

Exhibit 1

injured them and Groupon's conduct violates and/or constitutes claims under Section 43 of the Lanham Act, 15 U.S.C. § 1125 *et seq.*; the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/1; the Illinois Deceptive Trade Practices Act, 815 ILCS 510/1; the New Jersey Unfair Competition Act, N.J.S.A. § 56:4-1; the California Unfair Competition Law, Business & Professions Code, § 17200, *et seq.*, and the common law unfair competition;

WHEREAS, Plaintiffs and Class Counsel have conducted an investigation into the facts and the law regarding the claims asserted in the Action, including the exchange of discovery in connection with settlement negotiations, and have concluded that a settlement with Groupon according to the terms set forth below is fair, reasonable, adequate, and in the best interest of Plaintiffs and the Settlement Class (defined below);

WHEREAS, Groupon denies each and all of the Plaintiffs' claims and allegations of wrongdoing; has not conceded or admitted any liability in this Action, or that it violated any duty owed to Plaintiffs and/or class; denies all claims of liability against it arising out of any of the conduct, statements, acts, or omissions alleged in the Action; and further denies the allegations that Plaintiffs or any member of the class were harmed by any conduct by Groupon alleged in the Action or otherwise;

WHEREAS, Plaintiffs and Groupon agree that neither the Settlement Agreement nor any statement made in the negotiation thereof shall be deemed or construed to be an admission or evidence of any violation of any statute or law or of any liability or wrongdoing by Groupon or of the truth of any of the claims or allegations alleged in the Action;

WHEREAS, Groupon has concluded, despite its belief that it is not liable for the claims asserted against it in the Action and that it has strong defenses thereto, that it will enter into this Settlement Agreement to avoid further expense, inconvenience, and the distraction of burdensome

and protracted litigation, and thereby to put to rest this controversy with respect to Plaintiffs and the Settlement Class (defined below) and avoid the risks inherent in complex litigation;

WHEREAS, arm's-length settlement negotiations have taken place between Class Counsel (defined below) and counsel for Groupon, that this Settlement Agreement has been reached as a result of those negotiations, and that this Settlement Agreement embodies all of the terms and conditions of the settlement between Groupon and Plaintiffs, both individually and on behalf of the Settlement Class (defined below).

NOW, THEREFORE, in consideration of the agreements and releases set forth herein and other good and valuable consideration, and intending to be legally bound, it is agreed by and between Plaintiffs and Groupon that the Action be settled, compromised, and dismissed with prejudice, without costs or expenses to Plaintiffs, the Settlement Class, or Groupon except as provided for herein, subject to the approval of the Court, on the following terms and conditions:

1. Definitions

The following terms, as used in this Settlement Agreement, have the following meanings:

a. "Affiliates" means entities controlling, controlled by, or under common control with another entity.

b. "Business Landing Page" means a page on Groupon's website, not including a Deal Page, that identifies a business and describes (whether accurately or inaccurately) its product and service offerings and/or provides other information (whether accurate or inaccurate) about such business.

c. "Class Counsel" means Raphael Janove of Pollock Cohen LLP.

d. “Class Counsel Fees and Expenses” means the sum of up to One Hundred Fifty Thousand United States Dollars (\$150,000) awarded by the Court to Class Counsel for fees and expenses for prosecuting this Action.

e. “Class Representatives” refers to Plaintiffs Salon Phoenix Cosmetology LLC and Salon Hairroin, Inc.

f. “Court” or “District Court” means the United States District Court for the Northern District of Illinois.

g. “Deal Page” means a page on Groupon’s website, not including a Business Landing Page, promoting a deal offered by a business through Groupon.

h. “Defendant” means Groupon, Inc.

i. “Effective Date” means the first date after which all of the following events and conditions have been met or have occurred:

- i. All Settling Parties have executed this Settlement Agreement;
- ii. The Court has entered the Final Approval Order and Judgment; and
- iii. The time for appeal or to seek permission to appeal from the Court’s Final Approval Order and Judgment has expired, or, if appealed, the Final Approval Order and Judgment have been affirmed in their entirety by the court to which such appeal has been taken and such affirmance has become no longer subject to further appeal or review; provided, however, a modification or reversal on appeal of any amount of Class Counsel Fees and Expenses or Class Representatives’ Service Awards awarded by the Court shall not be deemed a modification of all or part of the terms of this Settlement Agreement or the Final Approval Order and Judgment. Neither the provisions of Rule 60 of the Federal Rules of Civil Procedure nor the All Writs Act, 28 U.S.C. § 1651, shall be taken into account in determining the above-stated times.

j. “Final Approval Date” means the date on which the Court issues the Final Approval Order and Judgment.

k. “Final Approval Order and Judgment” means a final order of the Court approving the Settlement Agreement under Federal Rule of Civil Procedure 23(e) and dismissing the Action and all claims therein against Groupon with prejudice as to the Settlement Class.

l. “Notice Date” shall be 10 business days after the Preliminary Approval Date or as otherwise set forth in the Court’s Preliminary Approval Order, provided that such date is at least 10 days after the Preliminary Approval Date.

m. “Objection Deadline” means the date forty five (45) days after the Notice Date or as otherwise set forth in the Court’s Preliminary Approval Order, provided that such date is not greater than sixty (60) days after the Notice Date.

n. “Person” means an individual or an entity.

o. “Preliminary Approval Date” means the date on which the Court issues the Preliminary Approval Order.

p. “Preliminary Approval Order” means an order of the Court granting preliminary approval of this Settlement Agreement under Federal Rule of Civil Procedure 23.

q. “Released Claims” means those claims released pursuant to Paragraph 4(a) of this Settlement Agreement.

r. “Releasees” means Groupon and all of its respective past and present, direct and indirect, subsidiaries, joint ventures, and Affiliates, including but not limited to each and all of the present and former principals, partners, officers, directors, employees, representatives, insurers, attorneys, shareholders, heirs, executors, administrators, agents, and assigns of each of the foregoing. Each of the Releasees shall have the full benefits of this Settlement Agreement, including without limitation, those benefits set forth in Paragraphs 4(a) to 4(d) of this Settlement Agreement, even if the specific name of each of the Releasees is not set forth herein.

s. “Releasers” means each of Plaintiffs and the Settlement Class Members, and their respective past and present officers, directors, employees, agents, shareholders, attorneys, servants, representatives, parent companies, subsidiaries, Affiliates, partners, insurers, receivers, and bankruptcy trustees and the predecessors, successors, heirs, executors, administrators, and assigns of any of the foregoing.

t. “Service Awards” means the sum of up to Six Thousand United States Dollars (\$6,000) awarded by the Court to Class Representatives for their services as such in this Action, to be distributed evenly to each Class Representative.

u. “Settlement” means the settlement between the Settling Parties, as defined by the terms of this Settlement Agreement.

v. “Settlement Agreement” means this agreement.

w. “Settlement Class” means the proposed class of Persons as defined as follows:

All commercial entities for whom Groupon has ever created a Business Landing Page and all commercial entities that have ever offered deals through Groupon for whom Groupon maintained a Deal Page on its website after the expiration of such deal. Excluded from the Settlement Class are Defendant, its parents, subsidiaries and affiliates, and federal governmental entities and instrumentalities of the federal government and any judicial officer presiding over the Action, and any member of his or her immediate family and judicial staff.

x. “Settlement Class Member” means a person that falls within the definition of the Settlement Class.

y. “Settling Parties” means, collectively, Plaintiffs, on behalf of themselves and the Settlement Class, and Groupon.

2. Stipulation to Class Certification

a. The Settling Parties stipulate and agree, for settlement purposes only, that all prerequisites for certification of the Settlement Class pursuant to Federal Rule of Civil

Procedure 23 are met, and Plaintiffs will seek the Court's certification of the Settlement Class for settlement purposes in their motion for entry of the Final Approval Order and Judgment.

b. Should, for whatever reason, a Final Approval Order and Judgment not issue or the Settlement Agreement be otherwise rescinded, the Settling Parties' stipulation to class certification as part of the Settlement shall become null and void, and no party may cite to or refer to the Court's approval of the Settlement Class as persuasive or binding authority with respect to any motion to certify any such class or any motion opposing such certification. Groupon expressly reserves its rights to oppose class certification should the Court not issue a Final Approval Order and Judgment.

3. Approval of this Settlement Agreement and Dismissal of Claims

a. *Appointment of Class Counsel.* In connection with their motion for preliminary approval, Plaintiffs will seek the Court's appointment of Raphael Janove of Pollock Cohen LLP as Class Counsel for the Settlement Class.

b. *Best Efforts to Effectuate this Settlement.* Plaintiffs and Groupon shall use their best efforts to effectuate this Settlement Agreement and shall cooperate in Plaintiffs' efforts to promptly seek and obtain the Court's preliminary and final approval of this Settlement Agreement and to secure the prompt, complete, and final dismissal with prejudice of the Action as to Groupon.

c. *Motion for Preliminary Approval and Notice to Class.*

i. At a time to be determined by Class Counsel, but no later than forty-five (45) calendar days after the execution of this Settlement Agreement, Plaintiffs shall submit this Settlement Agreement to the Court with a Motion for Preliminary Approval requesting entry of an order in form and substance mutually satisfactory to Plaintiffs, the Class, and Groupon preliminarily approving the settlement, authorizing dissemination of notice to the Class, setting

the Objection Deadline, and scheduling briefing and a hearing for final approval of the settlement. Additionally, Plaintiffs will seek—and Groupon agrees not to oppose and to fund (as described in the next sentence)—an award of Class Counsel Fees and Expenses of up to One Hundred Fifty Thousand United States Dollars (\$150,000) and Service Awards of up to Six Thousand United States Dollars (\$6,000), shared evenly among the Class Representatives, which together total up to One Hundred Fifty and Six Thousand United States Dollars (\$156,000). Should the Court approve the Class Counsel Fees and Expenses and Service Awards, Groupon shall make payment within fourteen (14) days after such approval or fourteen (14) days after the Effective Date, whichever comes later.

ii. The Preliminary Approval Motion shall include, *inter alia*, (a) that the requirements for certification of the Settlement Class will likely be found satisfied; (b) a request to preliminarily appoint Plaintiffs as the representatives of the Settlement Class; (c) a request to preliminarily appoint Class Counsel as counsel for the Settlement Class; (d) a request to preliminarily approve the Settlement as being within the range of reasonableness such that the settlement notice should be provided to the Settlement Class Members; (e) the proposed form of, method for, and timetable for dissemination of notice to the Settlement Class; (f) a request that the Court find that the proposed form of and method for dissemination of the notice to the Settlement Class constitutes valid, due, and sufficient notice to the Settlement Class, that it constitutes the best notice practicable under the circumstances, and that it complies fully with the requirements of Federal Rule of Civil Procedure 23.

iii. The Preliminary Approval Motion shall also include the date by which Class Counsel will file a Motion for Approval of Class Counsel Fees and Expenses and Service Awards, which shall be no later than fifteen (15) days before the Objection Deadline. The agreed-

upon procedures and requirements regarding Settlement Class Members' rights and options, including filing objections in connection with and/or appearing at the final approval hearing, are intended to ensure the efficient administration of justice and the orderly presentation of any Settlement Class Members' objections to the Settlement Agreement, in accordance with such Settlement Class Member's due process rights. The Settling Parties will request that the Preliminary Approval Order further provide that objectors that fail to properly or timely file their objections, along with the required information and documentation, or to serve them as required, shall not be heard during the Final Approval Hearing, nor shall their objections be considered by the Court. Notice to the Settlement Class will be completed as described in the attached **Exhibit A**. Generally speaking, notice includes the creation of (a) a Settlement Website, which will be updated with key filings in this case and include instructions for objectors, (b) a press release by Groupon, and (c) a press release by Plaintiffs' counsel, the \$900 cost of publication of which Groupon will promptly reimburse Plaintiffs' counsel after the press release is distributed.

iv. At least five (5) business days prior to filing of any motions or other papers in connection with this Settlement Agreement, including without limitation the Preliminary Approval Motion and the Motion for Final Approval of the Settlement Agreement, Class Counsel will send a draft of these papers to counsel for Groupon. The text of any proposed form of order preliminarily or finally approving the Settlement shall be agreed upon by Plaintiffs and Groupon before it is submitted to the Court.

d. ***Procedure for Objecting to the Settlement.***

- i. The Settlement Website shall provide that those individuals or entities within the Settlement Class who wish to object to the Settlement must mail

a written statement of objection (“Notice of Objection”) to Class Counsel no later than Objection Deadline.

- ii. The postmark date of the mailing shall be deemed the exclusive means for determining that a Notice of Objection is timely. The Notice of Objection must identify the objector’s full business name, address, telephone number, and the last four digits of the objector’s tax ID; the case name and number; a statement of the objector’s basis for any objections to the Parties’ Settlement; a statement advising whether the objector plans to address the Court at the Final Approval Hearing and any legal briefs, papers or memoranda the objector proposes to submit to the Court; and, if the objector is represented by counsel, the name and address of his or her counsel. Class Counsel shall promptly forward to Defendants’ Counsel complete copies of all objections received, including the postmark dates for each objection.
- iii. Any objector may also appear at the Final Approval Hearing, in person, or virtually if available and authorized by the Court, or through an attorney retained at his or her own expense, but such appearance shall not be a prerequisite to the Court’s consideration of any timely-filed objection.
- iv. Absent good cause found by the Court, any Settlement Class Member who desires to object but fails to timely submit a written objection waives any right to object and will be foreclosed from making any objection to this Settlement. Any Settlement Class Member who does not timely and properly object waives any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate

proceeding, such as a motion to vacate judgment, motion for new trial, and/or extraordinary writs.

- v. Counsel for the Parties may file a response to any objections submitted by Objecting Settlement Class Members at least five (5) court days before the date of the Final Approval Hearing.

e. ***Motion for Final Approval and Entry of Final Judgment.*** Not less than thirty-five (35) calendar days prior to the date set by the Court to consider whether this Settlement should be finally approved, Plaintiffs shall submit a Motion for Final Approval of the Settlement by the Court, seeking an order, *inter alia*:

- i. Fully and finally approving this Settlement Agreement and its terms as being a fair, reasonable, and adequate settlement as to the Settlement Class within the meaning of Rule 23(e) of the Federal Rules of Civil Procedure and directing its consummation according to its terms and conditions;
- ii. Finding that the notice given to the Settlement Class constitutes the best notice practicable under the circumstances and complies in all respects with the due, adequate, and sufficient notice requirements of Federal Rule of Civil Procedure 23, and meets the requirements of due process;
- iii. Finding that the notification requirements of the Class Action Fairness Act, 28 U.S.C. § 1715, have been met;
- iv. Directing that, as to Groupon, the Action be dismissed with prejudice and, except as provided for in this Settlement Agreement, without costs;
- v. Discharging and releasing the Releasees from the Released Claims;
- vi. Permanently barring and enjoining the institution and prosecution by any Settlement Class Member of any other action against the Releasees based on the Released Claims; and
- vii. Finding under Federal Rule of Civil Procedure 54(b) that there is no just reason for delay and directing that the judgment of dismissal as to Groupon shall be final and entered forthwith.

No later than two (2) business days after the Final Approval Date, Plaintiffs shall seek entry of Final Judgment as to Groupon.

f. ***Stay Order.***

i. Upon execution of this Settlement Agreement, aside from activities to enforce and approve this Settlement Agreement, the parties will stay all ongoing litigation and deadlines that are set in the Action.

ii. Upon the Preliminary Approval Date, Plaintiffs and every member of the Settlement Class shall be barred and enjoined from commencing, instituting, or continuing to prosecute any action or any proceeding in any court of law or equity, arbitration tribunal, administrative forum, or other forum of any kind based on the Released Claims.

4. Release and Discharge

a. ***Released Claims.*** In addition to the effect of the Final Approval Order and Judgment entered in accordance with this Settlement Agreement, upon the occurrence of the Effective Date and in consideration of the Commitments specified in Paragraph 5(a) and the payment of Class Counsel Fees and Expenses and the Service Awards, the Releasees shall be completely released, acquitted, and forever discharged from any and all manner of injunctive claims, demands, rights, actions, suits, and causes of action, whether class, individual, or otherwise in nature, and attorneys' fees (except for the Class Counsel Fees and Expenses referred to in Sections 1(d) and 3(c)(i) of this Settlement Agreement) that Releasors, or any one of them, whether directly, representatively, derivatively, or in any other capacity, ever had, now have, or hereafter can, shall, or may have against the Releasees, whether known or unknown, relating to the conduct by Releasees alleged in the Action whether already acquired or acquired in the future, including but not limited to: (a) Lanham Act, 15 U.S.C. § 1125 *et seq.*; (b) any federal or state unfair competition, unfair practices, false advertising, consumer fraud, deceptive business, or trade practice laws; or (c) common law or statutory unfair competition claims, whether such claims are

known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, regardless of legal theory. The Released Claims also include, but are not limited to, all claims for injunctive relief asserted or which could have been asserted in the Action relating to or arising out of the facts, occurrences, transactions, statements, or other matters alleged in the Action. The Released Claims explicitly exclude all claims for monetary relief or money damages, including equitable disgorgement.

b. ***Covenant Not to Sue and License.*** After the Effective Date of this Settlement Agreement, Releasors covenant not to sue Groupon or any Releasee or otherwise seek to establish liability against Groupon or any of the Releasees based, in whole or in part, upon any of the Released Claims for conduct at issue in the Released Claims.

c. ***Waiver of California Civil Code § 1542 and Similar Laws.***

i. The Releasors acknowledge that for the consideration received hereunder, it is their intention to release, and they are releasing all Released Claims, whether known or unknown. In furtherance of this intention, the Releasors expressly waive and relinquish, to the fullest extent permitted by law, any rights or benefits conferred by the provisions of California Civil Code Section 1542 (“Section 1542”) and similar statutes or common law principles in other states. The Releasors acknowledge that they have been advised by Class Counsel of the contents and effects of Section 1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that if known by him or her, would have materially affected his or her settlement with the debtor or released party.

ii. The provisions of the Released Claims set forth above in Paragraphs 4(a) and 4(b) shall apply according to their terms, regardless of provisions of Section 1542 or any equivalent, similar, or comparable present or future law or principle of law of any jurisdiction. The

Releasors may hereafter discover facts other than or different from those that they know or believe to be true with respect to the subject matter of the Released Claims, but the Releasors hereby expressly waive and fully, finally, and forever relinquish any and all rights and benefits existing under (a) Section 1542 or any equivalent, similar, or comparable present or future law or principle of law of any jurisdiction, and (b) any law or principle of law of any jurisdiction that would limit or restrict the effect or scope of the provisions of the release and covenant not to sue and license set forth in Paragraphs 4(a) and 4(b).

d. ***No Other Discovery.*** From and after the date this Settlement Agreement is fully executed, neither Groupon nor Plaintiffs shall file motions against the other or initiate or participate in any discovery, motion, or proceeding directly adverse to the other in connection with the Action.

5. Settlement Consideration

a. Groupon and Plaintiffs have reached an agreement concerning significant injunctive relief regarding certain Groupon business practices (“Injunctive Relief”) related to Plaintiffs’ claims and the following timeline for the implementation of this robust relief:

i. Business Landing Page Reconfiguration

1. Option to Claim, Edit, or Remove Business Landing Page

- a. Within ninety (90) days of the Preliminary Approval Date, Groupon will reconfigure all Business Landing Pages by providing an option for Settlement Class Members to claim, edit, or remove the page. All such pages will include a mechanism to contact Groupon and/or will include information about how to contact Groupon to claim the page, request an edit, or request removal of the page. Any requested edits will be subject to Groupon’s approval consistent with its editorial standards and subject to confirmation of the requestor’s ownership of the business.
- b. In the event that Groupon requires time to process, consider, or implement a proposed claim, edit, or removal request from a Settlement Class Member, in the interim, within five (5) business days of receiving the request, Groupon will

temporarily de-index the page so it cannot appear in Google search results and will keep the page de-indexed until such time as Groupon can verify and implement the requested changes.

- c. Beginning one (1) year after the Final Approval Date, in the event that Groupon modifies the current business model for Business Landing Pages to be a universal business listings platform whereby these pages are searchable within the Groupon domain, Groupon may modify the “Claim, Edit, or Remove” feature to permit pages to be claimed and edited but not necessarily removed, provided that these pages ensure that disclaimer of affiliation still appears.
- d. For two (2) years after the Final Approval Date, on a quarterly basis, Class Counsel may request that Groupon send a quarterly list of any rejections to a Settlement Class Member pursuant to Groupon’s verification process described in 1(a)(i) above. To the extent Class Counsel disagrees with any such rejection, the Parties agree to try to resolve the issue in good faith.
- e. If the Settlement does not receive final approval, Groupon shall not re-list any Business Landing Page that a Settlement Class Member already requested be removed between the Preliminary Approval Date and the date the Court denies final approval.

2. Disclaimer of Affiliation on Unaffiliated Business Landing Pages

- a. Within ninety (90) days of the Preliminary Approval Date, Groupon will ensure that a disclaimer of affiliation appears on Business Landing Pages for all Settlement Class Members who do not have a current or prior deal with Groupon.

3. Mock-Ups

- a. Mock-ups of potential versions of the Business Landing Pages implementing changes described in Paragraphs 5(a)(i)(1) to 5(a)(i)(2) above are attached **Exhibit B**. These mock-ups are for illustrative purposes and Groupon may change or reconfigure its pages at any time provided they conform substantively to the terms in this Paragraph 5(a)(i).

ii. Expired Deal Pages

1. Immediately following the Final Approval Date, a Settlement Class Member may request that a Deal Page for a deal that has been expired for at least three (3) years be de-indexed or removed from Google or other search engines by contacting Groupon's merchant support, and such requests will be honored by Groupon.

6. Miscellaneous

a. ***Rescission of the Settlement Agreement.*** If the Court declines to approve this Settlement Agreement, or if such approval is materially modified or set aside on appeal, or if the Court does not enter the Final Approval Order and Judgment as provided in Paragraph 3(d), or if the Court enters the Final Approval Order and Judgment and appellate review is sought and, as a result of such review, the Effective Date does not occur, then Groupon and the Plaintiffs shall each, in their respective sole discretion, have the option to rescind this Settlement Agreement in its entirety by providing written notice to the undersigned counsel within ten (10) business days of the Court's order declining to approve this Settlement Agreement, or a Court order materially modifying the terms of the of settlement or setting it aside on appeal, or a Court order declining to enter a Final Approval Order and Judgment, or an order on appeal that fails to affirm a Final Approval Order and Judgment. For purposes of this Paragraph 6(a), material modifications include any modifications to the definitions of the Settlement Class, or Released Claims, any modifications to the terms of the Commitments and/or any notice to the Settlement Class described in this Settlement Agreement.

b. ***Use of Agreement as Evidence.*** The Settling Parties agree that this Settlement Agreement, whether or not it shall become final, and any and all negotiations, documents, and discussions associated with it, shall be governed by Federal Rule of Evidence 408 and shall not be deemed or construed to be an admission or evidence of any violation of any statute or law or of any liability or wrongdoing by Groupon or of the truth of any of the claims or allegations made in

the Action, and evidence thereof shall not be admissible or used directly or indirectly in any way in the Action or in any other action or proceeding, except an action to enforce or interpret the terms of the Settlement Agreement. The parties expressly reserve all of their rights if the settlement does not become final in accordance with the terms of this Settlement Agreement.

c. **Taxes.** Class Counsel and Plaintiffs shall be solely responsible for filing all information and other tax returns necessary to report any taxable and/or net taxable income obtained through the Settlement Agreement. Groupon shall have no responsibility to make any filings relating to the payment or benefits under the Settlement Agreement and shall have no responsibility to pay tax on any income or benefits obtained by the Plaintiffs or Class Counsel through the Settlement Agreement. Plaintiffs and Class Counsel understand and agree that they are solely responsible for the payment of any taxes and penalties assessed on the income or benefits they earned through the Settlement Agreement.

d. **No Representation and Warranties from Defendant.** Plaintiffs expressly warrant that, in entering the Settlement, they have relied solely upon their own knowledge and investigation, and not upon any promise, representation, warranty, or other statement by Groupon not expressly contained in this Settlement Agreement.

e. **No Encouragement to Object.** Plaintiffs, Defendant, and their respective counsel will not encourage or advise any member of the Settlement Class to submit an objection to the Agreement (or any aspect thereof).

f. **Headings.** The headings used in this Settlement Agreement are intended for the convenience of the reader only and shall not affect the meaning or interpretation of this Settlement Agreement.

g. ***No Party Deemed to Be the Drafter.*** None of the parties hereto shall be deemed to be the drafter of this Settlement Agreement or any provision hereof for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter hereof.

h. ***Entire Agreement.*** This Settlement Agreement constitutes the entire completed agreement among Plaintiffs and Groupon pertaining to the settlement of the Action against Groupon. This Settlement Agreement may be modified or amended only by a writing executed by Class Counsel and Groupon.

i. ***Severability.*** With the exception of Paragraphs 4(a) to 4(c) of this Settlement Agreement, if any one or more of the provisions of this Settlement Agreement shall for any reason be held to be illegal, invalid, or unenforceable in any respect, such illegality, invalidity, or unenforceability shall not affect any other provision if Groupon's counsel and Class Counsel mutually agree to proceed as if such illegal, invalid, or unenforceable provision had never been included in the Settlement Agreement. If any portion or all of Paragraphs 4(a) to 4(c) of this Settlement Agreement shall for any reason be held to be illegal, invalid, or unenforceable in any respect, Groupon shall have in its sole discretion the option to rescind this Settlement Agreement in its entirety by ten (10) business days written notice to the undersigned counsel.

j. ***Choice of Law.*** The terms of this Settlement Agreement shall be governed and interpreted according to the substantive laws of the State of Illinois without regard to its choice of law or conflict of laws principles.

k. ***Consent to Jurisdiction.*** The Settling Parties hereby irrevocably submit to the exclusive and continuing jurisdiction of the Federal Courts located in Cook County, Illinois, for any suit, action, proceeding, or dispute arising out of or related to this Settlement Agreement or

the applicability or interpretation of this Settlement Agreement, including without limitation any suit, action, proceeding, or dispute relating to the Released Claims and Paragraphs 4(a) to 4(c) of this Settlement Agreement.

l. ***Execution in Counterparts.*** This Settlement Agreement may be executed in counterparts by counsel for Plaintiffs and Groupon, and a PDF signature shall be deemed an original signature for purposes of executing this Settlement Agreement and so executed shall constitute one agreement.

m. ***Notification of Federal and State Officials.*** Groupon shall notify federal and state officials of this settlement as specified in 28 U.S.C. §§ 1715(a) & (b), and bear costs, if any, of doing the same.

n. ***Defendant's Attorneys' Fees and Costs.*** Groupon shall bear its own attorneys' fees and costs in this litigation.

o. ***Binding Effect.*** This Settlement Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the parties hereto. Without limiting the generality of the foregoing, each and every covenant and agreement herein by Plaintiffs and Class Counsel shall be binding upon the Settlement Class.

p. ***Authorization to Enter Settlement Agreement.*** Each of the undersigned attorneys represents that he or she is fully authorized to conduct settlement negotiations and to enter into the terms and conditions of, and to execute, this Settlement Agreement on behalf of his or her respective clients, subject to Court approval.

q. ***Notices.*** Any notice or other communication required or permitted to be delivered to any party under this Settlement Agreement shall be in writing and shall be deemed properly delivered, given, and received when delivered to the address or electronic mail address set forth

beneath the name of such party below (or to such other address, or electronic mail address as such party shall have specified in a written notice given to the other parties):

If to Class Counsel:

Raphael Janove
Pollock Cohen LLP
111 Broadway, Suite 1804
New York, NY 10006
(212) 337-5361
rafi@pollockcohen.com

If to Groupon:


Kevin P. McCormick
Groupon Inc.
600 West Chicago Avenue
Chicago IL 60654
(312) 334-1579
kmccormick@groupon.com

Alec Solotorovsky
Sarah H. Catalano
224 South Michigan Avenue, Suite 1100
Chicago, IL 60604
(312) 660-7600
asolotorovsky@eimerstahl.com
scatalano@eimerstahl.com

IN WITNESS WHEREOF, the Parties hereto, through their fully authorized representatives, have agreed to this Settlement Agreement.

Dated: July __, 2023
Jul 26, 2023


POLLOCK COHEN LLP

By: /s/  Raphael Janove (Jul 26, 2023 15:48 EDT)
Raphael Janove
George Krebs
111 Broadway, Suite 1804
New York, NY 10006
(212) 337-5361
Rafi@PollockCohen.com
GKrebs@PollockCohen.com

*Attorneys for Plaintiffs Salon Phoenix
Cosmetology LLC and Salon Hairroin, Inc.*

Dated: July __, 2023
Jul 26, 2023

**SALON PHOENIX COSMETOLOGY
LLC**

By: /s/  Celeste Adamski (Jul 26, 2023 18:22 EDT)
Title:

Dated: July __, 2023
Jul 26, 2023

SALON HAIRROIN, INC.

By: /s/  Janine Jarman (Jul 26, 2023 13:26 PDT)
Title:

Dated: July __, 2023

EIMER STAHL LLP

/s/
Alec Solotorovsky
Sarah H. Catalano
224 South Michigan Avenue, Suite 1100
Chicago, IL 60604
(312) 660-7600
asolotorovsky@eimerstahl.com
scatalano@eimerstahl.com

Attorneys for Defendant Groupon, Inc.

Dated: July __, 2023

GROUPON, INC.

By: /s/
Title:

IN WITNESS WHEREOF, the Parties hereto, through their fully authorized representatives, have agreed to this Settlement Agreement.

Dated: July __, 2023

POLLOCK COHEN LLP

By: /s/
Raphael Janove
George Krebs
111 Broadway, Suite 1804
New York, NY 10006
(212) 337-5361
Rafi@PollockCohen.com
GKrebs@PollockCohen.com

*Attorneys for Plaintiffs Salon Phoenix
Cosmetology LLC and Salon Hairroin, Inc.*

Dated: July __, 2023

**SALON PHOENIX COSMETOLOGY
LLC**

By: /s/
Title:

Dated: July __, 2023

SALON HAIRROIN, INC.

By: /s/
Title:

Dated: July __, 2023

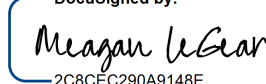
EIMER STAHL LLP

/s/
Alec Solotorovsky
Sarah H. Catalano
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Attorneys for Defendant Groupon, Inc.

Dated: July __, 2023

GROUPON, INC.

By: /s/
Meagan LeGear 
Title: Vice President and Deputy General
Counsel

IN WITNESS WHEREOF, the Parties hereto, through their fully authorized representatives, have agreed to this Settlement Agreement.

Dated: July __, 2023

POLLOCK COHEN LLP

By: /s/
Raphael Janove
George Krebs
111 Broadway, Suite 1804
New York, NY 10006
(212) 337-5361
Rafi@PollockCohen.com
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*Attorneys for Plaintiffs Salon Phoenix
Cosmetology LLC and Salon Hairroin, Inc.*

Dated: July __, 2023

**SALON PHOENIX COSMETOLOGY
LLC**

By: /s/
Title:

Dated: July __, 2023

SALON HAIRROIN, INC.

By: /s/
Title:

Dated: July 26, 2023

EIMER STAHL LLP

/s/ 
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Attorneys for Defendant Groupon, Inc.

Dated: July __, 2023

GROUPON, INC.

By: /s/
Meagan LeGear
Title: Vice President and Deputy General
Counsel

Exhibit A

PROPOSED SETTLEMENT WEBSITE

***Salon Phoenix Cosmetology LLC, et al. v. Groupon, Inc.* Settlement Information**

1. Background on Case and Settlement Agreement

A federal court in Chicago has preliminarily approved a settlement of the putative class action lawsuit commenced in December 2022 in the United States District Court for the Northern District of Illinois captioned *Salon Phoenix Cosmetology LLC, et al. v. Groupon, Inc.* (Case No. 1:22-cv-07162). The complaint alleges that Groupon violated the federal Lanham Act and related state laws by: (1) creating pages on its website referring to businesses that had never had deals on Groupon, which allegedly contained “stock” descriptions of such businesses and certain inaccurate information about such businesses (such pages are referred to as “Business Landing Pages” in the settlement); and (2) maintaining Deal Pages on its website after the expiration of a business’s deal on Groupon. The complaint alleges that Groupon benefitted from this conduct by driving web search traffic to its website and that businesses in the putative class were harmed by such conduct through damage to their brands.

Groupon denies all allegations but entered into the class settlement agreement to resolve the litigation without further cost, risk, and distraction. The final approval hearing for the settlement will be held on [date] in Chicago, Illinois.

Under the terms of the settlement, Groupon will make certain changes to the operation of certain pages on its website to address the concerns raised in the complaint.

2. The Terms of the Settlement Agreement

The Settlement includes proposed injunctive relief as follows:

- Groupon will provide the option for settlement class members to claim, edit, or remove the Business Landing Pages, which are listed on the Groupon website with a url extension of .biz.
- All such pages will include information about how to contact Groupon to claim the page, request an edit, or request removal of the page.
- If Groupon requires time to consider a proposed claim to edit or remove a page, Groupon will temporarily de-index the page so it cannot appear on search engine results.
- Groupon will also ensure that each Business Landing Page disclaims any affiliation with all settlement members who do not have a current or prior deal with Groupon.
- In addition, class members who have had a Deal Page with Groupon that has been expired for three years or more may request that Groupon de-index and remove from internet search results any expired Deal Page.

The Settlement Class is generally defined as follows:

All commercial entities for whom Groupon has ever created a Business Landing Page and all commercial entities that have ever offered deals through Groupon for whom Groupon maintained a Deal Page on its website after the expiration of such deal.

Released Claims

In exchange for agreeing to the injunctive relief, the Settlement Class would agree to release all non-monetary injunctive claims relating to the conduct by Groupon alleged in the Action whether already acquired or acquired in the future, including but not limited to: (a) Lanham Act, 15 U.S.C. § 1125 *et seq.*; (b) any federal or state unfair competition, unfair practices, false advertising, consumer fraud, deceptive business, or trade practice laws; or (c) common law or statutory unfair competition claims, injunctive claims.

For more information on the Released Claims, *see* paragraph 4(a) of the Settlement Agreement.

3. Link to Settlement Agreement

Click here to review the full settlement agreement. [\[link\]](#)

4. Link to Complaint

Click here to review the Complaint filed by the Named Plaintiffs on behalf of the class. [\[link\]](#)

There are no other substantive filings in the case, as the parties were able to reach a settlement before Groupon responded to the Complaint.

5. Class Counsel

The Court has appointed Raphael Janove of Pollock Cohen LLP as counsel to the class. Mr. Janove's contact information is below. Class members may contact Mr. Janove for further information about the case and the settlement.

Raphael Janove
POLLOCK COHEN LLP
111 Broadway, Suite 1804
New York, NY 10006
(646) 201-5523
groupon.settlement@pollockcohen.com

6. Upcoming Events Related to the Proposed Settlement

[\[insert chart as ordered or approved by court\]](#)

7. How to Object to the Proposed Settlement

If you are a settlement class member, you can object to all or any part of the Settlement, as well as any request for attorneys' fees and/or expenses and/or any request for service awards for the Named Plaintiffs. You can explain the reasons for your objection, and the Court will consider your views.

Your objection must be in writing, sent to Class Counsel, and must identify the full business name, address, telephone number, and the last four digits of the objector's tax ID; the case name and number; a statement of the objector's basis for any objections to the Settlement; a statement advising whether the objector plans to address the Court at the Final Approval Hearing and any legal briefs, papers or memoranda the objector proposes to submit to the Court; and, if the objector is represented by counsel, the name and address of his or her counsel.

Any person or entity that fails to object in this shall be deemed to have waived his, her, or its objections and will forever be barred from making any such objection to any aspect of the Settlement.

8. Class Counsel Attorneys' Fees and Named Plaintiff Service Awards

Class Counsel intends to seek an award of Class Counsel Fees and Expenses up to \$150,000, and an additional, \$3,000 in service awards to each Named Plaintiff.

Class Counsel's motion for fees and expenses will be uploaded to this website on [date set by court]

Groupon Announces Settlement of Class Action Lawsuit

[date], 2023

Groupon, Inc. announced today that a federal court in Chicago has preliminarily approved a settlement of the putative class action lawsuit commenced in December 2022 in the United States District Court for the Northern District of Illinois captioned *Salon Phoenix Cosmetology LLC, et al. v. Groupon, Inc.* (Case No. 1:22-cv-07162). The complaint alleges that Groupon violated the federal Lanham Act and related state laws by: (1) creating pages on its website referring to businesses that had never had deals on Groupon, which allegedly contained “stock” descriptions of such businesses and certain inaccurate information about such businesses (such pages are referred to as “Business Landing Pages” in the settlement); and (2) maintaining Deal Pages on its website after the expiration of a business’s deal on Groupon. The complaint alleges that Groupon benefitted from this conduct by driving web search traffic to its website and that businesses in the putative class were harmed by such conduct through damage to their brands.

Groupon denies all of the allegations but entered into the class settlement agreement to resolve the litigation without further cost, risk, and distraction. The final approval hearing for the settlement will be held on [redacted] in Chicago, Illinois.

Under the terms of the settlement, Groupon will make certain changes to the operation of certain pages on its website to address the concerns raised in the complaint.

Groupon will provide the option for settlement class members to claim, edit, or remove the Business Landing Pages, which are listed on the Groupon website with a url extension of .biz. All such pages will include information about how to contact Groupon to claim the page, request an edit, or request removal of the page. If Groupon requires time to consider a proposed claim to edit or remove a page, Groupon will temporarily de-index the page so it cannot appear on search engine results. Groupon will also ensure that each Business Landing Page disclaims any affiliation with all settlement members who do not have a current or prior deal with Groupon. In addition, class members who have had a Deal Page with Groupon that has been expired for three years or more may request that Groupon de-index and remove from internet search results any expired Deal Page.

For more information on the settlement, class members may refer to the Settlement Website. [link] On the website, class members may find the full settlement

agreement, the key filings in this case, and the procedures and deadlines for class members to object to the settlement.

The court has appointed Raphael Janove of Pollock Cohen LLP as class counsel, who can be reached at (646) 201-5523 and groupon.settlement@pollockcohen.com.

Contact:
Raphael Janove, Pollock Cohen LLP; (646) 201-5523 and
groupon.settlement@pollockcohen.com

Pollock Cohen LLP Announces Settlement of Groupon Class Action Lawsuit

[date], Chicago, IL, 2023

Today a federal court in Chicago has preliminarily approved a settlement of the putative Lanham Act and unfair competition class action lawsuit led by Pollock Cohen LLP on behalf of businesses nationwide against Groupon, Inc. The case is captioned *Salon Phoenix Cosmetology LLC, et al., v. Groupon, Inc.* (Case No. 1:22-cv-07162). The lawsuit alleges that Groupon violated the federal Lanham Act and related state laws by: (1) creating pages on its website referring to businesses that had never had deals on Groupon, which allegedly contained “stock” descriptions of such businesses and certain inaccurate information about such businesses (such pages are referred to as “Business Landing Pages” in the settlement); and (2) maintaining Deal Pages on its website after the expiration of a business’s deal on Groupon. The complaint alleges that Groupon benefitted from this conduct by driving web search traffic to its website and that businesses in the putative class were harmed by such conduct through damage to their brands.

Groupon denies all of the allegations but entered into the class settlement agreement to resolve the litigation without further cost, risk, and distraction. The final approval hearing for the settlement will be held on [redacted] in Chicago, Illinois.

Under the terms of the settlement, Groupon will make certain changes to the operation of certain pages on its website to address the concerns raised in the complaint.

Specifically, Groupon will provide the option for settlement class members to claim, edit, or remove the Business Landing Pages, which are listed on the Groupon website with a url extension of .biz. All such pages will include information about how to contact Groupon to claim the page, request an edit, or request removal of the page. If Groupon requires time to consider a proposed claim to edit or remove a page, Groupon will temporarily de-index the page so it cannot appear on search

engine results. Groupon will also ensure that each Business Landing Page disclaims any affiliation with all settlement members who do not have a current or prior deal with Groupon. In addition, class members who have had a Deal Page with Groupon that has been expired for three years or more may request that Groupon de-index and remove from internet search results any expired Deal Page.

For more information on the settlement, class members may refer to the Settlement Website. [\[link\]](#) On the website, class members may find the full settlement agreement, the key filings in this case, and the procedures and deadlines for class members to object to the settlement.

The court has appointed Raphael Janove of Pollock Cohen LLP as class counsel, who can be reached at (646) 201-5523 and groupon.settlement@pollockcohen.com.


Exhibit B



Disclaimer of Affiliation:

Local > California > Sunnyvale > Beauty & Spas > Massage

Eden Spa, Sunnyvale

 [Eden Spa, Sunnyvale](#)

 +14089920988

 This merchant doesn't have any deals and is not affiliated with Groupon. Please contact them directly for services. [Is this your business?](#) 



About Eden Spa

Head to Sunnyvale's Eden Spa for a relaxing and well-deserved day at the spa. Clear up your skin with a relaxing and rejuvenating facial. Craving a nice relaxing massage? Head on over to this spa and get your fix. When you need something done, you want it done now. This spa doesn't make you wait. Walk-ins are always okay. Spa services are priced in line with other neighborhood establishments. If a trip to the ATM isn't on the agenda, visitors have the convenience of paying by major credit card. Don't spend time searching for parking ? visitors are welcome to use the adjoining lot. Travel by bike to this spa and store your bike at a nearby rack. So visit Eden Spa for a spa experience you just can't beat.

Claim/Edit/Delete Feature:



Local > California > Sunnyvale > Beauty & Spas > Massage

Ed **Is this your business?** ✕

 Ed
 +1

Contact us via this [form](#) to request updates to, or removal of, this page.

[Got it](#)

 This merchant doesn't have any deals and is not affiliated with Groupon. Please contact them directly for services.
[Is this your business?](#) 

About Eden Spa

Head to Sunnyvale's Eden Spa for a relaxing and well-deserved day at the spa. Clear up your skin with a relaxing and rejuvenating facial. Craving a nice relaxing massage? Head on over to this spa and get your fix. When you need something done,

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SAVE

* Required Field

*Merchant page URL that the request relates to

*Are you the business owner?

*Name (First & Last):

*Business email address:

*Phone Number:

*Business address:

*Request:

Other Information:

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