As explained in the Settlement Agreement, you will need the unique ID number that was emailed to you to submit a Claim Form. In an effort to reduce fraudulent claims, each unique ID may only be used once.

9. When will I get my Settlement benefits?

Settlement benefits will be available only if the Settlement is finally approved by the Court. The Court will hold a hearing on [date] to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals, and the Settlement will not become final until all appeals are resolved. It is always uncertain how long the appeals process will take – it can take months or even years. You should regularly check the Settlement Website at [Settlement Website] for updates on the status of the Settlement and any applicable deadlines. Please be patient.

YOUR RIGHTS AND CHOICES - EXCLUDING YOURSELF FROM THE SETTLEMENT

10. What am I giving up if I remain a Settlement Class Member?

By not opting out of the Settlement Class, you will stay a Settlement Class Member and you are agreeing to fully, finally and forever release, relinquish, and discharge any current or future claims you might have against Cricut that relate to the claims in this lawsuit. You will not be allowed to sue or be part of any other lawsuit against Cricut about the claims in this lawsuit after the Court approves the Settlement and it becomes effective. In addition, if you are a Settlement Class Member, all of the Court's orders in this case will apply to you. The entire release contained in the Settlement Agreement is set forth below:

"Released Claims" means any and all claims, demands, rights, damages, obligations, suits, liens, requests for any type of relief (legal, equitable, or seeking attorneys' fees or costs), and causes of action of every nature and description whatsoever, ascertained or unascertained, suspected or unsuspected, accrued or unaccrued, existing or claimed to exist, including unknown claims (as described in Paragraph 44 below), as of the Effective Date, that arise out of or are reasonably related in any way to any or all of the acts, omissions, facts, matters, transactions, or occurrences that were directly or indirectly alleged or referred to in the Action (including, but not limited to, alleged violations of any and all federal, state, commonwealth, district, or territorial consumer protection, deceptive or unfair competition or business practices, and/or false or deceptive advertising statutes; breach of contract; breach of express or implied warranty; fraud; negligent misrepresentation; concealment, omission, unjust enrichment, restitution, trespass, conversion, declaratory or injunctive relief, and other equitable claims, common law claims, or otherwise).

“Released Parties” means Cricut, and all of each of its parents, subsidiaries, divisions, affiliates, predecessors, heirs, executors, administrators, representatives, agents, attorneys, partners, assigns, employees, officers, directors, and successors.

“Releasing Parties” means all Settlement Class Members, and all of each of their respective parents, subsidiaries, divisions, affiliates, predecessors, heirs, executors, administrators, representatives, agents, attorneys, partners, assigns, employees, officers, directors, and successors.

Upon the Effective Date, the Releasing Parties shall be deemed to have, and by operation of the Final Order and Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Parties.

As defined above, and in no way limiting the definition of Released Claims, the Released Claims include known and unknown claims relating to the Action, and this Settlement Agreement is expressly intended to cover and include all such Released Claims, including all rights of action thereunder. The Releasing Parties hereby expressly, knowingly, and voluntarily waive the provisions of section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The Releasing Parties expressly waive and relinquish any and all rights and benefits that they may have under, or that may be conferred upon them by, the provisions of section 1542 of the California Civil Code, or any other law of any state or territory that is similar, comparable, or equivalent to section 1542, to the fullest extent that they may lawfully waive such rights or benefits pertaining to the Released Claims. In connection with such waiver and relinquishment, the Releasing Parties hereby acknowledge that they are aware that they or their attorneys may hereafter discover claims or facts in addition to or different from those that they now know or believe exist with respect to the Released Claims, but that it is their intention to hereby fully, finally, and forever settle and release all of the Released Claims known or unknown, suspected or unsuspected, that they have against the Released Parties. In furtherance of such intention, the release herein given by the Releasing Parties to the Released Parties shall be and remain in effect as a full and complete general release notwithstanding the discovery or existence of any such additional different claims or facts. Plaintiff acknowledges, and all other Releasing Parties shall be deemed by operation of the Final Order and Judgment to have acknowledged, that the foregoing waiver was bargained for and material consideration for the Settlement of which this release is a part.

Upon the Effective Date, the Releasing Parties shall be permanently barred and enjoined from initiating, asserting, or prosecuting any and all Released Claims against the Released Parties in any judicial, administrative, arbitral, or other forum.

11. Can I get out of the Settlement and the Settlement Class?
--

You can get out of the Settlement and the Settlement Class. This is referred to as excluding yourself from or opting out of the Settlement Class. If you exclude yourself, you will waive any rights or benefits from the Settlement. You also may not object to the Settlement or Class Counsel or the class representative's applications for fees and expenses or stipend or appear at the final hearing for approving the Settlement.

You do, however, keep the right to file your own lawsuit or join another lawsuit against Cricut about the claims in this lawsuit.

12. How do I exclude myself from the Settlement?

To exclude yourself, you must send by fax, U.S. Mail, or email a letter that contains all of the following:

- Your name, current address and telephone number;
- A clear statement that you want to be excluded from the case *Villegas v. Cricut, Inc.*, No. 37-2023-00009047-CU-FR-CTL, that you do not wish to be a Settlement Class member, and that you want to be excluded from any judgment entered in relation to the Settlement; and
- Your signature.

No request for exclusion may be made on behalf of a group of people, and no one who meets the definition for Settlement Class membership may opt out by having a request for exclusion submitted by an actual or purported agent or attorney on their behalf. Your request for exclusion must be **received by the Claims Deadline** and must be signed and mailed, faxed or emailed to:

Villegas v. Cricut, Inc.
c/o [Settlement Administrator Address/Email Address]

13. If I do not exclude myself, can I still sue Cricut for the same issues in this case later?

No. Unless you exclude yourself, and regardless of whether you submit a valid Claim Form, you give up the right to sue Cricut as described in response to Question 10. If you want to keep the right to sue Cricut in a new lawsuit, you have to exclude yourself from the Settlement. Remember, any exclusion request must be signed and mailed, faxed, or emailed, and postmarked (if mailed) by the Claims Deadline.

14. If I exclude myself, can I get any benefits from this Settlement?

No. If you exclude yourself, you will not receive any benefits from this Settlement.

YOUR RIGHTS AND CHOICES - OBJECTING TO THE SETTLEMENT

15. If I do not like the Settlement, what should I do?

If you are a Settlement Class Member and do not exclude yourself, you can tell the Court you do not like either the entire Settlement or just a part of it. You can ask the Court to deny approval by filing an objection. You cannot ask the Court to order a larger Settlement. If the Court denies approval, no Settlement payments will be sent out. If that is what you want to have happen, you may object. You must object to the Settlement in writing. You may also appear at the hearing where the Court will decide whether to approve the Settlement, either in person or through your own attorney. If you appear through your own attorney, you are responsible for paying that attorney. All written objections and supporting papers must:

- Clearly identify the case name and number (*Villegas v. Cricut, Inc.*, Case No. 37-2023-00009047-CU-FR-CTL);
- Be submitted to the Court by filing them with the Court no later than the Claims Deadline;

- be submitted to the Settlement Administrator by fax, email, or mail and postmarked, or the equivalent for fax or email, no later than the Claims Deadline;
- State your full name, current address, and telephone number;
- State in writing all objections and the reasons for each objection;
- State whether you intend to appear at the hearing where the Court will decide whether to approve the Settlement either with or without separate counsel; and
- If you intend to call witnesses or offer exhibits at the hearing, you must list any such witnesses and exhibits in your written objection.

If you fail to timely object in the manner specified above, you shall be deemed to have waived all objections and shall be foreclosed from making any objection to the Settlement. You need not be physically present at the hearing, however, in order to have your objection(s) considered.

16. What is the difference between objecting to the Settlement and excluding myself from the Settlement?

Objecting is the way to tell the Court what you do not like about the settlement. You can object only if you stay in the Settlement Class and do not exclude yourself.

Excluding yourself is the way to tell the Court you do not want to be a part of the Settlement Class and the Settlement, and that you want to preserve the right to file your own lawsuit. If you exclude yourself, you cannot object because the Settlement no longer will affect you.

YOUR RIGHTS AND CHOICES - APPEARING IN THE LAWSUIT

17. Can I appear or speak in this lawsuit and Settlement?

As long as you do not exclude yourself, you can (but do not have to) participate and speak for yourself in Court in regards to this lawsuit and Settlement. This is called making an appearance. You can also have your own lawyer speak for you, but you will have to pay for the lawyer yourself. You should familiarize yourself with the rules and impact of appearing, and/or intervening.

18. How can I appear in this lawsuit?

If you want to participate (or have your own lawyer instead of Class Counsel participate or speak for you) in this lawsuit, you must give the Court a paper that is titled a “Notice of Appearance.” The Notice of Appearance must contain the title of the lawsuit, a statement that you wish to appear at the hearing where the Court will decide whether to approve the Settlement, and the signature of you or your lawyer.

Your Notice of Appearance can also state that you or your lawyer would like to speak at the hearing on the Settlement. If you submit an objection (see Question 15 above) and would like to speak about the objection at the hearing, both your Notice of Appearance and your objection should include that information too. If you would like to object and preserve the ability to appeal should the Court deny your objection, you should review the Supreme Court of California’s decision in *Hernandez v. Restoration Hardware, Inc.*, (2018) 4 Cal.5th 260, and the cases that followed it.

Your Notice of Appearance must be signed, mailed and **postmarked by [Claims Deadline date]**, to the Court at:

Office of the Clerk of Court
Superior Court of California
County of San Diego
330 West Broadway
San Diego, CA 92101

IF YOU DO NOTHING

19. What happens if I do nothing at all?

If you do nothing:

- You will stay a Settlement Class Member and all of the Court's orders will apply to you (unless you previously requested to exclude yourself from the Class, in which case you will continue to be excluded if you do nothing);
- You won't be able to sue, or join a new lawsuit against Cricut, about the issues and claims in this lawsuit, ever again, unless you exclude yourself.

THE LAWYERS REPRESENTING YOU

20. Do I have a lawyer in this case?

Yes, the Court has appointed the following attorneys to represent the Settlement Class as Class Counsel:

BURSOR & FISHER, P.A.
Neal J. Deckant
ndeckant@bursor.com
Julia K. Venditti
jvenditti@bursor.com
1990 North California Blvd.
Suite 940, Walnut Creek, CA 94596
Telephone: (925)-300-4455

You may also consult your own lawyer at your own expense.

21. How much will Class Counsel and the class representative be paid and how will they be paid?

Class Counsel will ask the Court to approve payment of attorneys' fees and expenses of no more than \$220,000. Class Counsel and/or class representative also will ask the Court to award the class representative \$5,000. Class Counsel will file their fee application and Class Counsel and/or class representative will file an application for the class representative's stipend at least fifteen days before the deadline for objecting to such applications. The class representative's stipend will be drawn from the \$625,000 Class Settlement Fund. If approved by the Court, Class counsel's fees and expenses will be paid separately by Cricut and will not be drawn from the Class Settlement Fund. Cricut will not be obligated to pay more than \$220,000 for Class Counsel's fees and expenses and the class representative will not be entitled to more than \$5,000.

THE COURT'S FAIRNESS HEARING

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

The Court will hold a hearing to decide whether to approve the Settlement at [time] on [date]. This hearing date may be moved, cancelled or otherwise modified, so please check the Settlement Website at [Settlement Website] regularly for further details, or access the Court docket in this case through the San Diego Superior Court's system at <https://roa.sdcourt.ca.gov/roa/faces/CaseSearch.xhtml> or by visiting Civil Filing/Records, Hall of Justice, 330 West Broadway, Second Floor, San Diego, California 92101 between 8:30 am and 4:00 pm (3:30 pm deadline for requesting copies), Monday through Friday, excluding Court holidays. The Court is located at the Hall of Justice, Department SD-74, Sixth Floor, 330 W. Broadway, San Diego, CA 92101. At the hearing, the judge will consider all objections, if any, and will consider whether the Settlement is fair, reasonable, and adequately addresses the claims of the Settlement Class Members. The judge will listen to people who have asked to speak at the hearing. The judge may also decide how much to award to Class Counsel for their fees and expenses or to the class representative as a stipend. At or after the hearing, the judge will decide whether to approve the Settlement. We do not know how long these decisions will take.

23. Do I have to come to the hearing?

You do not have to come to the hearing. You and/or your lawyer, however, are welcome to come at your own expense. If you timely send a valid written objection, you do not have to come to the hearing for the judge to consider the objection.

24. Can I speak at the hearing?

You can ask the Court to allow you (or your lawyer) to speak at the hearing. To do so, you or your lawyer must file a Notice of Appearance that says you wish to speak. You can find out how to file a Notice of Appearance, and the due date for filing, in Question 18 of this Notice. If you submit an objection and wish to speak about it at the hearing, you must include that information in your objection (see Question 15).

You cannot speak at the hearing if you exclude yourself.

GETTING MORE INFORMATION

25. Are more details about the lawsuit and the Settlement available?

This Notice only summarizes the lawsuit and Settlement. More details are in the complaint and Settlement papers. Copies of these documents are available on the Settlement Website located at [Settlement Website].

You can also look at all of the documents filed in the lawsuit at Civil Filing/Records, Hall of Justice, Second Floor, 330 West Broadway, San Diego, CA 92101.

26. How do I get more information?

You can get more information and read common questions and answers by visiting the Settlement Website, [Settlement Website], by contacting Class Counsel at: [Class Counsel Email Address], or by writing to class counsel at: [Class Counsel Mailing Address].