

**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA**

If your personally identifying information was compromised as a result of the data security incident that American Bank Systems announced in 2020, you could get a payment from a class action settlement.

*A federal court authorized this notice. This is not a solicitation from a lawyer.
Your legal rights are affected whether you act or don't act. Read this notice carefully.*

- A Settlement has been proposed to resolve litigation against Defendant American Bank Systems, Inc. (“ABS” or “Defendant”) brought by a putative class of individuals whose personal identifiable information (“PII”) was compromised as a result of a third-party criminal cyberattack on Defendant’s systems, which was announced in 2020 (the “Data Security Incident”).
- The lawsuits—(i) *McPherson v. American Bank Systems, Inc.*, No. 5:20-cv-01307-G (W.D. Okla.); (ii) *Lyles v. American Bank Systems, Inc.*, No. 5:21-cv-00023-G (W.D. Okla.); and (iii) *Lautman v. American Bank Systems, Inc.*, No. 2:20-cv-01959-RJC (W.D. Pa.)—assert claims on behalf of a class of individuals related to the Data Security Incident and ABS’s data security practices. These claims include alleged negligence, negligence per se, violations of Oklahoma unfair and deceptive trade practices statutes, unjust enrichment and seek injunctive and declaratory relief. ABS denies these allegations, any wrongdoing, and that it is liable in any amount to the affected individuals.
- Under the Settlement, ABS has agreed to pay \$1.7 million dollars into a Common Fund which will be used to pay all Plaintiff/Settlement Class member distributions, and any Court-approved reasonable Plaintiffs’ attorneys’ fees and expenses, Settlement Administrator’s costs and expenses, and Plaintiffs’ Service Awards up to \$1,500 to each Settlement Class Representative. Two types of claims may be made: “Documented Loss Claims” and “Inconvenience Claims.” A Settlement Class Member may make one or both types of claims. The different types of claims are explained later in this notice.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM	If eligible, you will receive a cash payment. This is the only way to get compensation from the Settlement.
EXCLUDE YOURSELF	If you ask to be excluded, you will not receive a cash payment, but you may be able to file your own lawsuit against ABS for the same claims. This is the only option that leaves you the right to file your own lawsuit against ABS and/or Defendants’ Released Persons (defined in the Settlement Agreement) for the claims that are being resolved by the Settlement. In order to be effective, a request to be excluded from the Settlement must include all information required by the Settlement.
OBJECT	You can remain in the Settlement Class and file an objection telling the Court why you do not like the Settlement. If your objections are overruled, you will be bound by the Settlement.
DO NOTHING	If you do nothing, you will not receive any cash payment. If you do nothing, you will also forfeit your right to sue or bring any claim against ABS and/or Defendants’ Released Persons related to the Data Security Incident.

- These rights and options – **and the deadlines to exercise them** – are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and after any appeals are resolved. Please be patient.

Questions? Visit www.ABSdatasecurityincidentsettlement.com.

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BASIC INFORMATION

1. Why did I get this notice?

Your PII may have been compromised related to the Data Security Incident. The Court authorized this notice because you have a right to know about your rights under a proposed class action settlement before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after objections and appeals are resolved, a settlement administrator appointed by the Court will make the cash payments that the Settlement allows.

This package explains the lawsuits, the Settlement, your rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the litigation is the United States District Court for the Western District of Oklahoma, and there are three cases at issue—(i) *McPherson v. American Bank Systems, Inc.*, No. 5:20-cv-01307-G (W.D. Okla.); (ii) *Lyles v. American Bank Systems, Inc.*, No. 5:21-cv-00023-G (W.D. Okla.); and (iii) *Lautman v. American Bank Systems, Inc.*, No. 2:20-cv-01959-RJC (W.D. Pa.). The individuals who sued are called “Plaintiffs,” and the company they sued, American Bank Systems, Inc., is the “Defendant.”

2. What is this lawsuit about?

The lawsuits—(i) *McPherson v. American Bank Systems, Inc.*, No. 5:20-cv-01307-G (W.D. Okla.); (ii) *Lyles v. American Bank Systems, Inc.*, No. 5:21-cv-00023-G (W.D. Okla.); and (iii) *Lautman v. American Bank Systems, Inc.*, No. 2:20-cv-01959-RJC (W.D. Pa.)—are related to the Data Security Incident and assert claims against ABS for alleged negligence, negligence per se, violations of Oklahoma unfair and deceptive trade practices statutes, unjust enrichment, and injunctive and declaratory relief. The Plaintiffs seek to recover damages incurred by banking customers as a result of the Data Security Incident. ABS denies the allegations and any wrongdoing, and that it is liable in any amount to the affected individuals. The Court has not decided whether ABS has any legal liability.

3. Why is this a class action?

In a class action, one or more persons called “class representatives” sue on behalf of themselves and other persons with similar claims. All of these entities together are the “class” or “class members.” One court resolves the issues for all class members, except for those who exclude themselves from the settlement class.

4. Why is there a settlement?

The Court has not decided in favor of Plaintiffs or ABS. Instead, both sides agreed to the Settlement. The Settlement is not an admission that ABS did something wrong, but rather a compromise to end the lawsuit. By agreeing to settle, both sides avoid the costs, risks, and uncertainties of a trial and related appeals, while providing benefits to members of the Settlement Class. The Settlement Class Representatives and the attorneys for the Settlement Class think the Settlement is best for all class members.

WHO IS PART OF THE SETTLEMENT

5. How do I know if I am part of the settlement?

You are a member of the Settlement Class and affected by the Settlement if:

- You are an individual in the United States (including its Territories and the District of Columbia); and
- Your PII was compromised in the Data Security Incident involving American Bank Systems which occurred between October and November 2020.

Specifically **excluded** from the Settlement Class are the Court and any immediate family members of the Court; directors and officers of ABS; parents and subsidiaries of ABS; and individuals who timely and validly request exclusion from the Settlement Class.

6. Are there exceptions to being included?

If you exclude yourself from the Settlement, you are no longer part of the Settlement Class and will no longer be eligible to receive any of the Settlement benefits. This process of excluding yourself is also referred to as “opting out” of the Settlement.

Questions? Visit www.ABSdatasecurityincidentsettlement.com.

7. I am still not sure if I am included.

If you are still not sure whether you are included, you can ask for free help. You can visit www.ABSdatasecurityincidentsettlement.com for more information. Or you can fill out and return the Claim Form described in Question 10 to see if you qualify.

THE SETTLEMENT BENEFITS

8. What does the settlement provide?

Under the Settlement, ABS has agreed to pay \$1.7 million dollars into a Common Fund which will be used to pay all Plaintiff/Settlement Class member distributions, and any Court-approved reasonable Plaintiffs' attorneys' fees and expenses, Settlement Administrator's costs and expenses, and Plaintiffs' Service Awards up to \$1,500 to each Settlement Class Representative. Two types of claims may be made: "Documented Loss Claims" and "Inconvenience Claims." A Settlement Class Member may make one or both types of claims. The two types of claims are further explained in the next section.

9. How much will my payment be?

If your PII was compromised in the Data Security Incident and you do not "opt out" of the Settlement, you may be eligible for a payment under the Settlement. If you file a timely and valid claim, the amount you receive will depend on the type of claim(s) filed and other variables. The two types of claims are described below:

- **Inconvenience Claims:** All Settlement Class Members who submit a valid Claim are eligible to receive a cash payment paid as equal shares of all funds remaining in the Settlement Fund after deduction of attorneys' fees/expenses, Service Awards, administration/notice costs, and payment of all valid Documented Loss Claims. Settlement Class Members making these claims are not required to provide any other documentation of their losses.
- **Documented Loss Claims:** Settlement Class Members who submit a valid Claim for reimbursement of documented, unreimbursed, out-of-pocket expenses as a result of identity theft or fraudulent activity experienced after October 1, 2020 may receive up to \$5,000 per Settlement Class Member. The amount received may be subject to *pro rata* reduction as discussed below. This type of Claim must be supported with documentation. Claims are subject to review and approval by the court-appointed Settlement Administrator and there is no guarantee that a Documented Loss Claim will be approved.
 - o A Documented Loss Claim shall be supported by documentation that demonstrates that the Settlement Class Member suffered an out-of-pocket loss as a result of identity theft or fraudulent activity experienced after October 1, 2020. Satisfactory documentation may include, but is not limited to, correspondence with financial institutions, credit reporting/monitoring companies or other third parties regarding out-of-pocket losses regarding identity theft or fraudulent activity, payment card and/or bank statements, and police reports. No specific documentation shall be required, but the Settlement Administrator may reject any claims that, in the Settlement Administrator's discretion, are not substantiated with sufficient documentary evidence or are related to transactions that would require information not compromised in the Data Security Incident to complete.

Documented Loss Claims are subject to a *pro rata* reduction if the total of all valid Documented Loss Claims exceeds \$1,700,000 after payment of attorneys' fees and expenses, Service Awards, and administration and notice costs. Settlement Class Members may submit one or both types of Claims, if applicable, and may submit multiple types of Documented Loss Claims, if applicable, but no Settlement Class Member will receive more than \$5,000 total for Documented Loss Claims.

HOW TO GET A PAYMENT—SUBMITTING A CLAIM FORM

10. How can I get a payment?

To qualify for a payment, you must complete and submit a valid Claim Form, which is included with this Notice. You may also get this Claim Form on the internet at www.ABSdatasecurityincidentsettlement.com. All Settlement Class Members who wish to receive compensation must complete and submit a Claim Form and follow its instructions, including submitting supporting documentation as needed.

To properly complete and timely submit a Claim Form, you should read the instructions carefully, include all information required by the Claim Form, sign it, and either submit the signed Claim Form electronically through www.ABSdatasecurityincidentsettlement.com by **September 6, 2022** or mail it to the Settlement Administrator postmarked no later than **September 6, 2022** at the following address:

Questions? Visit www.ABSdatasecurityincidentsettlement.com.

American Bank Systems, Inc. Data Security Incident Settlement
c/o Analytics Consulting LLC
P.O. Box 2009
Chanhassen, MN 55317-2009

The Settlement Administrator will review your claim to determine its validity and the amount of your payment.

11. When would I get my payment?

The Court will hold a hearing on July 29, 2022 to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals. It is always uncertain whether these appeals can be resolved and resolving them takes time, perhaps years. Payments to Settlement Class Members will be made after the Settlement is finally approved and any appeals or other related proceedings have been completed as set forth in the Settlement Agreement. You may visit www.ABSdatasecurityincidentsettlement.com for updates on the progress of the Settlement. Please be patient.

12. What am I giving up to get a payment or remain in the Settlement Class?

Unless you exclude yourself from the Settlement, you cannot sue, or be part of any other lawsuit against, ABS or Defendants' Released Persons (as defined in the Settlement) relating to the Data Security Incident. The specific claims you are giving up against ABS and Defendants' Released Persons are described in the Settlement Agreement. The terms of the release are described in Section 9 of the Settlement Agreement. Read it carefully. The Settlement Agreement is available at www.ABSdatasecurityincidentsettlement.com.

If you have any questions, you can talk to the law firms listed in Question 16 for free, or you can, of course, talk to your own lawyer if you have questions about what this means.

If you want to keep your rights to sue or continue to sue ABS based on claims this Settlement resolves, you must take steps to exclude yourself from the Settlement Class (*see* Questions 13-15).

EXCLUDING YOURSELF FROM THE SETTLEMENT

13. How can I opt out of the settlement?

To exclude yourself from the Settlement, or "opt out," you must send a letter by U.S. Mail that includes the information in the bullet points below. If you fail to include this information, the notice of exclusion will be ineffective and you will be bound by the Settlement, including all releases.

- The name of one of the constituent actions in this Court—(i) *McPherson v. American Bank Systems, Inc.*, No. 5:20-cv-01307-G (W.D. Okla.); or (ii) *Lyles v. American Bank Systems, Inc.*, No. 5:21-cv-00023-G (W.D. Okla.);
- Your full name, address, email address, and phone number; and
- The words "Request for Exclusion" at the top of the document or a statement in the body of the document requesting exclusion from the Settlement.

You must mail via first class postage prepaid United States mail the completed above-described letter, postmarked no later than June 30, 2022, to each of the following addresses:

Settlement Administrator

American Bank Systems, Inc.
Data Security Incident Settlement
c/o Analytics Consulting LLC
P.O. Box 2009
Chanhassen MN 55317-2009
info@ABSdatasecurityincidentsettlement.com

Settlement Class Counsel

Joseph P. Guglielmo
SCOTT+SCOTT
ATTORNEYS AT LAW LLP
230 Park Avenue, 17th Floor
New York, NY 10169
jguglielmo@scott-scott.com

Defense Counsel

Claudia D. McCarron
MULLEN COUGHLIN LLC
26 W. Lancaster Ave, Suite 200
Devon, PA 19333
cmccarron@mullen.law

If you ask to be excluded, you will not get any payment as part of this Settlement, and you cannot object to this Settlement. You will not be legally bound by anything that happens in the Settlement and related proceedings. You may be able to sue (or continue to sue) ABS in the future. If you object to the Settlement and seek to exclude yourself, you will be deemed to have excluded yourself.

Questions? Visit www.ABSdatasecurityincidentsettlement.com.

14. If I don't opt out, can I sue ABS for the same thing later?

No. Unless you exclude yourself from the Settlement, you give up any right to sue ABS and Defendants' Released Persons (as defined in the Settlement Agreement) for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Settlement to continue your own lawsuit. Remember, the exclusion deadline is June 30, 2022.

15. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, do not send in a Claim Form asking for a payment.

THE LAWYERS AND INDIVIDUALS REPRESENTING YOU

16. Do I have a lawyer in the case?

Yes. The Court appointed to represent you and other members of the Settlement Class the following law firms: (i) Scott+Scott Attorneys at Law LLP, in New York, New York; and (ii) Carlson Lynch, LLP, in Pittsburgh, Pennsylvania ("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 the lawyers and individuals representing the class be paid?

Class Counsel initiated the lawsuits and prosecuted the litigation on behalf of the Plaintiffs and Settlement Class Members. Class Counsel worked on a contingent basis, which means that they would receive a fee only if the lawsuits were successful. None of the lawyers has yet received any payment for their time or expenses. If approved by the Court, the Common Fund will fund Class Counsel's reasonable attorneys' fees and expenses, Service Awards to each Settlement Class Representative (discussed next), and notice and settlement administration costs. Class Counsel intend to ask the Court to approve an award of reasonable costs and attorneys' fees.

The Settlement Class is represented by three named individuals (the "Settlement Class Representatives"). In addition to the benefits that the Settlement Class Representatives will receive as members of the Settlement Class—and subject to the approval of the Court—ABS has agreed that the Common Fund will provide Service Awards of up to a maximum of \$1,500 to each of the Settlement Class Representatives for the efforts that they have expended on behalf of the Settlement Class.

The Court will determine whether to approve the amount of fees and costs and expenses requested by Class Counsel and the proposed Service Awards to the Settlement Class Representatives at the Final Approval Hearing scheduled for July 29, 2022. Class Counsel will file an application for fees, expenses, and Service Awards no later than June 16, 2022. The application will be available on the Settlement Website (www.ABSdatasecurityincidentsettlement.com) or you can request a copy by contacting the Settlement Administrator (*see* Question 23).

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 think it is fair, reasonable, or adequate. You can give reasons why you think the Court should not approve it. The Court will consider your views. If you both object to the Settlement and seek to exclude yourself, you will be deemed to have excluded yourself and your objection will be deemed null and void.

Your objection must be in writing, and must include:

- The name of one of the constituent actions in this Court—(i) *McPherson v. American Bank Systems, Inc.*, No. 5:20-cv-01307-G (W.D. Okla.); or (ii) *Lyles v. American Bank Systems, Inc.*, No. 5:21-cv-00023-G (W.D. Okla.);
- Your full name, address, email address, and telephone number;
- An explanation of the basis for why you are a Settlement Class Member;
- Whether the objection applies only to you, to a specific subset of the Settlement Class, or to the entire Settlement Class;
- All grounds for the objection stated with specificity, accompanied by any legal support for the objection;

- The identity of all counsel who represent you, including any former or current counsel who may be entitled to compensation for any reason related to the objection to the Settlement Agreement, Class Counsel’s request for attorney’s fees, Service Awards, and/or notice and administration costs;
- The identity of all representatives (including counsel representing you) who will appear at the Final Approval Hearing;
- The number of times in which you have objected to a class action settlement within the five years preceding the date that you file the objection, the caption of each case in which you have made such objection, and a copy of any orders related to or ruling upon your prior such objections that were issued by the trial and appellate courts in each listed case;
- The number of times in which your counsel and/or counsel’s law firm have objected to a class action settlement within the five years preceding the date that you filed the objection, the caption of each case in which the counsel or the firm has made such an objection, and a copy of any orders related to or ruling upon counsel’s or the firm’s prior such objections that were issued by the trial and appellate courts in each listed case;
- If you are represented by an attorney who intends to seek fees and expenses from anyone other than the objectors he or she represents, the objection should also include: (i) a description of the attorney’s legal background and prior experience in connection with class action litigation; (ii) the amount of fees sought by the attorney for representing you and the factual and legal justification for the fees being sought; (iii) a statement regarding whether the fees being sought are calculated on the basis of a lodestar, contingency, or other method; (iv) the number of hours already spent by the attorney and an estimate of the hours to be spent in the future; and (v) the attorney’s hourly rate;
- Any and all agreements that relate to the objection or the process of objecting, whether written or verbal, between you or your counsel and any other person or entity;
- A description of all evidence to be presented at the Final Approval Hearing in support of the objection, including a list of any witnesses, a summary of the expected testimony from each witness, and a copy of any documents or other non-oral material to be presented;
- A statement indicating whether you intend to personally appear and/or testify at the Final Approval Hearing;
- *All other information specified in the Preliminary Approval Order* (available on the settlement website, www.ABSdatasecurityincidentsettlement.com), and
- Your signature on the written objection.

Any objection must be either filed electronically with the Court or mailed to the Clerk of the Court, Class Counsel, *and* ABS’s counsel at the addresses set forth below. The objection must be electronically filed, or if mailed postmarked, no later than June 30, 2022.

Court

Clerk of the Court
 USDC, Western District of Oklahoma
 William J. Holloway Jr.
 United States Courthouse
 200 Northwest Fourth Street
 Oklahoma City, OK 73102

Settlement Class Counsel

Joseph P. Guglielmo
 SCOTT+SCOTT
 ATTORNEYS AT LAW LLP
 230 Park Avenue, 17th Floor
 New York, NY 10169
jguglielmo@scott-scott.com

Defense Counsel

Claudia D. McCarron
 MULLEN COUGHLIN LLC
 26 W. Lancaster Avenue, Suite 200
 Devon, PA 19333
cmccarron@mullen.law

In addition, any Settlement Class Member who objects to the proposed Settlement Agreement may be required to appear for a deposition regarding the grounds for their objection, and must provide along with their objection the dates when the objector will be available to be deposed during the period from when the objection is filed through the date five days before the Final Approval Hearing.

19. What is the difference between objecting and excluding myself/opting out?

Objecting is simply telling the Court that you don’t like something about the Settlement. You can object to the benefits provided by the Settlement or other terms of the Settlement only if you stay in the Settlement Class. Excluding yourself or “opting out” is telling the Court that you don’t want to be included in the Settlement Class. If you exclude yourself, you have no basis to object to the Settlement and related releases because the Settlement 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 July 29, 2022 at 1:30 p.m., in Courtroom 305 before United States District Judge Charles Goodwin of the United States District Court for the Western District of Oklahoma, at the William J. Holloway Jr. United States Courthouse, 200 Northwest Fourth St., Oklahoma City, OK 73102, or at such other time, location, and venue as the Court may Order. This hearing date and time may be moved. Please refer to the settlement website (www.ABSdatasecurityincidentsettlement.com) for notice of any changes.

By no later than June 16, 2022, Class Counsel shall file a motion for final approval of the Settlement and a motion for attorneys' fees, costs, expenses, and for Service Awards. Objectors, if any, shall file any response to Class Counsel's motions by June 30, 2022. By no later than July 14, 2022, responses shall be filed, if any, to any filings by objectors, and any replies in support of final approval of the Settlement and/or Class Counsel's application for attorneys' fees, costs, expenses, and for Service Awards shall be filed.

At the Final Approval Hearing, the Court will consider, among other things, whether the Settlement is fair, reasonable, and adequate; how much Plaintiffs' lawyers will receive as attorneys' fees and costs and expenses; and whether to approve Service Awards to the Settlement Class Representatives. If there are objections, the Court will consider them. The Court will listen to people at the hearing who file in advance a timely notice of their intention to appear (*see* Question 18). At or after the Final Approval Hearing, the Court will decide whether to approve the Settlement. There is no deadline by which the Court must make its decision.

21. Do I have to attend the hearing?

No. Class Counsel will answer questions the Court may have. You are welcome, however, to come at your own expense. If you submit an objection, you do not have to come to the Court to talk about it. As long as you submitted your objection timely and in accordance with the requirements for objecting set out of the Settlement (*see* Question 18), the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

IF YOU DO NOTHING

22. What happens if I do nothing at all?

If you are a Settlement Class Member and do nothing, you will remain a part of the Settlement Class but will not get any payments from the Settlement. And, unless you exclude yourself, you will not be able to sue ABS about the claims being resolved through this Settlement ever again. See the Settlement Agreement for more details about the releases.

GETTING MORE INFORMATION

23. How do I get more information?

This notice summarizes the Settlement. More details are in the Settlement Agreement itself. You can get a copy of the Settlement Agreement at www.ABSdatasecurityincidentsettlement.com.

Please do not contact the Court or Defendants with questions about the Settlement.