

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Settlement Agreement” or “Agreement”) is entered into by and between Gregory Allen, individually and on behalf of Settlement Class Members (as defined in Paragraph 37) (“Plaintiff”), and Storr Office Environments, Inc. (“Defendant”) (collectively the “Parties”), in the action *Gregory Allen v. Storr Office Environments, Inc.*, Case No. 5:24-cv-00713-D-RN, pending in the United States District Court for the Eastern District of North Carolina, Western Division (the “Action”).

RECITALS

WHEREAS, Plaintiff filed this class action alleging negligence, negligence per se, breach of fiduciary duty, breach of implied contract, invasion of privacy, unjust enrichment, and violation of the North Carolina Unfair and Deceptive Trade Practices Act, arising from the Data Incident discovered in May 2024 that allegedly exposed the personal information of Defendant’s current and former employees and others;

WHEREAS, Plaintiff Gregory Allen initiated this litigation by filing a Class Action Complaint styled *Gregory Allen v. Storr Office Environments, Inc.*, Case No. 5:24-cv-00713-D-RN, in the United States District Court for the Eastern District of North Carolina, Western Division on December 12, 2024;

WHEREAS, Defendant denies all allegations of wrongdoing, denies any liability or damages, and denies that this Action would be appropriate for class treatment if litigated;

WHEREAS, after extensive arm’s-length negotiations, informal discovery, and multiple stays to facilitate settlement discussions, the Parties reached an agreement to resolve the Action on a class-wide basis;

NOW, THEREFORE, in exchange for the mutual promises and valuable consideration provided herein, the Parties agree to a full and final settlement, subject to Court approval, on the following terms and conditions:

I. DEFINITIONS

In addition to terms defined at various points within this Agreement, the following defined terms shall have the meanings set forth below:

1. “**Action**” means the class action lawsuit captioned *Gregory Allen v. Storr Office Environments, Inc.*, Case No. 5:24-cv-00713-D-RN (E.D.N.C.).

2. “**Alternative Cash Payment**” means the cash payment of \$40.00 that Participating Settlement Class Members can claim, as set forth in Paragraph 41(b), in lieu of Claims for Out-of-Pocket Losses and Credit Monitoring Services.

3. “**Approved Claim**” means the timely submission of a Claim Form by a Settlement Class Member that has been approved by the Settlement Administrator.

4. “**Claim Form**” means the form that will be available for Settlement Class Members to submit a Settlement Claim (defined below) to the Settlement Administrator (defined below) and that is substantially in the form of **Exhibit C**. Settlement Class Members must submit a Claim Form, subject to the provisions of this Settlement Agreement, to obtain benefits under this Settlement Agreement.

5. “**Claims Deadline**” means the last day for a Settlement Class Member to submit a timely Claim Form, which will occur ninety (90) days after the Notice Deadline.

6. “**Claims Period**” means the period of time during which Settlement Class Members may submit Claim Forms to receive settlement benefits, which will end ninety (90) days after the Notice Deadline.

7. “**Class Counsel**” means Cassandra P. Miller of Strauss Borrelli PLLC.

8. “**Class Representative**” means the Plaintiff in this Action, Gregory Allen.

9. “**Court**” means the United States District Court for the Eastern District of North Carolina.

10. “**Credit Monitoring Services**” means one year of credit monitoring provided by CyEx. These services include one-bureau credit monitoring; dark web monitoring; real-time inquiry alerts; and \$1 million in identity theft insurance, among other features.

11. “**Data Incident**” means the data security incident affecting Defendant which was discovered in May 2024.

12. “**Defendant’s Counsel**” means Mullen Coughlin LLC.

13. “**Effective Date**” means one (1) business day after all of the following conditions have occurred: (i) the Court enters the Preliminary Approval Order; (ii) the Court has entered a Final Approval Order and Judgment finally approving this Settlement Agreement; and (iii) either (a) the date upon which the time expires for filing or noticing any reconsideration or appeal of the Final Approval Order and Judgment; (b) if there is an appeal or appeals or reconsideration sought, the date on which the Final Approval Order and Judgment is affirmed without any material modification and is no longer subject to judicial review; or (c) the Court, following the resolution of the appeal, enters a further order or orders approving the Settlement on the material terms set forth herein, and either the time to further appeal from such order has expired and no further appeal has expired and no further appeal is taken from such order(s) or any such appeal has been finally resolved and results in affirmation of such order(s); and (iv) the date of final dismissal of any appeal or reconsideration or the final dismissal of any proceeding on certiorari with respect to the Final Approval Order and Judgment, and the Final Approval Order and Judgment is no longer subject to judicial review. Notwithstanding the above, any order modifying or reversing any attorneys’ fees, costs, and expenses or the Service Award to the Class Representative shall not affect the “Effective Date” or any other aspect of the Final Approval Order and Judgment.

14. “**Fee Award and Costs**” means attorneys’ fees and litigation costs awarded to Class Counsel by the Court, not to exceed \$145,000.00.

15. **“Final Approval Hearing”** means the hearing to be conducted by the Court to determine the fairness, adequacy, and reasonableness of the Settlement and whether to enter a judgment approving the Settlement Agreement, approving the Fee Award and Costs, and approving a Service Award to the Class Representative.

16. **“Final Approval Order and Judgment”** means an order and judgment that the Court enters after the Final Approval Hearing, which finally approves the Settlement Agreement, certifies the Settlement Class, dismisses the Action with prejudice, and otherwise satisfies Fed. R. Civ. P. 23(e), and is consistent with all material provisions of this Agreement. Notwithstanding the foregoing, any order modifying or reversing any attorneys’ fees, costs, and expenses or a Service Award to the Class Representative made in this case shall not affect whether the Final Approval Order and Judgment is “Final” as defined herein or any other aspect of the Final Approval Order and Judgment.

17. **“Litigation Costs and Expenses”** means costs and expenses incurred by counsel for Plaintiff in connection with commencing, prosecuting, and settling the Action.

18. **“Lost Time”** means time spent responding to issues raised by the Data Incident, including monitoring financial or other accounts, researching the Data Incident, researching credit monitoring options, communicating with financial or other institutions, or otherwise dealing with issues related to the Data Incident.

19. **“Notice”** means notice of the proposed class action Settlement to be provided to Settlement Class Members, substantially in the form attached hereto as **Exhibit A** (“Short Form Notice”) and **Exhibit B** (“Long Form Notice”).

20. **“Notice Deadline”** means the last day by which Notice must begin to be issued to the Settlement Class Members, and which will occur thirty (30) days after entry of the Preliminary Approval Order.

21. **“Notice and Administrative Expenses”** means all of the expenses incurred in the administration of this Settlement, including, without limitation, all expenses or costs associated with providing Notice to the Settlement Class, locating Settlement Class Members, performing National Change of Address search(es) and/or skip tracing, processing claims, determining the eligibility of any person to be a Settlement Class Member, and administering, calculating and distributing the settlement benefits to Settlement Class Members. Administrative Expenses also include all reasonable third-party fees and expenses incurred by the Settlement Administrator in administering the terms of this Agreement.

22. **“Objection Deadline”** is the last day on which a Settlement Class Member may file an objection to the Settlement, which will be sixty (60) days after the Notice Deadline.

23. **“Opt-Out Deadline”** is the last day on which a Settlement Class member may file a request to be excluded from the Settlement Class, which will be sixty (60) days after the Notice Deadline.

24. **“Out-of-Pocket Losses”** means documented expenses or monetary losses that a Settlement Class Member actually incurred, are fairly traceable to the Data Incident, and have not

been reimbursed by a third party. Examples of compensable Out-of-Pocket Losses include, without limitation:

- a. *Unreimbursed expenses* incurred as a result of the Data Incident, such as fees for credit reports, credit monitoring, or identity theft protection; professional fees (including attorneys, accountants, or credit repair services); costs to freeze or unfreeze credit reports; and incidental expenses such as notary, fax, postage, copying, mileage, or telephone charges
- b. *Documented monetary losses* resulting from fraud, identity theft, or misuse occurring after May 1, 2024 and before the end of the Claims Period, that were more likely than not caused by the Data Incident, and for which the Settlement Class Member made reasonable efforts to mitigate or obtain reimbursement, including use of any available credit monitoring or identity theft insurance

25. “**Participating Settlement Class Member**” means a Settlement Class Member who does not submit a valid Request for Exclusion prior to the Opt-Out Deadline, as set forth in Paragraphs 23, 31 and 57.

26. “**Personal Information**” means information that identifies an individual or that in combination with other information can be used to identify, locate, or contact an individual. The term “Personal Information” is not intended here, nor should it be viewed as, having any bearing on the meaning of this term or similar term in any statute or other source of law beyond this Agreement, or how the Parties may use the term in other circumstances.

27. “**Preliminary Approval Order**” shall mean the Court's Order preliminarily approving the Settlement Agreement, certifying the Settlement Class for settlement purposes, and directing notice of the settlement to the Settlement Class substantially in the form of the Notice set forth in this Settlement Agreement. Attached as **Exhibit D**.

28. “**Released Claims**” means any and all claims, liabilities, rights, demands, suits, actions, causes of action, obligations, damages, penalties, costs, attorneys’ fees, losses, and remedies of every kind or description—whether known or unknown (including Unknown Claims), existing or potential, suspected or unsuspected, asserted or unasserted, liquidated or unliquidated, legal, statutory, or equitable—that relate to or arise from the Data Incident, the operative facts alleged in the Action, including the complaint and any amendment thereto, Defendant’s information security policies and practices, or Defendant’s; maintenance or storage of Personal Information, regardless of whether such claims arise under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law.

29. “**Released Parties**” means Defendant and each and every of its predecessors, successors, assigns, parents, subsidiaries, divisions, departments, owners, and related or affiliated entities of any nature whatsoever, whether direct or indirect, as well as any and all of Defendant’s and these entities’ respective predecessors, successors, officers, directors, current and former employees (and their dependents), advisors, vendors, stockholders, partners, agents, attorneys, representatives, insurers, reinsurers, subrogees and assigns. Each of the Released Parties may be referred to individually as a “Released Party.”

30. “**Releasing Parties**” and a “**Releasing Party**” means the Class Representative and Participating Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, partners, predecessors, successors, attorneys, assigns, and any other person purporting to assert a claim on their behalf.

31. “**Request for Exclusion**” means a writing by or on behalf of a Settlement Class Member in which he or she requests to be excluded from the Settlement Class in the form and manner provided for in the Notice and as described below in Paragraph 57.

32. “**Service Award**” means compensation awarded by the Court to Plaintiff Gregory Allen in the amount of \$4,000.00 for his service as Class Representative.

33. “**Settlement**” means the settlement of the Action by and between the Parties, and the terms thereof as stated in this Settlement Agreement.

34. “**Settlement Administrator**” means Analytics, a notice and settlement administrator with recognized expertise in class action notice and claims generally and data security litigation specifically, as jointly agreed upon by the Settling Parties and approved by the Court.

35. “**Settlement Class**” means all individuals residing in the United States whose Personal Information was potentially compromised in the Data Incident discovered by Storr in May 2024, including all those who were sent notice of the breach. Defendant represents that the Settlement Class consists of approximately 2,767 individuals. Excluded from the Settlement Class are: (1) the judges presiding over this Action, and members of their direct families; (2) Defendant, its subsidiaries, parent companies, successors, predecessors, and any entity in which Defendant or its parents have a controlling interest; and (3) Settlement Class Members who submit a valid Request for Exclusion prior to the Opt-Out Deadline.

36. “**Settlement Class List**” means the list generated by Defendant containing the full names and current or last known home addresses for Settlement Class Members, which Defendant shall provide to the Settlement Administrator within 10 days of the Preliminary Approval Order.

37. “**Settlement Class Member**” means an individual who falls within the definition of the Settlement Class.

38. “**Settlement Payment**” or “**Settlement Check**” mean the payment to be made via mailed check or via electronic means (agreed to by the Parties) to a Participating Settlement Class Member pursuant to the claims process set forth in Paragraph 49.

39. “**Settlement Website**” means the website that the Settlement Administrator will establish as soon as practicable following entry of the Preliminary Approval Order, but prior to the mailing of the Notice, as a means for Settlement Class Members to obtain notice of and information about the Settlement and relevant case documents and deadlines. The Settlement Website shall contain relevant documents, including, but not limited to, the Notice, this Agreement, Plaintiff’s motion for preliminary approval of the Settlement, the Preliminary Approval Order, Plaintiff’s motion for a Fee Award and Costs and/or Service Award, and the operative complaint in the Action. The Settlement Website shall also include a toll-free telephone number, e-mail address,

and mailing address through which Settlement Class Members may contact the Settlement Administrator directly. The Settlement Website shall not include any advertising and shall remain operational until at least sixty (60) days after all Settlement Payments have been distributed.

II. SETTLEMENT BENEFITS AND REIMBURSEMENT

40. **Overview of Settlement Benefits Available.** Subject to the terms of this Settlement Agreement, Defendant shall make available the settlement benefits described in this Section, on a claims-made basis, to all Settlement Class Members who do not timely and validly request exclusion. Settlement Class Members may seek relief in one of the two forms described below—(1) reimbursement for Out-of-Pocket Losses and/or Lost Time and/or access to Credit Monitoring Services, or (2) an Alternative Cash Payment—each as set forth in the following paragraphs and subject to an aggregate cap of \$300,000.00 for all Approved Claims combined. Defendant shall pay all Approved Claims in accordance with the terms of this Agreement.

41. **Benefit Options Available to Class Members.** Settlement Class Members will have the opportunity to choose between the following two benefit options:

a. **Benefit Option 1:** Compensation for:

- (i) Out-of-Pocket Losses (up to \$750.00 per claimant as defined in Paragraph 24);
- (ii) Lost Time (up to 3 hours at \$25.00 per hour, for a maximum of \$75.00 per claimant, as defined Paragraph 18); and/or
- (iii) Credit Monitoring Services (one year of single-bureau coverage, as defined in Paragraph 10).

b. **Benefit Option 2:** An Alternative Cash Payment of Forty dollars (\$40.00) (as defined in Paragraph 2).

42. **Claims for Compensation for Out-of-Pocket Losses Under Benefit Option 1.** Participating Settlement Class Members who select Benefit Option 1 may submit a claim for reimbursement of Out-of-Pocket Losses (as defined in Paragraph 24) up to \$750.00 per claimant and/or elect to receive Credit Monitoring Services and/or Lost Time Compensation, as described below. Claims for Out-of-Pocket Losses may be submitted independently or in combination with claims for Lost Time and/or Credit Monitoring Services. Settlement Class Members seeking reimbursement for Out-of-Pocket Losses must provide reasonable supporting documentation demonstrating such losses. The documentation required to obtain an Out-of-Pocket Loss benefit must include third-party documents, and cannot consist of solely “self-prepared” items.

43. **Claims for Lost Time Under Benefit Option 1.** Participating Settlement Class Members who submit a valid Claim Form, including an attestation explaining how the time was spent, may receive compensation for Lost Time (as defined in Paragraph 18) of up to three (3) hours at \$25.00 per hour, for a maximum of \$75.00 per claimant. Claims for Lost Time may be submitted independently or in combination with claims for Out-of-Pocket Losses and/or Credit Monitoring Services.

44. **Credit Monitoring Services Under Benefit Option 1.** Participating Settlement Class Members who select Benefit Option 1 may also elect to receive one (1) year of Credit Monitoring Services, which will include single-bureau credit monitoring provided through CyEx and at least \$1,000,000 in identity theft insurance coverage. This benefit may be claimed independently or in combination with a claim for Out-of-Pocket Losses and/or Lost Time.

45. **Alternative Cash Payment Under Benefit Option 2.** As an alternative to the benefits available under Benefit Option 1, Participating Settlement Class Members may submit a claim for an Alternative Cash Payment (as defined in Paragraph 2) of Forty Dollars (\$40.00). To elect Benefit Option 2, the Settlement Class Member must check the appropriate box on the Claim Form; no supporting documentation is required. Class Members who select this option will not be eligible to receive any additional benefits under Benefit Option 1.

46. **Business Practice Commitments.** Defendant will provide a confidential declaration to Class Counsel and, if requested, to the Court for in camera review, describing its information security improvements since the Data Incident and an estimate of the cost of those improvements. The cost of such enhancements will be paid by Defendant separate and apart from all other settlement benefits.

III. CLAIMS PROCESS AND PAYMENTS TO PARTICIPATING SETTLEMENT CLASS MEMBERS

47. **Submission of Electronic and Hard Copy Claims.** Settlement Class Members may submit Claim Forms to the Settlement Administrator electronically via the Settlement Website or physically by mail to the Settlement Administrator. Claim Forms must be submitted electronically or postmarked on or before the end of the Claims Period. The Settlement Administrator will maintain records of all Claim Forms submitted until the later of: (a) one hundred and eighty (180) days after the Effective Date; or (b) the date all Claim Forms have been fully processed in accordance with the terms of this Agreement. Information submitted by Settlement Class Members in connection with Claim Forms shall be deemed confidential and protected as such by the Settlement Administrator, Class Counsel, and Defendant's Counsel.

48. **Claims Review Process.** The Settlement Administrator shall have the sole discretion and authority to determine whether and to what extent a claim for Credit Monitoring Services, Out-of-Pocket Losses, Lost Time, and/or an Alternative Cash Payment is valid.

- a. The Settlement Administrator will verify that each person who submits a Claim Form is a member of the Settlement Class.
- b. The Settlement Administrator will determine that each Claim Form submitted by a Settlement Class Member was submitted during the Claims Period and is timely.
- c. In determining whether claimed Out-of-Pocket Losses or Lost Time are more likely than not caused by the Data Incident, the Settlement Administrator will consider: (i) the timing of the alleged loss and whether it occurred on or after May 1, 2024; (ii) whether the alleged loss involved the types of information for that specific Participating Settlement Class Member that may have been affected in the Data Incident; (iii) the explanation of the Settlement Class Member as to why the alleged

loss was caused by the Data Incident; and (iv) any other factors the Settlement Administrator reasonably deems relevant.

- d. The Settlement Administrator is authorized to contact any Settlement Class Member (by email, telephone, or U.S. mail) to seek clarification regarding a submitted claim prior to making a determination as to its validity.
- e. No decision of the Settlement Administrator shall be deemed to constitute a finding, admission, or waiver by Defendant as to any matter of fact, law, or evidence having any collateral effect on any proceedings in any forum or before any authority.
- f. To the extent the Settlement Administrator determines that a timely claim for Credit Monitoring Services, Out-of-Pocket Losses or Lost Time by a Settlement Class Member is deficient in whole or in part, the Settlement Administrator shall notify the Settlement Class Member of the deficiencies and provide the Settlement Class member twenty-one (21) days to cure the deficiencies. If the Settlement Administrator subsequently determines that the Settlement Class Member has not cured the deficiencies, the Settlement Administrator will notify the Settlement Class Member within ten (10) days of that determination. The Settlement Administrator may consult with the Parties in making these determinations.
- g. If a Settlement Class Member receives notice that the Settlement Administrator has determined that the deficiencies it identified have not been cured, the Settlement Class Member may request an appeal in writing, including any supporting documents. The appeal must be submitted within twenty-one (21) days of the Settlement Administrator sending the notice. In the event of an appeal, the Settlement Administrator shall provide the Parties with all relevant documentation regarding the appeal. The Parties will confer regarding the appeal. If they agree on a disposition of the appeal, that disposition will be final and non-appealable. If they cannot agree on disposition of the appeal, the dispute will be submitted to the Settlement Administrator for final, non-appealable disposition. In reaching disposition, the Settlement Administrator is authorized to communicate with counsel for the Parties separately or collectively.

49. Payment.

- a. After the Effective Date, and after final determinations have been made with respect to all claims submitted during the Claims Period pursuant to the Claims Review Process, the Settlement Administrator shall provide the Parties an accounting of all Approved Claims for Credit Monitoring Services, Out-of-Pocket Losses, Lost Time, and/or an Alternative Cash Payment and also provide funding instructions and a properly completed and duly executed IRS Form W-9, along with any other necessary forms, to Defendant. Within forty-five (45) days of receiving this accounting, Defendant or its representative shall transmit the funds needed to pay Approved Claims for Credit Monitoring Services, Out-of-Pocket Losses, Lost Time, and/or an Alternative Cash Payment in accordance with the terms of this Agreement.

- b. Payments issued by the Settlement Administrator for Approved Claims for Out-of-Pocket Losses, Lost Time, and/or an Alternative Cash Payment shall be issued in the form of a check, or via electronic means (through means agreed to by the Parties) and sent as soon as practicable after the Settlement Administrator receives the funds described in Paragraph 49(a).
- c. All Settlement Class Members who fail to submit a valid Claim Form for any benefits under this Agreement within the time frames set forth herein, or such other period as may be ordered by the Court, shall be forever barred from receiving any payments or benefits pursuant to the Settlement, but will in all other respects be subject to and bound by the provisions of this Agreement, including but not limited to the releases contained herein, and the Final Approval Order and Judgment.

50. **Timing.** Settlement Payments shall bear the legend that they expire if not negotiated within ninety (90) days of their issue date.

51. **Returned Checks.** For any Settlement Check returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall make reasonable efforts to locate a valid address and resend the Settlement Payment within thirty (30) days after the check is returned to the Settlement Administrator as undeliverable. In attempting to locate a valid address, the Settlement Administrator is authorized to send an email and/or place a telephone call to that Participating Settlement Class Member to obtain updated address information. Any replacement Settlement Checks issued to Participating Settlement Class Members shall remain valid and negotiable for sixty (60) days from the date of their issuance and may thereafter automatically be canceled if not cashed by the Participating Settlement Class Members within that time.

52. **Voided Checks.** In the event a Settlement Payment in the form of a check becomes void, the Participating Settlement Class Member to whom that Settlement Check was made payable will forfeit the right to payment and will not be entitled to payment under the Settlement, and the Agreement will in all other respects be fully enforceable against the Participating Settlement Class Member. No later than one hundred and twenty (120) days after the issuance of the last Settlement Check, the Settlement Administrator shall take all steps necessary to stop payment on any Settlement Checks that remain uncashed.

IV. SETTLEMENT CLASS NOTICE

53. **Timing of Notice.** Within ten (10) days after the date of the Preliminary Approval Order, Defendant shall provide the Settlement Class List to the Settlement Administrator. Within thirty (30) days after the date of the Preliminary Approval Order, the Settlement Administrator shall disseminate the Short Form Notice to the members of the Settlement Class. The Settlement Administrator shall make the Long Form Notice and Claim Form available to Settlement Class Members on the Settlement Website.

54. **Form of Notice.** Notice shall be disseminated via postcard through First Class U.S. mail to Settlement Class Members on the Settlement Class List. Notice shall also be provided on the Settlement Website. The Notice mailed to Settlement Class Members will consist of a Short Form Notice in a form substantially similar to that attached hereto as **Exhibit A**. Before Notices

are mailed or emailed, Class Counsel and Defendant's Counsel shall first be provided with a proof copy (reflecting what the items will look like in their final form) and shall have the right to inspect the same for compliance with the Settlement Agreement and any orders of the Court. For Notices sent via postcard that are returned as undeliverable, the Settlement Administrator shall use reasonable efforts (*e.g.*, skip trace) to identify an updated mailing address and resend the postcard notice if an updated mailing address is identified. Additionally, to the extent Defendant provided an email address, the Settlement Administrator will send the Notice by email. In addition, the Long Form Notice and Claim Form approved by the Court may be adjusted by the Settlement Administrator in consultation and agreement with the Parties, as may be reasonable and necessary and not inconsistent with such Court approval

55. **Settlement Website.** The Settlement Administrator will establish the Settlement Website as soon as practicable following entry of the Preliminary Approval Order, but prior to dissemination of the Notice. The URL of the Settlement Website shall be agreed upon by Class Counsel and Defendant. The Settlement Website shall contain relevant documents germane to this Action, including, but not limited to, the Long Form Notice, the Claim Form, this Agreement, Plaintiff's motion for preliminary approval of the Settlement, the Preliminary Approval Order, Plaintiff's motion for a Fee Award and Costs and Service Award, and the operative complaint in the Action. The Settlement Website shall also include a toll-free telephone number, e-mail address, and mailing address through which Settlement Class Members may contact the Settlement Administrator directly. Class Members shall be able to submit claims online via the Settlement Website or mailed to the Settlement Administrator. The Settlement Website shall contain the deadlines for filing a claim, objection, or opt-out requests, and the date of the Final Approval Hearing. The Settlement Website shall not include any advertising and shall remain operational until at least sixty (60) days after all Settlement Payments have been distributed.

56. **Cost of Notice and Administrative Expenses.** Defendant will pay for the Notice and Administrative Expenses, which will be paid separately from costs associated with providing the Settlements benefits in Paragraphs 40-46.

V. OPT-OUTS AND OBJECTIONS

57. **Opt-Outs.** The Notice shall explain the procedure for Settlement Class Members to exclude themselves or "opt-out" of the Settlement by mailing by US Mail a Request for Exclusion to the Settlement Administrator postmarked no later than sixty (60) days after the Notice Deadline. The Request for Exclusion must include the name of the proceeding, the individual's full name, current address, personal signature, and 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. The Request for Exclusion must be personally signed by the Settlement Class member. The Notice must state that any Settlement Class Member who does not file a timely Request for Exclusion in accordance with this Paragraph will lose the opportunity to exclude himself or herself from the Settlement and will be bound by the Settlement.

58. **Objections.** The Notice shall explain the procedure for Settlement Class Members to object to the Settlement or Class Counsel's request for attorney's Fee Award and Costs and Service Award by filing written objections with the Court no later than the Objection Deadline. Settlement Class Members may object to the Settlement by submitting written objections to the

Settlement Administrator postmarked no later than sixty (60) days after Notice. The written objection must include (i) the name of the proceedings; (ii) the Settlement Class Member's full name, current mailing address, and telephone number; (iii) a statement that states with specificity the grounds for the objection, as well as any documents supporting the objection; (iv) a statement as to whether the objection applies only to the objector, to a specific subset of the class, or to the entire class; (v) the identity of any attorneys representing the objector; (vi) a statement regarding whether the Settlement Class Member (or his/her attorney) intends to appear at the Final Approval Hearing; (vii) a list of all other matters in which the objecting Settlement Class Member and/or his/her attorney has lodged an objection to a class action settlement; and (viii) the signature (or electronic equivalent) of the Settlement Class Member. The Notice must set forth the time and place of the Final Approval Hearing (subject to change) and state that any Settlement Class Member who does not file a timely and adequate objection in accordance with this Paragraph waives the right to object or to be heard at the Final Approval Hearing and shall be forever barred from making any objection to the Settlement.

59. Within seven (7) days after the deadline to opt-out as set forth in this Paragraph and as approved by the Court, the Settlement Administrator shall furnish to counsel for the Parties a complete list of all timely and valid Requests for Exclusion.

VI. DUTIES OF THE SETTLEMENT ADMINISTRATOR

60. **Duties of Settlement Administrator.** The Settlement Administrator shall perform the functions and duties necessary to effectuate the Settlement and as specified in this Agreement, including, but not limited to, the following:

- a. Obtaining the Settlement Class List for the purpose of disseminating Notice to Settlement Class Members;
- b. Causing Notice to be effectuated in accordance with the terms of this Settlement Agreement and orders of the Court;
- c. Performing National Change of Address searches on the Settlement Class List and/or skip tracing on undeliverable notices;
- d. Providing Notice to Settlement Class Members via U.S. mail and/or e-mail;
- e. Establishing and maintaining the Settlement Website;
- f. Establishing and maintaining a toll-free telephone line with interactive voice response for Settlement Class Members to call with Settlement-related inquiries, and answering the questions of Settlement Class Members who call with or otherwise communicate such inquiries in a timely fashion;
- g. Responding to any mailed or emailed Settlement Class Member inquiries in a timely fashion;
- h. Reviewing, determining the validity of, and processing all claims submitted consistent with the terms of this Agreement;

- i. Receiving and reviewing Requests for Exclusion and objections from Settlement Class Members. If the Settlement Administrator receives any Requests for Exclusion, objections, or other requests from Settlement Class Members after the deadlines set forth herein, the Settlement Administrator shall promptly provide copies thereof to Class Counsel and Defendant's Counsel;
- j. Working with the provider of Credit Monitoring Services to receive and send activation codes to Settlement Class Members who submitted valid claims for Credit Monitoring Services after the Effective Date;
- k. After the Effective Date, processing and transmitting Settlement Payments to Settlement Class Members;
- l. Providing weekly or other periodic reports to Settlement Class Counsel and Defendant's Counsel that include information regarding claims, objections, Requests for Exclusion and other data agreed to between Class Counsel, Defendant's Counsel and the Settlement Administrator;
- m. In advance of the Final Approval Hearing, preparing an affidavit to submit to the Court that: (i) attests to implementation of Notice in accordance with the Preliminary Approval Order; and (ii) identifies each Settlement Class Member who timely and properly submitted a Request for Exclusion; and
- n. Performing any function related to settlement administration as provided for in this Agreement or agreed-upon among Class Counsel, Defendant's Counsel, and the Settlement Administrator.

VII. PRELIMINARY APPROVAL, FINAL APPROVAL, AND JURISDICTION

61. **Certification of the Settlement Class.** For purposes of this Settlement only, the Parties stipulate to the certification of the Settlement Class, which is contingent upon the Court entering the Final Approval Order and Judgment of this Settlement and the occurrence of the Effective Date. Should: (1) the Settlement not receive final approval from the Court, or (2) the Effective Date not occur, the certification of the Settlement Class shall be void. Defendant reserves the right to contest class certification for all other purposes. This Agreement shall not be relied upon or referenced in support of any subsequent motion for class certification in any proceeding. The Parties further stipulate to designating the Class Representative as the representative for the Settlement Class.

62. **Preliminary Approval.** Following execution of this Agreement, Class Counsel shall file a motion for preliminary approval of this Settlement with the Court. Class Counsel shall provide Defendant's counsel with a draft of the motion for preliminary approval within a reasonable time frame prior to filing same to ensure that there are no requested revisions from Defendant.

63. **Final Approval.** Class Counsel shall move the Court for a Final Approval Order and Judgment of this Settlement, substantially in the form set forth in **Exhibit E**, to be issued following the Final Approval Hearing, within a reasonable time after the Notice Deadline,

Objection Deadline, and Opt-Out Deadline, but in no event later than 15 days before the Final Approval Hearing. In connection with the motion for preliminary approval, counsel for the parties shall request that the Court set a date for the Final Approval Hearing that is no earlier than 120 days after entry of the Preliminary Approval Order. Class Counsel shall provide Defendant's counsel with a draft of the motion for final approval within a reasonable time frame prior to filing same to ensure that there are no requested revisions from Defendant.

64. **Jurisdiction.** The Court shall retain jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any suit, action, proceeding or dispute arising out of or relating to this Agreement that cannot be resolved by negotiation and agreement by counsel for the Parties. The Court shall retain jurisdiction with respect to the administration, consummation and enforcement of the Agreement and shall retain jurisdiction for the purpose of enforcing all terms of the Agreement. The Court shall also retain jurisdiction over all questions and/or disputes related to the Notice and the Settlement Administrator. As part of its agreement to render services in connection with this Settlement, the Settlement Administrator shall consent to the jurisdiction of the Court for this purpose.

VIII. MODIFICATION AND TERMINATION

65. **Modification.** The terms and provisions of this Agreement may be amended, modified, or expanded by written agreement of the Parties and approval of the Court; provided, however, that, after entry of the Preliminary Approval Order, the Parties may, by written agreement, effect such amendments, modifications, or expansions of this Agreement and its implementing documents (including all exhibits hereto) without further notice to the Settlement Class or approval by the Court if such changes are consistent with the Court's Preliminary Approval Order and do not materially alter, reduce, or limit the rights of Settlement Class Members under this Agreement.

66. **Termination.** Class Counsel (on behalf of the Settlement Class Members) and Defendant shall have the right to terminate this Agreement by providing written notice of their or its election to do so ("Termination Notice") within fourteen (14) days of: (1) the Court's refusal to grant preliminary approval of the Settlement in any material respect; or (2) the Court's refusal to enter the Final Approval Order and Judgment in any material respect, or (3) the date the Final Approval Order and Judgment is modified or reversed in any material respect by any appellate or other court.

67. **Effect of Termination.** In the event of a termination as provided in Paragraph 66, this Agreement shall be considered null and void; all of the Parties' obligations under the Agreement shall cease to be of any force and effect and the Parties shall return to the *status quo ante* in the Action as if the Parties had not entered into this Agreement. In addition, in the event of such a termination, all of the Parties' respective pre-Settlement claims and defenses will be preserved. Finally, in such event, the terms and provisions of this Agreement shall have no further force and effect with respect to the Parties and shall not be used in this Action or in any other action or proceeding for any other purpose, and any order entered by this Court in accordance with the terms of this Agreement shall be treated as vacated, *nunc pro tunc*.

IX. RELEASES

68. **The Release.** Upon the Effective Date, and in consideration of the Settlement benefits described herein, each Releasing Party shall be deemed to have released, acquitted, and forever discharged Defendant and each of the Released Parties from any and all Released Claims. Plaintiff, Settlement Class Members, and any Releasing Parties covenant and agree that they will not take any step whatsoever to assert, sue on, continue, pursue, maintain, prosecute, or enforce any Released Claim, directly or indirectly, whether on behalf of themselves or others, against any of the Released Parties in any jurisdiction.

69. **Unknown Claims.** The Released Claims include the release of Unknown Claims. “Unknown Claims” means claims that could have been raised in the Action and that Plaintiff, any member of the Settlement Class or any Releasing Party, do not know or suspect to exist, which, if known by him, her or it, might affect his, her or its agreement to release the Released Parties or the Released Claims or might affect his, her or its decision to agree, object or not to object to the Settlement. With respect to the Released Claims, Plaintiff, Settlement Class Members, and any Releasing Parties, expressly understand and acknowledge it is possible that unknown economic losses or claims exist or that present losses may have been underestimated in amount or severity. Plaintiff, Settlement Class Members, and any Releasing Parties explicitly took that into account in entering into this Agreement, and a portion of the consideration and the mutual covenants contained herein, having been bargained for between Plaintiff and Defendant with the knowledge of the possibility of such unknown claims for economic loss, were given in exchange for a full accord, satisfaction, and discharge of all such claims. Upon the Effective Date, Plaintiff, the Settlement Class, and any Releasing Party shall be deemed to have, and shall have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, which provides as follows:

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

Upon the Effective Date, each of the Releasing Parties shall be deemed to have, and shall have, waived any and all provisions, rights and benefits conferred by any law of any state, the District of Columbia or territory of the United States, by federal law, or principle of common law, or the law of any jurisdiction outside of the United States, which is similar, comparable or equivalent to Section 1542 of the California Civil Code. The Class Representative, the Settlement Class, and any Releasing Parties acknowledge that they may discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of the Release, but that it is their intention to finally and forever settle and release the Released Claims, including but not limited to any Unknown Claims they may have, as that term is defined in this Paragraph. Each of those individuals expressly agrees that, as of the Effective Date, he or she shall have automatically and irrevocably waived and fully, finally, and forever settled and released any known or unknown, suspected or unsuspected, asserted or unasserted, liquidated or unliquidated, contingent or non-contingent claims with respect to all of the matters described in or subsumed by this Agreement. Further, each of those individuals agrees and acknowledges that he

or she shall be bound by this Agreement, including by the release herein and that all of their claims shall be dismissed with prejudice and released, whether or not such claims are concealed or hidden; without regard to subsequent discovery of different or additional facts and subsequent changes in the law; and even if he or she never receives actual notice of the Settlement and/or never receives a payment from the Settlement.

70. **Bar to Future Suits.** Upon entry of the Final Approval Order and Judgment, the Class Representative, other Settlement Class Members, and Class Counsel and any other attorneys for Plaintiff in the Action shall be enjoined from prosecuting any claim released in the preceding paragraphs in any proceeding against any of the Released Parties or based on any actions taken by any of the Released Parties that are authorized or required by this Agreement or by the Final Approval Order. It is further agreed that the Settlement may be pleaded as a complete defense to any proceeding subject to this section.

X. SERVICE AWARD

71. **Service Award.** At least thirty (30) days before the Opt-Out and Objection Deadlines, Class Counsel will file a motion seeking a Service Award payment not to exceed Four Thousand Dollars and Zero Cents (\$4,000.00) to the Class Representative, in recognition of his contributions to this Action, subject to Court approval. Defendant shall pay the Court-approved Service Award to an account established by or on behalf of Class Counsel within thirty (30) days after the Effective Date and Class Counsel's provision of its properly completed and duly executed IRS Form W-9, whichever is later. Class Counsel will then distribute the service award.

72. **No Effect on Agreement.** In the event the Court declines to approve, in whole or in part, the payment of the Service Award in the amount requested, the remaining provisions of this Agreement shall remain in full force and effect. No decision by the Court, or modification or reversal or appeal of any decision by the Court, concerning the amount of the Service Award shall constitute grounds for termination of this Agreement.

XI. ATTORNEY'S FEE AWARD AND COSTS

73. **Attorney's Fee Award and Costs.** At least thirty (30) days before the Opt-Out and Objection Deadlines, Class Counsel will file a motion for an award of attorneys' fees not to exceed One Hundred Forty-Five Thousand Dollars (\$145,000.00), inclusive of reasonable litigation costs and expenses, subject to Court approval. Defendant shall pay the Court-approved Fee Award and Costs separate and apart from, and in addition to, any settlement benefits made available to Settlement Class Members. Defendant shall transmit the Court-approved Fee Award and Costs to an account established by or on behalf of Class Counsel within thirty (30) days after the Effective Date. Class Counsel shall ensure that a duly executed IRS Form W-9 and payment instructions are provided through secure processes.

74. **Allocation.** To the extent applicable, and unless otherwise ordered by the Court, Class Counsel shall have the sole and absolute discretion to allocate any approved Fee Award and Costs amongst Plaintiff's counsel and any other attorneys for Plaintiff. Defendant and its insurers and reinsurers shall have no liability or other responsibility for allocation of any such attorneys' fees and costs.

75. **No Effect on Agreement.** In the event the Court declines to approve, in whole or in part, the payment of attorneys' fees and costs and expenses in the amount requested, the remaining provisions of this Agreement shall remain in full force and effect. No decision by the Court, or modification or reversal or appeal of any decision by the Court, concerning the amount of the Service Award shall constitute grounds for termination of this Agreement.

XII. NO ADMISSION OF LIABILITY

76. **No Admission of Liability.** The Parties understand and acknowledge that this Agreement constitutes a compromise and settlement of disputed claims. No action taken by the Parties either previously or in connection with the negotiations or proceedings connected with this Agreement shall be deemed or construed to be an admission of the truth or falsity of any claims or defenses heretofore made, or an acknowledgment or admission by any party of any fault, liability, or wrongdoing of any kind whatsoever.

77. **No Use of Agreement.** Neither the Settlement Agreement, nor any act performed or document produced or executed pursuant to or in furtherance of the Settlement: (i) is or may be deemed to be, or may be used as, an admission of, or evidence of, the validity of any claim made by Plaintiff; or (ii) is or may be deemed to be, or may be used as, an admission of, or evidence of, any fault or omission by Defendant in the Action or in any proceeding in any court, administrative agency or other tribunal.

XIII. MISCELLANEOUS

78. **Integration of Exhibits.** The exhibits to this Agreement and any exhibits thereto are a material part of the Settlement and are incorporated and made a part of the Agreement.

79. **Entire Agreement.** This Agreement, including all exhibits hereto, shall constitute the entire Agreement among the Parties with regard to the subject matter hereof and shall supersede any previous agreements, representations, communications and understandings among the Parties. This Agreement may not be changed, modified, or amended except in writing signed by all Parties, subject to Court approval. The Parties contemplate that, subject to Court approval or without such approval where legally permissible, the exhibits to this Agreement may be modified by subsequent Agreement of counsel for the Parties prior to dissemination of the Settlement Class Notice to the Settlement Class.

80. **Confidentiality.** To the extent permitted by ethics rules, the Parties and their counsel shall keep confidential all settlement communications, including communications regarding the negotiation and drafting of this Agreement. The Parties will not make any public statement about the Settlement that has not been approved by the other side, except as required or authorized by law. Approval of any proposed public statement of the other side will not be unreasonably withheld. The Parties will cooperate with each other regarding public statements about the Settlement and may issue a joint statement/press release if they mutually agree to do so. This paragraph shall not be construed to limit or impede the Notice requirements contained in this Settlement Agreement, nor shall this paragraph be construed to prevent Class Counsel or Defendant' Counsel from notifying or explaining that the Action has settled or limit the representations that the Parties or their counsel may make to the Court, or limit the documents the

Parties must file with the Court, to assist in the Court's evaluation of the Settlement, Preliminary Approval, Final Approval, and any objection to the Settlement's terms. Defendant may also provide information about the Settlement Agreement to its attorneys, members, partners, insurers, reinsurers, brokers, agents, and other persons or entities as required by securities laws or other applicable laws and regulations.

81. **Deadlines.** If any of the dates or deadlines specified herein falls on a weekend or legal holiday, the applicable date or deadline shall fall on the next business day. All reference to "days" in this agreement shall refer to calendar days unless otherwise specified.

82. **Singular and Plurals.** As used in this Agreement, all references to the plural shall also mean the singular and to the singular shall also mean the plural whenever the context so indicates.

83. **Headings.** The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

84. **Construction.** For the purpose of construing or interpreting this Agreement, the Parties agree that this Agreement is to be deemed to have been drafted equally by all Parties hereto and shall not be construed strictly for or against any Party.

85. **Cooperation of Parties.** The Parties to this Agreement agree to cooperate in good faith to prepare and execute all documents, to seek Court approval, defend Court approval, and to do all things reasonably necessary to complete and effectuate the Settlement described in this Agreement.

86. **Obligation to Meet and Confer.** Before filing any motion in the Court raising a dispute arising out of or related to this Agreement, the Parties shall consult with each other and certify to the Court that they have consulted in good faith.

87. **No Conflict Intended.** Any inconsistency between the headings used in this Agreement and the text of the paragraphs of this Agreement shall be resolved in favor of the text.

88. **Governing Law.** The Agreement shall be construed in accordance with, and be governed by, the laws of the State of North Carolina, without regard to the principles thereof regarding choice of law.

89. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, even though all signatories do not sign the same counterparts. Original signatures are not required. Any signature submitted electronically, by facsimile, or through e-mail of an Adobe PDF shall be deemed an original.

90. **No Waiver.** The waiver by any Party of any breach of this Agreement by another Party shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Agreement.

91. **Notices.** All notices to Class Counsel provided for herein, shall be sent by overnight

mail and email to:

Cassandra P. Miller
STRAUSS BORRELLI PLLC
980 N. Michigan Avenue, Suite 1610
Chicago, Illinois 60611
Tel: (872) 263-1100
Email: cmiller@straussborrelli.com

All notices to Defendant provided for herein, shall be sent by overnight mail and email to:

Michael Jervis
Mullen Coughlin LLC
426 W. Lancaster Ave, Suite 200
Devon, PA 19333
Telephone: (267) 930-4498
Email: mjervis@mullen.law

The notice recipients and addresses designated above may be changed by written notice.

92. **Authority.** Any person executing this Agreement in a representative capacity represents and warrants that he or she is fully authorized to do so and to bind the Party on whose behalf he or she signs this Agreement to all of the terms and provisions of this Agreement.

[SIGNATURE PAGE TO FOLLOW]

SIGNATURES

GREGORY ALLEN

By: _____

Date: _____

STRAUSS BORRELLI PLLC

Counsel for Plaintiff and the Class (as to form only)

By: _____
Cassandra P. Miller

Date: _____

STORR OFFICE ENVIRONMENTS, INC.

By: _____

Date: _____

Name: _____

Title: _____

MULLEN COUGHLIN LLC

Counsel for Defendant (as to form only)

By: _____
Michael Jervis

Date: _____