

ROBERT S. GARNER a/k/a SCOTT
GARNER,

Plaintiff

v.

AXIP ENERGY SERVICES, LP,

Defendant

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IN THE DISTRICT COURT

151st JUDICIAL DISTRICT

HARRIS COUNTY, TEXAS

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**FOR PERSONS WHOSE INFORMATION WAS POTENTIALLY COMPROMISED IN A DATA BREACH AFFECTING AXIP ENERGY SERVICES, LP BETWEEN MARCH AND MAY 2024***A Texas District Court authorized this Notice. This is not a solicitation from a lawyer.***THIS IS A NOTICE OF A SETTLEMENT OF A CLASS ACTION LAWSUIT. THIS IS NOT A NOTICE OF A LAWSUIT AGAINST YOU.****YOUR LEGAL RIGHTS ARE AFFECTED EVEN IF YOU DO NOTHING. PLEASE READ THIS NOTICE CAREFULLY.****YOU MAY BE ENTITLED TO PARTICIPATE IN A CLASS ACTION SETTLEMENT IF YOU RECEIVED NOTICE OF THE DATA BREACH AFFECTING AXIP ENERGY SERVICES, LP BETWEEN MARCH AND MAY 2024.****YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

SUBMIT A CLAIM BY MARCH 2, 2026	If you submit a Claim Form, <u>included along with this Notice</u> , by March 2, 2026 , your Claim Form will be considered for the settlement benefits claimed therein and described below. Submitting a Claim Form is the only way to receive a settlement benefit from the settlement.
EXCLUDE YOURSELF FROM THE SETTLEMENT BY JANUARY 30, 2026	You can get out of the settlement and retain your legal claims against the Defendant, but you will not get a settlement benefit. This is the only option that allows you to keep your right to bring any other lawsuit against Axip Energy Services, LP relating to the Data Breach.
OBJECT BY JANUARY 30, 2026	You can stay in the settlement but tell the Court why you think the settlement should not be approved. You must remain in the Settlement Class to object to the settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement. The Final Approval Hearing date has not been set. Please visit www.AxipDataSettlement.com for updates.
DO NOTHING	You will not receive any settlement benefit from this class action settlement, but will remain a Class Member and be bound by the releases.

1. What is this Notice?

This is a Court-authorized notice of a proposed settlement in a class action lawsuit, *Garner v. Axip Energy Services, LP*; Case No. 2025-47156, currently pending in the 151st District Court of Harris County, Texas (the “Court”). The Court authorized this Notice because you have a right to know about the settlement, and all of your options, before the Court decides whether to give final approval of the settlement.

The settlement would resolve the Lawsuit brought on behalf of all persons who allege that their information was compromised by the third-party cyberattack perpetrated against Defendant Axip Energy Services, LP’s (“Axip” or “Defendant”) network sometime between March and May 2024 (the “Data Breach”). The Court has granted preliminary approval of the Settlement Agreement and has conditionally certified the Settlement Class for purposes of settlement only. This Notice explains the nature of the class action lawsuit, the terms of the Settlement Agreement, and the legal rights and obligations of members of the Settlement Class. Please read the instructions and explanations below so that you can better understand your legal rights.

2. Why did I receive Notice?

You are receiving this Notice because you were identified by Axip as a person whose information may have been compromised by an unknown individual sometime between March and May of 2024.

3. What is this lawsuit about?

The Action alleges that an incident involving the potential exposure to unauthorized third parties of the confidential, personal information of Axip’s current and former employees and certain other individuals occurred between March and May 2024. Axip notified state Attorneys General of the Data Breach, and it provided notice to individuals whose personal information may have been impacted. The Lawsuit alleges that Axip failed to adequately protect the information of the potentially affected individuals, and asserts various claims, including negligence, unjust enrichment, and breach of implied contract. Axip denies all claims asserted against it in the Action, all allegations of wrongdoing and liability, and all material allegations in the petition filed in the Action. Axip denies any wrongdoing whatsoever.

4. Why is this a class action?

A class action is a lawsuit in which one or more people called “Class Representative(s)” or “Plaintiffs” bring a single lawsuit on behalf of other people who have similar claims. All of these people together are a “Class” or “Class Members.” When a class action is settled, the settlement, which must be approved by the court, resolves the issues for all Class Members, except for those who exclude themselves from the settlement.

5. Who is a Class Member?

All persons residing in the United States whose PII was compromised during the Data Breach that is the subject of the Notice of Data Breach published by Defendant on or about August 21, 2024 and, for the sake of clarity, specifically includes current and former employees, and any other individuals, who received Notice of Data Breach published by Defendant on or about August 21, 2024 (the “Class”).

The Settlement Class will exclude any entity in which Axip has a controlling interest; the affiliates, legal representatives, attorneys, successors, heirs, and assigns of Axip; and members of the judiciary to whom this case is assigned, their families and members of their staff. Also, excluded are Class Members who timely and validly opt out of the settlement.

6. Why is there a settlement?

The Court has not decided in favor of the Plaintiffs or Defendant. To resolve this matter without the expense, delay, and uncertainties of litigation, the Parties reached a settlement that resolves all claims by the Class related to the Data Breach. If approved by the Court, the Settlement Agreement requires Axip to provide, at no cost to Class Members, credit monitoring services, and compensation to certain Class Members who submit valid Claim Forms. The settlement is not an admission of wrongdoing by Axip and does not imply that there has been, or would be, any finding that Axip violated the law.

By order of: Hon. Erica R. Hughes, District Court of Harris County, Texas

The Court already has preliminarily approved the Settlement Agreement. Nevertheless, because the settlement of a class action determines the rights of all members of the Class, the Court overseeing this lawsuit must give final approval to the Settlement Agreement before it can be effective. The Court has conditionally certified the Settlement Class for settlement purposes only, so that members of the Settlement Class can be given this Notice and the opportunity to exclude themselves from the Settlement Class, and to voice their support or opposition to final approval of the Settlement Agreement. If the Court does not give final approval to the Settlement Agreement, or if it is terminated by the Parties, the Settlement Agreement will be void, and the Lawsuit will proceed as if there had been no settlement and no certification of the Settlement Class.

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

You are a member of the Settlement Class if you were sent a “Notice of Data Breach” notifying you of the Data Breach.

YOUR BENEFITS UNDER THE SETTLEMENT

8. What can I get from the settlement?

All Settlement Class Members who submit a claim are eligible for three (3) years of free credit monitoring from three credit bureaus, which is in addition to any free credit monitoring initially provided by Axip following the Data Breach. Class Members who submit a claim can also receive monetary relief, in addition to credit monitoring, including: (1) a one-time cash payment of \$63.00 per claimant, and (2) reimbursement for documented out-of-pocket extraordinary expenses incurred as a direct result of the Data Breach up to \$3,000.00 per claimant. The one-time Cash Payment can be combined with claims for documented unreimbursed out-of-pocket extraordinary losses but are subject to the \$3,000.00 cap.

9. When will I receive these benefits?

The Court will hold a Final Approval Hearing, to decide whether to approve the settlement. The Final Approval Hearing date has not been set. Please visit www.AxipDataSettlement.com for updates. If you submit a valid Claim for credit monitoring, you will receive these benefits after the Court enters a Final Approval Order. If you submit a valid Claim for monetary recovery, you will receive payment after the Court enters a Final Approval Order in the amount approved by the Settlement Administrator after processing your Claim.

10. I want to be a part of the settlement. What do I do?

To receive a settlement benefit, you must complete and submit the Claim Form found on the Settlement Website and included along with this Notice, along with the requisite documentation. Read the Claim Form instructions carefully, fill out the Claim Form, provide the required documentation and submit online by March 2, 2026.

There can be only one Valid and Timely Claim per Class Member.

11. What counts as an unreimbursed out-of-pocket extraordinary expense and what documentation is needed?

Each Class member may submit a claim for a one-time payment of \$63.00 as compensation for damages related to the Data Breach. Claims for the one-time Cash Payment can be combined with claims for documented unreimbursed out-of-pocket extraordinary expenses but are subject to the \$3,000.00 cap.

Class Members are eligible to submit claims of up to \$3,000.00 (in total per Class Member and inclusive of the \$63.00 one-time payment) for the following categories of documented unreimbursed out-of-pocket extraordinary expenses directly caused by the Data Breach:

- Out-of-Pocket Extraordinary Expenses Incurred as a direct result of the Data Breach (as determined by the Settlement Administrator), including unreimbursed bank fees, long-distance phone charges, cell phone charges (only if charged by the minute), data charges (only if charged based on the amount of data used), postage, or gasoline for local travel;
- Fees for credit reports, credit monitoring, or other identity theft insurance product purchased between March 1, 2024, and December 1, 2025; and

Consequential damages for documented monetary loss that is (i) actual, documented, and unreimbursed; (ii) more likely than not caused by the Data Breach; (iii) incurred between March 1, 2024, to December 1, 2025; (iv) results from actual identity theft, fraud, or similar criminal victimization; and (v) is not already covered by one or more of the above-referenced reimbursed extraordinary expenses. Class Members making claims for documented out-of-pocket unreimbursed extraordinary expenses must:

- a. Show that the loss is an actual, documented, and unreimbursed extraordinary monetary loss;
- b. Show that the loss was directly caused by the Data Breach;
- c. Show that the loss occurred between March 1, 2024, and December 1, 2025; and
- d. Show that the Settlement Class Member made reasonable efforts to avoid, or seek reimbursement for, the loss, including but not limited to exhaustion of all available credit monitoring insurance and identity theft insurance.

Adequate documentation must be submitted with all Claims showing that the out-of-pocket extraordinary expenses were directly caused by the Data Breach. More details are provided in the Settlement Agreement, which is available at www.AxipDataSettlement.com.

12. If I'm eligible for the settlement benefits, when will I be paid?

The Parties cannot predict exactly when (or whether) the Court will give final approval to the Settlement Agreement, so please be patient. However, if the Court gives final approval to the settlement, eligible Settlement Class Members will be paid as soon as possible after the Court order becomes final. If there is an appeal of the settlement, payment may be delayed. Updated information about the case is available at www.AxipDataSettlement.com, or contact the Settlement Administrator or Class Counsel at the information provided below.

13. What am I giving up if I remain in the settlement?

By staying in the Class, all the Court's orders will apply to you, and you give Defendant a "release." A release means you cannot sue or be part of any other lawsuit against Defendant about the claims or issues in this lawsuit with respect to the Data Breach.

The precise terms of the release are in the Settlement Agreement, which is available on the Settlement Website. Unless you formally exclude yourself from this settlement, you will release your claims. If you have any questions, you can talk for free to the attorneys identified below who have been appointed by the Court to represent the Settlement Class, or you are welcome to talk to any other lawyer of your choosing at your own expense.

14. How much will the Class Representative receive?

The Plaintiff will seek a payment of \$5,000.00 for his services to the Class Members. This payment is subject to the Court's Approval and is not included in the amount available to Class Members.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want to remain in the settlement, but you want to keep your legal claims against Defendant, then you must take steps to exclude yourself from this settlement.

15. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter by mail stating that you want to be excluded from *Garner v. Axip Energy Services, LP*; Case No. 2025-47156. Your notice must include: (1) your full name, address, and current telephone number; (2) the name and number of this case; (3) a statement that you wish to be excluded from the Settlement Class; and (4) your signature. You must mail your exclusion request so that it is postmarked **no later than January 30, 2026**, to:

Garner v. Axip Energy Services Settlement Administrator
P.O. Box 301134
Los Angeles, CA 90030-1134

16. If I exclude myself, do I still receive benefits from this settlement?

No, you will not receive anything resulting from the settlement, but you will have the right to sue Defendant over the claims raised in this case, either on your own or as a part of a different lawsuit. If you exclude yourself, the time you have in which to file your own lawsuit (called the “statute of limitations”) will begin to run again. You will have the same amount of time to file the suit that you had when this case was filed.

THE LAWYERS REPRESENTING YOU

17. Do I have a lawyer in this case?

Yes, the Court has appointed the law firms of Sanford Law Firm, and Chestnut Cambronne PA to represent you and the Settlement Class. You will not be charged for these lawyers and if you want to be represented by your own lawyer, you may hire one at your own expense.

<p>Philip J. Krzeski CHESTNUT CAMBRONNE, PA 100 Washington Avenue South, Suite 1700 Minneapolis, MN 55401 Phone: (612) 339-7300 pkzeski@chestnutcambronne.com</p>	<p>Josh Sanford SANFORD LAW FIRM 10800 Financial Centre Pkwy., Suite 510 Little Rock, AR 72211 Telephone: (501) 221-0088 Facsimile: (888) 787-2040 josh@sanfordlawfirm.com</p>
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18. How will the lawyers be paid?

Class Counsel shall file a motion with the Court for consideration at the Final Approval Hearing seeking to be paid reasonable attorneys’ fees, costs, and expenses in an amount not to exceed \$120,000.00, subject to Court approval, as explained in the Settlement Agreement. The Court may award less than the amounts requested. This amount will be paid by Axip separately from all benefits to the Settlement Class. You will not receive a bill or invoice for attorneys’ fees or expenses.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the settlement or some part of it.

19. How do I tell the Court that I do not like the settlement?

If you are a Class Member, you can object to the settlement and the Court will consider your views. In order to object to the settlement, you must provide a written objection (such as a letter or legal brief) stating that you object and the reasons why you think the Court should not approve the settlement. Your objection must include: (1) your full name, address, and current telephone number; (2) the name and number of this case; (3) all grounds for the objection, with factual and legal support for the stated objection, including any supporting materials; (4) the

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identification of any other objections he/she has filed, or has had filed on his/her behalf, in any other class action cases in the last four years; (5) whether the objector intends to appear at the Final Approval Hearing; and (6) the objector's signature. If represented by counsel, the objecting Settlement Class Member must also provide the name and telephone number of his/her counsel.

To be timely, written notice of an objection in the appropriate form must be mailed, with a postmark date no later than the Objection Date, to the Settlement Administrator at *Garner v. Axip Energy Services* Settlement Administrator, P.O. Box 301134, Los Angeles, CA 90030-1134, and with the Court through the Clerk of Courts, with service on Proposed Settlement Class Counsel, Philip J. Krzeski at CHESTNUT CAMBRONNE, PA, 100 Washington Avenue South, Suite 1700, Minneapolis, MN 45202; and/or Josh Sanford at SANFORD LAW FIRM, 10800 Financial Centre Pkwy., Suite 510, Little Rock, AR 72211; and Defendant's Counsel, Joe Swanson and Peter Loh at FOLEY & LARDNER LLP, 2021 McKinney Avenue, Suite 1600, Dallas, TX 75201.

If you are objecting to the settlement and intend to appear at the Final Approval Hearing, either with or without counsel, you must state as such in the written objection, and must also identify any witnesses you may call to testify at the Final Approval Hearing and all exhibits you intend to introduce into evidence at the Final Approval Hearing, which must also be attached to, or included with, the written objection.

THE FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to grant final approval of the settlement. You may attend if you wish, but you are not required to do so.

20. Where and when is the Final Approval Hearing?

The Court has already given preliminary approval to the Settlement Agreement. A final hearing on the settlement, called a Final Approval Hearing, will be held to determine the fairness of the Settlement Agreement.

The Court will hold a hearing, in the courtroom of the Honorable Erica R. Hughes. The Final Approval Hearing date has not been set. Please visit www.AxipDataSettlement.com for updates. The purpose of the hearing will be for the Court to determine whether the proposed settlement is fair, reasonable, and adequate and in the best interests of the Class, and to determine the appropriate amount of compensation for Class Counsel and rule on the request for a service award for the Class Representative. At that hearing, the Court will be available to hear any objections and arguments concerning the fairness of the proposed settlement. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take. The hearing may be moved to a different time or date without additional notice, so Class Counsel recommends checking the Settlement Website at www.AxipDataSettlement.com.

YOU ARE **NOT** REQUIRED TO ATTEND THIS HEARING TO BENEFIT FROM THIS SETTLEMENT.

GETTING MORE INFORMATION

This Notice provides only a summary of the proposed settlement. Complete details about the settlement can be found in the Settlement Agreement available on the Settlement Website: www.AxipDataSettlement.com.

If you have any questions, you can contact the Settlement Administrator or Class Counsel at the phone numbers or email addresses set forth above. In addition to the documents available on the Settlement Website, all pleadings and documents filed in court may be reviewed or copied in the Office of the Clerk.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR TO THE JUDGE.

They are not permitted to answer your questions.

This Settlement will be administered by Verita Global, LLC.

By order of: Hon. Erica R. Hughes, District Court of Harris County, Texas