

**UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

SARA RILEY, on behalf of herself and all
others similarly situated,

Plaintiff,

v.

**CENTERSTONE OF AMERICA, INC.,
CENTERSTONE OF INDIANA, INC.,
and CENTERSTONE OF TENNESSEE,
INC.**,

Defendants.

Case No. 3:22-cv-00662

Judge William F. Campbell, Jr.

Magistrate Judge Alistair Newbern

**PLAINTIFF’S MOTION FOR FINAL APPROVAL OF
CLASS ACTION SETTLEMENT**

COMES NOW Plaintiff, Sara Riley, through her undersigned counsel, requests final approval for class action settlement. In support of this request, Plaintiff states and presents the following:

1. The terms of Settlement are set forth in the Settlement Agreement and Release attached as “Exhibit 1” to Plaintiffs’ Memorandum of Law in Support of Motion for Final Approval of Class Action Settlement (the “Memorandum”), filed contemporaneously herewith.
2. The relief sought in this Motion is supported by the Memorandum and the Declaration of Settlement Administrator Regarding Notice of Class Action Settlement.

WHEREFORE, for the foregoing reasons, Plaintiff respectfully requests the Court enter the proposed Order Granting Final Approval of the Class Action Settlement.

DATED: April 24, 2024

Respectfully Submitted,

/s/ Mason A. Barney

Mason A. Barney (admitted *pro hac vice*)

SIRI & GLIMSTAD LLP

745 Fifth Ave, Suite 500

New York, NY 10151

Telephone: (646) 357-1732

Facsimile: (646) 417-5967

Email: mbarney@sirillp.com

Edwin E. Wallis III

**GLASSMAN, WYATT, TUTTLE &
COX, P.C.**

26 North Second Street

Memphis, TN 38103

Telephone: (901) 527-4673

Email: ewallis@gwtclaw.com

*Attorneys for Plaintiffs and the Proposed
Class*

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on April 24, 2024, the following documents were filed via the Court's ECF system:

1. Plaintiff's Motion for Final Approval of Class Action Settlement;
2. Memorandum in Support of Plaintiff's Motion for Final Approval of Class Action Settlement; and
3. Declaration of Settlement Administrator Regarding Notice of Class Action Settlement

which caused a true and correct copy of the above to be served electronically via the Court's electronic case filing system to all counsel of record.

/s/ Mason A. Barney

Mason A. Barney

**UNITED STATES DISTRICT COURT
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NASHVILLE DIVISION**

<p>SARA RILEY, on behalf of herself and all others similarly situated,</p> <p style="text-align:right">Plaintiff,</p> <p>v.</p> <p>CENTERSTONE OF AMERICA, INC., CENTERSTONE OF INDIANA, INC., and CENTERSTONE OF TENNESSEE, INC.,</p> <p style="text-align:right">Defendants.</p>	<p>Case No. 3:22-cv-00662</p> <p>Judge William F. Campbell, Jr.</p> <p>Magistrate Judge Alistair Newbern</p>
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**MEMORANDUM IN SUPPORT OF PLAINTIFF’S UNOPPOSED
MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT**

Plaintiff Sara Riley (“Plaintiff” or “Class Representative”), individually and on behalf of all others similarly situated, submits this Memorandum in Support of Plaintiff’s Unopposed Motion for Final Approval of Class Action Settlement.

I. INTRODUCTION

This class action arises out of the recent data breach at Centerstone’s healthcare facilities that occurred between November 2021 and February 2022 (“Data Breach”). Pursuant to this Court’s November 28, 2023 Order Granting Motion for Preliminary Approval of Class Settlement (Doc. 47) (the “Prelim. App. Or.”), Plaintiff Sara Riley, by and through her counsel, Mason A. Barney of Siri & Glimstad LLP (“Class Counsel”) and Glassman, Wyatt, Tuttle & Cox, P.C., respectively submit this Unopposed Motion for Final Approval of Class Action Settlement (the “Final Approval Motion”). Specifically, Plaintiff moves this Court for an order granting Plaintiff’s proposed Final Approval Order filed herewith,

finally certifying the Settlement Class and appointing Class Counsel and Plaintiff as representative for the Class, awarding Plaintiff a Service Award in the amount of \$2,500, and granting Class Counsel attorneys' fees and costs in the amount of \$195,000 (just 21.7% of the total Settlement value).

Class Counsel have zealously prosecuted Plaintiff's claims, achieving the Settlement only after investigation and months-long arm's-length negotiations. After this Court granted preliminary approval, the Settlement Administrator—with the help of the Parties—disseminated Notice to the Settlement Class. The Administrator sent the individual Notice directly to Settlement Class Members via first class mail. This is generally thought of as the gold standard for individual notice. The Notice successfully reached approximately 84.33% of the Settlement Class Members after the Administrator performed skip-trace searches and re-mailed notices that were returned as undelivered. The Notice provided information regarding how to reach the Settlement Website, make a claim, and how to opt-out or object to the Settlement. Overall, the Settlement Class Members' response to this Settlement was very positive. Out of approximately 5,494 Settlement Class Members, not one Settlement Class Member sought to exclude themselves from the Settlement or to object to the Settlement.

This was not Centerstone's first data breach. In fact, it suffered a similar data breach in 2020, and this Court granted final approval in 2021 to a settlement in *Kenney v. Centerstone of America, Inc.*, Case No. 20-cv-01007 ("*Kenney*"), on nearly identical terms to those found in the instant Settlement, holding that those terms were fair, reasonable and adequate. *Kenney*, Dkt. No. 44. If anything, the terms of the instant Settlement are more favorable for the class because where the *Kenney* settlement had a maximum payout of \$1,500,000 for 63,490 class members (i.e. approximately \$23.63 per class member), this Settlement's maximum payout was \$900,000 for a class of just 5,494 victims (i.e., \$163.82 per class member).

Given that this court has already approved a nearly identical settlement against the same Defendant, for the reasons discussed below, Plaintiffs request that the Court make the same ruling here,

including finally certifying the Settlement Class for settlement purposes, finally appointing Plaintiff as class representative and Plaintiff's Counsel as Class Counsel, and finally approving the Settlement as fair, reasonable and adequate.

II. FACTUAL AND PROCEDURAL BACKGROUND

In the interest of judicial efficiency, for factual and procedural background on this case, Plaintiffs refer this Court to, and hereby incorporate by reference, Plaintiffs' Unopposed Motion for Preliminary Approval of Class Action Settlement filed on May 15, 2023 (Dkt. No. 42) and the accompanying memorandum of law in support, declarations, and exhibits, including the proposed Settlement Agreement (Doc. 42-1 – 42-10), filed in conjunction therewith.

III. SUMMARY OF THE SETTLEMENT

A. The Settlement Class.

The Settlement Class includes, "All individuals who were mailed a notification by or on behalf of Centerstone on or about August 2, 2022 regarding the Data Breach." *See* Preliminary Approval Order ("Prelim. App. Or."); *see also* Declaration of Mason A. Barney in support of Plaintiffs' Motion for Preliminary Approval (Doc. 42-2) ("Barney Prelim. App. Decl."), Ex. 1 (the "Settlement Agreement") ¶¶ 33.

B. Settlement Benefits

As part of the Settlement, Centerstone agreed to provide payments for claimed expense reimbursements by Settlement Class Members, including ordinary and extraordinary expenses, as well as Identity Theft Monitoring Services. In order for Settlement Class Members to receive reimbursements or Identity Theft Monitoring Services, they must submit a valid claim form, which would include, among other things, an attestation for expenses for which they seek reimbursement. *See* Settlement Agreement ¶¶ 2, 5, 39-40, 49.

The Settlement provides reimbursement to those who lost money as a result of the Data Breach by: (1) reimbursing for documented, ordinary and unreimbursed out-of-pocket expenses up to \$500 per Settlement Class Member; and (2) reimbursement of extraordinary expenses up to \$2,500 per Settlement Class Member. Settlement Agreement ¶¶ 39-40. Ordinary losses include Documented Out-of-Pocket Losses incurred as a result of the Centerstone Data Breach, documented fees for additional credit reports, credit monitoring, or other identity theft insurance products purchased between August 2, 2022 and the end of the Claims Period; and up to 4 hours of time, at \$15/hour, if at least one full hour was spent dealing with the Data Breach. *Id.* ¶ 39a. This Court approved the Settlement in *Kenney* with reimbursement at these same amounts. *Kenney*, Dkt. No. 43-1 at p. 5.

When Centerstone originally announced the Data Breach, it offered affected patients up to one year of Identity Theft Monitoring Services. Settlement Agreement ¶ 43. Under the Settlement Agreement, the Settlement Class Members that opted into this previous offer will receive one additional year of Identity Theft Monitoring Services, and the Settlement Class Members who did not opt into the previous offer will receive two years of Identity Theft Monitoring Services, such that all Settlement Class Members are eligible to receive a total of two years of monitoring for free. *Id.* ¶ 43. The Identity Theft Monitoring Services include:

- Real time monitoring of the credit file at all three credit bureaus;
- Dark web scanning with immediate notification of potential unauthorized use;
- Comprehensive public record monitoring;
- Medical identity monitoring;
- Identity theft insurance (no deductible); and
- Access to fraud resolution agents to help investigate and resolve identity thefts.

Id. See also *Kenney*, Dkt. No. 43-1 at p. 6 (providing the same monitoring services).

The Settlement calls for a total gross maximum payment of \$900,000, which includes payments for claimed ordinary and extraordinary expense reimbursements by Settlement Class Members, costs for claimed Identity Theft Monitoring Services, settlement administration costs, a service award to Plaintiff, and attorneys' fees and costs. *See* Settlement Agreement ¶¶ 19, 50. With regard to settlement administration costs, Centerstone agreed to pay up to a maximum of \$75,000. *See Id.* ¶ 62. However, the Settlement Administrator estimates that the total cost of administration will be between \$57,037 and \$59,537. *See* Declaration of Ryan Aldridge in Support of Plaintiff's Final Approval Motion ("Aldridge Fin. App. Decl.") ¶ 17

The Settlement also provides that Centerstone has improved its information security since the Data Breach, and that Centerstone committed to continuing security enhancements in 2023. The enhancements include third-party security monitoring, third-party logging, network monitoring, firewall enhancements, email enhancements, and equipment upgrades. Settlement Agreement ¶¶ 51- 52. These improvements were in addition to the improvements ordered in the *Kenney* matter (some of which Plaintiff understands had not yet been fully implemented at the time of the instant data breach). *Kenney*, Dkt. No. 43-1 at p. 6 (noting that the security enhancements there were being still implemented in 2022); *Riley*, Dkt. No. 1 ¶ 1 (asserting that the data breach at issue here occurred between November 2021 and February 2022).

C. Fees, Costs and Service Awards

Plaintiff noted her intent to seek attorneys' fees, costs, and expenses of \$195,000 and a service award of \$2,500 in her Preliminary Approval Motion, the Settlement Agreement (¶¶ 72, 74), and her Motion for Attorneys' Fees, Costs & Service Award and memorandum in support thereof (Docs 48, 48-1) (the "Fees Motion"). In addition, the Postcard Notice sent to Settlement Class Members and the Longform Notice available to Class Members on the Settlement Website also stated that Class Counsel intended to seek those amounts for the attorneys' fees and the service award. Doc. 42-3, Exs. A-C; *see also* <https://www.riley-centerstonesettlement.com/court-documents/>.

The \$195,000 attorneys fee Plaintiff requests here represents just 21.7% of the \$900,000 maximum potential payout available to class members. This percentage is below the amount often sought in similar settlements, and by comparison, the settlement in *Kenney*, which is discussed at length in Plaintiff's Fees Motion (Dkt. No. 48-1 pp. 3-4, 7), provided for \$410,000 in fees, which was a much higher percentage for attorney's fees (*i.e.*, 27.3% of the maximum recovery amount) and was still approved, indicating that Class Counsel's request is reasonable here. Barney Prelim. App. Decl., Ex. 3 (*Kenney* Final Approval Order) ¶ 7.d. Centerstone's agreement to pay Plaintiff a service award of \$2,500 as compensation for her time and effort in serving as Class Representative is also reasonable, especially given the fact that the *Kenney* action provided for the same amount of per-plaintiff incentive awards. Barney Prelim. App. Decl., Ex. 3 (*Kenney* Final Approval Order) ¶ 7.e. Centerstone agreed that the attorneys' fees and services awards would be paid in addition to any payments made to the Settlement Class Members, which means that the attorneys' fees and service awards will have no effect on the Settlement Class members' payments so long as the total amount paid by Centerstone remains under the \$900,000 maximum cap.

Notably, the discussion of attorneys' fees, costs and service awards did not take place until after the Parties agreed to all material Settlement terms. Barney Prelim. App. Decl. ¶ 8.

D. Settlement Administration

On November 28, 2023, this Court authorized Postlethwaite & Netterville ("P&N") (also referred to herein as the "Claims Administrator") to disseminate Notice to the Class. Prelim. App. Or. at 4. Upon the Court's preliminary approval of the Settlement, Class Counsel immediately began working with the Claims Administrator to ensure notice of the Settlement reached as broad a swath of the Settlement Class as possible. Under Class Counsel's supervision, P&N attempted to mail direct Notice to 5,494 Settlement Class Members. Declaration of Ryan Aldridge in Support of Plaintiff's Fees Mot. ("Aldridge Fees Mot. Decl.") ¶ 13. As of the March 27, 2024 Claims Deadline, the Notice reached a total of 4,633 (84.33%) of Settlement Class Members. *See* Aldridge Fin. App. Decl. ¶ 13. To achieve this result, P&N not only sent

notices to the addresses provided by Centerstone, but also ran skip trace searches for those addresses that were not valid, and for those that were returned as undeliverable by the post office. *Id.*

In addition to providing notice, P&N also created and maintains the Settlement Website, which provides extensive information and documents to Class Members regarding the case and the Settlement, relevant filings, upcoming deadlines, and answers to frequently asked questions. Aldridge Fees Mot. Decl. ¶ 10; *see also* <https://www.riley-centerstonesettlement.com/> (last accessed *April 10, 2024*). The Settlement Website was visited by 521 unique visitors who viewed 2,099 website pages. *Id.* ¶ 12. Further, P&N established a P.O. Box, a toll-free number, 1-844-624-2006, and an email address, info@Riley-CenterstoneSettlement.com, to provide information and accommodate inquiries from Settlement Class Members. *Id.* ¶¶ 9-12. As of April 22, 2024 the toll-free number had received 170 calls representing 534 IVR minutes and call center personnel had responded to 38 calls requesting to speak with a live representative accounting for 382 minutes of use, and the email address had received just 1 email inquiry. *Id.* ¶¶ 11-12.

P&N received 84 confirmed claims by the Claims Deadline, which represented 1.5% of the total class. These claims included a total of 68 claims for credit monitoring, 44 for lost hours (for a total of 146 lost hours), 1 claim for ordinary expenses, and 3 claims for extraordinary expenses. Aldridge Fin. App. Decl. ¶ 14. The 1.5% claims rate is a typical claims rate when compared with other recent data breach settlements that have received final approval. *See e.g., Thomsen, et al. v. Morley Companies Inc.*, No. 1:22-CV-10271-TLL-PTM (E.D. Mich.), ECF No. 31 (1.24% claims rate); *In re Banner Health Data Breach Litigation*, No. 2:16-cv-2696 (D. Ariz.), ECF Nos. 170 at 1 and 195-3 at ¶ 12 (1.3% claims rate); *Corona v. Sony Pictures Entertainment, Inc.*, No. 2:14-cv-9600 (C.D. Cal.), ECF Nos. 145-1 at 11 n.8 & 164 at 2 (a claims rate of 0.7%). Further showing that Class Members are satisfied with this Settlement, P&N also did not receive any exclusion requests or objections to the Settlement. *Id.* ¶¶ 15-16. Thus,

Settlement Class Members are well aware of the Settlement, as well as the fees and service award Plaintiff is seeking. Given that there were no objections filed of any kind, including to Plaintiff's request for attorneys' fees, expenses, and a service award, the reaction to the Settlement is a positive one and supports the Court's final approval thereof.

E. Claims Processing and Payment

Now that the Claims Period has ended, the Settlement Administrator is responsible for reviewing, determining the validity of, and processing all claims submitted by Settlement Class Members. Settlement Agreement ¶ 59. After the Settlement is approved and the time for any appeal has passed, the Settlement Administrator will also be responsible for processing and transmitting Settlement Class Member payments and providing enrollment codes for those who made claims for benefits. *Id.* ¶¶ 58-59.

IV. LEGAL DISCUSSION

Federal Courts strongly encourage settlements, particularly in class actions and other complex matters where inherent costs, delays, and risks of continued litigation might otherwise outweigh any potential benefit the individual plaintiff—or the class—could hope to obtain. *Ohio Pub. Int. Campaign v. Fisher Foods, Inc.*, 546 F. Supp. 1, 6 (N.D. Ohio 1982) (citing *Franks v. Kroger Co.*, 649 F. 2d 1216, 1224 (6th Cir. 1981)). Before approving a settlement, however, a district court must conclude that it is “‘fair, reasonable, and adequate.’” *Bowman v. Art Van Furniture, Inc.*, No. 17-11630, 2018 WL 6445389, at *3 (E.D. Mich. Dec. 10, 2018) (quoting *Int'l Union, United Auto., Aerospace, & Agric. Implement Workers of Am. v. Gen. Motors Corp.*, 497 F.3d 615, 631 (6th Cir. 2007) (“*Int'l Union*”) (citing Fed. R. Civ. P. 23)); *see also* Fed. R. Civ. P. 23(e)(2). “In assessing the settlement, the Court must determine ‘whether it falls within the range of reasonableness, not whether it is the most favorable possible result in the litigation.’” *Raden v. Martha Stewart Living Omnimedia, Inc.*, No. 4:16-cv-12808, 2019 WL 3530822, at *2 (E.D. Mich. Aug. 2, 2019) (internal quotations omitted) (citing *In re Domestic Air Transp. Antitrust Litig.*,

148 F.R.D. 297, 319 (N.D. Ga. 1993)). The Court must also determine whether the Notice provided satisfies the requirements of Rule 23. *Raden*, 2019 WL 3530822, at *2.

A. The Settlement Administrator Provided Notice Pursuant to this Court’s Preliminary Approval Order and Satisfied Due Process and Rule 23.

To satisfy due process, notice to class members must be the best practicable, and reasonably calculated under all the circumstances to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections. Fed. R. Civ. P. 23(e); *Phillips Petroleum Co. v. Shutts*, 472 U.S. 797, 812 (1985). Notice provided to the class must be sufficient to allow class members “a full and fair opportunity to consider the proposed decree and develop a response.” *Mullane v. Cent. Hanover Bank & Trust Co.*, 339 U.S. 306, 315 (1950); *Williams v. Vukovich*, 720 F.2d 909, 921 (6th Cir. 1983). Notice to the settlement class should include individual notice to all members who can be identified through reasonable effort. Fed. R. Civ. P. 23(c)(2)(B). The claims rate should not be viewed as a reflection on the adequacy of the notice. *See In re Packaged Ice Antitrust Litig.*, 322 F.R.D. 276, 290–91 (E.D. Mich. 2017) (citing *In re Serzone Prods. Liab. Litig.*, 231 F.R.D. 221, 235–36 (S.D.W. Va. 2005) (concluding that a claims rate of 6,524 claimants out of a settlement class that could have potentially included millions did not demonstrate the inadequacy of the notice, noting that “many factors contribute to the claims response rate,” and observing that “claims response levels will tend to vary with the circumstances, types of class notices employed, and size of individual claims involved in each case”) (internal quotation marks and citations omitted)).

First, the content of the Notice adequately informed Settlement Class Members of their rights and obligations under the Settlement. The mailed Postcard Notice contained a summary of key terms of the Settlement Agreement and directed Settlement Class Members to the Settlement Website, Toll-Free telephone hotline, and email address where they could obtain additional information and present questions they had. *See Aldridge Fin. App. Decl.*, Ex. A. The Settlement Website, [9](http://www.riley-</p></div><div data-bbox=)

centerstonesettlement.com, is dedicated to this matter to provide information and documents to the Settlement Class Members, to answer frequently asked questions and file a claim. *Id.* ¶ 10. The website URL was set forth in the Notice. *Id.* Visitors of the Settlement Website can download copies of the Notice and other case-related documents. *Id.* The toll-free telephone hotline, 1-844-624-2006, was established and is maintained for potential Settlement Class Members to call and obtain information about the Settlement, request a Notice, and/or seek assistance from a live operator during regular business hours. *Id.* ¶ 11. The telephone hotline is accessible 24 hours per day, 7 days per week. *Id.* The email address, info@Riley-CenterstoneSettlement.com, was also available to provide information to Settlement Class Members. *Id.* ¶ 12.

Moreover, the Settlement Administrator—with the assistance of the Parties—has taken extraordinary measures to ensure individual Notice reached as many of the Settlement Class Members as possible. The extensive efforts described in the accompanying affidavit of Ryan Aldridge resulted in direct and individual Notice reaching 4,633 Settlement Class Members, which is 84.33% of the total Class (Aldridge Fin. App. Decl. ¶ 13) — a deliverable rate that exceeds the requirements of due process and Rule 23. Courts have routinely found similar notice rates to be satisfactory. See, e.g., *In re Serzone*, 231 F.R.D. 221, 236 (S.D. W. Va. 2005) (direct mail notice reached 80% of class members); *In re Zurn Pex Plumbing Prod. Liab. Litig.*, No. 08-MDL-1958 ADM/AJB, 2013 U.S. Dist. LEXIS 26557 (D. Minn. Feb. 27, 2013) (80.6% of class received notice). Accordingly, the Notice program should be approved as meeting the requirements of due process and Rule 23.

B. The Settlement Terms are Fair, Adequate, and Reasonable.

Federal Rule 23(e)(2) requires certain factors to be considered by a court before granting final approval of a class action settlement: “(A) the class representatives and class counsel have adequately represented the class; (B) the proposal was negotiated at arm’s length; (C) the relief provided for the class is adequate . . . ; and (D) the proposal treats class members equitably relative to each other.” Fed. R. Civ. P.

23(e)(2)(A)–(D). In determining whether the relief provided is adequate, courts must consider (i) the costs, risks, and delay of trial and appeal; (ii) the effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims; (iii) the terms of any proposed award of attorney’s fees, including timing of payment; and (iv) any agreement required to be identified under Rule 23(e)(3).

Before the 2018 revisions to Rule 23(e), the Sixth Circuit had developed its own list of factors for consideration in determining whether to grant final approval of a class action settlement:

- (1) the risk of fraud or collusion; (2) the complexity, expense and likely duration of the litigation; (3) the amount of discovery engaged in by the parties; (4) the likelihood of success on the merits; (5) the opinions of class counsel and class representatives; (6) the reaction of absent class members; and (7) the public interest.

Int’l Union, 497 F.3d at 631; *see also UAW v. Gen. Motors Corp.*, 497 F.3d 615, 631 (6th Cir. 2007). The court may choose to consider only those factors that are relevant to the settlement at hand. *In re Auto. Parts Antitrust Litig.*, No. 12-md-02311, 2018 WL 7108016 (E.D. Mich. Nov. 6, 2018); *see also Grenada Invs., Inc. v. DWG Corp.*, 962 F.2d 1203, 1205–06 (6th Cir. 1992).

While there is some overlap between the two sets of standards, as is consistent with practice in the Middle District of Tennessee, Plaintiff will examine the Settlement for satisfaction of both the Rule 23 factors, as well as the factors historically considered by Sixth Circuit courts. *See e.g., Hosp. Auth. of Metro. Gov’t of Nashville & Davidson Cnty. v. Momenta Pharms., Inc.*, No. 3:15- cv-01100, 2020 WL 3053467 (M.D. Tenn. May 20, 2020) (slip op.) (granting final approval of class action settlement after considering both the requirements set forth in Rule 23 and factors traditionally enumerated by the Sixth Circuit); *see also Andrews*, No. 2:21-cv-5867, 2023 U.S. Dist. LEXIS 191571, at *9 (S.D. Ohio Oct. 25, 2023) (same).

As this court previously found for the nearly identical settlement terms in *Kenney*, the Agreement reached by the Parties here meets the standards set forth by Federal Rules of Civil Procedure and Courts in this Circuit and, therefore, warrants final approval.

1. *The Settlement Agreement Meets the Requirements of Rule 23 and Should be Approved.*

a. *The Class Representative and Class Counsel have adequately represented the Class.*

The adequacy requirement of Rule 23(e)(2)(A) is satisfied where (1) the representative has common interests with unnamed members of the class, and (2) it appears that the representatives will vigorously prosecute the interests of the class through qualified counsel. *Senter v. Gen. Motors Corp.*, 532 F. 2d 511, 525 (6th Cir. 1976). In the context of settlement, this includes consideration of the nature and amount of discovery undertaken in the litigation. *See* Fed. R. Civ. P. 23(e)(2)(A) advisory committee's note to 2018 amendment. Formal discovery is not required: the relevant inquiry with respect to this factor is whether a plaintiff has "obtained a sufficient understanding of the case to gauge the strengths and weaknesses of the claims and adequacy of the settlement." *N.Y. State Tchrs.' Ret. Sys. v. Gen. Motors Co.*, 315 F.R.D. 226, 236 (E.D. Mich. 2016) (citing *In re Telectronics Pacing Sys., Inc.*, 137 F. Supp. 2d 985, 1015 (S.D. Ohio 2001)); *Sheick v. Auto. Component Carrier LLC*, No. 2:09-cv-14429, 2010 WL 4136958, at *19 (E.D. Mich. Oct. 18, 2010) (quoting *Newby v. Enron Corp.*, 394 F.3d 296, 306 (5th Cir. 2004)); *see also Macy v. GC Servs. Ltd. P'ship*, No. 3:15-cv-819, 2019 WL 66842522, at *2 (W.D. Ky. Dec. 6, 2019) (slip op.).

Here, Plaintiff is a member of the Class who alleges the same injuries and seeks, like other Settlement Class Members, both reimbursement for costs incurred due to the Data Breach and protections from potential negative consequences of the Data Breach, as well as assurances that the Private Information that Centerstone holds is and will remain better safeguarded than it was at the time of the Data

Breach. As such, her interests and the interests of her counsel are not inconsistent with those of other Settlement Class Members.

Further, counsel for Plaintiff have significant combined experience as vigorous class action litigators and are well suited to advocate on behalf of the Class. *See* Barney Prelim. App. Decl. ¶ 16. The Settlement was only reached after Class Counsel had completed an investigation of the case and Centerstone had provided informal discovery related to the merits of Plaintiff's claims. *Id.* ¶ 11. The informal exchange of information, combined with Plaintiff's individual research and the relevant experience of Class Counsel, allowed Class Counsel to fully evaluate the strengths and weaknesses of Plaintiff's case and to conduct informed settlement negotiations. *Id.* Accordingly, the Settlement meets the requirements of Rule 23(e)(2)(A).

b. The proposal was negotiated at arm's length.

Courts recognize that arm's-length negotiations conducted by competent counsel are *prima facie* evidence of fair settlements. Indeed, settlements are regularly granted approval where a court finds that they are the product of informed, non-collusive, arm's-length negotiations. *See In re Se. Milk Antitrust Litig.*, No. 2:08-MD-1000, 2011 WL 3878332, at *2 (E.D. Tenn. Aug. 31, 2011) (finding a settlement negotiated by able experienced lawyers was negotiated at "arm's length" and warranted approval); *Bronson v. Bd. of Educ. of City Sch. Dist. of Cincinnati*, 604 F. Supp. 68, 78 (S.D. Ohio June 22, 1984) (approving settlement where there was no hint of collusion in the negotiating process).

The Settlement here is the result of months of arm's-length negotiations between attorneys experienced in both class actions generally, and data breach cases in particular. *See* Barney Prelim. App. Decl. ¶¶ 7-10. Here, the Parties also had the benefit of using the *Kenney* settlement, which was negotiated with very experienced counsel and with the involvement of a well-regarded mediator (*Kenney*, Dkt. No. 43-1 p. 1), as a starting point to their negotiations given the similarities between the instant data breach

and that in the *Kenney* action. *See* Barney Prelim. App. Decl. ¶ 7. As such, this Settlement was negotiated at arm's-length, and therefore it meets the requirements of Rule 23(e)(2)(B) and should be approved.

c. The relief provided for the Class is adequate.

Fed. R. Civ. P. 23(e)(2)(c) requires examination of the relief provided by the Settlement. The Settlement negotiated on behalf of the class provides for significant relief. For example, Centerstone agreed to provide payments for claimed expense reimbursements by Settlement Class Members, including ordinary and extraordinary expenses, as well as Identity Theft Monitoring Services. *See* Settlement Agreement ¶¶ 2, 5, 39-40, 49. Specifically, the Settlement provides reimbursement to those who lost money as a result of the Data Breach by: (1) reimbursing for documented, ordinary and unreimbursed out-of-pocket expenses up to \$500 per Settlement Class Member; and (2) reimbursement of extraordinary expenses up to \$2,500 per Settlement Class Member. Settlement Agreement ¶¶ 39-40. Under the Settlement Agreement, all Settlement Class Members are also eligible to receive two years of monitoring for free. *Id.* ¶ 43.

Further, the Settlement provides that Centerstone has improved its information security since the Data Breach. These improvements include third-party security monitoring, third-party logging, network monitoring, firewall enhancements, email enhancements, and equipment upgrades. Settlement Agreement ¶¶ 51- 52.

The relief provided compares favorably with other settlements finally approved in similar healthcare data breach cases. *See, e.g., Mowery v. Saint Francis Healthcare Sys.*, No. 1:20-cv- 00013-SPC (E.D. Mo. Dec. 22, 2020) (providing up to \$280 in value to Settlement Class Members in the form of: reimbursement up to \$180 of out of pocket expenses and time spent dealing with the data breach; credit monitoring services valued at \$100; and equitable relief in the form of data security enhancements); *Baksh v. IvyRehab Network, Inc.*, No. 7:20-CV-01845 (S.D.N.Y. Jan. 27, 2021) (providing up to \$75 per class member out of pocket expenses incurred related to the data breach and \$20 reimbursement for lost time,

with payments capped at \$75,000 in aggregate; credit monitoring for claimants; and equitable relief in the form of data security enhancement); *Bailey v. Grays Harbor Cnty. Pub. Hosp. Dist.*, No. 20-2-00217-14 (Wash. Super. Ct. Grays Harbor Cnty. May 27, 2020) (providing up to \$210 per class member for reimbursement of ordinary expenses and time spent dealing with the data breach, up to \$2500 for extraordinary losses, and equitable relief in the form of security enhancements valued at no less than \$480,000); *see also* Order Granting Final Approval, *Fulton-Green v. Accolade, Inc.*, No. 2:18-cv-00274 (E.D. Pa. Sept. 24, 2019), ECF No. 39 (granting approval of non-healthcare related data breach class action settlement providing for expense reimbursement up to \$1,500 per class member, and increased cyber security measures of undisclosed worth for two years following the Data Incident).

i. The costs, risks, and delay of trial and appeal weigh in favor of final approval.

The relief provided for by the Settlement Agreement is significant, especially in light of the costs, risks, and delay of further litigation. The value achieved through the Settlement Agreement is guaranteed, where chances of prevailing on the merits are uncertain. While Plaintiff strongly believes in the merits of her case, she also understands that Centerstone will assert a number of potentially case-dispositive defenses. Due at least in part to their cutting-edge nature and the rapidly evolving law, data breach cases like this one generally face substantial hurdles—even just to make it past the pleading stage. *See Hammond v. Bank of N.Y. Mellon Corp.*, No. 08 Civ. 6060(RMB)(RLE), 2010 WL 2643307, at *1 (S.D.N.Y. June 25, 2010) (collecting data breach cases dismissed at the Rule 12(b)(6) or Rule 56 stage). As one federal district court recently observed in finally approving a data breach settlement with similar class relief: “Data breach litigation is evolving; there is no guarantee of the ultimate result.” *Fox v. Iowa Health Sys.*, No. 3:18-cv-00327-JDP, 2021 U.S. Dist. LEXIS 40640, at *5 (W.D. Wis. Mar. 4, 2021) (citing *Gordon v. Chipotle Mexican Grill, Inc.*, No. 17-cv-01415-CMA-SKC, 2019 U.S. Dist. LEXIS 215430, at *3 (D. Colo. Dec. 16, 2019) (“Data breach cases ... are particularly risky, expensive, and complex.”)).

Class certification is another hurdle that would have to be met—and one that has been denied in other data breach cases. *See, e.g., In re Hannaford Bros. Co. Customer Data Sec. Breach Litig.*, 293 F.R.D. 21 (D. Me. 2013). Because the “legal issues involved in [data breach litigation] are cutting-edge and unsettled . . . many resources would necessarily be spent litigating substantive law as well as other issues.” *In re Target Corp. Customer Data Sec. Breach Litig.*, No. 14-2522 (PAM/JJK), 2015 WL 7253765, at *2 (D. Minn. Nov. 17, 2015).

To the extent the law has gradually accepted this relatively new type of litigation, the path to a class-wide monetary judgment remains unforged. For now, data breach cases are among the riskiest and most uncertain of all class action litigations, making settlement the more prudent course when, as here, a reasonable one can be reached. The damages methodologies, while theoretically sound in Plaintiff’s view, remain mostly untested in a disputed class certification setting and unproven before a jury. And as in any data breach case, establishing causation on a class-wide basis is rife with uncertainty. Thus, although Plaintiff is confident in the merits of her claims, it is obvious that their success at trial is far from certain. Through the Settlement, Plaintiff and Class Members gain significant benefits without having to face further risk of not receiving any relief at all.

- ii. The effectiveness of any proposed method of distributing relief to the Class, including the method of processing Class Member claims, is objective, efficient, and fair.

As described herein, the Settlement Administrator is responsible for reviewing, determining the validity of, and processing all claims submitted by Settlement Class Members. Settlement Agreement ¶ 59. After the Settlement is approved and the time for any appeal has passed, the Settlement Claims Administrator will also be responsible for processing and transmitting Settlement Class Member payments. *Id.* As such, the Settlement provides for effective processing and distribution of relief and should be approved.

- iii. The attorneys' fees, costs, and Service Awards that Plaintiff requested are fair and reasonable.

On January 26, 2024, Plaintiff moved for an award of attorneys' fees and costs equal to 21.7% of the Settlement Fund, as well as a Service Award in the amount of \$2,500. As discussed at length in Plaintiff's Unopposed Motion for Attorneys' Fees, Costs, and a Service Award, Doc. 48, 48-1 (the "Fees Motion"), Plaintiff's requests are reasonable and in line with those regularly granted by Sixth Circuit Courts, including the *Kenney* action (granting plaintiff's request for a \$2,500 service award and 27.3% of the maximum recovery amount); *see also McHenry v. Advent Health*, 22-cv-00287 (M.D. Tenn. May 1, 2023) (awarding 27% of the total benefit conferred upon the class); *Schuh v. HCA Holdings, Inc.*, No. 3:11-CV-01033, 2016 WL 10570957, at *1 (M.D. Tenn. Apr. 14, 2016) (awarding 30% fee); *Garden City Emps.' Ret. Sys. v. Psychiatric Sols., Inc.*, No. 3:09-CV-00882-WJH, 2015 WL 13647397, at *1 (M.D. Tenn. Jan. 16, 2015) (awarding 29% fee); *Fitzgerald v. P.L. Mktg., Inc.*, No. 2:17-cv-02251, 2020 WL 3621250 (W.D. Tenn. July 2, 2020) (awarding one-third fee); *Fitzgerald v. P.L. Mktg., Inc.*, 2020 WL 3621250, at *11 (approving service award of \$7,500 to plaintiffs who participated in client interviews and produced relevant documents); *Salinas v. U.S. Xpress Enters., Inc.*, No.1:13-cv-00245, 2018 WL 1477127, at *10 (E.D. Tenn. Mar. 8, 2018) (collecting cases in which courts approved service payments to name plaintiffs between \$7,500 and \$10,000); *Osman v. Grube, Inc.*, No. 3:16-cv-00802, 2018 WL 2095172, at *2 (N.D. Ohio May 4, 2018) (approving \$7,500 service payment to named plaintiff). No Settlement Class Members have objected to Plaintiff's request for fees, costs, and Service Awards. Aldridge Fin. App. Decl. ¶ 16.

- iv. No additional agreements are required to be identified under Rule 23(e)(3).

There are no additional agreements to be identified and/or examined under Rule 23(e)(3).

d. The Settlement treats Class Members equitably relative to each other.

Under the terms of the Settlement, the Class Members will be treated equitably relative to each other. Each Class Member has had the opportunity to make a claim based on the amount of expenses they incurred and time they spent dealing with any fall-out from the Data Breach. Moreover, Class Members are each eligible to receive two (2) years of free credit monitoring and identity theft protections. As such, each Class Member has an equal opportunity to benefit from the Settlement.

Moreover, Plaintiff's modest requested service award of \$2,500 represents less than the total amount that *any* Class Member can make a claim for. Thus, there is no concern that they may be being treated inequitably or compromising the interest of the Class for personal gain:

The propriety of incentive payments is arguably at its height when the award represents a fraction of a class representative's likely damages; for in that case the class representative is left to recover the remainder of his damages by means of the same mechanisms that unnamed class members must recover theirs. The members' incentives are thus aligned.

Greenberg v. Procter & Gamble Co. (“*In re Dry Max Pampers Litig.*”), 724 F.3d 713, 722 (6th Cir. 2013) (quoting *Hadix v. Johnson*, 322 F.3d 895, 897 (6th Cir. 2003) (citing *Radcliffe v. Experian Info. Sols.*, 715 F.3d 1157, 1161 (9th Cir. 2013))). Accordingly, this factor weighs in favor of approval.

2. The Settlement Also Warrants Approval in Light of the Factors Traditionally Considered by Sixth Circuit Courts

First, there is no risk of fraud or collusion: Class Counsel vigorously negotiated the settlement over a period of several months using the terms of the court-approved *Kenney* settlement as a starting point. Barney Fees Decl. ¶¶ 7-10. Courts respect the integrity of counsel and presume the absence of fraud or collusion in negotiating the settlement unless contrary evidence is offered. *People First of Tenn. v. Clover Bottom Dev. Ctr.*, No. 3:95-cv-1227, 2015 WL 404077 (M.D. Tenn. Jan. 29, 2015) (quoting *In re Se. Milk Antitrust Litig.*, No. 2:08-MD-1000, 2013 WL 2155379, at *4 (E.D. Tenn. May 17, 2013)); *In re*

Packaged Ice Antitrust Litig., No. 08-MDL- 01952, 2011 WL 6209188, at *14 (E.D. Mich. Dec. 13, 2011). Thus, this factor weighs in favor of settlement approval.

Second, the complexity, expense and likely duration of the litigation weigh in favor of Settlement. The Settlement provides immediate relief and protections for Class Members, where continued litigation would lead to inevitable delay of an uncertain outcome. “Most class actions are inherently complex and settlement avoids the costs, delays and a multitude of other problems associated with them.” *In re Telectronics Pacing Sys., Inc.*, 137 F. Supp. 2d 985, 1013 (S.D. Ohio 2001). The same is particularly true here, where the quickly evolving nature of data breach cases leads to further uncertainty and risk. Accordingly, this factor weighs in favor of settlement approval.

Third, as discussed, *supra*, Plaintiff has conducted sufficient discovery to “obtain[] a sufficient understanding of the case to gauge the strengths and weaknesses of the claims and adequacy of the settlement.” *N.Y. State Tchrs. ’ Ret. Sys.*, 315 F.R.D. at 236 (E.D. Mich. 2016) (citing *In re Telectronics Pacing Sys., Inc.*, 137 F. Supp. 2d at 1015); *Sheick*, WL 4136958, at *19 (quoting *Newby v. Enron Corp.*, 394 F.3d at 306); *see also Macy v. GC Servs. Ltd. P’ship*, 2019 WL 6684522, at *2. Thus, this factor weighs in favor of settlement approval.

Fourth, success in continued litigation is uncertain. While Plaintiff is confident in the strength of her claims, she is also pragmatic in her awareness of the various defenses available to Centerstone, as well as the risks inherent in continued litigation. Centerstone has consistently denied the allegations raised by Plaintiff and made clear at the outset that it would vigorously defend the case. Moreover, as discussed, *supra*, data breach cases like this one generally face substantial hurdles—even just to make it past the pleading stage. *See Hammond*, 2010 WL 2643307, at *1 (collecting data breach cases dismissed at the Rule 12(b)(6) or Rule 56 stage). Class certification is another hurdle that would have to be met—and one that, as discussed, *supra*, has been denied in other data breach cases. *See, e.g., In re Hannaford Bros. Co.*

Customer Data Sec. Breach Litig., 293 F.R.D. 21. Here, Settlement provides a guaranteed and significant positive outcome for Class Members, and thus should be approved.

Fifth, experienced Class Counsel strongly believe that the Settlement Agreement is favorable for the Settlement Class; fair, reasonable, and adequate; and worthy of final approval. Barney Fees Decl. ¶¶ 25-27. Class Counsel have substantial experience as vigorous class action litigators and a demonstrated track record of successfully litigating data breach cases on behalf of their clients and classes (*id.* ¶¶ 13-14, 16) and the Class Representative has reviewed and approved of the Settlement. *See* Settlement Agreement (Doc. 42-3, PageID # 200). Accordingly, this factor weighs in favor of approval.

Sixth, after completion of notice as approved by this Court—including an additional and supplemental search and notice to individuals whose postcard mailing was returned undeliverable—and the close of the objection period, *zero* Class Members have requested exclusion, and *zero* Class Members have objected to the Settlement. Aldridge Fin. App. Decl. ¶¶ 15-16. The lack of objections and exclusions strongly support approval of the Settlement. *See In re Regions Morgan Keegan Secs., Derivative & ERISA Litig.*, No. 2:09-md-2009-SMH, 2014 WL 12808031, at * 4 (W.D. Tenn. Dec. 24, 2014) (“If only a small number of objections are received from a large class, that fact can be viewed as indicative of the adequacy of the settlement”) (collecting cases); *see also Hosp. Auth. of Metro. Gov’t of Nashville & Davidson Cnty.*, 2020 WL 3053467 (approving class action settlement with zero objections); *People First of Tenn.*, 2015 WL 404077, at *3 (approving settlement with limited objections); *Johnson v. W2007 Grace Acquisition I, Inc.*, No. 13-2777, 2015 WL 12001269, at *9 (W.D. Tenn. Dec. 4, 2015) (granting final approval of a settlement with 2,200 potential class members and 144 objectors).

And finally, the proposed Settlement benefits the public interest. “[T]here is a public interest in settlement of disputed cases that require substantial federal judicial resources to supervise and resolve.” *People First of Tenn.*, 2015 WL 404077, at *3 (citing *In re Se. Milk Antitrust Litig.*, 2013 WL 2155379,

at *7). Moreover, “[t]here are strong and important public interests in deterring identity theft and ensuring that private companies comply with applicable federal laws.” *Todd v. Retail Concepts, Inc.*, 2008 WL 3981593, at *5. Accordingly, the public interest weighs in favor of settlement approval.

V. CONCLUSION

Plaintiff has negotiated a fair, adequate, and reasonable Settlement that will provide Class Members with both significant monetary and equitable relief. For the reasons discussed above, and for those described in Plaintiff’s Unopposed Motion for Preliminary Approval of Class Action Settlement (Doc. 42) and Plaintiff’s Unopposed Motion for Attorneys’ Fees, Costs and a Service Award (Doc. 48), Plaintiff respectfully requests this Court enter the proposed Final Approval Order filed herewith, finally certify the Settlement Class and appoint Class Counsel and Plaintiff as representative for the Class, award Plaintiff a Service Award in the amount of \$2,500, grant Class Counsel attorneys’ fees and costs in the amount of \$195,000 (approximately 21.7% of the total benefit conferred upon the Settlement Class), and grant final approval of this Settlement.

Dated: April 24, 2024

Respectfully submitted,

/s/ Mason A. Barney

Mason A. Barney (admitted *pro hac vice*)

SIRI & GLIMSTAD LLP

745 Fifth Ave, Suite 500

New York, NY 10151

Telephone: (646) 357-1732

Facsimile: (646) 417-5967

Email: mbarney@sirillp.com

Edwin E. Wallis III

Glassman, Wyatt, Tuttle & Cox, P.C.

26 North Second Street

Memphis, TN 38103

Telephone: (901) 527-4673

Email: ewallis@gwtclaw.com

Attorneys for Plaintiffs and the Proposed Class

Exhibit 1

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Settlement Agreement” or “Agreement”) is entered into by and between Sara Riley, individually and on behalf of Participating Settlement Class Members (as defined in Paragraph 26) (together, “Plaintiffs”), and (2) Centerstone of America, Inc., Centerstone of Indiana, Inc., and Centerstone of Tennessee, Inc. (“Defendant” or “Centerstone”) (collectively, the “Parties”), in the action styled *Riley v. Centerstone of America, Inc. et al.*, Civil Action No. 3:22-cv-00662, pending in the United States District Court for the Middle District of Tennessee (the “Action”).

RECITALS

WHEREAS, on August 29, 2022, the Action was filed against Centerstone in the United States District Court for the Middle District of Tennessee;

WHEREAS, the Action relates to a data breach disclosed by Centerstone on or about August 2, 2022, potentially affecting certain personal information of current and former Centerstone patients (the “Centerstone Data Breach” or “Data Breach”);

WHEREAS, the operative complaint in the Action asserts the following claims against Centerstone: negligence, negligence *per se*, breach of contract, breach of implied contract, violation of Tennessee Consumer Protection Act of 1977 (Tenn. Code Ann. §§ 47-18-101, *et seq.*), violation of Indiana Deceptive Consumer Sales Act (Ind. Code §§ 24-5-0.5-0.1, *et seq.*), intrusion upon seclusion/invasion of privacy, unjust enrichment, and declaratory judgment.

WHEREAS, Centerstone denies: a) the allegations and all liability with respect to any and all facts and claims alleged in the Action; b) that the class representative in the Action and the class they purport to represent have suffered any damage; and c) that the Action satisfies the requirements to be certified or tried as a class action under the Federal Rules of Civil Procedure Rule 23;

WHEREAS, the Parties have exchanged informal confirmatory discovery related to the merits of Plaintiff’s claims and class certification and have discussed their respective positions on the merits of the claims and class certification; and

WHEREAS, following extensive arm’s length settlement negotiations, the Parties executed a binding term sheet setting forth the essential terms of this Agreement;

NOW, THEREFORE, in exchange for the mutual promises and valuable consideration provided for in this Agreement, and without any admission or concession by either Party, the Parties agree to a full, complete, and final settlement and resolution of the Action, subject to Court approval, on the following terms and conditions:

I. DEFINITIONS

In addition to terms defined at various points within this Agreement, the following defined terms shall have the meanings set forth below:

1. “Action” means *Riley v. Centerstone of America, Inc., et al.*, Civil Action No. 3:22-cv-00662, pending in the United States District Court for the Middle District of Tennessee.

2. “Approved Claim” means a Claim Form timely submitted by a Participating Settlement Member that has been approved by the Settlement Administrator.

3. “Attested Time” means time spent remedying issues related to the Data Breach, as provided in Section III of this Agreement.
4. “Centerstone’s Counsel” means Lewis Brisbois Bisgaard & Smith, LLP and Butler Snow LLP.
5. “Claim Form” or “Claim” means the form(s) Participating Settlement Class Members must submit to be eligible for reimbursement of Out-of-Pocket Losses, Attested Time, and/or to claim Credit Monitoring Services under the terms of the Settlement, which is attached hereto as Exhibit D.
6. “Claims Deadline” means the last day to submit a timely Claim Form(s), which will occur ninety (90) days from the Notice Deadline.
7. “Claims Period” means the ninety (90) day period of time during which Settlement Class Members may submit Claim Forms to receive Settlement benefits, which will end on the Claims Deadline.
8. “Class Counsel” means SIRI & GLIMSTAD LLP.
9. “Settlement Class Representative” means Sara Riley.
10. “Court” means the Honorable William L. Campbell, Jr. in the United States District Court for the Middle District of Tennessee, or such other judge to whom the Action may hereafter be assigned.
11. “Data Breach” means the data breach initially disclosed by Centerstone on or about August 2, 2022.
12. “Effective Date” means one (1) business day following the latest of: (i) the date upon which the time expires for filing or noticing any appeal of the Final Approval Order and Judgment or one (1) business day following entry of the Final Approval Order and Judgment if no parties have standing to appeal and no objections have been filed to the Agreement; or (ii) if any appeal, petition, request for rehearing, or other review has been filed, one (1) business day after the Final Approval Order and Judgment is affirmed without material change or the appeal is dismissed or otherwise disposed of, no other appeal, petition, rehearing, or other review is pending, and the time for further appeals, petitions, requests for rehearing, or other review has expired.
13. “Fee Application” means any motion for an award of attorneys’ fees, Litigation Costs and Expenses, and Service Award Payments as set forth in Paragraphs 72 and 74.
14. “Fee Award and Costs” means the amount of attorneys’ fees and reimbursement of Litigation Costs and Expenses awarded by the Court to Class Counsel.
15. “Final Approval Order and Judgment” means an order and judgment that the Court enters after the Final Approval Hearing, which finally approves the Settlement Agreement, certifies the Settlement Class, dismisses the Action with prejudice, otherwise satisfies the settlement-related provisions of Federal Rules of Civil Procedure 23 and 58, and is consistent with all material provisions of this Settlement Agreement. Class Counsel and Centerstone’s Counsel will work together on a proposed Final Approval Order and Judgment, which Centerstone must approve before filing.

16. “Final Approval Hearing” means the hearing to be conducted by the Court to determine the fairness, adequacy, and reasonableness of the Settlement pursuant to Federal Rule of Civil Procedure 23 and for the Court to determine whether to issue the Final Approval Order and Judgment.

17. “Identity Theft Monitoring Services” means two (2) years of Identity Theft Monitoring for those Class Members whose personal or financial information was potentially impacted in the Data Breach, and who did not opt in for the credit monitoring services Defendants offered in connection with the consumer notice and one (1) additional year of Identity Theft Monitoring for those Class Members who elected to receive the initial one (1) year of monitoring that Defendants offered as part of the notice of Data Breach sent to consumers. The Identity Theft Monitoring will have: real time monitoring of the credit file at all three bureaus; dark web scanning with immediate notification of potential unauthorized use; comprehensive public record monitoring; medical identity monitoring; identity theft insurance (no deductible); and access to fraud resolution agents to help investigate and resolve identity. The cost of Identity Theft Monitoring Services will be paid by Centerstone.

18. “Litigation Costs and Expenses” means reasonable costs and expenses incurred by counsel for Plaintiff in connection with commencing, prosecuting, and settling the Action and any threatened litigation by other Class Members and their counsel (if any), all of which shall not exceed \$195,000 as approved by the Court.

19. “Maximum Payout Under Settlement” means the maximum payment obligation for the Defendants under this Settlement for Claims made, costs for claimed Identity Theft Monitoring Services, Settlement Administration Costs, Service Award to Named Plaintiffs, and Attorney’s Fees will be \$900,000. The maximum amount available to pay Claims under will be determined once Settlement Administration Costs, Service Award to Payments, Identity Theft Monitoring Services claimed under this Agreement, and Attorney’s Fees owed are deducted. If the amount remaining under the Maximum Payout total under this Agreement is exceeded by amounts claimed for benefits claimed, there will be a pro-rata reduction. “Notice” means notice of the proposed class action Settlement to be provided to Settlement Class Members pursuant to the Preliminary Approval Order. Notice includes the Postcard Notice (Exhibit A), Email Notice (Exhibit B) and Longform Notice (Exhibit C).

20. “Notice Deadline” means the last day by which Notice must issue to the Settlement Class Members, and will occur not later than thirty (30) days after entry of the Preliminary Approval Order.

21. “Notice and Administrative Expenses” means all of the expenses incurred in the administration of this Settlement, including, without limitation, all expenses or costs associated with providing Notice to the Settlement Class, locating Settlement Class Members, processing claims, determining the eligibility of any person to be a Settlement Class Member, and administering, calculating and distributing the Settlement funds to Settlement Class Members. Administrative Expenses also includes all reasonable third-party fees and expenses incurred by the Settlement Administrator in administering the terms of this Agreement.

22. “Objection Deadline” is the last day on which a Settlement Class Member may file an objection to the Settlement or Fee Application, which will be forty-five (45) days after the Notice Deadline.

23. “Opt-Out Deadline” is the last day on which a Settlement Class Member may file a request to be excluded from the Settlement Class, which will be forty-five (45) days after the Notice Deadline.
24. “Out-of-Pocket Losses” means documented out-of-pocket costs or expenditures that a Settlement Class Member actually incurred that are fairly traceable to the Data Breach, and that have not already been reimbursed by a third party. Out-of-Pocket Losses may include, without limitation, unreimbursed costs associated with fraud or identity theft including professional fees including attorneys’ fees, accountants’ fees, and fees for credit repair services and miscellaneous expenses such as notary, fax, postage, copying, mileage, and long-distance telephone charges, as well as costs for credit monitoring costs or other mitigative services that were incurred on or between November 1, 2021 and the date of the close of the Claims Period.
25. “Participating Settlement Class Member” means a Settlement Class Member who does not submit a valid Request for Exclusion prior to the Opt-Out Deadline.
26. “Preliminary Approval Order” means an order directing issuance of Notice to Settlement Class Members, determining that the Court will likely be able to approve the Settlement under Federal Rule of Civil Procedure 23, and determining that the Court will likely be able to certify the Settlement Class for purposes of judgment, that is consistent with all material provisions of this Settlement Agreement. Class Counsel and Centerstone’s Counsel will work together on a proposed Preliminary Approval Order, which Centerstone must approve before filing.
27. “Released Claims” means any and all claims or causes of action of every kind and description, including any causes of action in law, claims in equity, complaints, suits or petitions, and any allegations of wrongdoing, demands for legal, equitable or administrative relief (including, but not limited to, any claims for injunction, rescission, reformation, restitution, disgorgement, constructive trust, declaratory relief, compensatory damages, consequential damages, penalties, exemplary damages, punitive damages, attorneys’ fees, costs, interest or expenses) that the Releasing Parties had, have or may claim now or in the future to have (including, but not limited to, assigned claims and any and all “Unknown Claims” as defined below) that were or could have been asserted or alleged arising out of the same nucleus of operative facts as any of the claims alleged or asserted in the Action, including but not limited to the facts, transactions, occurrences, events, acts, omissions, or failures to act that were alleged, argued, raised or asserted in any pleading or court filing in the Action, including but not limited to those concerning the Centerstone Data Breach.
28. “Request for Exclusion” is the written communication by or on behalf of a Settlement Class Member in which he or she requests to be excluded from the Settlement Class in the form and manner provided for in the Notice.
29. “Service Award Payment” means compensation awarded by the Court and paid to the Settlement Class Representative in recognition of her role in this litigation, which shall not exceed \$2,500, as approved by the Court.
30. “Settlement” means the settlement of the Actions by and between the Parties, and the terms thereof as stated in this Settlement Agreement.
31. “Settlement Administration Costs” shall mean the costs incurred by the Settlement Administrator, including the cost of Notice, and shall not exceed \$75,000.

32. “Settlement Administrator” means Postlethwaite & Netterville (P&N), subject to Court approval. Class Counsel and Centerstone’s Counsel may, by agreement, substitute a different Settlement Administrator, subject to Court approval.

33. “Settlement Class” means all individuals who were mailed a notification by or on behalf of Centerstone on or about August 2, 2022 regarding the Data Breach.

34. “Settlement Class List” means the list generated by Centerstone containing the full names, current or last known addresses, personal email addresses where known, and birthdates for Settlement Class members under the age of eighteen (18), for all persons who fall under the definition of the Settlement Class, which Centerstone shall provide to the Settlement Administrator within twenty-one (21) days of the Preliminary Approval Order.

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

36. “Settlement Payment” or “Settlement Check” mean the payment to be made via mailed check and/or electronic payment to a Participating Settlement Class Member pursuant to Paragraphs 44-48.

37. “Settlement Website” means the website that the Settlement Administrator will establish as soon as practicable following entry of the Preliminary Approval Order, but prior to the mailing of the Notice, as a means for Settlement Class Members to obtain notice of and information about the Settlement and relevant case documents and deadlines. The Settlement Website shall contain relevant documents, including, but not limited to, the Notice, this Agreement, Plaintiffs’ motion for preliminary approval of the Settlement, the Preliminary Approval Order, Plaintiffs’ Fee Application, and the operative complaint in the Action. The Settlement Website shall also include a toll-free telephone number, e-mail address, and mailing address through which Settlement Class Members may contact the Settlement Administrator directly. The Settlement Website shall not include any advertising and shall remain operational until at least thirty (30) days after all Settlement Payments have been distributed.

38. *Intentionally left blank.*

II. REIMBURSEMENT FOR OUT-OF-POCKET LOSSES AND ATTESTED TIME

39. **Reimbursement for Out-of-Pocket Losses.** Subject to the Maximum Payout Under Settlement, the following compensation will be paid by Centerstone to Settlement Class Members who submit valid and timely Claim Forms. Claims will be subject to review for completeness and plausibility by a Settlement Administrator.

a. Compensation for Ordinary Losses: Centerstone will provide compensation for unreimbursed losses, up to a total of \$500.00 per person, upon submission of a Claim Form and supporting documentation, for the following losses:

- (1) Documented Out-of-Pocket Losses incurred as a result of the Centerstone Data Breach, 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;
- (2) Documented fees for additional credit reports, credit monitoring, or other identity theft insurance products purchased between November 2021 and the date of the close of the Claims Period;

(3) Up to 4 hours of Attested Time, at \$15/hour, if at least one full hour was spent dealing with the Data Breach.¹ For Attested Time, a sworn attestation from the Class Member detailing how the time was spent shall constitute sufficient supporting documentation. The attestation may be made in electronic form and may be compiled by a selection of options from a menu that will also include an “other” option that the class member can fill-in.

b. Compensation for Extraordinary Losses: Centerstone will provide up to \$2,500.00 in compensation to each Settlement Class Member for proven monetary loss including, *inter alia*, losses arising from financial fraud or identity theft if:

- (1) The loss is an actual, documented, and unreimbursed monetary loss;
- (2) The loss is fairly traceable to the Data Breach;
- (3) The loss occurred during the period from November 1, 2021 through and including the end of the Claims Period;
- (4) The loss is not already covered as an “Ordinary Loss” pursuant to Paragraph 39(a) herein; and
- (5) The Settlement Class Member made reasonable efforts to avoid, or seek reimbursement for, the loss.

40. **Assessing Claims for Out-of-Pocket Losses.** The Settlement Administrator shall verify that each person who submits a Claim Form is a Settlement Class Member. The Settlement Administrator shall have the sole discretion and authority to determine whether and to what extent documentation for Out-of-Pocket Losses reflects valid Ordinary Losses actually and reasonably incurred and, for Extraordinary Losses (as that term is used in Paragraph 39(b) of this Agreement), reflects losses that are fairly traceable to the Data Breach. The Settlement Administrator may consult with Class Counsel and Centerstone’s Counsel in making individual determinations. In assessing what qualifies as fairly traceable, the Settlement Administrator will consider (i) whether the timing of the loss occurred on or after November 1, 2021 (or for credit monitoring service cost claimed, after August 2, 2022); and (ii) whether the Personal Information used to commit identity theft or fraud consisted of the type of Personal Information identified in Centerstone’s notices of the Data Breach. Costs expended for mitigation measures like fraud resolution services, and professional services incurred to address identity theft or fraud on or after November 1, 2021, or on or after August 2, 2022 for credit monitoring services, shall be presumed to have been “reasonably incurred.” The Settlement Administrator is authorized to contact any Settlement Class Member (by e-mail, telephone, or U.S. mail) to seek clarification regarding a submitted claim prior to making a determination as to its validity.

41. **Assessing Claims for Attested Time.** The Settlement Administrator shall have the sole discretion and authority to determine whether the prerequisites have been met in order to award payments of Attested Time, but may consult with Class Counsel and Centerstone’s Counsel in making individual determinations. The Settlement Administrator is authorized to contact any Settlement Class Member (by e-mail, telephone, or U.S. mail) to seek clarification regarding a submitted claim prior to making a determination as to its validity.

42. **Disputes.** To the extent the Settlement Administrator determines a claim for Out-of-Pocket Losses or Attested Time is deficient in whole or part, within a reasonable time of making such a determination, the Settlement Administrator shall notify the Settlement Class Member of the deficiencies and give the Settlement Class Member twenty-one (21) days to cure the deficiencies. Such notifications shall be sent via e-mail, unless the claimant did not provide an e-mail address, in which case such notifications shall be sent via U.S. mail. If the Settlement Class

¹ Claims for lost time are included within the \$500 cap on ordinary losses.

Member attempts to cure the deficiencies but, at the sole discretion and authority of the Settlement Administrator, fails to do so, the Settlement Administrator shall notify the Settlement Class Member of that determination within ten (10) days of the determination. The Settlement Administrator may consult with Class Counsel and Centerstone's Counsel in making such determinations.

III. IDENTITY THEFT MONITORING SERVICES

43. **Identity Theft Monitoring Services.** Centerstone shall offer Identity Theft Monitoring for two (2) years to those Class Members whose personal or financial information was potentially impacted in the Data Breach and who did not opt in for the credit monitoring services Centerstone offered in connection with the consumer notice and one (1) additional year to those Class Members who elected to receive the initial one year of credit monitoring Defendants offered in the consumer notice. The Identity Theft Monitoring will have:

- i. Real time monitoring of the credit file at all three bureaus;
- ii. Dark web scanning with immediate notification of potential unauthorized use;
- iii. Comprehensive public record monitoring;
- iv. Medical identity monitoring;
- v. Identity theft insurance (no deductible); and
- vi. Access to fraud resolution agents to help investigate and resolve identity thefts.

IV. PAYMENTS TO PARTICIPATING SETTLEMENT CLASS MEMBERS

44. **Payment Timing.** Payments for Approved Claims for reimbursement as set forth in Paragraph 39 shall be issued in the form of a check mailed and/or an electronic payment as soon as practicable after the allocation and distribution of funds are determined by the Settlement Administrator following the Effective Date.

45. **Timing.** Settlement Checks shall bear in the legend that they expire if not negotiated within one-hundred-and-eighty (180) days of their date of issue.

46. **Returned Checks.** For any Settlement Check returned to the Settlement Administrator as undeliverable (including, but not limited to, when the intended recipient is no longer located at the address), the Settlement Administrator shall make reasonable efforts to locate a valid address and resend the Settlement Payment within thirty (30) days after the check is returned to the Settlement Administrator as undeliverable. In attempting to locate a valid address, the Settlement Administrator is authorized to send an email and/or place a telephone call to the Participating Settlement Class Member to obtain updated address information. Any replacement Settlement Checks issued to Participating Settlement Class Members shall remain valid and negotiable for ninety (90) days from the date of their issuance and may thereafter automatically be canceled if not cashed by the Participating Settlement Class Members within that time.

47. **Uncashed Checks.** To the extent that a Settlement Check is not cashed within one-hundred-and-eighty (180) days after the date of issue, the Settlement Administrator shall undertake the following actions: (1) attempt to contact the Participating Settlement Class Member by email and/or telephone to discuss how to obtain a reissued check; (2) if those efforts are unsuccessful, make reasonable efforts to locate an updated address for the Participating Settlement Class Member using advanced address searches or other reasonable methods; and (3) mailing the Participating Settlement Class Member a postcard (either to an updated address if located or the original address if not) providing information regarding how to obtain a reissued check. Upon request of a Participating Settlement Class Member, the Settlement Administrator may reissue a

check for up to an additional ninety (90) day period following the original one-hundred-and-eighty (180) day period. Any reissued Settlement Checks issued to Participating Settlement Class Members shall remain valid and negotiable for ninety (90) days from the date of their issuance and may thereafter automatically be canceled if not cashed by the Participating Settlement Class Members within that time.

48. **Deceased Class Members.** If the Settlement Administrator is notified that a Participating Settlement Class Member is deceased, the Settlement Administrator is authorized to reissue the Settlement Check to the Participating Settlement Class Member's estate upon receiving proof the Participating Settlement Class Member is deceased and after consultation with Class Counsel and Centerstone's Counsel.

V. CLAIMS, CAPS, AND DISTRIBUTION OF SETTLEMENT FUNDS

49. **Submission of Electronic and Hard Copy Claims.** Participating Settlement Class Members may submit Claim Forms to the Settlement Administrator electronically via a claims website or physically by mail. Claim Forms must be submitted electronically or postmarked during the Claims Period and on or before the Claims Deadline.

50. **Total Cap on Settlement Class Payout.** The sum total of payments made to Settlement Class members, cost for claimed Identity Theft Monitoring Services, Settlement Administration Fees, Service Award to Named Payments, and Attorneys' Fees and costs shall not exceed \$900,000.00. In the event total claims exceed the net amount of Settlement funds left after Settlement Administration Fees, Service Award Payments, and attorneys' fees and costs of Administration Fees, Attorneys' fees and expenses, and Service Awards, the claim of each Settlement Class member shall be reduced on a *pro rata* basis.

51. **Order of Distribution of Funds.** The Settlement Fund shall be used to pay, in the following order: (1) all Notice and Administration Expenses; (2) any award of Attorneys' Fees and Expenses approved by the Court; (3) any Service Award Payment; (4) Approved Claims for Ordinary Losses, Extraordinary Losses, and Identity Theft Monitoring Services.

VI. EQUITABLE RELIEF

52. **Remedial Measures/Security Enhancements.** Centerstone improved information security enhancements to date, and will commit to additional information security enhancements in 2023. The enhancements include third party security monitoring, third party logging, network monitoring, firewall enhancements, email enhancements, and equipment upgrades. Costs associated with these business practice commitments (or injunctive relief) will be paid by Centerstone separate and apart from other settlement benefits.

53. **Confirmatory Discovery.** Centerstone agrees to provide confirmatory discovery on establishing the appropriateness of the Settlement terms, including the above-referenced Remedial Measures/Security Enhancements, as contemplated under Fed. R. Civ. P. 23(b)(1).

VII. SETTLEMENT CLASS NOTICE

54. **Notice.** Within twenty-one (21) days after the date of the Preliminary Approval Order, Centerstone shall provide the Settlement Class List to the Settlement Administrator. Within thirty (30) days after the date of the Preliminary Approval Order, the Settlement Administrator shall disseminate Notice to Settlement Class Members.

55. **Manner of Giving Notice.** Subject to Court approval, the Settlement Administrator will provide the Notice to all Class Members as described herein. The cost of the Notice will be paid from the Notice and Administration Expenses. Class Counsel may direct the Settlement Administrator to send reminder notices to Settlement Class Members at any time prior to the Claims Deadline.

- a. **Email Notice.** As soon as practicable, but starting no later than thirty (30) days from the date of the Preliminary Approval Order, the Settlement Administrator shall send the Email Notice to all Class Members for whom Centerstone provided an email address. It will be conclusively presumed that the intended recipients received the Email Notice if the Settlement Administrator did not receive a bounce-back message.
- b. **Postcard Notice.** As soon as practicable, but starting no later than thirty (30) days from the date of the Preliminary Approval Order, the Settlement Administrator shall disseminate the Postcard Notice via First Class Mail to all Settlement Class Members whose email addresses are not known or available. Before mailing the Postcard Notice, the Settlement Administrator will update the addresses provided by Centerstone with the National Change of Address database. It shall be conclusively presumed that the intended recipients received the Postcard Notice if the mailed Postcard Notices have not been returned to the Settlement Administrator as undeliverable within fifteen (15) days of mailing.
- c. **Settlement Website.** Prior to the date on which the Settlement Administrator initiates the Notice, the Settlement Administrator shall establish the Settlement Website. The Parties shall meet and confer and choose a mutually acceptable URL for the Settlement Website. The Settlement Website shall remain accessible until at least thirty (30) days after the Settlement Administrator has completed its obligations under the Settlement Agreement. The Settlement Website shall contain: the Settlement Agreement; contact information for Class Counsel and Centerstone's Counsel; contact information for the Settlement Administrator; the publicly filed motion for preliminary approval, motion for final approval and for attorneys' fees and expenses (when they become available); the signed preliminary approval order; and a downloadable and online version of the Claim Form and Longform Notice.

VIII. OPT-OUTS AND OBJECTIONS

56. **Opt-Outs.** The Notice shall explain the procedure for Settlement Class Members to exclude themselves or "opt-out" of the Settlement by submitting a Request for Exclusion to the Settlement Administrator postmarked no later than forty-five (45) days after the Notice Deadline. The Request for Exclusion must include the name of the proceeding, the individual's full name, current address, personal signature, and the words "Request for Exclusion" or a comparable statement that the individual does not wish to participate in the Settlement at the top of the communication. The Notice must state that any Settlement Class Member who does not file a timely Request for Exclusion in accordance with this Paragraph will lose the opportunity to exclude himself or herself from the Settlement and will be bound by the Settlement.

57. **Objections.** The Notice shall explain the procedure for Settlement Class Members to object to the Settlement or Fee Application by submitting written objections to the Settlement Administrator postmarked no later than forty-five (45) days after the Notice Deadline. The written objection must include (i) the name of the proceedings; (ii) the Settlement Class Member's full

name, current mailing address, and telephone number; (iii) a statement of the specific grounds for the objection, as well as any documents supporting the objection; (iv) a statement as to whether the objection applies only to the objector, to a specific subset of the class, or to the entire class; (v) the identity of any attorneys representing the objector; (vi) a statement regarding whether the Settlement Class Member (or his/her attorney) intends to appear at the Final Approval Hearing; and (vii) the signature of the Settlement Class Member. The Notice must set forth the time and place of the Final Approval Hearing (subject to change) and state that any Settlement Class Member who does not file a timely and adequate objection in accordance with this Paragraph waives the right to object or to be heard at the Final Approval Hearing and shall be forever barred from making any objection to the Settlement.

IX. DUTIES OF THE SETTLEMENT ADMINISTRATOR

58. **Settlement Administration Process.** Once a Settlement Administrator is mutually agreed to by the Parties and after the Settlement is preliminarily approved by the Court, the Settlement Administrator will provide notice to each Settlement Class Member by the means set forth in Paragraph 54 hereof (1) notifying the Settlement Class Member of the Settlement and its terms; (2) providing the Settlement Class Member with the URL of the settlement website, and (3) instructing the Settlement Class Member regarding how to make a claim. Centerstone will cooperate in providing to the Settlement Administrator contact information for Settlement Class Members, including physical addresses and email addresses (if available), which will be kept strictly confidential between the Administrator, Centerstone, and Class Counsel. After the Court enters an order finally approving the Settlement, the Settlement Administrator shall provide the requested relief to all Settlement Class Members. Cash payments to Settlement Class Members will be made by check or electronic payment sent from the Settlement Administrator. Prior to mailing settlement checks, the Settlement Administrator shall attempt to update the last known addresses of the Settlement Class Members through the National Change of Address system or similar databases.

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

- a. Administering, and overseeing the Settlement funds provided by Centerstone to paid approved Claims;
- b. Obtaining the Settlement Class List for the purpose of disseminating Notice to Settlement Class Members;
- c. Providing Notice to Settlement Class Members via U.S. mail and email;
- d. Establishing and maintaining the Settlement Website;
- e. Establishing and maintaining a toll-free telephone line for Settlement Class Members to call with Settlement-related inquiries, and answering the questions of Settlement Class Members within one (1) business day;
- f. Responding to any mailed or emailed Settlement Class Member inquiries within one (1) business day;
- g. Reviewing, determining the validity of, and processing all claims submitted by Settlement Class Members and transmitting to Class Counsel and Centerstone's

Counsel a list of approved Claims, both periodically during the Claims Period and after the Claims Deadline;

- h. Receiving Requests for Exclusion and objections from Settlement Class Members and providing Class Counsel and Centerstone's Counsel a copy thereof no later than three (3) days following the deadline for the submission of same. If the Settlement Administrator receives any Requests for Exclusion, objections, or other requests from Settlement Class Members after the Opt-Out and Objection Deadlines, the Settlement Administrator shall promptly provide copies thereof to Class Counsel and to Centerstone's Counsel;
- i. Working with the provider of Credit Monitoring Services to receive and send activation codes within thirty (30) days of the Effective Date;
- j. After the Effective Date, processing and transmitting Settlement Payments to Settlement Class Members;
- k. Providing bi-weekly or other periodic reports to Class Counsel and Centerstone's Counsel that include information regarding the number of Settlement Checks mailed and delivered, Settlement Checks cashed, undeliverable information, and any other requested information relating to Settlement Payments;
- l. In advance of the Final Approval Hearing, preparing a sworn declaration to submit to the Court that: (i) attests to implementation of Notice in accordance with the Preliminary Approval Order; and (ii) identifies each Settlement Class Member who timely and properly submitted a Request for Exclusion; and
- m. Performing any function related to Settlement administration at the agreed-upon instruction of Class Counsel or Centerstone's Counsel, including, but not limited to, verifying that Settlement Payments have been distributed.

60. **Limitation of Liability.** The Parties, Class Counsel, and Centerstone's Counsel shall not have any liability whatsoever with respect to (i) any act, omission or determination of the Settlement Administrator, or any of its respective designees or agents, in connection with the administration of the Settlement or otherwise; (ii) the management, investment or distribution of the Settlement funds; (iii) the formulation, design or terms of the disbursement of the Settlement funds; (iv) the determination, administration, calculation or payment of any claims asserted against the Settlement Fund; or (v) the payment or withholding of any taxes and tax-related expenses.

61. **Indemnification.** The Settlement Administrator shall indemnify and hold harmless the Parties, Class Counsel, and Centerstone's Counsel for (i) any act or omission or determination of the Settlement Administrator, or any of Settlement Administrator's designees or agents, in connection with the Notice Plan and the administration of the Settlement; (ii) the management, investment or distribution of the Settlement funds; (iii) the formulation, design or terms of the disbursement of the Settlement funds; (iv) the determination, administration, calculation or payment of any claims asserted against the Settlement funds; (v) any losses suffered by, or fluctuations in the value of the Settlement funds; or (vi) the payment or withholding of any taxes and tax-related expenses.

62. **Settlement Administration Fees.** Centerstone will pay the costs of settlement administration, up to a maximum of \$75,000.

X. PRELIMINARY APPROVAL, FINAL APPROVAL, AND JURISDICTION

63. **Certification of the Settlement Class.** For purposes of this Settlement only, the Parties stipulate to the certification of the Settlement Class, which is contingent upon the Court entering the Final Approval Order and Judgment of this Settlement and the occurrence of the Effective Date.

64. **Preliminary Approval.** Following execution of this Agreement, Class Counsel shall file a motion for preliminary approval of the Settlement within twenty-one (21) days of its execution.

65. **Final Approval.** Class Counsel shall move the Court for a Final Approval Order and Judgment of this Settlement, to be issued following the Final Approval Hearing, within a reasonable time after the Claims Period has ended.

66. **Jurisdiction.** The Court shall retain jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any lawsuit, proceeding or dispute arising out of or relating to this Agreement that cannot be resolved by negotiation and agreement by counsel for the Parties. The Court shall retain jurisdiction with respect to the administration, consummation, and enforcement of the Agreement and shall retain jurisdiction for the purpose of enforcing all terms of the Agreement. The Court shall also retain jurisdiction over all questions and/or disputes related to the Notice and the Settlement Administrator. The Settlement Administrator shall consent to the jurisdiction of the Court.

XI. MODIFICATION AND TERMINATION

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

68. **Decertification of the Settlement Class if Settlement Not Approved.** If: (1) the Court does not issue the Preliminary Approval Order or Final Approval Order and Judgment; or (2) the Effective Date does not occur, the certification of the Settlement Class shall be void. Centerstone reserves the right to contest class certification for all other purposes. Any orders preliminarily or finally approving the certification of any class contemplated by the Settlement shall be null, void, and vacated, and shall not be used or cited thereafter by any person or entity in support of claims or defenses or in support of or in opposition to a class certification motion. In addition, the fact that Centerstone did not oppose certification of a class under the Settlement shall not be used or cited thereafter by any person or entity, including in a contested proceeding relating to class certification.

XII. RELEASES

69. **The Release.** Upon the Effective Date, and in consideration of the Settlement benefits described herein, the Settlement Class Representative and Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, successors, and assigns shall be deemed to have released, acquitted, and forever discharged

any and all Released Claims against Centerstone and its present and former predecessors, successors, assigns, parents, subsidiaries, divisions, affiliates, departments, and any and all of their past, present, and future officers, directors, employees, stockholders, partners, servants, agents, successors, attorneys, advisors, consultants, representatives, insurers, reinsurers, subrogees and the predecessors, successors, and assigns of any of the foregoing. The relief stated above will be provided to Class Members as consideration for a general release of Centerstone for all claims and causes of action pleaded or that could have been pleaded that are related in any way to the activities stemming from the Centerstone Data Breach described in the operative Complaint.

70. **Unknown Claims.** The Released Claims include the release of Unknown Claims. “Unknown Claims” means claims that could have been raised in the Action and that any of the Settlement Class Representative or Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, successors, and assigns does not know or suspect to exist, which, if known by him, her or it, might affect his, her or its agreement to release Centerstone and its present and former predecessors, successors, assigns, parents, subsidiaries, divisions, affiliates, departments, and any and all of their past, present, and future officers, directors, employees, stockholders, partners, servants, agents, successors, attorneys, advisors, consultants, representatives, insurers, reinsurers, subrogees and the predecessors, successors, and assigns of any of the foregoing or the Released Claims or might affect his, her or its decision to agree, object or not to object to the Settlement. Upon the Effective Date, the Settlement Class Representative and Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, partners, successors, attorneys, and assigns shall be deemed to have, and shall have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Upon the Effective Date, the Settlement Class Representative and Participating Settlement Class Members and each of their respective heirs, executors, administrators, representatives, agents, successors, and assigns shall be deemed to have, and shall have, waived any and all provisions, rights and benefits conferred by any law of any state, the District of Columbia or territory of the United States, by federal law, or principle of common law which is equivalent to Section 1542 of the California Civil Code. The Settlement Class Representative and Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, successors, and assigns acknowledge that they may discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of the Release, but that it is their intention to finally and forever settle and release the Released Claims, including but not limited to any Unknown Claims they may have.

71. **Bar to Future Suits.** Upon entry of the Final Approval Order and Judgment, the Settlement Class Representative and other Settlement Class Members shall be enjoined from prosecuting any claim they have released in the preceding paragraphs in any proceeding against any of the Released Parties or based on any actions taken by any of the Released Parties that are authorized or required by this Agreement or by the Final Approval Order. Likewise, Centerstone and its representatives, officers, agents, directors, affiliates, employees, insurers, and attorneys shall be enjoined from prosecuting any claim they have released in the preceding paragraphs in

any proceeding against the Settlement Class Representative and Class Counsel or based on any actions taken by the Settlement Class Representative and Class Counsel that are authorized or required by this Agreement or by the Final Approval Order. It is further agreed that the Settlement may be pleaded as a complete defense to any proceeding subject to this section.

XIII. SERVICE AWARD PAYMENT

72. **Service Award Payment.** At least fourteen (14) days before the Opt-Out and Objection Deadlines, Class Counsel will file a Fee Application that will include a request for a Service Award Payment for the Settlement Class Representative in recognition for her contributions to this Action. The Settlement Class Representative shall seek, and Centerstone agrees to pay, a service award up to \$2,500 subject to Court approval. This Service Award Payment shall be separate and apart from any other benefits available to the Settlement Class Representative and Participating Settlement Class Members under the terms of this Agreement. The Settlement Administrator shall make the Service Award Payment to the Settlement Class Representative from the Settlement funds. Such Service Award Payment shall be paid by the Settlement Administrator in the amount approved by the Court no later than thirty (30) days after the Effective Date. The parties warrant and agree that the amount of the service fee was negotiated after the relief for the class members was negotiated and agreed upon.

73. **No Effect on Agreement.** In the event the Court declines to approve, in whole or in part, the Service Award Payment in the amount requested, the remaining provisions of this Agreement shall remain in full force and effect. No decision by the Court, or modification or reversal or appeal of any decision by the Court, concerning the amount of the Service Award Payment shall constitute grounds for termination of this Agreement.

XIV. ATTORNEYS' FEES, COSTS, EXPENSES

74. **Attorneys' Fees and Costs and Expenses.** At least fourteen (14) days before the Opt-Out and Objection Deadlines, Class Counsel will file a Fee Application for an award of attorneys' fees and Litigation Costs and Expenses to be paid from the Settlement funds. Centerstone agrees not to oppose an application by Plaintiffs' counsel for an award of attorneys' fees, costs, and expenses up to \$195,000.00. Prior to the disbursement or payment of the Fee Award and costs under this Agreement, Class Counsel shall provide to Centerstone and the Settlement Administrator a properly completed and duly executed IRS Form W-9. The Fee Award and costs (plus any interest accrued thereon) shall be paid by the Settlement Administrator or directly by Centerstone, in the amount approved by the Court, no later than seven (7) days after the Effective Date. The parties warrant and agree that the amount of the attorneys' fee and Litigation Costs and Expenses were negotiated after the relief for the class members was negotiated and agreed upon.

75. **Allocation.** Unless otherwise ordered by the Court, Class Counsel shall have the sole and absolute discretion to allocate any approved Fee Award and Costs amongst Plaintiffs' counsel and any other attorneys. Centerstone shall have no liability or other responsibility for allocation of any such attorneys' fees and costs.

XV. NO ADMISSION OF LIABILITY

76. **No Admission of Liability.** The Parties understand and acknowledge that this Agreement constitutes a compromise and settlement of disputed claims. No action taken by the Parties either previously or in connection with the negotiations or proceedings connected with this Agreement shall be deemed or construed to be an admission of the truth or falsity of any claims or

defenses heretofore made, or an acknowledgment or admission by any party of any fault, liability, or wrongdoing of any kind whatsoever.

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

XVI. MISCELLANEOUS

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

79. **Execution in Counterparts.** This Agreement shall become effective upon its execution by the Parties, Class Counsel, and Centerstone's Counsel. The Agreement may be executed in counterparts. Each counterpart shall be deemed an original, and execution of the counterparts shall have the same force and effect as if all Parties had signed the same instrument.

80. **No Construction Against the Drafter.** This Agreement shall be deemed to have been drafted by the Parties, and any rule that a document shall be interpreted against the drafter shall not apply to this Agreement. Plaintiff and Centerstone each acknowledge that each have been advised and are represented by legal counsel of their own choosing throughout the negotiations preceding execution of this Agreement and have executed the Agreement after having been so advised.

81. **Entire Agreement.** This Agreement, including all exhibits hereto, shall constitute the entire Agreement among the Parties with regard to the subject matter hereof and shall supersede any previous agreements, representations, communications and understandings among the Parties. This Agreement may not be changed, modified, or amended except in writing signed by all Parties, and once a motion for Preliminary Approval has been filed, subject to Court approval. The Parties contemplate that, subject to Court approval or without such approval where legally permissible, the exhibits to this Agreement may be modified by subsequent agreement of the Parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS HEREOF, the undersigned have caused this Settlement Agreement to be executed as of the dates set forth below.

SARA RILEY, individually and as Class Representative

Signature: Sara Riley

Date: May 13, 2023

CENTERSTONE OF AMERICA, INC.
CENTERSTONE OF INDIANA, INC.
CENTERSTONE OF TENNESSEE, INC.

By: _____

Print Name: _____

Title: _____

Date: _____

SIRI & GLIMSTAD LLP, as Class Counsel

By: _____

Print Name: _____

Date: _____

LEWIS BRISBOIS BISGAARD & SMITH, LLP, as
Defendants' Counsel

By: _____

Print Name: _____

Date: _____

BUTLER SNOW LLP, as Defendants' Counsel

By: Melby McAnally

IN WITNESS HEREOF, the undersigned have caused this Settlement Agreement to be executed as of the dates set forth below.

SARA RILEY, individually and as Class Representative

Signature: _____

Date: _____

CENTERSTONE OF AMERICA, INC.
CENTERSTONE OF INDIANA, INC.
CENTERSTONE OF TENNESSEE, INC.

By: Carol R. Bean

Print Name: Carol R Bean

Title: Chief Financial Officer

Date: 5/15/23

SIRI & GLIMSTAD LLP, as Class Counsel

By: Mason A. Barney

Print Name: Mason A. Barney

Date: May 15, 2023

LEWIS BRISBOIS BISGAARD & SMITH, LLP, as
Defendants' Counsel

By: Eric Y. Kizirian

Print Name: Eric Y. Kizirian

Date: May 15, 2023

BUTLER SNOW LLP, as Defendants' Counsel

By: _____

Print Name: _____

Date: _____

Exhibit A

You may be eligible for payment and credit monitoring from Centerstone.

Si desea recibir esta notificación en español, llámenos o visite nuestra página web.

A settlement has been reached in a class action lawsuit against Centerstone of America, Inc., Centerstone of Indiana, Inc., and Centerstone of Tennessee, Inc. (collectively “Centerstone”) relating to the unauthorized access to computer systems at Centerstone in or around November 2021 (the “Data Breach”). The computer systems possibly affected by the Data Breach potentially contained certain personal and protected health information relating to current and former Centerstone patients. The Plaintiff claims that Centerstone was responsible for the Data Breach and asserts various claims against Centerstone. Centerstone denies all of the claims and says it did not do anything wrong.

WHO IS INCLUDED? Centerstone records show you are an individual whose private information was potentially impacted by the Data Breach, and who was mailed a notification of the Data Breach on or about August 2, 2022. Therefore, you are included in this Settlement as a “Settlement Class member.”

SETTLEMENT BENEFITS. There are two types of payments available to people who submit valid claims and have incurred one or both of the following: 1) up to \$500 for out-of-pocket expenses and documented lost time that resulted from the Data Breach; and 2) reimbursement of up to \$2,500 for extraordinary expenses which were more likely than not caused by the Data Breach. Settlement Class Members can also submit a claim for credit monitoring and identity theft protections for up to two years (see settlement website for details). Centerstone has also committed to improved data security measures in the future.

THE ONLY WAY TO RECEIVE A PAYMENT OR CREDIT MONITORING IS TO FILE A CLAIM. To get a Claim Form, visit the settlement website (www.XXXXXXX.com) or call 1-XXX-XXX-XXXX. The claim deadline is **Month Day, 2023**.

OTHER OPTIONS. If you do nothing, you will remain in the class, you will not be eligible for benefits, and you will be bound by the decisions of the Court and give up your rights to sue Centerstone for the claims resolved by this Settlement. If you do not want to be legally bound by the Settlement, you must exclude yourself by **Month Day, 2023**. If you stay in the Settlement, you may object to it by **Month Day, 2023**. A more detailed notice is available to explain how to exclude yourself or object. Please visit the settlement website (www.XXXXXXX.com) or call **1-XXX-XXX-XXXX** for a copy of the more detailed notice. On **Month Day, 2023**, the Court will hold a Fairness Hearing to determine whether to approve the Settlement, Class Counsel’s request for attorneys’ fees, costs, and expenses of \$195,000 and a service award of \$2,500 for the Plaintiff. The Motion for attorneys’ fees will be posted on the website after it is filed. You or your own lawyer, if you have one, may ask to appear and speak at the hearing at your own cost, but you do not have to. This is only a summary. For more information, call or visit the website below.

www.XXXXXXXXXX.com 1-XXX-XXX-XXXX

Exhibit B

To [NAME],

You may be eligible for payment and credit monitoring from Centerstone.

Si desea recibir esta notificación en español, llámenos o visite nuestra página web.

A settlement has been reached in a class action lawsuit against Centerstone of America, Inc., Centerstone of Indiana, Inc., and Centerstone of Tennessee, Inc. (collectively “Centerstone”) relating to the unauthorized access to computer systems at Centerstone in or around November 2021 (the “Data Breach”). The computer systems possibly affected by the Data Breach potentially contained certain personal and protected health information relating to current and former Centerstone patients. The Plaintiff claims that Centerstone was responsible for the Data Breach and asserts various claims against Centerstone. Centerstone denies all of the claims and says it did not do anything wrong.

WHO IS INCLUDED? Centerstone records show you are an individual whose private information was potentially impacted by the Data Breach, and who was mailed a notification of the Data Breach on or about August 2, 2022. Therefore, you are included in this Settlement as a “Settlement Class member.”

SETTLEMENT BENEFITS. The Settlement provides for payments, credit monitoring, and equitable relief. There are two types of payments available to people who submit valid claims and have incurred one or both of the following: 1) up to \$500 for out-of-pocket expenses and documented lost time that resulted from the Data Breach; and 2) Reimbursement of up to \$2,500 for extraordinary expenses which were more likely than not caused by the Data Breach. Settlement Class Members can also submit a claim for credit monitoring and identity theft protections. Centerstone has also committed to improved data security measures in the future.

THE ONLY WAY TO RECEIVE A PAYMENT OR CREDIT MONITORING IS TO FILE A CLAIM. To get a Claim Form, visit the settlement website www.XXXXXXX.com or call 1-XXX-XXX-XXXX. The claim deadline is **Month Day, 2023**.

OTHER OPTIONS. If you do nothing, you will remain in the class, you will not be eligible for benefits, and you will be bound by the decisions of the Court and give up your rights to sue Centerstone for the claims resolved by this Settlement. If you do not want to be legally bound by the Settlement, you must exclude yourself by **Month Day, 2023**. If you stay in the Settlement, you may object to it by **Month Day, 2023**. A more detailed notice is available to explain how to exclude yourself or object. Please visit the settlement website www.XXXXXXX.com or call 1-XXX-XXX-XXXX for a copy of the more detailed notice. On **Month Day, 2023**, the Court will hold a Fairness Hearing to determine whether to approve the Settlement, Class Counsel’s request for attorneys’ fees, costs, and expenses of \$195,000 and a service award of \$2,500 to the Representative Plaintiff. The Motion for attorneys’ fees will be posted on the settlement website after it is filed. You or your own lawyer, if you have one, may ask to appear and speak at the hearing at your own cost, but you do not have to. This is only a summary. For more information, call or visit the website below.

www.XXXXXXXXXX.com

1-XXX-XXX-XXXX

Exhibit C

UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF TENNESSEE

If you were mailed a notice by Centerstone on or about August 29, 2022 regarding a Data Breach, you may be eligible for payment and credit monitoring.

Para una notificación en Español, visitar www.XXXXXXXXXXXXXXXXXX.com.

A District Court authorized this Notice. This is not junk mail, an advertisement, or a solicitation from a lawyer.

- A settlement has been proposed in a class action lawsuit against Centerstone of America, Inc., Centerstone of Indiana, Inc., and Centerstone of Tennessee, Inc. (collectively “Centerstone”) relating to the unauthorized access of certain computer systems at Centerstone in or about November 2021 (the “Data Breach”). The computer systems accessed may have contained some combination of patient names, social security numbers, dates of birth, driver’s license or state identification card numbers, medical diagnosis or treatment information, Medicaid and/or Medicare information, and/or health insurance information related to the care received at Centerstone.
- If you received a notification from Centerstone, you may be included in this Settlement as a “Settlement Class member.”
- The Settlement provides payments to people who submit valid claims for reimbursement of certain expenses related to the Data Breach. It also provides for credit monitoring and identity theft protection services to be provided to claimants as well as for improvements to be made to Centerstone’s data security systems.
- Your legal rights are affected regardless of whether you do or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM	The only way you can receive payment and/or credit monitoring services is if you submit a valid claim form.
EXCLUDE YOURSELF FROM THE SETTLEMENT	If you exclude yourself from this Settlement, you will not get any payment or credit monitoring services from the Settlement, but you also will not release your claims against Centerstone. This is the only option that allows you to be part of any other lawsuit against Centerstone for the legal claims resolved by this Settlement. If you exclude yourself from the Settlement, you may not object to the Settlement.
OBJECT TO THE SETTLEMENT	To object to the settlement, you can write to the Court with reasons why you do not agree with the Settlement. You may ask the Court for permission for you or your attorney to speak about your objection at the Final Fairness Hearing at your own expense.
DO NOTHING	If you do nothing, you will not get any payment from this Settlement and you will give up certain legal rights. Submitting a valid claim form is the only way to obtain payment from this Settlement.

- These rights and options—and the deadlines to exercise them—are explained in this Notice. For complete details, view the Settlement Agreement, available at www.XXXXXXXXXXXXXXXXXX.com, or call 1- - - .
- The Court in charge of this case still has to decide whether to grant final approval the Settlement. Payments will only be made if the Court grants final approval of the Settlement and after any appeals are resolved.

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BASIC INFORMATION

1. Why is this Notice being provided?

The Court directed that this Notice be provided because you have a right to know about a proposed settlement that has been reached in this class action lawsuit and about all of your options before the Court decides whether to grant final approval of the Settlement. If the Court approves the Settlement, and after objections or appeals, if any, are resolved, the Settlement Administrator appointed by the Court will distribute the payments that the Settlement allows. This Notice explains the lawsuit, the Settlement, your legal rights, what payments are available, who is eligible for them, and how to get them.

The Court overseeing this case is the United States District Court for the Middle District of Tennessee. The case is known as *Riley v. Centerstone of America, Inc., et al.*, Case No. 3:22-cv-00662 (the “Lawsuit”). Sara Riley, the person who filed the Lawsuit, is called the Plaintiff and the entities she sued, Centerstone, are called the Defendants.

2. What is this lawsuit about?

The Lawsuit claims that Centerstone is liable for the Data Breach and asserts claims for: negligence, negligence *per se*, breach of contract, breach of implied contract, violation Of Tennessee Consumer Protection Act Of 197 (Tenn. Code Ann. §§ 47-18-101, *et seq.*), violation Of Indiana Deceptive Consumer Sales Act (Ind. Code §§ 24-5-0.5-0.1 *et seq.*), intrusion upon seclusion/invasion of privacy, unjust enrichment, declaratory judgment. The Lawsuit seeks, among other things, payment and credit monitoring for persons who were injured by the Data Breach.

Centerstone has denied and continues to deny all of the claims made in the Lawsuit, as well as all charges of wrongdoing or liability against it.

3. What is a class action?

In a class action, one or more people called Class Representatives (in this case, Sara Riley) sue on behalf of people who have similar claims. Together, all these people are called a Class or Class members. If a class is certified, one Court and one judge resolves the issues for all Class members, except for those who exclude themselves from the Settlement Class.

4. Why is there a Settlement?

The Court did not decide in favor of the Plaintiff or Centerstone. Instead, the Plaintiff negotiated a settlement with Centerstone that allows both Plaintiff, the proposed Class, and Centerstone to avoid the risks and costs of lengthy and uncertain litigation and the uncertainty of a trial and appeals. The Settlement provides benefits and allows Settlement Class members to obtain payment for certain

costs without further delay. Plaintiff and her attorneys think the Settlement is in the best interest of all Settlement Class members. This Settlement does not mean that Centerstone did anything wrong.

WHO IS INCLUDED IN THE SETTLEMENT?

5. How do I know if I am part of the Settlement?

You are part of this Settlement as a Settlement Class member if you were mailed a notice by Centerstone on approximately August 2, 2022 regarding the Data Breach. Approximately 5,000 individuals were notified of the Data Breach.

6. Are there exceptions to being included in the Settlement?

Yes. Specifically excluded from the Settlement Class is any person who submits a valid request for exclusion to the Settlement Administrator.

THE SETTLEMENT BENEFITS—WHAT YOU GET IF YOU QUALIFY

7. What does the Settlement provide?

The Settlement provides for a total Maximum Payout of \$900,000 which will include payments for claimed expense reimbursements by members of the Class, costs for claimed Identity Theft Monitoring Services, settlement administration costs, a service award to the Plaintiff, and attorney's fees and costs.

There are two types of payments that are available to Settlement Class Members: (1) Expense Reimbursements (Question 8, below) and (2) Extraordinary Expense Reimbursements (Question 9, below). You may submit a claim for either or both types of payments if you have incurred the defined costs under these categories. To claim each type of payment, you must provide supporting documentation and/or attestation with the Claim Form, as described below.

The Settlement also provides for Identity Theft Monitoring Services (Question 10, below) to be provided to Settlement Class Members who submit a valid claim for such services.

The Settlement also provides that Centerstone has improved its information security enhancements since the Data Breach, and commits to continuing security enhancements in 2023. The enhancements include: third-party security monitoring, third-party logging, network monitoring, firewall enhancements, email enhancements, and equipment upgrades.

8. What payments are available for Expense Reimbursement?

Class Members are eligible to receive reimbursement of up to \$500 (in total) for the following categories of out-of-pocket expenses that happened because of the Data Breach:

- 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;

- fees for credit reports, credit monitoring, or other identity theft insurance product purchased between August 2, 2022 and [insert the date of the Preliminary Approval Order];
- reimbursement of up to four hours of documented lost time (at \$15 per hour) spent dealing with the Data Breach, for example, time spent dealing with replacement card issues, reversing fraudulent charges, rescheduling medical appointments and/or finding alternative medical care and treatment, retaking or submitting to medical tests, locating medical records, retracing medical history, and any other disruption to medical care and treatment, but only if at least one full hour was spent, and only if that time can be documented with a sworn statement detailing how the time was spent.

9. What payments are available for Extraordinary Expense Reimbursement?

Class Members who had other extraordinary unreimbursed monetary losses because of information compromised as part of the Data Breach, above and beyond those categories of costs above under “Expense Reimbursement,” are eligible to make a claim for reimbursement of up to \$2,500. As part of the claim, the Class Member must show that: (1) it is an actual, documented, and unreimbursed monetary loss; (2) the loss is fairly traceable to the Data Breach; (3) the loss occurred during the time period from November 1, 2021 through and including the date of the end of the applicable claims period; (4) the loss is not already covered by one or more of the categories in Question 8; and (5) a reasonable effort was made to avoid the loss or seek reimbursement for the loss (including exhaustion of all available credit monitoring insurance and identity theft insurance).

More details are provided in the Settlement Agreement, which is available at www.XXXXXXXXXXXXXXXXXX.com.

10. What is included in the Identity Theft Monitoring Services?

The Identity Theft Monitoring Services offered by Centerstone will be provided to Class Members who submit valid claim forms for a time period of (1) two years to those Class Members whose personal or financial information was potentially impacted in the Data Breach, and who did *not* opt in for the credit monitoring services Defendants offered in connection with the August 2, 2022 Data Breach notice and (2) one additional year to those Class Members who already elected to receive the one year of monitoring Defendant offered as part of the August 2, 2022 Data Breach notice.

The Identity Theft Monitoring Services include:

- Real time monitoring of the credit file at all three bureaus;
- Dark web scanning with immediate notification of potential unauthorized use;
- Comprehensive public record monitoring;
- Medical identity monitoring;
- Identity theft insurance (no deductible); and
- Access to fraud resolution agents to help investigate and resolve identity thefts.

HOW TO GET BENEFITS—SUBMITTING A CLAIM FORM

11. How do I get benefits from the Settlement?

To ask for a payment, you must complete and Submit a Claim Form. Claim Forms are available at www.XXXXXXXXXXXXXX.com, or you may request one by mail by calling 1-XXX-XXX-XXXX. Read the instructions carefully, fill out the Claim Form, and submit it online, or mail it postmarked no later than **Month Day, 2023** to:

Centerstone Claims Administrator
PO Box XXXXX
City, State zip code

12. How will claims be decided?

The Claims Administrator has sole discretion to decide whether the information provided on a Claim Form is complete and valid. The Claims Administrator may require additional information from any claimant. If the Claims Administrator requires additional information from you and you do not provide it in a timely manner, your claim may not be paid at the Claims Administrator's discretion.

13. When will I get my payment?

The Court will hold a Final Fairness Hearing at **: 0 .m. on Month Day, 2023** to decide whether to approve the Settlement. Even if the Court approves the Settlement, there may be appeals, and resolving them may take additional time. It also takes time for all the Claim Forms to be processed, depending on the number of claims submitted and whether any appeals are filed. Please be patient. If you have further questions regarding payment timing, you may call the Claims Administrator at **_____**.

REMAINING IN THE SETTLEMENT

14. Do I need to do anything to remain in the Settlement?

You do not have to do anything to remain in the Settlement, but if you want a payment or to receive Identity Theft Monitoring Services, you must submit a Claim Form online or postmarked by **Month Day, 2023**. If you do nothing, you will remain in the Settlement but you **will not** receive payment or credit monitoring services.

15. What am I giving up as part of the Settlement?

If the Settlement becomes final, you will give up your right to sue Centerstone for the claims being resolved by this Settlement. The specific claims you are giving up against Centerstone and the parties you are releasing are described in Paragraphs 28 and 69-71 of the Settlement Agreement. The Settlement Agreement is available at www.XXXXXXXXXXXXXX.com. The Settlement Agreement describes the released claims with specific descriptions, so read it carefully. If you have any questions about what claims you are giving up and which parties you are releasing, you can

talk to the law firm listed in Question 19 for free or you can, of course, talk to your own lawyer at your own expense.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement, but you want to keep the right to sue Centerstone about issues in the Litigation, then you must take steps to get out of the Settlement Class. This is called excluding yourself from – or is sometimes referred to as “opting out” of – the Settlement Class.

16. If I exclude myself, can I still get payment from the Settlement?

No. If you exclude yourself from the Settlement, you will not be entitled to any benefits of the Settlement, and you will not be bound by any judgment in this case.

17. If I do not exclude myself, can I sue Centerstone for the same thing later?

No. Unless you exclude yourself from the Settlement, you give up any right to sue Centerstone for the claims that this Settlement resolves. You must exclude yourself from the Settlement Class to start your own lawsuit or to be part of any different lawsuit relating to the claims in this case. If you wish to exclude yourself from the Settlement, **do not** submit a Claim Form to ask for a payment or credit monitoring services.

18. How do I get out of the Settlement?

To exclude yourself from the Settlement, you must send a letter by mail stating that you want to be excluded from the Settlement in *Riley v. Centerstone of America, Inc., et al.*, Case No. 3:22-cv-00662. Your letter must also include your full name, current address, and signature. You must mail your exclusion request postmarked no later than **Month __, 2023** to:

Centerstone Settlement Exclusions
P.O. Box _____
[City] [ST] _____ - _____

THE LAWYERS REPRESENTING YOU

19. Do I have a lawyer in this case?

Yes. The Court appointed the following attorney as “Class Counsel” to represent the Settlement Class:

Mason A. Barney, SIRI & GLIMSTAD LLP, 745 Fifth Avenue, Suite 500, New York, New York 10151, Tel: (212) 532-1091, Email: mbarney@sirillp.com

You will not be charged for contacting Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

20. How will Class Counsel be paid?

If the Settlement is approved and becomes final, Class Counsel will ask the Court to award attorneys' fees, costs, and expenses in the amount of \$195,000 (21 ²/₃% of the \$900,000 Maximum Payout). Class Counsel will also request approval of a service award of \$2,500 to the Plaintiff for her service to the Litigation. If approved, these amounts, as well as the costs of notice and settlement administration, will be paid by Centerstone.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

21. How do I tell the Court that I do not like the Settlement?

If you are a Settlement Class member, you can object to the Settlement if you do not like the benefits available under the Settlement, the attorney's fees claimed, or any other aspect of the Settlement. You can give reasons to the Court why you think the Court should not approve the Settlement. The Court will consider your views before making a decision. To object, you must submit a written objection to the Settlement Administrator stating that you object to the Settlement in *Riley v. Centerstone of America, Inc., et al.*, Case No. 3:22-cv-0662.

Your objection must include:

- (i) the name of the proceedings;
- (ii) your full name, current mailing address, and telephone number;
- (iii) a statement of the specific grounds for the objection, as well as any documents supporting the objection;
- (iv) a statement as to whether the objection applies only to the objector, to a specific subset of the Class, or to the entire Class;
- (v) the identity of any attorneys representing the objector;
- (vi) a statement regarding whether you (or your attorney) intend to appear at the Final Fairness Hearing; and
- (vii) the signature of the Settlement Class Member or the Settlement Class Member's attorney.

Your objection must be postmarked no later than **Month __, 2023**, and sent to

Centerstone Settlement Objections
P.O. Box _____
[City] [ST] _____ - _____

Any Settlement Class Member who does not send a timely and adequate objection in accordance with this section and Paragraph 56 of the Settlement Agreement may be deemed by the Court to have waived the right to object or to be heard at the Final Approval Hearing and may be forever barred from making any objection to the Settlement.

22. What is the difference between objecting to and excluding myself from the Settlement?

Objecting is telling the Court that you do not like something about the Settlement. Excluding yourself is telling the Court that you do not want to be part of the Class in this Settlement. If you exclude yourself from the Settlement, you have no basis to object or submit a Claim Form because the Settlement no longer affects you.

THE COURT’S FINAL FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you do not have to. You cannot speak at the hearing if you exclude yourself from the Settlement.

23. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Fairness Hearing at : 0 .m. on Month , 2023, in the United States District Court for the Middle District of Tennessee, 800 Broadway, Nashville, TN 37203. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will take into consideration any timely sent written objections and may also listen to people who have asked to speak at the hearing (*see* Question 21). The Court will also decide whether to approve fees and costs to Class Counsel, and the service award to Plaintiff.

24. Do I have to come to the Final Fairness Hearing?

No. Class Counsel will answer any questions the Court may have. However, you are welcome to attend the Final Fairness Hearing in Nashville at your own expense. If you file an objection, you do not have to come to Court to talk about it. You may also hire your own lawyer to attend, at your own expense, but you are not required to do so.

25. May I speak at the Final Fairness Hearing?

Yes, you may ask the Court for permission to speak at the Final Fairness Hearing. To do so, you must follow the instructions provided in Question 21 above. You cannot speak at the hearing if you exclude yourself from the Settlement.

IF YOU DO NOTHING

26. What happens if I do nothing?

If you do nothing, you will not receive any payment or Identity Theft Monitoring Services from this Settlement. The only way to receive payment or credit monitoring services under the Settlement is to submit a valid and timely Claim Form.

If the Court approves the Settlement, and you do nothing, you will be bound by the Settlement Agreement and the Release. This means you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Centerstone or related parties about the issues involved in this lawsuit, resolved by this Settlement, and released by the Settlement Agreement.

GETTING MORE INFORMATION

27. Are more details about the Settlement available?

Yes. This Notice summarizes the proposed Settlement. More details are in the Stipulation and Settlement Agreement, which is available at www.XXXXXXXXXXXXXX.com, or by writing to the Centerstone Settlement Administrator, P.O. Box _____, [City] [ST] _____.

28. How do I get more information?

Go to www.XXXXXXXXXXXXXX.com, call 1-____-____-____, or write to the Centerstone Settlement Administrator, P.O. Box _____, [City] [ST] _____.

*Please do not call the Court or the Clerk of the Court for additional information.
They cannot answer any questions regarding the Settlement or the Lawsuit.*

Exhibit D

CLAIM FORM

This claim form should be filled out online or submitted by mail if you received a notification from Centerstone of America, Inc., Centerstone of Indiana, Inc., and Centerstone of Tennessee, Inc. (collectively "Centerstone") relating to the unauthorized access of certain of Centerstone's employee's email accounts in or around November 2021 (the "Data Breach"), and you wish to make a claim for Identity Theft Monitoring Services, had out-of-pocket expenses, fraudulent charges, lost time spent dealing with the Data Breach, or unreimbursed extraordinary monetary losses as a result of the Data Breach. You may get a check and/or a code for Identity Theft Monitoring Services if you fill out this claim form, if the settlement is approved, and if you are found to be eligible.

The settlement notice describes your legal rights and options. Please visit the official settlement administration website www.com, or call 1- for more information.

If you wish to submit a claim for a settlement payment or Identity Theft Monitoring Services, you need to provide the information requested below. Please type or print clearly in blue or black ink. This claim form must be submitted online OR mailed and postmarked by **XXXXXX XX, 2023**.

1. CLASS MEMBER INFORMATION

Name (REQUIRED): _____

Number and Street (REQUIRED) _____

City (REQUIRED) _____ State (REQUIRED) _____ Zip Code (REQUIRED) _____

Telephone Number (REQUIRED): () _____ Email Address (REQUIRED) _____

2. IDENTITY THEFT MONITORING SERVICES

- I would like to receive an enrollment code for Identity Theft Monitoring Services.
- I do NOT want to receive an enrollment code for Identity Theft Monitoring Services.

3. PAYMENT ELIGIBILITY INFORMATION

Please review the notice and paragraph 39 of the Settlement Agreement (available at www.XXXXXXXXXXXXXXXXXX.com) for more information on who is eligible for a payment and the nature of the expenses or losses that can be claimed.

Please provide as much information as you can to help us figure out if you are entitled to a settlement payment.

PLEASE PROVIDE THE INFORMATION LISTED BELOW:

Check the box for each category of out-of-pocket expenses, fraudulent charges, or lost time that you incurred/experienced as a result of the Data Breach. Please be sure to fill in the total amount you are claiming for each category and to attach documentation of the charges as described in **bold type** (if you are asked to provide account statements as part of proof required for any part of your claim, you may mark out any unrelated transactions if you wish).

a. Ordinary Expenses Resulting from the Data Breach:

- Ordinary Unreimbursed charges incurred as a result of the Data Breach.**

Examples - 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 incurred between August 2, 2022 and the date of the Preliminary Approval Order, fees for credit reports, credit monitoring, or other identity theft insurance product purchased between August 2, 2022 and the date of the Preliminary Approval Order.

Total amount for this category \$ _____

If you are seeking reimbursement for fees, expenses, or charges, please attach a copy of a statement from the company that charged you, or a receipt for the amount you incurred.

If you are seeking reimbursement for credit reports, credit monitoring, or another identity theft insurance product purchased between August 2, 2022 and the date of the Preliminary Approval Order, please attach a copy of a receipt or other proof of purchase for each credit report or product purchased. (Note: By claiming reimbursement in this category, you certify that you purchased the credit monitoring or identity theft insurance product primarily because of the Centerstone Data Breach and not for any other purpose).

You may mark out any transactions that are not relevant to your claim before sending in the documentation.

Between one and three hours of documented time spent dealing with the Data Breach

Examples – You spent at least one full hour calling customer service lines, writing letters or emails, or on the internet in order to get fraudulent charges reversed or in updating automatic payment programs because your card number changed. You spent at least one full hour rescheduling medical appointments and/or finding alternative medical care and treatment, retaking or submitting to medical tests, locating medical records, or retracing medical history as a result of the Data Breach. **Please note that the time that it takes to fill out this Claim Form is not reimbursable and should not be included in the total.**

Total number of hours claimed _____

If the time was spent online or on the telephone, briefly describe what you did, or attach a copy of any letters or emails you wrote. If the time was spent trying to reverse fraudulent charges, briefly describe what you did. If the time was spent updating accounts due to your card being reissued, identify the other accounts that had to be updated. If the time spent related to your medical records or treatment, briefly describe what you did.

You may mark out any transactions that were not fraudulent and any other information that is not relevant to your claim before sending in the documentation.

b. Extraordinary Expenses

Extraordinary Unreimbursed expenses resulting from identity theft or fraud.

Total amount for this category \$ _____

Attach a copy of statements that demonstrate that identity theft or fraud occurred and any correspondence showing that you reported the fraud. If you do not have anything in writing, tell us the approximate date that you reported and to whom you reported the fraud.

You may mark out any information that is not relevant to your claim before sending in the documentation.

Date reported

Description of the person(s) to whom you reported the fraud

Check this box to confirm that you have exhausted all applicable insurance policies, including credit monitoring insurance and identity theft insurance, and that you have no insurance coverage for these fraudulent charges.

3. SIGN AND DATE YOUR CLAIM FORM.

I declare under penalty of perjury under the laws of the United States and the laws of my State of residence that the information supplied in this claim form by the undersigned is true and correct to the best of my recollection, and that this form was executed on the date set forth below.

I understand that I may be asked to provide supplemental information by the Settlement Administrator before my claim will be considered complete and valid.

Signature

Print Name

____/____/____
Month/Day/Year

4. MAIL YOUR CLAIM FORM.

This claim form must be submitted online or postmarked by _____, 2023 and mailed to: Centerstone Settlement Claims, c/o _____

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE**

)	
)	
SARA RILEY,)	
individually and on behalf of all others))	
similarly situated,)	
)	
<i>Plaintiff,</i>)	
)	
v.)	Case No. 3:22-cv-00662
)	
)	
CENTERSTONE OF AMERICA, INC.,)	
CENTERSTONE OF INDIANA, INC., and)	
CENTERSTONE OF TENNESSEE, INC.,)	
)	
<u><i>Defendants.</i></u>)	

DECLARATION OF SETTLEMENT ADMINISTRATOR IN SUPPORT OF FINAL APPROVAL

I, Ryan Aldridge, hereby declare as follows:

I. INTRODUCTION

1. ***Personal Information.*** I am a Project Manager for the Court appointed Settlement Administrator, Postlethwaite & Netterville, APAC (“P&N”). I am personally familiar with the facts set forth in this declaration.

2. ***The Capacity and Basis of this Declaration.*** I am over the age of 21. Except as otherwise noted, the matters set forth in this Declaration are based upon my personal knowledge, information received from the parties in this proceeding, and information provided by my colleagues at P&N and our partners.

II. BACKGROUND

3. ***Preliminary Approval.*** On November 28, 2023, the Court entered its order preliminarily approving the Settlement Agreement and the appointment of P&N as Settlement Administrator. After the

Court's preliminary approval of the Settlement, P&N began to implement and coordinate the notice program.

4. ***The Purpose of this Declaration.*** I submit this Declaration to evidence P&N's compliance with the terms of the Preliminary Approval Order and detail P&N's execution of its role as the Settlement Administrator.

III. CLASS NOTICE PROGRAM EXECUTION

5. ***Notice Database.*** P&N maintains a database of 5,494 Settlement Class Members which was used to effectuate the notice campaign as outlined within the Settlement Agreement. P&N received the class data on December 13, 2023, in one Excel file with a total of 5,518 records. The Class Member population consists of 5,494 unique records following the elimination of duplicates. All 5,494 records had a mailing address, and zero records had an e-mail address.

6. ***Mail Notice.*** P&N coordinated and caused the Postcard Notice to be mailed via First-Class Mail to Settlement Class Members for which a mailing address was available from the class data. The Postcard Notice included (a) the web address to the case website for access to additional information, (b) rights and options as a Class Member and the dates by which to act on those options, and (c) the date of the Final Approval Hearing. The Notice mailing was completed on or before December 28, 2023, in accordance with the Preliminary Approval Order. A true and correct copy of the Postcard Notice is attached hereto as **Exhibit A.**

7. ***Mailing Address Validation.*** Prior to the mailing, all mailing addresses were checked against the National Change of Address (NCOA) database maintained by the United States Postal Service ("USPS"). In addition, the addresses were certified via the Coding Accuracy Support System (CASS) to ensure the quality of the zip code and verified through Delivery Point Validation (DPV) to verify the accuracy of the addresses. Of the 5,494 Class Member records, 127 records did not successfully pass the address validation procedures noted above.

8. ***Mail Notice Delivery.*** In the initial mailing campaign, P&N executed Postcard Notice mailings to 5,367 Class Members that passed address validation. P&N executed skip tracing on the 127

records that did not pass address validation and was able to mail the Postcard Notice to an additional 55 Class Members. P&N also executed supplemental mailings for 649 Class Members for which an initial Postcard Notice was not deliverable but for which P&N was able to obtain an alternative mailing address through (1) forwarding addresses provided by the USPS, (2) skip trace searches using multiple third-party vendor database such as LexisNexis, or (3) requests received directly from Class Members. Mail notice delivery statistics as of April 22, 2024 are detailed in Section 13 below.

9. **Settlement Post Office Box.** P&N maintains the following Post Office Box (the “P.O. Box”) for the Settlement Program:

Centerstone Settlement Administrator
P.O. Box 3354
Baton Rouge, LA 70821

This P.O. Box serves as a location for the USPS to return undeliverable program mail to P&N and for Settlement Class Members to submit Exclusion Request and other settlement-related correspondence. The P.O. Box address appears prominently in all Notices and in multiple locations on the Settlement Website. P&N monitors the P.O. Box daily and uses a dedicated mail intake team to process each item received.

10. **Settlement Website.** On December 28, 2023, P&N published the Settlement Website, www.riley-centerstonesettlement.com. Visitors to the Settlement Website can download the Longform Notice, the Claim form, as well as Court Documents, such as the Class Action Complaint, the Settlement Agreement, Motions filed by Class Counsel (Including Plaintiff’s Motion for Fees, Costs, and Service Award), and Orders of the Court. Visitors are also able to submit claims electronically, find answers to frequently asked questions (FAQs), view important dates and deadlines, and the contact information for the Settlement Administrator. As of April 22, 2024, the Settlement Website has received 521 unique visitors and 2,099 page views.

11. **Toll-Free Number.** P&N established a toll-free telephone number, 1-844-624-2006 (the “Toll-Free Number”), which is available twenty-four hours per day. Settlement Class Members can call and interact with an interactive voice response (“IVR”) system that provides important settlement information and offers the ability to leave a voicemail message to speak with a live operator. The Toll-Free

Number appeared in all Notices, as well as in multiple locations on the Settlement Website. The Toll-Free Number will remain active through the close of this Settlement Program. As of April 22, 2024 the toll-free number has received 170 calls representing 534 IVR minutes. Call center personnel have responded to 38 calls requesting to speak with a live representative accounting for 382 minutes of use.

12. **Email Support.** P&N established an Email address, info@riley-centerstonesettlement.com, to provide an additional option for Settlement Class Members to address specific questions and requests to the Settlement Administrator for support. P&N has received and responded to one email inquiry regarding the settlement.

IV. NOTICE PROGRAM REACH

13. **Notice Reach Results.** Through the Notice procedures outlined above, P&N attempted to send direct notice to 5,494 Settlement Class Members. As of April 22, 2024, the Notice Program reached a total of 4,633 (84.33%) of Settlement Class Members.¹ Table 1 below provides an overview of dissemination results for the Notice Program and reach statistics for the Notice Program as of April 22, 2024. P&N attempted to identify a new address through at least two skip trace searches using multiple third-party data aggregators such as LexisNexis for all Postcard Notices returned as undeliverable by the USPS prior to the February 12, 2024 exclusion deadline.

Table 1: Direct Notice Program Dissemination & Reach		
Description	Volume of Class Members	Percentage of Class Members
Class Members	5,494	100.0%
Initial Notice Mailing		
(+) Postcard Notices Mailed (Initial Campaign)	5,367	97.69%
(+) Postcard Notices Mailed (Initial Skip Traces)	55	1.00 %
(-) Total Postcard Notices Returned as Undeliverable	1,272	23.15%
Mail Notice Remailed		
(+) Total Unique Postcards Re-mailed	649	11.81%
(-) Total Undeliverable (Re-Mailed) Postcards	166	3.02%
Direct Notice Program Reach		
(=) Received Direct Notice	4,633	84.33%

¹ A Settlement Class Member is considered “reached” by direct Notice if a Postcard Notice mailed to the Settlement Class Member has not been returned by the USPS as undeliverable.

V. CLAIM ACTIVITY

14. **Claim Intake and Processing.** The online claim submission feature was available beginning December 21, 2023. As of April 22, 2024, P&N has received 84 claim submissions from Settlement Class Members. Table 2 below provides a summary of claims received through the March 27, 2024 claim filing deadline.

Table 2 - Claim Summary (as of April 22, 2024)	
Description	Count (#)
Total Claims Submitted	91
(-) Invalid Not a Class Member	6
(-) Duplicate Claims	1
(=) Net Claims Received	84
Number of Times Credit Monitoring Claimed	68
Number of Times Lost Hours Claimed	44
Number of Lost Hours Claimed	146
Number of Times Ordinary Expenses Claimed	1
Number of Times Extraordinary Expenses Claimed	3

VI. EXCLUSIONS AND OBJECTIONS

15. **Exclusions (Opt-Outs) Received.** The deadline for Class Members to submit a request for exclusion was February 12, 2024. P&N received zero (0) exclusion requests from Settlement Class Members as of April 22, 2024.

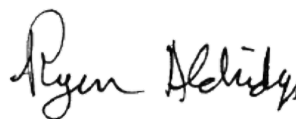
16. **Settlement Objections.** The deadline for Class Members to object to the settlement was February 12, 2024. P&N did not receive any objections from Settlement Class Members.

VII. NOTICE AND ADMINISTRATION EXPENSES

17. As of April 22, 2024, P&N has incurred \$44,537 in fees and costs sending notice and administering the settlement and anticipates incurring between \$12,500 and \$15,000 in additional fees and costs for processing claims and distributing payments through the conclusion of this matter for a total estimated cost between \$57,037 and \$59,537.

VIII. CERTIFICATION

I, Ryan Aldridge, declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on this 24th day of April, 2024 at Baton Rouge, Louisiana.

A handwritten signature in black ink that reads "Ryan Aldridge". The signature is written in a cursive style with a large initial "R".

Ryan Aldridge

Exhibit A: Postcard Notice

Who is included? Centerstone records show you are an individual whose private information was potentially impacted by the Data Breach, and who was mailed a notification of the Data Breach on or about August 2, 2022. Therefore, you are included in this Settlement as a “Settlement Class member.”

Settlement Benefits. There are two types of payments available to people who submit valid claims and have incurred one or both of the following: 1) up to \$500 for out-of-pocket expenses and documented lost time that resulted from the Data Breach; and 2) reimbursement of up to \$2,500 for extraordinary expenses which were more likely than not caused by the Data Breach. Settlement Class Members can also submit a claim for credit monitoring and identity theft protections for up to two years (see settlement website for details). Centerstone has also committed to improved data security measures in the future.

The Only Way to Receive a Payment or Credit Monitoring is to File a Claim. To get a Claim Form, visit the settlement website (www.Riley-CenterstoneSettlement.com) or call 1-844-624-2006. The claim deadline is **March 27, 2024**.

Other Options. If you do nothing, you will remain in the class, you will not be eligible for benefits, and you will be bound by the decisions of the Court and give up your rights to sue Centerstone for the claims resolved by this Settlement. If you do not want to be legally bound by the Settlement, you must exclude yourself by **February 12, 2024**. If you stay in the Settlement, you may object to it by **February 12, 2024**. A more detailed notice is available to explain how to exclude yourself or object. Please visit the settlement website (www.Riley-CenterstoneSettlement.com) or call 1-844-624-2006 for a copy of the more detailed notice. On **April 26, 2024**, the Court will hold a Fairness Hearing to determine whether to approve the Settlement, Class Counsel’s request for attorneys’ fees, costs, and expenses of \$195,000 and a service award of \$2,500 for the Plaintiff. The Motion for attorneys’ fees will be posted on the website after it is filed. You or your own lawyer, if you have one, may ask to appear and speak at the hearing at your own cost, but you do not have to. This is only a summary. For more information, call or visit the website below.

Are More Details About the Settlement Available? Yes. This Notice summarizes the proposed Settlement. More details are available in the Settlement Agreement, which is available at www.Riley-CenterstoneSettlement.com, or by writing to the Centerstone Settlement Administrator, P.O. Box 3354, Baton Rouge, LA 70821. You may also email info@Riley-CenterstoneSettlement.com or call 1-844-624-2006.

You may be eligible for payment and credit monitoring from Centerstone.

Si desea recibir esta notificación en español, llámenos o visite nuestra página web.

A settlement has been reached in a class action lawsuit against Centerstone of America, Inc., Centerstone of Indiana, Inc., and Centerstone of Tennessee, Inc. (collectively “Centerstone”) relating to the unauthorized access to computer systems at Centerstone in or around November 2021 (the “Data Breach”). The computer systems possibly affected by the Data Breach potentially contained certain personal and protected health information relating to current and former Centerstone patients. The Plaintiff claims that Centerstone was responsible for the Data Breach and asserts various claims against Centerstone. Centerstone denies all of the claims and says it did not do anything wrong.

Visit www.Riley-CenterstoneSettlement.com or call 1-(844)-624-2006 for more information.

Centerstone Settlement Administrator

P.O. Box 3354
Baton Rouge, LA 70821

PRESORTED
FIRST CLASS
U.S. POSTAGE
PAID
FPI

Settlement Claim ID: {Settlement Claim ID}
First Name Last Name
Street Address
City, State Zip