

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT FOR PATIENTS OF  
BEAUMONT HEALTH WHOSE INFORMATION WAS POTENTIALLY IMPACTED  
BY A DATA SECURITY INCIDENT ANNOUNCED ON OR ABOUT APRIL 17, 2020**

*Carr, et al. v. Beaumont Health, et al., Case No. 2020-181002-NZ (Oakland Co. MI.)*

*For more information, visit [www.BeaumontSettlement.com](http://www.BeaumontSettlement.com).*

**PLEASE READ THIS NOTICE CAREFULLY. YOU MAY BE ENTITLED TO PARTICIPATE IN A CLASS ACTION SETTLEMENT IF YOU RECEIVED NOTICE OF THE SECURITY INCIDENT ANNOUNCED BY BEAUMONT HEALTH ON OR ABOUT APRIL 17, 2020.**

*This is a court-authorized notice of a proposed class action settlement.*

**WHAT IS THIS NOTICE?**

This is a court-authorized notice of a proposed settlement (the “Settlement”) in a class action lawsuit, *Carr, et al. v. Beaumont Health, et al.*, Case No. 2020-181002-NZ (the “Lawsuit”), pending in the Circuit Court of Oakland County, Michigan before the Honorable Edward Sosnick (the “Court”). The Settlement would resolve the Lawsuit brought on behalf of persons who allege that their information was impacted by the data security incident announced by Beaumont Health on or about April 17, 2020 (the “Security Incident”). The Court has granted preliminary approval of the Settlement Agreement and has conditionally certified the Settlement Class for purposes of settlement only. This notice explains the nature of the class action lawsuit, the terms of the Settlement Agreement, and the legal rights and obligations of members of the Settlement Class. Please read the instructions and explanations below so that you can better understand your legal rights.

**WHAT IS THIS LAWSUIT ABOUT?**

On April 17, 2020, Beaumont Health announced that it had been the victim of the Security Incident, which may have impacted the information of certain patients. Beaumont Health began providing notice to individuals whose personal information may have been impacted on the same day. The Lawsuit alleges that Beaumont and William Beaumont Hospital (together “Beaumont”) failed to adequately protect the information of the potentially affected individuals, and asserts various claims, including breach of implied contract, breach of fiduciary duty, and unjust enrichment. Beaumont contests these claims and denies any wrongdoing.

**WHY IS THIS A CLASS ACTION?**

A class action is a lawsuit in which an individual called a “Class Representative” brings a single lawsuit on behalf of other people who have similar claims. All of these people together are a “Class” or “Class Members.” When a Class Action is settled, the settlement, which must be approved by the court, resolves the issues for all Class Members, except for those who exclude themselves from the settlement.

**WHY IS THERE A SETTLEMENT?**

To resolve this matter without the expense, delay, and uncertainties of litigation, the Parties have reached a settlement, which resolves all claims by the Class related to the Security Incident. If approved by the Court, the Settlement Agreement requires Beaumont to provide compensation to Class members who submit valid and timely claim forms. The Settlement is not an admission of wrongdoing by Beaumont and does not imply that there has been, or would be, any finding that Beaumont violated the law.

The Court already has preliminarily approved the Settlement Agreement. Nevertheless, because the settlement of a class action determines the rights of all members of the class, the Court overseeing this lawsuit must give final approval to the Settlement Agreement before it can be effective. The Court has conditionally certified the Settlement Class for settlement purposes only, so that members of the Settlement Class can be given this notice and the

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opportunity to exclude themselves from the Settlement Class, and to voice their support or opposition to final approval of the Settlement Agreement. If the Court does not give final approval to the Settlement Agreement, or if it is terminated by the Parties, the Settlement Agreement will be void, and the lawsuit will proceed as if there had been no settlement and no certification of the Settlement Class.

## WHO IS IN THE SETTLEMENT CLASS?

You are a member of the Settlement Class if you were sent notice of the Security Incident. If you received such notice, then you must submit a timely Claim Form to receive a check in the mail.

## WHAT ARE MY OPTIONS?

### (1) Accept the Settlement

To accept the Settlement, you must submit a Claim Form by **October 21, 2021**. You may obtain a Claim Form at **www.BeaumontSettlement.com**, and you may submit your Claim Form online at the same website or to the Settlement Administrator via email at **info@BeaumontSettlement.com**, or via U.S. Mail at Beaumont Settlement Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103. If the Settlement is approved and your claim is deemed valid, a check will be mailed to you. ***Submitting a valid and timely Claim Form, with any required supporting documentation, is the only way to receive compensation from this Settlement.***

### (2) Exclude yourself

You may exclude yourself from the Settlement. If you do so, you will not receive any compensation, but you will not release any claims you may have against Beaumont and the Releasees (as that term is defined in the Settlement Agreement) and are free to pursue whatever legal rights you may have by pursuing your own lawsuit at your own risk and expense. To exclude yourself from the Settlement, you must mail a signed letter to the Settlement Administrator at **Beaumont Settlement Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103** by **September 21, 2021**. The exclusion letter must state that you exclude yourself from this settlement and must include the name and case number of this litigation, as well as your full name, address, telephone number, and signature, and a statement that you wish to be excluded.

### (3) Object to the Settlement

If you wish to object to the settlement, you must submit your objection in writing to the Clerk of the Court of the Circuit Court of Oakland County, Michigan, 1200 N. Telegraph Rd., Department 404, Pontiac, MI 48341. The objection must be received by the Court no later than **September 21, 2021**. You must also send a copy of your objection to the attorneys for all Parties to the lawsuit, including Class Counsel (Lynn A. Toops, COHEN & MALAD, LLP, One Indiana Square, Suite 1400, Indianapolis, IN 46204, David K. Lietz, MASON LIETZ & KLINGER LLP 5101 Wisconsin Avenue, NW, Suite 305, Washington, D.C. 20016, and J. Gerard Stranch, IV, BRANDSTETTER, STRANCH, & JENNINGS, PLLC, 223 Rosa L. Parks Avenue, Suite 200, Nashville, TN 37203), as well as the attorneys representing Beaumont (Christopher G. Dean, McDONALD HOPKINS LLC, 600 Superior Avenue, East, Suite 2100, Cleveland, Ohio 44114), postmarked no later than **September 21, 2021**. Any objection to the proposed settlement must include: (a) the title of the case; (b) the Class Member's name, address, and telephone number; (c) the approximate date when the Class Member was a patient at a Beaumont facility; (d) all legal and factual bases for any objection; (e) copies of any documents that the Class Member wants the Court to consider; and (f) a list of all other objections submitted by you, or on your behalf, to any class action settlement in the United States in the previous five years. If you hire an attorney in connection with making an objection, that attorney must also file with the Court a notice of appearance by the objection deadline of **September 21, 2021**. If you do hire your own attorney, you will be solely responsible for payment of any fees and expenses the attorney incurs on your behalf. If you exclude yourself from the Settlement, you cannot file an objection.

You may appear at the Final Approval Hearing, which is to be held on **October 27, 2021 at 9:00 a.m.**, in Courtroom 4C of the Circuit Court of Oakland County, Michigan, 1200 N. Telegraph Rd., Department 404, Pontiac, MI 48341, in person or through counsel to show cause of why the proposed Settlement Agreement should not be approved as fair, reasonable, and adequate. Attendance at the hearing is not necessary; however, persons wishing to be heard

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orally in opposition to the approval of the settlement, the request for attorneys' fees and expenses, and/or the request for an incentive award to the Class Representative are required to indicate in their written objection their intention to appear at the hearing on their own behalf or through counsel and to identify the names of any witnesses they intend to call to testify at the Final Approval Hearing, as well as any exhibits they intend to introduce at the Final Approval Hearing.

#### **(4) Do Nothing**

If you do nothing, you will receive no compensation from the Settlement, but you will still be bound by all orders and judgments of the Court. Unless you exclude yourself from the Settlement, you will not be able to file or continue a lawsuit against the Releasees regarding any of the Released Claims. ***Submitting a valid and timely Claim Form is the only way to receive compensation from this Settlement.***

To submit a Claim Form, or for information on how to request exclusion from the class or file an objection, please visit the Settlement website, [www.BeaumontSettlement.com](http://www.BeaumontSettlement.com), or call 1-844-479-0990.

#### **WHAT DOES THE SETTLEMENT PROVIDE?**

**Compensation.** Beaumont has agreed to compensate Class members who submit a valid and timely claim for unreimbursed ordinary losses up to \$250, including: (1) bank fees, long distance phone charges, cell phone charges (only if charged by the minute), data charges (only if charged on the amount of data used), postage, or gasoline; (2) fees for credit reports, credit monitoring, or other identity theft insurance products purchased between April 17, 2020 and **June 23, 2021**; and (3) up to three hours of lost time at \$20 per hour, if a Class member spent at least one full hour dealing with the Security Incident. Beaumont has further agreed to compensate Class members who submit a valid and timely claim form for extraordinary losses up to \$2,250 if: (1) the loss is an actual, documented, and unreimbursed monetary loss; (2) the loss was more likely than not caused by the Security Incident; (3) the loss occurred between May 2019 and **October 21, 2021**; and (4) the Class member made reasonable efforts to avoid or seek reimbursement for the loss, including but not limited to exhaustion of all available credit monitoring insurance and identity theft insurance. Additionally, the attorneys who brought this lawsuit (listed below) will ask the Court to award them attorneys' fees of up to \$260,000, for the time, expense and effort expended in investigating the facts, litigating the case, and negotiating the Settlement, and the Class Representatives will seek a payment of up to \$2,000 for their time, effort, and service in this matter.

#### **WHAT RIGHTS AM I GIVING UP IN THIS SETTLEMENT?**

Unless you exclude yourself from this Settlement, you will be considered a member of the Settlement Class, which means you give up your right to file or continue a lawsuit against Beaumont and any other Releasees (as defined in the Settlement Agreement), relating to the Security Incident. Giving up your legal claims is called a release. The precise terms of the release are in the Settlement Agreement, which is available on the Settlement website. Unless you formally exclude yourself from this Settlement, you will release your claims. Each Releasor (as defined in the Settlement Agreement) is given the opportunity to read and review the following provision of California Civil Code Section 1542:

**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.**

Your release shall apply according to their terms, regardless of any provision of law or legal authority similar to California Civil Code Section 1542 identified above. If you have any questions, you can talk for free to the attorneys identified below who have been appointed by the Court to represent the Settlement Class, or you are welcome to talk to any other lawyer of your choosing at your own expense.

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## **WHEN WILL I BE PAID?**

The Parties cannot predict exactly when (or whether) the Court will give final approval to the Settlement Agreement, so please be patient. However, if the Court gives final approval to the Settlement, you will be paid as soon as possible after the court order becomes final. If there is an appeal of the Settlement, payment may be delayed. Updated information about the case is available at [www.BeaumontSettlement.com](http://www.BeaumontSettlement.com), or you can call the Settlement Administrator at **1-844-479-0990**, or contact Class Counsel at the information provided below.

## **WHEN WILL THE COURT RULE ON THE SETTLEMENT?**

The Court has already given preliminary approval to the Settlement Agreement. A final hearing on the settlement, called a Final Approval Hearing, will be held to determine the fairness of the Settlement Agreement. At the Final Approval Hearing, the Court will also consider whether to make final the certification of the Class for settlement purposes, hear any proper objections and arguments to the Settlement Agreement, as well as any requests for an award of attorneys' fees, costs, and expenses and a Class Representative Incentive Award that may be sought by Class Counsel. The Court will hold the Final Approval Hearing on October 27, 2021 at 9:00 a.m. at Courtroom 4C of the Circuit Court of Oakland County, Michigan, 1200 N. Telegraph Rd., Department 404, Pontiac, MI 48341.

If the Settlement Agreement is given final approval, the Court will not make any determination as to the merits of the claims against Beaumont or its defenses to those claims. Instead, the Settlement Agreement's terms will take effect and the lawsuit will be dismissed on the merits with prejudice. Both sides have agreed to the Settlement in order to achieve an early and certain resolution to the Lawsuit, in a manner that provides specific and valuable benefits to the members of the Settlement Class.

If the Court does not approve the Settlement Agreement, if it approves the Settlement Agreement and the approval is reversed on appeal, or if the Settlement Agreement does not become final for some other reason, you will not be paid at this time and Class Members will receive no benefits from the Settlement Agreement. Plaintiffs, Beaumont, and all of the Class Members will be in the same position as they were prior to the execution of the Settlement Agreement, and the Settlement Agreement will have no legal effect, no class will remain certified (conditionally or otherwise), and the Plaintiffs and Beaumont will continue to litigate the lawsuit. If the Settlement Agreement is not approved, there can be no assurance that the Settlement Class will recover more than is provided in the Settlement Agreement, or indeed anything at all.

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**WHO REPRESENTS THE CLASS?**

The Court has approved the following attorneys to represent the Settlement Class. They are called “Class Counsel.” You will not be charged for these lawyers. If you want to be represented by your own lawyer instead, you may hire one at your own expense.

<p>J. Gerard Stranch, IV Martin F. Schubert BRANDSTETTER, STRANCH &amp; JENNINGS, PLLC 223 Rosa L. Parks Avenue, Suite 200 Nashville, TN 37203 Phone: (615) 254-8801 Email: gerards@bsjfirm.com martys@bsjfirm.com</p>	<p>Lynn A. Toops COHEN &amp; MALAD, LLP One Indiana Square, Suite 1400 Indianapolis, IN 46204 Phone: (317) 636-6481 Email: ltoops@cohenandmalad.com</p> <p>David K. Lietz MASON LIETZ &amp; KLINGER LLP 5101 Wisconsin Ave., NW, Suite 305 Washington, DC 20016 Phone: (202) 640-1160 Email: dlietz@masonllp.com</p>
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**WHERE CAN I GET ADDITIONAL INFORMATION?**

This Notice is only a summary of the proposed settlement of this lawsuit. More details are in the Settlement Agreement which, along with other documents, can be obtained at [www.BeaumontSettlement.com](http://www.BeaumontSettlement.com). If you have any questions, you can also call the Settlement Administrator at **1-844-479-0990** or Class Counsel at the numbers or email addresses set forth above. In addition to the documents available on the case website, all pleadings and documents filed in court may be reviewed or copied in the Office of the Clerk. Please do not call the Judge or the Clerk of the Court about this case. They will not be able to give you advice on your options.

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