

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Settlement Agreement” or “Agreement”) is entered into by and between Lillian Derry, Bobbi Rangel, and Lon Dean (“Plaintiffs” or “Settlement Class Representatives”), individually and on behalf of the Settlement Class Members (as defined below), and Cardinal Services, Inc. (“Cardinal” or “Defendant”) (together, the “Parties”), in the action titled *Lillian Derry, et al. v. Cardinal Services, Inc.*, No. 26-2-14262-9 KNT (Superior Court for the State of Washington, in and for King County) (the “Action”). The Settlement Agreement is intended by the Parties to fully, finally, and forever resolve, discharge, and settle the Action and the Released Claims (as defined *infra*), upon and subject to the terms and conditions below, and subject to the Court’s approval.

I. FACTUAL BACKGROUND AND RECITALS

1. This Action arises from Data Security Incidents (as defined below) impacting Defendant’s network in or around June 2025 and August 2025.

2. On or about June 30, 2025 and August 8, 2025, cybercriminals accessed certain personally identifiable information (“PII”) without authorization. The potentially affected PII may have included individuals’ names, addresses, dates of birth, Social Security numbers, drivers’ license and other government identification documents, banking and financial information, financial statements, payroll data, tax documents and banking records.

3. After the announcement of the Data Security Incidents, the first class action complaint was filed on October 9, 2025 (*Lillian Derry v. Cardinal Services, Inc.*, No. 6:25-cv-1857-AP (D. Or.)); two related class action lawsuits (*Bobbi Rangel v. Cardinal Services, Inc.*, No. 6:25-cv-01858-AP (D. Or.) and *Lon Dean v. Cardinal Services, Inc.*, No. 6:25-cv-01876-AP (D. Or.)) were filed thereafter.

4. Plaintiffs filed Motion to Consolidate in the *Derry* action on October 17, 2025 [ECF # 4] and granted on October 28, 2025 [ECF # 5]. Kaleigh N. Boyd of McNaul Ebel PLLC (formerly of Tousley Brain Stephens PLLC), Jeff Ostrow of Kopelowitz Ostrow P.A., John J. Nelson of Milberg PLLC, and Leanna A. Loginov of Shamis & Gentile, P.A were named as Interim Co-Lead Class Counsel.

5. Plaintiffs filed a Consolidated Class Action Complaint on November 28, 2025 [ECF # 7] asserting the following claims: (i) negligence; (ii) negligence *per se*; (iii) unjust enrichment; and (iv) breach of implied contract.

6. Shortly thereafter, and to conserve resources, the Parties began discussing the possibility of early resolution. The Parties agreed to extensions to the Consolidated Class Action Complaint and to exchange informal discovery regarding: (i) the scope of the Data Security Incidents; (ii) the number of Settlement Class Members; (iii) the geographic location of Settlement Class Members; (iv) and the types of PII allegedly breached. By exchanging informal discovery, the Parties obtained an objective understanding of the underlying facts. Thus, the Parties were able to carefully evaluate the strengths and weaknesses of the claims and defenses.

7. The Parties attended a mediation on April 4, 2026 with experienced mediator Steve Jaffe of Upchurch Watson White & Max. Notably, Mr. Jaffe has substantial experience with mediating analogous complex class actions. Prior to the mediation, the Parties prepared mediation statements outlining each side's respective strengths and weaknesses.

8. Under the guidance of Mr. Jaffe, the Parties engaged in arm's length negotiations—wherein the Parties evaluated and discussed the relevant facts and law and carefully weighed the risks and uncertainties of continued litigation. Over the course of the full-day mediation, the Parties discussed the relevant facts and law and advocated their positions through Mr. Jaffe. Throughout the entire process, the Parties agreed to not negotiate attorney fees or Service Awards until the core terms of a settlement were finalized (i.e., to avoid any conflicts). After numerous rounds of back-and-forth negotiations, the Parties eventually reached an agreement on the core terms of the Settlement.

9. During the settlement discussions, the Parties determined that jurisdiction was appropriate in state court. Consequently, they agreed to dismiss the federal consolidated action and file a new complaint in state court.

10. On April 29, 2026, Plaintiffs filed a class action complaint against Defendant Superior Court for the State of Washington, in and for King County, relating to the Data Breach alleging substantially the same claims as the consolidated action.

11. Defendant has denied and continues to deny: (a) each and every allegation and all charges of wrongdoing or liability of any kind whatsoever asserted or which could have been asserted in the Action; (b) that Plaintiffs and the class they purport to represent have suffered any cognizable damage or harm caused by Defendant's conduct related to the Data Security Incidents; and (c) that the Plaintiffs could satisfy the requirements necessary to try the Litigation as a class action under Washington law. This Agreement is for settlement purposes only, and nothing in this Agreement shall constitute, be construed as, or be admissible in evidence as any admission of the validity of any claim or fact alleged by Plaintiffs in this Action or in any other pending or subsequently filed action, or of any wrongdoing, fault, violation of law, or liability of any kind on the part of Defendant or the Released Parties or admission of the validity or lack thereof of any claim, allegation, or defense asserted in this Action or any other action.

12. Despite Defendant's position that it is not liable for, and has good and meritorious defenses to, the claims alleged in the Action, the Parties have agreed to settle the Action on the terms and conditions set forth herein in recognition that the outcome of the Action is uncertain and that achieving a final result through litigation would require substantial additional risk, uncertainty, discovery, time, and expense for the Parties. Considering the risks and uncertainties of continued litigation and all factors bearing on the merits of settlement, the Parties are satisfied that the terms and conditions of this Settlement Agreement are fair, reasonable, adequate, and in their respective best interests.

13. Therefore, in exchange for the mutual promises and valuable consideration provided for in this Agreement, the Parties agree to a full, complete, and final settlement and

resolution of the Action and any and all Released Claims (including Unknown Claims), subject to Court approval, on the following terms and conditions:

II. DEFINITIONS

In addition to terms defined elsewhere in this Agreement, the following defined terms shall have the meanings set forth below:

14. “**Action**” means *Lillian Derry, et al. v. Cardinal Services, Inc.*, No. 26-2-14262-9 KNT (Superior Court for the State of Washington, in and for King County).

15. “**Approved Claim**” means the complete and timely submission of a Claim Form by a Settlement Class Member that has been approved by the Settlement Administrator subject to the Claims Review Process.

16. “**Claim Form**” means the form(s) Settlement Class Members must submit to obtain the benefits provided by the Settlement, which form is attached hereto as **Exhibit C**, or form(s) approved by the Court substantially similar the form attached hereto. Class Members shall swear and affirm under the laws of the United States and under penalty of perjury that the information supplied in the claim form and any documents submitted with the claim form are true and correct to the best of his or her knowledge or recollection.

17. “**Claims Deadline**” means the date by which all Claim Forms must be postmarked (if physically mailed) or submitted (if filed electronically on the Settlement Website) to be considered timely and shall be set as a date ninety (90) days after the Notice Deadline. The Claims Deadline shall be clearly set forth in the Preliminary Approval Order, as well as in the Notice and the Claim Form.

18. “**Claims Period**” means the period of time during which Settlement Class Members may submit Claim Forms, which will end ninety (90) days after the Notice Deadline.

19. “**Claims Review Process**” means the process for reviewing and determining whether claims are valid as set forth in Section V.

20. “**Court**” means the Superior Court for the State of Washington, in and for King County.

21. “**Credit Monitoring Services**” means the credit monitoring services described in Section IV which includes two (2) years of one-bureau credit monitoring and \$1 million in identity theft protection insurance, among other features.

22. “**Data Security Incidents**” means the cybersecurity incidents that impacted Defendant on or about June 30, 2025 and August 8, 2025.

23. “**Defendant’s Counsel**” means David Schelberg of McDonald Hopkins PLC.

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24. **“Effective Date”** means the day after the entry of the Final Approval Order, provided no objections are made to the Settlement. If there are objections to the Settlement, then the Effective Date shall be the later of (i) thirty (30) days after entry of the Final Approval Order if no appeals are taken from the Final Approval Order; or (ii) if appeals are taken from the Final Approval Order, then the earlier of thirty (30) days after the last appellate court ruling affirming the Final Approval Order or thirty (30) days after the entry of a dismissal of the appeal.
25. **“Fee Award and Costs”** means the amount of attorney fees and reimbursement of Litigation Costs and Expenses awarded by the Court to Settlement Class Counsel in connection with this Action.
26. **“Final Approval Hearing”** means the hearing to be conducted by the Court to determine the fairness, adequacy, and reasonableness of the Settlement and enter a judgment approving the Settlement Agreement, approving the Fee Award and Costs, and approving Service Awards to the Class Representatives.
27. **“Final Approval Order and Judgment”** means an order and judgment that the Court enters, which finally approves the Settlement Agreement, certifies the Settlement Class, dismisses the Action with prejudice, and otherwise satisfies the settlement-related provisions of CR 23 and is consistent with all material provisions of this Agreement.
28. **“Litigation Costs and Expenses”** means costs and expenses incurred by Settlement Class Counsel and their law practices in connection with commencing, prosecuting, and settling the Action.
29. **“Net Settlement Fund”** means the amount of funds that remain in the Settlement Fund after funds are paid from or allocated for payment from the Settlement Fund for the following: (i) Settlement Notice and Administrative Expenses; (ii) Attorney Fees and Expenses; and (iii) Service Awards.
30. **“Notice” or “Notice Program”** means direct notice of the proposed class action Settlement to be provided to Settlement Class Members, that the Parties will ask the Court to approve in connection with the motion for preliminary approval of the Settlement, and which is to be provided substantially in the forms attached hereto (the “Short Form Notice” (**Exhibit A**) and the “Long Form Notice” (**Exhibit B**)). The Short Form Notice shall include a QR code linking to the online Claim Form.
31. **“Notice Deadline”** means the last day by which Notice must be issued to the Settlement Class Members and will occur no later than thirty (30) days after entry of the Preliminary Approval Order, or other such date as ordered by the Court.
32. **“Notice and Administrative Expenses”** means all of the expenses incurred in the administration of this Settlement, including, without limitation, all expenses or costs associated with providing Notice to the Settlement Class, locating Settlement Class Members, performing

claims, determining the eligibility of a person to be a Settlement Class Member, and administering, calculating and distributing payments to Settlement Class Members who submit valid Claim Forms. Notice and Administrative Expenses also includes all reasonable fees and expenses incurred by the Settlement Administrator in administering the terms of this Agreement.

33. “**Objection Deadline**” is the last day on which a Settlement Class Member may file a written objection to the Settlement or the application for a Fee Award and Costs, which will be thirty (30) days before the initial scheduled Final Approval Hearing, or other such date as ordered by the Court.

34. “**Objection Procedure**” means the procedure that Settlement Class Members must follow to object to the Settlement as set forth in Section VII.

35. “**Opt-Out**” means a Settlement Class Member (i) who timely submits a properly completed and executed Request for Exclusion; (ii) who does not rescind that Request for Exclusion prior to the Opt-Out Deadline; and (iii) as to which there is not a successful challenge to the Request for Exclusion.

36. “**Opt-Out Deadline**” is the last day on which a Settlement Class Member may postmark a Request for Exclusion, which will be thirty (30) days before the initial scheduled Final Approval Hearing, or other such date as ordered by the Court.

37. “**Opt-Out Procedure**” means the procedure that Settlement Class Members must follow to opt-out of the Settlement as set forth in Section VII.

38. “**Out-of-Pocket Losses**” means documented out-of-pocket monetary costs that a Settlement Class Member actually incurred, that are fairly traceable to the Data Security Incidents, and that have not already been reimbursed by a third-party.

39. “**Personal Information**” or “**PII**” includes, but is not limited to, individuals’ names, addresses, dates of birth, Social Security numbers, drivers’ license and other government identification documents, banking and financial information, financial statements, payroll data, tax documents and banking records. The term “Personal Information” or “PII” is not intended here, nor should it be viewed as, having any bearing on the meaning of this term or similar term in any statute or other source of law beyond this Agreement, or how the Parties may use the term in other circumstances.

40. “**Preliminary Approval Order**” means an order directing issuance of Notice to Settlement Class Members, determining that the Court will likely be able to approve the Settlement under CR 23, and determining that the Court will likely be able to certify the Settlement Class for purposes of resolving this Action. Such order will include the forms and procedure for providing notice to the Settlement Class, including notice of the procedure for Settlement Class Members to object to or opt-out of the Settlement, and set a date for the Final Approval Hearing, substantially in the form annexed hereto as **Exhibit D**.

41. **“Pro Rata Cash Payment”** means the cash payment that Settlement Members can claim as set forth in Section IV.

42. **“Released Claims”** means any and all claims, liabilities, rights, claims, demands, suits, actions, causes of action, obligations, damages, penalties, costs, attorney fees, losses, and remedies of every kind or description—whether known or unknown (including Unknown Claims), existing or potential, suspected or unsuspected, asserted or unasserted, liquidated or unliquidated, legal, statutory, or equitable—that result from, relate to, are based upon, or arise out of the Data Security Incidents or the operative facts alleged in the Action, including the complaint and any amendment thereto, regardless of whether such claims arise under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law.

43. **“Released Parties”** means Defendant and each and every of its predecessors, successors, assigns, parents, subsidiaries, affiliates, divisions, departments, owners, Trustees, and the present and former directors, trustees, officers, employees, agents, insurers, reinsurers, shareholders, attorneys, advisors, consultants, representatives, partners, joint venturers, independent contractors, wholesalers, resellers, distributors, retailers, vendors and related or affiliated entities of any nature whatsoever, whether direct or indirect. Each of the Released Parties may be referred to individually as a “Released Party.”

44. **“Releasing Parties”** and a **“Releasing Party”** shall refer, jointly and severally, and individually and collectively, to the Settlement Class Representatives and Settlement Class Members, any person claiming or receiving a benefit under this Settlement, and each of their respective heirs, executors, administrators, representatives, agents, partners, predecessors, successors, attorneys, assigns, and any other person purporting to assert a claim on their behalf.

45. **“Reminder Notice”** means the notice that will be sent thirty (30) days before the Claim Deadline if the claim rate is under 2% as of forty-five (45) days before the Claim Deadline.

46. **“Request for Exclusion”** means a writing by or on behalf of a Settlement Class Member in which he or she requests to be excluded from the Settlement Class in the form and manner provided for in the Notice and as described below in Section VII.

47. **“Residual Funds”** means any funds that remain in the Settlement Fund after all deductions from the Settlement Fund authorized by this Settlement Agreement have been paid, Approved Claims to Settlement Class Members have been made, and after a second round of *pro rata* distributions to Settlement Class Members who submitted Approved Claims has been made, if feasible. The funds remaining in the Settlement Fund after completion of these disbursements and after the time for cashing and/or depositing checks has expired will be Residual Funds. The Residual Funds will be sent to the Legal Foundation of Washington as a *cy pres* distribution.

48. **“Service Awards”** means compensation awarded by the Court and paid to the Settlement Class Representatives in recognition of their role in this Action as set forth in Section XII.

49. **“Settlement”** means the settlement of the Action by and between the Parties, and the terms thereof as stated in this Settlement Agreement.

50. **“Settlement Administrator”** means EAG Gulf Coast, LLC, subject to Court approval, an entity jointly selected and supervised by Settlement Class Counsel, Defendant and Defendant’s Counsel, to administer the settlement.

51. **“Settlement Class”** is defined as “All individuals residing in the United States who were impacted in the Data Security Incidents.” Excluded from the Settlement Class are (i) Defendant (ii) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; and (iii) any judges assigned to this case and their staff and immediate family. In total, there are approximately 142,000 individuals in the Settlement Class.

52. **“Settlement Class Counsel”** means Kaleigh N. Boyd of McNaull Ebel, Jeff Ostrow of Kopelowitz Ostrow P.A., John J. Nelson of Milberg PLLC, and Leanna A. Loginov of Shamis & Gentile, P.A.

53. **“Settlement Class List”** means the list of the names and current or last known email (if available) and/or mailing address information for Settlement Class Members that Defendant used to mail notice of the Data Security Incidents to individuals, to the extent reasonably available, which Defendant shall provide to the Settlement Administrator within ten (10) days of entry of the Preliminary Approval Order.

54. **“Settlement Class Member”** means an individual who falls within the definition of the Settlement Class.

55. **“Settlement Class Representatives”** means Lillian Derry, Bobbi Rangel, and Lon Dean.

56. **“Settlement Fund”** means the non-reversionary common fund amount of Eight Hundred, Fifty Thousand Dollars and Zero Cents (\$850,000.00) to be paid by, or on behalf of, Defendant, including any interest accrued thereon after payment. This payment is the limit and extent of the monetary obligations of Defendant, Defendant’s respective predecessors, successors, assigns, parents, subsidiaries, divisions, affiliates, departments, and any and all of Defendant’s past, present, and future officers, directors, employees, stockholders, partners, servants, agents, successors, attorneys, representatives, insurers, reinsurers, agents and/or third-party administrators thereof, subrogees and assigns of any of the foregoing, with respect to this Agreement and the settlement of this matter. As such, the Settlement Fund represents the total extent of Defendant’s monetary obligations under the Settlement Agreement. Defendant’s contribution to the Settlement Fund shall be fixed and shall be final. Defendant shall have no obligation to make further payments into the Settlement Fund and shall have no financial responsibility or obligation relating to the Settlement beyond the Settlement Fund.

57. **“Settlement Payment”** or **“Settlement Check”** mean the payment to be made via mailed check or via electronic means (agreed to by the Parties) to a Settlement Class Member pursuant to the claims process set forth in Section V.

58. “**Settlement Website**” means the website the Settlement Administrator will establish and use to provide Settlement Class Members with information about the Settlement and relevant case documents and deadlines, as set forth herein.

59. “**Supplemental Declaration**” means the declaration that the Settlement Administrator will provide to the Court at least seven (7) days before the Final Approval Hearing. The Supplemental Declaration will include updated information about the Notice Program, Opt-Outs, Objections, and Claims.

60. “**Taxes and Tax-Related Expenses**” means any and all applicable taxes, duties, and similar charges imposed by a government authority (including any estimated taxes, interest or penalties) arising in any jurisdiction, if any, with respect to the income or gains earned by or in respect of the Settlement Fund, including, without limitation, any taxes that may be imposed upon Defendant with respect to any income or gains earned by or in respect of the Settlement Fund for any period while it is held in the Settlement Fund.

III. SETTLEMENT FUND

61. **Establishment of Settlement Fund.** Defendant will make a payment, and deposit that payment into, the Settlement Fund as follows:

(i) Within twenty (20) days of the Court granting preliminary approval of this Settlement, Defendant shall pay, from the total settlement amount, to an account established and administered by the Settlement Administrator an amount estimated by the Settlement Administrator, said amount being part of and not in addition to the Settlement Fund, to defray the actual expenses of notice to Settlement Class Members. The Settlement Administrator shall provide a detailed invoice for its reasonable set-up costs, notice, and early administration costs; wiring instructions; and a properly completed and duly executed IRS Form W-9 to Defendant within five (5) days of the entry of the Preliminary Approval Order. Settlement Class Counsel shall be responsible for promptly notifying the Settlement Administrator of entry of the Preliminary Approval Order.

(ii) Within thirty (30) days after the Effective Date, Defendant shall pay into the Qualified Settlement Fund to be established and maintained by the Settlement Administrator the remaining portion of the Settlement Fund (i.e., the amount remaining to be paid after the initial payment set forth in Paragraph 61(i) above). For the avoidance of doubt, and for purposes of this Settlement Agreement only, Defendant’s liability shall not exceed Eight Hundred, Fifty Thousand Dollars and Zero Cents (\$850,000.00). To the extent this Settlement is not finally approved, Defendant will be entitled to the return of any amounts not already incurred by the Settlement Administrator in connection with administration of the Settlement. Following payment of all Settlement Fund monies as described in this Paragraph after Final Approval, Defendant shall have no responsibility, financial obligation, or liability whatsoever with respect to the selection of the Settlement Fund account, investment of Settlement Fund account funds, payment of federal, state, and local income, employment, unemployment, excise, and any other Taxes or Tax-Related

Expenses imposed on the Settlement Fund account or its distributions, or payment of the administrative, legal, accounting, or other costs occasioned by the use or administration of the Settlement Fund.

62. **Non-Reversionary.** The Settlement Fund is non-reversionary. As of the Effective Date, all rights of Defendant in or to the Settlement Fund shall be extinguished, except in the event this Settlement Agreement is terminated, as described in Section X.

63. **Qualified Settlement Fund.** The Parties agree that the Settlement Fund is intended to be maintained as a qualified settlement fund within the meaning of Treasury Regulation § 1.468 B-1, and that the Settlement Administrator, within the meaning of Treasury Regulation § 1.468 B-2(k)(3), shall be responsible for filing tax returns and any other tax reporting for or in respect of the Settlement Fund and paying from the Settlement Fund any Taxes and Tax-Related Expenses owed with respect to the Settlement Fund. The Parties agree that the Settlement Fund shall be treated as a qualified settlement fund from the earliest date possible and agree to any relation-back election required to treat the Settlement Fund as a qualified settlement fund from the earliest date possible. Any and all funds held in the Settlement Fund shall be held in an interest-bearing account insured by the Federal Deposit Insurance Corporation. Funds may be placed in a non-interest bearing account as may be reasonably necessary during the check clearing process. The Settlement Administrator shall provide an accounting of any and all funds in the Settlement Fund, including any interest accrued thereon and payments made pursuant to this Agreement, upon request of any of the Parties.

64. **Custody of Settlement Fund.** The Settlement Fund shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until such time as the entirety of the Settlement Fund is distributed pursuant to this Settlement Agreement or the balance returned to those who paid the Settlement Fund in the event this Settlement Agreement is terminated in accordance with Section X.

65. **Use of the Settlement Fund.** As further described in this Agreement, the Settlement Fund shall be used by the Settlement Administrator to pay: (i) all costs of Settlement Administration including Taxes and Tax-Related Expenses; (ii) approved Out-of-Pocket Loss Claims; (iii) approved Pro Rata Cash Payments; (iv) Approved Claims for Credit Monitoring Services; (v) Service Awards; and (vi) the Fee Award and Costs. Subject to court approval, any Residual Funds shall be paid to the *cy pres* beneficiary designated herein. No amounts may be withdrawn from the Settlement Fund unless expressly authorized by this Agreement or approved by the Court.

66. **Taxes and Representations.** Taxes and Tax-Related Expenses relating to the Settlement Fund shall be considered Notice and Administrative Expenses and shall be timely paid by the Settlement Administrator out of the Settlement Fund without prior order of the Court. Further, the Settlement Fund shall indemnify and hold harmless the Parties, their counsel, and their insurers and reinsurers for Taxes and Tax-Related Expenses (including, without limitation, taxes payable by reason of any such indemnification payments). The Parties and their respective counsel have made no representation or warranty with respect to the tax treatment by any Settlement Class Representative or any Settlement Class Member of any payment or transfer made pursuant to this

Agreement or derived from or made pursuant to the Settlement Fund. Each Settlement Class Representative and Settlement Class Member shall be solely responsible for the federal, state, and local tax consequences to him, her or it of the receipt of funds from the Settlement Fund pursuant to this Agreement.

IV. SETTLEMENT BENEFITS

67. **Credit Monitoring Services.** All Settlement Class Members shall be offered an opportunity to enroll in Credit Monitoring Services which will include two (2) years of single-bureau credit monitoring, which will include \$1 million in identity theft protection insurance, among other features. The costs of credit monitoring services shall be paid from the Settlement Fund.

68. **Monetary Benefits.** The Settlement Fund shall pay for the following monetary benefits.

- a. **Compensation for Out-of-Pocket Losses.** All Settlement Class Members may submit a claim for up to \$5,000.00 per person for out-of-pocket losses.
 - i. To be valid, Settlement Class Members must provide third-party documentation that supports the losses. Valid third-party documentation includes, without limitation, receipts, bank statements, or other official documentation that was not “self-prepared” by the Settlement Class Member.
 - ii. Settlement Class Members may submit “self-prepared” documents (e.g., handwritten receipts or notes) to provide clarity, but such documents are insufficient by themselves to qualify for compensation.
 - iii. Examples of eligible Out-of-Pocket Losses include, without limitation and by way of example, the following: losses associated with fraud or identity theft, professional fees including attorney fees, accountant fees, and fees for credit repair services; costs associated with freezing or unfreezing credit with any credit reporting agency; credit monitoring costs that were incurred on or after mailing of the notice of Data Security Incidents, through the date of claim submission; and miscellaneous expenses such as notary, fax, postage, copying, mileage, and long-distance telephone charges.
 - iv. If a Settlement Class Member submits a claim for Out-of-Pocket Losses, but fails to provide sufficient third-party documentation and then fails to cure the deficiencies, that Settlement Class Member will automatically receive the Pro Rata Cash Payment.

- b. **Pro Rata Cash Payment.** Settlement Class Members may submit a claim for a *pro rata* cash payment which is estimated to be approximately Fifty Dollars and Zero Cents (\$50.00). The value of the cash payment depends on the number of timely and valid claims. After accounting for valid and timely claims for Out-of-Pocket losses, the value of the cash payment shall be increased or decreased *pro rata* to exhaust the Net Settlement Fund. To receive this benefit, Settlement Class Members must submit a valid claim form, but no documentation is required to make a claim.

69. **Business Practice Commitments.** Defendant will provide a confidential declaration to Settlement Class Counsel describing its information security enhancements since the Data Security Incidents and estimating, to the extent reasonably calculable, the annual cost of those enhancements. The cost of such enhancements will be paid by Defendant separate and apart from all other settlement benefits. To the extent the Court requires this declaration be filed, it shall be filed under seal.

V. CLAIMS PROCESS AND PAYMENTS

70. **Submission of Electronic and Hard Copy Claims.** Settlement Class Members may submit Claim Forms to the Settlement Administrator electronically via the Settlement Website or physically by mail to the Settlement Administrator. Claim Forms must be submitted electronically or postmarked on or before the Claims Deadline. To the extent that the Claim Form is received by mail without a postmark, it must be received within five days of the Claims Deadline to be considered timely. The Settlement Administrator will maintain records of all Claim Forms submitted until the later of (i) one hundred eighty (180) Days after the Effective Date; or (ii) the date all Claim Forms have been fully processed in accordance with the terms of this Agreement. Information submitted by Settlement Class Members in connection with Claim Forms shall be deemed confidential and protected as such by the Settlement Administrator, Settlement Class Counsel, and Defendant's Counsel.

71. **Order of Distribution of Funds.** The Settlement Administrator must use the funds available in the Settlement Fund to make payments in the following order: (i) notice expenses, settlement administration expenses, and Taxes and Tax-Related Expenses; (ii) Service Awards and Fee Award and Costs; (iii) Approved Claims for Out-of-Pocket Losses; (iv) Approved Claims for Credit Monitoring Services; and (v) the Pro Rata Cash Payments.

Pro-Rata Contingencies.

- a. If the funds remaining in the Net Settlement Fund are insufficient to pay for all Approved Claims for Out-of-Pocket Losses, then the value of the payments Approved Claims for Out-of-Pocket Losses shall be reduced on a *pro rata* basis—such that the aggregate value of all payments for Approved Claims for Out-of-Pocket Losses does not exceed the Net Settlement Fund. In such an event, no Net Settlement Funds will be distributed for Pro Rata Cash Payments.

- b. If the funds remaining in the Net Settlement Fund are insufficient to make payment for those Approved Claims for Credit Monitoring Services, then the duration and/or extent of the Credit Monitoring Services shall be reduced.
- c. All *pro rata* determinations required by this Paragraph shall be performed by the Settlement Administrator upon notice to Settlement Class Counsel and Defendant's Counsel.

73. **Claims Review Process.** The Settlement Administrator shall have the sole discretion and authority to determine whether and to what extent claims for Out-of-Pocket Losses, Pro Rata Cash Payment, or Credit Monitoring Services are valid.

- a. The Settlement Administrator will verify that each person who submits a Claim Form is a member of the Settlement Class.
- b. The Settlement Administrator will determine that each Claim Form submitted by a Settlement Class Member was submitted during the Claims Period and is timely.
- c. The Settlement Administrator will verify that the claimant has provided all third-party documentation or information needed to complete the Claim Form, including any documentation required to support claims for compensation as described above.
- d. The Settlement Administrator will determine to what extent documentation for Out-of-Pocket Losses reflects losses actually and reasonably incurred and that were more likely than not caused by the Data Security Incidents.
- e. In determining whether claimed Out-of-Pocket Losses are more likely than not caused by the Data Security Incidents, the Settlement Administrator will consider (i) the timing of the alleged loss and whether it occurred on or after the Data Security Incidents; (ii) whether the alleged loss for the specific Settlement Class Member, involved the types of information for that individual that may have been affected in the Data Security Incidents; (iii) the explanation of the Settlement Class Member as to why the alleged loss was caused by the Data Security Incidents; and (iv) other factors the Settlement Administrator reasonably finds to be relevant.
- f. The Settlement Administrator is authorized to contact any Settlement Class Member (by e-mail, telephone, or U.S. mail) to seek clarification regarding a submitted claim prior to making a determination as to its validity.
- g. No decision of the Settlement Administrator shall be deemed to constitute a finding, admission, or waiver by Defendant as to any matter of fact, law,

or evidence having any collateral effect on any proceedings in any forum or before any authority.

- h. To the extent the Settlement Administrator determines that a timely claim for Out-of-Pocket Losses, Credit Monitoring Services, or the Pro Rata Cash Payment by a Settlement Class Member is deficient in whole or in part, the Settlement Administrator shall notify the Settlement Class Member of the deficiencies and provide the Settlement Class Member twenty-one (21) days to cure the deficiencies. If the Settlement Administrator subsequently determines that the Settlement Class Member has not cured the deficiencies, the Settlement Administrator will notify the Settlement Class Member within ten (10) days of that determination. The Settlement Administrator may consult with the Parties in making these determinations.
- i. If a Settlement Class Member receives notice that the Settlement Administrator has determined that the deficiencies it identified have not been cured, the Settlement Class Member may request an appeal in writing, including any supporting documents. The appeal must be submitted within twenty-one (21) days of the Settlement Administrator sending the notice. In the event of an appeal, the Settlement Administrator shall provide the Parties with all relevant documentation regarding the appeal. The Parties will confer regarding the appeal. If they agree on a disposition of the appeal, that disposition will be final and non-appealable. If they cannot agree on disposition of the appeal, the dispute will be submitted to the Settlement Administrator for final, non-appealable disposition. In reaching disposition, the Settlement Administrator is authorized to communicate with counsel for the Parties separately or collectively.

74. Payment.

- a. After the Effective Date, and after final determinations have been made with respect to all claims submitted during the Claims Period pursuant to the Claims Review Process, the Settlement Administrator shall provide the Parties an accounting of all Approved Claims for Out-of-Pocket Losses, Credit Monitoring Services, and Pro Rata Cash Payments.
- b. Payments issued by the Settlement Administrator for Approved Claims for Out-of-Pocket Losses or the Pro Rata Cash Payment shall be issued in the form of a check, or via electronic means (through means agreed to by the Parties).
- c. All Settlement Class Members who fail to submit a valid Claim Form for any benefits under this Agreement within the time frames set forth herein, or such other period as may be ordered by the Court, shall be forever barred from receiving any payments or benefits pursuant to the Settlement, but will in all other respects be subject to and bound by the provisions of this

Agreement, including but not limited to the releases contained herein, and the Final Approval Order and Judgment.

75. **Timing.** Settlement Checks shall bear the legend that they expire if not negotiated within ninety (90) days of their issue date.

76. **Returned Checks.** For any Settlement Check returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall, within thirty (30) days after the check is returned to the Settlement Administrator as undeliverable, send an e-mail to the Settlement Class Member to obtain updated address information. Any replacement Settlement Checks issued to Settlement Class Members shall remain valid and negotiable for sixty (60) days from the date of issuance and thereafter will automatically be canceled and deemed void if not cashed by the Settlement Class Members within that time.

77. **Uncashed Checks.** To the extent that an electronic payment or settlement check is not cashed, accepted and/or negotiated within sixty (60) days after the date of issue, the Settlement Administrator shall undertake the following actions: (i) attempt to contact the Settlement Class Member by e-mail and/or telephone to discuss how to obtain a reissued electronic payment or check; (ii) if those efforts are unsuccessful, make reasonable efforts to locate an updated address for the Settlement Class Member using advanced address searches or other reasonable methods; and (iii) reissuing an electronic payment or check or mailing the Settlement Class Member a postcard (either to an updated address if located or the original address if not) providing information regarding how to obtain a reissued electronic payment or check. Any reissued electronic payment(s) or settlement check(s) issued to Settlement Class Members shall remain valid and negotiable for sixty (60) days from the date of their issuance and may thereafter automatically be canceled if not cashed by the Settlement Class Members within that time.

78. **Voided Checks.** In the event a Settlement Check becomes void, the Settlement Class Member to whom that Settlement Check was made payable will forfeit the right to payment and will not be entitled to payment under the Settlement, and the Agreement will in all other respects be fully enforceable against the Settlement Class Member.

79. **Deceased Settlement Class Members.** If the Settlement Administrator is notified that a Settlement Class Member is deceased, the Settlement Administrator is authorized to reissue the electronic payment(s) or settlement check(s) to the estate of the Settlement Class Member upon receiving proof the Settlement Class Member is deceased and after consultation with Settlement Class Counsel and Defendant's Counsel.

VI. NOTICE PROGRAM

80. **Timing of Notice.** Within ten (10) days after entry of the Preliminary Approval Order, Defendant shall provide the Settlement Class List to the Settlement Administrator. The Settlement Administrator shall disseminate the Short Form Notice to Settlement Class Members for whom it has a valid email address or mailing address by the Notice Deadline. The Settlement Administrator shall make the Long Form Notice and Claim Form available to Settlement Class Members on the Settlement Website.

81. **Form of Notice.** Notice shall be disseminated via postcard through email (for those Settlement Class Members for whom the Settlement Administrator has a valid email address) and First Class U.S. mail to Settlement Class Members on the Settlement Class List. Notice shall also be provided on the Settlement Website. The Notice mailed or emailed to Settlement Class Members will consist of a Short Form Notice in a form substantially similar to that attached hereto. The Settlement Administrator shall have discretion to format the Short Form Notice in a reasonable manner to minimize mailing and administrative costs. Before Notices are mailed or emailed, Settlement Class Counsel and Defendant's Counsel shall first be provided with a proof copy (reflecting what the items will look like in their final form) and shall have the right to inspect the same for compliance with the Settlement Agreement and any orders of the Court. For Notices sent via postcard that are returned as undeliverable, the Settlement Administrator shall use reasonable efforts (e.g., skip trace) to identify an updated mailing address and resend the postcard notice if an updated mailing address is identified. For any Settlement Class Members whose emails send a hard "bounce-back," or for whom the Settlement Administrator learns the email address used is not valid, the Settlement Administrator will mail the Short Form Notice no later than 30 days before the Claim Deadline.

82. **Reminder Notice.** A reminder notice will be sent thirty (30) days before the Claim Deadline if the claim rate is under 2% as of forty-five (45) days before the Claim Deadline. In addition, the Long Form Notice and Claim Form approved by the Court may be adjusted by the Settlement Administrator in consultation and agreement with the Parties, as may be reasonable and necessary and not inconsistent with such Court approval.

83. **Settlement Website.** The Settlement Administrator will establish the Settlement Website as soon as practicable following entry of the Preliminary Approval Order, but prior to dissemination of the Notice. The URL of the Settlement Website shall be agreed upon by Settlement Class Counsel and Defendant. The Settlement Website shall contain relevant documents, including, but not limited to, the Long Form Notice, the Claim Form, this Agreement, Plaintiffs' motion for preliminary approval of the Settlement, the Preliminary Approval Order, Plaintiffs' motion for an award of attorney fees, costs, and Service Awards, and the operative complaint in the Action. The Settlement Website shall also include a toll-free telephone number, e-mail address, and mailing address through which Settlement Class Members may contact the Settlement Administrator directly. Class Members shall be able to submit claims online via the Settlement Website or mailed to the Settlement Administrator. The Settlement Website shall contain the deadlines for filing a claim, objection, or opt-out requests, and the date of the Final Approval Hearing. The Settlement Website shall not include any advertising and shall remain operational until at least sixty (60) days after all Settlement Payments have been distributed.

84. **Cost of Notice and Administration.** The costs of Notice and Administrative Expenses shall be paid from the Settlement Fund.

VII. OPT-OUTS AND OBJECTIONS

85. **The Opt-Out Procedure.** The Notice shall explain the procedure for Settlement Class Members to exclude themselves or "opt-out" of the Settlement by submitting a Request for Exclusion to the Settlement Administrator postmarked no later than the Opt-Out Deadline. The Notice also must state that any Settlement Class Member who does not file a timely Request for

Exclusion in accordance with this Paragraph will lose the opportunity to exclude himself or herself from the Settlement and will be bound by the Settlement.

- a. The Request for Exclusion must include the name of the proceeding, the individual's full name, current address, personal signature, and the words "Request for Exclusion" or a comparable statement that the individual does not wish to participate in the Settlement.
- b. No person shall purport to exercise any exclusion rights of any other person, or purport (i) to opt-out Settlement Class Members as a group, in the aggregate, or as a class; or (ii) to opt-out more than one Settlement Class Member on a single Request for Exclusion, or as an agent or representative. Any such purported Request(s) for Exclusion shall be void, and the Settlement Class Member(s) who is or are the subject of such purported Request(s) for Exclusion shall be treated as a Settlement Class Member and be bound by this Settlement Agreement, including the Release contained herein, and judgment entered thereon, unless he or she submits a valid and timely Request for Exclusion.
- c. Within seven (7) days after the Opt-Out Deadline, the Settlement Administrator shall provide the Parties with a complete and final list of all Opt-Outs.
- d. All persons who Opt-Out shall not receive any benefits or be bound by the terms of this Agreement and shall have no right to object to the Settlement or to participate at the Final Approval Hearing. All Settlement Class Members who do not request to be excluded from the Settlement Class in the manner set forth herein shall be bound by the terms of this Settlement Agreement, including the Release contained herein, and any judgment entered thereon, regardless of whether he or she files a Claim Form or receives any monetary benefits from the Settlement.

86. **The Objection Procedure.** The Notice shall explain the procedure for Settlement Class Members to object to the Settlement or request for Fee Award and Costs by submitting written objections no later than the Objection Deadline. The written objection must include:

- a. the name of the Action;
- b. the Settlement Class Member's full name and current mailing address;
- c. a statement that states with specificity the grounds for the objection, as well as any documents supporting the objection;
- d. the identity of any attorneys representing the objector;

- e. a statement regarding whether the Settlement Class Member (or his/her attorney) intends to appear at the Final Approval Hearing;
- f. information identifying the objector as a Settlement Class Member, including proof that the objector is within the Settlement Class (*e.g.*, copy of the Notice or copy of original notice of the Data Security Incidents); and
- g. the signature of the Settlement Class Member or their attorney.

Class Counsel and/or Defendant's Counsel may conduct limited discovery on any objector or objector's counsel. This includes taking depositions and requesting documents.

87. The Settlement Class Member shall send a copy of the written objection to the Settlement Administrator, Settlement Class Counsel, and Defendant's Counsel postmarked or emailed no later than the Objection Deadline. Any Settlement Class Member who does not submit a timely and adequate objection in accordance with this Paragraph waives the right to object or to be heard at the Final Approval Hearing and shall be forever barred from making any objection to the Settlement and shall be bound by the terms of the Agreement and by all proceedings, orders, and judgments in the Action, including the Release. The exclusive means for any challenge to the Agreement shall be through the provisions of this Paragraph. Within seven (7) days after the Objection Deadline, the Settlement Administrator shall provide the Parties with all objections submitted.

VIII. SETTLEMENT ADMINISTRATOR

88. **Duties of Settlement Administrator.** The Settlement Administrator shall perform the functions and duties necessary to effectuate the Settlement as specified in this Agreement, including, but not limited to, the following:

- a. Obtaining the Settlement Class List for the purpose of disseminating Notice to Settlement Class Members;
- b. Causing the Notice Program to be effectuated in accordance with the terms of this Settlement Agreement and orders of the Court;
- c. Performing National Change of Address searches on the Settlement Class List and/or skip tracing on undeliverable notices;
- d. Providing Notice to Settlement Class Members via U.S. mail and/or e-mail;
- e. Establishing and maintaining the Settlement Website;
- f. Establishing and maintaining a toll-free telephone line with interactive voice response for Settlement Class Members to call with Settlement-

related inquiries, and answering the questions of Settlement Class Members who call with or otherwise communicate such inquiries in a timely fashion;

- g. Responding to any mailed or emailed Settlement Class Member inquiries in a timely fashion;
- h. Reviewing, determining the validity of, and processing all claims submitted consistent with the terms of this Agreement;
- i. Receiving and reviewing Requests for Exclusion and objections from Settlement Class Members. If the Settlement Administrator receives any Requests for Exclusion, objections, or other requests from Settlement Class Members after the deadlines set forth herein, the Settlement Administrator shall promptly provide copies thereof to Settlement Class Counsel and Defendant's Counsel;
- j. Working with the provider of Credit Monitoring Services to receive and send activation codes to Settlement Class Members who submitted valid claims for Credit Monitoring Services after the Effective Date;
- k. After the Effective Date, processing and transmitting Settlement Payments to Settlement Class Members;
- l. Providing weekly or other periodic reports to Settlement Class Counsel and Defendant's Counsel that include information regarding claims, objections, Opt-Outs and other data agreed to between Settlement Class Counsel, Defendant's Counsel and the Settlement Administrator;
- m. Preparing a declaration for submission with the motion for Final Approval that (i) attests to implementation of the Notice Program in accordance with the Preliminary Approval Order; and (ii) provides data on Opt-Outs, Objections, and Claims.
- n. Preparing the Supplemental Declaration which shall be filed with the Court at least seven (7) days before the Final Approval Hearing. The Supplemental Declaration will include updated information about the Notice Program, Opt-Outs, Objections, and Claims.
- o. Performing any function related to settlement administration as provided for in this Agreement or agreed-upon among Settlement Class Counsel, Defendant's Counsel, and the Settlement Administrator.

89. **Limitation of Liability.** The Parties, Settlement Class Counsel, Defendant's Counsel, and Defendant's insurers, reinsurers, agents and/or third-party administrators, shall not have any liability whatsoever with respect to (i) any act, omission or determination of the Settlement Administrator, or any of its respective designees or agents, in connection with the

administration of the Settlement or otherwise; (ii) the management, investment or distribution of the Settlement Fund; (iii) the formulation, design or terms of the disbursement of the Settlement Fund; (iv) the determination, administration, calculation or payment of any claims asserted against the Settlement Fund; (v) any losses suffered by or fluctuations in the value of the Settlement Fund; or (vi) the payment or withholding of any Taxes and Tax-Related Expenses.

90. **Indemnification.** The Settlement Administrator shall indemnify and hold harmless the Parties, Settlement Class Counsel, Defendant's Counsel, and Defendant's insurers and reinsurers for (i) any act or omission or determination of the Settlement Administrator, or any of Settlement Administrator's designees or agents, in connection with the Notice Plan and the administration of the Settlement; (ii) the management, investment or distribution of the Settlement Fund; (iii) the formulation, design or terms of the disbursement of the Settlement Fund; (iv) the determination, administration, calculation or payment of any claims asserted against the Settlement Fund; (v) any losses suffered by, or fluctuations in the value of the Settlement Fund; or (vi) the payment or withholding of any Taxes and Tax-Related Expenses.

IX. PRELIMINARY APPROVAL, FINAL APPROVAL, AND JURISDICTION

91. **Certification of the Settlement Class.** For purposes of this Settlement only, and in the context of this Agreement only, the Parties stipulate to the certification of the Settlement Class, which is contingent upon the Court entering the Final Approval Order and Judgment of this Settlement and the occurrence of the Effective Date. Should: (i) the Settlement not receive final approval from the Court; (ii) the Effective Date not occur, or (iii) the Agreement is otherwise terminated, the certification of the Settlement Class shall be void, and neither the Agreement nor any order or other action relating to the agreement shall be offered by any person as evidence or cited in support of a motion to certify a class for any purpose other than this Settlement. Defendant reserves the right to contest class certification for all other purposes. The Parties further stipulate to designate the Settlement Class Representatives as the representative for the Settlement Class.

92. **Preliminary Approval.** Following execution of this Agreement, Settlement Class Counsel shall file a motion for preliminary approval of this Settlement with the Court. Settlement Class Counsel shall provide Defendant's Counsel with a draft of the motion for preliminary approval within a reasonable time frame prior to filing same to ensure that any requested revisions from Defendant are addressed. The proposed Preliminary Approval Order shall be in the form attached hereto.

93. **Final Approval.** Settlement Class Counsel shall file their Motion for Final Approval of the Settlement and their Motion for Fee Award and Costs no later than forty-five (45) days before the initial date set for the Final Approval Hearing. At the Final Approval Hearing, the Court will hear argument on Plaintiffs' Motion for Final Approval of the Settlement and application for Fee Award and Costs. In the Court's discretion, the Court also will hear argument at the Final Approval Hearing from any Settlement Class Members (or their counsel) who object to the Settlement and/or to the application for Fee Award and Costs, provided the objector(s) submitted timely objections that meet all the requirements listed in the Agreement. Counsel for the Parties shall request that the Court set a date for the Final Approval Hearing no earlier than one hundred thirty-five (135) days after entry of the Preliminary Approval Order. Settlement Class Counsel shall provide Defendant's Counsel with a draft of the motion for final approval within a reasonable

time frame prior to filing same to ensure that any requested revisions from Defendant are addressed.

94. **Jurisdiction.** The Court shall retain jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any suit, action, proceeding or dispute between the Parties arising out of or relating to this Agreement that cannot be resolved by negotiation and agreement by counsel for the Parties. The Court shall retain jurisdiction with respect to the administration, consummation, and enforcement of the Agreement and shall retain jurisdiction for the purpose of enforcing all terms of the Agreement. The Court shall also retain jurisdiction over all questions and/or disputes related to the Notice and the Settlement Administrator. As part of its agreement to render services in connection with this Settlement, the Settlement Administrator consents to the jurisdiction of the Court for this purpose and any dispute between or among the Settlement Administrator, Plaintiffs, and/or Defendant.

X. MODIFICATION AND TERMINATION

95. **Modification.** The terms and provisions of this Agreement may be amended, modified, or expanded by written agreement of the Parties and approval of the Court; provided, however, that, after entry of the Preliminary Approval Order, the Parties may, by written agreement, effect such amendments, modifications, or expansions of this Agreement and its implementing documents (including all exhibits hereto) without further notice to the Settlement Class or approval by the Court if such changes are consistent with the Court's Preliminary Approval Order and do not materially alter, reduce, or limit the rights of Settlement Class Members or Defendant under this Agreement.

96. **Effect of Termination.** In the event of a termination as provided in this Section, this Agreement shall be considered null and void, all of the Parties' obligations under the Agreement shall cease to be of any force and effect, and the Parties shall return to the status quo ante in the Action as if the Parties had not entered into this Agreement. In addition, in the event of such a termination, the certification of the Settlement Class shall be void. Defendant reserves the right to contest class certification for all purposes other than this Settlement. All of the Parties' respective pre-Settlement claims and defenses will be preserved. Any Court orders preliminarily or finally approving certification of the Settlement Class and any other orders entered pursuant to the Agreement shall be deemed null and void and vacated and shall not be used or cited thereafter by any person or entity in support of claims or defenses or in support or in opposition to a class certification motion. In addition, the fact that Defendant did not oppose certification of a class under the Settlement shall not be used or cited thereafter by any person or entity, including in a contested proceeding relating to class certification.

97. **Settlement Not Approved.** If: (i) the Court does not issue the Preliminary Approval Order or Final Approval Order; (ii) the Effective Date does not occur; or (iii) the Final Approval Order is modified or reversed in any material respect by any appellate or other court, the Parties shall have 60 days from the date of such occurrence or non-occurrence during which the Parties shall work together in good faith in considering, drafting, and submitting reasonable modifications to this Agreement to address any issues identified by the Court or that otherwise caused the Preliminary Approval Order or Final Approval Order not to issue or the Effective Date

not to occur. If such efforts are unsuccessful, either Party may at their sole discretion terminate this Agreement on seven (7) days written notice to the other Party. For avoidance of any doubt, neither Party may terminate the Agreement while an appeal from an order granting approval of the Settlement is pending.

XI. RELEASES

98. **The Release.** Upon the Effective Date, and in consideration of the Settlement benefits described herein, each Releasing Party shall be deemed to have completely and unconditionally released, acquitted, and forever discharged Defendant and each of the Released Parties from any and all Released Claims, including Unknown Claims.

99. **Unknown Claims.** The Released Claims include the release of Unknown Claims. “Unknown Claims” means claims that could have been raised in the Action and claims Releasing Parties do not know or suspect to exist, which, if known by him, her or it, might affect his, her or its agreement to release the Released Parties or the Released Claims or might affect his, her or its decision to agree, object or not to object to the Settlement. Upon the Effective Date, the Releasing Parties shall be deemed to have, and shall have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, which provides as follows:

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.

Upon the Effective Date, each-Releasing Party shall be deemed to have, and shall have, waived any and all provisions, rights, and benefits conferred by any law of any state, the District of Columbia or territory of the United States, by federal law, or principle of common law, or the law of any jurisdiction outside of the United States, which is similar, comparable or equivalent to Section 1542 of the California Civil Code. The Releasing Parties acknowledge that they may discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of the Released Claims or relation of the Released Parties thereto, but that it is their intention to finally and forever settle and release the Released Claims, including but not limited to any Unknown Claims they may have, as that term is defined in this Paragraph. The Parties acknowledge, and the Releasing Parties shall be deemed by operation of the Agreement to have acknowledged, that the foregoing waiver is a material term of the Agreement.

100. Each Releasor waives any and all defenses, rights, and benefits that may be derived from the provisions of applicable law in any jurisdiction that, absent such waiver, may limit the extent or effect of the release contained in this Settlement Agreement.

101. **Bar to Future Suits.** Upon entry of the Final Approval Order and Judgment, the Settlement Class Representatives and other Settlement Class Members, and all Releasing Parties,

shall be enjoined from initiating, asserting, or prosecuting any and all Released Claims, including Unknown Claims, in any proceeding against any of the Released Parties or based on any actions taken by any of the Released Parties that are authorized or required by this Agreement or by the Final Approval Order and Judgment. It is further agreed that the Settlement may be pleaded as a complete defense to any proceeding subject to this Section. It is further agreed that the Settlement may be pleaded as a complete defense to any proceeding subject to this Section.

102. **No Effect on Agreement.** The finality or effectiveness of the Settlement, including the Final Approval Order and Judgment, shall not depend on the amount or timing of service awards approved and awarded by the Court or any appeal thereof. The amount and timing of service awards is intended to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement. No decision by the Court, or modification or reversal or appeal of any decision by the Court, concerning the amount of the service awards shall constitute grounds for termination of this Agreement.

103. **No Admission of Liability.** The Parties understand and acknowledge that this Agreement constitutes a compromise and settlement of disputed claims. No action taken by the Parties either previously or in connection with the negotiations or proceedings connected with this Agreement shall be deemed or construed to be an admission of the truth or falsity of any claims or defenses heretofore made or that could have been made, or an acknowledgment or admission by any party of any fault, liability, or wrongdoing of any kind whatsoever.

104. **No Use of Agreement.** Neither the Settlement Agreement, nor any act performed or document executed pursuant to or in furtherance of the Settlement: (i) is or may be deemed to be, or may be used as, an admission of, or evidence of, the validity of any claim made by Plaintiffs or any Settlement Class Member, including any Settlement Class Member who opts out of the Settlement; or (ii) is or may be deemed to be, or may be used as, an admission of, or evidence of, any fault or omission by the Released Parties in the Action, or any Settlement Class Member who opts out of the Settlement, or in any proceeding in any court, administrative agency or other tribunal.

XII. SERVICE AWARDS AND ATTORNEY FEES

105. **Service Awards.** At least forty-five (45) days before the initially scheduled Final Approval Hearing, Settlement Class Counsel will file a motion seeking Service Awards for the Settlement Class Representatives in recognition of their contributions to this Action not to exceed Three Thousand Dollars and Zero Cents (\$3,000.00). Service Awards shall be paid out of the Settlement Fund within thirty-five (35) days of the Effective Date. Prior to the disbursement or payment of the Service Awards Payment, the Settlement Class Representatives shall provide a properly completed and duly executed IRS Form W-9. Settlement Class Counsel will ensure payment instructions are provided through secure processes. Defendant shall have no responsibility for, interest in, or liability whatsoever with respect to any distribution or allocation of Service Awards. Nor shall Defendant be responsible for any tax obligations or payments associated with the amount paid into the account established by Settlement Class Counsel. To the extent the Effective Date does not occur, Defendant shall have no obligation to pay any Service Awards. This amount was negotiated after the primary terms of the settlement were negotiated.

106. **Attorney Fees and Costs and Expenses.** At least forty-five (45) days before the initially scheduled Final Approval Hearing, Settlement Class Counsel will file a motion for Fee Award and Costs, as well as for Service Awards, to be paid out of the Settlement Fund. Class Counsel may apply to the Court for an award of attorneys' fees of up to one-third of the Settlement Fund, \$283,333.33, plus reimbursement of reasonable Litigation Costs and Expenses. Defendant agrees to take no position on Settlement Class Counsel's request for Fee Award and Costs in accordance with this paragraph. Settlement Class Counsel shall provide a properly completed and duly executed IRS Form W-9. Approved Attorney Fees and Costs and Expenses shall be paid out of the Settlement Fund within thirty-five (35) days of the Effective Date. The Attorney Fees and Costs and Expenses awarded will be allocated by Settlement Class Counsel. Defendant shall have no responsibility for, interest in, or liability whatsoever with respect to any distribution or allocation of the Fee Award and Costs. Nor shall Defendant be responsible for any tax obligations or payments associated with the amount paid into the account established by or on behalf of Settlement Class Counsel. To the extent the Effective Date does not occur, Defendant shall have no obligation to pay any Fee Award and Costs. The amount of the Fee Award and Costs was negotiated after the primary terms of the Settlement were negotiated.

XIII. MISCELLANEOUS

107. **Integration of Exhibits.** The exhibits to this Agreement and any exhibits thereto are a material part of the Settlement and are incorporated and made a part of the Agreement.

108. **Entire Agreement.** This Agreement, including all exhibits hereto, shall constitute the entire Agreement among the Parties with regard to the subject matter hereof and shall supersede any previous agreements, representations, communications and understandings among the Parties, including counsel for the Parties. This Agreement may not be changed, modified, or amended except in writing signed by all Parties or their successors in interest. The Parties contemplate that, subject to Court approval or without such approval where legally permissible and consistent with any orders of the Court in this proceeding, the exhibits to this Agreement may be modified by subsequent Agreement of counsel for the Parties prior to dissemination of the Notice to the Settlement Class.

109. **Resolution.** The Parties intend this Agreement to be a final and complete resolution of all disputes between them with respect to the Action. The Parties each agree that the Settlement and this Agreement were negotiated in good faith and at arms'-length and reflects a Settlement reached voluntarily after consultation with legal counsel of their choice.

110. **Other Litigation.** Plaintiffs and Settlement Class Counsel will not cooperate with or encourage any action or filing of claims against Defendant or any Released Parties related to any of the allegations or claims alleged in the Action.

111. **Deadlines.** If any of the dates or deadlines specified herein or in the Court's Preliminary Approval Order or Final Approval Order falls on a weekend or legal holiday, the applicable date or deadline shall fall on the next business day. All reference to "days" in this agreement shall refer to calendar days unless otherwise specified.

112. **Binding Effect.** This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of Plaintiffs and Defendant.

113. **Singular and Plurals.** As used in this Agreement, all references to the plural shall also mean the singular and to the singular shall also mean the plural whenever the context so indicates and reasonably dictates.

114. **Headings.** The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

115. **Construction.** For the purpose of construing or interpreting this Agreement, this Agreement is to be deemed to have been drafted equally by all Parties and shall not be construed strictly for or against any Party.

116. **Cooperation of Parties.** The Parties to this Agreement agree to cooperate in good faith to effectuate the Settlement described in this Agreement.

117. **Obligation to Meet and Confer.** Before filing any motion in the Court raising a dispute arising out of or related to this Agreement between the Parties, the Parties shall consult with each other and certify to the Court that they have consulted in good faith.

118. **No Conflict Intended.** Any inconsistency between the headings used in this Agreement and the text of the Paragraphs of this Agreement shall be resolved in favor of the text.

119. **Governing Law.** The Agreement shall be construed in accordance with, and be governed by, the laws of Washington, without regard to choice of law principles.

120. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, even though all signatories do not sign the same counterparts. Original signatures are not required. Any signature submitted electronically, by facsimile, or through e-mail of an Adobe PDF shall be deemed an original.

121. **Notices.** All notices to Settlement Class Counsel and counsel for Defendant provided for herein, shall be sent by email to:

Kaleigh N. Boyd
McNaul Ebel PLLC
One Union Square
600 University Street, Suite 2700
Seattle, Washington 98101
(206) 467-1816
kboyd@mcnaul.com

All notices to Defendant provided for herein shall be sent by email to:

David Schelberg
McDonald Hopkins PLC
39533 Woodward Avenue, Suite 318
Bloomfield Hills, MI 48304
(248) 593-2947
dschelberg@mcdonaldhopkins.com

The notice recipients and addresses designated above may be changed by written notice to the other Party.

122. **Authority.** Any person executing this Agreement in a representative capacity represents and warrants that he or she is fully authorized to do so and authorized to bind the Party on whose behalf he, she, or they sign this Agreement to all of the terms and provisions of this Agreement.

123. **No Government Third-Party Rights or Beneficiaries.** No government agency or official can claim any rights under this Agreement or Settlement.

124. **No Collateral Attack.** The Agreement shall not be subject to collateral attack, including by any Settlement Class Member or any recipient of notices of the Settlement after issuance of the Final Approval Order.

125. **Survival.** The Parties agree that the terms set forth in this Settlement Agreement shall survive the signing of the Agreement.

126. **Schedule and Deadlines.** Subject to court approval, the Parties agree to following schedule and deadlines.

Event	Deadline
Defendant provides the Settlement Class List to the Settlement Administrator	Within ten (10) days of the entry of the Preliminary Approval Order
Notice Deadline	Thirty (30) days after entry of the Preliminary Approval Order
Plaintiffs shall file the Motion for Final Approval	Forty-five (45) days before the initially scheduled Final Approval Hearing
Plaintiffs shall file the motion for Fee Award and Costs, and Service Awards	Forty-five (45) days before the initially scheduled Final Approval Hearing
Objection Deadline	Thirty (30) days before the initially scheduled Final Approval Hearing
Opt-Out Deadline	Thirty (30) days before the initially scheduled Final Approval Hearing

Claims Deadline	Ninety (90) days after the Notice Deadline
Final Approval Hearing	No earlier than one hundred thirty-five (135) days after entry of the Preliminary Approval Order

XIV. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused the Settlement Agreement to be executed:

Lillian Derry

By:  Lillian Derry (Jul 1, 2026 10:43:18 PDT)

Date: Jul 1, 2026

Bobbi Rangel

By: _____

Date: _____

Lon Dean

By: _____

Date: _____

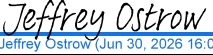
Approved as to form by:

Counsel for Plaintiffs and the Settlement Class

By: _____

Date: _____

Kaleigh N. Boyd
McNaul Ebel PLLC

By:  Jeffrey Ostrow (Jun 30, 2026 16:02:56 EDT)

Date: Jun 30, 2026

Jeff Ostrow
Kopelowitz Ostrow P.A.

By: _____

Date: _____

John J. Nelson
Milberg PLLC

By: _____

Date: _____

Leanna A. Loginov
Shamis & Gentile, P.A.

XIV. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused the Settlement Agreement to be executed:

Lillian Derry

By: _____

Date: _____

Bobbi Rangel

By: _____

Date: _____

Lon Dean

By: _____

Date: _____

Approved as to form by:

Counsel for Plaintiffs and the Settlement Class

By: _____

Date: _____

Kaleigh N. Boyd
McNaul Ebel PLLC

By: _____

Date: _____

Jeff Ostrow
Kopelowitz Ostrow P.A.

By: _____

Date: _____

John J. Nelson
Milberg PLLC

By: Leanna Loginov

Date: 07/01/2026

Leanna A. Loginov
Shamis & Gentile, P.A.

XIV. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused the Settlement Agreement to be executed:

Lillian Derry

By: _____

Date: _____

Bobbi Rangel

By: _____

Date: _____

Lon Dean

By: Lon Dean

Date: 07 / 01 / 2026

Approved as to form by:

Counsel for Plaintiffs and the Settlement Class

By: _____

Date: _____

Kaleigh N. Boyd
McNaul Ebel PLLC

By: _____

Date: _____

Jeff Ostrow
Kopelowitz Ostrow P.A.

By: _____

Date: _____

John J. Nelson
Milberg PLLC

By: _____

Date: _____

Leanna A. Loginov
Shamis & Gentile, P.A.

XIV. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused the Settlement Agreement to be executed:

Lillian Derry

By: _____

Date: _____

Bobbi Rangel

By: 
Bobbi Rangel (Jul 6, 2026 12:16:30 PDT)

Date: 06 Jul 2026

Lon Dean

By: _____

Date: _____

Approved as to form by:

Counsel for Plaintiffs and the Settlement Class

By: _____
Kaleigh N. Boyd
McNaul Ebel PLLC

Date: _____

By: _____
Jeff Ostrow
Kopelowitz Ostrow P.A.

Date: _____

By: _____
John J. Nelson
Milberg PLLC

Date: _____

By: _____
Leanna A. Loginov
Shamis & Gentile, P.A.

Date: _____

XIV. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused the Settlement Agreement to be executed:

Lillian Derry

By: _____

Date: _____

Bobbi Rangel

By: _____

Date: _____

Lon Dean

By: _____

Date: _____

Approved as to form by:

Counsel for Plaintiffs and the Settlement Class

By:  _____

Kaleigh N. Boyd
McNaul Ebel PLLC

Date: 07/06/2026

By: _____

Jeff Ostrow
Kopelowitz Ostrow P.A.

Date: _____

By: _____

John J. Nelson
Milberg PLLC

Date: _____

By: _____

Leanna A. Loginov
Shamis & Gentile, P.A.

Date: _____

XIV. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused the Settlement Agreement to be executed:

Lillian Derry

By: _____

Date: _____

Bobbi Rangel

By: 
Bobbi Rangel (Jul 6, 2026 12:16:30 PDT)

Date: 06 Jul 2026

Lon Dean

By: _____

Date: _____

Approved as to form by:

Counsel for Plaintiffs and the Settlement Class

By: _____
Kaleigh N. Boyd
McNaul Ebel PLLC

Date: _____

By: _____
Jeff Ostrow
Kopelowitz Ostrow P.A.

Date: _____

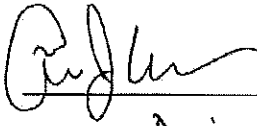
By: 
John V. Nelson
Milberg PLLC

Date: 7/6/2026

By: _____
Leanna A. Loginov
Shamis & Gentile, P.A.

Date: _____

DEFENDANT CARDINAL SERVICES, INC.

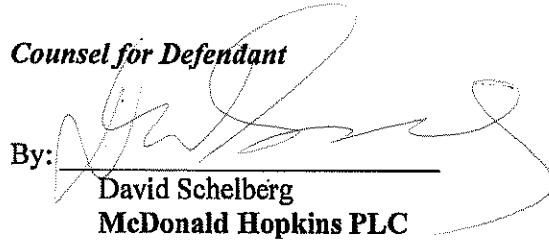


Name: Arin Carmack

Its: President

Date: 07/02/2026

Counsel for Defendant



By: _____
David Schelberg
McDonald Hopkins PLC

Date: 7/6/26