

AGREEMENT TO SETTLE CLAIMS

This is an agreement to settle all claims raised by Plaintiffs Jeffrey Reichart and Gary Moyer (jointly, “Plaintiffs”), on behalf of themselves and (i) a Nationwide Class, as further defined below (“Nationwide Class”) and (ii) a Washington State Subclass, as further defined below (“the Subclass”) (collectively, the "Class Members"), against Defendants Rapid Investments, Inc. (“Rapid”) and Cache Valley Bank (“CVB”) in the matter of *Reichert v. Rapid Investments, Inc., et al.*, No. 3:17-cv-5848 BHS in the United States District Court for the Western District of Washington. The Plaintiffs, the Nationwide Class, the Subclass, Rapid, and CVB, are jointly referred to as the “Parties.” This agreement is hereinafter referred to as the Agreement and it shall be effective on the Effective Date, as defined below.

RECITALS

1. The Action was filed in 2017 against Rapid, CVB, and Keefe Commissary Network LLC. Keefe Commissary Network LLC is not a party to this Agreement. This Agreement is independent of the settlement between Plaintiffs, the Subclass, and Keefe Commissary Network LLC approved by the Court on November 14, 2022 (Dkt. #179) (“Keefe Settlement”).

2. In May 2019, the Court certified a Nationwide Class and the Subclass (Dkt. ## 87, 93, 94).

3. The claims raised by Plaintiffs, the Nationwide Class, and the Subclass arise from prepaid debit release cards received by them to return money held by detention facilities on their behalf. These cards are generally referred to as “release cards.” Plaintiffs, the Nationwide Class, and the Subclass contend that they were required to accept release cards for disbursement of the individual inmate trust account upon their release from a detention facility, which they contend violated federal and state law. Plaintiffs and the Nationwide Class contend that the release cards violate the federal Electronic Funds Transfer Act, 15 U.S.C. § 1693 *et seq.* Plaintiffs and the Subclass contend that Rapid and CVB should pay damages under the Washington Consumer Protection Act and for conversion, unlawful taking, and unjust enrichment claims, arising from their role in providing Washington facilities with release cards to disburse balances of inmate trust accounts.

4. Rapid and CVB deny that they were involved in any wrongdoing and contend that they are not liable to Plaintiffs, the Nationwide Class, or the Subclass under any claim or theory under federal or state law.

5. Plaintiffs, Rapid, and CVB attended a mediation on January 11, 2023, with the assistance of mediator Louis Peterson. A resolution was not reached that day, but Mr. Peterson facilitated further settlement discussions over the next six weeks. On February 23, 2023, the Parties agreed to resolve their disputes.

6. Rapid and CVB have entered into this Agreement to resolve any and all controversies and disputes arising out of or relating to the allegations made in the Action,

and to avoid the burden, risk, uncertainty, expense, and disruption to their respective business operations associated with further litigation. Rapid and CVB do not in any way acknowledge, admit to, or concede any of the allegations made in the Action, and expressly disclaim and deny any fault or liability and/or any charges of wrongdoing that have been or could have been asserted in the Action. Rapid and CVB nevertheless believe that this Settlement, as defined below, is in each of their best interests and in the best interests of all of the Class Members. Nothing contained in this Agreement shall be used or construed as an admission of liability or wrongdoing 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.

7. Plaintiffs have entered into this Agreement to recover on the claims asserted in the Action, and to avoid the risk, delay, and uncertainty of continued litigation. Plaintiffs do not in any way concede the claims alleged in the Action lack merit or are subject to any defenses. Plaintiffs agree that the Settlement is in the best interests of all Class Members.

8. This Agreement is made under the following terms and conditions.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated into and are an integral part of this Agreement, and in consideration of the mutual promises below, the Parties agree as follows:

1. Definitions.

- 1.1 “*Action*” means: *Reichert v. Rapid Investments, Inc., et al.*, No. 3:17-cv-5848 BHS, a class action pending in the United States District Court for the Western District of Washington.
- 1.2 “*Agreement*” means: the terms and conditions contained in this agreement among the Parties upon the date it is executed by all Parties.
- 1.3 “*Case Contribution Award*” means: any monetary amount awarded by the Court in recognition of the Plaintiffs’ assistance in the prosecution of this Action.
- 1.4 “*Class Counsel*” means: Sirianni Youtz Spoonemore Hamburger.
- 1.5 “*Class Member(s)*” means: any member(s) of the Nationwide Class or the Subclass.
- 1.6 “*Court*” means: the United States District Court for the Western District of Washington.
- 1.7 “*Defense Counsel*” means: Corr Cronin LLP and Stinson LLP.
- 1.8 “*Effective Date*” means: the date on which all of the conditions to settlement set forth in Section 2 have been fully satisfied or waived.

- 1.9 “*Keefe Class Member*” means an individual who received a distribution from the settlement between Plaintiffs, the Subclass, and Keefe Commissary Network LLC approved by the Court on November 14, 2022 (Dkt. #179).
- 1.10 “*Nationwide Class*” means: the class certified in the Action as the Nationwide Class: All persons in the United States who, at any time since October 20, 2016, were: (1) taken into custody at a jail, correctional facility, detainment center, or any other law enforcement facility, (2) entitled to the return of money either confiscated from them or remaining in their inmate accounts when they were released from the facility, (3) issued a prepaid debit card from Keefe Commissary Network, LLC, Rapid Investments, Inc., and/or Cache Valley Bank that was subject to fees, charges, and restrictions and (4) not offered an alternative method for the return of their money.
- 1.11 “*Notice*” means: the form of notice to be provided to the Nationwide Class and the Subclass after preliminary approval of this Agreement by the Court.
- 1.12 “*Object*” means: to timely object to the Settlement pursuant to Fed. R. Civ. P. 23(e)(5).
- 1.13 “*Opt-Out*” means: to timely request exclusion from the Settlement pursuant to Fed. R. Civ. P. 23(e)(4).
- 1.14 “*Parties*” means: Plaintiffs, the Nationwide Class, the Subclass, Rapid, and CVB.
- 1.15 “*Plaintiffs*” means: Jeffrey Reichart and Gary Moyer.
- 1.16 “*Qualified Settlement Fund*” means: the trust into which the Settlement Amount shall be deposited and which shall be administered in accordance with Section 8 of this Agreement.
- 1.17 “*Releasees*” means: (1) Rapid, and all of its past, present and future predecessors, successors, parents, subsidiaries, fiduciaries, trustees, recordkeepers, partners, administrators, divisions, employees, affiliates, assigns, officers, directors, shareholders, representatives, attorneys, insurers, reinsurers, agents, and all third parties with whom Rapid contracted to provide release card services including Axiom Bank N.A. and Keefe Commisarry Network, LLC; and (2) CVB, and all of its past, present and future predecessors, successors, parents, subsidiaries, fiduciaries, trustees, recordkeepers, partners, administrators, divisions, employees, affiliates, assigns, officers, directors, shareholders, representatives, attorneys, insurers, reinsurers, and agents.
- 1.18 “*Releasors*” means: Plaintiffs, on behalf of themselves and their respective successors, assigns, devisees, heirs, and legatees of their claims in the Action, and agents, and each of the Class Members, including their respective , successors, assigns, devisees, heirs, and legatees of their claims in the Action, and agents.

- 1.19 “*Settlement*” means the terms and conditions of settlement as described in this Agreement.
- 1.20 “*Settlement Administrator*” means: Class Counsel and/or an entity selected by Class Counsel, and approved by Rapid, CVB, and the Court, to administer the Settlement pursuant to this Agreement and orders of the Court.
- 1.21 “*Settlement Amount*” means: \$11,000,000 to be paid by Rapid and CVB under the terms of this Agreement.
- 1.22 “*Subclass*” means: the class certified in the Action as the Washington Subclass: All persons who, at any time since October 20, 2013, were: (1) taken into custody at a jail, correctional facility, detainment center, or any other law enforcement facility located in the state of Washington, (2) entitled to the return of money either confiscated from them or remaining in their inmate accounts when they were released from the facility, (3) issued a prepaid debit card from Keefe Commissary Network, LLC, Rapid Investments, Inc., and/or Cache Valley Bank that was subject to fees, charges, and restrictions and (4) not offered an alternative method for the return of their money.

2. *Conditions to Effectiveness of the Settlement.*

- 2.1 *Effective Date of Agreement.* This Agreement is effective when all conditions in Sections 2.2 through 2.6 are satisfied or waived.
- 2.2 *Preliminary Court Approval.* An order issued by the Court granting the Parties’ joint motion for preliminary approval of the Settlement that (1) preliminarily approves the Settlement as being fair and reasonable to the Plaintiffs, the Nationwide Class, and the Subclass, (2) establishes the procedures and a date for a hearing by video, or such other means as the Court deems appropriate, for final approval of the Settlement (“Final Approval Hearing”), and (3) approves the form and methods of providing notice to members of the Nationwide Class and Subclass that describes: (a) the terms and conditions of the Settlement, (b) how Class Members may Object to the Settlement, (c) how Class Members may Opt-Out of the Settlement and not be bound by this Agreement, and (d) the effect of the Settlement on Subclass Class Members who received payments from the settlement with Defendant Keefe Commissary Network LLC (Dkt. #179).
- 2.3 *Issuance of Class Notice.* The process for providing notice to the Nationwide Class and Subclass and receiving Objections, requests to Opt-Out of the Nationwide Class or Subclass, or submitting a claim, in accordance with the Court’s order preliminarily approving the Settlement.
- 2.4 *Final Court Approval.* An order issued by the Court, after consideration of additional information and materials provided by Class Counsel and

counsel for Rapid and CVB and Objections received from Class Members or their representatives, that (1) approves the proposed Settlement among the Parties and finds that it is fair, reasonable, and adequate; (2) rules on Class Counsel's requests for attorney's fees, reimbursement of costs, and payment of Case Contribution Awards; (3) determines that fair and adequate notice regarding the Settlement and the right to Opt-Out of the Settlement was provided to members of the Nationwide Class and Subclass; and (4) enters judgment that includes a dismissal of the claims of Plaintiffs, the Nationwide Class, and the Subclass against Rapid and CVB with prejudice and without an award of costs or fees other than as provided under the Agreement and that identifies and excludes from the judgment Class Members who Opt-Out of the Settlement. This will be referred to as the "Final Approval Order."

- 2.5 *Payment Made.* Rapid and CVB have paid the amount required by this Agreement in accordance with Section 8.1 of this Agreement.
- 2.6 *Resolution of an Appeal.* If an appeal is taken from the Final Approval Order, then the resolution of the appeal via either (1) an Appellate Court ruling affirming the Final Approval Order or (2) the entry of a dismissal of the appeal.

3. Releases.

- 3.1 *Releases of the Releasees.* Upon the Effective Date of Settlement, Plaintiffs, on their own behalf and, to the fullest extent permitted by law, on behalf of the Class Members who did not Opt-Out of this Settlement or the Action, and the Releasers, absolutely and unconditionally release and forever discharge Releasees from any and all charges, complaints, claims, demands, debts, obligations, attorneys' fees, liens, expenses, costs, actions, damages and remedies, liabilities, and causes of action of every nature, character, and description, whether arising under federal, state, or local law or under a constitutional provision, statute, regulation, rule, contract, or common law, whether or not now known, asserted or unasserted, suspected or unsuspected, fixed or contingent, or claimed against the Releasees that may have accrued from the beginning of time until the Effective Date that relate to the conduct, omissions, duties or matters that were or could have been alleged in the Action involving release cards and release card fees ("Released Claims"). This Paragraph constitutes a waiver of any statutory provision, right or benefit of any state or territory of the United States or any jurisdiction, and any principle of common law, at law or in equity, that prohibits the waiver of unknown claims.
- 3.2 Class Members who did not Opt-Out of this Settlement covenant not to sue Releasees for any and all Released Claims and are enjoined and barred from asserting any Released Claims. The foregoing, however, does not prohibit Plaintiffs or Class Members from enforcing the terms of the Agreement.

- 3.3 Class Members who Opt-Out of this Settlement who wish to bring an individual claim against Rapid or CVB may not do so in this Action but must initiate a request for relief in a separate lawsuit or arbitration in which they must obtain their own counsel to represent them.
- 3.4 *Rapid's and CVB's Releases of Plaintiffs, Class Members, and Class Counsel.* Upon the Effective Date of Settlement, Rapid and CVB, to the full extent permitted by law, absolutely and unconditionally release and forever discharge the Plaintiffs, the Class Members (except for Class Members who Opt-Out of this Settlement), and Class Counsel from any and all claims based on the institution or prosecution of the Action.
- 3.5 Rapid and CVB covenant not to sue Plaintiffs, the Class Members who do not Opt-Out, and Class Counsel for claims relating to institution or prosecution of the Action. The foregoing, however, does not prohibit Rapid or CVB from enforcing the terms of the Agreement.

4. *Representations and Warranties.*

- 4.1 *Plaintiffs.* Plaintiffs represent and warrant that they have not assigned or otherwise transferred any interest in any of the Released Claims against any Releasees, and further covenant that they will not assign or otherwise transfer any interest in such claims.

Plaintiffs represent that they have no knowledge of conflicts or other personal interests that would in any way impact their representation of the Class Members in connection with the execution of this Agreement.

- 4.2 *The Parties.* The Parties, and each of them, represent and warrant they are voluntarily entering into this Agreement as a result of arm's length negotiations; in executing this Agreement they are relying upon their own judgment, belief and knowledge, and the advice and recommendations of their own counsel, concerning the nature, extent and duration of their rights and claims hereunder and regarding all matters which relate in any way to the subject matter hereof. The Parties, and each of them, represent and warrant that they have carefully read the contents of this Agreement; they have made such investigation of the facts pertaining to the Settlement, this Agreement, and all of the matters pertaining thereto as they deem necessary or appropriate; and this Agreement is signed freely by each person executing this Agreement on behalf of each party. Each individual executing this Agreement on behalf of any other person does hereby represent and warrant to the other parties that they have the authority to do so.

5. *No Admission of Liability.*

- 5.1 The Parties understand and agree that this Agreement is a compromise that settles disputed claims, and nothing herein shall be deemed to constitute an

admission of any liability or wrongdoing by either of Rapid or CVB or any of the Releasees. Neither the fact nor the terms of this Agreement shall be offered or received in evidence in any action or proceeding for any purpose, except in an action or proceeding to enforce this Agreement or arising out of or relating to the Final Approval Order and motions for preliminary and final approval.

6. Opt-Outs.

6.1 A Class Member who wishes to exclude himself from this Agreement, and from the release of claims and defenses provided for under the terms of this Agreement, shall submit an Exclusion Letter by mail to Class Counsel and the Settlement Administrator. For an Exclusion Letter to be valid, it must be postmarked on or before the deadline set by the Court to Opt-Out. Any Exclusion Letter shall identify the Class Member, state that the Class Member wishes to exclude himself from the Agreement, and shall be signed and dated.

6.2 The Settlement Administrator shall maintain a list of persons who have excluded themselves and shall provide such list to Defendants' Counsel and Class Counsel at least five (5) days prior to the date Class Counsel is required to file the Motion for Final Approval. The Settlement Administrator shall retain the originals of all Exclusion Letters (including the envelopes with the postmarks). The Settlement Administrator shall make the original Exclusion Letters available to Class Counsel, Defendants' Counsel and/or the Court upon two (2) court days' written notice.

7. Objections.

7.1 Any Class Member, other than a Class Member who opt-ed out of the Action or who timely submits an Exclusion Letter, may object to this Agreement.

7.2 To be valid and considered by the Court, the objection must be in writing and sent by first class mail, postage pre-paid, to the Settlement Administrator and Class Counsel. The objection must be postmarked on or before the deadline to object set by the Court, and must include the following information:

7.2.1 A heading referring to the *Reichert v. Rapid Investments, Inc., et al.*, No. 3:17-cv-5848 BHS, in the United States District Court for the Western District of Washington;

7.2.2 The objector's name, address, telephone number, the name of the facility, including the state, where the objector received a Release Card, , and the contact information for any attorney retained by the objector

in connection with the objection or otherwise in connection with this case;

7.2.3 A statement of the reasons for each objection and any exhibits the objector wishes the Court to consider in connection with the objection; and

7.2.4 A statement as to whether the objector intends to appear at the Final Approval Hearing, either in person or through counsel, and, if through counsel, identifying the counsel by name, address, and telephone number.

7.3 Class Counsel shall file any responses to objections at least seven (7) days prior to the Final Approval Hearing Date.

7.4 Any objector who retains counsel shall be solely responsible for paying their own attorney's fees and costs.

7.5 Any objector who fails to comply with the provisions herein shall waive and forfeit any and all rights to appear and/or object separately and shall be bound by the terms of this Agreement and the orders and judgments of the Court.

8. *Qualified Settlement Fund.*

8.1 *Payment of Settlement Amount.* Rapid and CVB shall pay the Settlement Amount into an account established for that purpose by the Settlement Administrator. Rapid and CVB shall make this payment within 31 days after the Court enters its Final Approval Order.

Plaintiffs, Rapid, and CVB agree that the amounts held in the account will be treated as a "qualified settlement fund" within the meaning of Treas. Reg. §1.468B-1, *et seq.* All funds held by the Settlement Administrator in the qualified settlement fund shall remain subject to the jurisdiction of the Court, until distributed pursuant to this Agreement.

8.2 *Payments from Settlement Amount.* The Settlement Amount shall be used to make payments to (1) Class Members who file valid claims, (2) attorney's fees and costs payable to Class Counsel, (3) Case Contribution awards to Plaintiffs, and (4) costs of providing the Notice and claims administration for the Settlement. Under no circumstances will Rapid or CVB be obligated to make any further contributions to the Settlement Amount.

8.3 *Payments for taxes.* The Settlement Administrator or its designee is responsible for filing tax returns and related forms, if necessary, for income earned on the Settlement Amount. Any required federal or state taxes will be paid from the Settlement Amount without further order or approval of the Court. Releasees shall not have any liability or responsibility for tax expenses or filing of tax returns.

Class Members shall be responsible for their own tax reporting of payments received under the terms of this Agreement.

9. *Distribution of Settlement Fund.*

9.1 Payments to Class Members who did not Opt-Out and filed valid claims shall be made from the Settlement Amount remaining after deducting the (1) attorney's fees and costs payable to Class Counsel approved by the Court, (2) Case Contribution awards payable to Plaintiffs approved by the Court, (3) costs of providing the Notice and claims administration for the Settlement, and (4) amounts paid or held in reserve for taxes, preparation of tax returns, and expenses of mailing checks to Class Members.

9.2 Each Class Member submitting a valid claim shall receive both (1) a minimum award of \$15 and (2) three times the fees incurred on the Release Card received by the Class Member upon release.

Provided, however, that a Class Member who is also a Keefe Class Member will have their distribution under this Section reduced by any prior distribution received from the Keefe Settlement.

If sufficient funds exist after the deductions set forth in Section 9.1, then those claims shall be paid at 100%. However, if insufficient funds exist, then each Class Member's claim shall be paid on a pro rata basis with all other claimants. Under no circumstances will Rapid or CVB be obligated to make any further contributions to the Settlement Amount.

9.3 All payments required under Section 8.2, including Class Members' claims, will be paid within 30 days of the Effective Date.

9.4 Any funds remaining after all deductions have been taken under Section 9.1, and 90 days after all payments determined by Section 9.2 have been mailed to Class Members who submitted valid claims, shall be paid to one or more *cy pres* recipients approved by the Court.

9.5 In no event shall any portion of the Settlement Amount revert to Rapid or CVB.

9.6 *Final Report to the Court.* Within one hundred and twenty (120) days after the Effective Date, Class Counsel shall submit to the Court a Final Report, setting forth: (1) the amounts paid to Class Members by the Settlement Administrator; (2) any checks not cashed or returned; (3) the efforts undertaken to follow up on uncashed and/or returned checks; (4) the total amount of money unpaid to Class Members; and (5) the payment to the Court-approved *cy pres* recipients.

10. Grounds for Termination of Agreement.

- 10.1 *Court Rejection.* If the Court declines to preliminarily or finally approve the Settlement in accordance with this Agreement, then this Agreement will terminate and become null and void, unless otherwise stipulated by the Parties.
- 10.2 *Court of Appeals Reversal.* If the Court of Appeals reverses the Court's order approving the Settlement, this Agreement will terminate and will become null and void, unless otherwise stipulated by the Parties.
- 10.3 *Supreme Court Reversal.* If the Supreme Court of the United States reverses the Court's order approving the Settlement, then this Agreement shall automatically terminate and thereupon become null and void, on the 31st day after issuance of the Supreme Court's mandate.
- 10.4 *Pending Appeal.* If an appeal is pending of an order declining to approve the Settlement, this Agreement shall not be terminated until final resolution of dismissal of any such appeal, except by written agreement of the Parties.
- 10.5 Rapid and CVB shall have the option to terminate this Agreement if five percent (5%) or more of the Class Members Opt-Out. Rapid and CVB shall notify Class Counsel and the Court of its intent to terminate this Agreement pursuant to this Section 10.5 within ten (10) business days after the Court's deadline to Opt-Out, or the option to terminate shall be considered waived.

11. Consequences of Termination. If the Agreement is terminated or rendered null and void for any reason, then the following shall occur unless otherwise stipulated by the Parties:

- 11.1 *Reversion of Action.* The Parties shall be restored to their respective positions in this case as they existed as of the date of the execution of this Agreement. 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 case 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*.

11.1.1 Neither the Agreement terms nor any publicly disseminated information regarding the Agreement including, without limitation, the Notice, court filings, orders, and public statements relating to the Agreement, may thereafter be used as evidence for any purpose whatsoever.

11.1.2 The fact of, and any documents, findings, decisions, or orders relating to any failure of a court to approve the Agreement or any modifications or amendments of the Agreement, as well as the fact and content of any objections which may have been filed to the Agreement, may not be used as evidence for any purposes whatsoever.

- 11.2 *Releases and Terms Void.* All Releases given or executed pursuant to this Agreement shall be null and void and none of the terms of the Agreement shall be effective or enforceable.
- 11.3 If, at the time of termination, Rapid and CVB have paid the Settlement Amount into an account established for that purpose by the Settlement Administrator as set forth in Section 8.1, then the Settlement Administrator shall return the Settlement Amount to Rapid and CVB within 15 days of the termination.

12. *Attorney Fees, Litigation Expenses and Case Contribution Awards.*

- 12.1 *Attorney Fees.* Class Counsel shall apply to the Court for attorney's fees to be paid from the Settlement Amount under the common fund/common benefit doctrine. The Parties acknowledge that any application for attorney's fees is subject to review and approval by the Court.
- 12.2 *Litigation Costs.* Class Counsel's out-of-pocket litigation costs and expenses shall be reimbursed out of the Settlement Amount, subject to the Court's review and approval.
- 12.3 *Case Contribution Award.* The parties acknowledge that Plaintiffs may request that the Court award them Case Contribution Awards. The Parties acknowledge that any application for a Case Contribution Award is subject to the Court's review and approval. Any Case Contribution Award approved by the Court will be paid from the Settlement Amount.

13. *Press Release.* Outside of required disclosures to the Court, the Nationwide Class, and the Subclass, Plaintiffs and Class Counsel will not advertise or otherwise pursue media coverage of the settlement terms except that (1) Human Rights Defense Center and Prison Legal News may publish news regarding the Settlement subject to the approval of Rapid and CVB and (2) Class Counsel may disclose the Settlement as part of updates regarding the Action on their website.

14. *Miscellaneous*

- 14.1 *Settlement Administrator.* The Settlement Administrator shall be subject to the jurisdiction of the Court with respect to the administration of this Agreement. The Settlement Administrator shall have the following duties and obligations:
- 14.1.1 The Settlement Administrator shall maintain a database showing addresses to which each Notice was sent and any Notices that were not delivered. A summary report of the Notice shall be provided to the Parties at least five (5) days prior to the deadline to file the Motion for Final Approval. The database maintained by the Settlement Administrator regarding the Notice shall be available to the Parties and the Court upon request. It shall otherwise be

confidential and shall not be disclosed to any third party without a court order.

- 14.1.2 The Notices shall be in a form approved by the Court. The Parties may by mutual written consent make non-substantive changes to the Notices without Court approval.
 - 14.1.3 The Settlement Administrator shall also maintain a Settlement website providing important information to Class Members, including access to the Notice. The Settlement Administrator is solely responsible for the content on, and administration of that website, and the Settlement Administrator is responsible for ensuring proper security of the website.
 - 14.1.4 All costs associated with publishing, mailing, and administering the Notice, and all costs of administration including, but not limited to, the Settlement Administrator's fees and costs shall be paid from the Settlement Amount. Rapid and CVB are not responsible for *any* costs of administration.
 - 14.1.5 The Settlement Administrator shall keep all information regarding Class Members confidential except as otherwise provided herein. All data created and/or obtained and maintained by the Settlement Administrator pursuant to this Agreement shall be destroyed twelve (12) months after the Final Report is submitted to the Court, provided that Class Counsel and Defendants' Counsel, or either of them, at their own cost, shall receive a complete digital copy of the Settlement Administrator's records, together with a declaration establishing completeness and authenticity, which they may maintain consistent with their own document retention policies.
- 14.2 *Dispute Resolution.* The Parties agree that any dispute regarding the terms, conditions, releases, enforcement or termination of this Agreement shall be resolved through mediation before Louis Peterson in Seattle, Washington. If mediation is unsuccessful, any dispute regarding the terms, conditions, releases, enforcement or termination of this Agreement shall be resolved through binding arbitration in Seattle, Washington with Louis Peterson as the arbitrator, unless the parties agree to an alternative.
- 14.3 *Governing Law.* This Agreement shall be governed by the laws of State of Washington without regard to conflict of law principles.
- 14.4 *Severability.* In the event any one or more of the provisions of this Agreement is determined to be invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained in this Agreement will not in any way be affected or impaired thereby.

Notwithstanding any other provision of this Agreement, any order of the Court regarding Class Counsel's request for attorney's fees and expenses or the Case Contribution Award to Plaintiffs is neither material to, nor part of the Agreement, and shall not operate to terminate or cancel the Agreement, or affect or delay the judgment approving this Agreement from becoming final. Neither a modification nor reversal on appeal of any order of the Court regarding the Class Counsel's request for attorney's fees and expenses, or Plaintiffs' Case Contribution Awards, shall constitute grounds for any Party to cancel, terminate, or withdraw from the Agreement

- 14.5 *Amendment.* Before entry of the Preliminary Approval Order, this Agreement may be modified or amended only by written agreement signed by or on behalf of all Parties. Following entry of the Preliminary Approval Order, this Agreement may be modified or amended only by written agreement signed on behalf of all Parties and approved by the Court unless otherwise permitted by the Court.
- 14.6 *Waiver.* The provisions of this Agreement may be waived only by an instrument in writing executed by the waiving party. The waiver by any party of any breach of this Agreement shall not be deemed to be or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Agreement.
- 14.7 *Construction.* None of the Parties hereto shall be considered to be the drafter of this Agreement or any provision thereof for the purpose of any statute, case law or rule of interpretation or construction that would or might cause the provision to be construed against the drafter thereof.
- 14.8 *Principles of Interpretation.* The following principles of interpretation apply to this Agreement:
- 14.8.1 *Headings.* The headings herein are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement.
- 14.8.2 *Singular and Plural.* Definitions apply to the singular and plural forms of each term defined.
- 14.8.3 *References to a Person.* References to a person include references to an entity, and include successors and assigns.
- 14.9 *Survival.* All representations, warranties and covenants set forth in herein shall be deemed continuing and shall survive the Effective Date of Settlement.
- 14.10 *Entire Agreement.* This Agreement contains the entire agreement among the Parties relating to this Settlement and supersedes any and all prior verbal and written communications regarding the Settlement.

- 14.11 *Counterparts.* This Agreement may be executed by exchange of executed faxed or PDF signature pages, and any signature transmitted in such a manner shall be deemed an original signature. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which, when taken together, shall constitute one and the same instrument.
- 14.12 *Binding Effect.* This Agreement binds and inures to the benefit of the Parties hereto, their assigns, heirs, administrators, executors, and successors-in-interest, affiliates, benefit plans, predecessors, and transferees, and their past and present shareholders, officers, directors, agents, and employees.
- 14.13 *Further Assurances.* Each of the Parties agree, without further consideration, and as part of finalizing the Settlement hereunder, that they will in good faith promptly execute and deliver such other documents and take such other actions as may be necessary to consummate the subject matter and purpose of this Agreement.
- 14.14 *Tax Advice Not Provided.* No opinion or advice concerning the tax consequences of the Settlement Agreement has been given or will be given by Class Counsel, nor is any representation or warranty in this regard made by virtue of this Agreement. The tax obligations, if any, of the Class Members and the determination thereof are the sole responsibility of each Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each Class Member.
- 14.15 The Parties have negotiated all of the terms and conditions of this Agreement at arm's length. All terms and conditions are material and necessary to this Agreement and have been relied upon by the Parties in entering into this Agreement.

15. Notification. Any notice to be given to Class Counsel, Plaintiffs, and/or the Settlement Administrator shall be sent by email as follows:

Chris R. Youtz
Richard E. Spoonemore
Eleanor Hamburger
SIRIANNI YOUTZ
SPOONEMORE HAMBURGER PLLC
3101 Western Avenue, Suite 350
Seattle, WA 98121
chris@sylaw.com
rick@sylaw.com
ele@sylaw.com

Any notice to be given to Rapid or CVB under the terms of this Agreement shall be sent by email as follows:

Emily J. Harris
Corr Cronin LLP
1015 Second Avenue, Floor 10
Seattle, WA 98104
Eharris@corrchronin.com

George F. Verschelden
Stinson LLP
1201 Walnut St., Suite 2900
Kansas City, MO 64106
George.verschelden@stinson.com

SIGNATURES:

Rapid Investments, Inc.

By: _____

Its: _____

Cache Valley Bank

By: _____

Its: _____

Jeffrey Reichert

Gary Moyer

Addendum to Agreement to Settle Claims

This Addendum to Agreement to Settle Claims ("Addendum"), made as of August __, 2023, by and between Plaintiffs Jeffrey Reichert and Gary Moyer (jointly, "Plaintiffs"), on behalf of themselves and (i) a Nationwide Class and (ii) a Washington State Subclass (collectively, the "Class Members"), and Defendants Rapid Investments, Inc. ("Rapid") and Cache Valley Bank ("CVB"), amends the Agreement to Settle Claims ("Agreement") entered into by the Parties.

Capitalized terms used and not otherwise defined herein which are defined in the Agreement shall have the same meanings herein as given to such terms in the Agreement.

The Parties, intending to be legally bound, agree as follows:

1. Section 1.21 of the Agreement is hereby changed to:

"Settlement Amount" means: \$11,000,000, plus any additional funds up to \$600,000, to be paid by Rapid and CVB under the terms of this Agreement.

2. Section 8.1 of the Agreement is hereby changed to:

Payment of Settlement Amount. Within seven (7) days after the Court enters its Final Approval Order, the Settlement Administrator shall prepare a report for the Parties detailing: (1) the total aggregate amount of validly submitted claims by Class Members; (2) the attorney's fees and costs payable to Class Counsel approved by the Court; (3) the Case Contribution awards payable to Plaintiffs approved by the Court; (4) the costs of providing the Notice and claims administration for the Settlement; and (5) the amounts paid or held in reserve for taxes, preparation of tax returns, and expenses of mailing checks to Class Members (collectively, "Settlement Total").

Upon request, Rapid and CVB will be provided the submitted claims by Class Members for their review. Rapid and CVB will raise any concerns with the submitted claims by Class Members within seven (7) days of receipt of the claims.

If the Settlement Total is \$11,000,000 or less, then Rapid and CVB shall pay \$11,000,000 into an account established for that purpose by the Settlement Administrator. Rapid and CVB shall make this payment within 31 days after the Court enters its Final Approval Order.

If the Settlement Total exceeds \$11,000,000, Rapid and CVB shall pay \$11,000,000 into an account established for that purpose by the Settlement Administrator within 31 days after the Court enters its Final Approval Order. The amount of the Settlement Total above \$11,000,000 (not to exceed \$11,600,000) shall also be paid within 31 days after the Court enters its Final Approval Order except for amounts that Rapid and CVB contend should not be paid because certain claims are invalid. The amount of the contested claims shall be paid within 20 days following resolution of the disputed claims. Any dispute that cannot be resolved among the Parties regarding the disputed claims shall be submitted to arbitration with Louis Peterson serving as the arbitrator. His award shall be final and nonappealable, and he shall have the discretion to assess attorney's fees and costs of the arbitration against either side at his discretion. The maximum amount of the Settlement Total payable by Rapid and CVB shall not exceed \$11,600,000.

Plaintiffs, Rapid, and CVB agree that the amounts held in the account will be treated as a “qualified settlement fund” within the meaning of Treas. Reg. §1.468B-1, et seq. All funds held by the Settlement Administrator in the qualified settlement fund shall remain subject to the jurisdiction of the Court, until distributed pursuant to this Agreement.

3. Section 14.1.6 is added to the Agreement:

The Settlement Administrator shall submit invoices for its services to the Parties. The Parties must approve of an invoice before it may be paid pursuant to Section 8.2. This section will not apply to costs already occurred for notice and administration prior to the date of this Addendum. If the Parties cannot agree whether an invoice should be paid in whole or in part, this dispute shall be resolved by arbitration with Louis Peterson serving as the arbitrator. His decision shall be final and nonappealable, and he shall have the discretion to assess attorney’s fees and costs of the arbitration against either side at his discretion.

4. The terms and provisions of the Agreement, as amended by this Addendum, shall remain in full force and effect.
5. This Addendum may be executed in counterpart copies, each of which shall be deemed an original and all of which together shall be one and the same instrument. Original signatures to this Addendum transmitted by facsimile or electronic mail shall have the same force and effect as originals.

By signing in the spaces provided below, the Parties hereto have agreed to all of the terms and conditions of this Addendum to Agreement to Settle Claims.

SIGNATURES:

Rapid Investments, Inc.

By: _____

Its: _____

Cache Valley Bank

By: _____

Its: _____

Jeffrey Reichert

Gary Moyer