

## NOTICE OF CLASS ACTION SETTLEMENT

*Richards, et al. v Chime Financial, Inc., Case No. 4:19-cv-06864 (N.D. Cal.)*

**IF YOU WERE A CHIME FINANCIAL, INC. ACCOUNTHOLDER BETWEEN OCTOBER 16, 2019, AND OCTOBER 19, 2019, A CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS.**

For complete information, visit [www.RichardsServiceDisruptionClassAction.com](http://www.RichardsServiceDisruptionClassAction.com) or call (855) 917-3581.

*A Federal Court authorized this Notice. You are not being sued. This is not a solicitation from a lawyer.*

A Settlement has been reached in a class action lawsuit against Chime Financial, Inc. (“Chime”), The Bancorp Inc., and Galileo Financial Technologies LLC (formerly known as Galileo Technologies, Inc.) (collectively, “Defendants”). The lawsuit concerns Chime deposit accounts and the intermittent disruption in service that some accountholders experienced for portions of a period of time between October 16, 2019, and October 19, 2019, (the “Service Disruption”). Defendants deny that they are or can be held liable for the claims made in the lawsuit. The Settlement does not establish who is correct, but rather, is a compromise to end the lawsuit. The lawsuit is called *Richards, et al. v Chime Financial, Inc., Case No. 4:19-cv-06864 (N.D. Cal.)*, and is pending in the U.S. District Court for the Northern District of California.

- **Who Is in the Settlement Class?** Members of the Settlement Class are all consumers who attempted to, and were unable to, access or utilize the functions of their accounts with Chime, as confirmed by a failed transaction or a locked card as recorded in Chime’s business records, beginning on October 16, 2019, through October 19, 2019, as a result of the Service Disruption. Eligible Settlement Class Members will be emailed notice of their eligibility, and Settlement Class membership will be verified against that emailed list. The Settlement Class does not include (a) any Judge or Magistrate presiding over this Action and members of their immediate families; (b) Defendants, Defendants’ subsidiaries, parent companies, successors, predecessors, and any entity in which Defendants have a controlling interest, and any of their current or former officers, directors, employees, representatives, managers, members, and any other Person acting for or on behalf of Defendants; (c) Persons who properly execute and file a timely request for exclusion from the Settlement Class; and (d) Persons who have been separately represented by counsel for matters of, and have settled, claims related to the Service Disruption with any of Defendants.
- **What Can I Get Out of the Settlement?** If you’re an eligible Settlement Class Member and the Court approves the Settlement, you can receive a cash payment to compensate you for any losses you incurred during the Service Disruption, as follows.
  - **Tier One:** Settlement Class Members who attempted to and were unable to access their accounts or spend their account funds between October 16, 2019 and October 19, 2019, and who claim they suffered a financial or other loss as a result of the Service Disruption, but do not have or do not wish to provide Reasonable Documentation of losses, as defined in the Settlement Agreement (including receipts, account statements, letters or records from employers confirming payments or losses, and letters from landlords confirming payments or losses), will be eligible for a payment of up to twenty-five dollars (\$25.00). Payments will be reduced by amounts you already received from Chime for the Service Disruption. If the total amount of timely, valid Claims exceeds four million dollars (\$4,000,000.00), then each valid Claim shall be reduced depending on the number of valid Claims submitted by the Settlement Class. Subject to the Terms of the Agreement, if the amount of valid claims is less than four million dollars (\$4,000,000.00), Defendants will not be obligated to make these funds available and shall keep these funds, (“**Tier 1 Residue**”), except to the extent that such funds are necessary to fully or partially satisfy Tier 2 claims, as described below. For additional information, see the terms of the Settlement Agreement. The Settlement Administrator will post additional information about the payment amount on [www.RichardsServiceDisruptionClassAction.com](http://www.RichardsServiceDisruptionClassAction.com) if necessary.
  - **Tier Two:** Settlement Class Members who attempted to, and were unable to access their accounts or spend their account funds between October 16, 2019, and October 19, 2019, and who suffered a financial or other loss as a result of the Service Disruption, and provide Reasonable Documentation of losses, will be eligible for a payment of up to

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\$750.00. Payments will be reduced by amounts you already received from Chime for the Service Disruption. If the total amount of timely, valid, documented Claims exceeds one and one-half million dollars (\$1,500,000.00), plus the Tier 1 Residue, if any, then each valid, documented Claim shall be reduced depending on the number of valid Claims submitted by the Settlement Class. If the amount of valid Claims is less than one and one-half million dollars (\$1,500,000.00), Defendants will not be obligated to make these funds available and shall keep these funds. For additional information, see the terms of the Settlement Agreement. The Settlement Administrator will post additional information about the payment amount on [www.RichardsServiceDisruptionClassAction.com](http://www.RichardsServiceDisruptionClassAction.com) if necessary.

- Election of Reimbursement Method: Settlement Class Members may elect to obtain cash reimbursement without documentation or with documentation, as detailed above, but may not obtain cash reimbursement for both categories.
- **Minimum Payment:** Defendants will pay a minimum of one and one-half million dollars (\$1,500,000.00) for the tiered Claims for financial or other losses detailed above. If the Claims submitted for financial or other losses do not equal or exceed the minimum of one and one-half million dollars (\$1,500,000.00), the difference will be donated by Defendants to the East Bay Community Law Center as approved and directed by the Court.
- This Settlement includes additional benefits that Defendants have already provided to Settlement Class Members. These benefits include a ten dollar (\$10.00) credit to Settlement Class Members with an active Chime Account that was issued on or about November 14, 2019, and a credit to Settlement Class Members with an active Chime account who incurred certain transaction fees during the Service Disruption to cover those fees. For more information on the previously provided benefits, please visit [www.RichardsServiceDisruptionClassAction.com](http://www.RichardsServiceDisruptionClassAction.com)
- **How Do I Get My Payment?** Once the Settlement is approved, if you want to receive a separate payment for losses as a result of the Service Disruption, you must fill out and submit a timely, valid Claim Form. Just complete and submit the Claim Form online at [www.RichardsServiceDisruptionClassAction.com](http://www.RichardsServiceDisruptionClassAction.com). You can also download the Claim Form from the Settlement Website, or call or write to the Settlement Administrator to request a paper copy of the Claim Form. ***All Claim Forms must be received online or postmarked no later than February 15, 2021.***

Call Toll-Free: (855) 917-3581

Mail:

Richards v Chime Financial Settlement Administrator  
PO Box 6006  
Portland, OR 97228-6006

- **What Are My Options?** You can do nothing, submit a Claim Form, comment on or object to any of the Settlement terms, or exclude yourself from the Settlement. If you do nothing, submit a Claim Form, or object, you won't be able to take action against any of the Defendants with respect to the claims addressed in the Settlement, and you will be bound by the Settlement's release. If you exclude yourself, you won't get a payment, but you'll keep your right to take action against Defendants with respect to the issues in the case. You may download an exclusion form at [www.RichardsServiceDisruptionClassAction.com](http://www.RichardsServiceDisruptionClassAction.com). You must submit your written exclusion request to the Settlement Administrator at Richards v Chime Financial Settlement Administrator, PO Box 6006, Portland, OR 97228-6006. You can also object to the Settlement if you disagree with any of its terms. Objections must be mailed to the Court (please see Question 18 of the Long Form Notice). ***All Requests for Exclusion and Objections must be received by February 1, 2021.***
- **What Claims Do I Give Up by Participating in This Settlement?** If you do not exclude yourself from the Settlement, you will not be able to sue any of the Defendants about the issues in this case, you will be bound by the Settlement's release, and you will be bound by all decisions made by the Court in this case. The specific claims you are giving up, and the people you will not be able to sue, are described in Section IX of the Settlement Agreement. You can read the Settlement Agreement at [www.RichardsServiceDisruptionClassAction.com](http://www.RichardsServiceDisruptionClassAction.com).
- **Do I Have a Lawyer?** Yes. The Court has appointed John A. Yanchunis Sr. of Morgan & Morgan as "Lead Counsel" and Patrick A. Barthle II of Morgan & Morgan and Joshua H. Watson of Clayco C. Arnold, APC as "Class Counsel." The

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lawyers will file a motion seeking Court approval for the payment of their attorneys' fees, costs, and expenses, to be paid separately from the monetary relief being made available for Approved Claims, in an amount no greater than seven-hundred and fifty thousand dollars (\$750,000.00). The Court has also chosen Plaintiffs Ryan Richards, Ruba Ayoub, Brandy Terbay, and Tracy Cummings to serve as the Class Representatives—Settlement Class Members like you—to represent the Settlement Class. The Class Representatives will also request Service Award payments in the amount of five hundred dollars (\$500.00) each. You can hire your own lawyer, but you'll need to pay your own legal fees.

**When Will the Court Approve the Settlement?** The Court will hold a Final Approval Hearing on April 1, 2021, at the United States Courthouse Courtroom 2, 4th Floor, 1301 Clay Street, Oakland, CA 94612. The Court will hear objections, determine if the Settlement is fair, and consider Class Counsel's request for fees and expenses and a Service Award to each of the Class Representatives. You may appear at the hearing, but you are not required to attend. You may also hire your own attorney, at your own expense, to appear or speak for you at the hearing. These requests will be posted on the Settlement Website by January 6, 2021.

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