# NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

**United States District Court for the Eastern District of Tennessee** 

Daniel Smith, et al. v. Specialty Networks, LLC, et al. Case No.: 1:24-cv-00286-CLC-CHS

A Court has authorized this Long Form Notice ("Notice"). This is not a solicitation from a lawyer.

If You Are A Living Individual Residing In The United States Who Was Sent A Notice By Defendants Specialty Networks, LLC That Their Private Information May Have Been Impacted in the Data Security Incident, You Are Eligible to Receive a Settlement Class Member Benefit from a Class Action Settlement

- A Court authorized this Notice, to those that are eligible to receive Settlement Class Member Benefits from a proposed class action settlement. The Action is titled *Daniel Smith*, *et al.* v. *Specialty Networks*, *LLC*, *et al.*, Case No.: 1:24-cv-00286-CLC-CHS and is pending in the United States District Court for the Eastern District of Tennessee. The persons that filed the class action lawsuit are called Plaintiffs or Class Representatives and the companies they sued are Specialty Networks, LLC and Prime Imaging, LLC (or Defendants). Defendants deny any wrongdoing whatsoever.
- Who is a Settlement Class Member?

All living individuals residing in the United States whose Private Information was identified as being potentially impacted in the Data Security Incident, including those who were sent a notice by Specialty Networks, LLC.

Excluded from the Settlement Class are all persons who are: (a) employees, directors, officers, and agents of Defendants; (b) the Judge assigned to the Action, that Judge's immediate family, and Court staff. and (c) any Settlement Class Member who timely and validly requests to optout from the settlement.

- Settlement Class Members under the Settlement Agreement will be eligible to receive:
  - ❖ Cash Payment A Documented Losses: Settlement Class Members may submit a Claim for a Cash Payment for up to \$5,000 per Settlement Class Member that includes reasonable documentation supporting the losses fairly traceable to the Data Security Incident, upon submission of a Valid Claim and supporting documentation, for documented losses incurred as a result of the Data Breach:

#### OR

❖ Cash Payment B – Flat Cash: As an alternative to Cash Payment A – Documented Losses above, a Settlement Class Member may elect to receive Cash Payment B – Flat Cash, which is a flat Cash Payment in an estimated amount of \$100.

## In addition to a Cash Payment, Settlement Class Members may select the following:

❖ Credit Monitoring – Settlement Class Members may may elect to receive three (3) years of Credit Monitoring. Credit Monitoring has a value of \$110 per year per Settlement Class Member.

• To submit a Claim or obtain more information visit www.SpecialtyNetworksDataSettlement.com or call (833) 890-4541 to request a Claim Form no later than October 13, 2025.

# Please read this Notice carefully. Your legal rights will be affected, and you have a choice to make at this time.

	Summary of Legal Rights	Deadline(s)
Submit a Claim Form	The only way to receive a Settlement Class Member Benefit from the settlement.	Submitted or postmarked on or before <b>October 13, 2025.</b>
Exclude Yourself by Opting Out of the Class	Receive no benefit from the settlement. This is the only option that allows you to keep your right to bring any other lawsuit against Defendants relating to the Data Security Incident.	Mailed and postmarked on or before <b>October 13, 2025.</b>
Object to the Settlement and/or Attend the Final Approval Hearing	You can write the Court about why you agree or disagree with the settlement or the Application for Attorneys' Fees, Costs and Service Awards. The Court cannot order a different settlement. You can also ask to speak at the Final Approval Hearing on November 13, 2025, at 2:00 PM ET about the fairness of the settlement, with or without your own attorney.	Mailed and postmarked on or before October 13, 2025.
Do Nothing	You will not receive any Settlement Class Member Benefit from this class action settlement.	N/A

- Your rights and options as a Settlement Class Member and the deadlines to exercise your rights are explained in this Notice.
- The Court still will have to decide whether to approve the settlement. Payments to Settlement
  Class Members will be made only if the Court approves the settlement and after any possible
  appeals are resolved.

# **What This Notice Contains**

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#### **BASIC INFORMATION**

## 1. Why is there a Notice?

The Court authorized this Notice because you have a right to know about the settlement, and all of your options, before the Court decides whether to give Final Approval to the settlement. This Notice explains the nature of the Action that is the subject of the settlement, the general terms of the settlement, and your legal rights and options.

The Judge Curtis L. Collier of the United States District Court for the Eastern District of Tennessee is overseeing this case captioned as *Daniel Smith*, *et al.* v. *Specialty Networks*, *LLC*, *et al.*, Case No.: 1:24-cv-00286-CLC-CHS. The people who brought the lawsuit are called the Class Representatives. The companies being sued, Specialty Networks, LLC, and Prime Imaging, LLC, are called the Defendants.

#### 2. What is the Action about?

The Action alleges that, on or about December 18, 2023, Defendants Specialty Networks, LLC became aware of suspicious activity within its network. In response, it launched an investigation which revealed that an unauthorized actor potentially accessed data that included the following personal information of current or former patients of Specialty Networks, LLC's provider clients: names, dates of birth, driver's license numbers, Social Security Numbers, medical record numbers, treatment and condition information, diagnoses, medications, and health insurance information. On about August 15, 2024, Specialty Networks, LLC began notifying approximately 395,866 potentially impacted individuals by mail that their Private Information may have been impacted by the Data Security Incident. Substitute notice was also provided for a population of 12,234 individuals for whom there was inadequate address information.

Defendants deny any wrongdoing whatsoever. No court or other judicial body has made any judgment or other determination that Defendants have done anything wrong.

## 3. Why is this a class action?

In a class action, one or more people called "Class Representatives" or "Plaintiffs" sue on behalf of all people who have similar claims. Together, all of these people are called a "Settlement Class," and the individuals are called "Settlement Class Members." One court resolves the issues for all Settlement Class Members, except for those who exclude themselves from the Settlement Class.

# 4. Why is there a settlement?

The Court has not decided in favor of the Plaintiffs or Defendants. Instead, both sides agreed to the settlement. The settlement avoids the cost and risk of a trial and related appeals, while providing benefits to Settlement Class Members. The Class Representatives appointed to represent the Settlement Class, and the attorneys for the Settlement Class, Class Counsel, think the settlement is best for all Settlement Class Members.

#### WHO IS IN THE SETTLEMENT?

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

You are affected by the settlement and potentially a Settlement Class Member if you are a living individual residing in the United States identified as being potentially impacted in the Data Security Incident, including those who were sent a notice by Specialty Networks, LLC regarding their Private Information being potentially impacted in the Data Security Incident.

Only Settlement Class Members are eligible to receive benefits under the settlement. Excluded from the Settlement Class are all persons who are: (a) employees, directors, officers, and agents of Defendants; (b) the Judge assigned to the Action, that Judge's immediate family, and Court staff. and (c) any Settlement Class Member who timely and validly requests to opt-out from the settlement.

#### 6. What if I am not sure whether I am included in the settlement?

If you are not sure whether you are included in the settlement, you may call (833) 890-4541 with questions. You may also write with questions to:

Settlement Administrator – 83170 c/o Kroll Settlement Administration LLC P.O. Box 5324 New York, NY 10150-5324

## THE SETTLEMENT BENEFITS-WHAT YOU GET IF YOU QUALIFY

### 7. What does the settlement provide?

The Settlement provides the following Settlement Class Member Benefits available to Settlement Class Members who submit Valid Claims: (a) Cash Payment A – Documented Losses, up to \$5,000 per Settlement Class Member, with supporting documentation; or (b) Cash Payment B – Flat Cash – an estimated \$100 Settlement Class Member Benefit; and in addition to a Cash Payment (c) Credit Monitoring for three (3) years.

All settlement Cash Payments will be subject to a *pro rata* increase in the event the amount of Valid Claims is insufficient to exhaust the entire Settlement Fund. Similarly, in the event the amount of Valid Claims exhausts the amount of the Settlement Fund, the amount of the Cash Payments will be reduced *pro rata* accordingly. Any *pro rata* increases or decreases to Cash Payments will be on an equal percentage basis.

**Injunctive Relief** – Defendants Specialty Networks, LLC, which suffered the Data Security Incident, has or implement a range of additional cybersecurity measures over a three-year period. These additional measures have been disclosed to Class Counsel, which believes they are substantial and significantly improve the protections afforded to the sensitive data held in Specialty Networks, LLC's information systems. The costs of which are the responsibility of the Defendants and will not in any way reduce the Settlement Amount.

## 8. What payments are available for reimbursement under the settlement?

Settlement Class Members that submit a valid and timely Claim Form may select <u>one</u> of the following Cash Payments:

- a) Cash Payment A Documented Losses: Settlement Class Members may submit a Claim for up to a total of \$5,000 per Settlement Class Member, upon submission of a Claim and supporting documentation.
  - To receive a documented loss payment, a Settlement Class Member must elect Cash Payment A on the Claim Form attesting under penalty of perjury to incurring documenting losses. Settlement Class Members will be required to submit reasonable documentation supporting the losses. Settlement Class Members shall not be reimbursed for expenses if they have been reimbursed for the same expenses by another source, including compensation provided in connection with the identity protection and credit monitoring services offered as part of the notification letter provided by Defendants or otherwise. If a Settlement Class Member does not submit reasonable documentation supporting a loss, or if their Claim is rejected by the Settlement Administrator for any reason, and the Settlement Class Member fails to cure his or her Claim, the Claim will be rejected.

#### OR

b) Cash Payment B – Flat Cash: As an alternative to Cash Payment A – Documented Losses above, a Settlement Class Member may elect to receive Cash Payment B – Flat Cash, which is a flat cash payment in an estimated amount of \$100.

The amount of the Cash Payments will be increased or decreased on a *pro rata* basis, depending upon the number of Valid Claims filed and the amount of funds available for these payments.

## In addition to electing a Cash Payment, Settlement Class Members may also elect:

c) **Credit Monitoring:** up to three (3) years of Credit Monitoring. The Credit Monitoring will include: (i) real time monitoring of the Settlement Class Member's credit file at three bureaus; (ii) dark web scanning with immediate notification of potential misuse; (iii) comprehensive public record monitoring; (iv) medical identity monitoring; (iv) medical identity monitoring; (v) identity theft insurance with no deductible; and (vi) access to fraud resolution agents to help investigate and resolves instances of theft. The Credit Monitoring has a value of \$110 per year per Settlement Class Member.

#### **HOW DO YOU SUBMIT A CLAIM?**

# 9. How do I get a Settlement Class Member Benefit?

To receive a Settlement Class Member Benefit, you must complete and submit a Claim Form online at <a href="https://www.SpecialtyNetworksDataSettlement.com">www.SpecialtyNetworksDataSettlement.com</a> or by mail to Settlement Administrator – 83170, c/o Kroll Settlement Administration LLC, P.O. Box 5324, New York, NY 10150-5324. Read the Claim Form instructions carefully, fill out the Claim Form, provide the required documentation, and submit online by October 13, 2025, or by mail postmarked by October 13, 2025.

# TO RECEIVE AN ELECTRONIC OR ACH PAYMENT FOR YOUR VALID CLAIM, YOU MUST FILE A CLAIM FORM ONLINE AT www.SpecialtyNetworksDataSettlement.com

# 10. When will I get my Settlement Class Member Benefit?

The Court will hold a Final Approval Hearing on **November 13, 2025, at 2:00 p.m. ET** to decide whether to approve the settlement. If the Court approves the settlement, there may be appeals from that decision and resolving them can take time. It also takes time for all of the Claim Forms to be processed. Please be patient. Cash Payments will begin after the settlement has obtained Court approval and the time for all appeals has expired.

# 11. What am I giving up as part of the settlement?

Defendants, their affiliates, and other entities identified in the Settlement Agreement as "Released Parties" will receive a Release from all claims that could have been or that were brought against them relating to the Data Security Incident. Thus, if the settlement becomes final and you do not exclude yourself from the settlement, you will be a Settlement Class Member and you will give up your right to sue Defendants, the other identified released entities, and each entity which is controlled by, controlling or under common control with them and their past, present, and future direct and indirect heirs, assigns, associates, corporations, investors, owners, parents, subsidiaries, affiliates, divisions, officers, directors, shareholders, members, agents, servants, employees, partners, attorneys, insurers, reinsurers, benefit plans, predecessors, successors, managers, administrators, executors, and trustees, and assigns of each of them as well as covered entities associated with the Data Security Incident. These Releases are described in Section XIII of the Settlement Agreement, which is available at <a href="https://www.SpecialtyNetworksDataSettlement.com">www.SpecialtyNetworksDataSettlement.com</a>. If you have any questions, you can talk to the law firms listed in Question 17 for free or you can talk to your own lawyer.

#### EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want to be part of the settlement, then you must take steps to exclude yourself from the Settlement Class. This is sometimes referred to as "opting out" of the Settlement Class.

## 12. If I exclude myself, can I get a Cash Payment from this settlement?

No. If you exclude yourself, you will not be entitled to receive any benefits from the settlement.

#### 13. If I do not exclude myself, can I sue the Released Parties for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendants and any other Released Parties for any claim that could have been or was brought relating to the Data Security Incident. You must exclude yourself from the settlement to start your own lawsuit or to be part of any different lawsuit relating to the claims in this case.

#### 14. How do I exclude myself from the settlement?

To exclude yourself, send an opt-out request or written notice of intent to opt-out that says you want to be excluded from the settlement. 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 be excluded from the Settlement Class. Any Settlement Class Member who does not file a timely opt-out request as described will lose the opportunity to exclude himself or herself from the settlement and will be bound by the settlement.

You must mail your opt-out request to the Settlement Administrator postmarked by October 13, 2025, to:

Settlement Administrator – 83170 c/o Kroll Settlement Administration LLC P.O. Box 5324 New York, NY 10150-5324

#### **OBJECTING TO THE SETTLEMENT**

#### 15. How do I tell the Court that I do not like the settlement?

You can tell the Court that you do not agree with the settlement, and/or Application for Attorneys' Fees, Costs and Service Awards or some part of it by objecting to the settlement. For an objection to be a valid objection under the settlement, it must be in writing, filed with the Court, and sent by U.S. Mail to Class Counsel, Defendants' Counsel, and the Settlement Administrator at the addresses listed below, postmarked by **no later than October 13, 2025.** 

Clerk of the Court	Class Counsel
Clerk of Court 800 Market Street, Suite 130 Knoxville, TN 37902	J. Gerard Stranch, IV Stranch, Jennings & Garvey, PLLC The Freedom Center 223 Rosa L. Parks Avenue, Suite 200 Nashville, TN 37203
Defendants' Counsel	Settlement Administrator
Jordan S. O'Donnell Mullen Coughlin, LLC 426 W. Lancaster Avenue, Suite 200 Devon, PA 19333	Settlement Administrator – 83170 c/o Kroll Settlement Administration LLC P.O. Box 5324 New York, NY 10150-5324

Your objection must be written and must include all of the following:

- i) the objector's full name, mailing address, telephone number, and email address (if any);
- ii) all grounds for the objection, accompanied by any legal support for the objection known to the objector or objector's counsel;
- the number of times the objector has objected to a class action settlement within the 5 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;
- iv) 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, Costs, and Service Awards;
- v) 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 5 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 in which the objector's counsel and/or counsel's law firm have objected to a class action settlement within the preceding 5 years;

- vi) the identity of all counsel (if any) representing the objector, and whether they will appear at the Final Approval Hearing;
- vii) a list of all persons who will be called to testify at the Final Approval Hearing in support of the objection (if any);
- viii) a statement confirming whether the objector intends to personally appear and/or testify at the Final Approval Hearing; and
- ix) the objector's signature (an attorney's signature is not sufficient).
- x) Class Counsel and/or Defendants' Counsel may conduct limited discovery on any objector or objector's counsel.

# 16. What is the difference between objecting and asking to be excluded?

Objecting is telling the Court that you do not like the settlement or parts of it and why you do not think it should be approved. You can object only if you are a Settlement Class Member. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class and do not want to receive any payment from the settlement. If you exclude yourself, you have no basis to object because you are no longer a Settlement Class Member, and the case no longer affects you.

#### THE LAWYERS REPRESENTING YOU

# 17. Do I have a lawyer in this case?

Yes. The Court appointed J. Gerard Stranch, IV of Stranch, Jennings & Garvey, PLLC, as Class Counsel to represent the Settlement Class in settlement negotiations. If you want to be represented by your own lawyer, you may hire one at your own expense.

## 18. How will the lawyers be paid?

Class Counsel shall apply to the Court for an award of attorneys' fees of up to one-third of the value of Settlement, plus reimbursement of reasonable costs. Any such award would compensate Class Counsel for investigating the facts, litigating the case, and negotiating the settlement and will be the only payment to them for their efforts in achieving this settlement and for their risk in undertaking this representation on a wholly contingent basis.

Class Counsel will include a request for Service Award payments for the Class Representatives in recognition for their contributions to this Action not to exceed \$2,500 per Class Representative, from the Settlement Fund.

Any attorneys' fees, costs and Service Award payments must be approved by the Court. The Court may award less than the amounts requested.

#### THE COURT'S FINAL APPROVAL HEARING

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

The Court will hold a Final Approval Hearing at 2:00 PM ET on November 13, 2025, at the Federal Courthouse in Chattanooga, Tennessee, as ordered by the Court. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are timely and valid objections, the Court will consider them and will listen to people who have asked to speak at the hearing if such a request has been properly made. The Court will also rule on the Application for Attorneys' Fees, Costs and Service Awards payments. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take. The hearing may be moved to a different date or time without additional notice, so Class Counsel recommends checking the Settlement Website <a href="www.SpecialtyNetworksDataSettlement.com">www.SpecialtyNetworksDataSettlement.com</a>, or calling (833) 890-4541.

## 20. Do I have to attend the hearing?

No. Class Counsel will present the Settlement Class to the Court. You or your own lawyer are welcome to attend at your expense, but you are not required to do so. If you send an objection, you do not have to visit the Court to talk about it. As long as you filed your written objection on time with the Court and mailed it according to the instructions provided in **Question 15**, the Court will consider it.

# 21. May I speak at the hearing?

You may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must file an objection according to the instructions in **Question 15**, including all the information required. Your objection must be <u>mailed</u> to the Clerk of the Court, Class Counsel, Defendants' Counsel and the Settlement Administrator, at the mailing addresses listed above, **postmarked by no later than the October 13, 2025**.

#### IF YOU DO NOTHING

#### 22. What happens if I do nothing?

If you do nothing, you will not receive any Settlement Class Member Benefits from this settlement. If the settlement is granted Final Approval and becomes final, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants or the other Released Parties based on any claim that could have been or that was brought relating to the Data Security Incident.

#### ADDITIONAL INFORMATION

## 23. How do I get more information?

This Notice summarizes the settlement. More details are in the Settlement Agreement itself. A copy of the Settlement Agreement is available at www.SpecialtyNetworksDataSettlement.com. You may also call the Settlement Administrator with questions or to receive a Claim Form at (833) 890-4541.

# 24. What if my contact information changes or I no longer live at my address?

It is your responsibility to inform the Settlement Administrator of your updated information. You may do so at the address below, calling toll-free (833) 890-4541 or at the Contact page of the Settlement Website:

Settlement Administrator – 83170 c/o Kroll Settlement Administration LLC P.O. Box 5324 New York, NY 10150-5324

PLEASE DO NOT CONTACT THE COURT, CLERK OF THE COURT OR CLASS COUNSEL FOR INFORMATION ABOUT THE CLASS ACTION SETTLEMENT