

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS

Kohn, et al. v. Loren D. Stark Company, Inc., Case No. 4:23-cv-03035

If Loren D. Stark Company, Inc. notified you of a Data Incident in or around October 2022, you may be eligible for benefits from a class action settlement.

A court authorized this Notice. This is not a solicitation from a lawyer.

Si necesita ayuda en español, comuníquese con el administrador al 1-866-644-9953.

- A Settlement has been reached in a class action lawsuit against Loren D. Stark Company, Inc. (“LDSCO” or “Defendant”) concerning a data security incident that occurred in or around October 2022 (the “Data Incident”).
- The lawsuit is called *Kohn, et al. v. Loren D. Stark Company, Inc.*, Case No. 4:23-cv-03035 (the “Action”). The lawsuit alleges that the Data Incident potentially exposed certain personal identifying information (“PII”) of Plaintiffs and the members of the putative class.
- The Settlement Class includes all individuals who were sent notification by LDSCO that their personal information was or may have been compromised in the Data Incident. It excludes: (1) the judges presiding over this Action, and members of their direct families; (2) LDSCO, its subsidiaries, parent companies, successors, predecessors, and any entity in which LDSCO or its parents have a controlling interest and their current or former officers, directors, and employees; and (3) Settlement Class Members who submit a valid Request for Exclusion prior to the Opt-Out Deadline.
- Your legal rights are affected regardless of whether you 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 December 17, 2024 .
EXCLUDE YOURSELF FROM THE SETTLEMENT	You will receive no payment, but you will retain any rights you currently have with respect to Defendant and the issues in this case. The deadline to exclude yourself from the Settlement is December 17, 2024 .
OBJECT TO THE SETTLEMENT	Write to the Settlement Administrator explaining why you do not agree with the Settlement. The deadline to object is December 17, 2024 .
ATTEND THE FINAL APPROVAL HEARING	You or your attorney may attend and speak about your objection at the Final Approval Hearing. The Final Approval Hearing will be held on January 21, 2025, at 9:00 a.m CT .
DO NOTHING	You will not get any benefits from the Settlement and you will give up certain legal rights. You will remain in the Settlement Class and be subject to the Release.

- 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.LDSCOdatasettlement.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 LDSCO. You have legal rights and options that you may act on before the Court decides whether to approve the proposed Settlement. This Notice explains the lawsuit, the Settlement, and your legal rights.

The case is called *Kohn, et al. v. Loren D. Stark Company, Inc.*, Case No. 4:23-cv-03035.

2. What is a class action lawsuit?

A class action is a lawsuit in which one or more plaintiffs—in this case, Plaintiffs and Class Representatives Shira Kohn and Andres Vivas—sues 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.

THE CLAIMS IN THE LAWSUIT AND THE SETTLEMENT

3. What is this lawsuit about?

Plaintiffs claim that Defendant failed to implement and maintain reasonable security measures to adequately protect the PII in its possession and to prevent the Data Incident from occurring.

Defendant denies that it is liable for the claims made in the lawsuit and denies any allegations of wrongdoing. More information about the complaint in the lawsuit can be found on the Settlement Website at www.LDSCOdatasettlement.com.

4. Why is there a Settlement?

The Court has not decided whether the Plaintiffs or Defendant 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 be eligible to get compensation now rather than years later—if ever. The Class Representatives and attorneys for the Settlement Class Members, called Class Counsel, agree the Settlement is in the best interests of the Settlement Class Members. The Settlement is not an admission of wrongdoing by the Defendant.

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 received a notification letter from LDSCO stating that your personal information was or may have been compromised in the Data Incident.

Settlement Class Members will have been mailed notice of their eligibility. If you are still not sure whether you are included, you can contact the Settlement Administrator by calling 1-866-644-9953, by emailing info@LDSCOdatasettlement.com, or by visiting the Settlement Website located at www.LDSCOdatasettlement.com.

This Settlement Class does not include: (1) the judges presiding over this Action, and members of their direct families; (2) LDSCO, its subsidiaries, parent companies, successors, predecessors, and any entity in which LDSCO or its parents have a controlling interest and their current or former officers, directors, and employees; and (3) Settlement Class Members who submit a valid a Request for Exclusion prior to the Opt-Out Deadline.

THE SETTLEMENT BENEFITS

6. What does the Settlement provide?

Under the proposed Settlement, LDSCO will pay (or cause to be paid) \$750,000.00 into a Settlement Fund. The Settlement Fund, plus interest accrued thereon, will pay notice and administration costs, Court-approved attorneys' fees and costs, Court-approved service awards for Class Representatives, and certain Settlement Fund taxes and tax expenses (the “Net Settlement Fund”). The Net Settlement Fund will be used to provide eligible Settlement Class Members with payments and benefits described below.¹

Reimbursement for Out-of-Pocket Losses: If you incurred financial losses that are fairly traceable to the Data Incident, you may be eligible to receive reimbursement for ordinary out-of-pocket losses. A claim for reimbursement may include, but is not limited to the following provided the expenses were incurred primarily as a result of the Data Incident: (i) unreimbursed costs, expenses, losses or charges incurred a result of identity theft or identity fraud, falsified tax returns, or other possible misuse of Settlement Class Member's personal information; (ii) costs incurred on or after October 18, 2022, associated with purchasing or extending additional credit monitoring or identity theft protection services and/or accessing or freezing/unfreezing credit reports with any credit reporting agency; and (iii) other miscellaneous expenses incurred related to any Out-of-Pocket Loss such as notary, fax, postage, copying, mileage, and long-distance telephone charges. Claims for out-of-pocket expenses or losses are subject to a \$5,000.00 cap, which is aggregated with a claim for Pro Rata Cash Payment(s).

Pro Rata Cash Payment: In addition to a claim for reimbursement of out-of-pocket losses, all Settlement Class Members may file a claim for a pro rata cash payment up to a maximum of \$70.00.

¹ If the benefits claimed by all Settlement Class Members meets or exceeds the amount of the Net Settlement Fund, then the payments and/or benefits for your Claim may be reduced *pro rata* by the Settlement Administrator so that the aggregate cost of all payments and benefits does not exceed the amount of the Net Settlement Fund.

Confirmatory Discovery: Defendant has also agreed to provide documents and information to Class Counsel showing that it has taken data security measures to remedy the issues that led to the Data Security Incident and has implemented other business practices to help ensure information security.

For complete details, please see the Settlement Agreement, whose terms control, available at www.LDSCODatasettlement.com.

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.LDSCODatasettlement.com or by mail to the Settlement Administrator. Claim Forms are available through the Settlement Website, www.LDSCODatasettlement.com or by calling 1-866-644-9953.

All Claim Forms must be submitted no later than December 17, 2024.

8. When will I get my payment?

The hearing to consider the fairness of the Settlement is scheduled for January 21, 2025. If the Court approves the Settlement, eligible Settlement Class Members whose claims were approved by the Settlement Administrator will be sent payment after all appeals and other reviews, if any, are completed. Please be patient.

THE LAWYERS REPRESENTING YOU

9. Do I have a lawyer in this case?

Yes, the Court has appointed Justin C. Walker of Markovits, Stock & DeMarco, LLC and John J. Nelson of Milberg Coleman Bryson Phillips Grossman, PLLC as “Class Counsel” to represent you and all Settlement Class Members. You will not be charged for these lawyers. You can ask your own lawyer to appear in Court for you at your own expense if you want someone other than Class Counsel to represent you.

10. How will the lawyers be paid?

To date, Class Counsel has not received any payment for their services in conducting this litigation on behalf of the Class and have not been paid for their out-of-pocket expenses. Class Counsel will ask the Court for an award of attorneys’ fees not to exceed \$250,000.00 which were incurred in connection with the Action. Such sums as may be approved by the Court will be paid from the Settlement Fund.

Class Counsel will also request a service award of \$3,500.00 per Plaintiff, for a total of \$7,000.00, to be paid from the Settlement Fund.

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 awards to Plaintiffs.

Class Counsel will file their request for attorneys’ fees, costs, and expenses and service awards for Plaintiffs with the Court, which will also be posted on the Settlement Website, at www.LDSCODatasettlement.com.

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 LDSCO about the Data Incident, 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. 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, which are described in the Settlement Agreement at www.LDSCODatasettlement.com.

12. What happens if I do nothing at all?

If you do nothing, you will receive no benefits under the Settlement. 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 LDSCO for the claims or legal issues released in this Settlement.

13. What happens if I ask to be excluded?

If you exclude yourself from the Settlement, you will receive no benefits 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 LDSCO in this class action lawsuit.

14. How do I ask to be excluded?

You can ask to be excluded from the Settlement. To do so, you must send a written notification to the Settlement Administrator stating that you want to be excluded from the Settlement in *Kohn, et al. v. Loren D. Stark Company, Inc.*, Case No. 4:23-cv-03035. Your written notification must include: (1) the name of the proceeding; (2) your full name and current address; (3) your signature; and (4) the words “Request for Exclusion” or a comparable statement that you do not wish to participate in the Settlement at the top of the communication. You must mail your exclusion request, postmarked no later than **December 17, 2024**, to the following address:

LDSCO Data Incident Settlement Administrator
P.O. Box 301134
Los Angeles, CA 90030-1134

You cannot exclude yourself by phone or email. Any individual who wants to be excluded from the Settlement must submit his or her own exclusion request. No group opt-outs shall be permitted.

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

No. Unless you exclude yourself, you give up any right to sue LDSCO for the claims or legal issues released in 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 any benefits.

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 mail a written objection to the Settlement Administrator stating that you object to the Settlement in *Kohn, et al. v. Loren D. Stark Company, Inc.*, Case No. 4:23-cv-03035.

The objection must be in writing and be personally signed by you or your attorney. The 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 of the Settlement Class Member or the Settlement Class Member’s attorney.

You must mail your objection to the Settlement Administrator at LDSCO Data Incident Settlement Administrator, P.O. Box 301134, Los Angeles, CA 90030-1134, postmarked no later than **December 17, 2024**.

18. What’s the difference between objecting and excluding myself from the Settlement?

Objecting simply means telling the Court that you do not 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 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

19. When and where will the Court hold a hearing on the fairness of the Settlement?

The Court will hold the Final Approval Hearing by video conference at 9 a.m. CT on January 21, 2025 at the Courthouse located at 515 Rusk Street, Houston, Texas 77002. 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 Plaintiffs.

The location, 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.LDSCODatasettlement.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. If your written objection was filed or mailed on time and meets the other criteria described in the Settlement, the Court will consider it. However, you may appear on your behalf or pay a lawyer to attend on your behalf to assert your objection.

21. May I speak at the hearing?

Yes. If you do not exclude yourself from the Settlement Class, you (or your attorney) may appear and 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 available in the Settlement Agreement, which is available at www.LDSCODatasettlement.com or by writing to LDSCO Data Incident Settlement Administrator, P.O. Box 301134, Los Angeles, CA 90030-1134.

23. How do I get more information?

More details are available at www.LDSCODatasettlement.com, write to LDSCO Data Incident Settlement Administrator, P.O. Box 301134, Los Angeles, CA 90030-1134, email info@ldscodatasettlement.com or by calling 1-866-644-9953.

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