

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Settlement Agreement”) is entered into by and between (i) Talbert House and (ii) Ralph Engle, individually and on behalf of all others similarly situated (“Plaintiff”) both individually and on behalf of the Settlement Class, in the case of *Engle, et al. v. Talbert House*; Case No. A2103650; Hamilton County, Ohio Court of Common Pleas. Talbert House and Plaintiff are each referred to as a “Party” and are collectively referred to herein as the “Parties.”

I. FACTUAL BACKGROUND AND RECITALS

1. On October 20, 2021, Plaintiff filed a class action lawsuit against Talbert House based on a cyberattack on Talbert House’s network in June 2021 (the “Incident”), alleging claims of negligence, negligence per se, breach of fiduciary duty, breach of confidence, intrusion upon seclusion/invasion of privacy, breach of implied contract, and unjust enrichment (the “Litigation”).
2. On December 22, 2021, Talbert House filed its Motion to Dismiss, which was then fully briefed by both Parties. On February 8, 2022, the Parties jointly moved to stay the case to allow the Parties to mediate. During the case management conference on February 9, 2022, Judge Jennifer L. Branch granted the Motion to stay the case, deferring ruling on the Motion and referred the case to mediation.
3. Following arms-length negotiations, the Parties negotiated a settlement with the assistance of Bennet G. Picker, Esq. at a mediation on May 12, 2022 by which the Parties agree and hereby wish to resolve all matters pertaining to, arising from, or associated with the Litigation, including all claims Plaintiff and Settlement Class Members have or may have had against Talbert House and related persons and entities, as set forth herein.
4. The Parties have agreed to settle the Litigation on the terms and conditions set forth herein in recognition that the outcome of the Litigation is uncertain and that achieving a final result through litigation would require substantial additional risk, uncertainty, discovery, time, and expense for both of the Parties.
5. Talbert House denies all claims of wrongdoing or liability that Plaintiff, Settlement Class Members, or anyone else have asserted in this Litigation or may assert in the future. Despite Talbert House’s position that it is not liable for, and has good defenses to, the claims alleged in the Litigation, Talbert House desires to settle the Litigation, and thus avoid the expense, risk, exposure, inconvenience, uncertainty, and distraction of continued litigation of any action relating to the matters being fully settled and finally resolved and released in this Settlement Agreement. Neither this Settlement Agreement, nor any negotiation or act performed or document created in relation to the Settlement Agreement or negotiation or discussion thereof is, or may be deemed to be, or may be used as, an admission of, or evidence of, any wrongdoing or liability.

6. The Parties now enter into this Settlement Agreement. Plaintiff and Class Counsel have conducted an investigation into the facts and the law regarding the Litigation and have concluded that a settlement according to the terms set forth below is fair, reasonable, and adequate, and beneficial to and in the best interests of Plaintiff and the Settlement Class, recognizing: (1) the existence of complex and contested issues of law and fact; (2) the risks inherent in litigation; (3) the likelihood that future proceedings will be unduly protracted and expensive if the proceeding is not settled by voluntary agreement; (4) the magnitude of the benefits derived from the contemplated settlement in light of both the maximum potential and likely range of recovery to be obtained through further litigation and the expense thereof, as well as the potential of no recovery whatsoever; and (5) Plaintiff's determination that the settlement is fair, reasonable, adequate, and will substantially benefit the Settlement Class Members.

7. Considering the risks and uncertainties of continued litigation and all factors bearing on the merits of settlement, the Parties are satisfied that the terms and conditions of this Settlement Agreement are fair, reasonable, adequate, and in their respective best interests.

8. In consideration of the covenants, agreements, and releases set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed by and among the undersigned that the Litigation be settled and compromised, and that the Releasors release the Released Parties of the Released Claims, without costs as to Released Parties, Plaintiff, Class Counsel, or the Settlement Class, except as explicitly provided for in this Settlement Agreement, subject to the approval of the Court, on the following terms and conditions.

II. DEFINITIONS

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

9. “**Administrative Expenses**” shall mean expenses associated with the Settlement Administrator, including but not limited to costs in providing notice, communicating with Settlement Class Members, and disbursing payments to the proposed Settlement Class Members.
10. “**Approved Claims**” shall mean complete and timely Claim Forms submitted by Settlement Class Members that have been approved by the Settlement Administrator.
11. “**Claim Form**” shall mean the form that Settlement Class Members may submit to obtain compensation under this Settlement Agreement, which is attached as **Exhibit D**.

12. “**Claims Deadline**” shall mean the date by which all Claim Forms must be postmarked (if mailed) or submitted (if filed electronically) to be considered timely and shall be set as a date ninety days after the Notice Date is entered. The Claims Deadline shall be clearly set forth in the Preliminary Approval Order, as well as in the Notice and the Claim Form.
13. “**Class,**” “**Settlement Class,**” “**Class Member,**” or “**Settlement Class Member**” shall mean each member of the Settlement Class, as defined in Section III of this Settlement Agreement, who does not timely elect to be excluded from the Settlement Class or Settlement Subclass.
14. “**Class Counsel**” shall mean Terence R. Coates and Dylan Gould of Markovits, Stock & DeMarco, LLC; David K. Lietz and Gary M. Klinger of Milberg Coleman Bryson Phillips Grossman; and Joseph M. Lyon of the Lyon Firm, LLC.
15. “**Counsel**” or “**Counsel for the Parties**” means both Class Counsel and Defendant’s Counsel, collectively.
16. “**Court**” shall mean Judge Jennifer L. Branch of the Hamilton County, Ohio Court of Common Pleas, or any other judge who shall have jurisdiction over the pending Litigation.
17. “**Defendant**” or “**Talbert House**” shall mean Talbert House.
18. “**Defendant’s Counsel**” shall mean Jennifer Orr Mitchell of Dinsmore & Shohl LLP and Alfred J. Saikali, Joshua L. Becker, and Elisabeth A. Hutchinson of Shook, Hardy & Bacon, LLP.
19. “**Effective Date**” shall mean the date when the Settlement Agreement becomes Final, which is 35 days after the Court’s grant of the Final Approval Order assuming no appeals have been filed. If an appeal is filed, the Effective Date will become 35 days from when the appeal is finalized and a final judgment is entered in this case.
20. “**Fee and Expense Application**” shall mean the motion to be filed by Class Counsel, in which they seek approval of an award of attorneys’ fees, as well as a Service Award for the Class Representative.
21. “**Fee Award**” means the amount of attorneys’ fees awarded by the Court to Class Counsel that along with Class Counsel’s expenses shall not exceed \$385,000.
22. “**Final**” means the Final Approval Order has been entered on the docket, and (1) the time to appeal from such order has expired and no appeal has been timely filed; (2) if such an appeal has been filed, it has been finally resolved and has resulted in an affirmation of the Final Approval Order; or (3) the Court following the resolution of the appeal enters a further order or orders approving settlement on the material

terms set forth herein, and either no further appeal is taken from such order(s) or any such appeal results in affirmation of such order(s).

23. “**Final Approval Hearing**” means the hearing before the Court where the Plaintiff will request a judgment to be entered by the Court approving the Settlement Agreement, approving the Fee Award, and approving a Service Award to the Class Representative.
24. “**Final Approval Order**” shall mean an order entered by the Court that:
- i. Certifies the Settlement Class pursuant to Ohio Rule of Civil Procedure 23;
 - ii. Finds that the Settlement Agreement is fair, reasonable, and adequate, was entered into in good faith and without collusion, and approves and directs consummation of this Settlement Agreement;
 - iii. Dismisses Plaintiff’s claims pending before it with prejudice and without costs, except as explicitly provided for in this Settlement Agreement;
 - iv. Approves the Release provided in Section VII and orders that, as of the Effective Date, the Released Claims will be released as to Released Parties;
 - v. Reserves jurisdiction over the Settlement and this Settlement Agreement; and
 - vi. Finds that there is no just reason for delay of entry of final judgment with respect to the foregoing.
25. “**Frequently Asked Questions**” or “**FAQs**” are questions and answers to those questions that are frequently posed by Class Members about class action settlements and specifically about this Settlement.
26. “**Litigation**” shall mean the action captioned *Ralph Engle, individually and on behalf of all others similarly situated v. Talbert House*, Case No. A2103650 currently pending in the Court of Common Pleas, Hamilton County, Ohio.
27. “**Long Form Notice**” is the content of the notice substantially in the form as **Exhibit A** is the detailed, long form notice that will be posted on the Settlement Website that will include robust details about the Settlement.
28. “**Digital Ad Notice**” is the content of the notices substantially in the form as **Exhibit C** are Banner Ads, Social Media Ads, and Search Engine Ads. This form

of notice is intended to be provided digitally to increase the reach of the Notice in this Litigation.

29. “**Notice**” means the direct notice of this proposed Settlement, which is to be provided substantially in the manner set forth in this Settlement Agreement and **Exhibits A through C**, and is consistent with the requirements of Due Process. The Notice Date in this case will be 30 days after the Court enters the Preliminary Approval Order.
30. “**Objection/Exclusion Deadline**” means the date by which a written objection to this Settlement Agreement or a request for exclusion submitted by a person within the Settlement Class must be postmarked and/or filed with the Court and sent to the Settlement Administrator, which shall be designated as a date approximately 60 days after Notice Date, or such other date as ordered by the Court. This Deadline will also be known as the Objection Date and/or Exclusion Date.
31. “**Parties**” shall mean Plaintiff and Talbert House, collectively.
32. “**Plaintiff**” or “**Class Representative**” shall mean the named class representative, Ralph Engle.
33. “**Preliminary Approval Order**” shall mean the Court’s Order preliminarily approving the Settlement Agreement, certifying the Settlement Class for settlement purposes, and directing notice of the Settlement to the Settlement Class substantially in the form of the Notice set forth in this Settlement Agreement. Attached as **Exhibit E**.
34. “**Private Information**” means Social Security numbers, driver’s license, financial information, health insurance information, medical information, other protected health information as defined by the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), and additional personally identifiable information (“PII”) and protected health information (“PHI”) that Defendant collected and maintained, as those terms are defined by applicable data breach notification laws.
35. “**Reminder Notice**” means the reminder notice that the Settlement Administrator will send to Class Members for whom there is a valid email address with 30 days before the Claims Deadline.
36. “**Released Claims**” shall have the meaning ascribed to it as set forth in Section VII of this Settlement Agreement.
37. “**Released Parties**” shall have the meaning ascribed to it as set forth in Section VII of this Settlement Agreement.
38. “**Releasors**” shall refer, jointly and severally, and individually and collectively, to Plaintiff, the Settlement Class Members, and to each of their predecessors,

successors, heirs, executors, administrators, and assigns of each of the foregoing, and anyone claiming by, through, or on behalf of them.

39. “**Service Award**” shall have the meaning ascribed to it as set forth in Section XV of this Settlement Agreement. The Service Award requested in this matter will be \$5,000.00, subject to court approval.
40. “**Settlement Administrator**” means, subject to Court approval, Kroll Settlement Administration, LLC, an entity jointly selected and supervised by Class Counsel and Talbert House to administer the settlement.
41. “**Settlement Payment**” means an amount up to a maximum of Four Thousand Dollars per person (\$4,000.00). In no event shall Talbert House be required to pay more than this amount for claims made under the terms of this Settlement Agreement. The actual amount of the Settlement Payment paid for Approved Claims will be determined on a “claims made” basis such that only those individual Approved Claims will be funded up to the maximum amount. The Service Award to Plaintiff is in addition to any Settlement Payment he may receive.
42. “**Settlement Subclass**” means any member of the Settlement Class who had their Social Security number, driver’s license, and/or financial information (credit and/or bank account information) potentially compromised in the Incident.
43. “**Settlement Website**” means a website established and administered by the Settlement Administrator, which shall contain information about the Settlement, including electronic copies of **Exhibits A-E** (or any forms of these notices that are approved by the Court), this Settlement Agreement, and all Court documents related to the Settlement. The Settlement Website, www.THDataSettlement.com, will be publicly viewable and contain broad information about the Settlement, including but not limited to, copies of the Complaint filed in this matter, a copy of the Long Form Notice, Short Form Notice, FAQs, Claim Form that may be submitted online through the Settlement Website or mailed to the Settlement Administrator, and the deadlines for filing a Claim, Objection, Exclusion requests, and the date of the Fairness Hearing. The Settlement Website is viewed as an important piece of the notice plan to Class Members. The Settlement Website will remain active until 90 days after the Effective Date.
44. “**Short Form Notice**” is the postcard notice that will be mailed to each available Settlement Class Member and/or emailed to the Settlement Class Members. Short Form Notice will include a copy of the Claim Form, in the same or substantially similar form as **Exhibit B** hereto.

III. SETTLEMENT CLASS CERTIFICATION

45. For the purposes of the Settlement only, the Parties stipulate and agree that: (1) the Class shall be certified in accordance with the definition contained in Paragraph 48; (2) Plaintiff

shall represent the Class for settlement purposes and shall be the Class Representative; and (3) Plaintiff's Counsel shall be appointed as Class Counsel.

46. Talbert House does not consent to certification of the Class for any purpose other than to effectuate the Settlement. If the Court does not enter Final Approval of the Settlement, or if for any other reason final approval of the Settlement does not occur, is successfully objected to, or challenged on appeal, any certification of any Class will be vacated and the Parties will be returned to their positions with respect to the Action as if the Settlement Agreement had not been entered into. In the event that Final Approval of the Settlement is not achieved: (1) any Court orders preliminarily or finally approving the certification of any class contemplated by this Settlement Agreement shall be null, void, and vacated, and shall not be used or cited thereafter by any person or entity; and (2) the fact of the settlement reflected in this Settlement Agreement, that Talbert House did not oppose the certification of a Class under this Settlement Agreement, or that the Court preliminarily approved the certification of a Class, shall not be used or cited thereafter by any person or entity, including in any manner whatsoever, including without limitation any contested proceeding relating to the certification of any class.

47. The settlement shall be administered on a wholly claims-made basis. To receive any relief, Settlement Class Members, as defined below, must submit a valid and timely claim to the Claims Administrator.

48. Subject to Court approval, the following Settlement Class shall be certified for settlement purposes:

All persons whose PII was potentially compromised as a result of the Cyber-Attack that Talbert House discovered on or about June 11, 2021.¹

Subject to Court approval, the following Settlement Subclass shall be certified for settlement purposes:

All persons whose Social Security numbers or driver's licenses were potentially compromised, and all persons whose financial information (credit card and/or bank account information) was potentially compromised as a result of the Cyber-Attack that Talbert House discovered on or about June 11, 2021.

49. Excluded from the Class are: (1) any entity in which Talbert House has a controlling interest and (2) the affiliates, legal representatives, attorneys, successors, heirs, and assigns of Talbert House. Excluded also from the Class are members of the judiciary to whom this case is assigned, their families and members of their staff.

50. It is estimated that the Class is comprised of approximately 303,739 individuals.

¹ Cyber-Attack shall mean the cybersecurity incident against Talbert House giving rise to the Action.

51. If for any reason the Settlement is not granted preliminary and/or final approval, Talbert House's agreement to certification of the Settlement Class shall not be used for any purpose, including in any request for class certification in the Litigation or any other proceeding.

IV. SETTLEMENT OF LITIGATION AND ALL CLAIMS AGAINST RELEASED PARTIES

52. Final approval of this Settlement Agreement will settle and resolve with finality, on behalf of the Plaintiff and the Settlement Class, the Litigation and the Released Claims, as described in Section VII.

V. SETTLEMENT BENEFIT ALLOCATION

53. Monetary Payments

- a. **Compensation of Out-of-Pocket Expenses and Lost Time:** Talbert House will agree to make available the following compensation to Settlement Class Members who submit valid and timely claim forms. Claims will be subject to review for completeness and validity by a Settlement Administrator.

Talbert House will provide compensation for unreimbursed losses, up to a total of \$4,000.00 per person who is a member of the Settlement Class, upon submission of a claim and supporting documentation, such as the following losses:

- i. *Out-of-pocket expenses incurred* as a result of the Incident, including 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, or gasoline for local travel;
- ii. *Fees for credit reports, credit monitoring, or other identity theft insurance product* purchased between September 10, 2021, and the date of the close of the Claims Period;
- iii. *Up to 5 hours of lost time*, at \$20.00/hour of time spent mitigating the effects of the Incident.² Class and Subclass members may submit claims for up to 5 hours of lost time with an attestation demonstrating that they spent the claimed time responding to issues raised by the Incident. This attestation may be completed by checking a box next to the sentence: "I swear and affirm that I spent the amount of time noted in response to Talbert House's June 11, 2021 data security incident."

² Claims for lost time are included within the \$4,000.00 cap on out-of-pocket losses.

In order to be an out-of-pocket loss for which compensation can be claimed, the following conditions must be met:

- i. The loss is an actual, documented, and unreimbursed monetary loss;
- ii. The loss was caused by the Incident;
- iii. The loss occurred after the date of the Incident and before the Claims Deadline;
- iv. The loss is not already covered by one or more of the normal reimbursement categories; and
- v. 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.

Settlement Class Members with out-of-pocket losses set forth above must submit adequate documentation establishing their claims. This can include receipts or other documentation as long as it is not “self-prepared” by the claimant that documents the costs incurred. “Self-prepared” documents such as handwritten receipts are, by themselves, insufficient to receive reimbursement, but can be considered to add clarity to or support other submitted documentation. Claims for lost time can be combined with claims for out-of-pocket loss but are subject to the \$4,000.00 cap.

- b. **Credit Monitoring**: Talbert House will pay for additional credit monitoring services as follows:
 - i. All Settlement Class Members shall be offered a one-year membership of single-bureau (“1B”) credit monitoring with at least \$1,000,000.00 in fraud insurance.
 - ii. All Settlement Subclass Members shall be offered a two-year membership of three-bureau (“3B”) credit monitoring with at least \$1,000,000.00 in fraud insurance.
 - iii. The additional credit monitoring services noted in (i) and (ii) are in addition to any credit monitoring services Talbert House initially offered related to the June 11, 2021 Incident.
- c. **Release**: The relief stated above will be provided to Settlement Class Members as consideration for a general release of Talbert House for all claims and causes of action pleaded or that could have been pleaded that are related in any way to the activities related to or stemming from the Incident.

- d. **Settlement Administration Fees:** Talbert House will pay the entirety of the settlement administration fees, including without limitation the cost of notice to the class and claims administration.
- e. **Settlement Administration Process:** Once a Settlement Administrator is reasonably agreed to by the Parties and after the settlement is preliminarily approved by the Court, the Settlement Administrator will provide notice in a manner reasonably agreed upon by the Parties.

After the Court enters an order approving the final Settlement Agreement, the Settlement Administrator shall provide the requested relief to all Settlement Class Members that made a valid and timely claim, subject to the individual caps on settlement class payout set forth in Paragraph 53 above.

- f. **Settlement Payments:** Within fifteen days after the entry of the Final Approval Order and receipt of payee instructions and a Form W-9 for the payee, Talbert House or its insurer shall pay to the Settlement Administrator the Settlement Payment to satisfy the payments in Section 53(a) and 53(b). Provided that Final Approval of this Settlement Agreement is granted by the Court without material change, material amendment, or material modification, the Settlement Payment will be used to satisfy Approved Claims for Settlement Class Members in exchange for a full, fair, and complete release of all Released Parties from Released Claims, and dismissal of the Litigation with prejudice.
- g. **Escrow Agent:** The funds provided by Talbert House to the Settlement Administrator will be maintained by an escrow agent as a Court-approved Qualified Settlement Payment pursuant to Section 1.468B-1, et seq., of the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code of 1986, as amended, and shall be deposited in an interest-bearing account.
- h. **Total Extent of Obligations:** The Settlement Payment represents the total extent of Talbert House's monetary obligations under the Settlement Agreement, plus any outstanding Court costs that exists after the entry of the Final Approval Order is filed with the Hamilton County Clerk of Court. Talbert House's contribution to the Settlement Payment shall be fixed under this Section and shall be final. Talbert House shall have no obligation to make further payments into the Settlement Payment and shall have no financial responsibility or obligation relating to the Settlement beyond the Settlement Payment, except insofar as such obligations are explicitly provided for in this Settlement Agreement.

54. **Procedure for Approving Settlement**

- a. **Unopposed Motion for Preliminary Approval of the Settlement by the Court.** Plaintiff will file an unopposed motion for an order conditionally certifying the Settlement Class, giving Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice and Claim Form (the "Unopposed Motion for Preliminary Approval").

- i. At the hearing on the Unopposed Motion for Preliminary Approval, the Parties will jointly appear, support the granting of the Unopposed Motion for Preliminary Approval, and submit a proposed order granting conditional certification of the Class and preliminary approval of the Settlement; appointing the Class Representative and Class Counsel; approving the Claim Form and the forms of notice to the Settlement Class; and setting the Final Approval Hearing.
- ii. For the purposes of the Settlement and the proceedings contemplated herein only, the Parties stipulate and agree that the Class shall be conditionally certified in accordance with the definition contained above, that Plaintiff shall be conditionally appointed class representative for the Class, and that Class Counsel shall be conditionally appointed as counsel for the Class. Should the Court decline to preliminarily approve any material aspect of the Settlement, the Settlement will be null and void, the Parties will have no further obligations under it, and the Parties will revert to their prior positions in the Action as if the Settlement had not occurred.

55. **Submission and Evaluation of Claims**

- a. **Claims Period:** The Parties agree that the period for filing claims shall be set at a date certain at no more than 90 days from the date that notice is mailed to the Settlement Class.
- b. **Claim Form:** All claims must be submitted on a Claim Form. The Claim Form will require the Settlement Class Member to provide his or her full name, home mailing address, and telephone number; an affirmation that he/she has received services from Talbert House; and a signature affirming the accuracy of the included information.
- c. The Claim Form shall provide Settlement Class Members with the ability to receive up to \$4,000.00 in value and shall state that this value is comprised of a single-bureau or three-bureau credit-monitoring, and the ability to claim up to \$4,000.00 for reimbursement of out-of-pocket expenses or time expended mitigating the effects of the Incident, upon provision of appropriate documentation, as discussed below.
- d. The Claim Form must be submitted (either electronically submitted or postmarked) on or before the Claims Deadline. The Claim Form shall be substantially in the form attached hereto as **Exhibit D**.
- e. Completed Claim Forms shall be submitted directly to the Settlement Administrator either electronically via the Settlement Website, via electronic

mail, or via U.S. Mail for processing, assessment, and payment (when properly submitted).

- f. Any Claim Form that lacks the requisite information will be deemed to be incomplete and ineligible for payment.
- g. A Settlement Class Member is not entitled to any compensation or to enrollment in the credit-monitoring services if he or she submits a Claim Form after the Claims Deadline, and/or if the Claim Form is incomplete after an opportunity to cure any error(s) and/or omission(s) or contains false information.
- h. Within twenty-one days after the Claims Deadline, the Settlement Administrator shall process all Claim Forms submitted by Settlement Class Members and shall determine which claims are valid and initially approved and which claims are initially rejected. The Settlement Administrator may accept or reject any Claim Form submitted upon its sole discretion, and may request additional information prior to initially accepting or rejecting any Claim Form submitted. The Settlement Administrator shall employ reasonable procedures to screen Claim Forms for abuse and/or fraud and shall deny Claim Forms which are materially incomplete, where there is evidence of abuse and/or fraud, or where the Claim Form does not meet the requirements set forth in this Agreement, including sub-paragraph 55(b).
- i. Within thirty-five days of the Claims Deadline, the Settlement Administrator will submit to Counsel for the Parties a report listing all initially approved Claims (“Initially Approved Claims List”), and shall include an electronic PDF copy of all such initially approved Claim Forms. Within forty-five days after the Claims Deadline, the Settlement Administrator will also submit to the Parties a report listing all initially rejected Claims (“Initially Rejected Claims List”), and shall include an electronic PDF copy of all such initially rejected Claim Forms.
- j. Counsel for the Parties shall have thirty days after the date they receive the Initially Approved Claims List and related Claim Forms to audit and challenge any initially approved claims. Within thirty days after Counsel for the Parties receive the Initially Approved Claims List and related Claim Forms, they shall serve opposing counsel via email with a Notice of Claim Challenges identifying by claim number any initially approved claim they wish to challenge and the reasons for the challenge.
- k. Similarly, Counsel for the Parties may challenge any claim initially rejected by the Settlement Administrator. Counsel for the Parties shall have thirty days after the date they receive the Initially Rejected Claims List and related Claim Forms to audit and challenge any initially rejected claims. Within thirty days after Counsel for the Parties receive the Initially Rejected Claims List and

related Claim Forms, they shall serve opposing counsel via email with a Notice of Claim Challenges identifying by claim number any initially rejected claim they wish to challenge and the reasons for the challenge.

- l. Counsel for the Parties shall meet and confer in an effort to resolve any disputes over any challenged claims. If the challenges are not withdrawn or resolved, the decision of the Settlement Administrator will be upheld. The date all claims are finalized without any further dispute shall be referred to as the “**Claims Finalization Date.**” If neither Class Counsel nor Talbert House’s Counsel have any challenges to the initial claims determination reached by the Settlement Administrator, then the Claims Finalization Date shall be the date both Class Counsel and Talbert House’s Counsel inform each other by email that the Parties do not have any objection to the claims determination made by the Settlement Administrator or the time for informing each other of such challenges has lapsed.
- m. So long as the Final Approval Order has been entered, within twenty-one days of the Claims Finalization Date, the Settlement Administrator shall provide Counsel for the Parties a spreadsheet setting forth the claim number, claimant name, and claimant address, and totaling the amount to be paid for each claimant under ¶ 53(a) and (b) above (the “Final Claims List”). Within thirty days of the Claims Finalization Date, the Settlement Administrator shall send a check by First Class U.S. Mail to each Settlement Class Member on the Final Claims List.
- n. The Settlement Administrator shall notify the Parties that all Approved Claims have been paid within five business days of the last such payment.
- o. In the event that checks sent to Settlement Class Members are not cashed within ninety days after their date of issuance, those checks will become null and void, and will revert to Talbert House or its insurer.
- p. The ability to enroll in the credit-monitoring product will be delivered to each claimant after the claimant’s claim has been approved. Within ten days of the Claims Finalization Date, the settlement administrator will send to each claimant who has filed an approved claim an email or direct mail, which will provide an activation code and instructions on how to enroll in and use the product. The activation code will be active for 90 days and once enrolled in the credit-monitoring, claimants are entitled to remain enrolled for 12 or 24 months, whichever term is applicable to the claimant, at no cost to them.

VI. PROSPECTIVE RELIEF

56. Talbert House agrees to implement and/or to keep in place the following (or better) security-related measures through December 31, 2023:

- a. Multi-factor authentication for all Microsoft 365 email users;

- b. Global password reset for all accounts with authorized access to Talbert House's network during the cybersecurity incident in question;
- c. A network-monitoring tool to monitor for and identify unusual or suspicious behavior, including potential malware, on the company's network;
- d. Ongoing endpoint security tool; and
- e. Ongoing security awareness training for its employees, which will include awareness training specifically regarding phishing attacks.

57. Costs associated with these business practice commitments will be paid by Talbert House separate and apart from other Settlement benefits.

VII. RELEASE

58. Upon Final Approval of this Settlement Agreement, Settlement Class members release, acquit, and forever discharge Talbert House and its agents, subsidiaries, parents, and affiliates, and their respective employees, officers, directors, shareholders, partners, members, managers, owners, heirs, executors, predecessors, successors, assigns, insurers (including excess insurers and reinsurers), and/or sureties ("Released Parties") from any claims, demands, actions, or causes of action that each Class member has, had, or may ever have, now or in the future, known or unknown, arising out of or in any way related to the Incident and/or Released Parties' recordkeeping or data security policies and practices, whether or not those claims, demands, actions, or causes of action have been pleaded or otherwise asserted, including any and all damages, losses, or consequences thereof ("Released Claims").

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

VIII. PRELIMINARY APPROVAL ORDER AND FINAL APPROVAL ORDER

60. This Settlement Agreement shall be subject to approval of the Court. As set forth in Section V, Talbert House shall have the right to withdraw from the Settlement Agreement if the Court does not approve any material aspects of the Settlement Agreement.

61. Plaintiff, through Class Counsel, shall submit this Settlement Agreement, together with its exhibits, to the Court and shall move the Court for Preliminary Approval of the Settlement set forth in this Settlement Agreement, certification of the Settlement Class, appointment of Class Counsel and the Class Representative, and entry of the Preliminary Approval Order, substantially in the form of **Exhibit E**, which order shall seek a Final Approval Hearing date and approve the Notices and Claim Form for dissemination in accordance with the Notice Plan.

62. At the time of the submission of this Settlement Agreement to the Court as described above, the Parties shall request that, after Notice is given, the Court hold a Final

Approval Hearing at least 150 days after entry of the Preliminary Approval Order and approve the settlement of the Litigation as set forth herein.

63. At least fourteen days prior to the Final Approval Hearing, or by some other date if so directed by the Court, Plaintiff will move for (1) final approval of the Settlement; (2) final appointment of the Class Representatives and Class Counsel; and (3) final certification of the Settlement Class, including for the entry of a Final Approval Order identical in all material respects to the proposed Final Approval Order, and file a memorandum in support of the motion for final approval.

IX. NOTICE TO PROPOSED SETTLEMENT CLASS MEMBERS

64. Settlement Administrator

- a. The Parties have jointly selected the Settlement Administrator, who shall be jointly supervised by Class Counsel and Talbert House to administer the settlement.
- b. Costs of Settlement Administration shall be borne by Talbert House, outside of and separate from the Settlement Payment.

65. Class List

- a. Talbert House, with the assistance of the Settlement Administrator as appropriate, shall create a "Class List," based on information already within its possession.
- b. The Class List shall include the names and last known mailing addresses of potential Settlement Class Members, to the extent such information is readily available.
- c. Talbert House shall provide the Class List to the Settlement Administrator and Class Counsel within seven days after entry of the Preliminary Approval Order.

66. Type of Notice Required

- a. The Notice, which shall be substantially in the form of **Exhibits A through C** attached hereto, shall be used to inform proposed Settlement Class Members, prior to the Final Approval Hearing, that there is a pending settlement and to further inform Settlement Class Members how they may: (1) obtain a copy of the Claim Form; (2) protect their rights regarding the settlement; (3) request exclusion from the Settlement Class and the proposed settlement, if desired; (4) object to any aspect of the proposed settlement, if desired; and (5) participate in the Final Approval Hearing, if desired. The Notice shall provide that Settlement Class Members may submit Claims Forms and be eligible for (1) a twelve-month subscription to credit-monitoring services, valued at \$80 or a twenty-four month

subscription to credit-monitoring services, valued at \$240, depending on membership in the Settlement Subclass, and (2) the ability to claim up to \$4,000.00 for reimbursement of out-of-pocket expenses or lost time mitigating the effects of the Incident, upon provision of appropriate documentation. Additionally, the Notice shall make clear the binding effect of the Settlement on all persons who do not timely request exclusion from the Settlement Class.

- b. Dissemination of the Notice shall be the responsibility of the Settlement Administrator. The text of the Notice shall be agreed upon by the Parties and shall be substantially in the forms attached as **Exhibits A through C** hereto.
- c. Notice of the settlement (substantially in the form of **Exhibits A and B**) shall be posted on the Settlement Website within fourteen (14) days of the entry of the Preliminary Approval Order.

67. Notice Deadline

- a. Within thirty days of entry of the Preliminary Approval Order, the Settlement Administrator shall:
 - disseminate by U.S. Mail the Short Form Notice in the form of **Exhibit B** to Settlement Class Members identified on the Class List;
 - publish the Digital Ad Notice; and,
 - post the Long Form Notice on the Settlement Website.

X. EXCLUSIONS

68. Exclusion Period

- a. Settlement Class Members will have up to and including sixty days following Notice Deadline to exclude themselves from the Settlement in accordance with this Section.
- b. If the Settlement is finally approved by the Court, all Settlement Class Members who have not excluded themselves by the end of the Objection/Exclusion Deadline will be bound by the Settlement and will be deemed a Releasor as defined herein, and the relief provided by the Settlement will be their sole and exclusive remedy for the claims alleged by the Settlement Class.

69. Exclusion Process

- a. A member of the Settlement Class may request to be excluded from the Settlement Class in writing by a request postmarked, or submitted electronically via the Settlement Website, on or before the Objection/Exclusion Deadline.
- b. In order to exercise the right to be excluded, a member of the Settlement Class must timely send a written request for exclusion to the Settlement Administrator

providing his/her name, address, and telephone number; the name and number of this case; a statement that he/she wishes to be excluded from the Settlement Class; and a signature. A request to be excluded that is sent to an address other than that designated in the Class Notice, or that is not electronically submitted or postmarked within the time specified, shall be invalid and the person serving such a request shall be considered a member of the Settlement Class and shall be bound as Settlement Class Members by the Settlement Agreement, if approved.

- c. Any member of the Settlement Class who elects to be excluded shall not: (1) be bound by any order or judgment; (2) be entitled to relief under this Settlement Agreement; (3) gain any rights by virtue of this Settlement Agreement; or (4) be entitled to object to any aspect of this Settlement Agreement.
- d. The request for exclusion must be personally signed by the person requesting exclusion. So-called “mass” or “class” exclusion requests shall not be allowed.
- e. Within ten business days after the Objection/Exclusion Deadline, the Settlement Administrator shall provide Class Counsel and Defendant’s Counsel a written list reflecting all timely and valid exclusions from the Settlement Class.
- f. A list reflecting all individuals who timely and validly excluded themselves from the Settlement shall also be filed with the Court at the time of the motion for final approval of the Settlement.

XI. OBJECTIONS

70. Objection Period

- a. Settlement Class Members will have up to and including sixty days following the Notice Deadline to object to the Settlement in accordance with this Section. If the Settlement is finally approved by the Court, all Settlement Class Members who have not excluded themselves by the end of the Objection/Exclusion Deadline will be bound by the Settlement and will be deemed a Releasor as defined herein, and the relief provided by the Settlement will be their sole and exclusive remedy for the claims alleged by the Settlement Class.

71. Objection Process

- a. The Notices shall advise Settlement Class Members of their rights, including the right to be excluded from or object to the Settlement Agreement and its terms. The Notices shall specify that any objection to this Settlement Agreement, and any papers submitted in support of said objection, shall be received by the Court at the Final Approval Hearing only if, on or before the Objection/Exclusion Deadline approved by the Court, the person making an objection shall file notice

of his/her intention to do so and at the same time: (1) file copies of such papers he/she proposes to submit at the Final Approval Hearing with the Clerk of the Court; and (2) send copies of such papers to the Settlement Administrator. A copy of the objection must also be mailed to the Settlement Administrator at the address that the Settlement Administrator will establish to receive requests for exclusion or objections, Claim Forms, and any other communication relating to this Settlement.

- b. Any Settlement Class Member who intends to object to this Settlement must include in any such objection: (1) his/her full name, address, and current telephone number; (2) the name and number of this case; (3) all grounds for the objection, with factual and legal support for the stated objection, including any supporting materials; (4) the identification of any other objections he/she has filed, or has had filed on his/her behalf, in any other class action cases in the last four years; (5) whether the objector intends to appear at the Final Approval Hearing; and (6) the objector's signature. If represented by counsel, the objecting Settlement Class Member must also provide the name and telephone number of his/her counsel. If the objecting Settlement Class Member intends to appear at the Final Approval Hearing, either with or without counsel, he/she must state as such in the written objection, and must also identify any witnesses he/she may call to testify at the Final Approval Hearing and all exhibits he/she intends to introduce into evidence at the Final Approval Hearing, which must also be attached to, or included with, the written objection.
- c. Any Settlement Class Member who fails to timely file and serve a written objection and notice of intent to appear at the Final Approval Hearing pursuant to this Settlement Agreement, shall not be permitted to object to the approval of the Settlement at the Final Approval Hearing and shall be foreclosed from seeking any review of the Settlement or the terms of the Settlement Agreement by appeal or other means.

XII. FINAL APPROVAL HEARING

72. The Parties will jointly request that the Court hold a Final Approval Hearing no earlier than one hundred twenty days after entry of the Preliminary Approval Order. At the Final Approval Hearing, the Parties will request that the Court consider whether the Settlement Class should be certified as a class pursuant to Ohio Rule of Civil Procedure 23 for settlement and, if so, (1) consider any properly filed objections, (2) determine whether the Settlement is fair, reasonable and adequate, was entered into in good faith and without collusion, and should be approved, and shall provide findings in connections therewith, and (3) enter the Final Approval Order, including final approval of the Settlement Class and the Settlement Agreement, and a Fee Award.

XIII. FINAL APPROVAL ORDER

73. The Parties shall jointly seek entry of a Final Approval Order, the text of which the Parties shall agree upon. The dismissal orders, motions or stipulation to implement this Section shall, among other things, seek or provide for a dismissal with prejudice and waive any rights of appeal.

74. The Parties shall jointly submit to the Court a proposed Final Approval Order, that, without limitation:

- a. Approves finally this Settlement Agreement and its terms as being a fair, reasonable, and adequate settlement as to the Settlement Class Members and directing its consummation according to its terms;
- b. Dismisses with prejudice all claims of the Settlement Class against Talbert House in the Litigation, without costs and fees except as explicitly provided for in this Settlement Agreement; and
- c. Reserves continuing and exclusive jurisdiction over the Settlement and this Settlement Agreement, including but not limited to the Litigation, the Settlement Class, the Settlement Class Members, Talbert House, and the Settlement for the purposes of administering, consummating, supervising, construing, and enforcing the Settlement Agreement and the Settlement Payment.

75. Class Counsel shall use their best efforts to assist Talbert House in obtaining dismissal with prejudice of the Litigation and take all steps necessary and appropriate to otherwise effectuate all aspects of this Settlement Agreement.

XIV. TERMINATION OF THE SETTLEMENT

76. The Settlement is conditioned upon preliminary and final approval of the Parties' written Settlement Agreement, and all terms and conditions thereof without material change, material amendments, or material modifications by the Court (except to the extent such changes, amendments or modifications are agreed to in writing between the Parties). All Exhibits attached hereto are incorporated into this Settlement Agreement.

77. Either Party may elect to terminate and cancel this Settlement Agreement within ten days of any of the following events:

- a. The Court refuses to grant preliminary approval of this Settlement Agreement;
- b. The Court refuses to grant final approval of this Settlement Agreement in any material respect; or

- c. The Court refuses to enter a final judgment in this Litigation in any material respect.

78. In the event the Settlement Agreement is not approved or does not become final, or is terminated consistent with this Settlement Agreement, the Parties, pleadings, and proceedings will return to the *status quo ante* as if no settlement had been negotiated or entered into, and the Parties will negotiate in good faith to establish a new schedule for the Litigation.

XV. ATTORNEYS' FEES, COSTS AND EXPENSES, AND SERVICE AWARD

79. **Attorneys' Fees:** At least fourteen days before the Objection/Exclusion Deadline, Class Counsel will move the Court for an award of attorneys' fees and costs in an amount not to exceed \$385,000 (Three Hundred Eighty-Five Thousand Dollars). Talbert House agrees not to oppose an application for attorneys' fees by Class Counsel in such an amount. Class Counsel, in turn, agree not to seek or accept attorneys' fees in excess of such amount from the Court. Attorneys' fees and expenses awarded by the Court shall be provided outside of and separate from the Settlement. This amount was negotiated after the primary terms of the settlement were negotiated, with the assistance of the mediator, Bennett Picker.

80. Notwithstanding any contrary provision of this Settlement Agreement, the Court's consideration of the Fee Award is to be conducted separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement Agreement, and any award made by the Court with respect to Class Counsel's attorneys' fees or expenses, or any proceedings incident thereto, including any appeal thereof, shall not operate to terminate or cancel this Settlement Agreement or be deemed material thereto.

81. **Service Award to Plaintiff:** Before or at the same time as Plaintiff seeks final approval of the Settlement Agreement, Class Counsel shall move the Court for a Service Award for Plaintiff in an amount not to exceed \$5,000.00. Talbert House agrees not to oppose such a request. Service Awards approved by the Court will be provided outside of and separate from the Settlement Payment. This amount was negotiated after the primary terms of the settlement were negotiated.

82. The Service Award shall be paid by check written by Defendant or its insurer within seven days of the Effective Date and delivered to Class Counsel. The Fee Award shall also be paid by wire transfer from Talbert House or its insurer within seven days of the Effective Date and sent to an account designated by Class Counsel.

83. In no event will Talbert House's liability hereunder for the Fee Award, Administration Expenses, and/or a Service Award or any other fees, costs or expenses exceed its funding obligations set out in this Settlement Agreement. Talbert House shall have no financial responsibility for this Settlement Agreement except as explicitly set out in this Settlement Agreement. Talbert House shall have no further obligation for attorneys' fees or expenses to any counsel representing or working on behalf of either one or more individual Settlement Class Members, the Settlement Class, and/or the Settlement Subclass. Talbert House will have no responsibility, obligation, or liability for allocation of fees and expenses among Class Counsel.

XVI. MISCELLANEOUS REPRESENTATIONS

84. The Parties agree that the Settlement Agreement provides fair, equitable, and just compensation, and a fair, equitable, and just process for determining eligibility for compensation for any given Settlement Class Member related to the Released Claims.

85. The Parties (1) acknowledge that it is their intent to consummate this Settlement Agreement, and (2) agree, subject to their fiduciary and other legal obligations, to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Settlement Agreement and to exercise their reasonable best efforts to accomplish the foregoing terms and conditions of this Settlement Agreement. Class Counsel and Talbert House's Counsel agree to cooperate with each other in seeking Court approval of the Preliminary Approval Order, the Settlement Agreement, and the Final Approval Order, and promptly to agree upon and execute all such other documentation as may be reasonably required to obtain final approval of the Settlement.

86. The Parties intend this Settlement Agreement to be a final and complete resolution of all disputes between them with respect to the Released Claims by Plaintiff, the Settlement Class, the Settlement Subclass, and each or any of them, on the one hand, against the Released Parties, and each or any of the Released Parties, on the other hand. Accordingly, the Parties agree not to assert in any forum that the Litigation was brought by Plaintiff or defended by Talbert House in bad faith or without a reasonable basis.

87. The Parties agree not to identify, describe, disclose, testify, convey, or discuss with any individual, person, organization, corporation, or other entity the subject matter, amount, facts, terms, and conditions of this Settlement Agreement, including but not limited to any negotiations leading up to the actual resolution of this matter except where disclosure is compelled by law. In such case reasonable notice will be provided to the other Party before disclosure is made. The Parties further agree that they will not issue, nor cause to be issued, any statements to the public or media regarding the claims and allegations leading up to this Settlement Agreement or regarding the Settlement Agreement or any of its terms, including statement on any website or via social media, unless prior written consent of the other Party is given.

88. Nothing express or implied in this Settlement Agreement is intended or shall be construed to confer upon or give any person or entity other than the Parties, Released Parties, and Settlement Class Members any right or remedy under or by reason of this Settlement Agreement. Each of the Released Parties is an intended third-party beneficiary of this Settlement Agreement with respect to the Released Claims and shall have the right and power to enforce the release of the Released Claims in his, her, or its favor against all Releasers.

89. The Parties have relied upon the advice and representation of counsel, selected by them, concerning their respective legal liability for the claims hereby released. The Parties have read and understand fully this Settlement Agreement, including its Exhibits, and have been fully advised as to the legal effect thereof by counsel of their own selection and intend to be legally bound by the same.

90. Any headings used herein are used for the purpose of convenience only and are not meant to have legal effect.