

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

**THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF ARIZONA HAS PRELIMINARILY APPROVED A CLASS ACTION SETTLEMENT THAT MAY AFFECT YOU.**

**If you received notice from Banner Health that your personal information may have been compromised as a result of a cyberattack that occurred in June and July of 2016, this settlement may affect your rights.**

*Para una notificación en español, visite [www.bh-settlement.com](http://www.bh-settlement.com)*

- A class action settlement has been reached under which your rights may be affected.
- This proposed settlement will resolve a class action lawsuit pending in the United States District Court for the District of Arizona, titled *In re: Banner Health Data Breach Litigation*, Case No. 2:16-cv-02696-PHX-SRB (the “Action”). On December 11, 2019, the Court preliminarily approved the Settlement.
- If you received notice from Banner Health that your personal information may have been compromised as a result of a cyberattack that occurred in June and July of 2016 (the “Security Incident”) at Banner Health, you are a member of the Settlement Class. Excluded from the Settlement Class are all those persons who timely and validly request exclusion from the Settlement Class.
- If you are a Class Member, then you may be entitled to compensation under the terms of a proposed settlement. If you are a Class Member and you wish to file a claim, comment on the Settlement, object to the Settlement, or exclude yourself from the Settlement, you must do so following the procedures outlined in this notice.
- This notice is to advise you of the status of the lawsuit, the terms of the proposed Settlement, and your rights in connection with the proposed Settlement. This is not a lawsuit against you. A full copy of the Settlement Agreement may be reviewed at the Settlement Website at [www.bh-settlement.com](http://www.bh-settlement.com). This notice contains only a summary of the Settlement Agreement.
- Your legal rights are affected whether you act or don’t act. **Read this notice carefully.**

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>		
<b>ACTION</b>	<b>EXPLANATION</b>	<b>DUE DATE</b>
<b>DO NOTHING</b>	You will be included in the Settlement, receive no benefits, and give up your rights to sue Banner Health about the legal claims in the Litigation.	

**QUESTIONS? VISIT [WWW.BH-SETTLEMENT.COM](http://WWW.BH-SETTLEMENT.COM) OR CALL TOLL-FREE AT 1-877-514-0829.**

<b>SUBMIT A CLAIM FORM</b>	Class Members can choose to submit a claim to receive Settlement benefits. For more information about submitting a claim, see question 5.  If you submit a claim and receive a payment, you give up your right to sue the Defendant about the claims in the Litigation.	February 9, 2021
<b>EXCLUDE YOURSELF</b>	If you choose to exclude yourself (opt out), you will not be included in the Settlement. You will receive no benefits and you will keep any right you currently have to sue the Defendant about the claims in the Litigation.	April 10, 2020
<b>OBJECT</b>	If you do not exclude yourself, and if you disagree with the Settlement, you can write to the Court to explain your objection.	April 10, 2020
<b>GO TO A HEARING</b>	Ask to speak in court about the fairness of the Settlement.	April 21, 2020

**YOU MUST FILE A CLAIM FORM TO RECEIVE SETTLEMENT BENEFITS.**

THE DEADLINE TO FILE A CLAIM FORM IS **FEBRUARY 9, 2021**. THE DEADLINE TO OBJECT OR EXCLUDE YOURSELF IS **APRIL 10, 2020**.

YOU CAN FILE A CLAIM FORM ONLINE OR PRINT AND MAIL YOUR CLAIM FORM TO THE CLAIMS ADMINISTRATOR.

**1. WHY DID I GET NOTICE OF THIS SETTLEMENT?**

You received postcard notice of this Settlement because records show that you received notice from Banner Health that your personal information may have been compromised as a result of the Security Incident in 2016. If these records are correct, you are a Class Member and you are entitled to receive Settlement benefits if you submit a Claim Form and/or enroll in Credit Monitoring before the deadline and if the Court grants final approval of the Settlement. You also have other options as described in this notice.

**2. WHAT IS THIS LAWSUIT ABOUT?**

The Settlement Class Representatives filed a complaint against Banner. The complaint alleges that Banner Health acted unlawfully by failing to prevent the Security Incident. The Class Members claimed that Banner Health failed to fulfill its legal duty to adequately secure and safeguard the information of the Class Representatives and Class Members and that Banner Health breached promises made to the Class Representatives and Class Members concerning the security of their data.

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Banner Health denies the allegations asserted by the Settlement Class Representatives in the Action and contends that Banner Health was and is in compliance with applicable state and federal law. The Court has not made any ruling on the merits of this case. The attorneys for the Settlement Class Representatives and Banner Health have agreed to settle the Action, subject to the approval of the Court.

### 3. HOW DO I KNOW IF I AM PART OF THE SETTLEMENT?

If you received notice from Banner Health that your personal information may have been compromised a result of the Security Incident at Banner Health, you are a member of the Settlement Class.

### 4. WHAT DOES THE SETTLEMENT PROVIDE?

If the Court grants final approval, Banner Health will provide the following Settlement benefits to Class Members:

1. **Ordinary Cash Reimbursement** - a cash payment for up to 3 hours of undocumented lost time in connection with the Security Incident and/or additional documented expenses or monetary loss (up to \$500.00 per Class Member) as outlined in the Settlement Agreement;
2. **Extraordinary Cash Reimbursement** - a cash payment for up to 15 additional hours of documented lost time in connection with the Security Incident and/or additional documented expenses or monetary loss (up to \$10,000.00 per Class Member) as outlined in the Settlement Agreement; and
3. **Two Years of Credit Monitoring** which includes \$1 Million in identity theft coverage.

**Cash Reimbursement Terms:** Banner Health will pay up to a total of \$6,000,000 for Class Members' valid claims for Ordinary or Extraordinary Cash Reimbursement. To receive compensation for out-of-pocket losses or lost time incurred due to the Security Incident, you must submit a Claim Form by February 9, 2021. Claims for Ordinary Lost Time will be compensated at \$15.00 per hour upon attestation by the Class Member that the time was spent as a result of the Security Incident. Claims for Extraordinary Lost Time will be compensated at the rate of \$15.00 per hour unless the Class Member establishes through documented proof that the Class Member took unpaid time off work and the Class Member's actual standard compensation rate exceeds \$15.00 per hour, in which case payment shall be at the rate of actual compensation up to a maximum of \$40.00 per hour. If the valid claims for Ordinary and Extraordinary Cash Reimbursement submitted by Class Members exceed a total of \$6,000,000, all claims will be reduced on a *pro rata* basis prior to payment. Otherwise, the Claims Administrator will process and pay valid claims in their entirety. The amount you are entitled to receive depends on several factors, including how many Claim Forms are filed before the deadline. You can look at the Claim Form, available at [www.bh-settlement.com](http://www.bh-settlement.com) or by calling 1-877-514-0829, to see an explanation of the types of loss that are considered Ordinary or Extraordinary as well as specific documentation requirements and hourly payment rates for claimed lost time.

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**Credit Monitoring Offering Terms:** To receive two (2) years of additional credit monitoring provided by Banner, Class Members must enroll in credit monitoring online or by mail no later than February 9, 2021.

**Injunctive Relief:** The Settlement also includes injunctive relief for all Settlement Class Members regardless of whether you make a claim in the Settlement. Banner has provided proof of its security enhancements to the Class Representatives and Class Counsel regarding improvements to its information security enterprise since the Security Incident. Banner has also agreed to implement extensive information security improvements, including a robust set of future business practice commitments and commitments to substantial information security funding.

**Fees, Costs, and Expenses Associated with the Settlement:** The parties estimate that the fees, costs, and expenses associated with the Settlement will be as follows: (i) Settlement Administration Costs estimated to be One Million Five Hundred Thousand Dollars (\$1,500,000); (ii) a Fee and Cost Award, to be requested by Class Counsel, not to exceed Two Million Nine Hundred Thousand Dollars (\$2,900,000); and (iii) a Service Payment Award, to be requested by the Settlement Class Representatives, not to exceed Five Thousand Dollars per Class Representative (\$30,000 in Total).

## 5. HOW DO I RECEIVE A BENEFIT?

If you are an eligible Settlement Class Member and you do not exclude yourself from the Settlement, and if you wish to receive a payment from the Settlement, then you must make a valid claim by February 9, 2021.

Claims must be filed online at [www.bh-settlement.com](http://www.bh-settlement.com) by February 9, 2021. If you cannot file your claim online, you may contact the Claims Administrator toll-free at 1-877-514-0829 to request that a Claim Form be mailed to you.

Claims for distribution submitted after February 9, 2021 will not be paid.

If the Settlement is approved by the Court after the Final Approval Hearing and if you have timely submitted a valid claim for lost time and/or documented expenses by the deadline of February 9, 2021, you will be sent a Settlement payout for the value of your share of the Settlement, as set forth herein.

If the Settlement is approved by the Court after the Final Approval Hearing and if you have timely submitted a valid claim for two (2) years of additional credit monitoring, you will be sent instructions on how to enroll for this Settlement benefit from Identity Guard.

## 6. HOW WILL I RECEIVE PAYMENTS?

The Claims Administrator, in its sole discretion to be reasonably exercised, will determine whether: (1) the claimant is a Settlement Class Member; (2) the claimant has provided all information needed to complete the claim, including any documentation that may be necessary to

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reasonably support the expenses claimed; and (3) if the information submitted could lead a reasonable person to conclude that the alleged expenses plausibly arose from the Security Incident (collectively, “Facially Valid”). The Claims Administrator may, at any time, request from the claimant in writing additional information (“Claim Supplementation”) as the Claims Administrator may reasonably require in order to evaluate the claim, information regarding the claimed losses, available insurance, and the status of any claims made for benefits, and claims previously made for identity theft and the resolution thereof.

Upon receipt of an incomplete or unsigned claim or a claim that is not accompanied by sufficient documentation to determine whether the claim is Facially Valid, the Claims Administrator shall request Claim Supplementation and give the claimant 30 days to cure the defect before rejecting the claim. Requests for Claim Supplementation shall be made within thirty (30) days of the filing of such claim or thirty (30) days from the Effective Date, whichever comes latest. If the defect is not cured, the claim will be deemed invalid and there shall be no obligation to pay the claim.

Following receipt of additional information requested as Claim Supplementation, the Claims Administrator shall have thirty (30) days to accept, in whole or lesser amount, or reject each claim. If, after review of the claim and all documentation submitted by the claimant, the Claims Administrator determines that such a claim is Facially Valid, either in whole or in part, then the claim shall be paid in accordance with the Settlement Agreement, to the extent that the Claims Administrator finds the claim to be valid. If, however, the Claims Administrator determines that the claim is not Facially Valid, the Claims Administrator shall submit the claim to Proposed Class Counsel (one Plaintiffs’ Counsel shall be designated to fill this role for all Plaintiffs) and counsel for Banner. If Class Counsel and counsel for Banner Health cannot reach an agreement in good faith or do not agree with the claimant, then the claim shall be submitted to an agreed-upon third-party neutral at Banner’s cost.

Settlement Class Members shall have thirty (30) days from receipt of the offer to accept or reject any offer of partial payment received from the Claims Administrator. If a Settlement Class Member rejects an offer from the Claims Administrator, the Claims Administrator shall have fifteen (15) days to reconsider its initial adjustment amount and make a final determination. If the final determination is approved by the claimant, then the approved amount shall be paid.

**7. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?**

You have the right to exclude yourself from (i.e., “opt out” of) the Class. If you exclude yourself, you will be giving up the right to receive any payment and the right to object, but you will not be releasing the claims that are released in the Settlement.

To exclude yourself from the Class, you must inform the Claims Administrator in writing of your name, address, and your intention to be excluded. All requests for exclusion must be submitted, signed, and mailed to the Claims Administrator and postmarked no later than **April 10, 2020**. If you return a late request for exclusion, the request will be deemed invalid and you will remain a member of the Class and will be bound by all of the terms of the Settlement.

**YOU CANNOT EXCLUDE YOURSELF BY TELEPHONE OR BY SENDING AN EMAIL.**

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**DO NOT SUBMIT BOTH A CLAIM FORM AND A REQUEST FOR EXCLUSION. IF YOU SUBMIT BOTH A CLAIM FORM AND A REQUEST FOR EXCLUSION, THE REQUEST FOR EXCLUSION WILL BE DISREGARDED.**

**8. HOW DO I OBJECT TO THE SETTLEMENT?**

If you do not exclude yourself, you have the right to object to the Settlement if you wish. To object, you must file a written statement with the Clerk of the United States District Court for the District of Arizona, Sandra Day O'Connor U.S. Courthouse, Suite 522, 401 West Washington Street, SPC 50, Phoenix, AZ 85003-2153, no later than April 10, 2020. You must also mail a copy of your objection to the following three places postmarked no later than **April 10, 2020**:

<b>COURT</b>	<b>CLASS COUNSEL</b>	<b>BANNER'S COUNSEL</b>
United States District Court for the District of Arizona Sandra Day O'Connor U.S. Courthouse, Suite 522 401 West Washington Street SPC 50 Phoenix, AZ 85003-2153	Andrew S. Friedman William F. King BONNETT FAIRBOURN FRIEDMAN & BALINT, P.C. 2325 E. Camelback Road Suite 1100 Phoenix, Arizona 85016	Casie D. Collignon Paul Karlsgodt BAKER & HOSTETLER LLP 1801 California Street Suite 4400 Denver, CO 80202

Your objection must include: (i) your full name, address, telephone number, and e-mail address (if any); (ii) information identifying you as a Settlement Class Member; (iii) a written statement of all grounds for the objection, accompanied by any legal support you would like to submit; (iv) the identity of all lawyers (if any) representing you; (v) the identity of any lawyer who will appear at the Final Fairness Hearing on your behalf; (vi) a list of all persons who will be called to testify at the Final Fairness Hearing in support of your objection; (vii) a statement confirming whether you intend to personally appear and/or testify at the Final Fairness Hearing; and (viii) your signature or the signature of your duly authorized lawyer or other duly authorized representative (along with documentation setting forth such representation). In addition to the foregoing, objections should also provide the following information: (i) a list, by case name, court, and docket number, of all other cases in which you (directly or through a lawyer) filed an objection to any proposed class action settlement within the last three (3) years; (ii) a list, by case name, court, and docket number, of all other cases in which your lawyer (on behalf of any person or entity) has filed an objection to any proposed class action settlement within the last three (3) years; and (iii) a list, by case number, court, and docket number, of all other cases in which you have been a named plaintiff in any class action or served as a lead plaintiff or class representative.

You will not be excluded from the Settlement by filing an objection.

## 9. DO I HAVE A LAWYER IN THE CASE?

For purposes of this settlement, the Settlement Class Representatives and the Settlement Class are represented by Andrew S. Friedman and William F. King of BONNETT FAIRBOURN FRIEDMAN & BALINT, P.C., 2325 E. Camelback Road, Suite 1100, Phoenix, Arizona 85016, and Paul L. Stoller of DALIMONTE RUEB STOLLER, LLP, 2425 E. Camelback Road, Suite 500, Phoenix, Arizona 85016. You will not be personally charged for their work on the case (which is being paid out of the Total Settlement Amount). If you want to be represented by your own lawyer, you may hire one at your own expense.

## 10. IS THERE A RELEASE OR WAIVER OF CLAIMS?

Yes. Unless you affirmatively exclude yourself, you will agree to the “Release” of claims as described in Section V of the Settlement Agreement. That means that you cannot sue, continue to sue, or be part of any other lawsuit against Banner Health or other Released Parties for any of the Released Claims. It also means that the Court’s orders will apply to you and legally bind you. You may view the Settlement Agreement for the full language of the legal claims you will give up if you remain in the Settlement by requesting a copy from the Claims Administrator.

## 11. WILL THERE BE A HEARING?

The Court will hold a Final Approval Hearing for the Settlement on **April 21, 2020 at 10:00 a.m. in Courtroom 502, 5th Floor, of the United States District Court for the District of Arizona, Sandra Day O’Connor U.S. Courthouse, 401 West Washington Street, Phoenix, AZ 85003-2153**. If objections have been received, the Court will consider them during this hearing. The Final Approval Hearing may be rescheduled to a later time, which time will be listed at the Court’s website and on the Settlement Website. If there are no objections, the Settlement will become final shortly after the Court grants final approval. If there are objections, the Settlement will become final after the Court grants final approval and either the time to appeal has expired or any appeal filed has been resolved.

**You Are Not Required To Attend The Final Approval Hearing.** However, you may appear or may hire your own attorney at your own expense to speak at the Final Approval Hearing.

## 12. REMINDER OF IMPORTANT SETTLEMENT DATES AND DEADLINES

The following are important dates and deadlines under the proposed Settlement:

Last Day to Submit Request for Exclusion:	<b>April 10, 2020</b>
Last Day to File and Serve Objections:	<b>April 10, 2020</b>
Last Day to File a Claim Form:	<b>February 9, 2021</b>
Final Approval Hearing:	<b>April 21, 2020</b>

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