

**PLAN OF ALLOCATION FOR NET SETTLEMENT FUND**

***In re Lenovo Adware Litigation, Case No. 4:15-md-02624-HSG***

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3 After payment of attorneys' fees and litigation expenses, including the cost of Settlement  
4 notice and administration, the Net Settlement Fund will be distributed according to the following plan,  
5 subject to approval by the Court. All capitalized terms contained and not otherwise defined herein  
6 have the meanings ascribed to them in the Settlement Agreement dated July 11, 2018.

7 **I. Submission of Claims**

8 A. A Claim Form may be completed and submitted by mail or through the Settlement  
9 Website.

10 B. To be eligible for payment, claims must be submitted or postmarked by no later than  
11 120 days after the date of Notice.

12 C. The Claim Administrator will establish and maintain a settlement website, which will  
13 be accessible through commonly used internet service providers and will, among other things, be used  
14 for the electronic submission of Claim Forms. The Claim Administrator will be solely responsible for  
15 receiving and processing requests for Claim Forms, for promptly delivering Claim Forms to Class  
16 members who request them, for establishing appropriate claim auditing and verification protocols and  
17 procedures, and for determining the eligibility of claims for payment. The Claim Administrator may  
18 implement further procedures as appropriate to effect this plan, including through communications  
19 with Class members and with Class Counsel.

20 **II. Short Form Claims and Long Form Claims**

21 A. There will be one Claim Form. All Class members are eligible to make one or more  
22 Short Form Claims and/or Long Form Claims using this form.

23 B. Class members who purchased multiple Class Computers may make both Short Form  
24 and Long Form Claims. Each Class Computer, however, may be the subject of only one Short Form  
25 Claim or one Long Form Claim.

1 C. For Short Form Claims, eligible Class members must return the Short Form Claim  
2 Form, and attest to the purchase of a Class Computer not for resale. Each Class member may submit  
3 one Short Form Claim without documentary proof of purchase for one Class Computer only.

4 D. To be eligible for payment, any Class member who submits claims for multiple Class  
5 Computers must submit documentary proof of purchase for each Class Computer and must attest that  
6 the Class Computers were not purchased for resale. Upon such proof, a Class member may be eligible  
7 for payment of multiple Short Form and/or Long Form Claims.

8 E. For Long Form Claims, eligible Class members must confirm their contact information,  
9 attest that the Class Computers were not purchased for resale, and provide documentation of  
10 reasonable out-of-pocket losses attributable to security, privacy, and/or performance concerns or  
11 problems with a Class Computer. Valid Long Form Claims will be paid up to \$750 per Class  
12 Computer for documented losses. With respect to each Class Computer that is the subject of an Long  
13 Form Claim, Class members must provide proof of the costs incurred (for example, without limitation,  
14 receipts, payment card statements, or photographs), and a short statement explaining how those costs  
15 were incurred in response to security, privacy, and/or performance concerns or problems reasonably  
16 attributable to Visual Discovery. Eligible costs may include, without limitation, payments for technical  
17 support or credit monitoring services.

18 **III. Determination of Class Member Payments**

19 A. The Net Settlement Fund will be divided into a Long Form Claim Fund of \$300,000  
20 and a Short Form Claim Fund containing the remainder.

21 B. After determining which claims are eligible for payment and identifying the total set of  
22 eligible claims, the Claims Administrator will allocate the Long Form Claim Fund and the Short Form  
23 Claim Fund and pay claimants as follows.

24 1. Each eligible Long Form Claim will be paid in its actual amount out of the Long  
25 Form Claim Fund, subject to the limitations listed in ¶ II.E; provided, however, that if the total dollar  
26 value of eligible Long Form Claims exceeds the Long Form Claim Fund, the eligible Long Form  
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1 Claims will be reduced in proportion to their actual amounts and paid out of the Long Form Claim  
2 Fund, subject to its enhancement under step 3.

3           2. Each eligible Short Form Claim will be paid in the amount of \$40 out of the  
4 Short Form Claim Fund; provided, however, that if the quotient of the Short Form Claim Fund to the  
5 number of eligible Short Form Claims is less than \$40, each eligible Short Form Claim will be reduced  
6 *pro rata* on a per-Computer basis, subject to enhancement of the Short Form Claim Fund under step 3.

7           3. If, after performance of the calculations in steps 1 and 2, either the Long Form  
8 Claim Fund or the Short Form Claim Fund is exhausted (triggering the exception under that step), but  
9 the other fund is not exhausted, the sum remaining in the non-exhausted fund post-calculation will be  
10 added to the exhausted fund for purposes of completing the calculations in step 1 or 2.

11           4. If, after steps 1, 2, and, if necessary, 3, any sums remain in the Long Form  
12 Claim Fund and/or the Short Form Claim Fund, those sums will be combined into a single Residual  
13 Claim Fund. In that event, the Residual Claim Fund will be allocated *pro rata* to all eligible claimants  
14 on a per-Computer basis, and those supplemental sums will be in addition to the amounts due to  
15 claimants under steps 1 and 2.

16           5. Subject to paragraph 6 below, after the Claims Administrator has completed all  
17 necessary calculations under steps 1, 2, 3, and 4, it will pay eligible claimants by check or electronic  
18 payment in a single installment.

19           6. If the *pro rata* allocation of the Residual Claim Fund in step 4 would result in a  
20 supplemental allocation exceeding \$500 per Computer, Class Counsel will notify the Court and  
21 propose additional means of distributing the Residual Claim Fund and/or of providing notice of the  
22 Settlement to non-participating Class members, with the Net Settlement Fund to bear the cost of any  
23 such additional measures.

24           7. If further distributions to Class Members are no longer practicable, the Court  
25 may hear and approve additional proposals for reasonable distribution of remaining funds.