
Notice of Kannact, Inc. Data Incident Class Action Settlement

If your personal information was potentially compromised in a Data Incident that took place at Kannact, Inc. on or around March 13, 2023, you could get a payment from a class action Settlement.

A federal court has authorized this Notice. This is not a solicitation from a lawyer.

Please read this Notice carefully and completely. Your legal rights are affected whether you act or don't act.

THIS NOTICE MAY AFFECT YOUR RIGHTS. PLEASE READ IT CAREFULLY.

- A Settlement has been proposed in a class action lawsuit against Kannact, Inc. (“Kannact” or “Defendant”). The Settlement resolves claims brought by individuals impacted by the data security incident that took place on or around March 13, 2023, that resulted in the potential access to the personal information of Kannact’s current and former patients and employees (the “Data Incident”).
- You may be eligible to claim 3 years of credit monitoring and identity theft insurance services.
- You also may be eligible to claim reimbursement for documented monetary losses (maximum payment of up to \$5,000) from the proposed Settlement. To receive a payment, you must complete and submit a Claim Form.
- Instead of (and not in addition to) the documented monetary loss payment, you may elect to receive a cash award, the total of which will depend upon the number of valid claims for credit monitoring, documented monetary loss payments, and cash awards that are filed.

Summary of Your Legal Rights and Options		Deadline
SUBMIT A CLAIM FORM	The only way to get a payment and/or credit monitoring.	Online or Postmarked by December 19, 2024
EXCLUDE YOURSELF BY OPTING OUT	Get no payment. Keep your right to file your own individual lawsuit against Kannact for the same claims resolved by this Settlement.	Postmarked by November 19, 2024
OBJECT TO THE SETTLEMENT AND/OR ATTEND A HEARING	Tell the Court the reasons why you do not believe the Settlement should be approved. You can also ask to speak to the Court at the hearing on January 22, 2025 about the fairness of the Settlement, with or without your own attorney.	Received by November 19, 2024
DO NOTHING	Get no payment or credit monitoring and be bound by the terms of the Settlement.	No Deadline

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement after any appeals are resolved.

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BASIC INFORMATION

1. Why did I get this notice?

You received this notice because you have been identified as a person whose information may have been accessed or exposed during the Data Incident, and you may have previously received a notice from Kannact mailed in or around August 2023 that your information may have been impacted in the Data Incident. Three individuals who received a notice from Kannact regarding the Data Incident brought proposed class action lawsuits against Kannact in 2023, alleging that Kannact was negligent due to its data security practices. Kannact denied the allegations and denied that it would be found liable should this case proceed to trial. The parties have now reached a proposed Settlement of the lawsuits.

A Court authorized this notice because you have a right to know about your rights under the proposed class action Settlement before the Court decides whether to grant final approval to the Settlement. If the Court approves the Settlement, a Settlement Administrator appointed by the Court will provide the benefits and make the payments that the Settlement allows, and the pending legal claims against Kannact will be released and dismissed.

This notice explains the lawsuit, the Settlement, your rights, what benefits are available, who is eligible for them, and how to get them. The case is *In re: Kannact, Inc. Data Security Incident*, Case No. 6:23-cv-1132, currently pending in the United States District Court for the District of Oregon.

2. What is this lawsuit about?

This matter is a putative class action (the “Litigation”) arising from an incident whereby a cybercriminal gained unauthorized access to certain of Kannact’s computer systems and the data stored thereon, resulting in potentially accessing sensitive personal information associated with current and former patients and employees of Kannact (and/or its affiliates). The lawsuit asserts common law claims against Kannact for alleged negligent data security practices, alleged breach of contract, and statutory claims.

Kannact denies any allegation of wrongdoing and denies that Plaintiffs would prevail or be entitled to any relief should this matter proceed to be litigated.

3. What is a class action?

In a class action, one or more people called “Class Representatives” sue on behalf of themselves and other people who they allege have similar claims. This group of people is called the “class,” and the people in the class here are called “Settlement Class Members” or the “Settlement Class.” One court resolves the issues for all Settlement Class Members, except for people who exclude themselves from the class. The persons who sued here—Terry Dukes, Ann Fongheiser, and Alan White—are called the Plaintiffs. The entity they sued—Kannact—is called the Defendant.

4. Why is there a Settlement?

The Court did not decide in favor of Plaintiffs or Defendant. Instead, both sides agreed to a Settlement. That way, they avoid the costs and risks of a trial, and Settlement Class Members can get benefits or compensation. The Class Representatives and Class Counsel think the Settlement is in the best interest of the Settlement Class.

WHO IS IN THE SETTLEMENT?

5. Who is in the Settlement?

The Settlement Class is defined as: “all persons in the United States whose information may have been impacted in the Data Incident, including persons to whom Kannact mailed a notification that their information may have been impacted in the Data Incident.” There are approximately 109,210 Class Members, all of whom are current or former Kannact patients and employees.

6. Are there exceptions to being included?

Yes, the following are not included in the Settlement Class: Kannact and its respective officers and directors; all members of the Settlement Class who timely and validly request exclusion from the Settlement Class; the Judge and Magistrate Judge assigned to evaluate the fairness of this settlement; and any other Person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding, or abetting the Data Incident or who pleads *nolo contendere* to any such charge.

7. What should I do if I am not sure whether I am included?

If you are not sure whether you are included in the Settlement Class, you can ask for free help by calling the Settlement Administrator at 1-844-755-4754 or you can visit www.KannactDataSettlement.com for more information.

THE SETTLEMENT BENEFITS

8. What does the Settlement Provide?

Under the Settlement, Kannact will establish a non-reversionary settlement fund in the amount of Seven Hundred Thousand Dollars (\$700,000.00). These funds will be used to pay for all valid claims made by Settlement Class Members, notice and administration costs, service awards, and attorneys’ fees and costs. In no event shall Kannact pay more than \$700,000.00.

9. What can I get from the Settlement?

Settlement Class Members may file a claim for one or more of the following settlement benefits.

CASH AWARD. As an alternative to filing a claim for a Documented Loss Payment, Settlement Class Members may submit a claim to receive a payment from the Settlement Fund, which will be calculated by dividing (i) the amount of cash left in the Post Loss Payment Net Settlement Fund, which is the amount remaining in the Settlement Fund after the payment of the costs of Settlement

Administration, Taxes and Tax-Related Expenses, attorneys' fees and costs, Service Awards to Representative Plaintiffs, and approved claims for Documented Loss Payments and Credit Monitoring by (ii) the number of valid and timely Claim Forms submitted by Settlement Class Members electing to receive a Cash Award.

IF YOU SELECT THE CASH AWARD, YOU MAY NOT CLAIM THE DOCUMENTED LOSS PAYMENT.

Documented Loss Payment: In the alternative to a Cash Award, Settlement Class Members may make a Claim for a Settlement Payment of up to \$5,000 for reimbursement in the form of a Documented Loss Payment. To receive a Documented Loss Payment, Settlement Class Members must choose to do so on their Claim Form and submit to the Settlement Administrator the following: (i) a valid Claim Form electing to receive the Documented Loss Payment benefit; (ii) an attestation regarding any actual and unreimbursed Documented Loss; and (iii) reasonable documentation that demonstrates the Documented Loss to be reimbursed pursuant to the terms of the Settlement.

Credit Monitoring and Insurance Services: In addition to the other monetary benefits listed above, all Settlement Class Members can enroll in three years of three bureau credit monitoring with at least \$1 million in identity theft insurance coverage. Settlement Class Members claiming this option will be given the opportunity to sign up within one year of the Settlement being finally approved.

10. What am I giving up if I stay in the Class?

If you are a Settlement Class Member and you do not exclude yourself from the Settlement, you will give up your right to sue, continue to sue, or be part of any other lawsuit against Defendant or other released parties concerning the claims released by this Settlement. The Settlement Agreement describes the legal claims that you give up if you remain in the Settlement Class. The entire Settlement Agreement can be viewed at www.KannactDataSettlement.com.

How to Get a Payment – Making A Claim

11. How can I get a payment?

You must complete and submit a Claim Form by **December 19, 2024**. Claim Forms may be submitted online at www.KannactDataSettlement.com or mailed to the address on the Claim Form. Be sure to read the Claim Form instructions carefully, include all required information, and add your signature.

The Settlement Administrator will review your claim to determine the validity and amount of your payment.

This is a closed class. The benefits are available only to Settlement Class Members with a unique ID. All claims submitted by non-Settlement Class Members, or individuals who do not have a unique ID, will be rejected. If you believe you are a Settlement Class Member but do not have a

unique ID, you can call the Settlement Administrator at 1-844-755-4754 to verify that you are a Settlement Class Member and obtain your unique ID.

12. How much will my payment be?

The amount of your payment will depend on the approved amount of your claim and the total value of all approved claims. If you are claiming Documented Losses under the Settlement, you must attest to the loss and any out-of-pocket expenses, their amount, and submit documentation demonstrating the loss. Documents submitted may include credit card or bank statements, emails, invoices, receipts, or telephone records, including photographs of these documents. Personal statements, declarations, or other “self-prepared” documents are not considered reasonable documentation, but may be used to provide clarification, context, or support for other documentation.

13. When will I get my payment?

The Court will hold a hearing on Wednesday, January 22, 2025 at 10:00 a.m. Pacific Time to decide whether to approve the Settlement. Payments will be made after the Settlement is approved and becomes final (meaning there is no appeal from the order approving the Settlement). Updates regarding the Settlement will be posted on the Settlement Website, www.KannactDataSettlement.com.

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in this case?

The law firms of Cafferty Clobes Meriwether & Sprengel LLP; Milberg Coleman Bryson Phillips Grossman PLLC; Siri & Glimstad LLP; and Tousley Brain Stephens PLLC represent the Settlement Class. These lawyers are called Class Counsel. You will not be charged for their services.

15. Should I get my own lawyer?

If you want your own lawyer, you may hire one, but you will be responsible for any payment for that lawyer’s services. For example, you can ask your own lawyer to appear in court for you if you want someone other than Class Counsel to speak for you. You may also appear for yourself without a lawyer.

16. How will the lawyers be paid?

The attorneys representing the Class have not yet received any payment for their legal services or any reimbursement of the costs or out-of-pocket expenses they have incurred. Class Counsel plans to ask the Court to award attorneys’ fees from the Settlement Fund, not to exceed one third of the Settlement Fund (*i.e.* not more than \$233,333.00). Class Counsel may also petition the Court for their out-of-pocket costs and expenses incurred in connection with the prosecution of the Litigation.

The Settlement Class is represented by three named individuals—Terry Dukes, Ann Fongheiser, and Alan White (the “Class Representatives”). In addition to the benefits that the Class Representatives will receive as a member of the Settlement Class—and subject to the approval of the Court—Class Counsel will ask the Court to award a \$1,500 Service Award to each of the Settlement Class Representatives for the efforts they have expended on behalf of the Settlement Class.

The Court will determine whether to approve the amount of fees and costs and expenses requested by Class Counsel and the proposed Service Awards to the Class Representatives. Class Counsel will file an application for fees, expenses, and Service Awards no later than November 5, 2025. The application will be available on the Settlement Website, www.KannactDataSettlement.com, or you can request a copy by contacting the Settlement Administrator.

EXCLUDING YOURSELF FROM THE SETTLEMENT

17. How do I get out of the Settlement?

If you are a Settlement Class Member and you do not want the benefits from the Settlement, and you want to keep your right, if any, to sue Defendant on your own about the legal issues in this Litigation, then you must take steps to get out of the Settlement. This is called excluding yourself from—or “opting out” of—the Settlement Class.

You may opt out of the Settlement Class by **November 19, 2024**. To opt out, you must send a letter or postcard via U.S. mail to the address below. You should include the following in your letter or postcard:

- The name of the Litigation, *In re: Kannact, Inc. Data Security Incident Litigation*, Case No. 6:23-cv-1132 (D. Or.), or a decipherable approximation;
- Your full name, address, telephone number, and original signature (or the original signature of a person authorized by law to act on your behalf, along with evidence of appointment of such person acting on your behalf);
- The words “Requests for Exclusion” at the top of the document or a clear statement that you want to opt out of the settlement.

You must mail your opt-out request via First-Class postage prepaid U.S. Mail, postmarked no later than November 19th, 2024 to:

Kannact Settlement Administrator
P.O. Box 3637
Baton Rouge, LA 70821

If you fail to include the required information, your request will be deemed invalid and you will remain a Settlement Class Member and be bound by the Settlement, including all releases.

18. If I am a Settlement Class Member and don't opt out, can I sue the Defendant for the same thing later?

No. You must opt out of the Settlement to keep your right to sue Defendant or other released parties for any of the claims resolved by the Settlement.

19. What happens if I opt out?

If you opt out of the Settlement, you will not have any rights as a member of the Settlement Class. You will not receive a payment as part of the Settlement. You will not be bound by the Settlement, releases, or by any further orders or judgments in this case. You will keep the right, if any, to sue on the claims alleged in the Litigation at your own expense.

In addition, if you opt out of the Settlement you cannot object to this Settlement because the Settlement no longer affects you. If you object to the Settlement and request to exclude yourself, your objection will be voided and you will be deemed to have excluded yourself.

COMMENTING ON OR OBJECTING TO THE SETTLEMENT

20. How do I tell the Court if I don't like the Settlement?

If you are a Settlement Class Member and you do not opt out of the Settlement, you can object to the Settlement if you do not think it is fair, reasonable, or adequate. You can give reasons why you think the Court should not approve it. You cannot ask the Court to change or order a different settlement; the Court can only approve or deny this Settlement. If the Court denies approval, no settlement payments will be sent out and the Litigation will continue. If that is what you want to happen, you must object.

You may object to any part of the proposed Settlement in writing. You may also appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for paying that attorney.

All notices of an intent to object to the Class Settlement Agreement must be written and should include all of the following: (i) the objector's full name and address; (ii) the case name and docket number—*In re: Kannact, Inc. Data Security Incident*, Case No. 6:23-cv-1132 (D. Or); (iii) a written statement of all grounds for the objection, accompanied by any legal support for the objection the objector believes applicable; (iv) the identity of any and all counsel representing the objector in connection with the objection; (v) a statement whether the objector and/or his or her counsel will appear at the Final Fairness Hearing; (vi) the objector's signature or the signature of the objector's duly authorized attorney or other duly authorized representative (if any) representing him or her in connection with the objection; (vii) proof that the Settlement Class Member is a member of the Settlement Class (e.g., copy of settlement notice); (viii) provide copies of any documents that the Settlement Class member wishes to submit in support of his/her position; and (ix) a list, including case name, court, and docket number, of all other cases in which the objector and/or the objector's counsel has filed an objection to any proposed class action settlement in the past three (3) years.

Completed objections must also be submitted via postal mail to the Settlement Administrator at the following address.

Kannact Settlement Administrator
P.O. Box 3637
Baton Rouge, LA 70821

Completed objections must also be submitted via postal mail to Proposed Settlement Class Counsel, Nickolas J. Hagman, Cafferty Clobes Meriwether & Sprengel LLP, 135 S. LaSalle Street, Suite 3210, Chicago, IL 60603; and counsel for Kannact, David M. Ross, Wilson Elser LLP, 1500 K Street, NW, Suite 1500, Washington, DC 20005. The objection must be filed with the Settlement Administrator and must be postmarked no later than **November 19, 2024**.

21. What's the difference between objecting and opting out?


Objecting is telling the Court that you don't like something about the Settlement. You can object to the Settlement only if you are a Settlement Class Member and do not opt out of the Settlement. Opting out of the Settlement is telling the Court that you don't want to be part of the Settlement. If you opt out of the Settlement, you cannot object to it because it does not affect you.

THE COURT'S FAIRNESS HEARING

22. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval Hearing (also called the Fairness Hearing) on Wednesday, January 22, 2025 at 10:00 a.m. at the Wayne L. Morse United States Courthouse, United States District Court for the District of Oregon, 405 East Eighth Avenue, Room 5500, Eugene, Oregon 97401, before Judge Ann L. Aiken. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate; Class Counsel's application for attorneys' fees, costs, and expenses; and whether to approve Service Awards to the Class Representatives. If there are objections, the Court will consider them. The Court may choose to hear from people who have asked to speak at the hearing. At or after the hearing, the Court will decide whether to approve the Settlement. There is no deadline by which the Court must make its decision.

The Court may reschedule the Fairness Hearing or change any of the deadlines described in this notice. The date of the Fairness Hearing may change without further notice to Settlement Class Members. Be sure to check the Settlement Website, www.KannactDataSettlement.com for updates.

Class Counsel will file a motion for final approval of the Settlement by January 8, 2025. Objectors, if any, must file any response to Class Counsel's motion by **November 19, 2024**. 

23. Do I have to come to the Fairness Hearing?

No. Class Counsel will answer any questions the Court may have. You may attend at your own expense if you wish. If you send an objection, you do not have to come to the hearing to talk about

it. As long as you mailed or filed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

24. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you should include a statement in your written objection (*see* Question 20) that you intend to appear at the hearing. Be sure to include your name, address, and signature as well. Notwithstanding the foregoing, it is in the judge's discretion to let you speak at the Fairness Hearing. You cannot speak at the hearing if you opt out or exclude yourself from the Class.

IF I DO NOTHING

25. What happens if I do nothing at all?

If you are a Settlement Class Member and do nothing, you will not get any money or credit monitoring from this Settlement, and you will not be able to sue the Defendant or other released parties for the claims released by the Settlement Agreement.

GETTING MORE INFORMATION

26. Are more details about the Settlement available?

This notice summarizes the proposed Settlement—more details are in the Settlement Agreement and other case documents available at www.KannactDataSettlement.com, by reviewing the case docket and filings at <https://pacer.login.uscourts.gov/csologin/login>, or by visiting the Office of the Clerk, United States District Court, 405 East Eighth Ave., Eugene, OR 97401 between 8:30 a.m. and 4:30 p.m., Monday through Thursday, 9:30 a.m. to 4:30 p.m. Fridays, excluding Court holidays.

27. How do I get more information?

Visit the Settlement Website, www.KannactDataSettlement.com, where you will find more information, including the Claim Form, a copy of the Settlement Agreement, and answers to questions about the Settlement and other information to help you determine whether you are eligible for a payment.

Contact the Settlement Administrator at 1-844-755-4754 or by writing to:

Kannact Settlement Administrator
P.O. Box 3637
Baton Rouge, LA 70821

PLEASE DO NOT CONTACT THE COURT, THE COURT CLERK'S OFFICE, OR DEFENDANT TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.