

In re Hapy Bear Surgery Center Data Security Incident Litigation, Case No. VCU307987
SUPERIOR COURT OF CALIFORNIA
COUNTY OF TULARE

If your personal information was involved in the Data Security Incident that Hapy Bear Surgery Center discovered on or about December 27, 2023, including if you were sent a notice about this Incident, you may be eligible for benefits from a class action settlement.

www.HBSCDataSettlement.com

A California court authorized this notice. This is not junk mail, an advertisement or a lawyer solicitation.

- A settlement has been proposed in a class action case against Hapy Bear Surgery Center, LLC (“HBSC”) arising out of a cyberattack that occurred on or around December 27, 2023, during which unauthorized third parties gained access to certain files containing the personal information of current and former patients of HBSC (“Data Security Incident”). The computer files accessed in the Data Security Incident contained for some person’s name, Social Security number, health insurance information, and information about a person’s care, among other sensitive information.
- Plaintiffs David Underwood and Duncan Meadows filed a class action on behalf of themselves and those similarly situated and claim that HBSC failed to prevent the Data Security Incident and assert claims for: (i) negligence; (ii) negligence per se; (iii) breach of implied contract; (iv) violation of the California Confidentiality of Medical Information Act; (v) violation of the California Unfair Competition Law; (vi) unjust enrichment; (vii) declaratory judgment; (viii) violation of the California Customer Records Act; and (ix) invasion of privacy.
- If your personal information was implicated in the Data Security Incident, including if you received a notice from HBSC concerning the Data Security Incident, you are part of the Class and may be eligible for benefits. The settlement provides (1) up to **\$500** in documented ordinary out-of-pocket losses and up to four (4) hours of time at \$25 per hour reasonably spent responding to the Data Security Incident; (2) up to **\$7,500** in reimbursement for documented extraordinary out-of-pocket losses related to the Data Security Incident; and (3) two years of additional Credit Monitoring Services. California Residents are also eligible to receive a \$50 payment.
- Your legal rights are affected regardless of whether you do or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM Deadline: February 4, 2025	This is the only way to receive a payment.
EXCLUDE YOURSELF FROM THE SETTLEMENT Deadline: January 6, 2025	Get no benefits. This is the only option that may allow you to sue HBSC over the claims being resolved by this settlement.
OBJECT TO THE SETTLEMENT Deadline: January 6, 2025	Write the Court with reasons why you do not agree with the settlement.
GO TO 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.
DO NOTHING	You will not get any compensation from the settlement and you will give up certain legal rights.

Questions? Call 1-855-783-9809 or visit www.HBSCDataSettlement.com

- These rights and options – **and the deadlines to exercise them** – are explained in this notice. For complete details, view the Settlement Agreement at www.HBSCDataSettlement.com or call 1-855-783-9809.
- The Court in charge of this case still has to decide whether to grant final approval of the settlement. Payments will be made and settlement benefits distributed only after the Court grants final approval of the settlement and after any appeals are resolved in favor of the settlement.

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BASIC INFORMATION

1. Why was this Notice issued?

The Court authorized this notice because you have a right to know about the proposed settlement in this Class Action and about all of your options before the Court decides whether to give “Final Approval” to the settlement. This notice explains the legal rights and options that you may exercise before the Court decides whether to approve the settlement.

Judge Gary M. Johnson of the Superior Court of California, County of Tulare, is overseeing this case. The case is known as *In re Hapy Bear Surgery Center Data Security Incident Litigation*, Case No. VCU307987 (the “Lawsuit”). The people who filed the Lawsuit are called the Plaintiffs. HBSC is called the Defendant.

2. What is this lawsuit about?

Plaintiffs claim HBSC failed to prevent the Data Security Incident and assert claims including: (i) negligence; (ii) negligence per se; (iii) breach of implied contract; (iv) violation of the California Confidentiality of Medical Information Act; (v) violation of the California Unfair Competition Law; (vi) unjust enrichment; (vii) declaratory judgment; (viii) violation of the California Customer Records Act; and (ix) invasion of privacy. The Lawsuit seeks, among other things, payment for persons whose personal information was at issue in the Data Security Incident.

HBSC has denied and continues to deny all of the claims made in the Lawsuit, as well as all charges of wrongdoing or liability against it.

3. What is a class action?

In a class action, one or more people called “Plaintiff(s)” or “Representative Plaintiff(s)” (in this case, David Underwood and Duncan Meadows) sue(s) on behalf of all people who they allege have similar claims. One Court and one judge resolves the issues in the case.

4. Why is there a Settlement?

The Court did not decide in favor of Plaintiffs or HBSC. Instead, the parties negotiated a settlement that allows both Plaintiffs and HBSC to avoid the risks and costs of lengthy and uncertain litigation and the uncertainty of trial and appeals. The settlement allows people in the class to participate in a settlement (“Settlement Class members”) to obtain benefits without further delay. The Representative Plaintiffs and their attorneys believe the settlement is best for all Settlement Class members. The settlement does not mean that HBSC did anything wrong.

WHO IS IN THE SETTLEMENT?

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

You are part of this settlement if you are an individual residing in the United States and your personal information was involved in the 2023 Data Security Incident discovered on or about December 27, 2023, including those to whom HBSC or its authorized representative sent notice concerning the Data Security Incident.

Specifically excluded are: (i) HBSC and HBSC's parents, subsidiaries, affiliates, officers and directors, and any entity in which HBSC has a controlling interest; all individuals who make a timely election to be excluded from this settlement using the correct protocol for opting out; any and all federal, state or local governments, including but not limited to their departments, agencies, divisions, bureaus, boards, sections, groups, counsels and/or subdivisions; and all judges assigned to hear any aspect of this litigation, as well as their immediate family members.

6. What if I am not sure whether I am included in the settlement?

If you are not sure whether you are included in the settlement, or have any other questions related to the settlement, you may:

1. Call 1-855-783-9809
2. Email info@HBSCDataSettlement.com; or
3. Write to:

In re: Hapy Bear Surgery Center Settlement
c/o HBSC Settlement Administrator
P.O. Box 4206
Baton Rouge, LA 70821

Please do not contact the Court with questions.

THE SETTLEMENT BENEFITS

7. What does the settlement provide?

Under the terms of the settlement, there are three kinds of compensation available: (1) up to **\$500** in documented ordinary out-of-pocket losses and up to four (4) hours of time at \$25 per hour reasonably spent responding to the Data Security Incident; (2) up to **\$7,500** in reimbursement for documented extraordinary out-of-pocket losses related to the Data Security Incident; and (3) two years of additional Credit Monitoring Services. You may submit a claim for any or all of the above-listed remedies. In addition to the above, Settlement Class members who are California residents are also eligible to receive an additional payment of \$50.00. To claim each type of remedy, you must provide information and documentation with the Claim Form, as described on the Claim Form.

HBSC has also agreed that it has and will continue to undertake certain reasonable steps to enhance the security deployed to secure access to its data network.

8. What compensation is available?

Ordinary Expense and Time Reimbursements: Settlement Class members are eligible to claim up to \$500, which may be decreased based on the number of claims and available funds, in reimbursement for the following:

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- Out of pocket expenses, namely, postage, copying, scanning, faxing, mileage and other travel-related charges, parking, notary charges, research charges, cell phone charges (only if charged by the minute), long distance phone charges, data charges (only if charged based on the amount of data used), text message charges (only if charged by the message), bank fees, accountant fees, credit monitoring fees, and attorneys' fees, all of which must be fairly traceable to the Data Security Incident and must not have been previously reimbursed by a third party; and
- Up to four (4) hours of lost time, at \$25/hour for time spent dealing with the Data Security Incident.

Extraordinary Losses: HBSC will provide compensation, up to a total of \$7,500.00 per person, to Settlement Class members, upon submission of an Approved Claim and supporting documentation for proven monetary loss associated with fraud or identity theft if:

- If the loss is actual, documented and an unreimbursed monetary loss;
- The loss was more than likely than not caused by and fairly traceable to the Data Security Incident; and
- The loss is not already covered by the Ordinary Expense Reimbursement defined above.

Credit Monitoring: "Credit Monitoring Services" means two (2) years of credit monitoring to Participating Settlement Class members under the Settlement. These services include three-bureau credit monitoring; dark web monitoring; real-time inquiry alerts; and \$1 million in identity theft insurance, among other features. All Settlement Class members are eligible to enroll in two (2) years of Credit Monitoring Services, upon submission of a valid Claim Form regardless of whether the Settlement Class Member submits a claim for reimbursement of Unreimbursed Economic Losses or Lost Time. The Settlement Administrator shall send an activation code to each valid Credit Monitoring Services claimant within forty-five (45) days of the Effective Date that can be used to activate Credit Monitoring Services. Such enrollment codes shall be sent via e-mail, unless the claimant did not provide an e-mail address, in which case such codes shall be sent via U.S. mail. Codes will be active for 180 days after the date of mailing, and may be used to activate the full term if used at any time during that 180 day period. The provider shall provide Credit Monitoring Services to all valid claimants who timely activate those services for a period of two (2) years from the date of activation.

California Residents: Class Members who attest to being a resident of California shall receive an additional payment of \$50.

HOW TO GET BENEFITS

9. How do I get benefits?

To receive a payment or credit monitoring services from the settlement, you must complete a Claim Form. You may download a copy of the Claim Form at www.HBSCDataSettlement.com, or you may request one by mail by calling 1-855-783-9809. To complete the Claim Form, please read the instructions carefully, fill out the Claim Form, provide reasonable documentation (where applicable), and submit your Claim online or mail it postmarked no later than **February 4, 2025** to:

In re: Hapy Bear Surgery Center Settlement
c/o HBSC Settlement Administrator

Questions? Call 1-855-783-9809 or visit www.HBSCDataSettlement.com

10. How will claims be decided?

The Claims Administrator will initially decide whether the information provided on a Claim Form is complete and valid. The Claims Administrator may request additional information from any claimant. If the claimant does not timely provide the required information, the Claim will be considered invalid and will not be paid. If the claim is rejected in whole or in part, for any other reason, then the Claims Administrator shall refer the claim to the Representative Plaintiffs, HBSC and their counsel for a determination.

REMAINING IN THE SETTLEMENT

11. Do I need to do anything to remain in the settlement?

You do not have to do anything to remain in the settlement, but if you want a payment, you must submit a Claim Form postmarked or submitted online by **February 4, 2025**.

12. What am I giving up as part of the settlement?

By not timely opting-out of the class, all of the Court’s orders will apply to you, and you give HBSC a “Release.” A Release means you cannot sue or be part of any other lawsuit against HBSC about the claims or issues in this lawsuit (relating to the Data Security Incident), and you will be bound by the settlement. The specific claims you are giving up against HBSC and related persons or entities are called “Released Claims.” The Released Claims are defined in the Settlement Agreement, which is available under the Important Documents page at www.HBSCDataSettlement.com. The Settlement Agreement describes the Released Claims with specific and accurate legal descriptions, so read it carefully.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this settlement, but you want to keep the right to sue HBSC about issues in this case, then you must take steps to get out of the Settlement Class. This is called excluding yourself from – or is sometimes referred to as “opting out” of – the Settlement Class.

13. If I exclude myself, can I get a payment from this settlement?

No. If you exclude yourself, you will not be entitled to any benefits of the settlement. You will also not be bound by any judgment in this case.

14. If I do not exclude myself, can I sue HBSC for the same thing later?

No. Unless you exclude yourself, you give up any right to sue HBSC for the Claims that this settlement resolves. You must exclude yourself from the Settlement Class to start your own individual lawsuit or to be part of any different lawsuit relating to the claims in this case. If you exclude yourself, do not submit a Claim Form to ask for a payment.

15. How do I get out of the settlement?

To exclude yourself from the settlement, send a letter that says you want to be excluded from the settlement in *In re Hapy Bear Surgery Center Data Security Incident Litigation*, Case No. VCU307987 (Tulare County, California) (“Exclusion Request”). Include your name, address, and signature. Your Exclusion Request must be postmarked by **January 6, 2025** and mailed to:

In Re Hapy Bear Surgery Center Settlement
c/o HBSC Settlement Administrator
P.O. Box 4206
Baton Rouge, LA 70821

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

Yes. The Court appointed Daniel Srourian of Srourian Law Firm, P.C. and Jason M. Wucetich of Wucetich & Korovilas LLP to represent you and other Settlement Class members. These lawyers are called Settlement Class Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will Settlement Class Counsel be paid?

If the settlement is approved and becomes final, Settlement Class Counsel will ask the Court to award attorneys’ fees of \$312,500 and costs not to exceed \$20,000. Settlement Class Counsel will also request approval of a service award to each of the Representative Plaintiffs in the amount of \$5,000. If approved, these amounts, as well as the costs of notice and settlement administration, will be paid separately by HBSC and will not reduce the amount of total payments available to Settlement Class members.

OBJECTING TO THE SETTLEMENT

18. How do I tell the Court that I do not like the settlement?

If you are a Settlement Class member, you can object to the settlement if you do not like it or some part of it. You can give reasons why you think the Court should not approve the settlement. The Court will consider your views before making a decision. To object, you must file with the Court and mail or email copies to Class Counsel and HBSC’s counsel a written notice stating that you object to the settlement. Your objection must include all of the following information: (i) your full name and address; (ii) the case name and docket number - *In re Hapy Bear Surgery Center Data Security Incident Litigation*, Case No. VCU307987 (Tulare County, California); (iii) proof that you are a member of the Settlement Class (e.g., copy of your settlement notice, a copy of original notice of the Data Security Incident, or a statement explaining why you believe you are a Settlement Class member); (iv) a written statement of all grounds for the objection, accompanied by any legal support for the objection you believe applicable; (v) the identity of any and all counsel representing you in connection with the objection; (vi) a statement whether you and/or your counsel will appear at the Final Approval Hearing; and (vii) your signature or the signature of your duly authorized attorney or other duly authorized representative (if any) representing you in connection with the objection.

Your written notice of an objection, in the appropriate form, must be mailed, with a postmark date no later than **January 6, 2025**, to all of the following:

Class Counsel	Counsel for HBSC
Daniel Srourian Srourian Law Firm, P.C. 3435 Wilshire Blvd., Suite 1710 Los Angeles, California 90010	David M. Ross Wilson Elser LLP 1500 K Street, NW, Suite 330 Washington DC 20005
Jason Wucetich Wucetich & Korovilas LLP 222 N. Pacific Coast Highway, Ste. 2000 El Segundo, CA 90245	

The Court may elect to hear your oral objection, even if you do not follow the above procedure, at the Final Approval Hearing, however, the Parties reserve the right to challenge the objection of any Settlement Class Member who does not follow the above procedure.

19. What is the difference between objecting and asking to be excluded?

Objecting is telling the Court that you do not like the settlement and why you do not think the Court should approve it. You can object only if you do not exclude yourself from the Settlement Class. Excluding yourself is telling the Court that you do not 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 FINAL APPROVAL HEARING

20. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval Hearing on February 24, 2025 at 8:30 a.m. PT in the Superior Court of California, County of Tulare. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. The Court will take into consideration any properly filed written objections and may also listen to people who have asked to speak at the hearing (see Question 18). The Court will also decide whether to approve fees and costs to Settlement Class Counsel, and the service award to the Representative Plaintiffs.

21. Do I have to attend the Final Approval Hearing?

No. Settlement Class Counsel will present the Settlement Agreement to the Court. You or your own lawyer are welcome to attend at your own expense, but you are not required to do so. If you send an objection, you do not have to come to the Court to talk about it. As long as you filed your written objection on time with the Court and served it according to the instructions provided in Question 18, the Court will consider it.

22. May I speak at the Final Approval Hearing?

You may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must file and serve an objection according to the instructions in Question 18, including all the information required.

IF YOU DO NOTHING

23. What happens if I do nothing?

If you do nothing, you will get no monetary benefits from this settlement. Once the Court grants the settlement Final Approval and the judgment becomes final, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against HBSC about the legal issues in this case, ever again.

You must exclude yourself from the settlement if you want to retain the right to sue HBSC for the Claims resolved by this settlement.

GETTING MORE INFORMATION

24. How do I get more information?

This notice only provides a summary of the proposed settlement. You can find complete details about the settlement in the Settlement Agreement available at www.HBSCDataSettlement.com. You may also:

1. Write to:

In Re Hapy Bear Surgery Center Settlement
c/o HBSC Settlement Administrator
P.O. Box 4206
Baton Rouge, LA 70821

2. Visit the settlement website at www.HBSCDataSettlement.com
3. Call the toll-free number 1-855-783-9809

PLEASE DO NOT CALL THE COURT OR THE JUDGE WITH QUESTIONS ABOUT THE SETTLEMENT OR CLAIMS PROCESS.