

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA

You may benefit from this class action settlement.

You are not being sued.

If you have a Virginia address and you signed a Consumer Equipment Lease with TimePayment Corp. between June 4, 2016 and September 13, 2019, you may benefit from the settlement of this class action lawsuit.

*This case is titled John Taylor v. TimePayment Corp.,
Case No. 3:18-cv-00378-MHL*

*A federal court authorized this notice.
This is not a solicitation from a lawyer.*

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A CLAIM FORM	If you signed a Consumer Equipment Lease or had a payment obligation with TimePayment Corp. thereunder, in Virginia, between June 4, 2016 and September 13, 2019, for equipment or other goods to be used for personal or household purposes, you will receive a cash payment as explained in Section No. 5 below if you submit a valid, timely claim form.
DO NOTHING BUT STAY IN THE SETTLEMENT	If you signed a Consumer Equipment Lease or had a payment obligation with TimePayment Corp. thereunder, in Virginia, between June 4, 2016 and September 13, 2019, for equipment or other goods to be used for personal or household purposes, but you do <i>not</i> submit a valid, timely claim form, you will receive no benefits while also giving up your legal claims against TimePayment Corp.
EXCLUDE YOURSELF	You will receive no benefits, but you will not be giving up your legal claims against TimePayment Corp.
OBJECT	Write to the Court about why you object to the settlement. You may also appear at the fairness hearing.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.

These rights and options, and the deadlines to exercise them, are explained below.

1. What is this lawsuit about?

In this lawsuit, the plaintiff, John Taylor (“Class Representative”), filed a class action lawsuit alleging that the defendant, TimePayment Corp. (“Defendant”), violated the Consumer Leasing

Act (“CLA”), Truth in Lending Act (“TILA”), and Virginia usury law by (1) offering Consumer Equipment Lease agreements with inadequate disclosures concerning the charges and payments owed under the agreement, and (2) charging finance fees in excess of those allowed under Virginia law. Defendant denies these allegations, denies that it violated any applicable law, and affirmatively states that its consumer equipment lease agreements are, and have been, lawful and fully compliant with applicable law. The Court did not decide who is right or who is wrong. The parties have agreed to a settlement.

2. Why is this a class action?

In a class action, one or more people called Class Representatives (in this case, John Taylor) sue on behalf of a group of people (or a “Class”) who have similar claims.

3. Why is there a settlement?

In light of the substantial benefits provided to class members, and in order to avoid the cost, risk, and delay of litigation, and uncertainty of trial, the parties agreed to settle. The Class Representative and class counsel believe the settlement is fair, reasonable, and adequate.

4. How do I know if I am part of the settlement?

The Court has decided that everyone falling under the following definition is a member of the Virginia Settlement Class:

All persons (a) with an address in Virginia (b) who signed a Consumer Equipment Lease or had a payment obligation with TimePayment Corp. thereunder (c) between June 4, 2016 and September 13, 2019.

YOUR BENEFITS UNDER THE SETTLEMENT

5. What can I get from the settlement?

Every Virginia Settlement Class Member who submits a valid, timely claim form will receive a cash payment, though the amount of that payment will depend on the number of Virginia Settlement Class Members who participate, and the costs and expenses associated with distributing class notice and administrating the settlement. Participating Virginia Settlement Class Members will receive equal shares of two settlement funds: one, in the amount of \$50,000 for the benefit of the Virginia Settlement Class, and a separate fund of \$175,000 for the benefit of consumers nationwide who entered into a Consumer Equipment Lease with Defendant.

If every Virginia Settlement Class member participates in the settlement, after accounting for the Class Representative’s proposed service award (explained below), each Virginia Settlement Class member will receive a cash payment of approximately \$56.33 from the Virginia settlement fund. But based on historical participation rates in this type of case, Class Counsel anticipates that participating Virginia Settlement Class Members will each receive between \$280 and \$550.

6. When will I receive these benefits?

If you submit a valid, timely claim form, and if the settlement is approved by the Court, you will receive these benefits approximately 60 days after the settlement has been finally approved.

7. I want to be a part of the settlement and receive these benefits. What do I do?

You must submit a valid, timely claim form postmarked **no later than January 13, 2020**. If you do not submit a claim form, you will not be entitled to share in the settlement funds.

8. What am I giving up to receive these benefits?

By staying in the settlement, all of the Court's orders will apply to you, and you give Defendant a "release." A release means you can't sue or be part of any other lawsuit against Defendant about the claims or issues in this lawsuit.

9. How much will the Class Representative receive?

For his service to the Class, the Class Representative will receive a payment of \$2,000 from the Virginia settlement fund and \$1,000 from the Nationwide settlement fund, subject to the Court's approval. The Class Representative will also receive his equal portion of the settlement funds after deducting the cost of the service award.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want to receive the benefits of the settlement, but you want to keep your legal claims against the Defendant, then you must take steps to get out of the Class. This is called "excluding yourself."

10. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter by mail stating that you want to be excluded from *John Taylor v. TimePayment Corp.*, Case No. 3:18-cv-00378-MHL. Be sure to include your name, address, telephone number, and email address (if applicable). You must mail your exclusion request so that it is postmarked **no later than January 13, 2020**, and sent to the following address:

First Class, Inc. / J14188 - Taylor
5410 W. Roosevelt Road, Suite 222
Chicago, IL 60644-1490

Be sure to include the name and number of the case.

11. If I exclude myself, do I still receive benefits from this settlement?

No. You will not receive anything resulting from the settlement of this case, but you will have the right to sue Defendant over the claims raised in this case on your own in a different lawsuit. If you exclude yourself, the time you have in which to file your own lawsuit (called the “statute of limitations”) will begin to run again. You will have the same amount of time to file the suit that you had when this case was filed.

THE LAWYERS REPRESENTING YOU

12. Do I have a lawyer in this case?

The Court has named the law firm of Greenwald Davidson Radbil PLLC as Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense. If you choose to hire your own lawyer, he or she must file an appearance by **January 13, 2020**.

13. How will the lawyers be paid?

Class Counsel will ask the Court for an award of attorneys’ fees and reimbursement of costs and litigation expenses of up to \$210,000 in total. You will *not* be charged by these lawyers; they will receive a payment from the Defendant in an amount of \$210,000, or less, if that amount is approved by the Court. Any monies awarded to Class Counsel will be paid by Defendant separate from the settlement fund. In other words, payment of Class Counsel’s attorneys’ fees, costs, and litigation expenses will not diminish the Class members’ recoveries.

CLASS COUNSEL’S VIEWS ABOUT THE SETTLEMENT

14. Is this a fair settlement?

The CLA and TILA are federal statutes that provide for both individual actions and class actions.

In an individual action, the person bringing the suit may recover (i) any actual damages suffered; and (ii) statutory damages of twice the amount of any finance charge in connection with the disputed transaction, or, for a lease, 25% of the total amount of monthly payments owed under the lease, not to exceed \$2,000.

In a class action, the maximum possible recovery is (i) any actual damages suffered by the class members, plus (ii) the lesser of 1% of the Defendant’s net worth or \$1,000,000. The Court, in its discretion, may award anything from \$0 up to the maximum amount to a prevailing party after considering certain prescribed factors. In either an individual or a class action, the person bringing the suit can also recover attorneys’ fees and the costs and expenses of prosecuting the suit, if it is successful.

Virginia usury law states that, for consumer loans, lenders may not charge interest exceeding 12% per year. Borrowers charged excessive interest may recover damages tied to the total amount of interest paid to the lender.

In light of the violations alleged, the damages allowed under the CLA, TILA, and Virginia usury law, and given Defendant's book value net worth, Class Counsel believes this is a fair settlement.

15. What is the Defendant's view of this settlement?

As stated above, Defendant expressly denies the claims asserted by Plaintiff and expressly denies all allegations of wrongdoing, fault or liability whatsoever. Defendant affirmatively states that its consumer equipment lease agreements have been, and continue to be, valid, enforceable and fully compliant with applicable law.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do or do not agree with the settlement or some part of it.

16. How do I tell the Court that I do not like the settlement?

If you are a Settlement Class Member, you can object to the settlement. In order to object to the settlement or any part of the settlement, you must submit your objection to the Court by **January 13, 2020**, stating that you object and the reasons why you think the Court should not approve the settlement. You must include the name and number of the case: *John Taylor v. TimePayment Corp.*, Case No. 3:18-cv-00378-MHL, your name, address, telephone number, and email address (if applicable), and evidence demonstrating that you are a member of the Virginia Settlement Class. If you are objecting to the settlement, you may also appear at the fairness hearing (explained below).

In addition to filing your objection with the Court, you must also mail your written objection so that it is postmarked no later than **January 13, 2020** to both of the following addresses:

Jesse S. Johnson
Greenwald Davidson Radbil PLLC
7601 N. Federal Hwy., Suite A-230
Boca Raton, FL 33487

Charles K. Seyfarth
O'Hagan Meyer
411 E. Franklin Street, Suite 500
Richmond, VA 23219

Class Counsel

Counsel for Defendant

Be sure to include the name and number of the case.

THE FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend if you wish, but you are not required to do so.

17. Where and when is the fairness hearing?

The Court will hold a fairness hearing at **11:00 a.m.** on **February 21, 2020** at the **United States District Court for the Eastern District of Virginia, 701 East Broad Street, Richmond, Virginia 23219**. The

purpose of the hearing will be for the Court to determine whether the proposed settlement is fair, reasonable and adequate and in the best interests of the Class, and to determine the appropriate amount of compensation for Class Counsel. At that hearing the Court will be available to hear any objections and arguments concerning the fairness of the proposed settlement.

The hearing may be postponed to a later date without notice.

YOU ARE NOT REQUIRED TO ATTEND THIS HEARING.

GETTING MORE INFORMATION

18. How do I get more information?

This notice is only a summary of the proposed settlement of this lawsuit. All pleadings and documents filed with the Court, including the class action settlement agreement, may be reviewed or copied in the Office of the Clerk of Court, United States District Court for the Eastern District of Virginia.

Please do not call the Judge about this case. *Neither the Judge, nor the Clerk of Court, will be able to give you advice about this case. Furthermore, Defendant's attorneys do not represent you and cannot give you legal advice.*

You can call Greenwald Davidson Radbil PLLC, 7601 N. Federal Hwy., Suite A-230, Boca Raton, FL 33487, the firm representing the Class, at (561) 826-5477 if you have any questions. Before doing so, please read this full notice carefully. You can also send an email to jjohnson@gdrlawfirm.com or obtain information through Class Counsel's website at www.gdrlawfirm.com.

19. What if I have a new address?

If notice was sent to you at your current address, you do not have to do anything more to receive further notices concerning this case. However, if notice was forwarded to you, or if it was otherwise sent to you at an address that is not current, you should notify the class administrator of your new address by writing to:

First Class, Inc. / J14188 - Taylor
5410 W. Roosevelt Road, Suite 222
Chicago, IL 60644-1490

DO NOT CONTACT THE COURT REGARDING THIS NOTICE.