

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

STEVEN LOZANSKI

Plaintiff

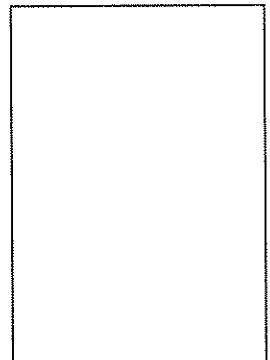
- and -

THE HOME DEPOT, INC. and HOME DEPOT OF CANADA, INC.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

COURT FILE NUMBER	QBG 2006 / 14
COURT OF QUEEN'S BENCH FOR SASKATCHEWAN	
JUDICIAL CENTER OF	REGINA
PLAINTIFF	MARTIN KNUTH
DEFENDANTS	THE HOME DEPOT, INC. and HOME DEPOT OF CANADA INC.



Brought under The Class Actions Act

SETTLEMENT AGREEMENT

- signed this day of April, 2016 -

All parties consent and agree to the settlement of these two proposed class actions, subject to Ontario Court approval, on the terms set out in the following paragraphs:

1. The Defendants (together, "The Home Depot" or "THD") deny any wrongdoing arising out of the Data Breach, including all allegations made or which could have been made against them in either of these two Actions.
2. The Defendants commit to a settlement on the following terms:

- (a) to create a "Settlement Fund" of CDN \$250,000 for the documented claims of all Canadians whose payment card information and/or email address was compromised as a result of the Data Breach during the Data Breach Period ("the Settlement Class"). That Fund shall be non-reversionary, but excess monies remaining in the Fund after all valid claims are paid out will be credited to the sums owing by THD under s.1(e) and (f);
- (b) claims may be made by Members of the Settlement Class in the manner and on the terms defined in the US Settlement Agreement at paragraphs 32-34, except that the individual cap will be CDN \$5000;
- (c) to pay for credit monitoring for those persons within the Settlement Class who enroll for it, up to a cap of CDN \$250,000;
- (d) to have Home Depot of Canada Inc. implement the corporate initiatives agreed to by the U.S. parent company, as reasonably appropriate;
- (e) to pay separately for all reasonable costs of appropriate notice of the proposed settlement, and of the approved settlement, as determined by the Ontario Court;
- (f) to pay separately for all reasonable administration costs for the implementation of this settlement, as determined by the Ontario Court;
and
- (g) to pay an honorarium, taken from the Settlement Fund, for the Plaintiffs in the *Knuth* and *Lozanski* Actions, in an amount as approved by the Ontario Court, up to CDN \$4000 each, and up to \$1000 each for the Plaintiffs in the other MLG action currently outstanding in this matter.

3. The Plaintiff in the Ontario Action will forthwith bring a motion (**Motion #1**), with all necessary supporting material, for:

- (a) carriage in Ontario on behalf of a national Class of all persons who conducted an electronic payment transaction at a self-checkout terminal in Canada during the Class Period, and/or for whom THD had an email address during the Class Period ("the Canadian Class");
- (b) certification of that Action for the sole purpose of implementing this Settlement Agreement on behalf of the Canadian Class;
- (c) a date for an Approval Hearing;
- (d) approval of a procedure to object to the proposed settlement;
- (e) approval of a procedure to opt-out of the Ontario Action; and
- (f) approval of the substance of and a plan for dissemination of notice of the above terms to the Canadian Class Members;

all as provided for in the attached draft Order #1.

4. The Plaintiff in the Saskatchewan Action will make all necessary efforts and provide all necessary supporting material for the timely and successful completion of Motion #1.

5. The Ontario Plaintiff will then bring a motion (**Motion #2**), with all necessary supporting material, for the approval of this Settlement Agreement for the Canadian Class, on these terms, and substantially in the substance and form provided for in the attached draft Order #2, including a full release from the Canadian Class to the Defendants in terms acceptable to the Defendants.

6. The Plaintiff in the Saskatchewan Action will make all necessary efforts and provide all necessary supporting material for the timely and successful completion of Motion #2.

7. The Defendants will support a term of Order #2 for the payment of an honorarium to each Plaintiff, up to the amount of \$4000 each, and up to \$1000 each for the Plaintiffs in the other MLG action currently outstanding in this matter, subject to Court approval.

8. The Defendants will prepare initial motion materials for Motion #1 and Motion #2. In addition, the Defendants will pay the costs of the mediation held April 25, 2016.

9. The Parties agree for the purposes of settlement approval that the terms of settlement shall be assigned the following values:

- (a) Settlement fund: CDN \$250,000;
- (b) Credit monitoring: CDN \$250,000;
- (c) Administration costs: CDN \$100,000; and
- (d) Notice costs: CDN \$100,000.

DM
JP
Effective Date

10. Upon the Effective Date, the Saskatchewan Plaintiff will discontinue his Action and MLG will discontinue each of its currently outstanding actions, each with prejudice and without costs.

to the completion of the settlement,

11. The Defendants will pay a sum to the Ontario Plaintiff, and a sum to the Saskatchewan Plaintiff, each for their legal fees, costs and disbursements, in amounts to be determined by the Ontario Court, with a motion on notice to the Defendants, to be heard subsequent to the successful completion of Motion #2.

the cumulative amount of \$360,000

12. The parties acknowledge that this Settlement Agreement is null and void in all respects if it is not approved by the Ontario Superior Court on these terms, without material change.

all inclusive, plus H.S.T.

AUTHORIZED SIGNATURES

13. The persons signing this Settlement Agreement each represent that he/she is fully authorized to enter into the terms and conditions of, and to execute, this Settlement Agreement. In the case of execution by counsel, the signatory represents that he has the full and informed authority of his clients to so proceed.

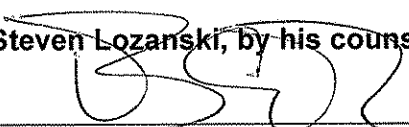
COUNTERPARTS

14. This Settlement Agreement may be executed in counterparts, all of which taken together will be deemed to constitute one and the same Settlement Agreement.

15. A facsimile or email signature shall be deemed an original signature for the purpose of executing this Settlement Agreement.

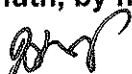
All of which is agreed to this 25th day of April, 2016:

Steven Lozanski, by his counsel



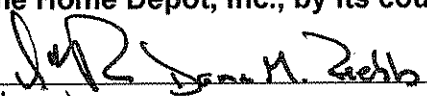
(Name) B. McPhadden

Martin Knuth, by his counsel




(Name) Linh Phan

The Home Depot, Inc., by its counsel



(Name) James M. Reilly

Home Depot of Canada Inc., by its counsel



(Name) James M. Reilly