

UNITED STATES OF AMERICA


STATE OF ILLINOIS

COUNTY OF DU PAGE

IN THE CIRCUIT COURT OF THE EIGHTEENTH JUDICIAL CIRCUIT

TERRELL CLINE ET AL.  
 Plaintiff  
  
 -VS-  
  
INLINE NETWORK INTEGRATION LLC  
 Defendant

2023LA000402  
CASE NUMBER

**FILED**  
**23 Sep 07 PM 01: 59**  
  
 CLERK OF THE  
 18TH JUDICIAL CIRCUIT  
 DUPAGE COUNTY, ILLINOIS

ORDER

**ORDER GRANTING UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF CLASS SETTLEMENT AGREEMENT**

This matter came before the Court on Plaintiff Terrell Cline, Plaintiff Edward Jespon, and Kyle Compton’s (“Plaintiffs” or “Class Representatives”) Unopposed Motion for Preliminary Approval of Class Settlement Agreement (“Motion”). Plaintiffs, individually, and on behalf of the proposed Settlement Class, and Defendant Inline Network Integration, LLC (“Inline,” and together with Plaintiffs, the “Parties”) have entered into a Settlement Agreement (the “Settlement Agreement”) that settles the above-captioned litigation.

On or about March 12, 2022, Inline became aware of suspicious activity in its systems. Class Action Complaint (“Complaint” or “Comp.”), Docket No. 1, ¶26. After an investigation, Inline learned that an unauthorized actor potentially gained access to certain systems and certain information within those systems (the “Data Security Incident”). *Id.* Inline began notifying Plaintiffs and the Settlement Class about the Data Security Incident in June 2022. *Id.*

On August 8, 2022, Plaintiffs, individually and on behalf of a putative class, filed an action against Inline in the United States District Court for the Northern District of Texas, Dallas Division, styled *Cline v. Inline Network Integration LLC*, Case No.: 3:22-cv-1711-K. On April 19, 2023, Plaintiffs dismissed that action and refiled in Illinois State Court, DuPage County, captioned *Cline v. Inline Network Integration LLC*, Case No. 2023LA000402. The Complaint alleges claims arising from the Data Security Incident. Specifically, Plaintiffs asserted five causes of action against Inline (i) negligence; (ii) negligence *per se*; (iii) breach of fiduciary duty; (iv) intrusion upon seclusion and invasion of privacy; and (v) violations of the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 Ill. Comp. Stat. §§ 505/1, *et seq.*

The Parties, through their counsel, have entered into a Settlement Agreement following good faith, arm’s-length negotiations and a mediation overseen by Mr. Bruce A. Friedman, Esq. of JAMS. The Parties have agreed to settle the Lawsuit, pursuant to the terms of the Settlement Agreement, and subject to the approval and determination of the Court as to the fairness, reasonableness, and adequacy of the Settlement which, if approved, will result in dismissal of the Lawsuit with prejudice.

Having reviewed the Settlement Agreement, including the exhibits attached thereto, and all prior proceedings herein, and for good cause shown, it is hereby ordered that Plaintiffs’ Unopposed Motion for Preliminary Approval of Class Action Settlement is **GRANTED** as set forth herein.[1] This Order is based on 735 ILCS 5/2-801 through 806.

1. **Class Certification for Settlement Purposes Only.** For settlement purposes only and pursuant to 735 ILCS 2-801, the Court conditionally certifies the Settlement Class in this matter defined as follows:

All persons residing in the United States to whom Inline sent its notice of a Data Security Incident that Inline discovered on or about March 12, 2022.

Excluded from the Settlement Class are:

(i) Inline; (ii) the Related Entities; (iii) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; (iv) any judges assigned to this case and their staff and family; and (v) any other Person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding or abetting the criminal activity occurrence of the Data Security Incident or who pleads *nolo contendere* to any such charge.

The Court conditionally finds, for settlement purposes only, that: (1) the Settlement Class is so numerous that joinder of all members is impracticable, (2) there are questions of law or facts common to the Settlement Class, (3) the claims or defenses of the Class Representatives are typical of the claims or defenses of the Settlement Class, (4) the Class Representatives and Settlement Class Counsel will fairly and adequately assert and protect the interests of the Settlement Class under the criteria set forth in 735 ILCS 2-801, and a class action provides a fair and efficient method of adjudication of the controversy.

2. **Class Representatives and Settlement Class Counsel.**

Terrell Cline, Edward Jepson, and Kyle Compton are hereby designated and appointed as the Class Representatives. The Court provisionally finds that the Class Representatives are similarly situated to absent Settlement Class Members and therefore typical of the Class and that they will be adequate Class Representative.

The Court finds that the following counsel is experienced and adequate counsel and is hereby provisionally designated as Settlement Class Counsel: Gary M. Klinger of Milberg Coleman Bryson Phillips Grossman, PLLC and Raina Borrelli and Samuel Strauss of Turke & Strauss LLP.

3. **Preliminary Settlement Approval.** Upon preliminary review, the Court concludes and finds that the proposed Settlement is fair, reasonable, adequate, and in the best interests of the Settlement Classes to warrant providing Notice of the Settlement to the Settlement Class and accordingly the proposed Settlement is preliminarily approved.

4. **Jurisdiction.** The Court concludes that it has subject matter jurisdiction and personal jurisdiction over the Parties before it for the purposes of the Settlement. Additionally, venue is proper in this Court.

5. **Final Approval Hearing.** A Final Approval Hearing shall be held on **December 13, 2023 at 9:30 a.m.** in Courtroom 2018, of the Circuit Court of DuPage County, Illinois, 505 N County Farm Road, Wheaton, Illinois 60187, to determine, among other things, whether: (a) this matter should be finally certified as a class action pursuant to 735 ILCS 2-801; (b) the Settlement Agreement between the Parties should be finally approved; (c) the Settlement and Settlement Agreement should be finally approved as fair, reasonable, adequate, and in the best interests of the Settlement Class; (d) the action should be dismissed with prejudice pursuant to the terms of the Settlement Agreement; (e) Settlement Class Members (except those who have timely and valid requests for exclusion from the Settlement) should be bound by the releases set forth in the Settlement Agreement; (f) Plaintiffs' Motion for Attorneys' Fees, Costs, Expenses, and Service Awards should be granted; (g) Gary M. Klinger of Milberg Coleman Bryson Phillips Grossman, PLLC and Raina Borrelli and Samuel Strauss of Turke & Strauss LLP should be appointed as Settlement Class Counsel; and (h) Terrell Cline and Edward Jepson should be appointed as Class Representative.

Plaintiffs' Motion for Final Approval of the Class Action Settlement shall be filed with the Court at least **fourteen (14) Days prior to the date of the Final Approval Hearing**, and Plaintiffs' Motion for Attorneys' Fees, Costs, Expenses, and Service Award to Class Representatives shall be filed with the Court at least **fourteen (14) Days prior to the deadline for Settlement Class Members to opt-out of or object to the Settlement.**

6. **Administration.** The Court appoints Kroll as the Settlement Administrator, with responsibility for the Notice Program and Claims Administration and to fulfill the duties of the Settlement Administrator set forth in the Settlement Agreement. Inline shall pay the Notice and Claims Administration Costs, including, but not limited to, the Settlement Administrator's fees, as well as the costs associated with the provision of notice to the Settlement Class Members and administration of the Settlement.

7. **Notice to the Class.** The proposed Notice Program set forth in the Settlement Agreement, including the Short Form Notice and the Long Notice, which are attached to the Settlement Agreement as **Exhibits A-B**, respectively, satisfy the requirements of 735 ILCS 5-2/801, the United States Constitution, the Illinois Constitution, and other applicable laws, and constitute reasonable notice of the commencement of the action, provide a fair recital of the subject matter and proposed terms of the Settlement, provide Settlement Class Members with details regarding how to request exclusion from or to object to the Settlement Agreement, and are hereby approved. Non-material modifications to these exhibits may be made without further order of the Court. The Settlement Administrator and Inline are directed to carry out the Notice Program in conformance with the Settlement Agreement.

Within **thirty (30) Days of the entry of this Preliminary Approval Order** (the "Notice Deadline"), the Settlement Administrator shall send the Notice in **Exhibit A** to all Settlement Class Members whose addresses are known to Inline by first-class U.S. mail.

8. **Findings and Conclusions Concerning Notice.** The Court finds that the form, content, and method of giving notice to the Settlement Class as described in Paragraph 8 of this Preliminary Approval Order and the Settlement Agreement (including the exhibits thereto) constitutes reasonable notice of the commencement of the action to the Settlement Class pursuant to 735 ILCS 5-2/801, the United States Constitution, the Illinois Constitution, and other applicable laws. Specifically, the Notices (both Short Form and Long Form in **Exhibits A and B**, respectively) themselves are clear and straightforward. They define the Settlement Class; clearly describe the options available to class members and the deadlines for taking action; describe the essential terms of the Settlement, including a description of the subject matter and the proposed terms of the Settlement, including a summary of the monetary or other benefits the class would receive; disclose the requested Service Award for the Class Representatives, as well as the amount that Settlement Class Counsel intends to seek in fees, costs, and expenses; describe procedures for making claims, objections, and requesting exclusion; provide information that will enable Settlement Class Members to calculate their individual recovery; describe the date, time, and place of the Final Fairness Hearing; and prominently display the address and phone number of Settlement Class Counsel and the Settlement Administrator for Settlement Class Members to make further inquiry about the Settlement. Finally, direct mailing, combined with publishing on the Settlement Website, is designed to be the best reasonable notice of the commencement of the action to reach the Settlement Class Members under the circumstances. The Court concludes that the Notice Program meets all applicable requirements of law pursuant to 735 ILCS 5-2/801, the United States Constitution, the Illinois Constitution, and other applicable laws.

9. **Exclusion from Class.** Any Settlement Class Member who wishes to be excluded from the Settlement Class must personally sign, and timely submit, complete, and mail a request for exclusion ("Opt-Out Request") to the Settlement Administrator at the address in the Notice. To be effective, an Opt-Out Request must be postmarked ***no later than the final date of the Opt-Out Period, which is the sixty (60)-Day period beginning upon the Notice Deadline.***

For the Opt-Out Request to be valid, it must (a) state the Settlement Class Member's full name, address, and telephone number; (b) contain the Settlement Class Member's personal and original signature (or the original signature of a person previously authorized by law, such as a trustee, guardian, or person acting under a power of attorney to act on behalf of the Settlement Class Member with respect to a claim or right, such as those in the Lawsuit); and (c) clearly manifest the Settlement Class Member's intent to be excluded from the Settlement Class, to be excluded from the Settlement, not to participate in the Settlement, and/or to waive all rights to the benefits of the Settlement.

All Settlement Class Members who submit timely, valid Opt-Out Requests, shall receive no benefits or compensation under the Settlement Agreement, shall gain no rights from the Settlement Agreement, shall not be bound by the Settlement Agreement, and shall have no right to object to the Settlement or proposed Settlement Agreement or to participate at the Final Approval Hearing. An Opt-Out Request or other request for exclusion that does not fully comply with the requirements for requesting exclusion from the Settlement Class or that is not timely submitted or postmarked, or that is sent to an address other than that set forth in the Notice, will be invalid, and the person submitting such request will be treated as a Settlement Class Member and will be bound by the Settlement Agreement, including the Release contained therein, and any judgment entered thereon.

Within fourteen (14) Days after the last Day of the Opt-Out Period, the Settlement Administrator shall furnish to Settlement Class Counsel and to Inline Counsel a complete list of all timely and valid Opt-Out Requests (the "Opt-Out List").

10. **Objections.** A Settlement Class Member who complies with the requirements of this Paragraph may object to the Settlement and to Plaintiffs' Motion for Attorneys' Fees, Costs, and Service Award for the Class Representative.

No Settlement Class Member shall be heard, and no papers, briefs, pleadings, or other documents submitted by any Settlement Class Member shall be received and considered by the Court, unless the objection is: (a) filed with the Clerk of Court **by the Objection Deadline, which is no later than sixty (60) Days after the Notice Deadline**, as set forth in the Settlement Agreement and as specified in the Notice; and (b) mailed or hand delivered to Settlement Class Counsel and Inline's Counsel at the addresses listed in the Notice, and postmarked by no later than the Objection Deadline. For an objection to be considered by the Court, the objection must include the case name, *Cline v. Inline Network Integration LLC*, Case No.: 2023LA000402 filed in Illinois Circuit Court of the 18th Judicial Circuit, County of DuPage and must also include all of the information set forth in Paragraph 7.1 of the Settlement Agreement, which is as follows:

- a. The objecting Settlement Class Member's full name, current address, telephone number, and email address (if any);
- b. Contain the objecting Settlement Class Member's original signature;
- c. Set forth information identifying the objector as a Settlement Class Member, including proof that the objector is within the Settlement Class (e.g., copy of the Notice or copy of original notice of the Data Security Incident);
- d. Set forth a statement of all grounds for the objection, including any legal support for the objection that the objector believes applicable;
- e. Identify all counsel representing the objector;
- f. State whether the objector and/or his or her counsel will appear at the Final Approval Hearing, and;
- g. Contain the signature of the objector's duly authorized attorney or other duly authorized representative (if any), along with documentation setting forth such representation.

If the objecting Settlement Class Member intends to appear at the Final Approval Hearing, either with or without counsel, he or she must also file with the Court, and mail or hand-deliver to Settlement Class Counsel and Inline Counsel, a notice of appearance by the Objection Deadline. If the objecting Settlement Class Member intends to appear at the Final Approval Hearing through counsel, the notice of appearance filed with the Court must:

- a. Identify the attorney(s) representing the objector who will appear at the Final Approval Hearing;
- b. Include each such attorney's name, address, phone number, email address, state bar(s) to which counsel is admitted, as well as associated state bar numbers;
- c. Include a list identifying all objections each counsel has filed to class action settlements in the past three (3) years, the results of each objection, any court opinions ruling on the objections, and any sanctions issued by a court in connection with objections filed by such attorney. and
- d. If the objecting Settlement Class Member intends to request permission from the Court to call witnesses at the Final Approval Hearing, the objecting Settlement Class Member must provide a list of any such witnesses together with a brief summary of each witness's expected testimony at least thirty (30) Days before the Final Approval Hearing.

Any Settlement Class Member who fails to comply in full with the requirements for objecting in the Settlement Agreement, the Notice, and any Court orders will forever waive and forfeit any and all rights he or she may have to raise any objection to the Settlement Agreement, will not be permitted to object to the approval of the Settlement at the Final Approval Hearing, will be foreclosed from seeking any review of the Settlement or the terms of the Settlement Agreement by appeal or other means, and will be bound by the Settlement Agreement and by all proceedings, orders, and judgments in the Lawsuit.

11. **Claims Process and Settlement Administration.** Class Representative and Inline have created a process for assessing and determining the validity and value of claims and a payment methodology to Settlement Class Members who submit a timely, valid Claim Form. The Court preliminarily approves the plan for remuneration described in the Settlement Agreement and directs that the Settlement Administrator effectuate the distribution of Settlement consideration according to the terms of the Settlement Agreement, should the

Settlement be finally approved.

Settlement Class Members who qualify for and wish to submit a Claim Form shall do so in accordance with the requirements and procedures specified in the Notice and the Claim Form. If the Final Order and Judgment is entered, all Settlement Class Members who qualify for any benefit under the Settlement, but fail to submit a claim in accordance with the requirements and procedures specified in the Notice and the Claim Form, shall be forever barred from receiving any such benefit, but will in all other respects be subject to and bound by the provisions in the Settlement Agreement, the Release included in that Settlement Agreement, and the Final Order and Judgment.

12. **Termination of Settlement.** This Preliminary Approval Order shall become null and void and shall be without prejudice to the rights of the Parties, all of whom shall be restored to their respective positions existing as of the date of the execution of the Settlement Agreement, if the Settlement is not finally approved by the Court or is terminated in accordance with the Settlement Agreement. In such event, the Settlement and Settlement Agreement shall become null and void and be of no further force and effect, and neither the Settlement Agreement nor the Court's orders, including this Preliminary Approval Order, relating to the Settlement shall be used or referred to for any purpose whatsoever.

13. **Use of Order.** This Preliminary Approval Order shall be of no force or effect if a Final Order and Judgment is not entered or there is no Effective Date and shall not be construed or used as an admission, concession, or declaration by or against Inline of any fault, wrongdoing, breach, liability, or the certifiability of any class. Nor shall this Preliminary Approval Order be construed or used as an admission, concession, or declaration by or against the Class Representative or any other Settlement Class Member that his or her claim lacks merit or that the relief requested is inappropriate, improper, unavailable, or as a waiver by any Party of any defense or claim he, she, or it may have in this Lawsuit or in any other lawsuit.

14. **Stay of Proceedings.** Except as necessary to effectuate this Preliminary Approval Order, all proceedings and deadlines in this matter are stayed and suspended pending the Final Approval Hearing and issuance of the Final Order and Judgment, or until such further order of this Court. Further, any actions brought by Settlement Class Members concerning the Released Claims are hereby enjoined and stayed pending the Final Approval Hearing and issuance of the Final Order and Judgment, or until such further order of this Court.

15. **Continuance of Hearing.** The Court reserves the right to adjourn or continue the Final Approval Hearing and related deadlines without further written notice to the Settlement Class. If the Court alters any of those dates or times, the revised dates and times shall be posted on the Settlement Website maintained by the Settlement Administrator.

16. **Summary of Deadlines.** The preliminarily approved Settlement shall be administered according to its terms pending the Final Approval Hearing. Deadlines arising under the Settlement Agreement and this Preliminary Approval Order include, but are not limited to:

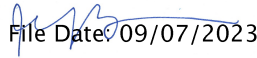
<b>EVENT</b>	<b>DATE</b>
Notice Deadline	October 7, 2023 30 Days after Preliminary Approval
Deadline for Plaintiffs to File Motion for Attorneys' Fees, Costs, Expenses, and Service Award	November 22, 2023 14 Days Prior to Opt-Out and Objection Deadlines
Deadline for Settlement Class Members to Opt-Out of or Object to Settlement Agreement	December 6, 2023 60 Days after Notice Deadline

Deadline for Class Members to Submit Claim Forms (Electronically or Postmarked by Mail)	January 5, 2024 90 Days after Notice Deadline
Deadline for Plaintiffs to File Motion for Final Approval of Settlement	November 29, 2023 14 Days Prior to Final Approval Hearing
<b>Final Approval Hearing</b>	<b>December 13, 2023, at 9:30 a.m.</b> Not less than 120 days after Preliminary Approval

**The Court further strikes the status hearing scheduled for October 4, 2023.**

[1] Unless otherwise indicated, capitalized terms used in this [Proposed] Preliminary Approval Order Granting Unopposed Motion for Preliminary Approval of Class Action Settlement (“Preliminary Approval Order”) have the same meaning as in the Settlement Agreement.

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