

EXHIBIT A

IN THE
CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

JASMINE CHATMAN, individually and on)	
behalf of others similarly situated,)	
)	Case No.: 2020-CH-02234
Plaintiff,)	
)	Hon. David B. Atkins
v.)	
)	Calendar 16
HARMONY NURSING &)	
REHABILITATION CENTER, INC.,)	
)	
Defendant.)	

STIPULATION OF CLASS ACTION SETTLEMENT

This Stipulation of Class Action Settlement is entered into by and among Jasmine Chatman (“Plaintiff”), for herself individually and on behalf of the Settlement Class and Defendant Harmony Nursing & Rehabilitation Center, Inc. (“Defendant” or “Harmony”). This Settlement Agreement is intended by the Parties to fully, finally, and forever resolve discharge and settle the Released Claims upon and subject to the terms and conditions hereof, and is subject to the approval of the Court.

I. FACTUAL BACKGROUND AND RECITALS

1. On February 24, 2020, Plaintiff filed a class action lawsuit in the Circuit Court of Cook County, Chancery Division, naming Harmony Nursing & Rehabilitation the sole Defendant.
2. The case was assigned to Judge David B. Atkins and captioned *Chatman v. Harmony Nursing & Rehabilitation*, 2020-CH-02234.

3. In response, Defendant moved to dismiss the Complaint under 735 ILCS 5/2-619(a)(9) on May 1, 2020. The motion was fully briefed by the parties.
4. Judge Atkins denied Defendant's motion on July 16, 2021.
5. Defendant filed their Answer and Affirmative Defenses on August 18, 2021.
6. The Parties issued and responded to written discovery, including interrogatories, requests for production, and requests to admit.
7. In January of 2022, the Parties began to discuss resolution on a class basis.
8. The Parties requested a settlement conference before Judge Atkins, which took place on May 11, 2022. Both sides prepared settlement position papers before the conference.
9. At the settlement conference, and with the aid of Judge Atkins, the Parties were able to come to an agreement on the basic terms of a class settlement.
10. The Parties signed a term sheet on September 30, 2022 reflecting that Defendant would establish a non-reversionary settlement fund of \$275,000 based on an estimated class size of 250 individuals, with the costs of administration and any approved attorneys' fees and costs and incentive awards being paid out of the fund with the remainder distributed *pro rata* to each Class Member without requiring a claim form.
11. Defendant has provided documents regarding the time clock device at issue, an affidavit regarding class size and the method for determining the same, and the written consent form Defendant implemented in 2019.
12. This Settlement represents the Parties' agreement to resolve all matters pertaining to, arising from, or associated with the Litigation, including all Released Claims Plaintiff and Settlement Class Members have or may have had against Defendant and the Released Parties defined below.

13. The Parties have agreed to settle the Litigation on the terms and conditions set forth herein in recognition that the outcome of the Litigation is uncertain and that achieving a final result through litigation would require substantial additional risk, discovery, time and expense.
14. Defendant denies all charges of wrongdoing or liability of any kind whatsoever that Plaintiff or Settlement Class Members have asserted in this Litigation or may in the future assert. Despite Defendant's belief that it is not liable for, and has good defenses to, the claims alleged in the Litigation, Defendant desires to settle the Litigation, and thus avoid the expense, risk, exposure, inconvenience, and distraction of continued litigation of any action or proceeding relating to the matters being fully settled and finally put to rest in this Settlement Agreement. Neither this Settlement Agreement, nor any negotiation or act performed or document created in relation to the Settlement Agreement or negotiation or discussion thereof is, or may be deemed to be, or may be used as, an admission of, or evidence of, any wrongdoing or liability.
15. Following arm's-length negotiations, the Parties now seek to enter into this Settlement Agreement. Plaintiff and Class Counsel have conducted an investigation into the facts and the law regarding the Litigation and have concluded that a settlement according to the terms set forth below is fair, reasonable, and adequate, and beneficial to and in the best interests of Plaintiff and the Settlement Class recognizing: (1) the existence of complex and contested issues of law and fact; (2) the risks inherent in litigation; (3) the likelihood that future proceedings will be unduly protracted and expensive if the proceeding is not settled by voluntary agreement; (4) the magnitude of the benefits derived from the contemplated settlement in light of both the maximum potential and

likely range of recovery to be obtained through further litigation and the expense thereof, as well as the potential of no recovery whatsoever; and (5) Plaintiff's determination that the settlement is fair, reasonable, adequate, and will substantially benefit the Settlement Class Members.

16. Considering the risks and uncertainties of continued litigation and all factors bearing on the merits of settlement, the Parties are satisfied that the terms and conditions of this Settlement Agreement are fair, reasonable, adequate, and in their respective best interests.
17. In consideration of the covenants, agreements, and releases set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed by and among the undersigned that the Litigation be settled and compromised, and dismissed with prejudice, on the following terms and conditions.

II. DEFINITIONS

As used in this Agreement, the following terms have the meanings specified below:

18. "Administrative Expenses" shall mean expenses associated with the Settlement Administrator, including but not limited to costs in providing notice, communicating with Settlement Class Members, evaluation of claims, and disbursing payments to the proposed Settlement Class Members.
19. "Class," "Settlement Class," "Class Member," or "Settlement Class Member" shall mean each member of the settlement class, as defined in Paragraph 51 of this Agreement, who does not timely elect to be excluded from the Settlement Class.
20. "Class Counsel" shall mean Michael Drew of Neighborhood Legal, LLC.
21. "Counsel" or "Counsel for the Parties" shall mean both Class Counsel and Defendant's Counsel, collectively.

22. “Court” shall mean Judge David B. Atkins of the Circuit Court of Cook County, Illinois, or any other judge who shall have jurisdiction over the pending Litigation.
23. “Defendant” shall mean Harmony Nursing & Rehabilitation Center, Inc.
24. “Defendant’s Counsel” shall mean Richard Daniels and J. Hayes Ryan of Gordon Rees Scully Mansukhani, LLP.
25. “Effective Date” shall mean the date when the Settlement Agreement becomes Final.
26. “Fee and Expense Application” shall mean the motion to be filed by Class Counsel, in which they will seek approval of an award of attorneys’ fees, costs, and expenses, as well as an Incentive Award for the Class Representative.
27. “Fee Award” shall mean the amount of attorneys’ fees, costs, and expenses awarded by the Court to Class Counsel.
28. “Final” shall mean the later of (i) if there are no objectors, the date of entry of the Final Approval Order; (ii) if there are one or more objectors, the date upon which the time expires for filing or noticing any appeal of the Final Approval Order; (iii) if there is an appeal or appeals, other than an appeal or appeals solely with respect to the Fee Award, the date of completion, in a manner that finally affirms and leaves in place the Final Approval Order without any material modification, of all proceedings arising out of the appeal(s) (including, but not limited to, the expiration of all deadlines for motions for reconsideration or petitions for review and/or certiorari, all proceedings ordered on remand, and all proceedings arising out of any subsequent appeal(s) following decisions on remand); or (iv) the date of final dismissal of any appeal or the final dismissal of any proceeding on appeal with respect to the Final Approval Order.

29. “Final Approval Hearing” shall mean the hearing before the Court where the Plaintiff will request a judgment to be entered by the Court approving the Settlement Agreement, approving the Fee Award, and approving an Incentive Award to the Class Representatives.
30. “Final Approval Order” shall mean an order entered by the Court that:
- i. Certifies the Settlement Class pursuant to 735 ILCS 5/2-801;
 - ii. Finds that the Settlement Agreement is fair, reasonable, and adequate, was entered into in good faith and without collusion, and approves and directs consummation of this Agreement;
 - iii. Dismisses Plaintiff’s claims pending before it with prejudice and without costs, except as explicitly provided for in this Agreement;
 - iv. Approves the Release provided in Section IV of this Agreement and orders that, as of the Effective Date, the Released Claims will be released as to the Released Parties;
 - v. Reserves jurisdiction over the Settlement and this Agreement; and
 - vi. Finds that, pursuant to 735 ILCS 5/2-1301, there is no just reason for delay of entry of final judgment with respect to the foregoing.
31. “Incentive Award” shall mean an award paid from the Settlement Fund to Plaintiff Jasmine Chatman in acknowledgement of her participation in pursuit of this litigation and shall have the qualities further set forth in Paragraph 98 of this Agreement.
32. “Litigation” shall mean the case captioned *Chatman v. Harmony Nursing & Rehabilitation Center, Inc.*, 2020-CH-02234 pending in the Circuit Court of Cook County, Illinois.

33. “Long Form Notice” means notice of this Settlement, substantially in the form of Exhibit C hereto, which shall be made available on the Settlement Website as described in Paragraph 67 to inform Class Members of their rights and duties under this Settlement.
34. “Notice” shall mean the direct notice of this proposed Settlement, which is to be provided substantially in the manner set forth in this Agreement and in Exhibits B and C hereto and is consistent with the requirements of due process.
35. “Notice Date” means the date by which the Notice is disseminated to the Settlement Class, which shall be a date no later than twenty-eight (28) days after entry of Preliminary Approval.
36. “Objection/Exclusion Deadline” shall mean the date by which a written objection to this Settlement Agreement or a request for exclusion submitted by a person within the Settlement Class must be postmarked and/or filed with the Court, which shall be designated as a date approximately forty-five (45) days after Preliminary Approval, as approved by the Court.
37. “Parties” shall mean Plaintiffs and Defendant, collectively.
38. “Plaintiff” or “Class Representative” shall mean the named class representative, Jasmine Chatman.
39. “Preliminary Approval” shall mean the date of entry of the Preliminary Approval Order.
40. “Preliminary Approval Order” shall mean the Court’s Order preliminarily approving the Settlement Agreement, certifying the Settlement Class for settlement purposes, and directing notice of the Settlement to the Settlement Class substantially in the form of the Notice set forth in this Agreement.

41. “Class Released Claims” shall mean any and all actual, potential, filed, unfiled, known or unknown, fixed or contingent, claimed or unclaimed, suspected or unsuspected, claims, demands, liabilities, rights, causes of action, contracts or agreements, extra-contractual claims, damages, punitive, exemplary or multiplied damages, expenses, costs, attorneys’ fees and/or obligations, whether in law or in equity, accrued or unaccrued, direct, individual or representative, of every nature and description whatsoever, whether based on the Illinois Biometric Information Privacy Act or other federal, state, local, statutory or common law or any other law, including the law of any jurisdiction outside the United States, against the Defendant, arising out of or relating to the collection, storage, use, dissemination, retention, or disclosure of biometric and/or facial recognition data or information at any time prior to and up to the date of final approval by the court of the Settlement Agreement, including any and all claims that were pleaded in the Litigation.
42. “Released Parties” shall refer to Defendant as well as any and all of its respective present or past heirs, executors, estates, administrators, predecessors, successors, assigns, parent companies, subsidiaries, licensors, licensees, associates, affiliates, employers, agents, consultants, independent contractors, insurers, and customers, including without limitation employees of the foregoing, directors, managing directors, officers, partners, principals, members, attorneys, accountants, financial and other advisors, underwriters, shareholders, lenders, auditors, investment advisors, legal representatives, successors in interest, assigns and companies, firms, trusts, and corporations.
43. “Releasing Parties” shall refer, jointly and severally, and individually and collectively, to Plaintiff, the Settlement Class Members, and to each of their predecessors, successors,

heirs, executors, administrators, and assigns of each of the foregoing, and anyone claiming by, through, or on behalf of them.

44. "Settlement Administrator" shall mean, subject to Court approval, American Legal Claims Service, LLC.
45. "Settlement Fund" means or refers to the non-reversionary settlement fund to be established by Defendant for purposes of this settlement in the total amount of \$275,000 (Two-Hundred and Seventy-Five Thousand Dollars) to be deposited into the Escrow Account, according to the schedule set forth herein. The Settlement Fund represents the total extent of Defendant's monetary obligations under this Agreement. In no event shall the total monetary obligation with respect to this Agreement on behalf of Defendant exceed \$275,000. The Settlement Fund shall be used for payment of the following: (i) the pro-rata cash benefits of Settlement Class Members pursuant to Paragraph 56 below; (ii) the Administrative Expenses actually incurred by the Settlement Administrator as described in Section V below; (iii) the Fee Award, as described in Paragraphs 94 through 97 below; and (iv) any Incentive Award to the Plaintiff, not to exceed \$7,500, as may be ordered by the Court and as described in Paragraph 98 below. The Settlement Fund shall be kept in the Escrow Account with permissions granted to the Settlement Administrator to access said funds until such time as the listed payments are made. The Settlement Administrator shall be responsible for all tax filings with respect to any earnings on the Settlement Fund and the payment of all taxes that may be due on such earnings. The payment of the Settlement Amount by Defendant fully discharges the Defendant and the other Released Parties' financial obligations (if any) in connection with the Settlement,

meaning that no Released Party shall have any other obligation to make any payment into the Escrow Account or to any Class Member, or any other person, under this Agreement.

46. “Settlement Website” means the website to be established by the Settlement Administrator to provide Notice and further information regarding the Litigation and the Settlement.
47. “Short Form Notice” means notice of this Settlement, substantially in the form of Exhibit B hereto, which shall be sent directly to each Class Member as described in Section VIII to inform Class Members of their rights and duties under this Settlement.

III. SETTLEMENT CLASS CERTIFICATION

48. For the purposes of the Settlement only, the Parties stipulate and agree that:
 - a. the Class shall be certified in accordance with the definition contained in Paragraph 51 below;
 - b. Plaintiff shall represent the Class for settlement purposes and shall be the Class Representatives; and
 - c. Plaintiff’s Counsel shall be appointed as Class Counsel.
49. Defendant does not consent to certification of the Class for any purpose other than to effectuate the Settlement. If the Court does not enter Final Approval of the Settlement, or if for any other reason final approval of the Settlement does not occur, is successfully objected to, or challenged on appeal, any certification of any Class will be vacated and the Parties will be returned to their positions with respect to the Action as if the Agreement had not been entered into.

50. In the event that Final Approval of the Settlement is not achieved: (a) any Court orders preliminarily or finally approving the certification of any class contemplated by this Agreement shall be null, void, and vacated, and shall not be used or cited thereafter by any person or entity; and (b) the fact of the settlement reflected in this Agreement, that Defendant did not oppose the certification of a Class under this Agreement, or that the Court preliminarily approved the certification of a Class, shall not be used or cited thereafter by any person or entity, including in any manner whatsoever, including without limitation any contested proceeding relating to the certification of any class.
51. Subject to Court approval, the following Settlement Class shall be certified for settlement purposes:

All persons whose fingerprint was collected, captured, or received by Harmony in Illinois between February 15, 2015 through the date of preliminary approval of the Class Settlement. The following people are excluded from the Class: (1) any judge presiding over the action and their families and staff; (2) Defendant and its owners, officers, directors, parents, subsidiaries, successors, predecessors; (3) Plaintiff's and Defendant's counsel and their staffs; and (4) any employee who provided their written, informed consent to have their fingerprint collected, captured, or received by Harmony during the Class Period and prior to having their fingerprint collected, captured, or received by Harmony.

52. Also excluded from the Settlement Class are all persons who timely elect to exclude themselves from the Settlement Class, the Court and staff to whom this case is assigned, and any member of the Court's or Court staff's immediate family.

IV. SETTLEMENT OF THE LITIGATION AND ALL CLAIMS AGAINST THE RELEASED PARTIES

53. Final approval of this Settlement Agreement will settle and resolve with finality, on behalf of Plaintiff, the Litigation and Representative Released Claims

54. Final approval of this Settlement Agreement will settle and resolve with finality, on behalf of the Settlement Class, the Litigation and the Class Released Claims.

V. SETTLEMENT FUND

55. Establishment of Settlement Fund

- a. Within fourteen (14) days of Preliminary Approval, Defendant shall create the Settlement Fund by paying to the Settlement Administrator a reasonable estimate of the Administrative Expenses. Within forty-five (45) days of Preliminary Approval, Defendant shall pay the remainder of the total sum of \$275,000 (Two-Hundred and Seventy-Five Thousand Dollars) into the Settlement Fund. The foregoing payment obligations are contingent on receipt of adequate payment instructions and a valid W-9 for the Settlement Fund.
- b. All funds required to be paid by Defendant under this paragraph shall be provided by Defendant to the Settlement Administrator and maintained by an escrow agent as a Court-approved Qualified Settlement Fund pursuant to Section 1.468B-1 et seq. of the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code of 1986, as amended, and shall be deposited in an interest-bearing account.
- c. If the Settlement Agreement is not finally approved or if this Agreement is terminated or fails to become Effective, the Settlement Fund belongs to Defendant (including any accrued interest thereon), less any Administrative Expenses paid to date. Plaintiff shall have no financial responsibility for any Administrative

Expenses paid out of the Settlement Fund in the event that the Settlement Agreement is not finally approved.

- d. The Settlement Fund shall be used to pay (i) Each Class Members' *pro rata* share of the Settlement Fund, (ii) Court-approved Incentive Awards to the Class Representative, (iii) any Court-approved Attorneys' Fee Award; and (iv) costs of administration of the Agreement to the Settlement Administrator, including without limitation payment of Administrative Expenses.
- e. In accordance with Paragraph 56 below, the amount of any uncashed checks after the expiration date, less any funds necessary for settlement administration, will be distributed to the *cy pres* recipient, Lucy Parsons Labs, subject to Court approval.
- f. The Settlement Fund represents the total extent of the Released Parties' monetary obligations under the Settlement Agreement. Defendant's contribution to the Settlement Fund shall be fixed under this Section and be final. Released Parties shall have no obligation to make further payments into the Settlement Fund and shall have no financial responsibility or obligation relating to the settlement beyond the Settlement Fund.
- g. The Court may require changes to the method of allocation to Settlement Class Members without invalidating this Settlement Agreement, provided that the other material terms of the Settlement Agreement are not altered, including but not limited to the scope of the Release, the scope of the Settlement Class, and the amount of the Settlement Fund.

IV. SETTLEMENT RELIEF

56. Settlement Payments to Settlement Class Members

- a. The Settlement Administrator shall send each Settlement Class Member a Settlement Payment Check within fourteen (14) days of the Effective Date via First Class U.S. Mail to their last known mailing address, as updated through the National Change of Address Database, if necessary, by the Settlement Administrator.
- b. All Settlement Payments will state on the face of the check that the check will expire and become null and void unless cashed within ninety (90) days after the date of issuance.
- c. To the extent that a check issued to a Settlement Class Member is not cashed within one-hundred and twenty (120) days after the date of issuance, the check will be void, and such funds shall be distributed to Lucy Parsons Lab pursuant to 735 ILCS 5/2-807(b), subject to approval of the Court.
- d. In no event shall any amount paid by Defendant into the Escrow Account revert to Defendant.

57. Prospective Relief: Defendant represents that it has received informed consent to obtain biometric data from any employee using the timeclock at issue. Defendant further represents that it will not transfer or otherwise disseminate such biometric information or identifiers without informed written consent, and will ensure the permanent deletion of such biometric information or identifiers as required by BIPA.

V. RELEASE

58. In addition to the effect of any final judgment entered in accordance with this Agreement, upon final approval of this Agreement, and for other valuable consideration as described herein, the Released Parties shall be completely released, acquitted, and forever discharged from any and all Class Released Claims.
59. As of the Effective Date, and with the approval of the Court, all Releasing Parties hereby fully, finally, and forever release, waive, discharge, surrender, forego, give up, abandon, and cancel all Class Released Claims against the Released Parties. As of the Effective Date, all Releasing Parties will be forever barred and enjoined from prosecuting any action against the Released Parties asserting any and/or all Class Released Claims.
60. Each Releasing Party waives any and all defenses, rights, and benefits that may be derived from the provisions of applicable law in any jurisdiction that, absent such waiver, may limit the extent or effect of the release contained in this Agreement.
61. The Released Parties do not admit any liability or wrongdoing. The Settlement Agreement may not be construed in whole or in part as an admission of fault by the Released Parties. The Released Parties agree to this settlement to avoid the burden and expense of litigation without in any way acknowledging any fault or liability.

VI. PRELIMINARY APPROVAL ORDER

62. This Settlement shall be subject to approval of the Court. As set forth in Section XIII, either Party shall have the right to withdraw from the Settlement if the Court does not approve the material aspects of the Settlement.

63. Plaintiff, through Class Counsel, shall submit this Agreement, together with its Exhibits, to the Court and shall move the Court for Preliminary Approval of the settlement set forth in this Agreement, certification of the Settlement Class, appointment of Class Counsel and the Class Representatives, and entry of the Preliminary Approval Order, substantially in the form of Exhibit D, which order shall seek a Final Approval Hearing date and approve the Notices and Claim Form for dissemination in accordance with the Notice Plan.
64. At the time of the submission of this Settlement Agreement to the Court as described above, the Parties shall request that, after Notice is given, the Court hold a Final Approval Hearing approximately one hundred (100) days after entry of the Preliminary Approval Order and approve the settlement of the Litigation as set forth herein.
65. Procedure for Approving Settlement
 - a. Plaintiff will file an unopposed motion for an order conditionally certifying the Settlement Class, giving Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice (the “Unopposed Motion for Preliminary Approval”) under the terms specified herein.
 - b. At the hearing on the Unopposed Motion for Preliminary Approval, the Parties will jointly appear, support the granting of the Unopposed Motion for Preliminary Approval, and submit a proposed order granting conditional certification of the Class and preliminary approval of the Settlement; appointing the Class Representatives and Class Counsel; approving the forms of notice to the Settlement Class; and setting the Final Approval Hearing.

- c. For the purposes of the Settlement and the proceedings contemplated herein only, the Parties stipulate and agree that the Class shall be conditionally certified in accordance with the definition contained above, that Plaintiff shall be conditionally appointed class representative, and that Plaintiff's Counsel shall be conditionally appointed as counsel for the Class. Should the Court decline to preliminarily approve any material aspect of the Settlement, the Settlement will be null and void, the Parties will have no further obligations under it, and the Parties will revert to their prior positions in the Action as if the Settlement had not occurred.

VII. SETTLEMENT ADMINISTRATOR'S DUTIES

66. The Settlement Administrator shall provide notice to class members as outlined below, in Section VIII.
67. Within fourteen (14) days after the entry of the Preliminary Approval, the Settlement Administrator will develop, host, administer and maintain the Settlement Website at an available URL reasonably acceptable and approved in advance by the Parties, containing the notice substantially in the form of Exhibit C, the "Long Form Notice".
68. If any Notice is returned as undeliverable, the Settlement Administrator shall forward it to any forwarding address provided by the U.S. Postal Service. If no such forwarding address is provided, the Settlement Administrator will utilize a national address locator service to attempt to obtain the most recent address for the Settlement Class Member. For any Notice sent to Class Members that are returned undeliverable, Settlement Class Members will have the longer of the remaining time to object/opt-out of the Settlement or fourteen (14) days from the date of any remailing to object or opt out of the Settlement as provided herein.

69. The Settlement Administrator shall maintain reasonably detailed records of its activities under this Settlement Agreement. The Settlement Administrator shall maintain all such records as required by applicable law in accordance with its business practices and such records will be made available to Class Counsel and Defendant's Counsel upon request. The Settlement Administrator shall also provide reports and other information to the Court as the Court may require. Upon request, the Settlement Administrator shall provide Class Counsel and Defendant's Counsel with information concerning Notice, requests for exclusion, administration, and implementation of the Settlement.
70. The Settlement Administrator shall receive requests for exclusion from persons in the Settlement Class and provide to Class Counsel and Defendant's Counsel a copy thereof within five (5) days of the Objection/Exclusion Deadline. If the Settlement Administrator receives any requests for exclusion or other requests from Settlement Class Members after the deadline for the submission of requests for exclusion, the Settlement Administrator shall promptly provide copies thereof to Class Counsel and Defendant's Counsel.
71. The Settlement Administrator shall make the Settlement Payments as described in Section V by check and mail them to Settlement Class Members within fourteen (14) days after the Effective Date.
72. The Settlement Administrator shall be responsible for all tax filings related to the Escrow Account, including requesting Form W-9s from Settlement Class Members, performing back-up withholding as necessary, and making any required "information returns" as that term is used in 26 U.S.C. § 1 *et seq.*

VIII. NOTICE TO PROPOSED SETTLEMENT CLASS MEMBERS

73. Class List

- a. Defendant shall provide the Settlement Administrator a list of all names and last known addresses, in its possession, of all persons in the Settlement Class (the “Class List”) as soon as practicable, but no later than fourteen (14) days after entry of the Preliminary Approval Order.
- b. The Settlement Administrator shall keep the Class List, and all personal information obtained therefrom, strictly confidential.
- c. Prior to mailing Notice, the Settlement Administrator will update the addresses on the Class List using the National Change of Address database and other available resources deemed suitable by the Settlement Administrator. The Settlement Administrator shall take all reasonable steps to obtain the correct address of any Class Members for whom Notice is returned by the U.S. Postal Service as undeliverable and shall attempt re-mailings as described above.

74. Direct Notice

- a. No later than the Notice Date, the Settlement Administrator shall send Notice via first-class U.S. Postal Service to each Settlement Class Member substantially in the form attached as Exhibit B.
- b. The Notice shall advise Settlement Class Members prior to the Final Approval Hearing that there is a pending settlement and to further inform Settlement Class Members of their rights under the Settlement, including:
 - i. Their right to be excluded from the settlement and the deadlines and procedure for doing the same;

- ii. Their right to object to the settlement and the procedure and deadlines for doing the same;
- iii. The address to the Settlement Website and that such website contains further information regarding the Settlement.

IX. EXCLUSIONS

75. Exclusion Period. On or before the Objection/Exclusion Deadline, Settlement Class Members may exclude themselves from the Settlement in accordance with this Section. If the Settlement is finally approved by the Court, all Settlement Class Members who have not validly excluded themselves by the end of the Objection/Exclusion Deadline will be bound by the Settlement and will be deemed a Releasing Party as defined herein, and the relief provided by the Settlement will be their sole and exclusive remedy for the claims alleged by the Settlement Class.
76. Exclusion Process
 - a. A member of the Settlement Class may request to be excluded from the Settlement Class in writing by a request postmarked on or before the Objection/Exclusion Deadline.
 - b. To exercise the right to be excluded, a member of the Settlement Class must timely request exclusion by providing his/her/their name, address, and telephone number; the name and number of this case, a statement that he/she/they wishes to be excluded from the Settlement Class; and a signature. A request to be excluded that is sent to an address other than that designated in the Class Notice, or that is not postmarked within the time specified, shall be invalid and the person serving

such a request shall be considered a member of the Settlement Class and shall be bound as Settlement Class Members by the Agreement, if approved.

c. Any member of the Settlement Class who elects to be excluded shall not:

- i. be bound by any order or final Judgment;
- ii. be entitled to relief under this Settlement Agreement;
- iii. gain any rights by virtue of this Settlement Agreement; or
- iv. be entitled to object to any aspect of this Settlement Agreement. A member of the Settlement Class who requests to be excluded from the Settlement Class also cannot object to the Settlement.

77. The request for exclusion must be personally signed by the person requesting exclusion.

So-called “mass” or “class” exclusion requests shall not be permitted.

78. Within three (3) business days after the Objection/Exclusion Deadline, the Settlement Administrator shall provide Class Counsel and Defendant’s Counsel a written list reflecting the name and address of all persons who make a timely and valid exclusion from the Settlement Class.

79. A list reflecting all individuals who timely and validly excluded themselves from the Settlement shall also be filed with the Court at the time of the motion for final approval of the Settlement.

X. OBJECTIONS

80. The Notice shall advise Settlement Class Members of their rights, including the right to be excluded from or object to the Settlement Agreement and its terms.

81. The Notice shall specify that any objection to this Settlement Agreement, and any papers submitted in support of said objection, shall be received by the Court at the Final Approval Hearing only if, on or before the Objection/Exclusion Deadline approved by the Court, the person making an objection shall file notice of his/her/their intention to do so and at the same time:
- a. file copies of such papers he/she/they proposes to submit at the Final Approval Hearing with the Clerk of the Court; and
 - b. send copies of such papers via United States mail, hand delivery, or overnight delivery to both Class Counsel and Defendant's Counsel. A copy of the objection must also be mailed to the Settlement Administrator at the address that the Settlement Administrator will establish to receive requests for exclusion or objections, Claim Forms, and any other communication relating to this Settlement.
82. Any Settlement Class Member who intends to object to this Settlement must include in any such objection:
- a. his/her/their full name, address, email address, and current telephone number;
 - b. the case name and number of the Litigation;
 - c. all grounds for the objection, with factual and legal support for the stated objection, including any supporting materials;
 - d. the identification of any other objections he/she/they has filed, or has had filed on his/her/their behalf, in any other class action cases in the last four years; and
 - e. the objector's signature.

83. If represented by counsel, the objecting Settlement Class Member must also provide the name and telephone number of his/her/their counsel. If the objecting Settlement Class Member intends to appear at the Final Approval Hearing, either with or without counsel, he/she/they must state as such in the written objection, and must also identify any witnesses he/she/they may call to testify at the Final Approval Hearing and all exhibits he/she/they intends to introduce into evidence at the Final Approval Hearing, which must also be attached to, or included with, the written objection.
84. Any Settlement Class Member who fails to timely file and serve a written objection and notice of intent to appear at the Final Approval Hearing pursuant to this Agreement, shall not be permitted to object to the approval of the Settlement at the Final Approval Hearing and shall be foreclosed from seeking any review of the Settlement or the terms of the Agreement by appeal or other means.
85. Settlement Class Members cannot both object to and exclude themselves from this Settlement Agreement. The Settlement Administrator shall attempt to contact any Settlement Class Member who submits both a request for exclusion and an objection at least one time by e-mail or, if no e-mail address is available, by telephone to give the Settlement Class Member an opportunity to clarify whether they choose to exclude themselves or proceed with their objection. The Settlement Class Member shall have until twenty-one (21) days prior to the Final Approval Hearing to inform the Settlement Administrator regarding their final choice. Any Settlement Class Member who attempts to both object to and exclude themselves from this Settlement Agreement and fails to clarify their final choice, or if the Settlement Administrator is unable to contact such Settlement Class Member after reasonable effort as set forth in this paragraph, will be

deemed to have excluded themselves and will forfeit the right to object to this Settlement Agreement or any of its terms.

XI. FINAL APPROVAL HEARING

86. The Parties will jointly request that the Court hold a Final Approval Hearing approximately one hundred (100) days after entry of the Preliminary Approval Order. The Final Approval Hearing will be conducted by Zoom videoconference or as the Court otherwise directs.
87. At least fourteen (14) days prior to the Final Approval Hearing, or by some other date if so directed by the Court, Plaintiff will move for (i) final approval of the Settlement; (ii) final appointment of the Class Representatives and Class Counsel; and (iii) final certification of the Settlement Class, including for the entry of a Final Order and Judgment consistent with Section XII below, and file a memorandum in support of the motion for final approval. Plaintiff shall provide a copy of the motion for final approval and supporting memorandum at least five (5) business days in advance of filing to Defendant's counsel for review.
88. At the Final Approval Hearing, the Parties will request that the Court consider whether the Settlement Class should be certified as a class pursuant to 735 ILCS § 5/2-801 for settlement and, if so,
- a. consider any properly and timely filed objections,
 - b. determine whether the Settlement is fair, reasonable and adequate, was entered into in good faith and without collusion, and should be approved, and shall provide findings in connections therewith, and

- c. enter the Final Approval Order, including final approval of the Settlement Class and the Settlement Agreement, and Fee and Incentive Awards.

XII. FINAL APPROVAL ORDER

89. The Parties shall jointly seek entry of a Final Approval Order, the text of which the Parties shall agree upon. The dismissal orders, motions or stipulation to implement this Section shall, among other things, seek or provide for a dismissal with prejudice and waiving any rights of appeal.
90. The Parties shall jointly submit to the Court a proposed final order that, without limitation:
 - a. Approves finally this Agreement and its terms as being a fair, reasonable, and adequate settlement as to the Settlement Class Members within the meaning of 735 ILCS 5/2-801 and directing its consummation according to its terms;
 - b. Dismisses, with prejudice, all claims of the Settlement Class against Defendant in the Litigation, without costs and fees except as explicitly provided for in this Agreement; and
 - c. Reserves continuing and exclusive jurisdiction over the Settlement and this Agreement, including but not limited to the Litigation, the Settlement Class, the Settlement Class Members, Defendant, and the Settlement for the purposes of administering, consummating, supervising, construing and enforcing the Settlement Agreement and the Settlement Fund.

91. Class Counsel shall use their best efforts to assist Defendant in obtaining dismissal with prejudice of the Litigation and take all steps necessary and appropriate to otherwise effectuate all aspects of this Agreement.

XIII. TERMINATION OF THE SETTLEMENT

92. The Settlement is conditioned upon preliminary and final approval of the Parties' written Settlement Agreement, and all terms and conditions thereof without material change, material amendments, or material modifications by the Court (except to the extent such changes, amendments or modifications are agreed to in writing between the Parties). All Exhibits attached hereto are incorporated into this Settlement Agreement. Accordingly, any Party may elect to terminate and cancel this Settlement Agreement within ten (10) days of any of the following events:

- i. This Settlement Agreement is changed in any material respect to which the Parties have not agreed in writing;
- ii. The Court refuses to grant Preliminary Approval of this Agreement;
- iii. The Court refuses to grant final approval of this Agreement in any material respect;
- iv. The Court refuses to enter a final judgment in this Litigation in any material respect; or
- v. The Court's order granting preliminary or final approval is substantially modified or reversed.

93. In the event the Settlement Agreement is not approved or does not become final, or is terminated consistent with the provisions herein, the Parties, pleadings, and proceedings

will return to the *status quo ante* as if no settlement had been negotiated or entered into, and the Parties will negotiate in good faith to establish a new schedule for the Litigation.

XIV. ATTORNEYS' FEES, COSTS AND EXPENSES AND INCENTIVE AWARD

94. At least twenty-one (21) days prior to the Objection/Exclusion Deadline, Class Counsel will move the Court for an award of attorneys' fees plus their reasonable costs and expenses.
95. The amount of the Fee Award shall be determined by the Court based on a petition from Class Counsel. Class Counsel has agreed, with no consideration from Defendant, to limit their request for fees, costs, and reasonable expenses to no more than \$80,000 of the Settlement Fund. Defendant agrees to not object to or otherwise challenge, directly or indirectly, Class Counsel's petition for attorneys' fees, costs, and expenses if limited to this amount. Payment of the Fee Award shall be made from the Settlement Fund and should the Court award less than the amount sought by Class Counsel, the difference in the amount sought and the amount ultimately awarded pursuant to this section shall remain in the Settlement Fund and be distributed to Settlement Class Members.
96. The Fee Award shall be paid solely from the Settlement Fund by wire transfer from the Settlement Administrator within seven (7) days of the Effective Date and sent to an account designated by Class Counsel.
97. Notwithstanding any contrary provision of this Agreement, the Court's consideration of the Fee Award is to be conducted separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement Agreement, and any award made by the Court with respect to Class Counsel's attorneys' fees or expenses, or any

proceedings incident thereto, including any appeal thereof, shall not operate to terminate or cancel this Agreement or be deemed material thereto.

98. Prior to or at the same time as Plaintiff seeks final approval of the Settlement Agreement, Class Counsel shall move the Court for an Incentive Award for the Class Representative in an amount not to exceed \$7,500 (Seven-Thousand Five-Hundred Dollars), and Defendant agrees that it will not oppose the requested Incentive Award. The Incentive Awards shall be paid solely from the Settlement Fund and should the Court award less than the amount sought by Class Counsel, the difference in the amount sought and the amount ultimately awarded pursuant to this section shall remain in the Settlement Fund and be distributed to Settlement Class Members.
99. Payment of the Incentive Awards shall be made by check payable to the Plaintiff and mailed by the Settlement Administrator to Plaintiff's Counsel within seven (7) days of the Effective Date.
100. In no event will Defendant's liability for attorneys' fees, expenses, and costs, Administration Expenses, and/or an Incentive Award exceed the funding obligations set out this Agreement. Defendant shall have no financial responsibility for this Settlement Agreement outside of the Settlement Fund. Defendant shall have no further obligation for attorneys' fees or expenses to any counsel representing or working on behalf of either one or more individual Settlement Class Members or the Settlement Class. Defendant will have no responsibility, obligation or liability for allocation of fees and expenses among Class Counsel.

XV. MISCELLANEOUS REPRESENTATIONS

101. For income tax purposes, the Parties agree that payments made pursuant to this Agreement shall be allocated as statutory penalties and shall not be subject to required withholdings and deductions and may be reported as non-wage income, as required by law. If required by IRS regulations, the Settlement Administrator shall issue to each Class Participant who cashes a Settlement Check, and the Class Representative who cashes any Incentive Award, an IRS Form 1099. Other than the reporting requirements herein, Class Participants shall be solely responsible for the reporting and payment of their share of any federal, state and/or local income or other taxes on payments received pursuant to this Settlement Agreement. It is understood and agreed that Defendant takes no position and offer no advice regarding how any Class Member chooses to treat any payment made hereunder for tax or any other purpose.
102. Each Party to this Settlement Agreement acknowledges and agrees that
- a. no provision of this Settlement Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers regarding this Settlement Agreement, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended);
 - b. each Party (A) has relied exclusively upon his, her or its own, independent legal and tax advisers for advice (including tax advice) in connection with this Settlement Agreement, (B) has not entered into this Settlement Agreement based upon the recommendation of any Party or any attorney or advisor to any other Party, and (C) is not entitled to rely upon any communication or

disclosure by any attorney or adviser to any other Party to avoid any tax penalty that may be imposed on that Party; and

- c. no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement Agreement.

103. The Parties agree that the Settlement Agreement provides fair, equitable and just compensation, and a fair, equitable, and just process for determining eligibility for compensation for any given Settlement Class Member related to the Released Claims.

104. The Parties (i) acknowledge that it is their intent to consummate this Settlement Agreement, and (ii) agree, subject to their fiduciary and other legal obligations, to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Agreement and to exercise their reasonable best efforts to accomplish the foregoing terms and conditions of this Agreement. Class Counsel and Defendant's Counsel agree to cooperate with each other in seeking Court approval of the Preliminary Approval Order, the Settlement Agreement, and the Final Approval Order, and promptly to agree upon and execute all such other documentation as may be reasonably required to obtain final approval of the Settlement.

105. The Parties intend this Settlement Agreement to be a final and complete resolution of all disputes between them with respect to the Released Claims by Plaintiff and the

Settlement Class, and each or any of them, on the one hand, against the Released Parties, and each or any of the Released Parties, on the other hand.

106. Nothing express or implied in this Agreement is intended or shall be construed to confer upon or give any person or entity other than the Parties, Released Parties, and Settlement Class Members any right or remedy under or by reason of this Agreement. Each of the Released Parties is an intended third-party beneficiary of this Agreement with respect to the Released Claims and shall have the right and power to enforce the release of the Released Claims in his, her or its favor against all Releasing Parties.
107. The Parties have relied upon the advice and representation of counsel, selected by them, concerning their respective legal liability for the claims hereby released. The Parties have read and understand fully this Settlement Agreement, including its Exhibits, and have been fully advised as to the legal effect thereof by counsel of their own selection and intend to be legally bound by the same.
108. Any headings used herein are used for the purpose of convenience only and are not meant to have legal effect.
109. The waiver by one Party of any breach of this Agreement by any other Party shall not be deemed as a waiver of any prior or subsequent breach of this Agreement.
110. This Agreement and its Exhibits set forth the entire agreement and understanding of the Parties with respect to the matters set forth herein, and supersede all prior negotiations, agreements, arrangements and undertakings with respect to the matters set forth herein. No representations, warranties or inducements have been made to any Party concerning this Agreement or its Exhibits other than the representations, warranties and covenants contained and memorialized in such documents.

111. This Agreement may not be amended, modified, altered, or otherwise changed in any manner except by a written instrument signed by or on behalf of all Parties or their respective successors-in-interest.
112. The Parties agree that Exhibits B through D to this Settlement Agreement are material and integral parts thereof and are fully incorporated herein by this reference.
113. The Parties may agree, subject to the approval of the Court where required, to reasonable extensions of time to carry out the provisions of the Agreement.
114. Except as otherwise provided herein, each Party shall bear its own costs.
115. Plaintiff represents and warrants that she has not assigned any claim or right or interest therein as against the Released Parties to any other person or party.
116. The Parties represent that they have obtained the requisite authority to enter this Settlement Agreement in a manner that binds all Parties to its terms.
117. The Parties specifically acknowledge, agree and admit that this Settlement Agreement and its Exhibits, along with all related drafts, motions, pleadings, conversations, negotiations, correspondence, orders or other documents shall be considered a compromise within the meaning of Illinois Rule of Evidence Rule 408, and any other equivalent or similar rule of evidence, and shall not (1) constitute, be construed, be offered, or received into evidence as an admission of the validity of any claim or defense, or the truth of any fact alleged or other allegation in the Litigation or in any other pending or subsequently filed action, or of any wrongdoing, fault, violation of law, or liability of any kind on the part of any Party, or (2) be used to establish a waiver of any defense or right, or to establish or contest jurisdiction or venue.



118. This Settlement Agreement, whether approved or not approved, revoked, or made ineffective for any reason, and any proceedings related to this Settlement Agreement and any discussions relating thereto, shall be inadmissible as evidence of any liability or wrongdoing whatsoever and shall not be offered as evidence of any liability or wrongdoing in any court or other tribunal in any state, territory, or jurisdiction, or in any manner whatsoever. Further, neither this Settlement Agreement, the Settlement contemplated by it, nor any proceedings taken under it, will be construed or offered or received into evidence as an admission, concession or presumption that class certification is appropriate, except to the extent necessary to consummate this Agreement and the binding effect of the Final Order and Judgment.
119. The provisions of this Settlement Agreement, and any orders, pleadings or other documents entered in furtherance of this Settlement Agreement, may be offered or received in evidence solely (1) to enforce the terms and provisions hereof or thereof, (2) as may be specifically authorized by a court of competent jurisdiction after an adversary hearing upon application of a Party hereto, (3) to establish payment, or an affirmative defense of preclusion or bar or other defense in a subsequent case, (4) in connection with any motion to enjoin, stay or dismiss any other action, and/or (5) to obtain Court approval of the Settlement Agreement.
120. This Agreement may be executed in one or more counterparts exchanged by hand, messenger, facsimile, or PDF as an electronic mail attachment. All executed counterparts and each of them shall be deemed to be one and the same instrument, provided that counsel for the Parties to this Agreement all exchange signed counterparts.

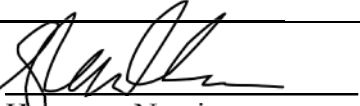

- 121. This Agreement shall be binding upon, and insure to the benefit of, the successors and assigns of the Parties hereto and the Released Parties.
- 122. The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and the Parties hereby submit to the jurisdiction of the Court for purposes of implementing and enforcing the settlement embodied in this Agreement.
- 123. This Agreement shall be governed by and construed in accordance with the laws of the state of Illinois.
- 124. This Agreement is deemed to have been prepared by Counsel for the Parties as a result of arm’s-length negotiations among the Parties. Whereas all Parties have contributed substantially and materially to the preparation of this Agreement and its Exhibits, it shall not be construed more strictly against one Party than another.
- 125. Unless otherwise stated herein, any notice required or provided for under this Agreement shall be in writing and shall be sent by electronic mail or hand delivery, postage prepaid, as follows:

Class Counsel	Defendant’s Counsel
Michael Drew Neighborhood Legal, LLC 20 N. Clark Street #3300 Chicago, IL 60602 mwd@neighborhood-legal.com	J. Hayes Ryan Gordon Rees Scully Mansukhani, LLP 1 N. Franklin #800 Chicago, IL 60606 rdaniels@grsm.com

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AGREED:

 _____ Jasmine Chatman <i>By and through her attorneys</i>	<u>1/24/2023</u> Date	 _____ Michael Drew Neighborhood Legal, LLC <i>Attorneys for Plaintiff Jasmine Chatman</i>	<u>1/24/2023</u> Date
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 _____ Harmony Nursing & Rehabilitation Center, Inc VP Finance _____ Title	<u>1/30/2023</u> Date	 _____ J. Hayes Ryan Gordon Rees Scully Mansukhani, LLP <i>Attorneys for Defendant Harmony Nursing & Rehabilitation Center, Inc.</i>	<u>2/6/2023</u> Date
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