SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KING

Garcia et al. v. Washington State Department of Licensing Case No. 22-2-05635-5-SEA

If you are an individual whose personal information was compromised in the Data Breach disclosed by the Washington State Department of Licensing in February 2022, a Class Action Settlement may affect your rights.

A Washington State Superior Court authorized this Notice. You are not being sued. This is not a solicitation from a lawyer.

- A Settlement has been reached in a class action lawsuit concerning Washington State Department of Licensing (also known as "DOL") and a data breach (the "Data Breach") that was disclosed by DOL in February 2022. In the Data Breach, Private Information for approximately 545,901 professional licensees was stolen from POLARIS, including licensees' names, email addresses, Social Security numbers, dates of birth, and/or driver's license or state identification numbers.
- The lawsuit is titled *Garcia, et al. v. Washington Department of Licensing*, Case No. 22-2-05635-5 SEA and is pending in the Superior Court of the State of Washington in and for the King County. The lawsuit asserts claims related to the Data Breach. The Defendant in the lawsuit is the Washington State Department of Licensing ("DOL" or "Defendant"). Defendant denies it is or can be held liable for the claims made in the lawsuit. The Settlement does not establish who is correct, but rather is a compromise between the Parties to end the lawsuit.
- Members of the Settlement Class are all individuals whose personal information was compromised in the Data Breach disclosed by the Washington State Department of Licensing in February 2022. The Settlement Class specifically excludes: (i) DOL and its officers and directors; (ii) all Settlement Class Members who timely and validly submit requests for exclusion from the Settlement Class; (iii) any person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding or abetting the criminal activity occurrence of the Data Breach or who pleads *nolo contendre* to any such charge; and (iv) members of the judiciary to whom this case is assigned, their families, and members of their staff.
- Settlement Class Members are eligible to receive the following relief: (1) up to \$7,500, per person, in reimbursement for Out-of-Pocket Losses stemming from the Data Breach, consisting of actual documented and unreimbursed costs, expenses and losses or charges incurred as a result of identity theft or identity fraud, falsified tax returns, or other possible misuse of Settlement Class Member's personal information; (2) costs incurred on or after January 16, 2022 (or the earliest verifiable date the Data Breach occurred) associated with accessing or freezing/unfreezing credit reports with any credit reporting agency; (3) other miscellaneous expenses incurred related to any Out-of-Pocket Losses such as notary, fax, postage, copying, mileage, and long-distance telephone charges; (4) credit monitoring or other mitigating costs that were incurred on or after January 16, 2022 (or the earliest verifiable date of the Settlement Class Member's claim submission; and (5) reimbursement for up to 4 hours of time spent remedying issues related to the Data Breach at \$35 per hour. The Settlement Administrator will post additional information about the payment amount on www.WADOLdatabreachsettlement.com.

Defendant has also agreed to enact reasonable and appropriate remedial measures/security enhancements. For complete details, please see the Settlement Agreement, whose terms control, available at www.WADOLdatabreachsettlement.com.

• Your legal rights are affected regardless of whether you act or do not act. Please read this Notice carefully.

| YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT | |
|--|---|
| SUBMIT A CLAIM Form | This is the only way you may receive benefits from this Settlement. The deadline to submit a Claim Form is October 9, 2023. |
| EXCLUDE YOURSELF FROM THE SETTLEMENT | By asking to be excluded, you will not share in this Settlement. This is the only option that allows you to keep any rights to sue Defendant about the same legal claims in this lawsuit. The deadline to exclude from the Settlement is August 9 , 2023 . |
| OBJECT TO THE SETTLEMENT | Write to the Court explaining why you do not agree with the Settlement. The deadline to object is August 9, 2023. |
| ATTEND THE FINAL APPROVAL HEARING | You may ask the Court for permission for you or your attorney to speak about your objection at the Final Approval Hearing. The Final Approval Hearing will be held on September 15th , 2023 at 9:00 a.m. PT . |
| Do Nothing | By doing nothing, you forfeit the opportunity to receive any compensation and you give up any rights to sue Defendant, and certain parties related to Defendant, about the claims that have been or could have been asserted based on the facts alleged in this lawsuit. |

- These rights and options—and the deadlines to exercise them—are explained in this Notice. For complete details, please see the Settlement Agreement, whose terms control, available at www.WADOLdatabreachsettlement.com.
- The Court in charge of this case still has to decide whether to approve the Settlement. No Settlement benefits or payments will be provided unless the Court approves the Settlement and it becomes Final.
- Visite www.WADOLdatabreachsettlement.com para obtener una copia de este aviso en español.

BASIC INFORMATION

1. What is this Notice and why should I read it?

The Court authorized this Notice to inform you about a proposed Settlement with Defendant. You have legal rights and options that you may act on before the Court decides whether to approve the proposed Settlement. You may be eligible to receive a cash payment, identity-theft protection and credit monitoring as part of the Settlement. This Notice explains the lawsuit, the Settlement, and your legal rights.

Judge Judith H. Ramseyer of the Superior Court of the State of Washington in and for the King County is overseeing this class action. The case is called *Garcia, et al. v. Washington Department of Licensing*, Case No. 22-2-05635-5 SEA (Wash. Super. Ct.) (the "Action").

Amy Garcia, Anthony Gibbons, Taylor Riley-Gibbons, Tony Myhre, and Hansa Thomas are the Plaintiffs or Settlement Class Representatives. The company they sued, Washington State Department of Licensing, is the Defendant.

2. What is a class action lawsuit?

A class action is a lawsuit in which one or more plaintiffs—in this case, Amy Garcia, Anthony Gibbons, Taylor Riley-Gibbons, Tony Myhre, and Hansa Thomas—sue on behalf of a group of people who have similar claims. Together, this group is called a "Settlement Class" and consists of "Settlement Class Members." In a class action, the court resolves the issues for all class members, except those who exclude themselves from the class. After the Parties reached an agreement to settle this case, the Court granted preliminary approval of the Settlement and recognized it as a case that should be treated as a class action for settlement purposes.

THE CLAIMS IN THE LAWSUIT AND THE SETTLEMENT

3. What is this lawsuit about?

The Plaintiffs claim that Defendant failed to implement and maintain reasonable security measures necessary to protect Private Information that it maintained on its computer systems for professional licensees in the State of Washington, in order to prevent the Data Breach from occurring.

Defendant denies that it is or can be held liable for the claims made in the lawsuit. More information about the complaint in the lawsuit and Defendant's responses can be found in the "Court Documents" section of the Settlement Website at www.WADOLdatabreachsettlement.com.

4. Why is there a Settlement?

The Court has not decided whether the Plaintiffs or Defendant should win this case. Instead, both sides agreed to this Settlement. That way, they can avoid the uncertainty, risks, and expense of ongoing litigation, and Settlement Class Members will get compensation now rather than years later—if ever. The Settlement Class Representatives and Class Counsel, attorneys for the Settlement Class Members, agree the Settlement is in the best interests of the Settlement Class Members. The Settlement is not an admission of wrongdoing by Defendant.

5. How do I know if I am in the Settlement Class?

You are part of the Settlement as a Settlement Class Member if your personal information was compromised in the Data Breach disclosed by the Washington State Department of Licensing in February 2022. Eligible Settlement Class Members will have been mailed notice of their eligibility (including from *Garcia v. Washington State DOL*, c/o Kroll Settlement Administration LLC, P.O. Box 225391, New York, NY 10150-5391), and Settlement Class membership will be verified against that mailed list. If you are still not sure whether you are included, you can contact the Settlement Administrator by calling toll-free at **1-833-747-6403** or by visiting the Settlement Website at www.WADOLdatabreachsettlement.com.

1. This Settlement Class does not include: (a) DOL and its officers and directors; (b) all Settlement Class Members who timely and validly submit requests for exclusion from the Settlement Class; (c) any Person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding or abetting the criminal activity occurrence of the Data Breach or who pleads *nolo contendre* to any such charge; and (d) members of the judiciary to whom this case is assigned, their families, and members of their staff.

THE SETTLEMENT BENEFITS

6. What does the Settlement provide?

This Settlement provides eligible Settlement Class Members with: (1) up to \$7,500 per person in reimbursement for Out-of-Pocket Losses consisting of actual documented and unreimbursed costs, expenses and losses or charges incurred as a result of identity theft or identity fraud, falsified tax returns, or other possible misuse of Settlement Class Member's personal information; (2) costs incurred on or after January 16, 2022 (or the earliest verifiable date the Data Breach occurred) associated with accessing or freezing/unfreezing credit reports with any credit reporting agency; (3) other miscellaneous expenses incurred related to any Out-of-Pocket Loss such as notary, fax, postage, copying, mileage, and long-distance telephone charges; (4) credit monitoring or other mitigating costs that were incurred on or after January 16, 2022 (or the earliest verifiable date the Data Breach occurred) through the date of the Settlement Class Member's claim submission; and (5) reimbursement for up to 4 hours of time spent remedying issues related to the Data Breach at \$35 per hour. The Settlement also provides eligible Settlement Class Members with the right to enroll in two years of identity-theft protection and credit monitoring services that will include a combination of the following available features: (1) dark web monitoring; (2) identity restoration and recovery services; and (3) \$1,000,000 in identity theft insurance with no deductible.

Finally, if the costs of Settlement Payments, identity theft protection, settlement administration, service awards to Settlement Class Representatives, and the Fee Award and Costs do not exceed \$3,600,000, all remaining funds may be distributed on a *pro rata* basis, up to an additional \$300 for each claimant, to all Settlement Class Members who submitted a Valid Claim.

6.A. Who May Recover for Out-of-Pocket Losses and for How Much?

 If you are a Settlement Class Member and you incurred documented Out-of-Pocket Losses as a result of the Data Breach, you may be eligible to receive reimbursement up to a total of \$7,500 per Settlement Class Member. Out-of-Pocket Losses incurred as a result of the Data Breach may include, without limitation, (1) unreimbursed costs, expenses, losses or charges incurred a result of identity theft or identity fraud, falsified tax returns, or other possible misuse of Class member's personal information; (2) costs incurred on or after January 16, 2022 (or the earliest verifiable date the Data Breach occurred) associated with accessing or freezing/unfreezing credit reports with any credit reporting agency; (3) other miscellaneous expenses incurred related to any Out-of-Pocket Loss such as notary, fax, postage, copying, mileage, and long-distance telephone charges; and (4) credit monitoring or other mitigating costs that were incurred on or after January 16, 2022 (or the earliest verifiable date the Data Breach occurred) through the date of the Settlement Class Member's claim submission. Out-of-Pocket Losses will be paid from the cash Settlement Fund.

- For Attested Time spent remedying the issues related to the Data Breach, you may receive reimbursement for up to 4 hours at \$35 per hour by providing an attestation and a brief description of (1) the actions taken in response to the Data Breach and (2) the time associated with each action.
- 6.B. Who May Receive Identity-Theft Protection and Credit Monitoring?
 - Settlement Class Members are eligible to receive two (2) years of identity-theft protection and credit monitoring services, which includes three bureau credit monitoring and alerts. This is in addition to the credit monitoring services previously offered to individuals who were notified of the Data Breach. Settlement Class Members must affirmatively request identity-theft protection services by indicating such request on the Claim Form, and codes will be sent either to an email address provided by the Settlement Class Members or, if they do not have an email address, mailed to the address provided on the Claim Form. Protection and monitoring provided shall include, at a minimum:
 - a) Dark web monitoring;
 - b) Identity restoration and recovery services; and
 - c) \$1,000,000 identity theft insurance with no deductible.
 - Settlement Class Members can enroll for these identity protection and credit monitoring services whether or not they are eligible for a monetary recovery under this Settlement. Such coverage and flexibility in enrollment provide protection for Settlement Class Members against future identity theft.

Maximum Settlement Contribution: Under this Settlement, the maximum total amount Defendant may be required to pay is \$3,600,000. This will be used to fund Settlement Payments or Settlement Checks, identity-theft protection and credit monitoring services, Settlement Administration Costs, Service Award Payments to named Plaintiffs, and the Attorneys' Fee Award and Costs. In the event that Settlement Payments or Settlement Checks, Identity-Theft Protection and Credit Monitoring services, Settlement Administration Costs, Service Awards to Named Plaintiffs, and Attorney's Fees and costs exceed \$3,600,000, all class member payments will be reduced on a pro rata basis. If Settlement Payments or Settlement Checks, Identity-Theft Protection and Credit Monitoring, Settlement Administration Costs, Service Awards to Named Plaintiffs, and the Fee Award and Costs do not exceed \$3,600,000, all remaining funds may be distributed on a *pro rata* basis, up to an additional \$300 for each claimant, to all Settlement Class Members who submitted a Valid Claim.

7. How do I make a Claim?

To qualify for a Settlement benefit, you must complete and submit a Claim Form. Settlement Class Members who want to submit a Claim must fill out and submit a Claim Form online at www.WADOLdatabreachsettlement.com or by USPS mail. Claim Forms are only available through the Settlement Website at www.WADOLdatabreachsettlement.com.

Claims will be subject to a verification process. You will need the Class Member ID provided on the front of your Postcard Notice to fill out a Claim Form. All Claim Forms must be received online or postmarked on or before October 9th, 2023.

8. When will I get my payment?

The hearing to consider the fairness of the Settlement is scheduled for **September 15th**, **2023** at **9:00 a.m. PT**. If the Court approves the Settlement, eligible Settlement Class Members whose Claims were approved by the Settlement Administrator will be sent payment after all appeals and other reviews, if any, are completed. Please be patient. Eligible Claims will be paid to Settlement Class Members electronically unless a Settlement Class Member chooses to receive payment by written check. All checks will expire and become void 120 days after they are issued.

THE LAWYERS REPRESENTING YOU

9. Do I have a lawyer in this case?

Yes, the Court has appointed Kim D Stephens, P.S. and Kaleigh N. Boyd of Tousley Brain Stephens PLLC, Timothy Emery of Emery Reddy, PLLC, and M. Anderson Berry of Clayeo C. Arnold, A Professional Corp. as "Class Counsel" to represent the Settlement Class.

Should I get my own lawyer?

You don't need to hire your own lawyer because Class Counsel are working on your behalf. These lawyers and their firms are experienced in handling similar cases. You will not be charged for these lawyers. You can ask your own lawyer to appear in Court for you, at your own cost, if you want someone other than Class Counsel to represent you.

10. How will the lawyers be paid?

Class Counsel will file a Fee Application for an award of attorneys' fees and litigation costs and expenses to be paid from the Settlement Fund. Class Counsel will ask the Court to approve, and DOL agrees not to oppose, an award of Attorneys' Fees of up to 30 percent of the Settlement Fund (\$1,080,000), plus costs and expenses, to be paid from the Settlement Fund. Class Counsel will also request Service Award Payments of up to \$6,000 for each of the Settlement Class Representatives. The Court will determine the proper amount of any attorneys' fees, costs, and expenses to award Class Counsel and the proper amount of any service award to the Settlement Class Representatives. The Court may award less than the amounts requested. Whether the Settlement will be finally approved does not depend on whether or how much the Court awards in attorneys' fees, costs, and expenses or service awards.

11. What claims do I give up by participating in this Settlement?

If you do not exclude yourself from the Settlement, you will not be able to sue the Defendant or certain entities related to Defendant about the issues in this case, and you will be bound by all decisions made by the Court in this case, the Settlement, and its included release. This is true regardless of whether you submit a Claim Form. You can read the Settlement Agreement at www.WADOLdatabreachsettlement.com. However, you may exclude yourself from the Settlement (see Question 14). If you exclude yourself from the Settlement, you will not be bound by any of the terms of the Settlement.

"Released Claims" means any and all claims or causes of action of every kind and description, including any causes of action in law, claims in equity, complaints, suits or petitions, and any allegations of wrongdoing, demands for legal, equitable or administrative relief (including, but not limited to, any claims for injunction, rescission, reformation, restitution, disgorgement, constructive trust, declaratory relief, compensatory damages, consequential damages, penalties, exemplary damages, punitive damages, attorneys' fees, costs, interest or expenses) that the Releasing Parties had, have or may claim now or in the future to have (including, but not limited to, assigned claims and any and all "Unknown Claims" as defined below) that were or could have been asserted or alleged arising out of the same nucleus of operative facts as any of the claims alleged or asserted in the Action, including but not limited to the facts, transactions, occurrences, events, acts, omissions, or failures to act that were alleged, argued, raised or asserted in any pleading or court filing in the Action. The Released Claims include the release of Unknown Claims.

The Settlement Agreement in Section II, paragraph 36 and Section XIII, paragraphs 84–85, describe the release, Released Claims, and Unknown Claims in necessary legal terminology, so please read these sections carefully. The Settlement Agreement is available at www.WADOLdatabreachsettlement.com or in the public court records on file in this lawsuit. For questions regarding Releases and what they mean, you can also contact one of the lawyers listed in Question 9 for free, or you can talk to your own lawyer at your own expense.

The Released Claims do not include any claims arising from or relating to any conduct by Defendant after the date the Agreement is executed. The Released Claims shall also not include the right of named Plaintiffs, any Settlement Class Member, or any Releasing Party to enforce the terms of the Settlement Agreement.

12. What happens if I do nothing at all?

If you do nothing, you will receive no payment under the Settlement for any losses incurred as a result of the Data Breach. You will be in the Settlement Class, and if the Court approves the Settlement, you will also be bound by all orders and judgments of the Court, the Settlement, and its included Release. You will be deemed to have participated in the Settlement and will be subject to the provisions of Section 11 above. Unless you exclude yourself, you won't be able to file a lawsuit or be part of any other lawsuit against Defendant or certain entities related to the Defendants for the claims or legal issues resolved in this Settlement.

13. What happens if I ask to be excluded?

If you exclude yourself from the Settlement, you will receive no benefits or payment under the Settlement. However, you will not be in the Settlement Class and will not be legally bound by the Court's judgments related to the Settlement Class and Defendant in this class action.

14. How do I ask to be excluded?

You can ask to be excluded from the Settlement. To do so, you must send a letter or exclusion form stating: (1) the name of the proceeding, *Garcia, et al. v. Washington Department of Licensing*, Case No. 22-2-05635-5 SEA (Wash. Super. Ct.); (2) your full name; (3) your current address; (4) your personal signature; and (5) the words "Request for Exclusion" or a comparable statement that the individual does not wish to participate in the Settlement at the top of the communication. You must mail your exclusion request, postmarked no later than **August 9th**, **2023**, to the following address:

Garcia v. Washington State DOL c/o Kroll Settlement Administration LLC P.O. Box 225391 New York, NY 10150-5391

You cannot exclude yourself by phone or email. Each individual who wants to be excluded from the Settlement must submit his or her own exclusion request. No group opt-outs shall be permitted.

15. If I don't exclude myself, can I sue Defendant for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendant for the claims being resolved by this Settlement even if you do nothing.

16. If I exclude myself, can I get anything from this Settlement?

No. If you exclude yourself, do not submit a Claim Form to ask for a payment.

17. How do I object to the Settlement?

If you do not exclude yourself from the Settlement Class, you can object to the Settlement if you do not agree with any part of it. You can give reasons why you think the Court should deny approval of the Settlement by filing an objection. To object, you must file written notice with the Court stating that you object to the Settlement in *Garcia, et al. v. Washington Department of Licensing*, Case No. 22-2-05635-5 SEA (Wash. Super. Ct.), no later than **August 9th**, **2023**. Your objection should be filed with the Court, which you can do by mailing your objection and any supporting documents to the Superior Court of the State of Washington in and for the King County at the following address:

King County Superior Court 516 Third Ave. Room E-609 Seattle, Washington 98104 If you are represented by a lawyer, the lawyer may file your objection through the Court's efiling system. If you are represented by an attorney, you must include the identity of any and all attorneys representing you in the objection.

The objection must be in writing and include the case name, *Garcia, et al. v. Washington Department of Licensing*, Case No. 22-2-05635-5 SEA (Wash. Super. Ct.). Your objection must also include the following information: (1) your full name, current mailing address, telephone number, and email address; (2) a written statement of the specific grounds for the objection, as well as any legal basis and documents supporting the objection; (3) a written statement of the specific grounds for the objection, as well as any legal basis and documents supporting the objection; (4) the identity of any and all attorneys representing the objector; (5) a statement regarding whether the objector (or his or her attorney) intends to appear at the Final Approval Hearing; and (6) the signature of the objector or his or her attorney.

In addition to filing your objection with the Court, you must also mail copies of your objection and any supporting documents to both Class Counsel and Defendant's lawyers at the addresses listed below, postmarked no later than **August 9th**, **2023**.

| Class Counsel | Defense Counsel |
|--|-----------------------------|
| Kim D. Stephens | Tammy Webb |
| Kaleigh N. Boyd | Alfred Saikali |
| Tousley Brain Stephens P.L.L.C | Shook, Hardy & Bacon, L.L.P |
| 1200 Fifth Avenue, Ste 1700 | 555 Mission St, Suite 2300 |
| Seattle, WA 98101-3147 | San Francisco, CA 94105 |
| Timothy Emery Emery Reddy, PLLC 600 Stewart Street Suite 1100 Seattle, WA 98101 | |
| M. Anderson Berry Clayeo C. Arnold, A Professional Corp. 865 Howe Avenue Sacramento, CA 95825 | |

Class Counsel will file their request for attorneys' fees, costs, and expenses and Service Award Payments for the Settlement Class Representatives with the Court, which will also be posted on the Settlement Website, at www.WADOLdatabreachsettlement.com.

18. What's the difference between objecting and excluding myself from the Settlement?

Objecting simply means telling the Court that you don't like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself from the Settlement Class is telling the Court that you don't want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

19. When and where will the Court hold a hearing on the fairness of the Settlement?

The Court will hold the Final Approval Hearing on **September 15th**, **2023** at **9:00 a.m. PT** at the King County Superior Courthouse, 401 4th Avenue N, Courtroom 4B, Kent, Washington 98032. The purpose of the hearing is for the Court to determine whether the Settlement is fair, reasonable, adequate, and in the best interests of the Settlement Class. At the hearing, the Court will hear any objections and arguments concerning the fairness of the proposed Settlement, including those related to the amount requested by Class Counsel for attorneys' fees, costs, and expenses and the Service Award Payments to the Settlement Class Representatives.

<u>Note</u>: The date and time of the Final Approval Hearing are subject to change by Court Order. Any changes will be posted at the Settlement Website, www.WADOLdatabreachsettlement.com, or through the Court's publicly available docket. You should check the Settlement Website to confirm the date and time have not been changed.

20. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have, but you are welcome to attend the hearing at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as your written objection was filed or mailed on time and meets the other criteria described in the Settlement, the Court will consider it. You may also pay a lawyer to attend on your behalf at your own expense, but you don't have to.

21. May I speak at the Hearing?

Yes. If you do not exclude yourself from the Settlement Class, you may ask the Court for permission to speak at the Final Approval Hearing concerning any part of the proposed Settlement.

GETTING MORE INFORMATION

22. Where can I get additional information?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement, which is available at www.WADOLdatabreachsettlement.com.

YOU MAY CONTACT THE SETTLEMENT ADMINISTRATOR ONLINE AT www.WADOLdatabreachsettlement.com, BY CALLING TOLL-FREE AT, **1-833-747-6403** OR WRITING TO:

Garcia v. Washington State DOL c/o Kroll Settlement Administration LLC P.O. Box 225391 New York, NY 10150-5391

PLEASE DO <u>NOT</u> CALL THE COURT, THE CLERK OF THE COURT, THE JUDGE, OR THE DEFENDANT WITH QUESTIONS ABOUT THE SETTLEMENT OR CLAIMS PROCESS.