

SUPERIOR COURT OF THE STATE OF WASHINGTON
KING COUNTY

CANDY MOLINARI and MIKHAIL
KHOLYUSEV, on behalf of themselves and all
others similarly situated,

Plaintiffs,

v.

WELFARE & PENSION ADMINISTRATION
SERVICE, INC.,

Defendant.

Case No. 22-2-04023-8 SEA

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into by and between Candy Molinari and Mikhail Kholyusev (“Plaintiffs”), individually and on behalf of the Settlement Class (as defined below), by and through Settlement Class Counsel (as defined below), and Defendant Welfare & Pension Administration Service, Inc. (“WPAS” or “Defendant”), in order to effect a full and final settlement and dismissal with prejudice of all claims against WPAS alleged in the above-captioned litigation on the terms set forth below and to the full extent reflected herein. Plaintiffs and WPAS are referred to collectively herein as the “Parties” and individually as a “Party.”

RECITALS

The Litigation.

In July 2021, WPAS experienced a cybersecurity attack that potentially exposed the personally identifiable information (“PII”) and personal health information (“PHI”) (together Private Information), including but not limited to full names, Social Security numbers, health insurance information, and medical treatment/diagnosis information (the “Data Security Incident”), of approximately 211,822 individuals. WPAS began notifying Plaintiffs and the

Settlement Class about the Data Security Incident on approximately December 20, 2021.

Ms. Molinari filed an action against WPAS in King County Superior Court on March 21, 2022, for claims arising out of the Data Security Incident. *Molinari v. Welfare & Pension Administration Service, Inc.*, 22-2-04023-8 SEA. On March 23, 2022, Mr. Kholyusev and Ms. Jackson¹ filed a related action against WPAS in King County Superior Court making similar allegations and legal claims as the *Molinari* action. *Kholyusev et al. v. Welfare & Pension Administration Service, Inc.*, 22-2-04152-8 SEA. The *Molinari* and *Kholyusev* actions were subsequently consolidated, and the Consolidated Complaint was filed on July 15, 2022, bringing claims against WPAS for negligence, breach of implied contract, violation of the Washington Data Breach Disclosure Law (RCW § 19.255.010), violation of the Washington State Consumer Protection Act (RCW § 19.86020), unjust enrichment, invasion of privacy, and breach of fiduciary duty.

WPAS moved to dismiss the Consolidated Complaint September 12, 2022. That motion was fully briefed by the parties. On December 2, 2022, the Court held a hearing on WPAS's motion to dismiss. On February 13, 2023, the Court denied WPAS's motion to dismiss.

The Parties subsequently agreed to pursue resolution and scheduled mediation with Hon. Diane M. Welsh (Ret.) of JAMS, on January 9, 2024. The Parties engaged in informal pre-mediation discovery.

The January 9, 2024, mediation lasted a full day and resulted in agreement on the principal terms of this settlement. In the subsequent weeks, the Parties continued negotiating the details of the settlement memorialized in this agreement.

¹ Ms. Jackson was voluntarily dismissed from this Lawsuit (as defined below) on February 8, 2024.

Claims of Plaintiffs and Benefits of Settling.

Plaintiffs believe that the claims asserted in the Lawsuit (as defined below), as set forth in the Complaint (as defined below), have merit. Plaintiffs and Settlement Class Counsel recognize and acknowledge, however, the expense and length of continued proceedings necessary to prosecute the Lawsuit against WPAS through motion practice, trial, and potential appeals. They have also taken into account the uncertain outcome and risk of further litigation, as well as the difficulties and delays inherent in such litigation. Settlement Class Counsel are experienced in class action litigation and knowledgeable regarding the relevant claims, remedies, and defenses at issue generally in such litigation and in this Lawsuit. They have determined that the Settlement set forth in this Settlement Agreement is fair, reasonable, and adequate, and in the best interests of the Settlement Class.

Denial of Wrongdoing and Liability.

WPAS denies each and all of the claims and contentions alleged against it in the Lawsuit. WPAS denies all allegations of wrongdoing or liability as alleged, or which could be alleged, in the Lawsuit. Nonetheless, WPAS has taken into account the uncertainty and risks inherent in any litigation, understands that further defense of the Lawsuit would be protracted and expensive, and has therefore concluded that it is desirable that the Lawsuit be fully and finally settled in the manner and upon the terms and conditions set forth in this Settlement Agreement.

TERMS OF SETTLEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and among Plaintiffs, individually and on behalf of the Settlement Class, Settlement Class Counsel, and WPAS that, subject to the approval of the Court, the Lawsuit and the Released Claims (as defined below) shall be finally and fully compromised, settled, and released, and the Lawsuit shall be

dismissed with prejudice as to the Parties, the Settlement Class, and the Settlement Class Members, except those Settlement Class Members who lawfully opt out of the Settlement Agreement, upon and subject to the terms and conditions of this Settlement Agreement, as follows:

DEFINITIONS.

As used in this Settlement Agreement and its exhibits, the following terms have the meanings specified below:

1. “*Claims Administration*” means providing notice of the Settlement to Settlement Class Members and governmental entities, if any, required to be provided notice, the processing of claims, requests for exclusions, and objections, and payment of approved claims received from Settlement Class Members by the Claims Administrator.

2. “*Claims Administrator*” means Kroll Settlement Administration, LLC, or another company experienced in administering class action claims generally and specifically those of the type provided for and made in Lawsuit, if jointly agreed upon by the parties and approved by the Court.

3. “*Claim Deadline*” means a date certain, which is to be set forth in the Notice and which shall be no more than ninety (90) Days from the date Notice is sent to Settlement Class Members.

4. “*Claim Form*” means the form, attached as **Exhibit C** to this Settlement Agreement, which Settlement Class Members must complete and submit on or before the Claim Deadline in order to be eligible for the benefits described herein. The Claim Form shall require an actual or electronic sworn signature but shall not require a notarization or any other form of verification.

5. “*Complaint*” means the Consolidated Class Action Complaint filed by Plaintiffs in the Lawsuit on July 18, 2022.

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

7. “*Data Security Incident*” means the cyberattack incident allegedly involving Plaintiffs’ and Settlement Class Members’ Private Information that WPAS discovered on approximately July 21, 2021.

8. “*Days*” means calendar days, except, when computing any period of time prescribed or allowed by this Settlement Agreement, it does not include the day of the act, event, or default from which the designated period of time begins to run. Further, when computing any period of time prescribed or allowed by this Settlement Agreement, include the last day of the period, unless it is a Saturday, a Sunday, or a federal legal holiday, in which event the period runs until the end of the next day that is not a Saturday, Sunday, or federal legal holiday.

9. “*Effective Date*” means the date defined in Paragraph 119 of this Settlement Agreement.

10. “*Final*” means that all of the following events have occurred: (a) the Settlement pursuant to this Settlement Agreement is approved by the Court; (b) the Court has entered the Final Order and Judgment; and (c) either (i) no appeal has been taken from the Final Order and Judgment as of the date on which all times to appeal or seek permission to appeal therefrom have expired, or (ii) if an appeal or other review proceeding of the Final Order and Judgment has been commenced, such appeal or other review is finally concluded and no longer is subject to further review by any court, whether by appeal, petitions, rehearing or re-argument, petitions for rehearing *en banc*, petitions for writ of *certiorari*, or otherwise, and such appeal or other review has been finally resolved in a manner that affirms the Final Order and Judgment in all material respects. Notwithstanding the above, any order modifying or reversing any Service Award or award of

attorneys' fees or expenses shall not affect whether a judgment in this matter is Final or any other aspect of the judgment.

11. “*Final Approval Hearing*” means the hearing in the Lawsuit at which the Court considers final approval of this Settlement and the entry of the Final Order and Judgment.

12. “*Final Order and Judgment*” means the final judgment and order of dismissal with prejudice to be entered in the Lawsuit in connection with the approval of the Settlement after the Final Approval Hearing.

13. “*Lawsuit*” means the lawsuit, styled *Molinari et al. v. Welfare & Pension Administration Service, Inc.*, Case No. 22-2-04023-8 SEA, pending in the Superior Court of Washington for King County.

14. “*Notice*” means the written notice to be sent or published to Settlement Class Members pursuant to the Preliminary Approval Order, attached as **Exhibits A and B** to this Settlement Agreement.

15. “*Notice and Claims Administration Costs*” means actual costs associated with or arising from providing notice to Settlement Class Members and performing Claims Administration in connection with the Settlement.

16. “*Notice Deadline*” means within thirty (30) Days of the entry of the Preliminary Approval Order, by which time the Claims Administrator shall send the Notice in **Exhibit A** to all Settlement Class Members whose email and/or mailing addresses are known to WPAS.

17. “*Notice Program*” means the notice program described in Paragraphs 68-78.

18. “*Objection Deadline*” means the time period in which a Settlement Class Member may submit an Objection, which is sixty (60) Days after the Notice Deadline.

19. “*Opt-Out Period*” means the time period ordered by the Court during which a Settlement Class Member may submit an Opt-Out Request to opt out of the benefits available under the Settlement Agreement and also not be bound by the Settlement Agreement. The Parties will recommend to the Court that this period be the sixty (60) Day period beginning with the Notice Deadline.

20. “*Opt-Out Request*” means a written request a Settlement Class Member may submit to the Claims Administrator as detailed below if he or she wants to be excluded from the Settlement Class and not be bound by the Settlement Agreement.

21. “*Parties*” means Plaintiffs, individually and on behalf of the Settlement Class, and Defendant Welfare & Pension Administration Services, Inc.

22. “*Person*” means an individual.

23. “*Private Information*” shall mean “*Personally Identifiable Information*” and “*Private Health Information*” and includes, but is not limited to, full names, Social Security numbers, health insurance information, and medical treatment/diagnosis information.

24. “*Plaintiffs*” means Candy Molinari and Mikhail Kholyusev.

25. “*Preliminary Approval Date*” means the date on which the Preliminary Approval Order has been entered by the Court.

26. “*Preliminary Approval Order*” means the order preliminarily approving the Settlement and providing for Notice to the Settlement Class, attached as **Exhibit D** to this Settlement Agreement.

27. “*Related Entities*” means WPAS’s past or present parents, subsidiaries, divisions, and related or affiliated entities, and each of WPAS’s respective predecessors, successors, directors, officers, shareholders, employees, principals, agents, attorneys, insurers, and reinsurers,

and includes, without limitation, any Person related to any such entity who is, was, or could have been named as a defendant in the Lawsuit, other than any Person who is found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, or aiding or abetting the criminal activity associated with the Data Security Incident or who pleads *nolo contendere* to any such charge.

28. “*Released Claims*” means any and all past, present, and future liabilities, rights, claims, counterclaims, actions, causes of action, demands, damages, penalties, costs, attorneys’ fees, losses, and remedies, whether known or unknown, existing or potential, suspected or unsuspected, liquidated or unliquidated, legal, statutory, or equitable, including, but not limited to, negligence, negligence *per se*, breach of confidence, breach of implied contract, unjust enrichment, publicity given to private life, any state or federal consumer protection statute, misrepresentation (whether fraudulent, negligent, or innocent), bailment, wantonness, failure to provide adequate notice pursuant to any breach notification statute, regulation, or common law duty, and any causes of action under 18 U.S.C. §§ 2701 *et seq.*, and all similar statutes in effect in any states in the United States as defined herein, and including, but not limited to, any and all claims for damages, injunctive relief, disgorgement, declaratory relief, equitable relief, attorneys’ fees, costs and expenses, set-offs, losses, pre-judgment interest, credit monitoring services, the creation of a fund for future damages, statutory damages, punitive damages, special damages, exemplary damages, restitution, the appointment of a receiver, and any other form of relief that either has been asserted, or could have been asserted, or relate to the exposure of Private Information in the Data Security Incident, and conduct that was alleged or could have been alleged in the Lawsuit, including, without limitation, any claims, actions, causes of action, demands, damages, penalties, losses, or remedies relating to, based upon, resulting from, or arising out of the disclosure of Private

Information (the “Released Claims”), provided that nothing in this Release is intended to, does or shall be deemed to release any claims not arising out of, based upon, resulting from, or related to the Data Security Incident.

29. “*Released Persons*” means WPAS, the Related Entities, and each of their past or present parents, subsidiaries, divisions, and related or affiliated entities, and each of their respective predecessors, successors, assigns, owners, directors, shareholders, members, officers, employees, principals, agents, representatives, attorneys, insurers, and reinsurers.

30. “*Service Award*” means compensation awarded by the Court and paid to the Settlement Class Representatives in recognition of their roles in this litigation.

31. “*Settlement*” means the settlement of the Lawsuit upon the terms and conditions set forth in this Settlement Agreement.

32. “*Settlement Agreement*” means this Settlement Agreement, including all exhibits hereto.

33. “*Settlement Class*” means: All persons residing in the United States who participated in funds or trusts managed by WPAS, whose Private Information was potentially compromised as a result of the Data Security Incident that WPAS discovered on approximately July 21, 2021. Excluded from the Settlement Class are: (i) WPAS; (ii) the Related Entities; (iii) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; (iv) any judges assigned to this case and their staff and family; and (v) any other Person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding, or abetting the criminal activity that resulted in the Data Security Incident or who pleads *nolo contendere* to any such charge.

34. “*Settlement Class Counsel*” shall mean Stranch, Jennings, and Garvey, PLLC, Cohen & Malad, LLP, Turke & Strauss and Levi & Korinsky, LLP.

35. “*Settlement Class Member[s]*” means all Persons who fall within the definition of the Settlement Class.

36. “*Settlement Class Representatives*” means Candy Molinari and Mikhail Kholyusev.

37. “*Settlement Fund*” means a minimum of \$1,000,000 and a maximum of \$1,750,000, from which all Settlement Class Member benefits, Claims Administration costs, attorneys’ fees and expenses, and Plaintiffs’ service awards shall be paid.

38. “*Settlement Website*” means a dedicated website created and maintained by the Claims Administrator, which will contain relevant documents and information about the Settlement, including this Settlement Agreement, Notice, and Claim Form, among other things.

39. “*United States*” includes all fifty (50) states, the District of Columbia, and all territories.

40. “*WPAS*” means Welfare & Pension Administration Service, Inc.

41. “*WPAS’s Counsel*” means Davis Wright Tremaine LLP and its attorneys.

CLASS CERTIFICATION

42. Solely for the purpose of implementing this Settlement Agreement and effectuating the Settlement, WPAS agrees to stipulate to the certification of the Settlement Class and will not oppose Plaintiffs’ request for certification.

43. Solely for the purpose of implementing this Settlement Agreement and effectuating the Settlement, WPAS stipulates that Plaintiffs are adequate representatives of the Settlement Class, and that Settlement Class Counsel are adequate counsel for the Settlement Class.

44. If the Settlement set forth in this Settlement Agreement is not approved by the Court, or if the Settlement Agreement is terminated or cancelled pursuant to the terms of this Settlement Agreement, this Settlement Agreement, and the certification of the Settlement Class provided for herein, shall be vacated, and the Lawsuit shall proceed as though the Settlement Class had never been certified, without prejudice to any Person's or Party's position on the issue of class certification or any other issue. The Parties' agreement to the certification of the Settlement Class is also without prejudice to any position asserted by the Parties in any other proceeding, case, or action, as to which all of their rights are specifically preserved. In the event of non-approval, termination, or cancellation of this Settlement Agreement, WPAS shall be responsible for administration and notification costs incurred, if any, but shall have no other payment, reimbursement, or other financial obligation of any kind as a result of this Settlement Agreement.

SETTLEMENT BENEFITS

45. Subject to the terms of this Settlement Agreement, WPAS shall make available the following compensation to Settlement Class Members who do not timely and validly opt-out of participation in this Settlement.

46. Settlement Fund Minimum and Cap. The Settlement Fund established by this Settlement shall have a minimum guaranteed value of \$1,000,000, and a maximum value of \$1,750,000. The Settlement Fund shall be used to pay for all Settlement Class Member benefits, all Claims Administration costs, Plaintiffs' attorneys' fees and expenses, and Plaintiffs' service awards. If Claims for Settlement Class Member benefits, Claims Administration costs, Plaintiffs' attorneys' fees and expenses, and Plaintiffs' service awards total less than \$1,000,000, the difference shall be distributed *pro rata* to all Settlement Class members who have submitted valid Claims without regard to the individual caps contained in Paragraph 47. Claims for Settlement

Class Member benefits, Claims Administration costs, Plaintiffs' attorneys' fees and expenses, and Plaintiffs' service awards total more than \$1,750,000, valid Claims shall be reduced *pro rata* to be within the \$1,750,000 Settlement Fund cap.

47. Monetary Compensation for Losses: Settlement Class Members who submit a valid and timely Claim Form may choose all applicable claim categories below. Claims will be subject to review for completeness and plausibility by the Claims Administrator.

- a. Compensation for Ordinary Losses. Defendant will reimburse documented out-of-pocket expenses incurred as a result of the Data Security Incident, up to a maximum of \$500.00 per person upon submission of a claim and supporting third-party documentation, such as the following losses:
 - i. Professional fees including attorneys' fees, accountants' fees, fees for credit repair services, costs associated with freezing or unfreezing credit, bank fees, long distance phone charges, cell phone charges (only if charged by the minute), data charges (only if charged based on the amount of data used), postage, gasoline for local travel;
 - ii. Fees for credit reports, credit monitoring, or other identity theft insurance product purchased between July 21, 2021, and the Claims Deadline;
 - iii. This list of reimbursable documented out-of-pocket expenses is not meant to be exhaustive, rather it is exemplary. Settlement Class Members may make claims for any documented out-of-pocket losses reasonably related to the Data Security Incident or to

mitigating the effects of the Data Security Incident. The Claims Administrator shall have discretion to determine whether any claimed loss is reasonably related to the Data Security Incident.

- b. Compensation for Extraordinary Losses. Defendant will provide up to a maximum of \$5,000.00 in compensation to each claimant who was the victim of actual documented identity theft for proven monetary loss if:
- i. The loss is an actual, documented, and unreimbursed monetary loss arising from identity theft, fraud, or similar misuse, supported by third-party documentation;
 - ii. The loss was more likely than not caused by the Data Security Incident;
 - iii. The loss occurred between July 21, 2021, and the Claims Deadline;
 - iv. The loss is not already covered by one or more of the other reimbursement categories herein; and the Settlement Class Member made reasonable efforts to avoid, or seek reimbursement for, the loss, including but not limited to exhaustion of all available credit monitoring insurance and identity theft insurance.
- c. Settlement Class Members claiming Ordinary Losses or Extraordinary Losses must submit documentation supporting their claims. This may include receipts or other documentation not “self-prepared” by the claimant that document the costs incurred. “Self-prepared” documents such as handwritten receipts are, by themselves, insufficient to receive reimbursement, but may be considered to add clarity or support other

submitted documentation.

- d. Lost Time. Compensation for up to four (4) hours at \$25 per hour for a maximum of up to \$100 per person. Class members may submit claims for up to four (4) hours of lost time with an attestation that they spent the claimed time responding to issues raised by the Data Security Incident. Claims for Lost Time must be accompanied by documentation or self-certification that the time claimed was spent remedying issues related to the Data Security Incident.
- e. Alternative Cash Payment: In the alternative to Ordinary Losses, Extraordinary Losses, and Lost Time payments, Settlement Class Members may make a claim for a \$50 cash payment.
- f. Claims for Ordinary Losses, Extraordinary Losses, Lost Time, and Alternative Cash Payments are subject to a *pro rata* increase or decrease based on the number of claims made and the minimum and maximum Settlement Fund amounts in Paragraph 46.

48. Credit Monitoring: Settlement Class Members may elect to enroll in two (2) years of credit monitoring and identity theft protection services provided by IDX. These services include credit monitoring through at least one bureau and \$1,000,000 in identity theft insurance.

49. Remedial Measures. Defendant has implemented a series of robust security enhancements in response to the Data Security Incident and the Lawsuit. These include heightened security awareness training, the adoption of advanced encryption programs, the establishment of stringent protocols for handling personal information, the allocation of additional personnel and third party security experts to bolster information security efforts, adherence to annual cyber

security reporting best practices, the prohibition of portable drives, mandatory encryption for all files leaving WPAS' system, and fortified security measures for WPAS' server room.

50. Claims Period. The Parties agree that the period for submitting claims will be set at a date certain approximately ninety (90) Days from the date that Notice is sent to the Settlement Class Members.

51. The Claims Administrator will provide information to the Parties regarding approved claims, including the claimant's name and other relevant information and all documentation to substantiate the claim upon request. The Parties shall have up to five (5) business Days after being provided this information to dispute any approved claim.

52. If a Settlement Class Member disputes in writing a claim determination related to a claim under Paragraph 47 and requests an appeal, the Parties will meet and confer on the appeal. If the Parties are unable to reach an agreement, the Parties will agree on a Claims Referee to make a final and binding determination regarding the disputed claim by a Settlement Class Member. If the Claims Referee becomes unavailable, the parties may agree upon a substitute Claims Referee. If for any reason the parties are unable to agree on a Claims Referee, the Court may appoint a Claims Referee.

53. The entire Settlement is subject to Court approval. The Effective Date for the Settlement will be when the time for appeal of the Final Order and Judgment granting final approval have lapsed with no appeal having been filed or, if any appeal is filed, thirty Days after an appeal is finally resolved with an affirmance of the Final Order and Judgment granting final approval.

SETTLEMENT ADMINISTRATION

54. All Notice and Claims Administration Costs will be paid from the Settlement Fund.

55. The Parties have agreed to request that the Court appoint Kroll Settlement Administration, LLC as Claims Administrator. Once approved by the Court, the Claims Administrator will be an agent of the Court and will be subject to the Court's supervision and direction as circumstances may require.

56. The Claims Administrator will cause the Notice Program to be effectuated in accordance with the terms of this Settlement Agreement and any orders of the Court. The Claims Administrator may request the assistance of the Parties to facilitate providing notice and to accomplish such other purposes as may be approved by WPAS's Counsel and Settlement Class Counsel. The Parties shall reasonably cooperate with such requests.

57. The Claims Administrator will create, administer and update the Settlement Website in accordance with the terms of this Settlement Agreement. Settlement Class Counsel and WPAS's Counsel shall agree on all information and documents to be posted on the Settlement Website.

58. The Claims Administrator will conduct Claims Administration in accordance with the terms of the Settlement Agreement, and any additional processes agreed to by Settlement Class Counsel and WPAS's Counsel, and subject to the Court's supervision and direction as circumstances may require.

59. To make a claim for monetary compensation, a Settlement Class Member must complete and submit a valid, timely Claim Form. Claim Forms shall be submitted by U.S. mail or electronically through the Settlement Website and must be postmarked or submitted no later than the Claim Deadline.

60. The Claims Administrator will review and evaluate each Claim Form, including any required documentation submitted for timeliness, completeness, and validity.

61. The Claims Administrator, in its sole discretion to be reasonably exercised, will determine whether: (1) the claimant is a Settlement Class Member; (2) 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 under Paragraph 47 above; and (3) when applicable, the information submitted could lead a reasonable person to conclude that the claimant is eligible for the category and/or amount for which a claim is submitted (collectively, “Facially Valid”). The Claims Administrator may, at any time, request from the claimant, in writing, additional information (“Claim Supplementation”) as the Claims Administrator may reasonably require in order to evaluate the claim, *e.g.*, documentation requested on the Claim Form, information regarding the claimed losses, available insurance or other sources of reimbursement, the status of any claims made for insurance benefits or other reimbursement, and claims previously made for identity theft and the resolution thereof.

62. The Claims Administrator will maintain records of all Claim Forms submitted until the later of (a) one hundred and eighty (180) Days after the Effective Date or (b) the date all Claim Forms have been fully processed. Claim Forms and supporting documentation may be provided to the Court upon request and to Settlement Class Counsel and/or WPAS’s Counsel to the extent requested or necessary to resolve Claims Administration issues pursuant to this Settlement Agreement. WPAS or the Claims Administrator will provide other reports or information as requested by the Court.

63. Subject to the terms and conditions of this Settlement Agreement, WPAS shall transmit needed claimant compensation funds to the Claims Administrator, and the Claims Administrator shall mail or otherwise provide payment for approved claims within sixty (60) Days of the Effective Date, or within sixty (60) Days of the date that the Claim is approved, whichever

is later.

64. Payment for approved Claims shall be mailed or otherwise sent to the Settlement Class Member in the manner indicated on his or her Claim Form.

65. Any checks issued under this section shall be void if not negotiated within ninety (90) Days of their date of issue and shall bear the language: "This check must be cashed within 90 days, after which time it is void." Checks issued pursuant to this section that are not negotiated within ninety (90) Days of their date of issue shall not be reissued. If a Settlement Class Member fails to cash a check issued under this section before it becomes void, the Settlement Class Member will have failed to meet a condition precedent to recovery of settlement benefits, the Settlement Class Member's right to receive monetary relief under the Settlement shall be extinguished, and WPAS shall have no obligation to make payments to the Settlement Class Member for compensation or loss reimbursement under Paragraph 47 or to make any other type of monetary relief to the Settlement Class Member. Such Settlement Class Member remains bound by all terms of the Settlement Agreement.

66. The Settlement funds and benefits that WPAS shall create or provide will not be subject to any non-claim statutes or any possible rights of forfeiture or escheat. All monies that might be paid are not vested, contingently due, or otherwise monies in which a Settlement Class Member has an enforceable right and shall remain the property of WPAS until all conditions for payment have been met. No interest shall accrue or be payable in connection with any payment due under this Settlement Agreement.

67. Information submitted by Settlement Class Members in connection with submitted claims for benefits under this Settlement Agreement shall be deemed confidential and protected as such by the Claims Administrator, Settlement Class Counsel, and WPAS's Counsel.

NOTICE TO SETTLEMENT CLASS MEMBERS.

68. The Parties agree that the following Notice Program provides reasonable notice to the Settlement Class.

69. Notice shall be provided to Settlement Class Members via: (1) direct notice; and (2) notice on the Settlement Website.

70. Within fourteen (14) Days of the entry of the Preliminary Approval Order and engagement of a Claims Administrator, WPAS shall provide the Claims Administrator with the names, and mailing addresses and/or email addresses of the Settlement Class Members whose mailing addresses and/or email addresses are known to WPAS. The Claims Administrator shall, by using the National Change of Address (“NCOA”) database maintained by the United States Postal Service (“Postal Service”), obtain updates, if any, to the mailing addresses.

71. Within thirty (30) Days of the entry of the Preliminary Approval Order (the “Notice Deadline”), the Claims Administrator shall send the Notice in a form substantially similar to **Exhibit A** to all Settlement Class Members whose addresses are known to WPAS by first-class U.S. mail. The Claims Administrator shall send a reminder email notice to all Settlement Class Members ten days before the claims filing deadline to all Settlement Class Members that received Email notification.

72. If any Notice sent via U.S. mail is returned by the Postal Service as undeliverable, the Claims Administrator shall remail the Notice to the forwarding address, if any, provided by the Postal Service on the face of the returned mail. Where the undeliverable Notice is returned without a forwarding address, the Claims Administrator shall make reasonable efforts to ascertain the correct address of the Settlement Class Member whose Notice was returned undeliverable and remail the Notice. Other than as set forth in the preceding sentence, neither the Parties nor the

Claims Administrator shall have any obligation to re-mail a Notice to a Settlement Class Member.

73. The Notice sent to Settlement Class Members will consist of a Short Form Notice in a form substantially similar to that attached hereto as **Exhibit A**. The Claims Administrator shall have discretion to format the Short Form Notice in a reasonable manner to minimize mailing and administrative costs. Before Notices are mailed, Settlement Class Counsel and WPAS'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.

74. No later than thirty (30) Days following entry of the Preliminary Approval Order and engagement of a Claims Administrator, and prior to sending the Notice to Settlement Class Members, the Claims Administrator will create a dedicated Settlement Website. The Claims Administrator shall cause the Complaint, the Short Form Notice, the Long Form Notice (substantially similar to that attached hereto as **Exhibit B**), and the Claim Form (in a form substantially similar to that attached hereto as **Exhibit C**), as approved by the Court, as well as this Settlement Agreement, to be made available on the Settlement Website. Any other content proposed to be included or displayed on the Settlement Website shall be approved in advance by Settlement Class Counsel and WPAS's Counsel, which approval shall not be unreasonably withheld. The Settlement Website address and the fact that the Long Form Notice and a Claim Form are available through the Settlement Website shall be included in the Notice mailed to Settlement Class Members.

75. The Settlement Website shall be maintained and updated until thirty (30) Days after Final Order and Judgment.

76. Claim Forms shall be returned or submitted to the Claims Administrator via U.S.

mail or submitted through the Settlement Website by the Claim Deadline set by the Court or be forever barred.

77. Prior to the Final Approval Hearing, the Claims Administrator shall provide to Settlement Class Counsel and WPAS's Counsel to file with the Court an appropriate affidavit or declaration from the Claims Administrator with respect to its compliance with the Court-approved Notice Program.

78. The entirety of the costs of Claims Administration and the costs of providing notice to the Settlement Class in accordance with the Preliminary Approval Order shall be paid from the Settlement Fund.

OPT-OUT PROCEDURE

79. Each Settlement Class Member shall have the right to opt out and not participate in the Settlement Agreement, as provided for in the Preliminary Approval Order.

80. The Notice shall inform each Settlement Class Member of his or her right to request exclusion from the Settlement Class and not to be bound by this Settlement Agreement, if, within such time as is ordered by the Court ("Opt-Out Period"), the Settlement Class Member personally signs and timely submits, completes, and mails a request for exclusion ("Opt-Out Request") to the Claims Administrator at the address set forth in the Notice. To be effective, an Opt-Out Request must be postmarked no later than the final date of the Opt-Out Period.

81. The Parties will recommend to the Court that the Opt-Out Period be the sixty (60)-day period beginning upon the Notice Deadline.

82. For a Settlement Class Member's Opt-Out Request to be valid, it must (a) state his or her full name, address, and telephone number; (b) contain the Settlement Class Member's personal and original signature (or the original signature of a person previously authorized by law,

such as a trustee, guardian, or person acting under a power of attorney to act on behalf of the Settlement Class Member with respect to a claim or right, such as those in the Lawsuit); and (c) clearly manifest the Settlement Class Member's intent to be excluded from the Settlement Class, to be excluded from the Settlement, to not participate in the Settlement, and/or to waive all rights to the benefits of the Settlement. The Claims Administrator shall promptly inform Settlement Class Counsel and WPAS's Counsel of any Opt-Out Requests.

83. All Settlement Class Members who submit timely and valid Opt-Out Requests in the manner set forth in Paragraph 82, above, referred to herein as "Opt-Outs," shall receive no benefits or compensation under this Settlement Agreement, shall gain no rights from the Settlement Agreement, shall not be bound by the Settlement Agreement, and shall have no right to object to the Settlement or proposed Settlement Agreement 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 in Paragraph 82, above, 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.

84. An Opt-Out Request or other request for exclusion that does not fully comply with the requirements set forth in Paragraph 82, above, or that is not timely submitted or postmarked, or that is sent to an address other than that set forth in the Notice, shall be invalid, and the person submitting such request shall be treated as a Settlement Class Member and be bound by this Settlement Agreement, including the Release contained herein, and any judgment entered thereon.

85. No person shall purport to exercise any exclusion rights of any other person, or purport (a) to opt out Settlement Class Members as a group, in the aggregate, or as a class involving

more than one Settlement Class Member; or (b) to opt out more than one Settlement Class Member on a single submission, or as an agent or representative. Any such purported Opt-Out Requests shall be void, and the Settlement Class Member(s) who is or are the subject of such purported Opt-Out Requests 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 Opt-Out Request.

86. Within fourteen (14) Days after the last Day of the Opt-Out Period, the Claims Administrator shall furnish to Settlement Class Counsel and to WPAS's Counsel a complete list of all timely and valid Opt-Out Requests (the "Opt-Out List").

OBJECTIONS TO THE SETTLEMENT

87. Any Settlement Class Member who wishes to object to the Settlement Agreement must submit a timely and valid written notice of his or her objection ("Objection") by the Objection Deadline (as defined herein). Such notice shall: (i) state the objecting Settlement Class Member's full name, current address, telephone number, and email address (if any); (ii) contain the objecting Settlement Class Member's original signature; (iii) set forth 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 Incident); (iv) set forth a statement of all grounds for the objection, including any legal support for the objection that the objector believes applicable; (v) identify all counsel representing the objector; (vi) state whether the objector and/or his or her counsel will appear at the Final Approval Hearing, and; (vii) contain the signature of the objector's duly authorized attorney or other duly authorized representative (if any), along with documentation setting forth such representation.

88. To be timely, an Objection in the appropriate form must be filed with the Clerk of

the Court and mailed or hand-delivered concurrently upon Settlement Class Counsel and WPAS's Counsel at addresses set forth in the Notice no later than sixty (60) Days after the Notice Deadline ("Objection Deadline"). The deadline for filing Objections shall be included in the Notice.

89. An objector is not required to attend the Final Approval Hearing. If an objecting Settlement Class Member intends to appear at the Final Approval Hearing, either with or without counsel, he or she must also file with the Court, and mail or hand-deliver to Settlement Class Counsel and WPAS's Counsel, a notice of appearance no later than sixty (60) Days after the Notice Deadline.

90. If the objecting Settlement Class Member intends to appear at the Final Approval Hearing through counsel, the notice of appearance filed with the Court must also identify the attorney(s) representing the objector who will appear at the Final Approval Hearing and include each such attorney's name, address, phone number, email address, state bar(s) to which counsel is admitted, as well as associated state bar numbers, and a list identifying all objections such counsel has filed to class action settlements in the past three (3) years, the results of each objection, any court opinions ruling on the objections, and any sanctions issued by a court in connection with objections filed by such attorney.

91. If the objecting Settlement Class Member intends to request permission from the Court to call witnesses at the Final Approval Hearing, the objecting Settlement Class Member must provide a list of any such witnesses together with a brief summary of each witness's expected testimony at least thirty (30) Days before the Final Approval Hearing.

92. Any Settlement Class Member who fails to comply in full with the requirements for objecting set forth in this Settlement Agreement, the Notice, and any applicable orders of the Court shall forever waive and forfeit any and all rights he or she may have to raise any Objection

to the Settlement Agreement, shall not be permitted to object to the approval of the Settlement at the Final Approval Hearing, shall be foreclosed from seeking any review of the Settlement or the terms of the Settlement Agreement by appeal or other means, and shall be bound by the Settlement Agreement and by all proceedings, orders, and judgments in the Action. The exclusive means for any challenge to the Settlement Agreement shall be through the provisions set forth in this Section. Without limiting the foregoing, any challenge to the Settlement Agreement, the Final Order and Judgment approving this Settlement Agreement, or the Judgment to be entered upon final approval shall be pursuant to appeal under the Federal Rules of Appellate Procedure and not through a collateral attack. Any objecting Settlement Class Member who appeals final approval of the Settlement Agreement will be required to post an appeal bond.

ATTORNEYS' FEES AND EXPENSES AND SERVICE AWARD.

93. WPAS has agreed not to object to a Service Award to be paid to Plaintiffs in an amount not to exceed three thousand and five hundred dollars and no/100 (\$3,500.00) per Plaintiff, which award is intended to recognize Plaintiffs for their efforts in the litigation and commitment on behalf of the Settlement Class. Plaintiffs will not request Service Awards exceeding three thousand dollars and five hundred and no/100 (\$3,500.00) per Plaintiff. If approved by the Court, the Service Awards will be paid from the Settlement Fund to an account established by Settlement Class Counsel no later than twenty-one (21) Days after the Effective Date or after receipt of appropriately completed Internal Revenue Service Forms W-9, whichever date is later.

94. WPAS has agreed not to object to an award of attorneys' fees and costs in an amount not to exceed Five Hundred Eighty-Three Thousand Three Hundred Thirty-Three and 33/100 Dollars (\$583,333.33) to Settlement Class Counsel. Settlement Class Counsel will not request an award of attorneys' fees and costs exceeding Five Hundred Eighty-Three Thousand Three Hundred

Thirty-Three and 33/100 (\$583,333.33). If approved by the Court, Settlement Class Counsel will provide the Claims Administrator with all appropriate documentation required under applicable law, including, without limitation, an appropriately completed Internal Revenue Service Form W-9. The attorneys' fees and costs will be paid from the Settlement Fund to an account established by Settlement Class Counsel no later than ten (10) days after Final Approval is granted.

95. Settlement Class Counsel will file the applications with the Court for the Service Award and attorneys' fees and expenses no later than fourteen (14) Days before the Final Approval Hearing, or as directed by the Court.

96. The Parties agree that WPAS will not in any event or circumstance be required to pay any amounts to Plaintiffs or Settlement Class Counsel for a Service Award or attorneys' fees and costs in excess of the amounts identified above in Paragraphs 93 and 94.

97. The Parties agree that the Court's approval or denial of any request for a Service Award and/or attorneys' fees and costs are not conditions to this Settlement Agreement. The Parties further agree that the amount(s) of a Service Award, and of any award of attorneys' fees or costs, are intended to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement. No order of the Court, or modification, reversal, or appeal of any order of the Court, concerning the amount of a Service Award or any attorneys' fees or costs, ordered by the Court to be paid to Settlement Class Counsel, or Plaintiffs, shall affect whether the Final Order and Judgment is Final, cancel or terminate this Settlement Agreement, or constitute grounds for cancellation or termination of this Settlement Agreement.

NOTICES

98. All notices (other than the Notice) required by the Settlement Agreement shall be made in writing and communicated by mail or hand delivery to the following addresses:

All Notices to Settlement Class Counsel or Plaintiffs shall be sent to:

Lynn A. Toops
COHEN & MALAD, LLP
One Indiana Square, Suite 1400
Indianapolis, Indiana 46204

J. Gerard Stranch, IV
STRANCH, JENNINGS & GARVEY, PLLC
The Freedom Center
223 Rosa L. Parks Avenue, Suite 200
Nashville, Tennessee 37203

Samuel J. Strauss
TURKE & STRAUSS, LLP
613 Williamson St., Suite 201
Madison, Wisconsin 53703

Mark S. Reich
LEVI & KORSINSKY, LLP
33 Whitehall Street
17th Floor
New York, NY, 10004

All Notices to WPAS's Counsel or WPAS shall be sent to:

Spencer Persson
Davis Wright Tremaine LLP
865 South Figueroa Street, Suite 2400
Los Angeles, CA 90017

99. Upon the request of any of the Parties, the Parties agree to promptly provide each other with copies of comments, Objections, requests for exclusion, or other documents, communications, or filings received as a result of the Notice.

SETTLEMENT APPROVAL PROCESS

100. As soon as practicable after execution of this Settlement Agreement, the Parties shall jointly submit this Settlement Agreement to the Court and file a motion for preliminary approval of the settlement, requesting entry of a Preliminary Approval Order in the form attached

hereto as **Exhibit D**, or an order substantially similar to such form in both terms and cost, which:

- a. Preliminarily approves this Settlement Agreement;
- b. Certifies the Settlement Class for settlement purposes only pursuant to Paragraphs 42-44;
- c. Finds that the proposed Settlement is sufficiently fair, reasonable, and adequate to warrant providing notice to Settlement Class Members;
- d. Appoints the Claims Administrator in accordance with the provisions *supra*;
- e. Approves the Notice Program and directs the Claims Administrator and WPAS to provide Notice to Settlement Class Members in accordance with the Notice Program provided for in this Settlement Agreement;
- f. Approves a customary form of short notice to be sent to Settlement Class Members (the “Short Form Notice”) in a form substantially similar to the one attached hereto as **Exhibit A** and a customary long form of notice (“Long Form Notice”) in a form substantially similar to the one attached hereto as **Exhibit B**, which together shall include a fair summary of the Parties’ respective litigation positions, the general terms of the Settlement set forth in this Settlement Agreement, instructions for how to opt out of or object to the settlement, the process and instructions for making claims to the extent contemplated herein, and the date, time, and place of the Final Approval Hearing;
- g. Approves a Claim Form substantially similar to that attached hereto as **Exhibit C**, and directs the Claims Administrator to conduct Claims Administration in accordance with the provisions of this Settlement

Agreement;

- h. Approves the Opt-Out and Objection procedures as outlined in this Settlement Agreement;
- i. Schedules a Final Approval Hearing to consider the fairness, reasonableness, and adequacy of the proposed Settlement and whether it should be finally approved by the Court;
- j. Appoints Settlement Class Counsel;
- k. Appoints Plaintiffs as the Settlement Class Representatives; and
- l. Contains any additional provisions agreeable to the Parties that might be necessary or advisable to implement the terms of this Settlement Agreement.

FINAL APPROVAL HEARING

101. Settlement Class Counsel and WPAS's Counsel shall request that after Notice is completed, the Court hold a Final Approval Hearing and grant final approval of the Settlement set forth herein. The Parties will recommend that the Final Approval Hearing be scheduled no earlier than one-hundred and twenty (120) Days after the entry of the Preliminary Approval Order.

102. Plaintiffs will file with the Court their brief in support of final approval, attorneys' fees and costs and Service Award no later than fourteen (14) Days before the Final Approval Hearing, or as directed by the Court.

103. Plaintiffs will file the affidavit of the administrator with the final approval, attorneys fees and costs and Service award.

104. The Parties shall ask the Court to enter a Final Order and Judgment in substantially the same form as **Exhibit E** attached hereto.

105. If and when the Final Order and Judgment becomes Final, the Lawsuit shall be dismissed with prejudice, with the Parties to bear their own attorneys' fees, costs, and expenses not otherwise provided in accordance with this Settlement Agreement.

TERMINATION OF THIS SETTLEMENT AGREEMENT.

106. Each Party shall have the right to terminate this Settlement Agreement if:

- a. The Court denies preliminary approval of this Settlement Agreement (or grants preliminary approval through an order that is not substantially similar in form and substance to **Exhibit D** attached hereto);
- b. The Court denies final approval of this Settlement Agreement (or grants final approval through an order that materially differs in substance from **Exhibit E** attached hereto); or
- c. The Final Order and Judgment does not become Final because a higher court reverses final approval by the Court.

107. WPAS shall have the right to terminate this Settlement Agreement if 5% or more of the Settlement Class Members validly opt-out of the Settlement pursuant to the procedure identified in Paragraph 82.

108. If a Party elects to terminate this Settlement Agreement under this section, that Party must provide written notice to the other Party's counsel, by hand delivery, mail, or email within ten (10) Days of the occurrence of the condition permitting termination.

109. Nothing shall prevent Plaintiffs or WPAS from appealing or seeking other appropriate relief from an appellate court with respect to any denial by the Court of final approval of the Settlement. In the event such appellate proceedings result, by order of the appellate court or by an order after remand or a combination thereof, in the entry of an order(s) whereby the

Settlement is approved in a manner substantially consistent with the substantive terms and intent of this Settlement Agreement, and dismissing all claims in the Lawsuit with prejudice, and otherwise meeting the substantive criteria of this Settlement Agreement for approval of the Settlement, such order shall be treated as a Final Order and Judgment.

110. If this Settlement Agreement is terminated or disapproved, or if the Effective Date should not occur for any reason, then: (i) this Settlement Agreement and all orders entered in connection therewith shall be rendered null and void; (ii) the terms and provisions of the Settlement Agreement shall have no further force and effect with respect to the Parties and shall not be used in the Lawsuit or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Settlement Agreement shall be treated as vacated, *nunc pro tunc*; (iii) WPAS shall be responsible for all Notice and Claims Administration Costs incurred prior to the termination or disapproval; (iv) all Parties shall be deemed to have reverted to their respective positions and status in the Lawsuit as of the date this Settlement Agreement was executed and shall jointly request that a new case schedule be entered by the Court; and (v) WPAS shall have no payment, reimbursement, or other financial obligation of any kind as a result of this Settlement Agreement, other than as stated in Sub-Part (iii) above.

RELEASE

111. On the Effective Date, the Parties and each and every Settlement Class Member shall be bound by this Settlement Agreement and shall have recourse only to the benefits, rights, and remedies provided hereunder. No other action, demand, suit, arbitration, or other claim may be pursued against WPAS or any Released Persons with respect to the Released Claims.

112. Upon the Effective Date, and to the fullest extent permitted by law, each Settlement Class Member, including Plaintiffs, shall, either directly, indirectly, representatively, as a member

of or on behalf of the general public or in any capacity, be permanently barred and enjoined from commencing, prosecuting, pursuing, or participating in any recovery in any action in this or any other forum (other than participation in the Settlement as provided herein) in which any of the Released Claims is asserted. Plaintiffs, by and through this Settlement Agreement and by operation of the Final Order and Judgment, shall be determined to have forever fully, finally, completely and unconditionally released, discharged and acquitted WPAS and the Released Parties from any and all unknown claims, even if unrelated to the Released Claims, and any and all provisions, rights, and benefits conferred by any law of any state, province, or territory of the United States which is similar, comparable, or equivalent to California Civil Code 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

113. On the Effective Date and in consideration of the promises and covenants set forth in this Settlement Agreement, (i) Plaintiffs and each Settlement Class Member, and each of their respective spouses and children with claims on behalf of the Settlement Class Member, executors, representatives, guardians, wards, heirs, estates, successors, predecessors, next friends, co-borrowers, co-obligors, co-debtors, legal representatives, attorneys, agents, and assigns, and all those who claim through them or who assert claims (or could assert claims) on their behalf (including the government in the capacity as *parens patriae* or on behalf of creditors or estates of the releasors), and each of them (collectively and individually, the “Releasing Persons”), and (ii) Settlement Class Counsel and each of their past and present law firms, partners, or other employers, employees, agents, representatives, successors, or assigns will be deemed to have, and

by operation of the Final Order and Judgment shall have, fully, finally, completely, and forever released and discharged the Released Persons from the Released Claims. The release set forth in the preceding sentence (the “Release”) shall be included as part of any judgment, so that all Released Claims shall be barred by principles of res judicata, collateral estoppel, and claim and issue preclusion.

114. Without in any way limiting the scope of the Release, the Release covers, without limitation, any and all claims for attorneys’ fees, costs, and expenses incurred by Settlement Class Counsel or any other counsel representing Plaintiffs or Settlement Class Members, or any of them, in connection with or related in any manner to the Lawsuit, the Settlement, the administration of such Settlement and/or the Released Claims, as well as any and all claims for the Service Award to Plaintiffs.

115. Subject to Court approval, as of the Effective Date, all Settlement Class Members shall be bound by this Settlement Agreement and the Release and all of their claims shall be dismissed with prejudice and released, irrespective of whether they received actual notice of the Lawsuit or this Settlement.

116. As of the Effective Date, the Released Persons are deemed, by operation of the entry of the Final Order and Judgment, to have fully released and forever discharged Plaintiffs, the Settlement Class Members, Settlement Class Counsel, or any other counsel representing Plaintiffs or Settlement Class Members, or any of them, of and from any claims arising out of the Lawsuit or the Settlement. Any other claims or defenses WPAS or other Released Persons may have against Plaintiffs, the Settlement Class Members, Settlement Class Counsel, or any other counsel representing Plaintiffs or Settlement Class Members, including, without limitation, any claims based upon or arising out of any employment, debtor-creditor, contractual, or other business

relationship that are not based upon or do not arise out of the institution, prosecution, assertion, settlement, or resolution of the Lawsuit or the Released Claims are not released, are specifically preserved and shall not be affected by the preceding sentence.

117. As of the Effective Date, the Released Persons are deemed, by operation of entry of the Final Order and Judgment, to have fully released and forever discharged each other of and from any claims they may have against each other arising from the claims asserted in the Lawsuit, including any claims arising out of the investigation, defense, or Settlement of the Lawsuit.

118. Nothing in the Release shall preclude any action to enforce the terms of this Settlement Agreement, including participation in any of the processes detailed herein.

EFFECTIVE DATE

119. The “Effective Date” of this Settlement Agreement shall be ten (10) Days after the date when each and all of the following conditions have occurred:

- a. This Settlement Agreement has been fully executed by all Parties and their counsel;
- b. Orders have been entered by the Court certifying the Settlement Class, granting preliminary approval of this Settlement Agreement, and approving the Notice Program and Claim Form, all as provided above;
- c. The Court-approved Notice has been sent and the Settlement Website has been duly created and maintained as ordered by the Court;
- d. The Court has entered a Final Order and Judgment finally approving this Settlement Agreement, as provided above;
- e. The Final Order and Judgment has become Final; and
- f. The time for any appeal of the Final Order and Judgment.

MISCELLANEOUS PROVISIONS

120. The recitals and exhibits to this Settlement Agreement are an integral part of the Settlement and are expressly incorporated and made a part of this Settlement Agreement.

121. The Parties (i) acknowledge that it is their intent to consummate this agreement; and (ii) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Settlement Agreement, and to exercise their best efforts to accomplish the terms and conditions of this Settlement Agreement.

122. This Settlement Agreement is for settlement purposes only. No provision contained in this Settlement Agreement or any action taken hereunder shall constitute or be construed as an admission of the merit or validity of any claim or any fact alleged in the Lawsuit or of any wrongdoing, fault, violation of law, or liability of any kind on the part of WPAS or the Released Persons or any admission by WPAS or the Released Persons with respect to any claim or allegation made in any action or proceeding or any concession as to the merit of any of the claims asserted by Plaintiffs in the Lawsuit. This Settlement Agreement shall not be offered or be admissible in evidence against either Party or the Released Persons or cited or referred to in any action or proceeding, except in an action or proceeding brought to enforce its terms. Nothing contained herein is or shall be construed or admissible as an admission by WPAS or the Released Persons that Plaintiffs' claims or any similar claims are suitable for class treatment outside of this Settlement.

123. In the event that there are any developments in the effectuation and administration of this Settlement Agreement that are not dealt with by the terms of this Settlement Agreement, then such matters shall be dealt with as agreed upon by the Parties, and failing such agreement, as

shall be ordered by the Court. The Parties shall execute all documents and use their best efforts to perform all acts necessary and proper to promptly effectuate the terms of this Settlement Agreement and to take all necessary or appropriate actions to obtain judicial approval of this Settlement Agreement in order to give this Settlement Agreement full force and effect.

124. No Person shall have any claim against Plaintiffs, Settlement Class Counsel, WPAS, WPAS's Counsel, the Claims Administrator, the Released Persons, or their agents based on administration of the Settlement substantially in accordance with the terms of the Settlement Agreement or any court order.

125. This Settlement Agreement constitutes the entire agreement between the Parties with respect to the settlement of the Lawsuit. This Settlement Agreement supersedes all prior negotiations and agreements with respect to the settlement of the Lawsuit and may not be modified or amended, except by a writing signed by or on behalf of the Parties or their respective successors-in-interest. The Parties acknowledge, stipulate, and agree that no covenant, obligation, condition, representation, warranty, inducement, negotiation, or understanding concerning any part of the subject matter of this Settlement Agreement has been made or relied on, except as expressly set forth in this Settlement Agreement.

126. There shall be no waiver of any term or condition absent an express writing to that effect by the waiving Party. No waiver of any term or condition in this Settlement Agreement shall be construed as a waiver of a subsequent breach or failure of the same term or condition, or waiver of any other term or condition of this Settlement Agreement.

127. In the event a third party, such as a bankruptcy trustee, former spouse, or other third party, has or claims to have a claim against any payment made or to be made to a Settlement Class Member, it is the sole responsibility of the Settlement Class Member to transmit the funds to such

third party in satisfaction of such claims.

128. The Parties intend this Settlement to be a final and complete resolution of all disputes between them with respect to the Lawsuit. The Settlement compromises and releases claims that are contested and shall not be deemed an admission by any Party as to the merits of any claim or defense. The Parties each agree that the Settlement was negotiated in good faith by the Parties and was reached voluntarily after consultation with competent legal counsel. The Parties reserve their right to rebut, in a manner that such Party determines to be appropriate, any contention made in any public forum that the Lawsuit was brought or defended in bad faith or without a reasonable basis. It is agreed that neither Party shall have any liability to one another as it relates to the Lawsuit, except as set forth herein.

129. This Settlement Agreement shall not be construed more strictly against one Party than another merely because of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that because of the arm's-length negotiations resulting in the Settlement Agreement, all Parties hereto have contributed substantially and materially to the preparation of the Settlement Agreement. All terms, conditions, and exhibits are material and necessary to this Settlement Agreement and have been relied upon by the Parties in entering into this Settlement Agreement.

130. The Court shall retain jurisdiction, after entry of the Final Order and Judgment, with respect to implementation and enforcement of the terms of this Settlement Agreement, and all Parties and Settlement Class Members submit to the exclusive jurisdiction of the Court for purposes of the implementation and enforcement of the Settlement embodied in this Settlement Agreement and any dispute with respect thereto.

131. This Settlement Agreement shall be construed under and governed by the laws of

Washington without regard to its choice of law provisions.

132. In the event that any one or more of the provisions contained in this Settlement Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other provisions, which shall remain in full force and effect as though the invalid, illegal, or unenforceable provision had never been a part of this Settlement Agreement, as long as the benefits to WPAS or the Settlement Class Members are not materially altered as the result of the invalid, illegal, or unenforceable provision.

133. This Settlement Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties.

134. The headings used in this Settlement Agreement are for the convenience of the reader only and shall not affect the meaning or interpretation of this Settlement Agreement. In construing this Settlement Agreement, the use of the singular includes the plural (and vice-versa), and the use of the masculine includes the feminine (and vice-versa).

135. All dollar amounts are in United States dollars (USD).

136. This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original as against any Party who has signed it and all of which shall be deemed a single Settlement Agreement.


137. Each Party to this Settlement Agreement and the signatories thereto warrant that he, she, or it is acting upon his, her, or its independent judgment and the advice of his, her, or its counsel and not in reliance upon any warranty or representation, express or implied, of any nature or kind by any other Party, other than the warranties and representations expressly made in this Settlement Agreement.

138. Each signatory below warrants that he or she has authority to execute this

Settlement Agreement and bind the Party on whose behalf he or she is executing the Settlement Agreement.

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

/s/ _____
Plaintiff Candy Molinari

DocuSigned by:

/s/ _____ 4/5/2024 | 1:57 PM CDT
BDBCCFC10EBB43A...
Plaintiff Mikhail Kholyusev

DocuSigned by:

/s/ _____
A05AA124EAC840E...
Welfare & Pension Administration Service, Inc.

This agreement is approved as to form and content by the Parties' respective counsel and Settlement Class Counsel agrees to be bound by its terms.


Dated: April 2, 2024

DocuSigned by:

/s/ _____
F9887998250404...
Spencer Persson
Davis Wright Tremaine LLP
865 South Figueroa Street, Suite 2400
Los Angeles, CA 90017

Counsel for Welfare & Pension Administration Service, Inc.

Dated: April 2, 2024 4/9/2024 | 9:03 AM CDT

DocuSigned by:

/s/ _____
64DA70E969B54C7...
J. Gerard Stranch, IV
STRANCH, JENNINGS & GARVEY, PLLC
The Freedom Center
223 Rosa L. Parks Avenue, Suite 200
Nashville, Tennessee 37203

Lynn A. Toops
COHEN & MALAD, LLP
One Indiana Square, Suite 1400
Indianapolis, Indiana 46204

Samuel J. Strauss
TURKE & STRAUSS, LLP
613 Williamson St., Suite 201
Madison, Wisconsin 53703

Mark S. Reich
LEVI & KORSINSKY, LLP
33 Whitehall Street
17th Floor
New York, NY, 10004

*Counsel for Plaintiffs and Proposed
Settlement Class Counsel*

Settlement Agreement and bind the Party on whose behalf he or she is executing the Settlement Agreement.

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

/s/ Candy Molinari

Plaintiff Candy Molinari

/s/

Plaintiff Mikhail Kholyusev

/s/

Welfare & Pension Administration Service, Inc.

This agreement is approved as to form and content by the Parties' respective counsel and Settlement Class Counsel agrees to be bound by its terms.

Dated: March 20, 2024

Dated: March 20, 2024

/s/
Spencer Persson
Davis Wright Tremaine LLP
865 South Figueroa Street, Suite 2400
Los Angeles, CA 90017

*Counsel for Welfare & Pension
Administration Service, Inc.*

/s/
J. Gerard Stranch, IV
STRANCH, JENNINGS & GARVEY, PLLC
The Freedom Center
223 Rosa L. Parks Avenue, Suite 200
Nashville, Tennessee 37203

To all persons whose personal information was potentially impacted by a cybersecurity incident that affected Welfare & Pension Administration Services on or around July 21, 2021, a proposed class action settlement may affect your rights.

For more information on the proposed settlement, including how to submit a claim, exclude yourself, or submit an objection, please visit [Website URL](#).

A state court has authorized this Notice.

This is not a solicitation from a lawyer.

Welfare & Pension Administration Service Security Incident

c/o Settlement Administrator

«ScanString»

Postal Service: Please do not mark barcode.

Notice ID: «Notice ID»

Confirmation Code: «Confirmation Code»

«FirstName» «LastName»

«Address1»

«Address2»

This is not a solicitation from a lawyer.

Why am I receiving this notice? You are receiving this Notice because the records of Welfare & Pension Administration Services, Inc. ("WPAS") show that your personal information may have been impacted as a result of a cybersecurity incident that WPAS initially discovered on or around July 21, 2021 ("Security Incident"). You are therefore likely a Settlement Class Member eligible to receive benefits under this Settlement.

What are the Settlement Benefits? Under the Settlement, WPAS will establish a settlement fund of at least \$1,000,000, and up to \$1,750,000, to pay for valid and timely claims for Extraordinary Losses, Out-of-Pocket Losses, Lost Time, Credit Monitoring and Alternative Cash Payments, summarized below, as well as for all costs of administering the settlement, attorneys' fees and expenses, and service awards to the class representatives:

- Extraordinary Loss Claims – Up to a total of \$5,000 per claimant.
- Ordinary Loss Claims – Up to a total of \$500 per claimant.
- Lost Time Claim - \$25 per hour for up to 4 hours (for a total of \$100).
- Credit Monitoring- 2 years of credit monitoring with \$1,000,000 in identity theft insurance
- Alternative Cash Payment – In the alternative to the above, \$50 per claimant.

Please visit [REDACTED] for a full description of the Settlement benefits and documentation requirements.

How do I Submit a Claim Form for Benefits? You must submit a Claim Form, available at [REDACTED] to be eligible to receive a Settlement benefit. Your completed Claim Form must be **submitted online, or mailed to the Settlement Administrator and postmarked, by** [REDACTED].

What are my other options? If you **Do Nothing**, you will be legally bound by the terms of the Settlement, and you will release your claims against WPAS and other Released Parties as defined in the Settlement Agreement. You may **Opt-Out** or **Object** to the Settlement by [REDACTED]. Please visit [REDACTED] for more information on how to Opt-Out and exclude yourself from or Object to the Settlement.

Do I have a Lawyer in this Case? Yes, the Court appointed the law firms of Stranch, Jennings, and Garvey, PLLC, Cohen & Malad, LLP, Turke & Strauss, and Levi & Korinsky, LLP to represent you and other members of the Settlement Class. For litigating the case and negotiating the Settlement, Class Counsel will file a motion seeking Court approval for the payment of their attorneys' fees and costs in an amount no greater than \$583,333.33 for attorneys' fees and costs. You will not be charged directly for these lawyers; instead, they will

receive compensation from WPAS (subject to Court approval). If you want to be represented by your own lawyer, you may hire one at your own expense.

The Court's Final Approval Hearing. The Court is scheduled to hold a Final Approval Hearing on [REDACTED], to consider whether to approve the Settlement, service awards for the Class Representatives of \$3,500 each (\$7,000 total), and a request for attorneys' fees and expenses for Settlement Class Counsel. You may appear at the hearing, either yourself or through an attorney hired by you, but you don't have to.

This notice is only a summary. For more information, visit [REDACTED] or call toll-free 1-XXX-XXX-XXXX.

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Superior Court of Washington for King County
Molinari et al. v. Welfare & Pension Administration Service, Inc.
Case No. 22-2-04023-8 SEA

IF YOUR PERSONAL INFORMATION WAS POTENTIALLY IMPACTED BY A CYBERSECURITY INCIDENT THAT AFFECTED WELFARE & PENSION ADMINISTRATION SERVICES ON OR AROUND JULY 21, 2021, A PROPOSED CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS

A state court authorized this Notice. You are not being sued.
This is not a solicitation from a lawyer.

- A Settlement has been reached with Welfare & Pension Administration, Inc. (“WPAS” or “Defendant”) in a class action lawsuit about a cybersecurity incident that occurred on or around July 21, 2021.
- The lawsuit is captioned *Molinari et al. v. Welfare & Pension Administration Service, Inc.*, Case No. 22-2-04023-8 SEA (the “Action”), pending in the Superior Court of Washington for King County. WPAS denies the allegations and all liability or wrongdoing with respect to any and all facts and claims alleged in the lawsuit but has agreed to a settlement to avoid the costs and risks associated with continuing this case.
- You are included in this Settlement if you are a Settlement Class Member. A Settlement Class Member is an individual who resides in the United States who participated in funds or trusts managed by WPAS, whose Private Information was potentially compromised as a result of the Data Security Incident experienced by WPAS on or around July 21, 2021.
- Your rights are affected whether you act or don’t act. Please read this Notice carefully.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT		DEADLINE
SUBMIT A CLAIM	<p>The only way to receive cash and other benefits from this Settlement is by submitting a valid and timely Claim Form.</p> <p>You can submit your Claim Form online at _____ or download the Claim Form from the Settlement Website and mail it to the Settlement Administrator. You may also call or email the Settlement Administrator to receive a paper copy of the Claim Form.</p>	_____, 2024
OPT OUT OF THE SETTLEMENT	<p>You can choose to opt out of the Settlement and receive no payment. This option allows you to sue, continue to sue, or be part of another lawsuit against the Defendant related to the legal claims resolved by this Settlement. You can elect to retain your own legal counsel at your own expense.</p>	_____, 2024
OBJECT TO THE SETTLEMENT AND/OR ATTEND A HEARING	<p>If you do not opt out of the Settlement, you may object to it by writing to the Court about why you don't like the Settlement. You may also ask the Court for permission to speak about your objection at the Final Approval Hearing. If you object, you may also file a claim for benefits.</p>	_____, 2024
DO NOTHING	<p>Unless you opt out of the settlement, you are part of the Settlement. If you do nothing, you will not get a payment from this Settlement and you will give up the right to sue, continue to sue, or be part of another lawsuit against the Defendant related to the legal claims resolved by this Settlement.</p>	No Deadline

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement.

WHAT THIS NOTICE CONTAINS

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BASIC INFORMATION

1. Why was this Notice issued?

A state court authorized this Notice because you have a right to know about the proposed Settlement of this class action lawsuit and about all of your options before the Court decides whether to grant final approval of the Settlement. This Notice explains the lawsuit, your legal rights, what benefits are available, and who can receive them.

The Superior Court of Washington for King County is overseeing this class action. The lawsuit is captioned *Molinari et al. v. Welfare & Pension Administration Service, Inc.*, Case No. 22-2-04023-8 SEA. The people that filed this lawsuit are called the “Plaintiffs” and the company they sued, Welfare & Pension Administration Service, Inc., is called the “Defendant.”

2. What is this lawsuit about?

This lawsuit alleges that personal information was impacted by the cybersecurity incident that WPAS experienced on or around July 21, 2021 (“Data Security Incident”).

3. What is a class action?

In a class action, one or more individuals sue on behalf of other people with similar claims. These individuals are known as “Class Representatives” or “Plaintiffs.” Together, the people included in the class action are called a “class” or “class members.” One court resolves the lawsuit for all settlement class members, except for those who opt out from a settlement. In this Settlement, the Class Representatives are Candy Molinari and Mikhail Kholyusev.

4. Why is there a Settlement?

The Court did not decide in favor of the Plaintiffs or the Defendant. The Defendant denies all claims and contends that it has not violated any laws. Plaintiffs and the Defendant agreed to a Settlement to avoid the costs and risks of a trial, and through the Settlement, Settlement Class Members are eligible to receive payments. The Plaintiffs and their attorneys think the Settlement is best for all Settlement Class Members.

WHO IS IN THE SETTLEMENT?

5. Who is included in the Settlement?

The Settlement Class consists of all individuals residing in the United States who participated in funds or trusts managed by WPAS, whose Private Information was potentially compromised as a result of the Data Security Incident.

6. Are there exceptions to being included?

Yes. Excluded from the Settlement Class are (i) WPAS; (ii) the Related Entities; (iii) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; (iv) any judges assigned to this case and their staff and family; and (v) any other Person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding, or abetting the criminal activity that resulted in the Data Security Incident or who pleads *nolo contendere* to any such charge.

If you are not sure whether you are included in the Settlement Class, you can ask for free help by emailing or writing to Settlement Administrator at:

[email address]

_____, Settlement, c/o Settlement Administrator, [address].

You may also view the Settlement Agreement and Release (“Settlement Agreement”) at [Website URL].

THE SETTLEMENT BENEFITS

7. What does the Settlement provide?

Under the Settlement, WPAS will pay at least \$1,000,000, and up to \$1,750,000, for valid and timely claims for Extraordinary Losses, Out-of-Pocket Losses, Lost Time, Credit Monitoring, and Alternative

Cash payment, as well as attorneys' fees and expenses, Class Representative service awards, and claims administration costs.

8. How much will my payment be?

Payments will vary - Settlement Class Members may submit a claim form for: (1) Extraordinary Loss Claims – up to a total of \$5,000 per claimant; (2) Out-of-Pocket Loss Claims – up to a total of \$500 per claimant; (3) Lost Time - \$25 per hour for up to 4 hours (for a total of \$100); (4) Credit Monitoring – Settlement Class Members can enroll in 2 years of credit monitoring services; or (5) In the alternative to claiming Extraordinary Loss, Out-of-Pocket Loss, Lost Time, or Credit Monitoring, Settlement Class Members can make a claim for a \$50 Alternative Cash Payment.

Extraordinary Loss Claims must be supported with documentation and must show that: (1) The loss is an actual, documented, and unreimbursed monetary loss arising from identity theft, fraud, or similar misuse; (2) the loss was more likely than not caused by the Data Security Incident; (3) the loss occurred between July 21, 2021 and [insert claims deadline]; and (4) the loss is not already covered by the Out-of-Pocket Loss or Lost Time reimbursement categories, and the Settlement Class Member made reasonable efforts to avoid, or seek reimbursement for, the loss, including but not limited to exhaustion of all available credit monitoring insurance and identity theft insurance.

Ordinary Loss Claims must be supported with documentation demonstrating out-of-pocket costs and expenditures that a Settlement Class Member actually incurred that are fairly traceable to the Security Incident, and that have not already been reimbursed by a third party, such as professional fees including attorneys' fees, accountants' fees, fees for credit repair services, costs associated with freezing or unfreezing credit, bank fees, long distance phone charges, cell phone charges (only if charged by the minute), data charges (only if charged based on the amount of data used), postage, gasoline for local travel; fees for credit reports, credit monitoring, or other identity theft insurance product purchased between July 21, 2021, and [insert claims deadline]. This list of reimbursable documented out-of-pocket expenses is not meant to be exhaustive, rather it is exemplary.

Lost Time Claims must be attested to and are capped at \$25/hour for up to four hours, with an attestation that the claimed time was spent responding to issues raised by the Data Security Incident.

Credit Monitoring Services. Settlement Class Members shall have the ability to make a claim for 2 years of credit monitoring and identity theft protection services with \$1 million in insurance by choosing this benefit on this Claim Form.

Alternative Cash Payment: In the alternative to claiming Extraordinary Loss, Ordinary Loss, Lost Time, or Credit Monitoring, Settlement Class Members can make a claim for a \$50 Alternative Cash Payment.

Claims for Extraordinary Losses, Ordinary Losses, Lost Time, and Alternative Cash Payments are subject to a *pro rata* increase or decrease based on the number of claims made.

9. What claims am I releasing if I stay in the Settlement Class?

Unless you opt out of the Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against the Defendant about any of the legal claims this Settlement resolves. The “Release” section in the Settlement Agreement describes the legal claims that you give up if you remain in the Settlement Class. The Settlement Agreement can be found at [Website URL].

HOW TO GET A PAYMENT - MAKING A CLAIM

10. How do I submit a claim and get a cash payment?

You may file a claim if you are an individual who resides in the United States and who participated in funds or trusts managed by WPAS whose Private Information was potentially compromised as a result of the Data Security Incident.

Claim Forms may be submitted online at [Website URL] or printed from the website and mailed to the Settlement Administrator at: _____ Settlement, c/o Settlement Administrator, [address].

You may also contact the Settlement Administrator to request a Claim Form by telephone 1-XXX-XXX-XXXX, by email [Email Address], or by U.S. mail at the address above.

11. What is the deadline for submitting a claim?

If you submit a claim by U.S. mail, the completed and signed Claim Form must be postmarked by [Deadline Date]. If submitting a Claim Form online, you must do so by [Deadline Date].

12. When will I get my payment?

The Court is scheduled to hold a final approval hearing on _____, 2024 to decide whether to approve the Settlement, how much attorneys’ fees and costs to award to Settlement Class Counsel for representing the Settlement Class, and whether to award a Service Award to each Class Representative who brought this Action on behalf of the Settlement Class.

If the Court approves the Settlement, there may be appeals. It is always uncertain whether appeals will be filed and, if so, how long it will take to resolve them. Settlement payments will be distributed as soon as possible, if and when the Court grants final approval to the Settlement and after any appeals are resolved.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in the case?

Yes, the Court appointed the law firms of Stranch, Jennings & Garvey, PLLC, Cohen & Malad, LLP, Turke & Strauss, and Levi & Korinsky, LLP to represent you and other members of the Settlement Class (“Settlement Class Counsel”). You will not be charged directly for these lawyers; instead, they will receive compensation from the Settlement Fund (subject to Court approval). If you want to be represented by your own lawyer, you may hire one at your own expense.

14. Should I get my own lawyer?

It is not necessary for you to hire your own lawyer because Settlement Class Counsel works for you. If you want to be represented by your own lawyer, you may hire one at your own expense.

15. How will the lawyers be paid?

Settlement Class Counsel will file a motion for an award of attorneys’ fees and litigation costs and expenses to be paid by WPAS from the Settlement Fund. WPAS has agreed not to oppose Settlement Class Counsel’s request for an award of attorneys’ fees and costs not to exceed Five Hundred Eighty-Three Thousand Three Hundred Thirty-Three and 33/100 Dollars (\$583,333.33). If Settlement Class Counsel seeks more than \$583,333.33 in attorneys’ fees and costs, WPAS has reserved all rights to object and oppose such requests.

Settlement Class Counsel will also seek a service award payment for the Class Representatives in recognition for their contributions to this Action. WPAS has agreed not to oppose Settlement Class Counsel’s request for service awards not to exceed Three Thousand Five Hundred Dollars and Zero Cents (\$3,500.00) per representative, for a total of Ten Thousand Five Hundred Dollars and Zero Cents (\$7,000.00). To the extent more than \$3,500.00 in service awards is sought for each Class Representative (\$7,000 total), WPAS has reserved all rights to object and oppose such a request.

EXCLUDING YOURSELF FROM THE SETTLEMENT

16. How do I opt out of the Settlement?

If you do not want to receive any benefits from the Settlement, and you want to keep your right, if any, to separately sue the Defendant about the legal issues in this case, you must take steps to exclude yourself from the Settlement Class. This is called “opting out” of the Settlement Class. The deadline for requesting exclusion from the Settlement is **[Deadline Date]**.

To exclude yourself from the Settlement, you must submit a written request for exclusion that includes the following information:

- your full name;
- current address and telephone number;
- personal signature; and
- the words “Request for Exclusion” or a comparable statement that you do not wish to participate in the Settlement at the top of the communication.

Your request for exclusion must be mailed to the Settlement Administrator at the address below, postmarked no later than **[Deadline Date]**.

Welfare & Pension Administration Services Incident Settlement Administrator
ATTN: Exclusion Request
[address]

If you exclude yourself, you are telling the Court that you do not want to be part of the Settlement. You will not be eligible to receive a payment or any other benefits under the Settlement if you exclude yourself. You may only exclude yourself – not any other person.

COMMENTING ON OR OBJECTING TO THE SETTLEMENT

17. How do I tell the Court if I like or do not like the Settlement?

If you are a Settlement Class Member, you can choose (but are not required) to object to the Settlement if you do not like it or a portion of it. You can give reasons why you think the Court should not approve the Settlement.

For an objection to be considered by the Court, the objection shall: (i) state the objecting Settlement Class Member’s full name, current address, telephone number, and email address (if any); (ii) contain the objecting Settlement Class Member’s original signature; (iii) set forth 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 Incident); (iv) set forth a statement of all grounds for the objection, including any legal support for the objection that the objector believes applicable; (v) identify all counsel representing the objector; (vi) state whether the objector and/or his or her counsel will appear at the Final Approval Hearing, and; (vii) contain the signature of the objector’s duly authorized attorney or other duly authorized representative (if any), along with documentation setting forth such representation.

Any Settlement Class Member who does not file a timely and adequate objection in accordance with above 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.

Objections must be filed with the Court no later than **[Deadline Date]**.

King County Courthouse
516 Third Avenue, Rm E-609

Seattle, WA 98104

18. What is the difference between objecting and excluding?

Objecting is telling the Court that you do not like something about the Settlement. You can object to the Settlement only if you do not exclude yourself from the Settlement. Excluding yourself from the Settlement is opting out and stating to the Court that you do not want to be part of the Settlement. If you opt out of the Settlement, you cannot object to it because the Settlement no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

19. When is the Court's Final Approval Hearing?

The Court is scheduled to hold a final approval hearing on _____, 2024 at _____ a.m./p.m. E.T., at the King County Courthouse, 516 Third Ave., Seattle, WA, to decide whether to approve the Settlement, how much attorneys' fees and costs to award to Settlement Class Counsel for representing the Settlement Class, and whether to award a service award payment to each Class Representative who brought this Action on behalf of the Settlement Class. If you are a Settlement Class Member, you or your attorney may ask permission to speak at the hearing at your own cost. The date and time of this hearing may change without further notice. Please check [www._____](#) for updates.

20. Do I have to come to the Final Approval Hearing?

No. Class Counsel will answer any questions the Court may have. You may attend at your own expense if you wish. If you file an objection, you do not have to come to the Final Approval Hearing to talk about it. If you file your written objection on time and in accordance with the requirements above, the Court will consider it. You may also pay your own lawyer to attend, but such attendance is not necessary for the Court to consider an objection that was filed on time and meets the requirements above.

IF I DO NOTHING

21. What happens if I do nothing at all?

If you are a Settlement Class Member and you do nothing, you will give up the rights explained in **Question 9**, including your right to start a lawsuit, continue a lawsuit, or be part of any other lawsuit against the Defendant and the Released Parties, as defined in the Settlement Agreement, about the legal issues resolved by this Settlement. In addition, you will not receive a payment from this Settlement.

GETTING MORE INFORMATION

22. How do I get more information?

This Notice summarizes the proposed Settlement. Complete details are provided in the Settlement Agreement. The Settlement Agreement and other related documents are available at the Settlement Website, [Website URL].

If you have additional questions, you may contact the Settlement Administrator by email, phone, or mail:

Email: [Email Address]

Toll-Free: 1-XXX-XXX-XXXX

Mail: Welfare & Pension Administration Services Security Incident Settlement Administrator, [address]

Publicly filed documents can also be obtained by visiting the office of the Clerk of the King County Superior Court or by reviewing the Court's online docket.

PLEASE DO NOT CONTACT THE COURT OR WPAS

**Your claim must be
submitted online or
postmarked by:
[DEADLINE]**

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Case No. 22-2-04023-8 SEA

Superior Court of Washington for King County

CLAIM FORM

GENERAL INSTRUCTIONS

Complete this Claim Form if you are a Settlement Class Member and you wish to receive Settlement benefits.

You are a member of the Settlement Class and eligible to submit a Claim Form if:

You are individual who resides in the United States who participated in funds or trusts managed by WPAS, whose Private Information was potentially compromised as a result of the Data Security Incident experienced by WPAS on or around July 21, 2021.

Settlement Class Members may submit a claim form for: (1) Extraordinary Loss Claims – up to a total of \$5,000 per claimant; (2) Out-of-Pocket Loss Claims – up to a total of \$500 per claimant; (3) Lost Time - \$25 per hour for up to 4 hours (for a total of \$100); (4) Credit Monitoring – Settlement Class Members can enroll in 2 years of credit monitoring services; or (5) In the alternative to claiming Extraordinary Loss, Out-of-Pocket Loss, Lost Time, or Credit Monitoring, Settlement Class Members can make a claim for a \$50 Alternative Cash Payment.

Extraordinary Loss Claims must be supported with documentation and must show that: (1) The loss is an actual, documented, and unreimbursed monetary loss arising from identity theft, fraud, or similar misuse; (2) the loss was more likely than not caused by the Data Security Incident; (3) the loss occurred between July 21, 2021 and [insert claims deadline]; and (4) the loss is not already covered by the Out-of-Pocket Loss or Lost Time reimbursement categories, and the Settlement Class Member made reasonable efforts to avoid, or seek reimbursement for, the loss, including but not limited to exhaustion of all available credit monitoring insurance and identity theft insurance.

Ordinary Loss Claims must be supported with documentation demonstrating out-of-pocket costs and expenditures that a Settlement Class Member actually incurred that are fairly traceable to the Security Incident, and that have not already been reimbursed by a third party, such as professional fees including attorneys' fees, accountants' fees, fees for credit repair services, costs associated with freezing or unfreezing credit, bank fees, long distance phone charges, cell phone charges (only if charged by the minute), data charges (only if charged based on the amount of data used), postage, gasoline for local travel; fees for credit reports, credit monitoring, or other identity theft insurance product purchased between July 21, 2021, and [insert claims deadline]. This list of reimbursable documented out-of-pocket expenses is not meant to be exhaustive, rather it is exemplary.

Lost Time Claims must be attested to and are capped at \$25/hour for up to four hours (\$100 total), with an attestation that the claimed time was spent responding to issues raised by the Data Security Incident.

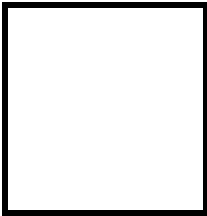
Credit Monitoring Services. Settlement Class Members shall have the ability to make a claim for 2 years of credit monitoring and identity theft protection services with \$1 million in insurance by choosing this benefit on this Claim Form.

Alternative Cash Payment: In the alternative to claiming Extraordinary Loss, Ordinary Loss, Lost Time, or Credit Monitoring, Settlement Class Members can make a claim for a \$50 Alternative Cash Payment.

Claims for Extraordinary Losses, Ordinary Losses, Lost Time, and Alternative Cash Payments are subject to a *pro rata* increase or decrease based on the number of claims made.

Your claim must be submitted online or postmarked by: [DEADLINE]

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CLAIM FORM

TOTAL AMOUNT CLAIMED: _____

Check this box if you are requesting compensation for **Ordinary Losses** up to a total of \$500.

***You must submit supporting documentation demonstrating out-of-pocket costs and expenditures.**

Complete the chart below describing the supporting documentation you are submitting.

<i>Description of Documentation Provided</i>	<i>Amount</i>
<i>Example: Receipt for credit repair services</i>	<i>\$100</i>
TOTAL AMOUNT CLAIMED:	

Lost Time. Check this box if you spent time monitoring accounts or otherwise dealing with issues related to the Data Security Incident. You can submit a claim for reimbursement of \$25 per hour up to 4 hours (for a total of \$100). By checking this box, you are attesting that the activities you performed were related to the Security Incident.

Indicate the number of hours spent: 1 Hour 2 Hours 3 Hours 4 Hours

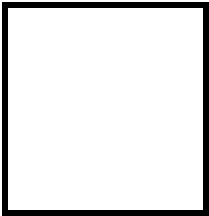
In order to receive this payment, you must describe what you did and how the claimed lost time was spent related to the Data Incident.

Check all activities, below, which apply. If no box applies, you must provide a written description in the “other” category.

- Calling bank/credit card customer service lines regarding fraudulent transactions.
- Writing letters or e-mails to banks/credit card companies in order to have fraudulent transactions reversed.
- Time on the internet verifying fraudulent transactions.
- Calling credit reporting bureaus regarding fraudulent transactions and/or credit monitoring.
- Writing letters or e-mails to credit reporting bureaus regarding correction of credit reports.
- Reviewing or monitoring health insurance statements or accounts for fraudulent activity.
- Contacting health insurance providers regarding suspicious or fraudulent transactions.

Your claim must be submitted online or postmarked by: [DEADLINE]

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CLAIM FORM

- Time spent dealing with a fraudulent change-of-address
- Time spent reviewing the notice of the Data Incident and confirming whether information was impacted by the Data Incident
- Other. Provide description(s) here:

III. CREDIT MONITORING SERVICES

- Check this box if you wish to enroll in credit monitoring services for 2 years, which includes credit monitoring through IDX of at least one national credit reporting bureau with at least \$1,000,000 in identity theft insurance.

IV. ALTERNATIVE CASH PAYMENT

- Check this box if you are requesting a cash payment of \$50 in the alternative to claiming Extraordinary Loss, Out-of-Pocket Loss, Lost Time, or Credit Monitoring.

V. PAYMENT SELECTION

Please select **one** of the following payment options, which will be used should you be eligible to receive a Settlement payment:

PayPal - Enter your PayPal email address: _____

Venmo - Enter the mobile number associated with your Venmo account: _____ - _____ - _____

Zelle - Enter the mobile number or email address associated with your Zelle account:

Mobile Number: _____ - _____ - _____ or Email Address: _____

Virtual Prepaid Card - Enter your email address: _____

Physical Check - Payment will be mailed to the address provided in Section I above.

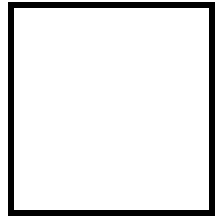
VI. ATTESTATION & SIGNATURE

**Your claim must be
submitted online or
postmarked by:
[DEADLINE]**

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CLAIM FORM

I swear and affirm that the information provided in this Claim Form, and any supporting documentation provided is true and correct to the best of my knowledge. I understand that my claim is subject to verification and that I may be asked to provide supplemental information by the Settlement Administrator before my claim is considered complete and valid.

Signature

Printed Name

Date

SUPERIOR COURT OF THE STATE OF WASHINGTON
KING COUNTYCANDY MOLINARI and MIKHAIL
KHOLYUSEV, on behalf of themselves and all
others similarly situated,

Plaintiffs,

v.

WELFARE & PENSION ADMINISTRATION
SERVICE, INC.,

Defendant.

Case No. 22-2-04023-8 SEA

[PROPOSED] PRELIMINARY APPROVAL ORDER

Before the Court is Plaintiffs Candy Molinari's and Mikhail Kholyusev's ("Plaintiffs") Motion for Preliminary Approval of Class Action Settlement (**Doc. No. __**) (the "Motion"), the terms of which are set forth in a Settlement Agreement between Plaintiffs and Defendant Welfare & Pension Administration Service, Inc. ("WPAS") and, together with Plaintiffs, the "Parties"), with accompanying exhibits attached as **Exhibit 1** to Plaintiffs' Memorandum of Law in Support of their Motion (the "Settlement Agreement").¹

Having fully considered the issue, the Court hereby **GRANTS** the Motion and **ORDERS** as follows:

1. **Class Certification for Settlement Purposes Only.** The Settlement

Agreement provides for a Settlement Class defined as follows:

All persons residing in the United States who participated in funds or trusts managed by WPAS, whose Private Information was potentially compromised as a result of the Data Security Incident that WPAS discovered on approximately July 21, 2021.

¹ All defined terms in this Order Granting Preliminary Approval of Class Action Settlement ("Preliminary Approval Order") have the same meaning as set forth in the Settlement Agreement, unless otherwise indicated.

Excluded from the Settlement Class are (i) WPAS; (ii) the Related Entities; (iii) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; (iv) any judges assigned to this case and their staff and family; and (v) any other Person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding, or abetting the criminal activity that resulted in the Data Security Incident or who pleads *nolo contendere* to any such charge.

Pursuant to Washington Rule of Civil Procedure 23(e), the Court finds that giving notice is justified. The Court finds that it will likely be able to approve the proposed Settlement as fair, reasonable, and adequate. The Court also finds that it will likely be able to certify the Settlement Class for purposes of judgment on the Settlement because it meets all of the requirements of Rule 23(a). Specifically, the Court finds for settlement purposes only that: (a) the Settlement Class are so numerous that joinder of all Settlement Class Members would be impracticable; (b) there are issues of law and fact that are common to the Settlement Class; (c) the claims of the Settlement Class Representatives are typical, and (d) the Settlement Class Representatives will fairly and adequately protect the interests of the Settlement Class.

2. **Settlement Class Representatives and Settlement Class Counsel.** The Court finds that Plaintiffs Candy Molinari and Mikhail Kholyusev will likely satisfy the requirements of Rule 23 and should be appointed as the Settlement Class Representatives. Additionally, the Court finds that Stranch, Jennings & Garvey, PLLC, Cohen & Malad, LLP, Turke & Strauss, and Levi & Korinsky, LLP will likely satisfy the requirements of Rule 23 and should be appointed as Settlement Class Counsel.

3. **Preliminary Settlement Approval.** Upon preliminary review, the Court finds the Settlement is fair, reasonable, and adequate to warrant providing notice of the Settlement to the

Settlement Class and accordingly is preliminarily approved. In making this determination, the Court has considered the monetary and non-monetary benefits provided to the Settlement Class through the Settlement, the specific risks faced by the Settlement Class in prevailing on their claims, the good faith, arms' length negotiations between the Parties and absence of any collusion in the Settlement, the effectiveness of the proposed method for distributing relief to the Settlement Class, the proposed manner of allocating benefits to Settlement Class Members, the equitable treatment of the Settlement Class Members under the Settlement, and all of the other factors required by Rule 23 and relevant case law.

4. **Jurisdiction.** The Court has subject matter jurisdiction pursuant to RCW § 2.08.010 and personal jurisdiction over the parties before it. Additionally, venue is proper in this District pursuant to RCW § 4.12.020(3).

5. **Final Approval Hearing.** A Final Approval Hearing shall be held on _____, 2024, the King County Courthouse, 516 Third Ave., Seattle, WA [or via telephone or videoconference], where the Court will determine, among other things, whether: (a) the Settlement Class should be finally certified for settlement purposes pursuant to Rule 23; (b) the Settlement should be approved as fair, reasonable, and adequate, and finally approved pursuant to Rule 23; (c) this action should be dismissed with prejudice pursuant to the terms of the Settlement Agreement; (d) Settlement Class Members (who have not timely and validly excluded themselves from the Settlement) should be bound by the releases set forth in the Settlement Agreement; (e) the application of Settlement Class Counsel for an award of Attorneys' Fees, Costs, and Expenses should be approved; and (f) the application of the Settlement Class Representatives for a Service Award should be approved.

6. **Settlement Administrator.** The Court appoints Kroll Settlement Administration

LLC as the Settlement Administrator, with responsibility for class notice and settlement administration. The Settlement Administrator is directed to perform all tasks the Settlement Agreement requires. The Settlement Administrator's fees will be paid pursuant to the terms of the Settlement Agreement.

7. **Notice.** The proposed notice program set forth in the Settlement Agreement and the Notices and Claim Form attached to the Settlement Agreement as **Exhibits A, B, and C** are hereby approved. Non-material modifications to these Exhibits may be made by the Settlement Administrator in consultation and agreement with the Parties, but without further order of the Court.

8. **Findings Concerning Notice.** The Court finds that the proposed form, content, and method of giving Notice to the Settlement Class as described in the Settlement Agreement and its exhibits: (a) will constitute the best practicable notice to the Settlement Class; (b) are reasonably calculated, under the circumstances, to apprise Settlement Class Members of the pendency of the Action, the terms of the proposed Settlement, and their rights under the proposed Settlement, including, but not limited to, their rights to object to or exclude themselves from the proposed Settlement and other rights under the terms of the Settlement Agreement; (c) are reasonable and constitute due, adequate, and sufficient notice to all Settlement Class Members and other persons entitled to receive notice; (d) meet all applicable requirements of law, including Rule 23; and (e) and meet the requirements of the Due Process Clause(s) of the United States and Washington Constitutions. The Court further finds that the Notice provided for in the Settlement Agreement is written in plain language, uses simple terminology, and is designed to be readily understandable by Settlement Class Members.

The Settlement Administrator is directed to carry out the Notice program in conformance

with the Settlement Agreement.

9. **Exclusion from Class.** Any Settlement Class Member who wishes to be excluded from the Settlement Class must individually sign and timely submit a written request to the designated address established by the Settlement Administrator in the manner provided in the Notice. The written request must clearly manifest a person's intent to be excluded from the Settlement Class, as set forth in the Settlement Agreement, and must be submitted individually, i.e, one request is required for every Settlement Class Member seeking exclusion. To be effective, such requests for exclusion must be postmarked no later than the Opt-Out Deadline, which is no later than sixty (60) days from the Notice Deadline, and as stated in the Notice.

Within fourteen (14) days after the Opt-Out Deadline, the Settlement Administrator shall furnish to Class Counsel and to WPAS's Counsel a complete list of all timely and valid requests for exclusion.

If a Final Approval Order and Judgment is entered, all Persons falling within the definition of the Settlement Class who do not timely and validly request to be excluded from the Settlement Class shall be bound by the terms of this Settlement Agreement and the Final Approval Order and Judgment. All Persons who submit valid and timely requests to be excluded from the Settlement Class shall not receive any cash benefits of and/or be bound by the terms of the Settlement Agreement.

10. **Objections and Appearances.** A Settlement Class Member (who does not submit a timely written request for exclusion) desiring to object to the Settlement Agreement may submit a timely written objection by the Objection Deadline and as stated in the Notice. The Notice shall instruct Settlement Class Members who wish to object to the Settlement Agreement to file their objections with the Court. The Notice also shall advise Settlement Class Members of the deadline

for submission of any objections—the “Objection Deadline.” Any such objections to the Settlement Agreement must be written and must include all of the following: (i) state the objecting Settlement Class Member’s full name, current address, telephone number, and email address (if any); (ii) contain the objecting Settlement Class Member’s original signature; (iii) set forth 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 Incident); (iv) set forth a statement of all grounds for the objection, including any legal support for the objection that the objector believes applicable; (v) identify all counsel representing the objector; (vi) state whether the objector and/or his or her counsel will appear at the Final Approval Hearing, and; (vii) contain the signature of the objector’s duly authorized attorney or other duly authorized representative (if any), along with documentation setting forth such representation.

To be timely, written notice of an objection must be filed with the Clerk of Court by the Objection Deadline, which is no later than sixty (60) days from the Notice Deadline.

Any Settlement Class Member who fails to comply with the requirements for objecting shall waive and forfeit any and all rights he or she may have to appear separately and/or to object to the Settlement Agreement, shall be bound by all the terms of the Settlement Agreement and by all proceedings, orders, and judgments in the Action, and shall be precluded from seeking any review of the Settlement Agreement and/or Final Approval Order and Judgment by appeal or other means. The provisions stated in Paragraph 87 of the Settlement Agreement shall be the exclusive means for any challenge to the Settlement Agreement. Any challenge to the Settlement Agreement, the final order approving this Settlement Agreement, or the Final Order and Judgment to be entered upon final approval shall be pursuant to appeal under the Federal Rules of Appellate Procedure

and not through a collateral attack.

11. **Claims Process.** Settlement Class Counsel and WPAS have created a process for Settlement Class Members to claim benefits under the Settlement. The Court preliminarily approves this process and directs the Settlement Administrator to make the Claim Form or its substantial equivalent available to Settlement Class Members in the manner specified in the Notice.

The Settlement Administrator will be responsible for effectuating the claims process.

Settlement Class Members who qualify for and wish to submit a Claim Form shall do so in accordance with the requirement and procedures specified in the Notice and the Claim Form. If the Final Order and Judgment is entered, all Settlement Class Members who qualify for any benefit under the Settlement but fail to submit a claim in accordance with the requirements and procedures specified in the Notice and the Claim Form shall be forever barred from receiving any such benefit, but will in all other respects be subject to and bound by the provisions in the Final Order and Judgment, including the releases contained therein.

12. **Termination of Settlement.** This Preliminary Approval Order shall become null and void and shall be without prejudice to the rights of the Parties, all of whom shall be restored to their respective positions existing before the Court entered this Preliminary Approval Order and before they entered the Settlement Agreement, if: (a) the Court does not enter this Preliminary Approval Order; (b) Settlement is not finally approved by the Court or is terminated in accordance with the Settlement Agreement; (c) WPAS exercises its right to terminate the Settlement if 5% or more of the Settlement Class Members validly opt-out of the Settlement; or (d) the Final Order and Judgment does not become Final because a higher court reverses final approval by the Court. In such event, (i) this Settlement Agreement and all orders entered in connection therewith shall

be rendered null and void; (ii) the terms and provisions of the Settlement Agreement shall have no further force and effect with respect to the Parties and shall not be used in the Lawsuit or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Settlement Agreement shall be treated as vacated, *nunc pro tunc*; (iii) WPAS shall be responsible for all Notice and Claims Administration Costs incurred prior to the termination or disapproval; (iv) all Parties shall be deemed to have reverted to their respective positions and status in the Lawsuit as of the date this Settlement Agreement was executed and shall jointly request that a new case schedule be entered by the Court; and (v) WPAS shall have no payment, reimbursement, or other financial obligation of any kind as a result of this Settlement Agreement, other than as stated in the Settlement Agreement.

13. **Use of Order.** This Preliminary Approval Order shall be of no force or effect if the Final Order and Judgment is not entered or there is no Effective Date and shall not be construed or used as an admission, concession, or declaration by or against Defendant of any fault, wrongdoing, breach, liability, or propriety of certifying any class. Nor shall this Preliminary Approval Order be construed or used as an admission, concession, or declaration by or against the Class Representatives or any other Settlement Class Member that his or her claims lack merit or that the relief requested is inappropriate, improper, unavailable, or as a waiver by any Party of any defense or claims they may have in this Action or in any other lawsuit.

14. **Continuance of Hearing.** The Court reserves the right to adjourn or continue the Final Approval Hearing and related deadlines without further written notice to the Settlement Class. If the Court alters any of those dates or times, the revised dates and times shall be posted on the Settlement Website maintained by the Settlement Administrator. The Court may approve the Settlement, with such modifications as may be agreed upon by the Parties, if appropriate, without

further notice to the Settlement Class.

15. **Stay of Litigation.** All proceedings in the Action, other than those related to approval of the Settlement Agreement, are hereby stayed. Further, any actions brought by Settlement Class Members concerning the Released Claims are hereby enjoined and stayed pending Final Approval of the Settlement Agreement.

16. **Schedule and Deadlines.** The Court orders the following schedule of dates for the specified actions/further proceedings:

<u>Event</u>	<u>Deadline</u>
Defendant Provides Class Member Information to Claims Administrator	Within 14 Days of Entry of Preliminary Approval Order
Deadline For Claims Administrator to Begin Sending Short Form Notice (By First Class USPS Mail)	Within 30 Days of Entry of Preliminary Approval Order
Motion for Attorneys' Fees, Costs, Expenses, and Service Award to Be Filed by Settlement Class Counsel	At Least 14 Days prior to Final Approval Hearing
Opt-Out/Objection Date Deadlines	60 Days After Notice Deadline
Claims Administrator Provides Parties With List of Timely, Valid Opt-Outs	14 Days After Opt-Out Dates
Claims Deadline	90 Days After Notice Deadline
Motion For Final Approval to Be Filed By Class Counsel	At Least 14 Days Prior to Final Approval Hearing
Final Approval Hearing	[COURT TO ENTER DATE AND TIME] No Earlier Than 120 Days After Entry Of Preliminary Approval Order

IT IS SO ORDERED

Dated

Judge

SUPERIOR COURT OF THE STATE OF WASHINGTON
KING COUNTY

CANDY MOLINARI and MIKHAIL
KHOLYUSEV, on behalf of themselves and all
others similarly situated,

Plaintiffs,

v.

WELFARE & PENSION ADMINISTRATION
SERVICE, INC.,

Defendant.

Case No. 22-2-04023-8 SEA

[PROPOSED] FINAL APPROVAL ORDER

Before the Court is Plaintiffs Candy Molinari’s and Mikhail Kholyusev’s (“Plaintiffs”) Motion for Final Approval of Class Action Settlement (“Motion for Final Approval”). The Motion seeks approval of the Settlement as fair, reasonable, and adequate. Also before the Court is Plaintiffs’ Motion for Attorneys’ Fees, Costs, and Expenses to Settlement Class Counsel, and Service Award Payment to Plaintiffs (“Motion for Attorneys’ Fees”).

Having reviewed and considered the Settlement Agreement, Motion for Final Approval, and Motion for Attorneys’ Fees, and having conducted a Final Approval Hearing, the Court makes the findings and grants the relief set forth below approving the Settlement upon the terms and conditions set forth in this Order.

WHEREAS, on [DATE], the Court entered an Order Granting Preliminary Approval of Class Action Settlement (“Preliminary Approval Order”) (**Doc. No. __**) which, among other things: (a) conditionally certified this matter as a class action, including defining the class and class claims, (b) appointed Plaintiffs as the Settlement Class Representatives and appointed Stranch, Jennings, & Garvey, PLLC, Cohen & Malad, LLP, Turke

& Strauss, and Levi & Korinsky, LLP as Settlement Class Counsel; (c) preliminarily approved the Settlement Agreement; (d) approved the form and manner of Notice to the Settlement Class; (d) set deadlines for opt-outs and objections; (e) approved and appointed the Settlement Administrator; and (f) set the date for the Final Approval Hearing;

WHEREAS, on [DATE], pursuant to the Notice requirements set forth in the Settlement Agreement and in the Preliminary Approval Order, the Settlement Class was notified of the terms of the proposed Settlement Agreement, of the right of Settlement Class Members to opt-out, and the right of Settlement Class Members to object to the Settlement Agreement and to be heard at a Final Approval Hearing;

WHEREAS, on [DATE], the Court held a Final Approval Hearing to determine, *inter alia*: (1) whether the terms and conditions of the Settlement Agreement are fair, reasonable, and adequate for the release of the claims contemplated by the Settlement Agreement; and (2) whether judgment should be entered dismissing this action with prejudice;

WHEREAS, the Court not being required to conduct a trial on the merits of the case or determine with certainty the factual and legal issues in dispute when determining whether to approve a proposed class action settlement; and

WHEREAS, the Court being required under Washington Rule of Civil Procedure 23 to make the findings and conclusions hereinafter set forth for the limited purpose of determining whether the Settlement should be approved as being fair, reasonable, adequate and in the best interests of the Settlement Class;

Having given an opportunity to be heard to all requesting persons in accordance with the Preliminary Approval Order, having heard the presentation of Settlement Class Counsel and counsel for Defendant, having reviewed all of the submissions presented with respect to

the proposed Settlement Agreement, having determined that the Settlement Agreement is fair, adequate, and reasonable, having considered the application made by Settlement Class Counsel for attorneys' fees, costs, and expenses, and the application for a Service Award Payment to the Representative Plaintiffs, and having reviewed the materials in support thereof, and good cause appearing:

IT IS ORDERED that:

1. The Court has jurisdiction over the subject matter of this action and over all claims raised therein and all Parties thereto, including the Settlement Class.

2. The Settlement involves allegations in Plaintiffs' Consolidated Class Action Complaint against Defendant for purported failure to implement or maintain adequate data security measures and safeguards to protect Sensitive Information, which Plaintiffs allege directly and proximately caused injuries to Plaintiffs and Settlement Class Members.

3. The Settlement does not constitute an admission of liability by Defendant, and the Court expressly does not make any finding of liability or wrongdoing by Defendant.

4. Unless otherwise indicated, words spelled in this Order and Judgment Granting Final Approval of Class Action Settlement ("Final Approval Order and Judgment") with initial capital letters have the same meaning as set forth in the Settlement Agreement.

5. The Court, having reviewed the terms of the Settlement Agreement submitted by the Parties pursuant to Rule 23, grants final approval of the Settlement Agreement, and for purposes of the Settlement Agreement and this Final Approval Order and Judgment only, the Court hereby finally certifies the following Settlement Class:

All persons residing in the United States who participated in funds or trusts managed by WPAS, whose Private Information was potentially compromised as a result of the Data Security Incident that WPAS discovered on approximately July 21, 2021.

Excluded from the Settlement Class are (i) WPAS; (ii) the Related Entities; (iii) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; (iv) any judges assigned to this case and their staff and family; and (v) any other Person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding, or abetting the criminal activity that resulted in the Data Security Incident or who pleads *nolo contendere* to any such charge.

6. The Settlement was entered into in good faith following arm's length negotiations and is non-collusive. The Settlement is in the best interests of the Settlement Class and is therefore approved. The Court finds that the Parties faced significant risks, expenses, delays, and uncertainties, including as to the outcome, including on appeal, of continued litigation of this complex matter, which further supports the Court's finding that the Settlement Agreement is fair, reasonable, adequate, and in the best interests of the Settlement Class Members. The Court finds that the uncertainties of continued litigation in both the trial and appellate courts, as well as the expense associated with it, weigh in favor of approval of the settlement reflected in the Settlement Agreement.

7. The Settlement Agreement provides, in part, and subject to a more detailed description of the settlement terms in the Settlement Agreement, for:

- a. Settlement Class Members to be able to submit claims that will be evaluated by the Settlement Administrator.
- b. Defendant to pay all costs of Settlement Administration from the Settlement Fund, including the cost of the Settlement Administrator, instituting Notice, processing and administering claims, and preparing and mailing checks.

- c. Defendant to pay, subject to the approval and award of the Court, the reasonable attorneys' fees, costs, and expenses of Class Counsel and Service Award Payments to the Class Representatives from the Settlement Fund.

The Court readopts and incorporates herein by reference its preliminary conclusions as to the satisfaction of Rule 23 set forth in the Preliminary Approval Order and notes that because this certification of the Settlement Class is in connection with the Settlement Agreement rather than litigation, the Court need not address any issues of manageability that may be presented by certification of the Settlement Class proposed in the Settlement Agreement.

8. The terms of the Settlement Agreement are fair, adequate, and reasonable and are hereby approved, adopted, and incorporated by the Court. Notice of the terms of the Settlement, the rights of Settlement Class Members under the Settlement, the Final Approval Hearing, Plaintiffs' application for attorneys' fees, costs, and expenses, and the Service Award Payments to the Settlement Class Representatives have been provided to Settlement Class Members as directed by this Court's Orders, and proof of Notice has been filed with the Court.

9. The Court finds that the Notice, set forth in the Settlement Agreement and effectuated pursuant to the Preliminary Approval Order, was the best notice practicable under the circumstances, was reasonably calculated to provide and did provide due and sufficient notice to the Settlement Class of the pendency of the Action, certification of the Settlement Class for settlement purposes only, the existence and terms of the Settlement Agreement, and their right to object and to appear at the final approval hearing or to exclude themselves from the Settlement Agreement, and satisfied the requirements of the Washington Rules of Civil Procedure, the United States Constitution, and other applicable law.

10. As of the Opt-Out deadline, _____ potential Settlement Class Members have

requested to be excluded from the Settlement. Their names are set forth in **Exhibit A** to this Final Approval Order and Judgment. Those persons are not bound by the Settlement Agreement and this Final Approval Order and Judgment and shall not be entitled to any of the benefits afforded to the Settlement Class Members under the Settlement Agreement, as set forth in the Settlement Agreement. All Settlement Class Members who have not validly excluded themselves from the Settlement Class are bound by this Final Approval Order and Judgment.

11. _____ objections were filed by Settlement Class Members. The Court has considered all objections and finds the objections do not counsel against Settlement Agreement approval, and the objections are hereby overruled in all respects.

12. All Settlement Class Members who have not objected to the Settlement Agreement in the manner provided in the Settlement Agreement are deemed to have waived any objections by appeal, collateral attack, or otherwise.

13. The Court has considered all the documents filed in support of the Settlement, and has fully considered all matters raised, all exhibits and affidavits filed, all evidence received at the Final Approval Hearing, all other papers and documents comprising the record herein, and all oral arguments presented to the Court.

14. The Parties, their respective attorneys, and the Settlement Administrator are hereby directed to consummate the Settlement in accordance with this Final Approval Order and Judgment and the terms of the Settlement Agreement.

15. Pursuant to the Settlement Agreement, Defendant, the Settlement Administrator, and Settlement Class Counsel shall implement the Settlement in the manner and timeframe as set forth therein.

16. Within the time period set forth in the Settlement Agreement, the relief provided

for in the Settlement Agreement shall be made available to the various Settlement Class Members submitting valid Claim Forms, pursuant to the terms and conditions of the Settlement Agreement.

17. Pursuant to and as further described in the Settlement Agreement, Plaintiffs and the Settlement Class Members release claims as follows:

On the Effective Date and in consideration of the promises and covenants set forth in this Settlement Agreement, (i) Plaintiffs and each Settlement Class Member, and each of their respective spouses and children with claims on behalf of the Settlement Class Member, executors, representatives, guardians, wards, heirs, estates, successors, predecessors, next friends, co-borrowers, co-obligors, co-debtors, legal representatives, attorneys, agents, and assigns, and all those who claim through them or who assert claims (or could assert claims) on their behalf (including the government in the capacity as *parens patriae* or on behalf of creditors or estates of the releasors), and each of them (collectively and individually, the “Releasing Persons”), and (ii) Settlement Class Counsel and each of their past and present law firms, partners, or other employers, employees, agents, representatives, successors, or assigns will be deemed to have, and by operation of the Final Order and Judgment shall have, fully, finally, completely, and forever released and discharged the Released Persons from the Released Claims. The release set forth in the preceding sentence (the “Release”) shall be included as part of any judgment, so that all Released Claims shall be barred by principles of res judicata, collateral estoppel, and claim and issue preclusion.

“Released Claims” means any and all past, present, and future liabilities, rights, claims, counterclaims, actions, causes of action, demands, damages, penalties, costs, attorneys’ fees, losses, and remedies, whether known or unknown, existing or potential, suspected or unsuspected, liquidated or unliquidated, legal, statutory, or equitable, including, but not limited to, negligence,

negligence *per se*, breach of confidence, breach of implied contract, unjust enrichment, publicity given to private life, any state or federal consumer protection statute, misrepresentation (whether fraudulent, negligent, or innocent), bailment, wantonness, failure to provide adequate notice pursuant to any breach notification statute, regulation, or common law duty, and any causes of action under 18 U.S.C. §§ 2701 *et seq.*, and all similar statutes in effect in any states in the United States as defined herein, and including, but not limited to, any and all claims for damages, injunctive relief, disgorgement, declaratory relief, equitable relief, attorneys' fees, costs and expenses, set-offs, losses, pre-judgment interest, credit monitoring services, the creation of a fund for future damages, statutory damages, punitive damages, special damages, exemplary damages, restitution, the appointment of a receiver, and any other form of relief that either has been asserted, or could have been asserted, or relate to the exposure of Private Information in the Data Security Incident, and conduct that was alleged or could have been alleged in the Lawsuit, including, without limitation, any claims, actions, causes of action, demands, damages, penalties, losses, or remedies relating to, based upon, resulting from, or arising out of the disclosure of Private Information (the "Released Claims"), provided that nothing in this Release is intended to, does or shall be deemed to release any claims not arising out of, based upon, resulting from, or related to the Data Security Incident.

"Released Persons" means WPAS, the Related Entities, and each of their past or present parents, subsidiaries, divisions, and related or affiliated entities, and each of their respective predecessors, successors, assigns, owners, directors, shareholders, members, officers, employees, principals, agents, representatives, attorneys, insurers, and reinsurers.

18. The Court grants final approval to the appointment of Plaintiffs Candy Molinari and Mikhail Kholiyusev as Settlement Class Representatives. The Court concludes that the

Settlement Class Representatives have fairly and adequately represented the Settlement Class and will continue to do so.

19. Pursuant to the Settlement Agreement, and in recognition of their efforts on behalf of the Settlement Class, the Court approves a payment to the Settlement Class Representatives in the amount of \$3,500.00 each as a Service Award Payment. Defendant shall make such payment in accordance with the terms of the Settlement Agreement.

20. The Court grants final approval to the appointment of Stranch, Jennings & Garvey, PLLC, Cohen & Malad, LLP, Turke & Strauss, and Levi & Korinsky, LLP as Settlement Class Counsel. The Court concludes that Settlement Class Counsel has adequately represented the Settlement Class and will continue to do so.

21. The Court, after careful review of the fee petition filed by Settlement Class Counsel, and after applying the appropriate standards required by relevant case law, hereby grants Settlement Class Counsel's application for combined attorneys' fees, costs, expenses in the amount of \$583,333.33. Payment shall be made pursuant to the terms of the Settlement Agreement.

22. This Final Approval Order and Judgment, the Settlement Agreement, or any action taken hereunder shall not constitute or be construed as an admission of the merit or validity of any claim or any fact alleged in the Lawsuit or of any wrongdoing, fault, violation of law, or liability of any kind on the part of WPAS or the Released Persons or any admission by WPAS or the Released Persons with respect to any claim or allegation made in any action or proceeding or any concession as to the merit of any of the claims asserted by Plaintiffs in the Lawsuit. This Final Approval Order and Judgment and the Settlement Agreement shall not be offered or be admissible in evidence against either Party or the Released Persons or cited or referred to in any action or proceeding, except in an action or proceeding brought to enforce its terms. Nothing contained

herein or in the Settlement Agreement is or shall be construed or admissible as an admission by WPAS or the Released Persons that Plaintiffs' claims or any similar claims are suitable for class treatment outside of this Settlement.

23. If the Effective Date, as defined in the Settlement Agreement, does not occur for any reason, this Final Approval Order and Judgment and the Preliminary Approval Order shall be deemed vacated, and shall have no force and effect whatsoever; the Settlement Agreement shall be considered null and void; all of the Parties' obligations under the Settlement Agreement, the Preliminary Approval Order, and this Final Approval Order and Judgment and the terms and provisions of the Settlement Agreement shall have no further force and effect with respect to the Parties and shall not be used in the Action or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Settlement Agreement shall be treated as vacated *nunc pro tunc*, and the Parties shall be restored to their respective positions in the Action, as if the Parties never entered into the Settlement Agreement (without prejudice to any of the Parties' respective positions on the issue of class certification or any other issue). In such an event, the Parties will jointly request that all scheduled deadlines be reasonably extended by the Court so as to avoid prejudice to any Party or Party's counsel. Further, in such event, Defendant will pay amounts already billed or incurred for costs of notice to the Settlement Class, and Settlement Administration, and will not, at any time, seek recovery of same from any other Party to the Action or from counsel to any other Party to the Litigation.

24. This Court shall retain the authority to issue any order necessary to protect its jurisdiction from any action, whether in state or federal court.

25. Without affecting the finality of this Final Order and Judgment, the Court will retain jurisdiction over the subject matter and the Parties with respect to the interpretation and

implementation of the Settlement Agreement for all purposes.

26. This Order resolves all claims against all Parties in this action and is a final order.

27. The matter is hereby dismissed with prejudice and without costs except as provided in the Settlement Agreement.

IT IS SO ORDERED

Dated

Judge