

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS

Heath, et al. v. Insurance Technologies Corp. and Zywave, Inc.,
Case No. 3:21-cv-01444-N (N.D. Tex.)

**If You Have Been a Customer of an Insurance Broker That Was, In Turn, a Customer of
Insurance Technologies Corp. or Zywave, Inc.,
A Class Action Settlement May Affect Your Rights.**

***A Federal 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 Insurance Technologies Corp. and Zywave, Inc. and a data breach (the “Data Breach”) that occurred on February 27, 2021, when one or more unauthorized individuals accessed or potentially accessed information stored on Insurance Technology Corp. and/or Zywave, Inc.’s computer system, including names, Social Security numbers, drivers’ license numbers, birth dates, and usernames/passwords.
- The lawsuit is called *Heath, et al. v. Insurance Technologies Corp. and Zywave, Inc.*, Case No. 3:21-cv-01444-N (N.D. Tex.), and is pending in the United States District Court for the Northern District of Texas. The lawsuit asserts claims related to the Data Breach. The Defendants in the lawsuit are Insurance Technologies Corp. and Zywave, Inc. (“ITC” or “Defendants”). Defendants in the lawsuit deny they are 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 to end the lawsuit.
- Members of the Settlement Class are all individuals whose Personally Identifiable Information (“PII”) was potentially subjected to the Data Breach, as confirmed by Defendants’ business records. Eligible Settlement Class Members will be mailed notice of their eligibility, and Settlement Class Membership will be verified against that mailed list. The Settlement Class does not include (a) the Court; (b) the officers and directors of Defendants; (c) persons who properly execute and file a timely request for exclusion from the Settlement Class; and (d) persons who have been separately represented by counsel for matters of, and have settled, claims related to the Data Breach with Defendants.
- Settlement Class Members are eligible to receive the following relief: (1) for California residents at the time of the Data Breach, a cash payment of \$100 to Class Members whose social security number and/or driver’s license number were potentially exposed in the Data Breach, as confirmed by Defendants’ business records, which amount may be reduced *pro rata* to the extent total claims exceed \$1,590,400.00 or increased up to \$300 to the extent funds remain; (2) up to \$5,000 for certain expenses incurred on or after February 27, 2021, with supporting documentation such as receipts, account statements; (3) up to \$200 reimbursement of time spent remediating identity theft, misuse of personal information, credit monitoring, freezing credit reports, and/or other issues related to the Data Breach and which amount may be reduced *pro rata* to the extent total claims exceed \$2,878,333.00; and (4) 12 months of Financial Shield, an identity theft detection services provided by Aura, and 12 months of

identity restoration services, also provided by Aura. The Settlement Administrator will post additional information about the payment amount on www.ITCSettlement.com. For complete details, please see the Settlement Agreement, whose terms control, available at www.ITCSettlement.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 July 5, 2022 .
EXCLUDE YOURSELF FROM THE SETTLEMENT	You will receive no payment, but you will retain any rights you currently have with respect to Defendants and the issues in this case. You may download an exclusion form at www.ITCSettlement.com The deadline to exclude from the Settlement is June 9, 2022 .
OBJECT TO THE SETTLEMENT	Write to the Court explaining why you do not agree with the Settlement. The deadline to object is June 9, 2022 .
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 7, 2022 .
DO NOTHING	You get no payment, but will be eligible for 12 months of Financial Shield, and you give up rights.

- 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.ITCSettlement.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.

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 Defendants. 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 as part of the Settlement. This Notice explains the lawsuit, the Settlement, and your legal rights.

Judge David C. Godbey of the United States District Court for the Northern District of Texas is overseeing this class action. The case is called *Heath, et al. v. Insurance Technologies Corp. and Zywave, Inc.*, Case No. 3:21-cv-01444-N (the “Action”).

The persons who filed the lawsuit, Jay Heath, Edward Shapiro, and Daisy Becerra Lopez, are the Plaintiffs or Class Representatives. The companies they sued are Insurance Technologies Corp. and Zywave, Inc., are the Defendants.

2. What is a class action lawsuit?

A class action is a lawsuit in which one or more plaintiffs—in this case, Jay Heath, Edward Shapiro, and Daisy Becerra Lopez—sue on behalf of a group of people who have similar claims. Together, this group is called a “Class” and consists of “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 Defendants failed to implement and maintain reasonable security measures to protect customer and employee PII in their possession, in order to prevent the Data Breach from occurring.

Defendants deny that they are or can be held liable for the claims made in the lawsuit. More information about the complaint in the lawsuit and Defendants’ responses can be found in the “Court Documents” section of the Settlement Website at www.ITCSettlement.com.

4. Why is there a Settlement?

The Court has not decided whether the Plaintiffs or Defendants 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 Class Representative 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 Defendants.

WHO'S INCLUDED IN THE SETTLEMENT?

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

You are part of the Settlement as a Settlement Class Member if you had an address on file in Defendants' business records at the time of the Data Breach and your PII was potentially subjected to the Data Breach. Eligible Settlement Class Members will have been emailed or mailed notice of their eligibility, and Settlement Class membership will be verified against that class list. Not all customers of insurance brokers that are customers of Defendants are Settlement Class Members.

If you are still not sure whether you are included, you can contact the Settlement Administrator by calling 1-855-944-3456, by emailing info@ITCSettlement.com, by visiting the website www.ITCSettlement.com. Please do not contact Plaintiffs or Defendants directly. All inquiries should be directed to the Claims Administrator.

This Settlement Class does not include (a) any Judge assigned to this Action and members of their immediate families; (b) Defendants, Defendants' subsidiaries, parent companies, successors, predecessors, and any entity in which Defendants have a controlling interest, and any of their current or former officers, directors, employees, representatives, managers, members, and any other person acting for or on behalf of Defendants; (c) persons who properly execute and file a timely request for exclusion from the Settlement Class; (d) persons who have been separately represented by counsel for matters of, and have settled and released claims related to the Data Breach with Defendants.

THE SETTLEMENT BENEFITS

6. What does the Settlement provide?

This Settlement provides eligible Settlement Class Members with (1) for California residents at the time of the Data Breach, a cash payment of up to one hundred dollars (\$100.00) not to exceed three hundred dollars (\$300.00) if funds remain, (2) reimbursement of certain Out-of-Pocket Losses, (3) reimbursement for time spent remediating identity theft or other issues related to the Data Breach such as misuse of personal information, credit monitoring, freezing credit reports, and (4) 12 months of identity theft protection services and 12 months of identity restoration services without the need to file a claim.

6.A. Who May Receive a Cash Payment and for How Much?

- If you are a Settlement Class Member who resided in California at the time of the Data Breach and you claim that the California Consumer Privacy Act was violated as to you, you will be eligible for a payment of one hundred dollars (\$100.00) under Tier One of the Settlement Agreement ("Statutory Claim" or "Tier One Claim"). Only Settlement Class Members whose Social Security number and/or driver's license number were accessed or potentially accessed in the Data Breach, as confirmed by Defendants' business records, will be eligible to submit a Statutory Claim. Not all Settlement Class Members will be eligible for a Statutory Claim. The aggregate payments to the Settlement Class from this Tier One will be capped at a maximum of one million five hundred ninety thousand four hundred dollars (\$1,590,400.00), such that verified claims

may be increased on a *pro rata* basis (up to a maximum of \$300.00) or decreased on a *pro rata* basis depending on the total value of the verified Tier One Claims submitted and subject to the terms more fully described in the Settlement Agreement.

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

- If you are a Settlement Class Member and you suffered Out-of-Pocket Losses because of the Data Breach and provide Reasonable Documentation of losses, you may be eligible for a payment of up to five thousand dollars (\$5,000.00) on a claims-made basis, but not more than the loss proven under Tier Two of the Settlement Agreement (“Tier Two Claim”). Out-of-Pocket Losses may include: (1) unreimbursed costs, expenses, losses, or charges incurred as a result of identity theft or identity fraud, falsified tax returns, or other possible misuse of a Class Member’s personal information; (2) costs incurred on or after February 27, 2021, 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 mitigative costs that were incurred on or after February 27, 2021, through the date of the Settlement Class Member’s claim submission; and (5) Attested Time, which may include Out-of-Pocket Losses for up to 8 hours of time spent remedying identity theft or fraud, including misuse of personal information, credit monitoring or freezing credit reports, and/or other issues related to the Data Breach at twenty-five dollars (\$25.00) per hour. To receive a payment for Attested Time, a Settlement Class Member must submit a brief description of (1) the action taken in response to the Data Breach; and (2) the time associated with each action. The aggregate payments to the Class from this tier will be capped at a maximum of two million eight hundred seventy-eight thousand three hundred thirty-three dollars (\$2,878,333.00), such that verified claims may be increased on a *pro rata* basis or decreased on a *pro rata* basis depending on the total value of the verified Tier Two Claims submitted and subject to the terms more fully described in the Settlement Agreement.
- For complete details, please see the Settlement Agreement, whose terms control, available at www.ITCSettlement.com. Claims will be subject to a verification process and will be denied if they do not meet the verification requirements. The Settlement Administrator will post additional information about the payment amount on www.ITCSettlement.com, if necessary.

6.C. Who may receive 12 months of identity theft protection and 12 months of identity restoration services?

- Under Tier Three of the Settlement Agreement, all Settlement class members are eligible to enroll, without the need to file a claim, for a period of 12 months in Financial Shield, an identity theft protection service provided by Aura. All Settlement class members are also eligible to enroll, without the need to file a claim, for a period of 12 months in identity restoration services, also provided by Aura

Maximum Settlement Contribution: Under this Settlement, the maximum total amount Defendants may be required to pay is eleven million dollars (\$11,000,000.00). This maximum includes the combined four million four hundred sixty-eight thousand seven hundred thirty-three dollars (\$4,468,733.00) Defendants will transfer to the Settlement Administrator for the funding of the Tier One Fund and the Tier Two Fund (as described in the Settlement Agreement), the costs of identity protection services and identity restoration services under Tier Three, attorneys' fees, costs, and expenses awarded by the Court to Class Counsel, any awarded class representative service award, and notice and administrative costs to provide the Settlement. In no event shall Defendants' total financial obligation under this Settlement exceed eleven million dollars (\$11,000,000.00).

HOW TO GET BENEFITS

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.ITCSettlement.com. Claim Forms are only available through the Settlement website at www.ITCSettlement.com.

Claims will be subject to a verification process. You will need the Unique ID provided with your notice to fill out a Claim Form. **All Claim Forms must be received online no later than July 5, 2022.**

8. When will I get my payment?

The hearing to consider the fairness of the Settlement is scheduled for September 7, 2022. If the Court approves the Settlement, eligible Settlement Class Members whose claims were approved by the Settlement Administrator will be sent payment within approximately 45 days after all appeals and other reviews, if any, are completed. Please be patient. Eligible claims will be paid to Class Members electronically unless a Settlement Class Member chooses to receive payment by written check. All checks will expire and become void 90 days after they are issued.

THE LAWYERS REPRESENTING YOU

9. Do I have a lawyer in this case?

Yes, the Court has appointed John A. Yanchunis Sr. and Ryan D. Maxey of Morgan & Morgan; Gary E. Mason, David K. Lietz, and Gary M. Klinger of Milberg Coleman Bryson Phillips Grossman, PLLC; M. Anderson Berry of Clayco C. Arnold, a Professional Law Corp.; and Joe Kendall of Kendall Law Group, PLLC as "Class Counsel."

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 if you want someone other than Class Counsel to represent you.

10. How will the lawyers be paid?

Class Counsel will ask the Court for attorneys' fees, costs, and expenses that will be paid by or on behalf of Defendants separately. Class Counsel will not seek more than \$3,666,666.67 in attorneys' fees, costs, and expenses. Class Counsel will also request Service Awards of up to two thousand dollars (\$2,000.00) for the 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 Class Representative. The Court may award less than the amounts requested.

YOUR RIGHTS AND OPTIONS

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 Defendants 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.ITCSettlement.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 Released Claims.

"Released Claims" means any and all claims, demands, rights, actions or causes of action, liabilities, damages, losses, obligations, judgments, suits, penalties, remedies, matters and issues of any kind or nature whatsoever, whether known or unknown, contingent or absolute, existing or potential, suspected or unsuspected, disclosed or undisclosed, matured or unmatured, liquidated or unliquidated, legal, statutory or equitable, that have been or could have been asserted, or in the future could be asserted, in the Action or in any court, tribunal or proceeding by or on behalf of the Named Plaintiffs and/or any and all of the members of the Settlement Class by reason of, resulting from, arising out of, relating to, or in connection with, the allegations, facts, events, transactions, acts, occurrences, statements, representations, omissions, or any other matter, thing or cause whatsoever, or any series thereof, embraced, involved, set forth or otherwise related to the alleged claims or events in the Action or the Data Breach against any of the Released Parties whether based on federal, state, local, statutory or common law or any other law, rule or regulation, including the law of any jurisdiction outside the United States. The Released Claims include an express waiver of California Civil Code section 1542 for all known and unknown claims related to the Data Breach and claims made in the Action. The Released Claims do not include any claims arising from or relating to any conduct by Defendants after the date the Agreement is executed. The Released Claims shall also not include the right of Named Plaintiff, any Settlement Class Member or any Released Person 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, but you will be entitled to access Aura's Financial Shield Services for a period of 12 months from the Effective Date of the Settlement, if it is finally approved. 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 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 Defendants 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 that you want to be excluded from the Settlement in *Heath, et al. v. Insurance Technologies Corp. and Zywave, Inc.*, Case No. 3:21-cv-01444-N. Your letter must also include (1) your name and address; (2) a statement that you wish to be excluded from the Settlement Class; and (3) your signature. You must mail your exclusion request, postmarked no later than **June 9, 2022**, to the following address:

ITC and Zywave Data Breach
Settlement Administrator
Attn: Exclusion
P.O. Box 58220
Philadelphia, PA 19102

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.

A form to exclude yourself from the Settlement, also called opting-out of the Settlement, will be made available on the Settlement Website at www.ITCSettlement.com.

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

No. Unless you exclude yourself, you give up any right to sue Defendants 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 by filing an objection. To object, you must file written notice with the Court stating that you object to the Settlement in *Heath, et al. v. Insurance Technologies Corp. and Zywave, Inc.*, Case No. 3:21-cv-01444-N no later than **June 9, 2022**. Your objection should be filed with the Court, which you can do by mailing your objection and any supporting documents to the United States District Court for the Northern District of Texas at the following address:

ITC and Zywave Data Breach
Settlement Administrator
Attn: Objections
P.O. Box 58220
Philadelphia, PA 19102

If you are represented by a lawyer, the lawyer may file your objection through the Court's e-filing system. If you are represented, you must include your lawyer's contact information in the objection.

The objection must be in writing and include the case name *Heath, et al. v. Insurance Technologies Corp. and Zywave, Inc.*, Case No. 3:21-cv-01444-N. Your objection must be personally signed by you and include, among other things, the following information: (1) your name, address, and telephone number; (2) all arguments, citations, and evidence supporting the grounds for your objection; (3) an explanation of the basis upon which you claim to be a Settlement Class Member; (4) a statement indicating whether you are represented by counsel in connection with the objection, including the identity of your counsel and any agreements you have with counsel relating to your objection; (5) a list of all persons, if any, you will call to testify at the Final Approval Hearing in support of your objection; (6) all other class action settlements, if any, to which you or your counsel have filed an objection; (7) all other class actions, if any, in which you have been a named plaintiff or your counsel has been class counsel, including the case name, court, and docket number for each. In addition, if you wish to appear and be heard at the hearing on the fairness of the Settlement at the Final Approval Hearing, you or your attorney must say so in your written objection.

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 **June 9, 2022**.

Class Counsel	Defense Counsel
<p>John A. Yanchunis Ryan D. Maxey MORGAN & MORGAN COMPLEX LITIGATION GROUP 201 N Franklin Street, 7th Floor Tampa, FL 33602</p> <p>Gary Mason David Lietz MASON LIETZ KLINGER LLP 5101 Wisconsin Avenue NW, Suite 305 Washington, DC 20016</p> <p>Gary M. Klinger MASON LIETZ KLINGER LLP 227 W. Monroe Street, Suite 2100 Chicago, IL 60606</p> <p>M. Anderson Berry CLAYEO C. ARNOLD, A PROFESSIONAL LAW CORP. 865 Howe Avenue Sacramento, CA 95825</p> <p>Joe Kendall KENDALL LAW GROUP, PLLC 3811 Turtle Creek Blvd., Ste. 1450 Dallas TX 75219</p>	<p>Eileen R. Ridley (admitted to N.D. Tex.) Foley & Lardner LLP 555 California Street, Suite 1700 San Francisco, CA 94104-1520 (415) 434-4484 (telephone) (415) 434-4507 (facsimile) eridley@foley.com</p> <p>Peter L. Loh Texas State Bar No. 24036982 Sara Ann Brown Texas State Bar No. 24075773 Foley & Lardner LLP 2021 McKinney Ave., Suite 1600 Dallas, Texas 75201 (214) 999-3000 (telephone) (214) 999-4667 (facsimile) ploh@foley.com sabrown@foley.com</p>

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

THE COURT'S FAIRNESS HEARING

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 7, 2022, at 10:30 a.m. at the United States courthouse, 1100 Commerce St, Room 1505, Dallas, TX 75242. 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 Awards to the Class Representatives.

Note: 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.ITCSettlement.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.ITCSettlement.com or by writing to ITC and Zywave Data Breach Settlement Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103.

23. How do I get more information?

Go to www.ITCSettlement.com, call 1-855-944-3456 email info@ITCSettlement.com, or write to:

ITC and Zywave Data Breach
Settlement Administrator
1650 Arch Street, Suite 2210
Philadelphia, PA 19103

PLEASE DO NOT CALL THE COURT, THE CLERK OF THE COURT, THE JUDGE, OR THE DEFENDANTS WITH QUESTIONS ABOUT THE SETTLEMENT OR CLAIMS PROCESS.

QUESTIONS? CALL 1-855-944-3456 TOLL-FREE OR VISIT WWW.ITCSETTLEMENT.COM