

Exhibit A

**UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA**

DANIEL BOZEK, an individual; BRANDON GAINES, an individual, on behalf of themselves and all others similarly situated,

Plaintiffs,

v.

ARIZONA LABOR FORCE, INC.; and LABOR SYSTEMS, INC.; and DOES 1-10,

Defendants.

Case No. 2:24-CV-00210-SHD

SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

This Settlement Agreement and Release of All Claims¹ ("Agreement") is entered into between Plaintiffs DANIEL BOZEK and BRANDON GAINES (collectively "Plaintiffs"), individually, and on behalf of the Settlement Class, and Defendants ARIZONA LABOR FORCE, INC.; and LABOR SYSTEMS, INC. (collectively "Defendants"), as of the date last signed below. Plaintiffs and Defendants may at times be referred to herein collectively as "The Parties." The Parties hereby agree to the following terms in full settlement of the Action, subject to a Final Approval Order entered by the Court.

I. Procedural History

1. Defendants are headquartered in Arizona and provide temporary employees to businesses with labor needs, skilled and unskilled, in fields of construction, industrial, warehouse, manufacturing, hospitality, and special events. Incidental to their business practices, Defendants receive and store the Personally Identifiable Information of their employees and others.
2. On or about January 3, 2023, an unknown third-party hacker accessed Defendants' network and information technology systems (the "Data Incident"). Defendants conducted an investigation at the time but did not find evidence to conclusively determine whether any Personally Identifiable Information had been copied and/or exfiltrated from Defendants' systems.
3. On January 30, 2024, Plaintiffs filed their initial Class Action Complaint against Defendants for the alleged unlawful exposure of their, and all similarly situated individuals', Personally Identifiable Information, seeking money damages and injunctive

¹ All capitalized terms herein shall have the same meanings as those defined in Section II below.

relief. Plaintiffs stated claims for (1) Negligence, (2) Breach of Privacy, (3) Breach of Implied Contract, (4) Breach of Fiduciary Duty, (5) Breach of Confidence, (6) Violation of the California Unfair Competition Law (Cal. Business & Professions Code § 17200, et seq.), (7) Violation of the California Customer Records Act (Cal. Civ. Code § 1798.80, et seq.), and (8) Violation of the California Consumer Privacy Act (Cal. Civ. Code § 1798.150, et seq.). ECF No. 1.

4. On June 14, 2024, Defendants filed a Motion to Dismiss. Rather than oppose, Plaintiffs filed their operative First Amended Class Action Complaint ("FAC") on July 15, 2024. ECF No. 16. Defendants answered the FAC on August 2, 2024. On August 15, 2024, Defendants filed their Motion for Judgment on the Pleadings. Plaintiffs filed their response on August 29, 2024, and Defendants filed their reply on September 5, 2024.
5. On January 22, 2025, the Court granted Defendants' Motion for Judgment on the Pleadings with respect to Causes of Action One, Two, Four, Five, Six, and Seven, leaving only Causes of Action (3) Breach of Implied Contract, and (8) Violation of the California Consumer Privacy Act (Cal. Civ. Code § 1798.150, et seq.). ECF No. 26.
6. The Parties exchanged both formal and informal discovery through August 2025. Contemporaneously, on or about June 23, 2025, The Parties scheduled a full-day mediation with Hunter Hughes, Esq. for September 10, 2025.
7. On September 10, 2025, the Parties participated in a full-day, private mediation before experienced mediator, Hunter Hughes, Esq. In advance of the mediation, Plaintiffs' counsel provided Defendants' counsel with information related to, among other things, the unauthorized access of Defendants' systems by a hacker resulting in purported disclosure of PII of Defendants' employees. The hacker is believed to have accessed and exfiltrated the Personally Identifiable Information of approximately 37,884 individuals, including Plaintiffs and Class Members. The accessed Personally Identifiable Information includes Plaintiffs' and Class Members' names, addresses, and Social Security numbers.
8. At the mediation with Hunter Hughes, Esq. and after significant arms-length negotiations between experienced counsel, The Parties were ultimately able to reach an agreement on the material terms of the Settlement to resolve all claims on a class-wide basis.
9. The Parties now agree to settle the Action entirely, without any admission by the Defendants of liability or wrongdoing, with respect to all Released Claims of the Releasing Parties. Defendants have entered into this Agreement to resolve all controversies and disputes arising out of or relating to the allegations made in the FAC and the Data Incident as it relates to it, and to avoid the litigation costs and expenses, distractions, burden, expense, and disruption to its business operations associated with further litigation. Defendants do not in any way acknowledge, admit to, or concede any of the allegations made in the FAC, and expressly disclaim and deny any fault or liability,

or any charges of wrongdoing that have been or could have been asserted in the FAC. Nothing contained in this Agreement shall be used or construed as an admission of liability, and this Agreement shall not be offered or received in evidence in any action or proceeding in any court or other forum as an admission or concession of liability or wrongdoing of any nature or for any other purpose other than to enforce the terms of this Agreement. Plaintiffs enter into this Agreement to recover on the claims asserted in the FAC, and to avoid the risk, delay, and uncertainty of continued litigation. Plaintiffs do not in any way concede that the claims alleged in the FAC lack merit or are subject to any defenses. The Parties intend this Agreement to bind Plaintiffs, Defendants, and all Settlement Class Members.

NOW, THEREFORE, in light of the foregoing, for good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the Parties agree, subject to approval by the Court, as follows.

II. Definitions

10. **"Action"** means the above-captioned action, *Daniel Bozek, et al. v. Arizona Labor Force, Inc., et al.*, Case No. 2:24-cv-00210-SHD (D. Ariz. 2024).
11. **"Agreement" or "Settlement" or "Settlement Agreement"** means this Settlement Agreement and Release of All Claims between Plaintiffs and Defendants.
12. **"Application for Attorneys' Fees, Costs, and Service Awards"** means the application made with the Motion for Final Approval seeking Service Awards for the Class Representatives, attorneys' fees, and reimbursement for costs.
13. **"Cash Payment"** means the cash compensation paid to Settlement Class Members who elected to submit a Claim for Cash Payment - Pro Rata Cash.
14. **"CAFA Notice"** means a notice of the proposed Settlement sent pursuant to the Class Action Fairness Act, 28 U.S.C. § 1711, et seq. ("CAFA").
15. **"Cash Payment - Pro Rata Cash"** means the cash compensation that Settlement Class Members may elect under the Settlement.
16. **"Claim Form"** means the proof of claim, substantially in the form attached hereto as *Exhibit 3*, which may be modified as necessary, subject to the Parties' approval.
17. **"Claim Form Deadline"** shall be 15 days before the initial scheduled Final Approval Hearing and is the last day by which a Claim Form may be submitted to the Settlement Administrator for a Settlement Class Member to be eligible for a Settlement Class Member Benefit.

18. **"Claimant"** means an individual who submits a Claim Form.
19. **"Claim Process"** means the process by which Claimants submit Claims to the Settlement Administrator and the Settlement Administrator determines which Claims are Valid Claims.
20. **"Class Counsel"** means: Brant Hodyno of Compassionate Counsel; Joshua B. Swigart of Swigart Law Group, APC; and Ben Travis of Ben Travis Law APC.
21. **"Class List"** is the class list provided by Defendants to the Settlement Administrator. The Class List shall include the Settlement Class members' names, email addresses (if available) and physical mailing addresses (if available).
22. **"Class Representatives"** means the Plaintiffs the Court approves to serve on behalf of the Settlement Class.
23. **"FAC"** means the First Amended Class Action Complaint filed on July 15, 2024.
24. **"Court"** means the United States District Court for the District of Arizona, and the Judge(s) assigned to the Action.
25. **"Data Incident"** means the unauthorized access to or acquisition of the Personally Identifiable Information that took place on or about January 3, 2023, as a result of the infiltration of Defendants' computer systems.
26. **"Defendants"** means Arizona Labor Force, Inc., and Labor Systems, Inc.
27. **"Defendants' Counsel"** means Craig J. Mariam, Joshua D. Bradus, and Nicholas A. Siamas of Gordon Rees Scully Mansukhani, LLP.
28. **"Effective Date"** means the day after the entry of the Final Approval Order, provided no objections are made to the Settlement. If there are objections to the Settlement, then the Effective Date shall be the later of: (a) 30 days after entry of the Final Approval Order if no appeals are taken from the Final Approval Order; or (b) if appeals are taken from the Final Approval Order, then the earlier of 30 days after the last appellate court ruling affirming the Final Approval Order or 30 days after the entry of a dismissal of the appeal.
29. **"Escrow Account"** means the interest-bearing account to be established by the Settlement Administrator consistent with the terms and conditions described herein.
30. **"Final Approval"** means the final approval of the Settlement, which occurs when the Court enters the Final Approval Order, substantially in the form attached to the Motion for Final Approval.

31. **"Final Approval Hearing"** means the hearing held before the Court during which the Court will consider granting Final Approval of the Settlement and the Application for Attorneys' Fees and Costs.
32. **"Final Approval Order"** means the final order the Court enters granting Final Approval of the Settlement. The Final Approval Order also includes the orders, which may be entered separately, determining the amount of attorneys' fees and costs awarded.
33. **"Long Form Notice"** means the long form notice of the Settlement, substantially in the form attached hereto as *Exhibit 2*, that shall be posted on the Settlement Website and shall be available to Settlement Class Members by mail upon request to the Settlement Administrator.
34. **"Motion for Final Approval"** means the unopposed motion that Plaintiffs and Class Counsel shall file with the Court seeking Final Approval of the Settlement.
35. **"Motion for Preliminary Approval"** means the motion that Plaintiffs shall file with the court seeking Preliminary Approval of the Settlement.
36. **"Net Settlement Fund"** means the amount of the Settlement Fund following payment of Settlement Administration Costs, Service Awards, and any attorneys' fees and costs.
37. **"Notice"** means the Postcard Notice and Long Form Notice that Plaintiffs may ask the Court to approve in connection with the Motion for Preliminary Approval.
38. **"Notice Program"** means the methods provided for in this Agreement for giving Notice to the Settlement Class and may consist of Postcard Notice and Long Form Notice, along with the Settlement Website and the Settlement telephone number.
39. **"Notice of Deficiency"** means the notice sent by the Settlement Administrator to a Settlement Class member who has submitted an invalid Claim.
40. **"Objection Deadline"** means 30 days before the initial scheduled Final Approval Hearing and is the last date by which Settlement Class Members may object to the Settlement.
41. **"Opt-Out Deadline"** means 30 days before the initial scheduled Final Approval Hearing and is the last date by which Settlement Class Members may opt-out of the Settlement.
42. **"Party"** means either one of the Plaintiffs or the Defendants, and "The Parties" means Plaintiffs and Defendants collectively.
43. **"Plaintiffs"** means Daniel Bozek and Brandon Gaines.

44. **"Personally Identifiable Information"** or **"PII"** means the personally identifiable information and private information which consists of some combination of the following: names, addresses, financial history, and/or Social Security numbers.
45. **"Postcard Notice"** means the postcard notice of the Settlement, substantially in the form attached hereto as *Exhibit 1*, that the Settlement Administrator may disseminate to Settlement Class members by mail.
46. **"Preliminary Approval"** means the preliminary approval of the Settlement, which occurs when the Court enters the Preliminary Approval Order, substantially in the form submitted with the Motion for Preliminary Approval.
47. **"Preliminary Approval Order"** means the order preliminarily approving the Settlement and proposed Notice Program, substantially in the form attached hereto as *Exhibit 4*.
48. **"Releases"** means the releases and waiver set forth in Section XIII of this Agreement.
49. **"Released Claims"** means any and all claims, counterclaims, cross-claims, charges, liabilities, rights, demands, obligations, suits, debts, liens, contracts, agreements, offsets, objections, defenses, actions, or causes of action of every kind and description whatsoever, 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, incidental damages, special damages, penalties, exemplary damages, punitive damages, statutory damages, treble damages, liquidated damages, nominal damages, attorneys' fees, costs, interest or expenses, and any other form of relief) that the Releasing Parties had, have, may have, or may claim now or in the future to have (including, but not limited to, assigned claims and any and all unknown claims, whether based on information known or unknown, suspected or unsuspected, contingent or non-contingent, accrued or unaccrued, matured or unmatured, liquidated or unliquidated, fixed or unfixed, direct or derivative, individual or representative) 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 at any point 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, and any Released Claim(s) that otherwise relate to or arise from: (a) the Data Incident; (b) the alleged access, disclosure, acquisition, theft, misuse, or compromise of Settlement Class Members' Personally Identifiable Information in connection with the Data Incident; (c) Defendants' provision of notice to Settlement Class Members following the Data Incident or alleged failure to provide timely or adequate notice; (d) Defendants' information security policies, procedures, practices, or conduct as

they relate to or arise from the Data Incident; (e) Defendants' maintenance, storage, protection, disposal, or handling of Personally Identifiable Information as they relate to or arise from the Data Incident; (f) any alleged failure to adequately train employees regarding data security as it relates to or arises from the Data Incident; (g) any alleged failure to implement adequate safeguards, encryption, firewalls, intrusion detection systems, or other security measures as they relate to or arise from the Data Incident; (h) any conduct by third parties, including but not limited to hackers, in connection with the Data Incident; or (i) any other claim, however characterized, that relates to or arises from the Data Incident, regardless of whether such claims arise under federal, state and/or local law, statute, ordinance, regulation, common law, contract, tort, or any other source of law or equity.

50. **"Released Parties"** means Defendants and Defendants' past, present, and future direct and indirect heirs, assigns, associates, corporations, investors, owners, parents, subsidiaries, affiliates, divisions, officers, directors, shareholders, members, partners, joint venturers, agents, employees, attorneys, accountants, financial advisors, consultants, representatives, insurers, reinsurers, benefit plans, predecessors, successors, managers, administrators, executors, trustees, and any other persons or entities acting on behalf of or claiming under any of them, and each of their respective heirs, assigns, and successors.
51. **"Releasing Parties"** means Plaintiffs and Settlement Class Members (including those who do not submit claims) and their respective past, present, and future heirs, beneficiaries, conservators, executors, estates, administrators, assigns, agents, attorneys, accountants, financial and other advisors, insurers, and any other representatives of any of these persons and entities, and anyone claiming through or on behalf of any of them.
52. **"Service Award"** means the cash payment Class Counsel will request the Court to award the Plaintiffs for serving as the Class Representatives.
53. **"Settlement Administrator"** means Simpluris, Inc.
54. **"Settlement Administration Costs"** means all costs and fees of the Settlement Administrator regarding Notice and Settlement administration.
55. **"Settlement Class"** means all United States residents whose PII may have been compromised in the Data Incident. Excluded from the Settlement Class are: (1) all persons who are directors, officers, and agents of Defendants, or their respective subsidiaries and affiliated companies; (2) governmental entities; and (3) the Judge assigned to the Action, that Judge's immediate family, and Court staff.
56. **"Settlement Class Member"** means any member of the Settlement Class who has not opted out of the Settlement.

57. **"Settlement Class Member Benefit"** means the Cash Payment elected by Settlement Class Members.
58. **"Settlement Fund"** means the non-reversionary all cash \$300,000.00 (three hundred thousand dollars and no cents) common fund that Defendants are obligated to fund or cause to be funded pursuant to Section III herein.
59. **"Settlement Website"** means the website the Settlement Administrator will establish as a means for Settlement Class members to submit Claim Forms and obtain notice and information about the Settlement, including hyperlinked access to this Agreement, the Preliminary Approval Order, Long Form Notice, Claim Form, Motion for Final Approval, Application for Attorneys' Fees and Costs, and Final Approval Order, as well as other documents as the Parties agree to post or the Court orders posted. The Settlement Website shall remain online and operable for at least six months after Final Approval.
60. **"Valid Claim"** means a Claim Form submitted by a Settlement Class Member that is: (a) submitted in accordance with the provisions of the Settlement; (b) accurately, fully, and truthfully completed and executed, with all of the information requested in the Claim Form, by a Settlement Class Member; (c) signed physically or by e-signature by a Settlement Class Member personally, subject to the penalty of perjury; (d) returned via mail and postmarked by the Claim Form Deadline, or, if submitted online, submitted by 11:59 p.m. Mountain Standard Time on the Claim Form Deadline; and (e) determined to be valid by the Settlement Administrator. The Settlement Administrator may require additional information from the Claimant to validate the Claim, including, but not limited to, answers related to questions regarding the validity or legitimacy of the physical or e-signature. Failure to respond to the Settlement Administrator's Notice of Deficiency may result in a determination that the Claim is not a Valid Claim.

III. Settlement Fund

61. Within 30 days of Preliminary Approval, Defendants shall fund or cause to be funded the entire \$300,000.00 Settlement Fund. In the event there is no Final Approval, or the Effective Date does not occur, following the payment of any outstanding Settlement Administration Costs, all funds remaining in the Settlement Fund shall be returned pro rata to the Defendants.
62. The Settlement Fund shall be used to pay: (1) all Settlement Class Member Benefits to Settlement Class Members who submit Valid Claims; (2) all Settlement Administration Costs; (3) any Service Awards awarded by the Court; and (4) any attorneys' fees and costs awarded by the Court. The Settlement Fund does not include the cost of serving notices under the CAFA, 28 U.S.C. § 1715, which shall be paid for by Defendants separately.

63. The funds in the Escrow Account shall be deemed a "qualified settlement fund" within the meaning of United States Treasury Reg. § 1.468B-1 at all times since creation of the Escrow Account. The Settlement Fund shall earn a reasonable rate of interest and all interest earned on the Settlement Fund shall be for the benefit of the Settlement Class. All taxes (including any estimated taxes, and any interest or penalties relating to them) arising with respect to the income earned by the Escrow Account or otherwise, including any taxes or tax detriments that may be imposed on Defendants, Defendants' Counsel, Plaintiffs, and/or Class Counsel with respect to income earned by the Escrow Account, for any period during which the Escrow Account does not qualify as a "qualified settlement fund" for the purpose of federal or state income taxes or otherwise, shall be paid out of the Escrow Account. Defendants, Defendants' Counsel, Plaintiffs, and Class Counsel shall have no liability or responsibility for any of the taxes. The Escrow Account shall indemnify and hold Defendants, Defendants' Counsel, Plaintiffs, and Class Counsel harmless for all taxes (including, without limitation, taxes payable by reason of any such indemnification).

IV. Certification of the Settlement Class

64. In the Motion for Preliminary Approval, Plaintiffs shall propose and request to the Court that the Settlement Class be certified for Settlement purposes only. Defendants agree solely for purposes of the Settlement provided for in this Agreement, and the implementation of such Settlement, that this case shall proceed as a class action; provided however, that if a Final Approval Order is not issued, then any certification shall be null and void and, for the avoidance of doubt, Defendants shall retain all rights to object to any future requests to certify a class. Plaintiffs and Class Counsel shall not reference this Agreement in support of any subsequent motion for class certification of any class in the Action.

V. Settlement Class Member Benefits

65. When submitting a Valid Claim, Settlement Class Members may elect to claim Cash Payment - Pro Rata Cash. All Cash Payments will be subject to a pro rata (a) increase from the Net Settlement Fund if the amount of Valid Claims is insufficient to exhaust the entire Net Settlement Fund or (b) decrease from the Net Settlement Fund if the amount of Valid Claims exhausts the amount of the Net Settlement Fund. Any pro rata increases or decreases will be on an equal percentage basis. If a Settlement Class Member does not submit a Valid Claim, the Settlement Class Member will release his or her claims without receiving a Settlement Class Member Benefit.

a. Cash Payment - Pro Rata Cash

A Settlement Class Member may elect to receive Cash Payment, which is a pro rata cash payment initially set at \$25.00, but subject to upwards or downwards adjustment based on the total number of claims as compared to the amount of funds remaining in the Settlement Fund after paying for Notice and Administration; Attorneys' fees and reimbursement of litigation costs; and service awards.

VI. Settlement Approval

66. Plaintiffs' Motion for Preliminary Approval shall, among other things, request the Court: (1) preliminarily approve the terms of the Settlement as being within the range of fair, adequate, and reasonable; (2) provisionally certify the Settlement Class for settlement purposes only; (3) approve the Notice Program and the form and content of the Notices; (4) approve the Claim Process and the form and content of the Notices; (5) approve the procedures for Settlement Class members to opt-out of the Settlement or for Settlement Class Members to object to the Settlement; (6) appoint Simpluris, Inc. as Settlement Administrator; (7) appoint Plaintiffs as Class Representatives and Brant Hodyno of Compassionate Counsel; Joshua B. Swigart of Swigart Law Group, APC; and Ben Travis of Ben Travis Law APC as Class Counsel for Settlement purposes; (8) stay the Action pending Final Approval of the Settlement; and (9) schedule a Final Approval Hearing for a time and date mutually convenient for the Court, the Parties, Class Counsel, and Defendants' Counsel.

VII. Settlement Administrator

67. The Parties agree that, subject to Court approval, Simpluris, Inc. shall be the Settlement Administrator. Class Counsel shall oversee the Settlement Administrator. The Settlement Administrator shall fulfill the requirements set forth in the Preliminary Approval Order and the Agreement and comply with all applicable laws, including, but not limited to, the Due Process Clause of the United States Constitution.
68. The Settlement Administrator shall administer various aspects of the Settlement as described in the next paragraph and perform such other functions as are specified for the Settlement Administrator elsewhere in this Agreement, including, but not limited to, effectuating the Notice Program, handling the Claims Process, administering the Settlement Fund, and ensuring the distribution of all Settlement Class Members Benefits.
69. The Settlement Administrator's duties include the following:
- a. Complete the Court-approved Notice Program by noticing the Settlement Class by Postcard Notice and sending out Long Form Notices and paper Claim Forms upon

request from Settlement Class members, reviewing Claim Forms, notifying Claimants of deficient Claim Forms using the Notice of Deficiency, and sending Settlement Class Member Benefits to Settlement Class Members who submit a Valid Claim;

- b. Establish and maintain the Settlement Fund and the Escrow Account;
- c. Establish and maintain a post office box to receive opt-out requests from the Settlement Class, objections from Settlement Class members, and Claim Forms;
- d. Establish and maintain the Settlement Website to provide important information and to receive electronic Claim Forms;
- e. Establish and maintain an automated toll-free telephone line for Settlement Class members to call with Settlement-related inquiries, and answer the frequently asked questions of Settlement Class members who call with or otherwise communicate such inquiries;
- f. Respond to any mailed Settlement Class Member inquiries;
- g. Process all opt-out requests from the Settlement Class;
- h. Provide weekly reports to Class Counsel and Defendants' Counsel that summarize the number of Claims submitted, Claims approved and rejected, Notices of Deficiency sent, opt-out requests and objections received that week, the total number of opt-out requests and objections received to date, and other pertinent information;
- i. In advance of the Final Approval Hearing, prepare a declaration confirming the Notice Program was completed in accordance with the terms of this Agreement and the Preliminary Approval Order, describing how the Notice Program was completed, indicating the number of Claim Forms received, providing the names of each Settlement Class Member who timely and properly requested to opt-out from the Settlement Class, indicating the number of objections received, and other information as may be necessary to allow the Parties to seek and obtain Final Approval;
- j. Distribute, out of the Settlement Fund, Cash Payments by electronic means or by paper check;
- k. Pay Court-approved service awards, attorneys' fees and costs out of the Settlement Fund;
- l. Pay Settlement Administration Costs out of the Settlement Fund following approval by Class Counsel; and

- m. Any other Settlement administration function at the instruction of Class Counsel and Defendants, including, but not limited to, verifying that the Settlement Fund has been properly administered and that the Cash Payments have been properly distributed.

VIII. Notice to the Settlement Class, Opt-Out Procedures, and Objection Procedures

- 70. Defendants will provide the Settlement Administrator with the Class List no later than 5 (five) days after entry of the Preliminary Approval Order. To the extent necessary, Plaintiffs and Defendants will cooperate with updating the Class List to accomplish the Notice Program and otherwise administer the Settlement.
- 71. Within ten (10) days following the filing of the Motion for Preliminary Approval, Defendants, through the Administrator, shall cause a CAFA Notice to be served upon appropriate State and Federal officials. Expenses incurred in connection with the preparation and service of the CAFA Notice (not to exceed \$2,500) shall be borne by Defendants. Any overage would be payable through the Settlement Fund.
- 72. Within 20 (twenty) days following entry of the Preliminary Approval Order, the Settlement Administrator shall commence the Notice Program provided herein, using the Postcard Notice and Long Form Notice approved by the Court.
- 73. The Postcard Notice shall include, among other information: (a) a description of the material terms of the Settlement; (b) how to submit a Claim Form; (c) the Claim Form Deadline; (d) the Opt-out Deadline which is the last day for Settlement Class members to opt-out of the Settlement Class; (e) the Objection Deadline which is the last day for Settlement Class Members to object to the Settlement and/or Application for Attorneys' Fees and Costs; (f) the Final Approval Hearing date; and (g) the Settlement Website address at which Settlement Class members may access this Agreement and other related documents and information. Class Counsel shall insert the correct dates and deadlines in the Notices before the Notice Program commences, based upon those dates and deadlines set by the Court in the Preliminary Approval Order. If the date or time for the Final Approval Hearing changes, the Settlement Administrator shall update the Settlement Website to reflect the new date. No additional notice to the Settlement Class is required if the date or time for the Final Approval Hearing changes.
- 74. The Settlement Administrator shall establish the Settlement Website no later than one day before Notice is first initiated. The Settlement Administrator shall ensure the Settlement Website makes available the Court-approved online Claim Form that can be submitted online directly on the Settlement Website or in printable version that can be sent by U.S. Mail to the Settlement Administrator.

75. The Long Form Notice shall also include a procedure for Settlement Class members to opt-out of the Settlement Class, and the Postcard Notice shall direct Settlement Class members to review the Long Form Notice to obtain the opt-out instructions. A Settlement Class member may opt-out of the Settlement Class at any time until the Opt-Out Deadline by submitting the request electronically via the Settlement Website or mailing a request to opt-out to the Settlement Administrator postmarked no later than the last day of the Opt-Out Period. The opt-out request must be personally signed by the Settlement Class member and contain the requestor's name, address, telephone number, and email address (if any), and include a statement indicating a request to opt-out of the Settlement Class. Any Settlement Class Member who does not timely and validly request to opt-out shall be bound by the terms of this Agreement even if that Settlement Class Member does not submit a Valid Claim.
76. The Long Form Notice shall also include a procedure for Settlement Class Members to object to the Settlement and/or Application for Attorneys' Fees and Costs, and the Postcard Notice shall direct Settlement Class members to review the Long Form Notice to obtain the objection instructions. Objections must be submitted electronically via the Settlement Website or sent by U.S. Mail to the Settlement Administrator. For an objection to be considered by the Court, the objection must be submitted no later than the Objection Deadline, as specified in the Notice, and the Settlement Class Member must not have opted out of the Settlement Class. If submitted by mail, an objection shall be deemed to have been submitted when posted if received with a postmark date indicated on the envelope if mailed first-class postage prepaid and addressed in accordance with the instructions. If submitted by private courier (e.g., Federal Express), an objection shall be deemed to have been submitted on the shipping date reflected on the shipping label.
77. For an objection to be considered by the Court, the objection must also set forth:
- a. the objector's full name, mailing address, telephone number, and email address (if any);
 - b. all grounds for the objection, accompanied by any legal support for the objection known to the objector or objector's counsel;
 - c. the number of times the objector has objected to a class action settlement within the 5 (five) years preceding the date that the objector files the objection, the caption of each case in which the objector has made such objection, and a copy of any orders related to or ruling upon the objector's prior objections that were issued by the trial and appellate courts in each listed case;
 - d. the identity of all counsel who represent the objector, including any former or current counsel who may be entitled to compensation for any reason related to the objection to the Settlement and/or Application for Attorneys' Fees and Costs;

- e. the number of times in which the objector's counsel and/or counsel's law firm have objected to a class action settlement within the five years preceding the date of the filed objection, the caption of each case in which counsel or the firm has made such objection and a copy of any orders related to or ruling upon counsel's or the counsel's law firm's prior objections that were issued by the trial and appellate courts in each listed case;
- f. the identity of all counsel (if any) representing the objector, and whether they will appear at the Final Approval Hearing;
- g. a list of all persons who will be called to testify at the Final Approval Hearing in support of the objection (if any);
- h. a statement confirming whether the objector intends to personally appear and/or testify at the Final Approval Hearing; and
- i. the objector's signature (an attorney's signature is not sufficient).

Class Counsel and/or Defendants' Counsel may conduct limited discovery on any objector or objector's counsel.

- 78. The Settlement Administrator shall perform reasonable address traces for those Postcard Notices returned as undeliverable. By way of example, a reasonable tracing procedure would be to run addresses of returned postcards through the Lexis/Nexis database that can be utilized for such purpose. To the extent better addresses are found, the Settlement Administrator should attempt to re-mail the Postcard Notice.
- 79. The Notice Program shall be completed in its entirety no later than 45 (forty-five) days before the original date set for the Final Approval Hearing.

IX. Claim Process and Disbursement of Cash Payments

- 80. The Notice and the Settlement Website will explain to Settlement Class members that they may be entitled to a Settlement Class Member Benefit and how to submit a Claim Form.
- 81. Claim Forms may be submitted online through the Settlement Website or through U.S. Mail by sending them to the Settlement Administrator at the address designated on the Claim Form.
- 82. The Settlement Administrator shall collect, review, and address each Claim Form received to determine whether the Claim Form meets the requirements set forth in this Settlement and is thus a Valid Claim. The Settlement Administrator shall examine the Claim Form before designating the Claim as a Valid Claim to determine that the

information on the Claim Form is reasonably complete. The Settlement Administrator shall have the sole authority to determine whether a Claim by any Claimant is a Valid Claim.

- 83. The Settlement Administrator shall use all reasonable efforts and means to identify and reject duplicate claims. No Settlement Class Member may submit more than one Claim Form. The Settlement Administrator shall identify any Claim Forms that appear to seek relief on behalf of the same Settlement Class member. The Settlement Administrator shall use its best efforts to determine whether there is any duplication of Claims, and if there is, contact the Settlement Class Member in an effort to determine which Claim Form is the appropriate one for consideration.
- 84. The Settlement Administrator shall exercise, in its discretion, all usual and customary steps to prevent fraud and abuse and take any reasonable steps to prevent fraud and abuse in the Claim Process. The Settlement Administrator may, in its discretion, deny in whole or in part any Claim Form to prevent actual or possible fraud or abuse. By agreement, the Parties can instruct the Settlement Administrator to take whatever steps it deems appropriate if the Settlement Administrator identifies actual or possible fraud or abuse relating to the submission of Claims, including, but not limited to, denying in whole or in part any Claim to prevent actual or possible fraud or abuse. If any fraud is detected or reasonably suspected, the Settlement Administrator and Parties may require information from Claimants or deny Claims, subject to the supervision of the Parties and ultimate oversight by the Court.
- 85. Claim Forms that do not meet the terms and conditions of this Settlement shall be promptly rejected by the Settlement Administrator and the Settlement Administrator shall advise the Settlement Class member of the reason(s) why the Claim Form was rejected. However, if the Claim Form is rejected for containing incomplete or inaccurate information, and/or omitting required information, the Settlement Administrator may send a Notice of Deficiency explaining what information is missing or inaccurate and needed to validate the Claim and have it submitted for consideration. The Settlement Administrator shall notify the Settlement Class Member using the contact information provided in the Claim Form. A Settlement Class Member shall have until the Claim Form Deadline, or 15 days after the date the Notice of Deficiency is sent via mail and postmarked or via email, whichever is later, to reply to the Notice of Deficiency and provide the required information. If the Settlement Class Member timely and adequately provides the requested information and/or documentation, the Claim shall be deemed a Valid Claim and processed by the Settlement Administrator. If the Settlement Class Member does not timely and completely provide the requested information and/or documentation, the Settlement Administrator shall reduce or deny the Claim unless Defendant and Class Counsel otherwise agree.

86. Where a good faith basis exists, the Settlement Administrator may reduce or reject a Claim for, among other reasons, the following:
- a. Failure to fully complete and/or sign the Claim Form;
 - b. Illegible Claim Form;
 - c. The Claim Form is fraudulent;
 - d. The Claim Form is duplicative of another Claim Form;
 - e. The Claimant is not a Settlement Class Member;
 - f. The Claimant submitted a timely and valid request to opt-out of the Settlement Class;
 - g. The person submitting the Claim Form requests that payment be made to a person or entity other than the Claimant for whom the Claim Form is submitted;
 - h. Failure to submit a Claim Form by the Claim Form Deadline; and/or
 - i. The Claim Form otherwise does not comply with the requirements of this Settlement.
87. The Settlement Administrator's reduction or denial of a Claim is final, subject to the following dispute resolution procedures:
- a. The Settlement Administrator shall have 30 (thirty) days from the Claim Form Deadline to approve or reject Claims based on findings of fraud or duplication;
 - b. A request for additional information by sending a Notice of Deficiency shall not be considered a denial for purposes of this Paragraph;
 - c. If a Claim is rejected for fraud or duplication, the Settlement Administrator shall notify the Claimant using the contact information provided in the Claim Form. Class Counsel and Defendants' Counsel shall be provided with copies of all such notifications to Claimants; and
 - d. The Settlement Administrator's determination as to whether to approve, deny, or reduce a Claim shall be final and binding.
88. The Settlement Administrator shall provide all information gathered in investigating Claims, including, but not limited to, copies of all correspondence and email and all notes of the Settlement Administrator, the decision reached, and all reasons supporting the decision, if requested by Class Counsel or Defendants' Counsel. Additionally, Class Counsel and Defendants' Counsel shall have the right to inspect the Claim Forms and

supporting documentation received by the Settlement Administrator at any time upon reasonable notice.

89. No person or entity shall have any claim against Defendants, Defendants' Counsel, Plaintiffs, the Settlement Class, Class Counsel, and/or the Settlement Administrator based on any eligibility determinations, distributions, or awards made in accordance with this Settlement.
90. No later than 75 (seventy-five) days after Final Approval or 30 (thirty) days after the Effective Date, whichever is later, the Settlement Administrator shall distribute the Settlement Class Member Benefits.
91. Cash Payments to Settlement Class Members will be made by electronic payment or by paper check. Following Final Approval, the Settlement Administrator will send Settlement Class Members an email to select a form of electronic payment or to receive payment by paper check. In the event a Settlement Class Member does not make an election or there is a problem with issuance of an electronic payment, a paper check will be sent to the Settlement Class Member's last known address. Settlement Class Members shall have 45 (forty-five) days to select their form of payment. Paper checks must be negotiated within 90 (ninety) days of issuance. In the event the Settlement Administrator is unable to distribute funds to the Settlement Class Members entitled to receive them due to incorrect or incomplete information provided to the Settlement Administrator, the funds shall become residual funds, and such Settlement Class Members shall forfeit their entitlement right to the funds.
92. In the event there are funds remaining in the Settlement Fund 240 (two hundred forty) days following the date Settlement Class members are sent an email to select their form of payment, said funds attributable to unclaimed and undeliverable funds shall be treated as residual funds as described in Section XII.

X. Final Approval Order and Final Judgment

93. Plaintiffs shall file their Motion for Final Approval of the Settlement, inclusive of the Application for Attorneys' Fees and Costs, no later than 45 (forty-five) days before the original date set for the Final Approval Hearing. At the Final Approval Hearing, the Court will hear argument on Plaintiffs' Motion for Final Approval of the Settlement and Application for Attorneys' Fees and Costs. In the Court's discretion, the Court will also hear argument at the Final Approval Hearing from any Settlement Class Members (or their counsel) who object to the Settlement and/or to the Application for Attorneys' Fees and Costs, provided the objectors submitted timely objections that meet all of the requirements listed in this Agreement.

94. At or following the Final Approval Hearing, the Court will determine whether to enter the Final Approval Order and final judgment thereon, and whether to grant the Application for Attorneys' Fees and Costs. Such proposed Final Approval Order shall, among other things:
- a. Determine that the Settlement is fair, adequate and reasonable;
 - b. Finally certify the Settlement Class for settlement purposes only;
 - c. Determine the completed Notice Program satisfies Due Process requirements;
 - d. Bar and enjoin all Releasing Parties from asserting or otherwise pursuing any of the Released Claims at any time and in any jurisdiction, including during any appeal from the Final Approval Order; and retain jurisdiction over the enforcement of the Court's injunctions;
 - e. Release Defendants and the Released Parties from the Released Claims, as specified in Section XIII below; and
 - f. Reserve the Court's continuing and exclusive jurisdiction over the Parties to this Agreement, including Defendants, Plaintiffs, all Settlement Class Members, and all objectors, to administer, supervise, construe, and enforce this Agreement in accordance with its terms.

XI. Service Awards, Attorneys' Fees, and Costs

95. ***Service Awards*** - In recognition of the time and effort the Class Representatives expended in pursuing this Action and in fulfilling their obligations and responsibilities as Class Representatives and of the relief conferred on all Settlement Class Members by the Settlement, Class Counsel may request Service Awards for the Class Representatives in the amount not to exceed \$1,500.00 each. If approved, the Service Awards shall be paid by the Settlement Administrator out of the Settlement Fund directly to the Class Representatives within 5 (five) days of the Effective Date. The Service Awards payment to the Class Representatives shall be separate and apart from their entitlement to benefits from the Settlement Fund.
96. ***Attorneys' Fees and Costs*** - Class Counsel may apply to the Court for an award of attorneys' fees of up to one-third of the Settlement Fund, plus reimbursement of costs. The attorneys' fees and cost awards approved by the Court shall be paid by the Settlement Administrator out of the Settlement Fund by wire transfer to an account designated by Class Counsel within 5 (five) days of the Effective Date.
97. This Settlement is not contingent on approval of the request for Service Awards, attorneys' fees, and costs, and if the Court denies the request or grants amounts less than

what was requested, the remaining provisions of the Agreement shall remain in force. The provision for Service Awards, attorneys' fees, and costs was not negotiated until after all material terms of the Settlement.

XII. Disposition of Residual Funds

98. In the event there are funds remaining in the Settlement Fund 240 (two hundred forty) days following the date Settlement Class members are sent an email to select their form of payment, any residual shall be distributed to the Electronic Frontier Foundation, a 501(c)(3) non-profit, to be approved by the Court.

XIII. Releases

99. Upon the Effective Date, and in consideration of the Settlement relief and other consideration described herein, the Releasing Parties shall be deemed to have, and by operation of the Final Approval Order shall have, fully, finally, completely, and forever released, acquitted, relinquished, waived, and completely discharged Defendants and each of the Released Parties from any and all Released Claims. This release shall be binding upon all Releasing Parties, whether or not they submit a Claim Form.
100. In consideration of the Settlement Fund and Settlement Class Member Benefits set forth in Sections III and V, above, the Releasing Parties completely release and forever discharge the Released Parties from the Released Claims including any and all past, present, or future claims, demands, obligations, actions, causes of action, and legal theories, whether known or unknown, suspected or unsuspected, asserted or unasserted, disclosed or undisclosed, apparent or unapparent, contingent or non-contingent, matured or unmatured, that have resulted or may result from the Data Incident. This includes but is not limited to any claims or causes of action for economic damages, noneconomic damages, consequential damages, incidental damages, special damages, general damages, compensatory damages, punitive damages, exemplary damages, statutory damages, treble damages, liquidated damages, nominal damages, out-of-pocket expenses, injuries, lost time, emotional distress, mental anguish, fear of future harm, credit monitoring costs, identity theft protection services, fraud losses, attorneys' fees, costs, or any other relief arising out of the Data Incident, whether or not alleged in the FAC. The Releasing Parties release the Released Parties from the Released Claims, whether known or unknown. This release constitutes a fully binding and complete settlement between the Releasing Parties and the Released Parties, including their respective heirs, beneficiaries, assigns, and successors. The Releasing Parties acknowledge and agree that the release and discharge set forth herein is a general release of the broadest scope permitted by law. The Releasing Parties expressly waive and assume the risk of any and all claims for damages that exist as of the Effective Date but of which the Releasing Parties do not know or suspect to

exist, whether through oversight, error, negligence, ignorance, or otherwise and that, if known, would materially affect the Releasing Parties' decision to enter into this Settlement Agreement. It is understood and agreed that the sums set forth in this Agreement, paid to Releasing Parties, are in part to compensate them for unknown injuries and/or damages that may be discovered in the future. Releasing Parties further agree that payment of the sums specified herein is a complete compromise of all matters involving disputed issues of law and fact. Releasing Parties assume the risk that the facts or law may be other than what Claimants believe.

101. The general release provided in the paragraph above is intended to be, and is hereby deemed to be, a waiver of rights under California Civil Code section 1542, which provides:

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

102. Plaintiffs and all Settlement Class Members also expressly waive and relinquish, to the fullest extent permitted by law, the provisions, rights and benefits of any law(s), state, federal, or common law, that are comparable in effect to California Civil Code section 1542. Without limiting the generality of the foregoing, Plaintiffs and Settlement Class Members expressly waive and relinquish any rights or benefits available to them under the following statutes and any similar, comparable, or equivalent laws of any other jurisdiction: (a) Alaska Stat. § 09.43.010; (b) California Civil Code § 1798.80, et seq.; (c) Delaware Code Ann. tit. 6, § 2514; (d) Hawaii Rev. Stat. § 651C-7(b); (e) Massachusetts Gen. Laws Ch. 231, § 85L; (f) Montana Code Ann. § 28-1-1602; (g) New Hampshire Rev. Stat. Ann. § 507-B:2; (h) North Dakota Cent. Code § 9-13-02; (i) Oklahoma Stat. tit. 15, § 237; (j) South Dakota Codified Laws § 20-7-11; (k) Washington Rev. Code § 4.24.115; and (l) any other federal, state, or local statute, rule, regulation, order, or common law principle that may limit the release of unknown claims.
103. The Releasing Parties agree that, once this Agreement is executed, they will not, directly or indirectly, individually or in concert with another, maintain, cause to be maintained, commence, prosecute, participate in, or voluntarily assist in maintaining any further demand, action, claim, lawsuit, arbitration, administrative proceeding, regulatory action, or similar proceeding, in any capacity whatsoever, based on any of the Released Claims, and hereby covenant not to sue any Released Party on any Released Claim.

104. Settlement Class members who opt out of the Settlement prior to the Opt-Out Deadline do not release their claims arising out of the Data Incident and will not obtain any of the Settlement Class Member Benefits under the Settlement.
105. Upon the Effective Date: (a) this Settlement shall be the exclusive remedy for any and all Released Claims of Plaintiffs and Settlement Class Members; and (b) Plaintiffs and Settlement Class Members stipulate to be and shall be permanently barred and enjoined by Court order from initiating, asserting, or prosecuting all Released Claims, whether on behalf of Plaintiffs, any Settlement Class Member or others, in any jurisdiction, including in any federal, state, or local court or tribunal.
106. The Released Parties may plead this Agreement and the releases contained herein as a complete defense and bar to any action, suit, or proceeding brought by any Releasing Party in violation of this Agreement.
107. The power to enforce any term of this Settlement is not affected by the releases in this section.

XIV. Termination of Settlement

108. This Agreement shall be subject to and is expressly conditioned on the occurrence of all of the following events:
 - a. Court approval of the Settlement consideration set forth in Section V and the Releases set forth in Section XIII of this Agreement;
 - b. The Court has entered the Preliminary Approval Order;
 - c. The Court has entered the Final Approval Order, and all objections, if any, are overruled, and all appeals taken from the Final Approval Order are resolved in favor of Final Approval; and
 - d. The Effective Date has occurred.
109. If any of the conditions specified in the preceding paragraph are not met, or if the Court otherwise imposes any modification to or condition of approval of the Settlement to which the Parties do not consent, then this Agreement shall be cancelled and terminated.
110. In the event this Agreement is terminated or fails to become effective, then the Parties shall return to the status quo ante in the Action as if the Parties had not entered into this Agreement, and the Parties shall jointly file a status report in the Court seeking to reopen the Action and all papers filed. In such event, the terms and provisions of this Agreement shall have no further force and effect with respect to the Parties and shall not be used in this Action or in any other action or proceeding for any other purpose, and any order

entered by this Court in accordance with the terms of this Agreement shall be treated as vacated, nunc pro tunc.

111. In the event this Agreement is terminated or fails to become effective, all funds remaining in the Settlement Fund shall be promptly returned to the Defendants as described hereinabove. However, Defendants shall have no right to seek from Plaintiffs, Class Counsel, or the Settlement Administrator the Settlement Administration Costs paid or incurred.

XV. Effect of Termination

112. The grounds upon which this Agreement may be terminated are set forth in Section XIV. In the event of a termination, this Agreement shall be considered null and void; all of Plaintiffs', Class Counsel's, Defendants', and Defendants' Counsel's obligations under the Settlement shall cease to be of any force and effect; and the Parties shall return to the status quo ante in the Action as if the Parties had not entered into this Agreement. In addition, in the event of such a termination, all of the Parties' respective pre-Settlement rights, claims, and defenses will be retained and preserved.
113. In the event the Settlement is terminated in accordance with the provisions of this Agreement, any discussions, offers, or negotiations associated with this Settlement shall not be discoverable or offered into evidence or used in the Action or any other action or proceeding for any purpose. In such event, all Parties to the Action shall stand in the same position as if this Agreement had not been negotiated, made, or filed with the Court.

XVI. No Admission of Liability

114. This Agreement reflects the Parties' compromise and settlement of disputed claims. This Agreement shall not be construed as or deemed to be evidence of an admission or concession of any point of fact or law. Defendants have denied and continue to deny each of the claims and contentions alleged in the FAC. Defendants do not admit any liability or wrongdoing of any kind, by this Agreement or otherwise. Defendants agreed to enter into this Agreement to avoid the further expense, inconvenience, and distraction of burdensome and protracted litigation, and to be completely free of any further claims that were asserted or could possibly have been asserted in the Action.
115. Class Counsel believe the claims asserted in the Action have merit, and they have examined and considered the benefits to be obtained under the proposed Settlement set forth in this Agreement, the risks associated with the continued prosecution of this complex, costly, and time-consuming litigation, and the likelihood of success on the merits of the Action. Class Counsel fully investigated the facts and law relevant to the merits of the claims, conducted discovery, and conducted independent investigation of

the alleged claims. Class Counsel concluded that the proposed Settlement set forth in this Agreement is fair, adequate, reasonable, and in the best interests of the Settlement Class.

116. This Agreement constitutes a compromise and settlement of disputed claims. No action taken by the Parties in connection with the negotiations of 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.
117. Neither the Settlement, nor any act performed or document executed pursuant to or in furtherance of the Settlement (a) 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 the Plaintiffs or Settlement Class Members, or of any wrongdoing or liability of the Released Parties; or (b) is or may be deemed to be, or may be used as, an admission of, or evidence of, any fault or omission of any of the Released Parties, in the Action or in any proceeding in any court, administrative agency, or other tribunal.
118. In addition to any other defenses Defendants or the Released Parties may have at law, in equity, or otherwise, to the extent permitted by law, this Agreement may be pleaded as a full and complete defense to and may be used as the basis for an injunction against, any action, suit, or other proceeding that may be instituted, prosecuted, or attempted in breach of this Agreement or the Releases contained herein.

XVII. Miscellaneous Provisions

119. ***Confidentiality.*** To the extent permitted by ethics rules, the Parties and their counsel shall keep confidential all settlement communications, including communications regarding the negotiation and drafting of this Agreement. This paragraph shall not be construed to limit or impede the Notice requirements contained in this Agreement, nor shall this paragraph be construed to prevent Class Counsel or Defendants' Counsel from notifying or explaining that the Action has settled or limit the representations that the Parties or their counsel may make to the Court to assist in the Court's evaluation of the Settlement, Preliminary Approval, Final Approval, and any objection to the Settlement's terms. Defendants may also provide information about the Agreement to their attorneys, members, partners, insurers, brokers, agents, and other persons or entities as required by securities laws, other applicable laws and regulations, and as necessary to effectuate the Settlement.
120. ***Gender and Plurals.*** As used in this Agreement, the masculine, feminine, or neutral gender, and the singular or plural number, shall each be deemed to include the others whenever the context so indicates.

121. ***Binding Effect.*** This Agreement shall be binding upon, and inure to and for the benefit of, the successors and assigns of the Releasing Parties and the Released Parties.
122. ***Cooperation of Parties.*** The Parties to this Agreement agree to cooperate in good faith to prepare and execute all documents, seek Court approval, uphold Court approval, and do all things reasonably necessary to complete and effectuate the Settlement described in this Agreement.
123. ***Obligation to Meet and Confer.*** Before filing any motion in the Court raising a dispute arising out of or related to this Agreement, the Parties shall consult with each other and certify to the Court that they have met and conferred in an attempt to resolve the dispute.
124. ***Integration and No Reliance.*** This Agreement constitutes a single, integrated written contract expressing the entire agreement of the Parties relative to the subject matter hereof. This Agreement is executed without reliance on any covenant, agreement, representation, or warranty by any Party or any Party's representative other than those expressly set forth in this Agreement. No covenants, agreements, representations, or warranties of any kind whatsoever have been made by any Party hereto, except as provided for herein.
125. ***No Conflict Intended.*** Any inconsistency between the headings used in this Agreement and the text of the paragraphs of this Agreement shall be resolved in favor of the text.
126. ***Governing Law.*** Except as otherwise provided herein, the Agreement shall be construed in accordance with, and be governed by, the laws of the State of Arizona, without regard to the principles thereof regarding choice of law.
127. ***Counterparts.*** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, even though all Parties do not sign the same counterparts. Original signatures are not required. Any signature submitted through email of a PDF shall be deemed an original.
128. ***Jurisdiction.*** The Court shall retain jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any suit, action, proceeding, or dispute arising out of or relating to this Agreement that cannot be resolved by negotiation and agreement by counsel for the Parties. The Court shall also retain jurisdiction over all questions and/or disputes related to the Notice Program and the Settlement Administrator. As part of the agreement to render services in connection with this Settlement, the Settlement Administrator shall consent to the jurisdiction of the Court for this purpose. The Court shall retain jurisdiction over the enforcement of the Court's injunction barring and enjoining all Releasing Parties from asserting any of the Released

Claims and from pursuing any Released Claims against the Released Parties at any time and in any jurisdiction, including during any appeal from the Final Approval Order.

129. **Notices.** All notices provided for herein shall be sent by email with a hard copy sent by overnight mail to:

If to Plaintiffs or Class Counsel:

Brant Hodyno (AZ SBN: 030434)
brant@compassionate-counsel.com
COMPASSIONATE COUNSEL
3260 N. Hayden Rd., Ste. 210-1
Scottsdale, AZ 85251

Joshua B. Swigart (pro hac vice)
josh@swigartlawgroup.com
SWIGART LAW GROUP, APC
2221 Camino Del Rio S., Suite 308
San Diego, CA 92108

Ben Travis (pro hac vice)
ben@bentravislaw.com
BEN TRAVIS LAW, APC
4660 La Jolla Village Drive, Suite 100
San Diego, CA 92122

If to Defendants or Defendants' Counsel:

Craig J. Mariam / *cmariam@grsm.com*
Josh D. Bradus / *jbradus@grsm.com*
Nicholas A. Siamas / *nsiamas@grsm.com*
GORDON REES SCULLY MANSUKHANI, LLP
633 West Fifth Street, 52nd Floor
Los Angeles, CA 90071

The notice recipients and addresses designated above may be changed by written notice. Upon the request of any of the Parties, the Parties agree to promptly provide each other with copies of objections, requests for exclusion, or other filings received as a result of the Notice Program.

130. **Modification and Amendment.** This Agreement may not be amended or modified, except by a written instrument signed by Class Counsel and Defendants' Counsel and, if the Settlement has been approved preliminarily by the Court, approved by the Court.
131. **No Waiver.** The waiver by any Party of any breach of this Agreement by another Party shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Agreement.
132. **Authority.** Any person executing this Agreement in a representative capacity represents and warrants that he or she is fully authorized to do so and to bind the Party on whose

behalf he or she signs this Agreement to all of the terms and provisions of this Agreement.

133. ***Agreement Mutually Prepared.*** Neither Plaintiffs nor Defendants shall be considered to be the drafter of this Agreement or any of its provisions for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter of this Agreement.
134. ***Independent Investigation and Decision to Settle.*** The Parties understand and acknowledge they: (a) have performed an independent investigation of the allegations of fact and law made in connection with this Action; and (b) that even if they may hereafter 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 Action as reflected in this Agreement, that will not affect or in any respect limit the binding nature of this Agreement. All Parties recognize and acknowledge they reviewed and analyzed data that they and their experts used to make certain determinations, arguments, and settlement positions. The Parties agree this Settlement is fair, reasonable, and adequate, and will not attempt to renegotiate or otherwise void or invalidate or terminate the Settlement irrespective of what any unexamined data later shows. It is the Parties' intention to resolve their disputes in connection with this Action pursuant to the terms of this Agreement now and thus, in furtherance of their intentions, the Agreement shall remain in full force and effect notwithstanding the discovery of any additional facts or law, or changes in law, and this Agreement shall not be subject to rescission or modification by reason of any changes or differences in facts or law, subsequently occurring or otherwise.
135. ***Receipt of Advice of Counsel.*** Each Party acknowledges, agrees, and specifically warrants that he, she, or it has fully read this Agreement and the Releases contained herein, received independent legal advice with respect to the advisability of entering into this Agreement and the Releases, and the legal effects of this Agreement and the Releases, and fully understands the effect of this Agreement and the Releases.

[SIGNATURES ON FOLLOWING PAGES]

PLAINTIFF



Date: Feb 02 2026 16:09 PST

DANIEL BOZEK

PLAINTIFF



Date: Feb 03 2026 16:08 PST

BRANDON GAINES

ARIZONA LABOR FORCE, INC.

Signature: 

Name: PAUL TURCOTTE

Title: PRESIDENT

Date: 1/29/26

LABOR SYSTEMS, INC.

Signature: 

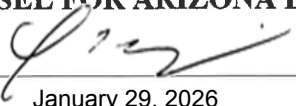
Name: PAUL TURCOTTE

Title: PRESIDENT

Date: 1/29/26

APPROVED AS TO FORM

COUNSEL FOR ARIZONA LABOR FORCE, INC. and LABOR SYSTEMS, INC.


Date: January 29, 2026

CRAIG J. MARIAM
GORDON REES SCULLY MANSUKHANI, LLP

CLASS COUNSEL


Date: Feb 02 2026 13:10 PST

Brant Hodyno
COMPASSIONATE COUNSEL


Date: Feb 02 2026 15:53 PST

Joshua B. Swigart
SWIGART LAW GROUP, APC


Date: Feb 02 2026 13:11 PST

Ben Travis
BEN TRAVIS LAW, APC

Exhibit 1

Arizona Labor Force Data Incident Settlement
c/o Settlement Administrator

P.O. Box _____

Santa Ana, CA 92799-9958

***Daniel Bozek, et al. v.
Arizona Labor Force, Inc., et al.***
Case No. 2:24-cv-00210-SHD

**IF YOUR PRIVATE INFORMATION WAS
COMPROMISED IN THE JANUARY 2023
ARIZONA LABOR FORCE, INC., AND LABOR
SYSTEMS, INC., DATA INCIDENT,
A PROPOSED CLASS ACTION SETTLEMENT
MAY AFFECT YOUR RIGHTS AND ENTITLE
YOU TO A CASH PAYMENT.**

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

THIS NOTICE IS ONLY A SUMMARY.
VISIT WWW.SETTLEMENTWEBSITE.COM
OR SCAN THIS QR CODE
FOR COMPLETE INFORMATION.



First-Class
Mail
US Postage
Paid
Permit # _____

«Barcode»

Postal Service: Please do not mark barcode

Claim #: XXX- «LoginID» - «MailRec»

«First1» «Last1»

«Addr1» «Addr2»

«City», «St» «Zip»

«Country»

Why am I receiving this notice?

A Settlement has been reached with Arizona Labor Force, Inc., and Labor Systems, Inc. ("Arizona Labor Force") in a class action lawsuit ("Settlement"). The case is about the January 2023 cyberattack on Arizona Labor Force's computers (the "Data Incident"). Files containing private information were accessed. Arizona Labor Force denies that it did anything wrong, and the Court has not decided who is right. The parties have agreed to settle the lawsuit to avoid the risks, disruption, and uncertainties of continued litigation. A copy of the Settlement is available online.

Who is included in the Settlement?

The Court has defined the class as: "All United States residents whose PII may have been compromised in the Data Incident." In this sentence, PII means Personally Identifiable Information.

The Court has appointed experienced attorneys, called "Class Counsel," to represent the Class.

What are the Settlement benefits?

You can claim a pro rata portion of the net Settlement Fund. This payment is expected to be approximately **\$25**, but may be larger or smaller depending on the total amount of claims filed.

Full details and instructions are available online.

How do I receive a benefit?

File a Claim Form online. For a paper Claim Form call **1-XXX-XXX-XXXX**. Claims must be submitted online or postmarked by **[Claims Deadline]**.

What if I don't want to participate in the Settlement?

If you do not want to be part of the Settlement, you must exclude yourself by **[Opt-Out Deadline]** or you will not be able to sue Arizona Labor Force for the claims made in *this* lawsuit. If you exclude yourself, you cannot get benefits from this Settlement. If you want to object to the Settlement, you may file an objection by **[Objection Deadline]**. The Settlement Agreement, available online, explains how to exclude yourself or object.

When will the Court approve the Settlement?

The Court will hold a hearing in this case on **[FA Hearing Date]** at the **[Court Address]**, to consider whether to approve the Settlement. The Court will also consider Class Counsel's request for attorneys' fees of up to 33.33% of the Settlement Fund; reimbursement of litigation costs up to \$25,000; and \$1,500 for each of the Plaintiffs. You may attend the hearing at your own cost, but you do not have to.

Exhibit 2

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Daniel Bozek, et al. v. Arizona Labor Force, Inc., et al.

Case No. 2:24-cv-00210-SHD

District Court for the District of Arizona

IF YOUR PRIVATE INFORMATION WAS COMPROMISED IN THE JANUARY 2023 ARIZONA LABOR FORCE, INC., AND LABOR SYSTEMS, INC., DATA INCIDENT, A PROPOSED CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS, AND ENTITLE YOU TO A CASH PAYMENT.

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

You are not being sued.

Please read this Notice carefully and completely.

- A Settlement has been reached with Arizona Labor Force, Inc., and Labor Systems, Inc. (“Arizona Labor Force” or “Defendants”) in a class action lawsuit. This case is about the targeted cyberattack on Arizona Labor Force's computer systems that occurred in January 2023 (the “Data Incident”). Certain files that contained private information were accessed. These files may have contained personal information such as names; addresses; financial history; and/or Social Security numbers.
- The lawsuit is called *Daniel Bozek, et al. v. Arizona Labor Force, Inc., et al.*, Case No. 2:24-cv-00210-SHD. It is pending in the District Court for the District of Arizona (the “Litigation”).
- Arizona Labor Force denies that it did anything wrong, and the Court has not decided who is right.
- The parties have agreed to settle the lawsuit (the “Settlement”) to avoid the costs and risks, disruptions, and uncertainties of continuing the Litigation.
- Arizona Labor Force's records indicate that you are a Class Member, and entitled to benefits under the Settlement. You may have received a previous notice directly from Arizona Labor Force.
- Your rights are affected whether you act or don't act. ***Please read this Notice carefully and completely.***

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT		DEADLINE
SUBMIT A CLAIM	The only way to receive payment from this Settlement is by submitting a valid and timely Claim Form. The fastest way to submit your Claim Form is online at www.[SettlementWebsite].com. If you prefer, you can download the Claim Form from the Settlement Website and mail it to the Settlement Administrator. You may also call or email the Settlement Administrator to receive a paper copy of the Claim Form.	<u> </u> , 2026
OPT OUT OF THE SETTLEMENT	You can choose to opt out of the Settlement and receive no payment. This option allows you to sue, continue to sue, or be part of another lawsuit against the Defendants related to the legal claims resolved by this Settlement. You can hire your own lawyer at your own expense.	<u> </u> , 2026
OBJECT TO THE SETTLEMENT AND/OR ATTEND A HEARING	If you do not opt out of the Settlement, you may object to it by writing to the Court about why you don't like the Settlement. You may also ask the Court for permission to speak about your objection at the Final Approval Hearing. If you object, you may also file a claim for Settlement benefits.	<u> </u> , 2026
DO NOTHING	Unless you opt out of the Settlement, you are automatically part of the Settlement. If you do nothing, you will not receive payment from this Settlement and you will give up the right to sue, continue to sue, or be part of another lawsuit against the Defendants related to the legal claims resolved by this 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.

WHAT THIS NOTICE CONTAINS

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Basic Information

1. Why was this Notice issued?

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

The lawsuit is called *Daniel Bozek, et al. v. Arizona Labor Force, Inc., et al.*, Case No. 2:24-cv-00210-SHD. It is pending in the District Court for the District of Arizona. The people that filed this lawsuit are called the “Plaintiffs” (or “Class Representatives”) and the companies they sued, Arizona Labor Force, Inc., and Labor Systems, Inc., are called the “Defendants.”

2. What is this lawsuit about?

This lawsuit alleges that during the January 2023 targeted cyberattack on Arizona Labor Force's computer systems, certain files that contained private information were accessed. These files may have contained personal information such as names; addresses; financial history; and/or Social Security numbers.

3. What is a class action?

In a class action, one or more individuals sue on behalf of other people with similar claims. These individuals are called the “Plaintiffs” or “Class Representatives.” Together, the people included in the class action are called a “Class” or “Class Members.” One court resolves the lawsuit for all Class Members, except for those who opt out from the settlement. In this Settlement, the Class Representatives are Daniel Bozek and Brandon Gaines. Everyone included in this Action are the Class Members.

4. Why is there a Settlement?

The Court did not decide whether the Plaintiffs or the Defendants are right. Both sides have agreed to a Settlement to avoid the costs and risks of a trial, and to allow the Class Members to receive benefits from the Settlement. The Plaintiffs and their attorneys think the Settlement is best for all Class Members.

Who is in the Settlement?

5. Who is included in the Settlement?

The court has defined the Class this way: “All United States residents whose PII may have been compromised in the Data Incident.” In this sentence, PII means Personally Identifiable Information.

6. Are there exceptions to being included?

Yes. Excluded from the Class are: (1) Arizona Labor Force and its officers, directors, and related companies; (2) governmental entities; and (3) the Judge in this case, and the Judge’s family and staff.

If you are not sure whether you are a Class Member, you can ask for free help any time by contacting the Settlement Administrator at:

- Email: [info@\[SettlementWebsite\].com](mailto:info@[SettlementWebsite].com)
- Call toll free, 24/7: 1-XXX-XXX-XXXX
- By mail: Arizona Labor Force Data Incident Settlement
c/o Settlement Administrator
[PO Box Number]
Santa Ana, CA 92799-9958

You may also view the Settlement Agreement at [www.\[SettlementWebsite\].com](http://www.[SettlementWebsite].com).

The Settlement Benefits

7. What does the Settlement provide?

Arizona Labor Force will establish a Settlement Fund of \$300,000.00. The Settlement Fund will first be used to pay court-approved attorneys’ fees and costs, Service Award payments for the Plaintiffs, and the costs of administering the Settlement. The net remaining money will be paid out to Class Members as described below.

Cash Payment – Pro Rata Cash. You may claim a pro rata portion of the net Settlement Fund. This payment is expected to be **\$25.00**, but may be larger or smaller depending on the total claims filed.

You do not have to provide any proof or explanation to claim this payment.

If you have questions about these benefits, you can ask for free help any time by contacting the Settlement Administrator at:

- Email: [info@\[SettlementWebsite\].com](mailto:info@[SettlementWebsite].com)
- Call toll free, 24/7: 1-XXX-XXX-XXXX
- By mail: Arizona Labor Force Data Incident Settlement
c/o Settlement Administrator
[PO Box Number]
Santa Ana, CA 92799-9958

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

If you stay in the class, you won't be able to be part of any other lawsuit against Arizona Labor Force about the issues that this Settlement covers. The "Releases" section of the Settlement Agreement (Section XIII) describes the legal claims that you give up if you remain in the Class. The Settlement Agreement is available at [www.\[SettlementWebsite\].com](http://www.[SettlementWebsite].com).

Submitting a Claim Form for a Settlement Payment

9. How do I submit a claim for a Settlement benefit?

The fastest way to submit your Claim Form is online at [www.\[SettlementWebsite\].com](http://www.[SettlementWebsite].com). If you prefer, you can download a printable Claim Form from the website and mail it to the Settlement Administrator at:

Arizona Labor Force Data Incident Settlement
c/o Settlement Administrator
[PO Box Number]
Santa Ana, CA 92799-9958

You may also contact the Settlement Administrator to request a Claim Form by telephone, toll free, 1-XXX-XXX-XXXX, by email [info@\[SettlementWebsite\].com](mailto:info@[SettlementWebsite].com), or by U.S. mail at the address above.

10. Are there any important Settlement payment deadlines?

If you are submitting a Claim Form online, you must do so by [Claims Deadline]. If you are submitting a claim by U.S. mail, the completed and signed Claim Form must be postmarked no later than [Claims Deadline].

11. When will the Settlement benefits be issued?

The Court will hold a final approval hearing on [FA Hearing Date] (see Question 18). If the Court approves the Settlement, there may be appeals. We do not know if appeals will be filed, or how long it will take to resolve them if they are filed.

Settlement payments will be distributed if the Court grants final approval, and after any appeals are resolved.

The Lawyers Representing You

12. Do I have a lawyer in the case?

Yes, the Court has appointed attorneys Joshua B. Swigart of Swigart Law Group, APC; and Ben Travis of Ben Travis Law APC, to represent you and other Class Members ("Class Counsel").

13. Should I get my own lawyer?

You will not be charged for Class Counsel's services. If you want your own lawyer, you may hire one at your expense.

14. How will Class Counsel be paid?

Class Counsel will ask the court to approve 33.33% of the Settlement Fund as reasonable attorneys' fees, plus costs of litigation up to \$25,000. This amount will be paid from the Settlement Fund.

Class Counsel will also ask for Service Award payments of \$1,500.00 for each of the Class Representatives. Service Award payments will also be paid from the Settlement Fund.

Excluding Yourself from the Settlement

15. How do I opt out of the Settlement?

If you do not want to be part of the Settlement, you must formally exclude yourself from the Settlement. This is called a Request for Exclusion, and is sometimes also called “opting out.” If you opt out, you will not receive Settlement benefits or payment. However, you will keep any rights you may have to sue Arizona Labor Force on your own about the legal issues in this case.

If you exclude yourself, you are telling the Court that you do not want to be part of the Settlement. You will not be eligible to receive any Settlement benefits if you exclude yourself.

The deadline to exclude yourself from the Settlement is **[Opt-Out Deadline]**.

To be valid, your Request for Exclusion must have the following information:

- (1) the name of the Litigation: *Daniel Bozek, et al. v. Arizona Labor Force, Inc., et al.*, Case No. 2:24-cv-00210-SHD, pending in the District Court for the District of Arizona;
- (2) your full name, mailing address, telephone number, and email address (if any);
- (3) personal signature; and
- (4) the words “Request for Exclusion” or a clear and similar statement that you do not want to participate in the Settlement.

You may only exclude yourself—not any other person.

Submit your Request for Exclusion on the Settlement Website or mail it to the Settlement Administrator at:

Arizona Labor Force Data Incident Settlement
ATTN: Exclusion Request
[PO Box Number]
Santa Ana, CA 92799-9958

Your Request for Exclusion must be submitted or postmarked by **[Opt-Out Deadline]**.

Commenting on or Objecting to the Settlement

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

If you are a Class Member and do not like part or all of the Settlement, you can object to it. Objecting means telling the Court your reasons for why you think the Court should not approve the Settlement. The Court will consider your views.

You cannot object if you have excluded yourself from the Settlement (**see Question 15**)

You must provide the following information for the Court to consider your objection:

- (1) the name of the Litigation: *Daniel Bozek, et al. v. Arizona Labor Force, Inc., et al.*, Case No. 2:24-cv-00210-SHD, pending in the District Court for the District of Arizona;
- (2) your full name, mailing address, telephone number, and email address (if any);
- (3) a clear description of all the reasons you object; include any legal support, such as documents, you may have for your objection;
- (4) if you have hired your own lawyer to represent you for this objection, provide their name, bar number, and contact information;
- (5) if you or your lawyer have objected in any other cases in the past five years, list the names, courts, the orders ruling on your objections, and civil action numbers for each of those cases;
- (6) if you plan on calling witnesses or submitting documents at the Final Approval Hearing, provide a full list of both;
- (7) whether or not you or your lawyer would like to speak at the Final Approval Hearing; and
- (8) your signature (if you have hired your own lawyer, their signature is not sufficient).

For your objection to be valid, it must meet each of these requirements.

To be considered by the Court, you must file your complete objection with the Settlement Administrator either via the Settlement Website or by mail at:

Arizona Labor Force Data Incident Settlement
ATTN: Objections
[PO Box Number]
Santa Ana, CA 92799-9958

Your objection must be submitted or postmarked by **[OBJECTION DATE]**.

17. What is the difference between objecting and excluding?

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

The Court's Final Approval Hearing

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

The Court will hold a final approval on **[FA Hearing Date]** at **[Hearing Time]** Mountain Time, in Room **[Court Room]** of the District Court for the District of Arizona, at **[Court Address]**.

At the final approval hearing, the Court will decide whether to approve the Settlement. The court will also decide how Class Counsel should be paid, and whether to award Service Award payments to the Class Representatives. The Court will also consider any objections to the Settlement.

If you are a Class Member, you or your lawyer may ask permission to speak at the hearing at your own cost (**See Question 16**).

The date and time of this hearing may change without further notice. Please check **www.[SettlementWebsite].com** for updates.

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

No. Class Counsel will answer any questions the Court may have. You may attend at your own expense if you wish, but you do not have to.

If you file an objection, you do not have to come to the Final Approval Hearing to talk about it; the Court will consider it as long as it was filed on time. You may also pay your own lawyer to attend, but you do not have to.

If I Do Nothing

20. What happens if I do nothing at all?

If you do nothing, you will not receive a benefit from this Settlement.

You will also give up the rights described in **Question 8**.

Getting More Information

21. How do I get more information?

This Notice is a summary of the proposed Settlement. The full Settlement Agreement and other related documents are available at the Settlement Website, **www.[SettlementWebsite].com**.

If you have additional questions, you can ask for free help any time by contacting the Settlement Administrator at:

- Email: **info@[SettlementWebsite].com**
- Call toll free, 24/7: 1-**XXX-XXX-XXXX**
- By mail: Arizona Labor Force Data Incident Settlement
c/o Settlement Administrator
[PO Box Number]
Santa Ana, CA 92799-9958

You can obtain copies of publicly filed documents by visiting the office of the Clerk of the Court, [Court Address]. **DO NOT CONTACT THE COURT OR CLERK OF COURT REGARDING THIS SETTLEMENT.**

Exhibit 3

Your claim must
be submitted
online or
postmarked by:

[Claims Deadline]

Daniel Bozek, et al. v. Arizona Labor Force, Inc., et al.

Case No. 2:24-cv-00210-SHD
District Court for the District of Arizona

DATA INCIDENT SETTLEMENT CLAIM FORM

Your claim must
be submitted
online or
postmarked by:

[Claims Deadline]

GENERAL INSTRUCTIONS

Who is eligible to file a claim? The court has defined the Class this way: “All United States residents whose PII may have been compromised in the Data Incident.” In this sentence, PII means Personally Identifiable Information.

Excluded from the Settlement Class are: (1) Arizona Labor Force and its officers, directors, and related companies; (2) governmental entities; and (3) the Judge in this case, and the Judge’s family and staff.

COMPLETE THIS CLAIM FORM IF YOU ARE A CLASS MEMBER AND WISH TO RECEIVE A CASH PAYMENT

AVAILABLE BENEFITS

Arizona Labor Force will establish a Settlement Fund of \$300,000.00. The Settlement Fund will first be used to pay court-approved attorneys’ fees and costs, Service Award payments for the Plaintiffs, and the costs of administering the Settlement. The net remaining money will be paid out to Class Members as described below.

Cash Payment – Pro Rata Cash. You may claim a pro rata portion of the net Settlement Fund. This payment is expected to be **\$25.00**, but may be larger or smaller depending on the total claims filed.

You do not have to provide any proof or explanation to claim this payment.

If you have questions about these benefits, you can ask for free help any time by contacting the Settlement Administrator at:

- Email: [info@\[SettlementWebsite\].com](mailto:info@[SettlementWebsite].com)
- Call toll free, 24/7: 1-XXX-XXX-XXXX
- By mail: Arizona Labor Force Data Incident Settlement
c/o Settlement Administrator
[PO Box Number]
Santa Ana, CA 92799-9958

THE MOST EFFICIENT WAY TO SUBMIT YOUR CLAIM IS ONLINE AT
[www.\[SettlementWebsite\].com](http://www.[SettlementWebsite].com)

You may also print out and complete this Claim Form, and submit it by U.S. mail.

You must submit your Claim Form online or by mail no later than **[Claims Deadline].**

Questions? Call 1-XXX-XXX-XXXX Toll-Free or Visit [www.\[SettlementWebsite\].com](http://www.[SettlementWebsite].com)

Your claim must
be submitted
online or
postmarked by:

[Claims Deadline]

Daniel Bozek, et al. v. Arizona Labor Force, Inc., et al.

Case No. 2:24-cv-00210-SHD
District Court for the District of Arizona

DATA INCIDENT SETTLEMENT CLAIM FORM

Your claim must
be submitted
online or
postmarked by:

[Claims Deadline]

I. CLASS MEMBER NAME AND CONTACT INFORMATION

Print your name and contact information below. You must notify the Settlement Administrator if your contact information changes after you submit this claim form. All fields are required. **Please print legibly.**

First Name

Last Name

Street Address

City

State

Zip Code

Email Address

Phone Number

Notice ID (if known)

II. CASH PAYMENT – PRO RATA CASH

☐ Check this box if you want to claim a one-time \$25.00 *pro rata* cash payment (subject to increase or decrease).

III. PAYMENT SELECTION

Please select **one** of the following payment options, which will be used if you are claiming a cash payment.

☐ **PayPal**

Email address, if different than what you provided in Section I: _____

☐ **Venmo**

Mobile number, if different than what you provided in Section I: _____

☐ **Zelle**

Email address or mobile number, if different than what you provided in Section I: _____

☐ **Virtual Prepaid Card**

Email address, if different than what you provided in Section I: _____

☐ **Physical Check**

Payment will be mailed to the address provided in Section I.

Your claim must
be submitted
online or
postmarked by:

[Claims Deadline]

Daniel Bozek, et al. v. Arizona Labor Force, Inc., et al.

Case No. 2:24-cv-00210-SHD
District Court for the District of Arizona

DATA INCIDENT SETTLEMENT CLAIM FORM

Your claim must
be submitted
online or
postmarked by:

[Claims Deadline]

IV. ATTESTATION & SIGNATURE

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

Signature

Printed Name

Date

Exhibit 4

**UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA**

Daniel Bozek, an individual; Brandon
Gaines, an individual, on behalf of
themselves and all others similarly
situated,

Plaintiffs,

v.

Arizona Labor Force, Incorporated;
Labor Systems, Inc.; and
Does 1-10

Defendants.

Case No.: 2:24-cv-00210-PHX-SHD

Judge: Hon. Sharad H. Desai

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: May 5, 2026

Time: 10:00 A.M.

Location: 502

1 On February 3, 2026, Plaintiffs Daniel Bozek and Brandon Gaines (“Plaintiffs”) and
2 Defendants Arizona Labor Force, Incorporated and Labor Systems, Inc. (collectively
3 “Defendants”) entered into a Settlement Agreement and Release (“Settlement Agreement”
4 or “Settlement”)¹.

5 On February 17, 2026, Plaintiffs moved this Court, pursuant to Federal Rule of Civil
6 Procedure (“Rule”) 23(e), for an order preliminarily approving the Settlement upon the terms
7 and conditions set forth therein.

8 After carefully considering Plaintiffs’ Motion for Preliminary Approval and
9 accompanying declarations; the Settlement Agreement, including the accompanying
10 Exhibits; and the applicable law, the Court finds that:

11 1. The proposed Settlement is fair, reasonable, adequate and the Court will likely
12 be able to approve it under Rule 23(e)(2) and enter judgment on it. The proposed Settlement
13 does not improperly grant preferential treatment to any segment of the Settlement Class. The
14 proposed Settlement is sufficient to warrant sending notice to the members of the Settlement
15 Class pursuant to Rule 23(e)(1). The procedures for establishing and administering the
16 benefits provided by the proposed Settlement and for notice to Settlement Class Members
17 satisfies Rule 23 and due process.

18 2. The Court finds and determines that it will likely be able to certify the
19 Settlement Class for purposes of judgment on the settlement proposal under Rule 23(b)(3) of
20 the Federal Rules of Civil Procedure, because: (a) members of the Settlement Class are so
21 numerous that joinder of all members would be impracticable, (b) there are questions of law
22 and fact that are common to the Settlement Class, and, for purposes of this Settlement, those
23 questions of law and fact common to the Settlement Class predominate over any questions
24 affecting any individual Settlement Class Member; (c) the claims of the Plaintiffs are typical
25 of the claims of the Settlement Class they seek to represent for purposes of Settlement; (d) a
26 class action on behalf of the Settlement Class is superior to other available means of
27

28 ¹ Unless otherwise defined, all terms used herein have the same meanings as set forth in the Settlement Agreement.

1 adjudicating this dispute; and (e) Plaintiffs and Settlement Class Counsel are adequate
2 representatives of the Settlement Class. Defendants retain all rights to assert that this action
3 may not be certified as a class action, other than for settlement purposes.

4 3. The Court has reviewed the notices for the Settlement Class and the methods
5 for providing notice and has determined that these forms and methods of notice constitute the
6 best notice practicable under the circumstances; are reasonably calculated to apprise
7 Settlement Class Members of the terms of the Settlement and of their right to participate in
8 them, object, or opt-out; are reasonable and constitute due, adequate, and sufficient notice to
9 all persons entitled to receive notice; and meet all applicable requirements of Rule 23, the
10 United States Constitution, and due process.

11 **Accordingly, IT IS HEREBY ORDERED that:**

12 1. The Motion for Preliminary Approval is **GRANTED**. The Court preliminarily
13 approves the Settlement.

14 2. The Court hereby certifies, for settlement purposes only, a Settlement Class
15 consisting of all United States residents whose PII may have been compromised in the Data
16 Incident. “Data Incident” refers to when an unknown third-party hacker accessed Defendants’
17 network and information technology systems on or about January 3, 2023. Excluded from the
18 Settlement Class are: (i) all persons who are directors, officers, and agents of Defendants, or
19 their respective subsidiaries and affiliated companies; (ii) governmental entities; and (iii) the
20 Judge assigned to the Action, that Judge's immediate family, and Court staff.

21 3. Settlement Class Representatives. For purposes of the Settlement only, the
22 Court preliminarily finds and determines, pursuant to Rule 23(a) of the Federal Rules of Civil
23 Procedure, that Plaintiffs Daniel Bozek and Brandon Gaines will fairly and adequately
24 represent the interests of the Settlement Class in enforcing their rights in the action and
25 appoints them as Settlement Class Representatives. The Court preliminarily finds that they
26 are similarly situated to absent Settlement Class Members and therefore typical of the
27 Settlement Class, and that they will be adequate Settlement Class Representatives.
28

1 4. Class Counsel. For purposes of the Settlement, the Court appoints Ben Travis
2 of Ben Travis Law, APC and Joshua Swigart of Swigart Law Group, APC as Class Counsel
3 to act on behalf of the Settlement Class and the Settlement Class Representatives with respect
4 to the Settlement. The Court authorizes Settlement Class Counsel to enter into the Settlement
5 on behalf of the Settlement Class Representatives and Settlement Class, and to bind them all
6 to the duties and obligations contained therein, subject to final approval by the Court of the
7 Settlement.

8 5. Administration. Simpluris, Inc. is appointed as Settlement Administrator to
9 administer the notice procedure and the processing of claims for the Settlement Class. The
10 Settlement Administrator is directed to perform all tasks the Settlement Agreement requires.
11 The Settlement Administrator's fees will be paid out of the Settlement Fund pursuant to the
12 terms of the Settlement Agreement.

13 6. Class Notice. The form and content of the proposed Long Form Notice,
14 Postcard Notice and Claim Form attached to the Settlement Agreement are hereby approved.
15 The Parties and Settlement Administrator may amend the notice documents as necessary to
16 add dates, correct errors, and improve the information provided to Settlement Class Members.

17 7. The Settlement Administrator shall send the applicable notice as provided by
18 the Settlement Agreement.

19 8. The Settlement Administrator shall treat the records of Settlement Class
20 Members as confidential and shall not disclose all or any portion of those records to any
21 person or entity except as authorized by Court order. The Settlement Administrator shall use
22 the records containing Settlement Class Member information solely for the purposes of
23 providing notice, verifying claim forms, and calculating and paying Settlement benefits.

24 9. Settlement Website. No later than one day before the commencement of the
25 Notice Program, the Settlement Administrator shall maintain and administer a dedicated
26 Settlement Website containing information and related documents about the Settlement. At a
27 minimum, such documents shall include the Settlement Agreement and attached exhibits,
28 Long Form Notice, Postcard Notice, Claim Form, this Preliminary Approval Order, all

1 submissions regarding preliminary and final Settlement approval, any motion(s) for attorney's
2 fees, costs, and/or service awards for the Settlement Class Representative, the operative
3 Complaint and the Final Approval Order. The Settlement Website shall remain online and
4 operable for at least six months after Final Approval.

5 10. Claims. All claims must be postmarked or submitted electronically no later than
6 **fifteen (15) days before the initial scheduled Final Approval Hearing** as specified by the
7 Settlement. Any Settlement Class Member who does not timely and properly submit a claim
8 within the time provided for shall be forever barred from sharing in the distribution of the
9 proceeds of the Settlement, unless otherwise agreed by the Parties or ordered by the Court,
10 but will in all other respects be subject to and bound by the provisions of the Settlement
11 Agreement, the releases contained therein, this Order, the Final Judgment, and the Final
12 Approval Order.

13 11. The Settlement Administrator shall review and process each claim to determine
14 whether it qualifies for Settlement benefits, and in what amount(s), in accordance with the
15 terms of the Settlement. Claims that do not meet the submission requirements may be rejected.
16 Prior to rejecting a claim, in whole or in part, the Settlement Administrator shall communicate
17 with the claimant using the contact information provided on the Claim Form to give the
18 claimant a reasonable opportunity to remedy any deficiencies in the claim.

19 12. Exclusions from the Settlement. Members of the Settlement Class who wish to
20 exclude themselves from the Settlement Class must advise the Settlement Administrator by
21 providing a written Request for Exclusion. The Request for Exclusion must be submitted
22 electronically or postmarked no later than **thirty (30) days before the initially scheduled**
23 **Final Approval Hearing** (the "Opt-Out Deadline"). In it, the Settlement Class member must
24 state the name of the proceeding, the individual's full name, address, email address (if any),
25 personal signature, and include a statement indicating a request to opt-out of the Settlement
26 Class. Any member of the Settlement Class who submits a valid and timely Request for
27 Exclusion will not be bound by the terms of the Settlement. All members of the Settlement
28

1 Class who do not submit a timely, valid Request for Exclusion, however, will be bound by
2 the Agreement and the Judgment, including the releases and covenant not to sue.

3 13. Objections. Any Settlement Class Member who intends to object to the
4 Settlement must file a written or electronic Objection with the Settlement Administrator, no
5 later **thirty (30) days before the initially scheduled Final Approval Hearing** (the
6 “Objection Deadline”). In the written Objection, the Settlement Class Member must include
7 (1) the objector's full name, mailing address, telephone number, and email address (if any);
8 (2) all grounds for the objection, accompanied by any legal support for the objection known
9 to the objector or objector's counsel; (3) the number of times the objector has objected to a
10 class action settlement within the 5 (five) years preceding the date that the objector files the
11 objection, the caption of each case in which the objector has made such objection, and a copy
12 of any orders related to or ruling upon the objector's prior objections that were issued by the
13 trial and appellate courts in each listed case; (4) the identity of all counsel who represent the
14 objector, including any former or current counsel who may be entitled to compensation for
15 any reason related to the objection to the Settlement and/or Application for Attorneys' Fees
16 and Costs; (5) the number of times in which the objector's counsel and/or counsel's law firm
17 have objected to a class action settlement within the five years preceding the date of the filed
18 objection, the caption of each case in which counsel or the firm has made such objection and
19 a copy of any orders related to or ruling upon counsel's or the counsel's law firm's prior
20 objections that were issued by the trial and appellate courts in each listed case; (6) the identity
21 of all counsel (if any) representing the objector, and whether they will appear at the Final
22 Approval Hearing; (7) a list of all persons who will be called to testify at the Final Approval
23 Hearing in support of the objection (if any); (8) statement confirming whether the objector
24 intends to personally appear and/or testify at the Final Approval Hearing; and, (9) the
25 objector's signature (an attorney's signature is not sufficient). The Parties shall have the right
26 to conduct limited discovery of any objector relevant to the Objection. Any Settlement Class
27 Member who has timely filed an Objection and indicated an intent to appear may appear at
28 the Final Approval Hearing, either in person or through an attorney hired at the Settlement

1 Class Member's own expense, to object to the fairness, reasonableness, or adequacy of the
2 Settlement.

3 14. Motion for Final Approval. The motion for final approval shall be filed and
4 served **at least forty-five (45) days before the Final Approval Hearing.** Any replies to any
5 Objections shall be filed and served at least **fourteen (14) calendar days prior to the Final**
6 **Approval Hearing.**

7 15. The motion for attorneys' fees and costs and Service Awards shall be filed **at**
8 **least forty-five (45) days before the Final Approval Hearing.** Any replies to any
9 Objections shall be filed and served at least **fourteen (14) calendar days prior to the Final**
10 **Approval Hearing.**

11 16. Defendants shall bear no responsibility for any application for attorneys' fees
12 and costs and service awards, and such matters will be considered separately from the fairness,
13 reasonableness, and adequacy of the Settlement. At or after the Final Approval Hearing, the
14 Court shall determine whether any application for attorneys' fees and costs to Class Counsel
15 and any service awards to the Court-appointed Settlement Class Representative shall be
16 approved.

17 17. All reasonable expenses incurred in identifying and notifying Settlement Class
18 Members, as well as administering the Settlement, shall be paid in accordance with the terms
19 set forth in the Settlement.

20 18. The Court will hold a Final Approval Hearing on _____ at
21 _____ in Courtroom 502 of the courthouse located at 401 W. Washington Street, Phoenix,
22 Arizona, 85003, to determine: (a) whether the Settlement on the terms and conditions
23 provided for therein is fair, reasonable and adequate and should be finally approved by the
24 Court; (b) whether a judgment should be entered; (c) whether Settlement Class Counsel
25 should be awarded attorneys' fees and costs, and if so, in what amount; and (d) whether
26 service awards should be awarded to the Court-appointed Settlement Class Representative,
27 and if so, in what amount. The Court may postpone the Final Approval Hearing and will
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1 provide notice of any such postponement on the Settlement Administrator's website without
2 further notice to Settlement Class Members.

3 19. Neither the Settlement or any of its terms or provisions, nor any of the
4 negotiations or proceedings connected with the Settlement, whether or not consummated,
5 shall be construed as an admission or concession of any kind by any of the Parties. Neither
6 the Settlement nor any of its terms or provisions, nor any of the negotiations or proceedings
7 connected with the Settlement, may be offered against any of the Parties as evidence of, or
8 construed as or deemed to be evidence of, any presumption, concession or admission by any
9 of the Parties regarding any issue whatsoever including: (i) whether it was appropriate for
10 class certification; (ii) the validity of any allegation or claim that was, could have been or will
11 be asserted against any of the Defendants; (iii) liability, negligence, fault, or wrongdoing of
12 any kind; and (iv) the existence or scope of any damages.

13 20. The Court retains exclusive and continuing jurisdiction over the Parties and the
14 Settlement Class Members to consider all further motions and applications arising out of, or
15 connected with, the Settlement. The Court may approve the Settlement with such
16 modifications as may be agreed to by the Parties, if appropriate, without further notice to the
17 Settlement Class. The Court shall also retain jurisdiction with respect to the implementation
18 and enforcement of the terms of the Settlement, and all Parties hereto submit to the jurisdiction
19 of the Court for purposes of implementing and enforcing the Settlement.

20 21. All Settlement Class Members shall be bound by all determinations and
21 judgments of the Court in the Action concerning the Settlement and related matters, whether
22 favorable or unfavorable to the Settlement Class.

23 22. Stay of Proceedings: All proceedings in this action shall be stayed until further
24 order of the Court, except for proceedings that may be necessary to implement this
25 Preliminary Approval Order, the Settlement, its Exhibits, or to comply with or effectuate the
26 terms and conditions of the Settlement.

27 23. Pending final determination of whether the proposed Settlement should be
28 approved, neither Plaintiffs nor any Settlement Class Member, directly or indirectly,

1 representatively, or in any other capacity, shall commence or prosecute against any of the
2 Defendants, any action or proceeding in any court or tribunal asserting any of the Released
3 Claims.

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5 **IT IS SO ORDERED.**

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7 Date: _____

8 The Honorable Sharad H. Desai
9 United States District Judge
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