

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

In re Solara Medical Supplies Data Breach Litigation, Case No. 3:19-cv-02284-H-KSC

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

If Solara Medical Supplies, LLC notified you of a Data Breach that occurred between April 2, 2019 and June 20, 2019, you may be entitled to payment from a proposed class action settlement.

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

- There is a proposed Settlement of class action litigation that is pending in the United States District Court for the Southern District of California, *In re Solara Medical Supplies Data Breach Litigation*, Case No. 3:19-cv-02284-H-KSC, concerning a cyberattack against Solara Medical Supplies, LLC (“Solara” or “Defendant”) whereby criminals accessed the Microsoft Office 365 accounts of certain Solara employees resulting in the potential compromise of personal information (the “Data Breach”).
- The Data Breach occurred between April 2, 2019 and June 20, 2019 (“Class Period”). Solara was the victim of a cyberattack in which criminals may have gained unauthorized access to certain personal identifying information (“PII”) and protected health information (“PHI”) present in the accessed Solara employee email accounts. The lawsuit alleges that PII and PHI present in the accessed email accounts included names, addresses, dates of birth, medical information, billing information, and Social Security Numbers. Solara denies the claims in the lawsuit, including that any PII or PHI was accessed, and says it did nothing wrong.
- The Settlement includes all approximately 100,000 persons whom Solara sent letters notifying them of the Data Breach. It specifically excludes: (i) Solara, its parent, subsidiary, affiliates, officers, directors, agents, and servants, as well as the immediate family members of such persons; (ii) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; and (iii) the judge and magistrate judge assigned to evaluate the fairness of this Settlement.
- The Settlement provides cash payments to people who submit valid claims.
- If you are a Settlement Class Member, your legal rights are affected even if you do not act. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS UNDER THE PROPOSED SETTLEMENT	
SUBMIT A CLAIM	The only way to get a payment. You must file a claim by August 8, 2022 .
ASK TO BE EXCLUDED	Get no payment. The only option that allows you to sue Solara over the claims resolved by this Settlement. You must request exclusion from the Settlement by August 22, 2022 .
OBJECT TO THE PROPOSED SETTLEMENT	Write to the Court about your opposition to the proposed Settlement. If you want to object to the Settlement, you must do so in writing by August 22, 2022.
DO NOTHING	Get no payment. Give up your rights to sue Solara for the claims in this case.

Your rights and options—and the deadlines to exercise them—are explained in this Notice.

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Basic Information

1. Why Did I Get This Notice?

You received this Notice because you may have been identified as a potential Settlement Class Member, you are viewing this Notice at the Settlement website, or you requested to receive a copy of this Notice.

2. What Is This Lawsuit About?

The lawsuit claims that Solara was responsible for the Data Breach that occurred, and asserts claims such as: negligence, breach of contract, unjust enrichment, violations of the consumer protection statutes, and violation of California's Confidentiality of Medical Information Act ("CMIA"). The lawsuit seeks compensation for people whose PII and PHI was present in the email accounts that were accessed during the Data Breach.

Solara denies all of the Plaintiffs' claims and says it did nothing wrong.

The Court has preliminarily approved this proposed Settlement and will hold a Fairness Hearing to decide whether to finally approve the proposed Settlement.

3. What Is A Class Action?

In a class action, one or more people called "class representatives" sue on behalf of all people who have similar claims. All of these people together are the "Settlement Class" or "Settlement Class Members." In this case, the class representatives are Juan Maldonado, Adam William Bickford, Jeffrey Harris, Alex Mercado, Thomas Wardrop, and Kristi Keally, as legal guardian of a minor child whose initials are M.K. One court resolves the issues for all Settlement Class Members, except for those who exclude themselves from the Settlement Class.

4. How Do I Know If I Am A Part Of The Settlement Class?

You are included in the Settlement Class if you reside in the United States or its Territories and were notified by Solara in November 2019 of the Data Breach that occurred between April 2, 2019 and June 20, 2019.

The Settlement excludes: (i) Solara, its parent, subsidiary, affiliates, officers, directors, agents, and servants, as well as the immediate family members of such persons; (ii) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; and (iii) the judge and magistrate judge assigned to evaluate the fairness of this Settlement.

As a Settlement Class Member, you will be bound by all proceedings, orders, and judgments entered in connection with the Settlement, including the release, covenant not to sue, and dismissal with prejudice described below.

Benefits Of The Proposed Settlement – What You May Get

5. What Does The Proposed Settlement Provide?

Cash Payments: The proposed Settlement provides for a cash payment of \$5,060,000 ("Settlement Amount") to be paid by Solara and its insurer. The Settlement Amount, together with interest ("Settlement Fund"), will be used to pay notice and administration costs, Court-approved attorneys' fees and expenses, Court-approved Service Awards for class representatives, and certain Settlement Fund taxes and tax expenses (the "Net Settlement Fund"). The Net Settlement Fund will be used to provide eligible Settlement Class Members with cash payments of \$100 each, subject to pro rata increase or reduction if appropriate.

Injunctive Relief: The proposed Settlement also provides a number of security commitments by Solara designed to prevent attacks similar to the Data Breach from occurring in the future, which Plaintiffs' expert has valued at in excess of \$4,700,000 over a period of five (5) years. These commitments relate to, among other things, Solara's tolls, processes, and systems for detecting suspicious activity and Office 365 account compromise, authenticating users, and responding to and containing a security incident. In addition, Solara will commit to obtaining certain outside assessments related to product security and vulnerability management

controls. Solara shall, within ninety (90) calendar days after entry of the Judgment by the Court, formally adopt and implement these reforms (the “Permanent Injunction”). Solara acknowledges and agrees that the Permanent Injunction confers a material benefit to the Settlement Class and also acknowledges that this Action was a material and contributing factor in Solara’s approval, adoption, and implementation of these reforms.

6. What Happens If Money Remains In The Net Settlement Fund?

If after a reasonable period after the issuance of the cash payments to the Settlement Class, there is a balance in the Net Settlement Fund, those Settlement Class Members who timely submitted valid claims may receive additional amounts from the balance in the Net Settlement Fund, on a pro rata basis, such that the Settlement Class Member’s total payment from the Net Settlement Fund shall not exceed \$1,000.

If money remains in the Net Settlement Fund after all supplemental cash payments, the balance will be donated to the Juvenile Diabetes Research Foundation, a non-profit charitable organization working to find better treatments, preventions, and ultimately a cure for type 1 diabetes.

How To Get A Payment - Submitting A Claim Form

7. How Do I Submit A Claim Form And Get A Payment?

You must submit a Claim Form to receive a payment. Claim Forms are available and may be submitted online at www.SolaraMedicalSettlement.com or by mail to Solara Data Breach Settlement Administrator, P.O. Box 43277, Providence, RI 02940-3277.

Be sure to complete the Claim Form in full and submit or mail it by **August 8, 2022**.

8. When Would I Get My Payment?

The Court will hold a hearing on **September 12, 2022**, to decide whether to approve the Settlement. If the Court approves the Settlement, and upon the expiration of time for the filing of any appeals, the Settlement payments will be distributed.

The claims administration process takes time. Please be patient.

9. What Am I Giving Up By Remaining In The Settlement?

If the proposed Settlement becomes final, you will give up your right to sue Solara for the claims being resolved by this Settlement. The specific claims you are giving up against Solara are described in Section XIV of the Settlement Agreement. You will be “releasing” Solara as described in Section XIV of the Settlement Agreement. The Settlement Agreement is available at www.SolaraMedicalSettlement.com. The Settlement Agreement describes the released claims with specific descriptions, so read it carefully.

Excluding Yourself From The Settlement

10. What If I Do Not Want To Be Part Of The Settlement?

To exclude yourself or “opt out” from the Settlement, you must personally sign and submit a written request to opt out stating “I wish to exclude myself from the Settlement Class in *In re Solara Data Breach Litigation*” to the Settlement Administrator on or before **August 22, 2022**. Your exclusion request must also include: (a) your printed name, address, and telephone number; (b) a statement that you are a Settlement Class Member; and (c) an explanation of the basis for why you are included in the Settlement Class. You must mail your written request for exclusion to Solara Data Breach Settlement Administrator, P.O. Box 43277, Providence, RI 02940-3277.

11. If I Exclude Myself, Can I Still Get A Refund From The Proposed Settlement?

No. If you exclude yourself, you are telling the Court that you do not want to be part of the Settlement Class in this proposed Settlement. You can get a payment only if you stay in the Settlement Class and timely submit a valid Claim Form, as described above.

12. If I Do Not Exclude Myself, Can I Sue Solara For The Claims Released By This Settlement?

No. Unless you exclude yourself from the proposed Settlement, you are giving up the right to sue Solara for the claims that this Settlement resolves.

Objecting To The Proposed Settlement

13. How Do I Tell The Court I Do Not Like The Proposed Settlement?

If you are a Settlement Class Member and have not submitted a request to exclude yourself from the Settlement Class, you can object to the proposed Settlement if you do not like any part of it. The Court will consider your views.

To object, you must file with the Court a written statement of objection. Your written statement must include a detailed statement of the Settlement Class Member's objection(s), as well as the specific reasons, if any, for each such objection, including any evidence and legal authority you wish to bring to the Court's attention. The written statement also must include: (a) include case name/number; (b) your printed name, address, and telephone number; (c) the basis of your inclusion in the Settlement Class; (d) any other supporting papers, materials, or briefs you wish the Court to consider when reviewing the objection; and (e) a list of all state or federal court cases in which you (and/or your lawyer, if represented by counsel) have objected to a proposed class action settlement. Your objection must be mailed to the Clerk of the Court for the United States District Court for the Southern District of California, and is due by **August 22, 2022**. You must also mail a copy of your objection on or before that same date to: Stuart A. Davidson, Robbins Geller Rudman & Dowd LLP, 120 East Palmetto Park Road, Suite 500, Boca Raton, FL 33432; William B. Federman, Federman & Sherwood, 10205 N. Pennsylvania Avenue, Oklahoma City, OK 73120; and Jon P. Kardassakis, Lewis Brisbois Bisgaard & Smith LLP, 633 West 5th Street, Suite 4000, Los Angeles, CA 90071.

If you or your lawyer wish to appear at the Fairness Hearing, you must file an appearance with the Court by **August 22, 2022**.

14. What Is The Difference Between Objecting To The Proposed Settlement And Asking To Be Excluded From It?

Objecting is telling the Court that you do not like something about the Settlement. You can object only if you remain a Settlement Class Member. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you cannot object or receive any payment under the Settlement.

The Lawyers Representing You

15. Who Are The Attorneys Appointed To Represent The Settlement Class?

The Court appointed Stuart A. Davidson of Robbins Geller Rudman & Dowd LLP and William B. Federman of Federman & Sherwood as "Co-Lead Class Counsel" to represent you and all Settlement Class Members. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

16. How Will The Lawyers Be Paid?

Class Counsel will apply to the Court for an award of attorneys' fees of up to \$2,300,000 and expenses in an amount not to exceed \$350,000, plus interest thereon, and Service Awards in an amount not to exceed \$4,000 for each of the named plaintiffs for their time and service to the Settlement Class. Any award of attorneys' fees, expenses, and Service Awards must be approved by the Court. If approved, these awards will be paid from the Settlement Fund, and will be paid before cash payments are distributed.

The Court's Fairness Hearing

17. When And Where Will The Court Decide Whether To Grant Final Approval Of The Proposed Settlement?

The Court will hold a Fairness Hearing on **September 12, 2022**, before the Honorable Marilyn L. Huff at the U.S. District Court for the Southern District of California, Courtroom 15A, 333 West Broadway, San Diego, CA 92101, to decide whether to grant or deny final approval of the proposed Settlement.

18. Do I Have To Come To The Fairness Hearing?

No. Class Counsel will answer any questions the Court may have about the proposed Settlement. However, you are welcome to come to the hearing at your own expense. If you submitted an objection, you do not have to appear in Court to talk about it. As long as you mailed your written objection on time, signed it, and provided all of the required information (see Question 13) the Court will consider it. If, however, you would also like to attend and speak at the hearing, you must state your intention to do so as part of your objection, as discussed in Question 13.

Getting More Information

19. How Do I Get More Information?

Contact the Settlement Administrator. Go to www.SolaraMedicalSettlement.com, call 1-800-241-6672, or write to Solara Data Breach Settlement Administrator, P.O. Box 43277, Providence, RI 02940-3277.

PLEASE DO NOT CONTACT THE JUDGE, THE COURT, THE DEFENDANT, OR DEFENDANT'S COUNSEL REGARDING THIS NOTICE. THEY CANNOT ANSWER ANY QUESTIONS OR COMMENT ON THE SETTLEMENT OR LAWSUIT.

Dated: April 20, 2022

**BY ORDER OF THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF CALIFORNIA**