

NOTICE OF CLASS ACTION AND PROPOSED SETTLEMENT

If Faneuil Notified You of a Data Incident, You May be Eligible For Payment From a Class Action Settlement.

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

- A proposed Settlement has been reached in a class action lawsuit known as *Pagan, et al. v. Faneuil, Inc.*, Case No. 3:22-cv-297 filed in the United States District Court for the Eastern District of Virginia.
- This Lawsuit arises out of unauthorized access to Faneuil network which was discovered on August 18, 2021 (the “Data Incident”). The information that may have been accessed in the Data Incident includes, but is not limited to, certain company records, including records of past and present Faneuil employees, which contained personally identifying information (“PII”) such as names, addresses at the time of employment, Social Security Numbers, and email addresses. Faneuil disagrees with Plaintiff’s claims and denies any wrongdoing.
- The claims asserted in this Lawsuit include allegations of and claims for: 1) negligence; 2) breach of implied contract; 3) unjust enrichment, and 4) violations of California’s Consumer Privacy Act Cal. Civ. Code § 1798.100, *et seq.* (“CCPA”). Faneuil denies each and all of the claims and contentions alleged against it in the Litigation. In addition, with respect to the negligence and contract causes of action, Faneuil asserts the affirmative defense of Plaintiffs’ failure to mitigate their damages, to the extent there are any.
- All Settlement Class Members can receive the following benefits from the Settlement: (1) up to \$500 for documented out-of-pocket expenses resulting from the Data Incident, (2) reimbursement for up to three (3) hours of lost time spent dealing with the Data Incident (\$20 per hour), and (3) reimbursement for extraordinary losses up to \$5,000 for documented expenses resulting from the Data Incident such as losses caused by fraud or identity theft. Additionally, Settlement Class Members who were California residents when they received a notification from Faneuil about the Data Incident are eligible for a \$50 cash payment upon written verification that they lived at a valid California address at the time of the Data Incident. Faneuil also agrees to implement various security enhancements.
- Settlement Class Members who previously enrolled in the credit monitoring product offered by Faneuil will have that term automatically extended for two (2) years. Settlement Class Members who did not previously enroll for credit monitoring shall have the ability to claim two (2) years of credit monitoring by the same service previously offered by Faneuil.
- You are included in this Settlement Class as a Class Member if you are part of the group of all persons whose Personally Identifiable Information was maintained on Faneuil’s system that was compromised in the Data Breach, and you were sent a notice of the Data Breach. You are part of the California Subclass if you all resided in California at the time of the Data Incident, and your Personally Identifiable Information was maintained on Faneuil’s system that was compromised in the Data Breach, and you were sent a notice of the Data Breach.
- Your legal rights are affected regardless of whether you do or do not act. Read this Notice carefully.

YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT

Submit a Claim and/or Receive Credit Monitoring	<p>You must submit a Valid Claim to get money from this Settlement.</p> <p>Claim Forms must be submitted online by February 1, 2023, or, if mailed, postmarked no later than February 1, 2023.</p> <p>You do not have to submit a Claim to get Credit Monitoring if you previously enrolled. If you previously signed up for monitoring, your monitoring will be automatically extended for two (2) additional years. If you did not previously sign up for monitoring, you may enroll in the credit monitoring product previously offered by Faneuil, for a period of two years, by submitting a request through the Claim Form.</p>
Do Nothing	<p>If you do nothing, you remain in the Settlement.</p> <p>You give up your rights to sue and you will not get any money.</p>
Exclude Yourself	<p>Get out of the Settlement. Get no money. Keep your rights.</p> <p>This is the only option that allows you to keep your right to sue about the claims in this lawsuit. You will not get any money from the Settlement.</p> <p>Your request to exclude yourself must be postmarked no later than January 3, 2023.</p>

File an Objection	Stay in the Settlement but tell the Court why you think the Settlement should not be approved. Objections must be postmarked no later than January 3, 2023.
Go to a Hearing	You can ask to speak in Court about the fairness of the Settlement, at your own expense. <i>See</i> Question 18 for more details. The Final Fairness Hearing is scheduled for February 16, 2023, at 10:00 am.

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BASIC INFORMATION

1. How do I know if I am affected by the Lawsuit and Settlement?

You are a Settlement Class Member if you were mailed notification from Faneuil that your PII was potentially impacted as a result of the Data Incident that was discovered on August 18, 2021.

The Settlement Class specifically excludes: (i) Faneuil and its respective officers and directors; (ii) all members of the Settlement Class who timely and validly request exclusion from the Settlement Class; (iii) the Judge and Magistrate Judge assigned to evaluate the fairness of this settlement; and (iv) any other Person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding, or abetting the Data Incident or who pleads *nolo contendere* to any such charge.

This Notice explains the nature of the lawsuit and claims being settled, your legal rights, and the benefits to the Class.

2. What is this case about?

This case is known as *Pagan, et al. v. Faneuil, Inc.*, Case No. 3:22-cv-297 filed in the United States District Court for the Eastern District of Virginia. The person who sued is called the “Plaintiff” and the company they sued, Faneuil, is known as the “Defendant” in this case. Faneuil will be called “Defendant” in this Notice.

Plaintiff filed a lawsuit against Defendant, individually, and on behalf of anyone whose personally identifiable information (“PII”) was potentially impacted as a result of the Data Incident.

This Lawsuit arises out of unauthorized access to Faneuil network which was discovered on August 18, 2021 (the “Data Incident”). The information that may have been accessed in the Data Incident includes certain company records, including records of past and present Faneuil employees, which contained personally identifying information (“PII”) such as names, addresses at the time of employment, Social Security Numbers, and email addresses. Faneuil denies any wrongdoing. After learning of the Data Incident, notification was mailed to persons whose PII may have been impacted by the Data Incident. Subsequently, this lawsuit was filed asserting claims against Faneuil relating to the Data Incident (the “Litigation”).

3. Why is there a Settlement?

By agreeing to settle, both sides avoid the cost, disruption, and distraction of further litigation. The Class Representative, Defendant, and their attorneys believe the proposed Settlement is fair, reasonable, and adequate and, thus, best for the Class Members. The Court did not decide in favor of the Plaintiff or Defendant. Full details about the proposed Settlement are found in the Settlement Agreement available at www.FaneuilDataSettlement.com.

4. Why is this a class action?

In a class action, one or more people called a “Class Representative” sue on behalf of all people who have similar claims. All of these people together are the “Class” or “Class Members.”

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

You are included in the Settlement if you were mailed notification that your PII was potentially impacted as a result of the Data Incident that was discovered on August 18, 2021. If you are not sure whether you are included as a Settlement Class Member, or have any other questions about the Settlement, visit www.FaneuilDataSettlement.com, call toll free 1-844-544-0537, or write to:

THE SETTLEMENT BENEFITS

6. What does this Settlement provide?

The proposed Settlement will provide the following benefits to Class Members:

Expense Reimbursement

Documented Out of Pocket Expense Reimbursement (Ordinary Losses): All Settlement Class Members who submit a Valid Claim using the Claim Form are eligible for the following documented out-of-pocket expenses, not to exceed \$500 per Settlement Class Member, that were incurred as a result of the Data Incident: (i) unreimbursed bank fees; (ii) unreimbursed card reissuance fees; (iii) unreimbursed overdraft fees; (iv) unreimbursed charges related to unavailability of funds; (v) unreimbursed late fees; (vi) unreimbursed over-limit fees; (vii) unreimbursed charges from banks or credit card companies; (viii) interest on payday loans due to card cancellation or due to over-limit situation incurred solely as a result of the Data Incident; and (ix) costs of credit report(s), credit monitoring, and/or other identity theft insurance products purchased by members of the Settlement Class between August 18, 2021 and the Claims Deadline.

To receive reimbursement for any of the above-referenced out-of-pocket expenses, Settlement Class Members must submit a valid and timely Claim, including necessary supporting documentation, to the Claims Administrator.

Lost Time Reimbursement: Settlement Class Members are also eligible to receive reimbursement for up to three (3) hours of lost time spent dealing with the Data Incident (calculated at the rate of \$20 per hour), if the Settlement Class Member (i) attests that any claimed lost time was spent related to the Data Incident; and (ii) provides a written description of how the claimed lost time was spent related to the Data Incident. The Settlement Administrator may request additional information supporting the claimed lost time. Claims made for lost time can be combined with reimbursement for out-of-pocket expenses and are subject to the same \$500.00 cap for all Settlement Class Members.

Documented Extraordinary Loss Reimbursement: Settlement Class Members are also eligible to receive reimbursement for extraordinary losses, such as losses caused by fraud or identity theft, not to exceed \$5,000 per Settlement Class Member for documented monetary loss that: (i) the loss is an actual, documented and unreimbursed monetary loss; (ii) the loss was likely caused by the Data Incident; (iii) the loss occurred between August 18, 2021 and the Claims Deadline; and (iv) the loss is not already covered by one or more of the reimbursement categories listed in ¶ 2.1 of the Settlement Agreement. Settlement Class Members must also provide documentation that he or she 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.

California Statutory Claim Benefit: In addition to the benefits above, the approximately 8,534 California resident Settlement Class members are also eligible for a separate, California statutory damages award. California resident Settlement Class members who submit a claim shall be eligible for a \$50 cash payment upon written verification that they lived at a valid California address at the time of the Data Incident. The Settlement Administrator may request documentation demonstrating California residency. The additional amount can be combined with a claim for Reimbursement for Lost Time, with reimbursement for Out-Of-

Pocket Losses, and (if applicable) with reimbursement for Extraordinary Losses, and shall be subject to the \$500 cap on compensation for Ordinary Loss and Lost Time.

Identity Theft Protection: All members of the Settlement Class are eligible for and will be provided, in connection with distribution of the Short Notice, with credentials to redeem 24 months of free identity-theft protection, called “Financial Shield” by Pango (formally known as “Aura”). The 24 months of free identity-theft protection services provided under this Settlement Agreement shall be in addition to any other identity-theft protection and/or credit monitoring services received by Settlement Class Members.

Business Practice Changes: Faneuil has already implemented and will in the future implement and keep in place various security-related measures and enhancements for a period of two years. Costs associated with these business practice commitments will be paid by Faneuil separate and apart from other settlement benefits.

7. How to submit a Claim?

All Claims will be reviewed by the Claims Administrator and/or a claims referee. You must file a Claim Form to get any money from the proposed Settlement. Claim Forms must be **submitted online by February 1, 2023, or postmarked no later than February 1, 2023**. You can download a Claim Form at www.FaneuilDataSettlement.com or you can call the Claims Administrator at 1-844-544-0537.

8. What am I giving up as part of the Settlement?

If you stay in the Settlement Class, you will be eligible to receive benefits, but you will not be able to sue Faneuil and its Related Entities and each of their past or present parents, subsidiaries, divisions, and related or affiliated entities, and each of their respective predecessors, successors, directors, officers, principals, agents, attorneys, insurers, and reinsurers regarding the claims in this case. The Settlement Agreement, which includes all provisions about settled claims, releases, and Released Persons, is available at www.FaneuilDataSettlement.com.

The only way to keep the right to sue is to exclude yourself (*see* Question 10), otherwise you will be included in the Settlement Class, if the Settlement is approved, and you give up the right to sue for the claims in this case.

9. Will the Class Representative receive compensation?

Yes. The Class Representative will receive a service award of up to \$2,000, to compensate them for their services and efforts in bringing the lawsuit. The Court will make the final decision as to the amount, if any, to be paid to the Class Representative.

EXCLUDE YOURSELF

10. How do I exclude myself from the Settlement?

If you do not want to be included in the Settlement, you must send a written request for exclusion, postmarked no later than January 3, 2023 to:

Faneuil Claims Administrator
P.O. Box 2867
Baton Rouge, LA 70821

Instructions on how to submit a request for exclusion are available at www.FaneuilDataSettlement.com or from the Claims Administrator by calling 1-844-544-0537.

If you exclude yourself, you will not be able to receive any cash benefits from the Settlement and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit and you will keep your right to sue the Defendant on your own for the claims that this Settlement resolves. If you request to be excluded, the Court will exclude you from this Settlement.

11. If I do not exclude myself, can I sue later?

No. If you do not exclude yourself from the Settlement, and the Settlement is approved by the Court, you forever give up the right to sue the Released Persons (listed in Question 8) for the claims this Settlement resolves.

12. What happens if I do nothing at all?

If you do nothing, you will be bound by the Settlement if the Court approves it, you will not get any money from the Settlement, you will not be able to start or proceed with a lawsuit or be part of any other lawsuit against the Released Persons (listed in Question 8) about the settled claims in this case at any time.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in the case?

Yes. The Court has appointed David K. Lietz of Milberg Coleman Bryson Phillips Grossman and M. Anderson Berry of Clayco C. Arnold, A Professional Law Corp. (called “Settlement Class Counsel”) to represent the interests of all Class Members in this case. 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.

14. How will the lawyers be paid?

Class Counsel will apply to the Court for an award of attorneys’ fees and litigation expenses in an amount not to exceed \$225,000. A copy of Class Counsel’s Application for Attorneys’ Fees and Expenses will be posted on the Settlement Website, www.FaneuilDataSettlement.com before the Final Fairness Hearing. The Court will make the final decisions as to the amounts to be paid to Class Counsel, and may award less than the amount requested by Class Counsel.

OBJECTING TO THE SETTLEMENT

15. How do I tell the Court that I do not like the Settlement?

If you want to tell the Court that you do not agree with the proposed Settlement or some part of it, you can submit an Objection telling it why you do not think the Settlement should be approved. Objections must be submitted in writing and include all the following information:

Such notice shall state:

- (i) the objector’s full name, address, telephone number;

- (ii) information identifying the objector as a Settlement Class Member, including proof that the objector is a member of the Settlement Class (e.g., copy of notice, copy of original notice of the Data Incident);
- (iii) a written statement of all grounds for the objection, accompanied by any legal support for the objection the objector believes applicable;
- (iv) the identity of any and all counsel representing the objector in connection with the objection;
- (v) a statement whether the objector and/or his or her counsel will appear at the Final Fairness Hearing;
- (vi) the objector’s signature and the signature of the objector’s duly authorized attorney or other duly authorized representative (along with documentation setting forth such representation); and
- (vii) a list, by case name, court, and docket number, of all other cases in which the objector and/or the objector’s counsel has filed an objection to any proposed class action settlement within the last three (3) years.

Your Objection must be submitted to the Clerk of the Court by First-Class mail, received **no later than January 3, 2023** to:

Clerk of the Court
 United States District Court for the Eastern District of Virginia
 701 East Broad Street
 Richmond, VA 23219

It must include the case name and docket number: *Pagan, et al. v. Faneuil, Inc.*, Case No. 3:22-cv-297 (E.D. Va.) (the “*Faneuil* Action”), **no later than January 3, 2023**

In addition, you must mail a copy of your Objection to Class Counsel and Defense Counsel, postmarked no later than **January 3, 2023**:

CLASS COUNSEL	DEFENSE COUNSEL
David Lietz MILBERG COLEMAN BRYSON PHILLIPS GROSSMAN PLLC 5335 Wisconsin Ave NW Suite 440 Washington, DC 20015	James Lee Boies Schiller Flexner LLP 100 SE Second Street Suite 2800 Miami, FL 33131

If you do not submit your Objection with all requirements, or if your Objection is not received by **January 3, 2023**, you will be considered to have waived all Objections and will not be entitled to speak at the Final Fairness Hearing.

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

Objecting is simply telling the Court that you don't like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the Settlement no longer affects you.

THE FINAL FAIRNESS HEARING

17. When and where will the Court decide whether to approve the Settlement?

The Court will hold the Final Fairness Hearing on February 16, 2023 at 10:00 a.m. at the Spottswood W. Robinson III and Robert R. Merhige, Jr., Federal Courthouse, 701 East Broad Street, Richmond, VA 23219, Courtroom 7400. The hearing may be moved to a different date, time, or location without additional notice, so it is recommended that you periodically check www.FaneuilDataSettlement.com for updated information.

At the hearing, the Court will consider whether the proposed Settlement is fair, reasonable, adequate, and is in the best interests of Settlement Class Members, and if it should be approved. If there are valid Objections, the Court will consider them and will listen to people who have asked to speak at the hearing if the request was made properly. The Court will also consider the award of Attorneys' Fees and Expenses to Class Counsel and the request for a service award to the Class Representative.

18. Do I have to come to the hearing?

No. You are not required to come to the Final Fairness Hearing. However, you are welcome to attend the hearing at your own expense.

If you submit an Objection, you do not have to come to the hearing to talk about it. If your Objection was submitted properly and on time, the Court will consider it. You also may pay your own lawyer to attend the Final Fairness Hearing, but that is not necessary.

19. May I speak at the hearing?

Yes. You can speak at the Final Fairness Hearing, but you must ask the Court for permission. To request permission to speak, you must file an Objection according to the instructions in Question 15, including all the information required. You cannot speak at the hearing if you exclude yourself from the Settlement.

DO NOTHING

20. What happens if I do nothing?

If you do nothing, you will not get any money from the Settlement, you will not be able to sue for the claims in this case, and you release the claims against Defendant described in Question 8.

GET MORE INFORMATION

21. How do I get more information about the Settlement?

This is only a summary of the proposed Settlement. If you want additional information about this lawsuit, including a copy of the Settlement Agreement, the Complaint, the Court's Preliminary Approval Order, Class Counsel's Application for Attorneys' Fees and Expenses, and more, you may access please visit www.FaneuilDataSettlement.com or call 1-844-544-0537. You may also contact the Claims Administrator at:

Faneuil Claims Administrator
P.O. Box 2867
Baton Rouge, LA 70821

You may also access the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov> or by visiting the office of the Clerk's Office, United States District Court for the Eastern District of Virginia (Richmond Division), Spottswood W. Robinson III and Robert R. Merhige, Jr., Federal Courthouse, 701 East Broad Street Richmond, VA 23219, between 8:30 a.m. and 5:00 p.m., Monday through Friday, excluding Court holidays.

**PLEASE DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT
OR LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE.**