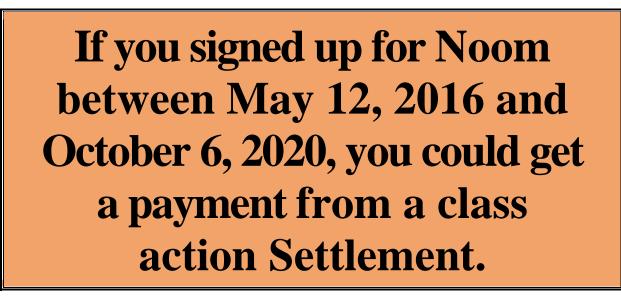
## OFFICIAL NOTICE FROM THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK



## A federal court authorized this Notice. This is <u>not</u> a solicitation from a lawyer.

A Settlement has been reached in a proposed class action against Noom, Inc. ("Noom"). The case alleges that Noom's autorenewal and cancellation practices violated both common law and consumer protection laws nationwide. Noom denies these allegations and any wrongdoing and maintains that its autorenewal and cancellation practices were at all times lawful.

You are included in the Settlement if you purchased an autorenewing Noom Healthy Weight Subscription through Noom's website or mobile app between May 12, 2016 and October 6, 2020 while in the United States and did not receive a full refund of your subscription charges. To get Settlement money, go to <a href="https://www.NoomClassSettlement.com">www.NoomClassSettlement.com</a> and file your valid claim.

Included users can fill out a short claim form and receive a payment estimated to range from approximately \$30.00 to \$167.00. These amounts are averages only and your payment amount may be different. The payment amount will depend on a variety of factors including the number of subscription payments made and the legal strength of the user's claim as determined by the lawyers and the judge in this case. The payment amount will also depend on the number of claims submitted.

The Settlement also requires Noom to make changes to its autorenewal and cancellation practices.

Read this Notice carefully. If you are included in the proposed classes, your legal rights are affected whether you act or do not act. The judge in charge of this case hasn't decided if the Settlement is fair yet. Payments will be made only if the judge decides the Settlement is fair and approves the Settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT		DEADLINE
SUBMIT A CLAIM FORM	The <b>only</b> way to get a payment. You will be bound by the terms of the Settlement and will give up your rights to sue Noom about the issues in this case.	June 24, 2022
EXCLUDE YOURSELF	You will receive no payment, but you will retain any rights you currently have to sue Noom about the issues in this case.	June 24, 2022
OBJECT	Write to the Court and explain why you do not like the Settlement.	June 24, 2022
DO NOTHING	You <b>will not</b> get a payment and will give up your rights to sue Noom about the issues in this case.	No Deadline

These rights and options are further explained in this Notice.

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## **BASIC INFORMATION**

## **1.** WHY WAS THIS NOTICE ISSUED?

A Court authorized this Notice to let you know about a proposed Settlement of a class action lawsuit with Noom. You have legal rights and options that you may exercise before the Court decides whether to approve the proposed Settlement. This Notice explains the Lawsuit, the Settlement, your legal rights, what payments are available, and how to get them.

Magistrate Judge Katharine Parker of the U.S. District Court for the Southern District of New York is overseeing this class action. The case is known as *Nichols, et al. v. Noom, Inc., et al.*, No. 20 cv. 03677 (KHP). The individuals who sued are called the Class Representatives. The company and individual they sued, Noom, Inc. and Artem Petakov, are called the Defendants.

## 2. WHAT IS A CLASS ACTION LAWSUIT?

In a class action, one or more Class Representatives sue on behalf of other people who have similar claims. Under this Settlement, these people are together called a "Class" or "Class Members," except for those who exclude themselves from the Class. In a class action, the Court resolves the issues for all Class Members. After the parties reached an agreement to settle this case, the Court recognized it as a case that may be treated as a class action for Settlement purposes only.

# **3.** WHAT IS THIS LAWSUIT ABOUT?

The case challenges Noom's autorenewal and cancellation practices. In particular, the lawsuit claims that Noom violated the common law and state consumer protection law by not adequately disclosing autorenewal offer terms of the Noom Healthy Weight subscription in a clear and conspicuous manner, and by not providing a simple online mechanism for cancellation.

Noom denies these allegations and any wrongdoing and maintains that its autorenewal and cancellation practices were at all times lawful.

The Settlement is not an admission of, and does not establish any, wrongdoing by Noom.

More information about the lawsuit can be found on the "Important Documents" page of the Settlement website <u>www.NoomClassSettlement.com</u>.

## 4. WHY IS THERE A SETTLEMENT?

The lawyers representing Noom and the Class Representatives spent more than ten thousand working hours fighting this case since it was filed in the Spring of 2020. Before proceeding to trial, both sides agreed to a Settlement. The Settlement gives Class Members guaranteed payments now whereas in a trial, Class Members might get nothing or might only get payment years from now. Because this is a Settlement, the Court has not decided who should win the case. The Class Representatives and their attorneys ("Class Counsel") believe that the Settlement is in the best interests of the Class Members.

## WHO IS IN THE SETTLEMENT?

To see if you can get a payment, you first need to determine whether you are included in this lawsuit.

## 5. HOW DO I KNOW IF I AM PART OF THE SETTLEMENT?

You are a Class Member and are included in the Settlement if you fit the following description:

You purchased an autorenewing Noom Healthy Weight Subscription through Noom's website or mobile app between May 12, 2016 and October 6, 2020 while in the United States and did not receive a full refund or chargeback of your subscription payments.

If you received an email or notice through Facebook or Instagram about this Settlement, Noom's records show that may be a Class Member.

Not everybody who bought Noom is included in the Settlement. If you didn't get a notice and think you should be included in the Settlement, please visit <u>www.NoomClassSettlement.com</u> or call 1-844-999-2466.

The class is divided into two Subclasses, Subclasses A and B.

- You are member of **Subclass A** if you are a Class Member and according to the data produced by Noom in discovery, you (i) either never completed your Noom enrollment but were charged, (ii) enrolled but there is proof that you never used Noom post-trial, (iii) there is proof that you used Noom during the trial but not after you were charged for a subscription, (iv) there is proof that you used Noom two times or fewer post-trial, (v) there is proof that you stopped using Noom after day 58 of your subscription, (vi) you received a partial refund of any payments for the Healthy Weight Subscription, or (vii) you were a resident of California when you signed up for a Healthy Weight Subscription.
- You are a member of **Subclass B** if you are a Class Member and do not meet the requirements of Subclass A.

## 6. ARE THERE ANY EXCEPTIONS TO BEING INCLUDED IN THE SETTLEMENT?

Some users are excluded because they work for Noom or are related to the judges or lawyers in the case. The Settlement Agreement has a list of the categories of people who are excluded. Users who request to be excluded (this process is explained below) aren't included either.

# 7. I AM NOT SURE IF I'M INCLUDED.

If you are still not sure whether you are included, you can ask for free help. You can visit <u>www.NoomClassSettlement.com</u> or call 1-844-999-2466 for more information. Or you can fill out and return the Claim Form described in Section 10 to see if you qualify. **Please do not contact the Court or Noom**.

# THE SETTLEMENT BENEFITS – WHAT YOU GET

# 8. WHAT DOES THE SETTLEMENT PROVIDE?

Noom will pay \$56 million and provide \$6 million in subscription fee credits to settle this case. The money will go into a "Settlement Fund" to pay for everything related to the Settlement. The subscription fee credits and most of the money will go to Class Members who submit valid claim forms (more about that in the question below). The rest will be used to pay the costs of notifying people about the Settlement, the lawyers' fees, awards to the Class Representatives who helped bring the lawsuit, and certain taxes.

Noom also agrees to adopt certain business practice changes for a period of two years. Specifically, Noom will:

- Update its pre-purchase enrollment procedure so that only customers who check a box giving their explicit consent will be automatically enrolled into a Healthy Weight Subscription plan after the trial period ends;
- Update its pre-purchase disclosures to provide even more explicit instructions as to Noom's subscription and cancellation policies;
- Turn off autorenewal for users in the Class who have ceased any activity in the app for the first twelve (12) months after the trial ended;
- Send electronic receipts to Healthy Weight users for subscription charges;
- Send one reminder email to Healthy Weight users prior to the first autorenewal charge for subscriptions that have an initial term of at least 3 months; and
- Update its website to allow users to more easily find the place to cancel.

Noom does not believe that it is legally obligated to make any of these changes but is doing so to

improve user experience and as part of the Settlement. The full terms of these business practice changes can be found in the Settlement Agreement.

## 9. HOW MUCH WILL MY PAYMENT BE?

Payments will likely be approximately \$30 to \$167 per person. Those receiving the lower amount (roughly \$30) will also be eligible to receive one (1) free month of a Noom Healthy Weight Subscription valued at \$60. The free credit does not reduce Class Members' cash award. This is only an estimate, and the payments could be less or more than this range. We can't give you an exact number right now because the payment amounts depend on several factors. These factors include (i) the number of valid claims, (ii) whether you are in Subclass A or Subclass B, and (iii) the amount of fees, costs, expenses, awards, and taxes deducted from the Settlement fund.

The parties estimate the following average payment for persons who are members of each Subclass:

- The average **Subclass A** member will receive \$167.00.
- The average **Subclass B** member will receive \$30.00, excluding any subscription fee credits. Members of Subclass B can also choose to receive one free month of Noom's Health Weight product. This free month does not reduce consumers' cash award. The first 100,000 members of Subclass B to choose the free month and submit a valid Claim Form will be issued the free month. If you have a Healthy Weight subscription when the credit for the free month is redeemed, an additional month will be added on a one-time basis to that subscription. If you are not a Healthy Weight subscriber when the credit is redeemed, you will be given a voucher or promo-code that will allow you to access a single month of a non-recurring (non-autorenewing) Healthy Weight Subscription. The credit will expire if it is not redeemed within twelve (12) months of the date it is issued. Once the credits are exhausted, the Settlement Administrator will notify any member of Subclass B who submits a valid Claim Form requesting a subscription fee credit that such credits have been exhausted.

## HOW TO GET A PAYMENT—SUBMITTING A CLAIM FORM

## **10. HOW CAN I GET A PAYMENT?**

To get a payment, you must complete and submit a valid Claim Form **no later than June 24, 2022**. Please file your claim electronically on <u>www.NoomClassSettlement.com</u>. Not only is submitting

online easier and more secure, but it is completely free and takes only minutes. You can get payment by a check or electronically through Venmo, Zelle, PayPal, and direct deposit.

If you want a paper copy of the Claim Form, you can download it on the Important Documents page of the Settlement website <u>www.NoomClassSettlement.com</u>, or call toll free 1-844-999-2466. If you want to submit a paper copy of your Claim Form by mail, please send it to the Settlement Administrator at the address below:

Nichols v. Noom, Inc. Attn: Settlement Administrator 1650 Arch Street, Suite 2210 Philadelphia, PA 19103

If you timely file a valid Claim Form and your claim is approved, you will receive a payment. Please read the Claim Form carefully and provide all the information required. All Claim Forms **must be received (or postmarked if mailed) and properly completed by June 24, 2022**.

**11. WHEN WILL I GET MY PAYMENT?** 

We can't give you a date yet. We estimate that payments will be made about two months after the judge approves the Settlement. The judge will consider the Settlement's fairness on **July 11, 2022**. Even if the judge approves the Settlement, there may be appeals. It is always uncertain whether and when appeals will be resolved and resolving them can take more than a year. Please be patient.

All checks will expire and become void 90 days after they are issued. If there is any money left because of uncashed checks or returned electronic payments, you may get a second payment if you filed a valid claim. If there is money left after the second payment, that money may be donated to a non-profit with a track record of addressing consumer fraud issues on the Internet.

The Settlement website will be updated to inform Class Members of the progress of the Settlement.

# WHAT HAPPENS IF YOU REMAIN IN THE SETTLEMENT

## **12.** WHAT AM I GIVING UP TO STAY IN THE CLASS?

Unless you exclude yourself, you will remain in the Class.

That means that if the judge approves the Settlement, you are giving up the right to file your own lawsuit against, or seek further money from, Noom for any of the issues or claims in the case—whether or not you are currently aware of those claims.

The specific scope of the claims you are releasing is in paragraph 52 of the Settlement Agreement, which is available through the "Important Documents" page on the Settlement Website. If you have any questions, you can talk to the lawyers listed in Question 19 for free.

#### **13.** WHAT HAPPENS IF I DO NOTHING AT ALL?

If you are a Class Member and you do nothing (meaning you don't submit a Claim Form and don't exclude yourself), you will **not** receive money from this Settlement and you will release your claims as explained above.

#### **EXCLUDING YOURSELF FROM THE SETTLEMENT**

#### **14. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?**

To exclude yourself from the Settlement, you must submit a written request for exclusion to the Settlement Administrator, stating that you want to be excluded from the Settlement in Nichols, et al. v. Noom, Inc. et al., No. 20 cv. 03677 (KHP). You must include the following statement: "I request to be excluded from the Class and Settlement in Nichols, et al. v. Noom, Inc., et al., No 20 cv. 03677 (KHP) (S.D.N.Y.). You must also include your name, your current address, your email address, your telephone number, and your signature. Your exclusion request must also be personally signed by you. A typed signature or an attorney's signature will not satisfy this requirement. A request to be excluded will not be valid unless all of the information described above is included. You must either email vour exclusion request to Exclusion@NoomClassSettlement.com, or mail it (postmarked) no later than, June 24, 2022 to:

> Class Action Opt Out Noom Settlement P.O. Box 58220 Philadelphia, PA 19102

If you ask to be excluded and follow the instructions for doing so above, you will not get any Settlement payment. You will not be legally bound by anything that happens in this lawsuit.

15. IF I DON'T EXCLUDE MYSELF, CAN I SUE NOOM FOR THE SAME THING LATER?

No. Unless you exclude yourself, you give up any right to sue Noom for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately.

#### **16. IF I EXCLUDE MYSELF, CAN I GET MONEY FOR THIS SETTLEMENT?**

No. If you exclude yourself, you cannot submit a Claim Form to ask for any money because you will no longer be eligible for any.

# **OBJECTING TO THE SETTLEMENT**

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

# **17.** How do I tell the Court I do not like the Settlement?

If you are a member of the Class and you do not exclude yourself, you can ask the judge to deny approval by filing an objection.

You cannot ask the judge to order a different Settlement—the judge can only approve or reject the Settlement. If the Court denies approval, no Settlement payments will be made and the lawsuit will continue.

Any objection to the proposed Settlement must be in writing. If you submit a written objection before the deadline, you may, but don't have to, appear at the Final Approval Hearing. If you want to appear, you can do so yourself or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney.

All written objections must include the following:

- 1. A reference at the beginning to *Nichols, et al. v. Noom, Inc., et al.*, No 20 cv. 03677 (KHP) (S.D.N.Y.);
- 2. Your full name, mailing address, email address, telephone number, and personal signature (a typed signature or an attorney's signature will not satisfy this requirement);
- 3. Your basis for believing you are a Class Member;
- 4. Whether you intend to appear at the Final Approval Hearing, either in person or through counsel, and, if through counsel, identifying counsel by name, mailing address, email address, and phone number, and who, if anyone, from such counsel will appear at the Final Approval Hearing;
- 5. A clear and concise statement of the grounds for the objection; and
- 6. The name and contact information of any and all attorneys or persons who may profit from the pursuit of the objection that are representing, advising, or in any way assisting you in connection with the preparation or submission of the objection.

In addition, for any objection made with the assistance of any attorney, law firm staff, or other person who may profit from the pursuit of the objection to be valid, the objection must include the following:

- 7. A written statement of any legal support for such objection;
- 8. Copies of any papers, briefs, or other documents upon which the objection is based that the objector wishes the judge to consider when reviewing the objection;
- 9. A list of all persons who will be called to testify in support of the objection, if any; and
- 10. A detailed list of any other objections and any orders pertaining to the prior objections, the objector, or his or her counsel or other person who may profit from the pursuit of the objection submitted in any action in the previous five (5) years. If the Class Member or his or her counsel or other person who may profit from the pursuit of the objection has not objected to any other class action Settlement in the previous five (5) years, he, she, or it shall affirmatively state so in the written materials provided in connection with the objection to this Settlement.

Further, any Class Member who submits a timely written objection prepared or filed with the assistance of an attorney, law firm staff, or other person who may profit from the pursuit of the objection shall consent to deposition by Class Counsel and/or Noom's counsel prior to the Final Approval Hearing.

Any written objection must be signed and dated and postmarked (or emailed) no later than **June 24, 2022**. Submit your objection to the Settlement Administrator at:

Class Action Objection Noom Settlement P.O. Box 58220 Philadelphia, PA 19102 Objection@NoomClassSettlement.com

You must also serve a copy of your objection on Class Counsel and Defendants' Counsel no later than **June 24, 2022** at the following addresses:

**Class Counsel**: Wittels McInturff Palikovic, 18 Half Mile Road, Armonk, New York 10504, jbm@wittelslaw.com

Noom's Counsel: Cooley LLP, 55 Hudson Yards, New York, NY 10001, areddy@cooley.com

Any objection to the Settlement, and any papers submitted in support of said objection, shall be considered by the Court at the Final Approval Hearing only if, on or before **June 24, 2022**, the Class Member making the objection transmits copies of such papers he or she proposes to be submitted at the Final Approval Hearing to the Settlement Administrator, Class Counsel, and Noom's Counsel.

**18.** WHAT IS THE **DIFFERENCE BETWEEN OBJECTING AND ASKING TO BE EXCLUDED?** 

Objecting means that you disagree with some aspect of the Settlement and think the judge should not approve the Settlement. You can object only if you stay in the Settlement. Excluding yourself means that you do not want to be part of the Settlement. If you exclude yourself, you will not be eligible to receive money from the Settlement and you cannot object because the Settlement no longer affects you.

# THE LAWYERS REPRESENTING YOU

## **19. DO I HAVE A LAWYER IN THIS CASE?**

The Court appointed the law firm of Wittels McInturff Palikovic to represent all Class Members. These lawyers are called "Class Counsel." Class Counsel is experienced in handling similar class action cases. More information about Class Counsel and their lawyers' experience is available at <u>www.wittelslaw.com</u>.

After investigating and litigating the case for more than two years, Class Counsel believes that the Settlement is fair, reasonable, and in Class Members' best interests considering all relevant risks, including that Noom may be right about what the law requires or that this case may not be suitable for treatment as a class action. If the judge agreed with Noom on this latter point, Class Members like you would only recover any money if you hired your own lawyer and brought your own lawsuit in an individual capacity. The costs of your own lawsuit would likely far surpass the amount of any payments you made to Noom.

#### **20.** HOW WILL THE LAWYERS BE PAID?

Class Counsel have not received any payment for their services in pursuing claims against Noom on behalf of the Class, nor have they been reimbursed for their out-of-pocket expenses. As is customary in class actions like this one, Class Counsel will ask the Court to approve Service Awards of up to \$12,500 to the Class Representatives who assisted Class Counsel in prosecuting the case, and also ask the Court to approve payment of up to one-third of the Settlement fund to them for attorneys' fees and expenses.

## THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you do not have to.

# 21. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold a Final Approval Hearing at **10:00 a.m. on July 11, 2022**. at the United States District Court for the Southern District of New York, 500 Pearl Street, New York, New York 10007 in Courtroom 17-D, 17th Floor. At this hearing, the Court will consider whether the Settlement and its terms are fair, reasonable, and adequate. *You do <u>not</u> have to appear at this Fairness Hearing to receive a payment from the Settlement*.

**Note:** The date and time of the Final Approval Hearing may change and the hearing may be held by telephone or video conference, but any changes will be posted on the Settlement website www.NoomClassSettlement.com, or through the Court's Public Access to Court Electronic Records (PACER) system at <u>https://ecf.nysd.uscourts.gov</u>.

# **22. DO I HAVE TO COME TO THE HEARING?**

No. Class Counsel and Noom's lawyers will answer any questions the judge may have. You may attend at your own expense if you wish.

# 23. MAY I SPEAK AT THE HEARING?

If you do not exclude yourself from the Class, you may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *Nichols, et al. v. Noom, Inc, et al.*, No 20 cv. 03677 (KHP) (S.D.N.Y.)." Be sure to include your name, address, telephone number, and signature. Your Notice of Intention to Appear must be postmarked no later than **July 5, 2022**, and be sent to the Clerk of the Court. You cannot speak at the hearing if you excluded yourself from the Settlement.

# **GETTING MORE INFORMATION**

# 24. ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

This notice summarizes the Settlement. More details are in the Settlement Agreement, in the Court's Orders, and other relevant documents, which are available at <u>www.NoomClassSettlement.com</u>.

# **25.** How do I get more information?

You can call the Claims Administrator hotline at 1-844-999-2466, write to Noom Settlement, Attn: Settlement Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103 or explore <u>www.NoomClassSettlement.com</u>, where you can submit a Claim Form, find a Claim Form, key

documents in the case, and other information to help you determine whether you are a Class Member and whether you are eligible for a payment. You can also contact Class Counsel at 1-914-775-8862.

# PLEASE DO <u>NOT</u> CONTACT THE COURT, THE JUDGE, OR THE DEFENDANTS WITH QUESTIONS ABOUT THE SETTLEMENT OR CLAIMS PROCESS

All questions regarding the Settlement or claims process should be directed to the Settlement Administrator or to Class Counsel.

By order of the United States District Court for the Southern District of New York