

SETTLEMENT AGREEMENT AND RELEASE

***M.S. and D.H. v. Med-Data, Inc.*, Case No. 4:22-cv-00187,
United States District Court for the Southern District of Texas**

***Nicole Tokarski v. Med-Data, Inc.*, Case No. 2:21-cv-00631-TL
United States District Court for the Western District of Washington**

***C.C. v. Shawnee Mission Medical Center, Inc.*, Case No. 21CV01724,
District Court of Johnson County, Kansas**

***C.C. v. Med-Data, Inc.*, Case No. 21CV01716,
District Court of Johnson County, Kansas**

***D.H. v. Shawnee Mission Medical Center, Inc.*, Case No. 2116-CV09159,
Circuit Court of Jackson County, Missouri at Kansas City**

This Settlement Agreement and Release (“Settlement Agreement” or “Settlement”) is entered into by and between (i) Med-Data, Inc. n/k/a Med-Data, LLC (“Med-Data” or “Defendant”) and (ii) M.S., D.H., Nicole Tokarski, and C.C., individually and on behalf of the Settlement Class (collectively, “Plaintiffs”), in the above referenced lawsuits (the “Litigation”) subject to preliminary and final Court approval as required by Federal Rule of Civil Procedure 23(e). Plaintiffs and Med-Data are collectively referred to herein as the “Parties.”

As provided herein, the Parties hereby stipulate and agree that, in consideration of the promises and covenants set forth in this Settlement Agreement and upon entry by the Court of a final order and judgment, all claims of the Settlement Class in connection with the Data Incident (defined below) against Med-Data and other Released Parties (defined below), as alleged in the above actions, shall be settled and compromised upon the terms and conditions contained herein.

I. RECITALS

1. Med-Data is a healthcare revenue cycle management services provider that services thousands of hospitals, physicians, healthcare systems, and healthcare facilities nationwide. The services offered by Med-Data include processing Medicaid eligibility, third-party liability, workers’ compensation, and patient billing for its clients.
2. On March 31, 2021, Med-Data announced a data security incident affecting the personal information of individuals who are/were patients of customers of Med-Data. An employee of Med-Data had saved files containing patients’

PHI and PII to the public-facing portion of GitHub sometime between December 2018 and September 2019 (the “Data Incident”).

3. Subsequently, five actions were filed in various jurisdictions: *M.S. and D.H. v. Med-Data, Inc.*, Case No. 4:22-cv-00187, United States District Court for the Southern District of Texas; *Nicole Tokarski v. Med-Data, Inc.*, Case No. 2:21-cv-00631-TL, United States District Court for the Western District of Washington; *C.C. v. Shawnee Mission Medical Center, Inc.*, Case No. 21CV01724, District Court of Johnson County, Kansas; *C.C. v. Med-Data, Inc.*, Case No. 21CV01716, District Court of Johnson County, Kansas; *D.H. v. Shawnee Mission Medical Center, Inc.*, Case No. 2116-CV09159, Circuit Court of Jackson County, Missouri at Kansas City (collectively, the “Actions”). The Actions, collectively, allege claims for negligence, negligence *per se*, breach of third-party beneficiary contract, breach of implied contract, unjust enrichment, negligent training and supervision, invasion of privacy, breach of fiduciary duty of confidentiality, violation of the Washington Data Incident Notice Act, RCW 19.255, *et seq.*, violation of the Washington Consumer Protection Act, RCW 19.86, *et seq.*, violation of the Missouri Merchandising Practices Act, Mo. Rev. Stat. § 407.010 *et seq.*, and injunctive and declaratory relief under the Federal Declaratory Judgment Act, 28 U.S.C. § 2201.
4. Motions to Dismiss were filed and denied in *Nicole Tokarski v. Med-Data, Inc.*, Case No. 2:21-cv-00631-TL, United States District Court for the Western District of Washington; *C.C. v. Shawnee Mission Medical Center, Inc.*, Case No. 21CV01724, District Court of Johnson County, Kansas; *C.C. v. Med-Data, Inc.*, Case No. 21CV01716, District Court of Johnson County, Kansas; *D.H. v. Shawnee Mission Medical Center, Inc.*, Case No. 2116-CV09159, Circuit Court of Jackson County, Missouri at Kansas City.
5. In *C.C. v. Med-Data, Inc.*, the District Court for the District of Kansas, Case No. 21-2301-DDC-GEB, dismissed the case on the grounds that it did not have standing and remanded the case to State Court. In *M.S. and D.H. v. Med-Data, Inc.*, Med-Data’s Motion to Dismiss was pending at the time of the Parties’ March 28, 2023 mediation.
6. On September 8, 2022, counsel for the Parties held an in-person mediation with mediator Louis D. Peterson, Esq. in Seattle, Washington. No agreement was reached after an all-day mediation.
7. Thereafter, the parties continued litigating. Motions for class certification were filed in the two federal court cases: *M.S. and D.H. v. Med-Data, Inc.*, Case No. 4:22-cv-00187, United States District Court for the Southern District of Texas and *Nicole Tokarski v. Med-Data, Inc.*, Case No. 2:21-cv-

00631-TL, United States District Court for the Western District of Washington. Med-Data filed responses in opposition to those motions and filed motions to strike Plaintiffs' expert in both cases.

8. On March 28, 2023, counsel for the Parties held an in-person mediation (with some counsel appearing virtually) with Robert A. Meyer, Esq. of JAMS in Los Angeles, California.
9. During the mediation, counsel for the Parties reached an agreement with regard to the material terms of the proposed settlement for all Actions, which are memorialized in this Settlement Agreement.
10. The Parties did not discuss attorneys' fees, costs, and expenses, or service awards for the Class Representative until after there was an agreement on the material terms of the proposed settlement.
11. The Parties now agree to settle the Actions in their entirety, without any admission of liability, with respect to all Released Claims of the Settlement Class, as defined below. The Parties intend this Agreement to bind Plaintiffs, Med-Data, and all Settlement Class Members, as defined below, who do not timely and properly exclude themselves from the Settlement.
12. 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.
13. The Parties agree that approval for the Settlement will be sought through *M.S. and D.H. v. Med-Data, Inc.*, Case No. 4:22-cv-00187, United States District Court for the Southern District of Texas. The remaining four actions will be dismissed within ten (10) business days of the Effective Date, as defined below.

NOW, THEREFORE, in light of the foregoing, for good and valuable consideration, the receipt of which is hereby mutually acknowledged, it is hereby stipulated and agreed by the Parties that the Actions be settled, compromised, and dismissed on the merits and with prejudice as to Defendant, subject to Court approval as required by Federal Rule of Civil Procedure 23(e), on the following terms and conditions:

II. DEFINITIONS

In addition to the terms defined at various points within this Settlement Agreement, the following defined terms apply throughout this Settlement Agreement:

1. “**Actions**” mean or refer to the matters styled *M.S. and D.H. v. Med-Data, Inc.*, Case No. 4:22-cv-00187, United States District Court for the Southern District of Texas; *Nicole Tokarski v. Med-Data, Inc.*, Case No. 2:21-cv-00631-TL, United States District Court for the Western District of Washington; *C.C. v. Shawnee Mission Medical Center, Inc.*, Case No. 21CV01724, District Court of Johnson County, Kansas; *C.C. v. Med-Data, Inc.*, Case No. 21CV01716, District Court of Johnson County, Kansas; *D.H. v. Shawnee Mission Medical Center, Inc.*, Case No. 2116-CV09159, Circuit Court of Jackson County, Missouri at Kansas City.

2. “**Agreement**” or “**Settlement Agreement**” means this Stipulation of Agreement and Settlement and Release, including its attached Exhibits (which are an integral part of this Stipulation of Agreement and Settlement and Release and are incorporated in their entirety herein by reference).

3. “**Approved Claim**” means a Claim Form submitted by a Settlement Class Member that has satisfied the verification process outlined in Section IV paragraph 6, and is (a) submitted timely and in accordance with the directions on the Claim Form and the provisions of the Settlement Agreement; (b) fully and truthfully completed and executed, with all of the information requested in the Claim Form, including the Settlement Class Member’s full name and the Settlement Class Member’s current contact information; and (c) signed by the Settlement Class Member, physically or electronically.

4. “**Business Associates**” means the healthcare entities of which Settlement Class Members were patients and through which Med-Data obtained the Personal Information of Settlement Class Members that was compromised in the Data Incident.

5. “**Claims Deadline**” means the time and date by which a Claim Form must be received by the Settlement Administrator, through any means, including U.S. Mail or through the Settlement Website established pursuant to Section VI below, in order for a Settlement Class Member to be entitled to any of the monetary consideration contemplated in this Settlement Agreement. The Claims Deadline shall be seventy-five (75) calendar days after the Notice Deadline.

6. “**Claim Form**” or “**Claim**” means the form Settlement Class Members must submit to be eligible for relief under the terms of the Settlement, the proposed forms of which is attached hereto as Exhibit 1.

7. “**Class Counsel**” means:

Beth E. Terrell
Ryan Tack-Hooper
TERRELL MARSHALL LAW GROUP
936 North 34th Street, Suite 300
Seattle, WA 98103

Jean Martin
MORGAN & MORGAN
201 Franklin Street, 7th Floor
Tampa, FL 33602

Maureen Brady
MCSHANE BRADY
1656 Washington St., Suite 120
Kansas City, MO 64108

William B. Federman
FEDERMAN & SHERWOOD
10205 N. Pennsylvania Ave.
Oklahoma City, OK 73120

John Heenan
HEENAN & COOK
1631 Zimmerman Trail, Suite 1
Billings, Montana 59102

8. “**Class Representatives**” means M.S., D.H., Nicole Tokarski, and C.C.
9. “**Court**” means the United States District Court for the Southern District of Texas.
10. “**Effective Date**” means the date five business days following the later of the following events: (A) if any Settlement Class Member objects to the Settlement: (i) the date upon which the time expires for filing a notice of appeal of the Court’s Final Approval Order and Judgment; or (ii) if there is an appeal or appeals of the Final Approval Order and Judgment, and the appellate court enters an order either dismissing the appeal(s) or affirming the Final Approval Order and Judgment without material modification, the date upon which the time expires for seeking review of that order; or (B) if no Settlement Class Member Objects to the Settlement: the date the Court enters the Final Approval Order and Judgment. The Effective Date shall not be delayed beyond the date ten (10) business days after the Court has entered the Final Approval Order in accordance with (b) above in the event the Court declines to approve, in whole or in part, solely the payment of attorneys’ fees, costs, and expenses, or of service awards, in the amounts that Class Counsel requests (“**Fee Request**”). Further, the Effective Date shall not be delayed beyond the date ten (10) business days after an appeal is filed in the event that the sole issue on appeal is the Fee Request awarded to Class Counsel.
11. “**Final Approval**” means the date that the Court enters an order and judgment granting final approval of the Settlement and determines the amount of fees, costs, and

expenses awarded to Class Counsel and the amount of the Service Award (as defined in Section VIII herein). In the event that the Court issues separate orders addressing the foregoing matters, then Final Approval means the date of the last of such orders.

12. “Final Approval Order” means the order and judgment that the Court enters upon Final Approval. In the event that the Court issues separate orders addressing the matters constituting Final Approval, then Final Approval Order includes all such orders.

13. “Named Plaintiffs” means M.S., D.H., Nicole Tokarski, and C.C.

14. “Notice” means the notice of proposed class action settlement that the Parties will ask the Court to approve in connection with the motion for preliminary approval of the Settlement.

15. “Notice Deadline” means thirty (30) calendar days after the Court has entered the Preliminary Approval Order or as soon thereafter as is feasible for the Settlement Administrator.

16. “Notice Program” means the notice methods provided for in this Agreement and consists of (1) Notice to all Settlement Class Members via summary post card notice via United States Postal Service first class mail and (2) Notice posted on the Settlement Website. The forms of Notice shall be substantially in the forms attached as Exhibit 2A (Long Form) and Exhibit 2B (Short Form) to this Agreement and approved by the Court, and the Notice Program shall be affected in substantially the manner provided in Section VII herein.

17. “Objection Deadline” means fifty (50) calendar days after the Notice Deadline.

18. “Opt-Out Deadline” means fifty (50) calendar days after the Notice Deadline.

19. “Out of Pocket Losses” are documented unreimbursed costs or expenditures incurred by a Settlement Class Member that are fairly traceable to the Data Incident. Out-of-Pocket Losses may include, without limitation, the following: (1) unreimbursed costs, expenses, losses, or charges incurred as a result of identity theft or identity fraud, falsified tax returns, or other possible misuse of a Settlement Class Member’s personal information; (2) costs incurred on or after February 27, 2021, associated with accessing or freezing/unfreezing credit reports with any credit reporting agency; (3) other miscellaneous expenses incurred related to any Out-of-Pocket Loss, such as notary, fax, postage, copying, mileage, and long-distance telephone charges; (4) credit monitoring or other mitigative costs that were incurred on or after February 27, 2021, through the date of the Settlement Class Member’s claim submission; and (5) Time Spent (as defined below, Section IV.2.f.).

20. “Personal Information” means the protected health information (“PHI”)

and personal identifiable information (“PII”) of patients whose information was collected and stored by Med-Data and that was exposed in the Data Incident including: (i) patient contact information (such as patient names, addresses, and dates of birth); (2) Social Security numbers; (3) diagnoses; (4) medical conditions; (5) claims information; (6) dates of service; (7) subscriber IDs; (8) medical procedure codes; (9) provider names; and (10) health insurance policy numbers.

21. “Reasonable Documentation” means documentation establishing an Out-of-Pocket Loss claim, or a Time Spent claim fairly traceable to the Data Incident. Non-exhaustive examples of Reasonable Documentation include credit card statements, bank statements, invoices, official governmental correspondence, and receipts. A valid Claim, other than a request for lost time and/or an alternative cash payment, cannot be supported solely by a personal certification, declaration, or affidavit from the claimant or the claimant’s representative(s).

22. “Released Claims” means any and all claims, demands, rights, actions or causes of action, whether known or unknown, that have been or could have been asserted in the Actions by or on behalf of Named Plaintiffs, any and all of the members of the Settlement Class, arising out of the Data Incident. Released Claims shall not include the right of Named Plaintiffs, Settlement Class Members or any Released Person to enforce the terms of the Settlement Agreement and claims not arising from the facts alleged in the Actions.

23. “Released Party” means Defendant and Business Associates, including Shawnee Mission Medical Center, Inc., and all of its and their present or past direct or indirect affiliates, divisions, predecessors, successors, assigns, parents, or subsidiaries and the associates, employers, employees, agents, insurers, directors, managers, managing directors, officers, partners, principals, members, attorneys, shareholders, successors in interest, officers, directors, and general or limited partners.

24. “Releasing Parties” means Named Plaintiffs, any Settlement Class Member who does not timely and properly opt out from the Settlement, and any person claiming or receiving a benefit under this Settlement.

25. Settlement Action means or refers to the matter styled *M.S. and D.H. v. Med-Data, Inc.*, Case No. 4:22-cv-00187, United States District Court for the Southern District of Texas through which the Parties agree that approval of the Settlement will be sought.

26. “Settlement” or “Settlement Agreement” means this settlement into which the Parties have entered to resolve the Action. The terms of the Settlement are as set forth in this Agreement, including the exhibits hereto.

27. “Settlement Administrator” presumptively means Postlethwaite & Netterville (“P&N”) as selected by Class Counsel, and approved by Defendant, to serve as the Settlement Administrator.

28. “**Settlement Class Members**” or “**Settlement Class**” means all persons who fall within the Nationwide Class definition set forth in Section III herein.

29. “**Settlement Fund**” shall mean the sum of \$7,000,000.00 which Defendant agrees to pay to resolve the claims of the Settlement Class.

30. “**Settlement Website**” means the website that the Settlement Administrator will establish as soon as practicable following entry of the Preliminary Approval Order, but prior to the commencement of the Notice Program, as a means for Settlement Class Members to obtain notice of and information about the Settlement, through and including hyperlinked access to this Agreement, the Notice, Preliminary Approval Order, the Claim Forms, the complaints filed in the Action and such other documents as Class Counsel and Defendant agree to post or that the Court orders posted on the website. The URL of the Settlement Website shall be agreed upon by Class Counsel and Defendant. Settlement Class Members shall also be able to submit Claim Forms electronically via the Settlement Website. The Settlement Website shall not include any advertising and shall remain operational until at least five (5) business days after the last payment or credit under this Settlement is made or the Settlement is terminated.

III. SETTLEMENT CLASS

1. For settlement purposes only, the Parties agree that the Court should certify the following class pursuant to Federal Rule of Civil Procedure 23(c) (the “**Nationwide Class**” or “**Class**”) defined as:

All residents of the United States whose personal information was included in the data posted on GitHub.com by a Med-Data employee and announced by Med-Data in March 2021.

For purposes of determining membership in the Settlement Class, Defendant provided notice of the Data Incident to 135,908 individuals who had Personal Information compromised by the Data Incident. Defendant’s Business Associates provided notice of the Data Incident to approximately 5,000 individuals who had Personal Information compromised by the Data Incident. It is intended that all of the approximately 140,908 individuals who were provided notice of the Data Incident shall constitute members of the Nationwide Class to be certified for settlement purposes.

Defendant was unable to provide notice of the Data Incident to an additional approximately 6,500 individuals because Defendant did not have current or complete contact information for those individuals. The Settlement Administrator will be alerted to this issue and will be requested to use best efforts to obtain current mailing addresses for these individuals. The Settlement Administrator will make an initial determination as to whether any publication or geo-targeted notice will be required to satisfy due process notice

requirements, particularly with regard to these 6,500 individuals. It is intended that the 6,500 individuals shall constitute members of the Nationwide Class to be certified for settlement purposes. If the Settlement Administrator determines that publication or geo-targeted notice will not be required to satisfy due process notice requirements, the Court may accept the Settlement Administrator's determination. But if the Court determines that publication or geo-targeted notice is required to include any or all of the 6,500 individuals in the Nationwide Class to be certified for settlement purposes, the Settlement Administrator will provide such notice.

2. Excluded from the Settlement Class are the Court and all members of the Court's staff, the officers and directors of Defendant and Business Associates, persons who have been separately represented by an attorney and entered into a separate settlement agreement in connection with the Data Incident, and persons who timely and validly request exclusion from the Settlement Class. Named Plaintiffs will move for certification of the Nationwide Class contemporaneously with their motion for preliminary approval of the Settlement. For purposes of this Settlement only, Defendant agrees not to contest certification of the Nationwide Class. Should the Settlement not be approved, Defendant reserves all rights and defenses on the merits and as to class certification.

3. For settlement purposes only, Named Plaintiffs shall also seek, and Defendant shall not oppose, the appointment of Class Counsel as Settlement Class counsel and appointment of Named Plaintiffs as Settlement Class representatives ("**Settlement Class Representatives**").

IV. SETTLEMENT CONSIDERATION AND BENEFITS

In exchange for mutual releases of all claims by the Settlement Class and the payment of the non-reversionary sum of \$7,000,000.00, the Parties agree to the following compensation and benefits to Settlement Class Members who submit valid and timely claim forms from the Settlement Fund. Claims will be subject to review for completeness and plausibility by a Settlement Administrator, and Claimants will have the opportunity to seek review by the Parties' counsel, if they dispute the Settlement Administrator's initial determination.

1. Tier One Claims:

- a. Settlement Class members who suffered Out-of-Pocket Losses because of the Data Incident, and can provide supporting documentation for their claim, will be eligible for a payment of the amount of loss proven up to five thousand dollars (\$5,000.00) on a claims-made basis, but not more than the loss proven. Out-of-Pocket Losses eligible for reimbursement must have been incurred on or after December 2018 and may include, without limitation, unreimbursed losses relating to fraud, medical or identity theft;

professional fees including attorneys' fees, accountants' fees, and fees for credit repair services; costs associated with freezing or unfreezing credit with any credit reporting agency; credit monitoring costs; and miscellaneous expenses such as notary, fax, postage, copying, mileage, and long-distance telephone charges.

- b. Settlement Class Members who elect to submit a Claim for reimbursement of Out-of-Pocket Losses must provide to the Settlement Administrator the information required to evaluate the claim, including: (1) the Settlement Class Member's name and address; (2) Reasonable Documentation supporting their claim; and (3) a brief description of the documentation describing the nature of the loss, if the nature of the loss is not apparent from the documentation alone. Documentation supporting Out-of-Pocket Losses can include receipts or other documentation not "self-prepared" by the Class Member that documents the costs incurred. "Self-prepared" documents such as handwritten receipts are, by themselves, insufficient to receive reimbursement, but can be considered to add clarity to or support other submitted documentation.
- c. Reimbursement for Time Spent. A Settlement Class Member's claim under Out-of-Pocket Losses may also include a claim for time spent remedying issues related to the Data Incident ("Time Spent"). Claims made for such time are subject to a 5-hour cap reimbursed at \$25 per hour and can be combined with reimbursement for Out-of-Pocket Losses subject to the \$5,000.00 aggregate individual cap. Time Spent may include (i) changing passwords on potentially impacted accounts; (ii) monitoring for or investigating suspicious activity on potentially impacted medical, financial, or other accounts; (iii) contacting a medical provider or financial institution to discuss suspicious activity; (iv) signing up for identity theft or fraud monitoring services; or (v) researching information about the Data Incident, its impact, or how to protect themselves from harm due to a data breach.
- d. The Settlement Administrator shall deny any Tier One Claim, or any part thereof, that it decides, in its sole discretion, is not reasonably supported.

2. Tier Two Claim:

- a. Alternative Cash Payment. As an alternative to filing a Claim for Reimbursement of Out-of-Pocket Losses or Time Spent, Settlement Class Members took any *de minimis* affirmative action to respond to the Notice of

Data Incident and/or investigate the Data Incident may submit a claim to receive a pro rata payment up to \$500 from the net settlement fund, net of payment for all Tier One Claims for Reimbursement of Out-of-Pocket Losses or Time Spent, Tier Three Medical Shield Premium service, attorneys' fees and expenses, Service Awards, and notice and administration costs. Settlement Class Members who elect to submit a Claim to receive the Alternative Cash Payment must certify on the Claim Form that he/she took at least some *de minimis* action in response to the Data Incident.

3. Tier Three Automatic Benefits:

All Settlement class members are eligible to access, without the need to file a claim, for a period of 36 months the Medical Shield Premium service, a health data/fraud monitoring service with a \$1 million of fraud/ medical identity theft insurance service provided by Pango. The Settlement Administrator shall send an activation code to each valid Medical Shield claimant within thirty (30) calendar days of the Effective Date which can be used to activate the Services via an enrollment website maintained by Pango. Such enrollment codes shall be sent via e-mail, unless the claimant did not provide an e-mail address, in which case such codes shall be sent via U.S. mail. Pango shall provide Medical Shield to all valid claimants who timely activate those services for a period of 3 years from the date of activation.

4. Injunctive Relief: Defendant agrees to adopt and implement and/or maintain the at least the following data security measures for a period of no less than two (2) years following Final Approval of the Settlement:

- The Company's security council will continue to meet annually with a qualified cybersecurity consulting firm to discuss and implement annual testing of the Company's cybersecurity.
- Continue to designate a person responsible as the internal security auditor who will provide an annual presentation to the Board of Directors on the Company's cybersecurity status.
- Continue annual training of internal personnel on data privacy.
- The Board of Directors will continue to annually consider appropriate cybersecurity spending.
- Continue to provide a monitored internal confidential whistleblowing mechanism for data related concerns.
- Continue providing education and training to all employees to not

store or send PII/PHI using unsecured email accounts.

- Continue providing education and training to all employees to educate them to not post PHI/PII to unsecured, unapproved, websites.
- Continue to maintain a data deletion policy in compliance with state and federal law.

Data retrieval

- Make a reasonable joint request with Plaintiffs' counsel to Mr. Ursem requesting that he return all PHI of Med-Data in his possession.

Contact GitHub and request assurance in writing that either the PHI has been wiped from the database or that the information is locked and not accessible by anyone.

Monitoring

- Continued detection and response solution that continually monitors traffic on Med-Data's network and logs for security related incidents.
- Continued 24x7 monitoring of network, company provided devices.

Audits and internal assessments

- Continue vulnerability scanning.
- Continue annual internal risk assessments.
- Continue annual SOC audits.

Encryption and authentication

- Continue to encrypt or tokenize PII/PHI at rest and in movement in reasonable compliance with NIST.
- Continue multi-factor authentication for login to all accounts containing PHI and remote access to nonpublic information.

Anti-malware

- Continue to provide up to date 24x7 monitoring software that captures all activity occurring on each company provided device within the network and alerts to unusual user behavior, unauthorized transfer of data, and quarantines or kills execution of such processes that do not have approval of network.
- Continue to update anti-virus/anti-ransomware/anti-malware programs across business.
- Continue to maintain anti-malware on all servers with monitoring, reporting, and alerts for malware.

Penetration testing and training

- Continue simulated phishing campaigns.
- Continue third party security assessments/penetration tests.
- CISO will oversee independent annual penetration testing.

Security policies

- Continue to update all internal policies and procedures annually related to the maintenance and security of Protected Health Information to incorporate new security measures in compliance with HIPAA, HITECH, and applicable FTC guidelines.
- Continue to update all data policies and procedures to incorporate new security measures.

Governance

- Maintain governmental and regulatory management software that integrates corporate governance and enterprise risk management regulations and guidelines into Med-Data's IT related operations.
- Continue quarterly security council meetings.

Firewalls and Data access controls

- Maintain top-rated data loss prevention system that classifies certain sensitive data (PHI, PII, and PCI related data) on Med-

Data's network and prevents files containing such data from being exfiltrated.

- Maintain firewalls.
- Maintain segregation of the production environment from development.
- Maintain mobile device management systems to secure mobile devices with access to Med-Data networked-systems.
- Maintain security controls on USB portals to limit data removal by non-privileged users.
- Continue making file sharing websites inaccessible to all non-administrative users.
- Maintain security policy to disable access to all file sharing websites for non-administrative privileged users.

5. Residual Funds

Defendant shall not be entitled to the return of any residual monies in the Settlement Fund. Residual funds will be used to extend the coverage period of the Medical Shield Premium service for all Settlement Class Members who timely activate those services. Any nominal funds remaining after the foregoing residual pro rata distribution will be provided to National Cybersecurity Alliance, subject to approval by the Court.

6. Claims Process

The Settlement Administrator shall only make payments to Settlement Class Members who submit valid claims under Tier One or Tier Two as described in the verification process and such claims are also Approved Claims. To the extent the Settlement Administrator determines a Claim Form, along with supporting materials, is deficient in whole or part, within a reasonable time of making such a determination, the Settlement Administrator shall notify the Settlement Class Member of the deficiencies and give the Settlement Class Member twenty-one (21) calendar days to cure the deficiencies. Such notifications shall be sent within twenty-one (21) calendar days after the Claims Deadline and be sent via e-mail, unless the claimant did not provide an e-mail address, in which case such notifications shall be sent via U.S. mail if the claimant provided an address. If the Settlement Class Member attempts to cure the deficiencies but, at the sole discretion and authority of the Settlement Administrator, fails to do so, the Settlement Administrator shall notify the Settlement Class Member of that determination within ten (10) business days of the determination. The Settlement Administrator may consult with Class Counsel in making

such determinations.

V. SETTLEMENT FUND

1. **Establishment of Settlement Fund.** Within twenty-one (21) calendar days of the entry of the Preliminary Approval Order, Defendant shall cause to be deposited the costs of notice and administration through the date of final approval, as estimated by the Settlement Administrator into an account established and administered by the Settlement Administrator at a financial institution agreed upon by the Settlement Administrator, Defendant, and Class Counsel, to cover the Settlement Administrator's reasonable set-up costs, notice, and early administration costs. Defendant shall cause to be deposited the balance of the Settlement Fund into the same account within ten (10) business days of the Effective Date. The Settlement Administrator shall provide wiring instructions and a properly completed and duly executed IRS Form W-9 to Defendant within five (5) business days of the entry of the Preliminary Approval Order.

2. Defendant and its insurance carriers shall pay the monies to be deposited into the account established and administered by the Settlement Administrator pursuant to paragraph 1 above in such shares as agreed to in confidence by Defendant and its insurance carriers. Defendant shall be responsible for ensuring that the total Settlement Fund amount of \$7 million is paid into the account established by the Settlement Administrator.

3. **Qualified Settlement Fund.** The Parties agree that the Settlement Fund is intended to be maintained as a qualified settlement fund within the meaning of Treasury Regulation § 1.468 B-1, and that the Settlement Administrator, within the meaning of Treasury Regulation § 1.468 B-2(k)(3), shall be responsible for filing tax returns and any other tax reporting for or in respect of the Settlement Fund and paying from the Settlement Fund any Taxes and Tax-Related Expenses owed with respect to the Settlement Fund. The Parties agree that the Settlement Fund shall be treated as a qualified settlement fund from the earliest date possible and agree to any relation-back election required to treat the Settlement Fund as a qualified settlement fund from the earliest date possible. Any and all funds held in the Settlement Fund shall be held in an interest-bearing account insured by the Federal Deposit Insurance Corporation. Funds may be placed in a non-interest bearing account as may be reasonably necessary during the check clearing process. The Settlement Administrator shall provide an accounting of any and all funds in the Settlement Fund, including any interest accrued thereon and payments made pursuant to this Agreement, upon request of any of the Parties.

4. **Custody of Settlement Fund.** The Settlement Fund shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until such time as the entirety of the Settlement Fund is distributed pursuant to this Settlement Agreement or the balance returned to those who paid the Settlement Fund in the event this Settlement Agreement is terminated in accordance with Paragraphs XX. [Need to revise once finalized]

5. **Use of the Settlement Fund.** The Settlement Fund shall be used by the Settlement Administrator to pay for the following in the order listed: (1) Tier 3 benefits of 36 months of Medical Shield Premium service for all Settlement Class Members who timely activate those services; (2) reimbursement for Tier 1 Out-of-Pocket Losses and Time Spent for Settlement Class Members who submit valid claims; (3) Notice and Administration Costs; (4) Fee Award and Costs as awarded by the Court; (5) Service Award payments approved by the Court; and (6) Tier 2 Alternative Cash Payments for Settlement Class Members who submit valid claims up to \$500. Within thirty (30) calendar days after entry of the Final Approval Order, the Settlement Administrator shall pay all valid claims using the payment method selected by the Claimant. Physical checks issued to Settlement Class Members who elect to be paid by check shall be valid for one-hundred twenty (120) calendar days from the date on the check. No amounts may be withdrawn from the Settlement Fund unless expressly authorized by this Settlement Agreement or approved by the Court. Responsibility for effectuating payments described in this paragraph shall rest solely with the Settlement Administrator and neither Defendant nor Defendant's agents shall have any responsibility whatsoever with respect to effectuating such payments.

6. **Taxes and Representations.** Taxes and tax-related expenses relating to the Settlement Fund, if any, shall be considered Notice and Administrative Expenses and shall be timely paid by the Settlement Administrator out of the Settlement Fund without prior order of the Court. Further, the Settlement Fund shall indemnify and hold harmless the Parties and their counsel for taxes and tax-related expenses (including, without limitation, taxes payable by reason of any such indemnification payments). The Parties and their respective counsel have made no representation or warranty, and have no responsibility, with respect to the tax treatment by any Settlement Class Representative or any Settlement Class Member of any payment or transfer made pursuant to this Agreement or derived from or made pursuant to the Settlement Fund. Each Class Representative and participating Settlement Class Member shall be solely responsible for the federal, state, and local tax consequences to him, her, or it of the receipt of funds from the Settlement Fund pursuant to this Agreement.

VI. PRELIMINARY APPROVAL, FINAL APPROVAL, AND JURISDICTION

1. **Certification of the Settlement Class.** For purposes of this Settlement only, the Parties stipulate to the certification of the Settlement Class, which is contingent upon both the Court entering the Final Approval Order of this Settlement and the occurrence of the Effective Date.

2. **Preliminary Approval.** Following execution of this Settlement Agreement, Class Counsel shall file a motion for preliminary approval of the Settlement, in a form agreeable to the Parties, within thirty (30) days thereof or a date thereafter that is agreeable to the Parties and the Court.

3. Authority to Disclose Personal Information. The Court's Order granting preliminary approval of the Settlement shall include an order issued pursuant to 45 CFR 164.512(e) authorizing Med-Data to disclose specific protected health information of Settlement Class Members to Plaintiffs and the Settlement Administrator to the limited extent any such protected health information is necessary to implement and administer the Settlement. In addition, the Court's Order granting preliminary approval of the Settlement shall include a provision that, prior to receiving any protected health information from Med-Data, the Settlement Administrator shall sign Med-Data's Business Associate Agreement.

4. Mailing List. The parties will request that the Court order that within 10 (ten) calendar days of the Court's entry of an ordering granting preliminary approval of the Settlement, Med-Data shall provide the Settlement Administrator with a list of the names and the current or last known addresses of the Settlement Class Members, including the 5,000 Settlement Class Members for whom Business Associates provided notice of the Data Incident and the 6,500 individuals whose information was posted to GitHub but for whom Med-Data does not have complete or current contact information. For those individuals for whom Med-Data does not have complete contact information, Med-Data shall also provide sufficient information to properly identify the Settlement Class Member, such as date of birth or last four digits of social security number.

5. Final Approval. Class Counsel shall move the Court for a Final Approval Order of this Settlement, to be issued following the Final Approval Hearing; within one-hundred twenty (120) calendar days after the Notice Deadline, Objection Deadline, and Opt-Out Deadline.

6. Jurisdiction. The Court shall retain jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any suit, action, proceeding or dispute arising out of or relating to this Settlement Agreement that cannot be resolved by negotiation and agreement by counsel for the Parties. The Court shall retain jurisdiction with respect to the administration, consummation and enforcement of the Settlement Agreement and shall retain jurisdiction for the purpose of enforcing all terms of the Settlement Agreement. The Court shall also retain jurisdiction over all questions and/or disputes related to the Notice Program and the Settlement Administrator. As part of its agreement to render services in connection with this Settlement, the Settlement Administrator shall consent to the jurisdiction of the Court for this purpose.

VII. SETTLEMENT ADMINISTRATOR

1. The Settlement Administrator shall administer various aspects of the Settlement as described in Section IV (1) through (3) and perform such other functions as are specified for the Settlement Administrator elsewhere in this Settlement Agreement, including, but not limited to, overseeing the payment of Claims; providing Notice to Settlement Class Members via summary post card notice via United States Postal Service first class mail or publication as described in Section VII herein; establishing and operating

the Settlement Website and a toll-free number; administering the Claims processes including the verification processes described herein; and distributing cash payments according to the processes and criteria set forth in Section IV herein. The expense for the services of the Settlement Administrator shall be paid from the Settlement Fund.

2. The duties of the Settlement Administrator, in addition to other responsibilities that are described in this Agreement, include:

- a. Obtaining from Defendant the name and mailing address of Settlement Class Members for the purpose of sending Notice to Settlement Class Members via United States Postal Service first class mail;
- b. Obtaining from Defendant information necessary to establish a reasonably practical procedure to verify Settlement Class Members;
- c. Establishing and maintaining a post office box for mailed written notifications of exclusion or objections from the Settlement Class;
- d. Establishing and maintaining the Settlement Website;
- e. Establishing and maintaining a toll-free telephone line for Settlement Class Members to call with Settlement-related inquiries, and answering the questions of Settlement Class Members who call with or otherwise communicate such inquiries;
- f. Responding to any mailed Settlement Class Member inquiries;
- g. Processing all written notifications of exclusion from the Settlement Class;
- h. Providing weekly reports and, no later than ten (10) business days after the Opt-Out Deadline, a final report to Class Counsel and Defendant, that summarize the number of written notifications of exclusion received that week, the total number of written notifications of exclusion received to date, and other pertinent information as requested by Class Counsel and Defendant's counsel;
- i. In advance of the Final Approval Hearing, preparing an affidavit to submit to the Court that (i) attests to implementation of the Notice Program in accordance with the Preliminary Approval Order and (ii) identifies each Settlement Class Member who timely and properly provided written notification of exclusion from the Settlement Class;

- j. Reviewing, determining the validity of, and responding to all Claims submitted by Settlement Class Members, pursuant to criteria set forth in Section IV herein and in Exhibit 1 attached hereto.
- k. After the Effective Date, receiving money from Defendant and processing and transmitting distributions to Settlement Class Members in accordance with Section IV herein;
- l. Providing weekly reports and a final report to Class Counsel and Defendant that summarize the number of Claims since the prior reporting period, the total number of Claims received to date, the number of any Claims granted and denied since the prior reporting period, the total number of Claims granted and denied to date, and other pertinent information as requested by Class Counsel and Defendant's counsel; and
- m. Performing any function related to Settlement administration at the agreed-upon instruction of both Class Counsel and Defendant, including, but not limited to, verifying that cash payments have been distributed in accordance with Section IV herein.

VIII. NOTICE, OPT-OUTS, AND OBJECTIONS

1. Upon Preliminary Approval of the Settlement, at the direction of Class Counsel, the Settlement Administrator will implement the Notice Program provided herein, using forms substantially in the nature of the forms of Notice approved by the Court in the Preliminary Approval Order. The Notice will include, among other information: a description of the material terms of the Settlement; a date by which Settlement Class Members may object to or opt out of the Settlement; the date upon which the Final Approval Hearing will occur; and the address of the Settlement Website at which Settlement Class Members may access this Agreement and other related documents and information.

2. The Notice Program has two components: (1) Notice via direct summary notice via United States Postal Service first class mail; and (2) (3) Notice on the Settlement Website. The Settlement Administrator shall send Notice to all Settlement Class Members via summary notice via United States Postal Service first class mail. The Settlement Administrator shall determine if any publication or geo-targeted notice is also needed to satisfy due process requirements. The Settlement Administrator shall also have the option, if requested by Class Counsel, to mail reminder post card notices to Settlement Class Members who have not yet submitted a Claim Form, with such reminder notices to be mailed, if at all, thirty (30) calendar days prior to the Claims Deadline.

3. The Notice shall include a procedure for Settlement Class Members to exclude themselves from the Settlement Class by notifying the Settlement Administrator in

writing of the intent to exclude himself or herself from the Settlement Class. This procedure will provide for the submission of an opt-out or exclusion form to be provided to Settlement Class Members by the Settlement Administrator. Such written notification or exclusion form must be postmarked no later than the Opt-Out Deadline, as specified in the Notice. Any written notification or exclusion form must include the individual's name and address; a statement that he or she wants to be excluded from the Action; and the individual's signature. Only one individual may be excluded from the Settlement Class per each written notification or exclusion form. No group opt-outs from the Settlement Class shall be permitted. The Settlement Administrator shall provide the Parties with copies of all completed opt-out notifications, and a final list of all individuals who have timely and validly excluded themselves from the Settlement Class. Any Settlement Class Member who does not timely and validly exclude himself or herself shall be bound by the terms of the Settlement.

The Notice shall also include a procedure for Settlement Class Members to object to the Settlement and/or to Class Counsel's application for attorneys' fees, costs and expenses and Service Awards. Objections to the Settlement or to the application for fees, costs, and expenses and Service Awards must be filed electronically with the Court or mailed to the Clerk of the Court and, additionally, served concurrently therewith upon:

For Class Counsel:

FEDERMAN & SHERWOOD
William B. Federman
10205 N. Pennsylvania Ave.
Oklahoma City, OK 73120

For Med-Data:

PALUMBO LAW
Ralph H. Palumbo
398 Lark Sparrow Lane
P.O. Box 137
Wolcott, CO 81655

ARETE LAW GROUP PLLC
Lynn M. Engel
1218 Third Avenue, Suite 2100
Seattle, WA 98101

For an objection to be considered by the Court, the objection must be: (a) electronically filed by the Objection Deadline; or (b) mailed first-class postage prepaid to the Clerk of Court, at the address listed in the Notice, and postmarked by no later than the Objection Deadline, as specified in the Notice. For an objection to be considered by the Court, the objection must

also set forth:

- a. the name of the filed action;
- b. the objector's full name, address, telephone number;
- c. an explanation of the basis upon which the objector claims to be a Settlement Class Member;
- d. all grounds for the objection, accompanied by any legal support for the objection;
- e. the identity of all counsel who represent the objector, including any former or current counsel who may be entitled to compensation for any reason related to the objection to the Settlement, the fee application, or the application for Service Awards;
- f. a statement confirming whether the objector intends to appear personally or through counsel and/or testify at the Final Approval Hearing; and
- g. the objector's signature on the written objection (an attorney's signature is not sufficient).

4. The Parties and their counsel agree that each will not encourage any persons to Opt Out or file Objections to this Settlement Agreement.

5. The direct summary notice via United States Postal Service first class mail, and any publication notice if required, shall be completed by the Notice Deadline, excluding any attempts to resend Notices that are returned undeliverable.

6. The Settlement Administrator shall post the Notice on the Settlement Website in the form agreed to by the Parties and approved by the Court. The Notice shall be posted on the Settlement Website by the Notice Deadline.

7. No later than thirty-five (35) days after the Claims Deadline, the Settlement Administrator shall provide Class Counsel and Defendant with one or more affidavits confirming that the Mail Notice Program, and posting of Notice on the Settlement Website, were completed in accordance with the Parties' instructions and the Court's approval. Class Counsel shall file such affidavit(s) with the Court as an exhibit to or in conjunction with the motion for final approval of the Settlement.

8. All costs associated with providing appropriate notice of the Settlement to the Settlement Class Members, including potentially a second wave of notice depending on

the claims rate, and settlement administrative costs including payment of the Settlement Administrator shall be paid out of the \$7 million Settlement Fund. Notice will require a unique claim identifier.

IX. FINAL APPROVAL ORDER AND JUDGMENT

1. Plaintiffs' motion for preliminary approval of the Settlement will include a request to the Court for a scheduled date on which the Final Approval Hearing will occur. Class Counsel shall file a motion for attorneys' fees, costs and expenses, and Service Awards within thirty (30) calendar days after the Notice Deadline. Within one-hundred-twenty (120) calendar days after the Notice Deadline, Plaintiffs shall file a motion for final approval of the Settlement. By no later than fourteen (14) calendar days prior to the Final Approval Hearing, the Parties shall file responses, if any, to any objections, and any replies in support of final approval of the Settlement and/or Class Counsel's application for attorneys' fees, costs, and expenses and for Service Awards to the Settlement Class Representatives. At the Final Approval Hearing, the Court will consider Plaintiffs' motion for final approval of the Settlement, and Class Counsel's application for attorneys' fees, costs, and expenses and Service Awards to the Class Representatives. In the Court's discretion, the Court also will hear argument at the Final Approval Hearing from any Settlement Class Members (or their counsel) who object to the Settlement or to the application for attorneys' fees, costs, and expenses and Service Awards, provided the objectors filed timely objections that meet all of the requirements listed in Section VII paragraph 4 herein.

2. At or following the Final Approval Hearing, the Court will determine whether to enter the Final Approval Order granting final approval of the Settlement, and whether to approve Class Counsel's request for attorneys' fees, costs, and expenses, and Service Awards. The proposed Final Approval Order that will be filed with the motion for final approval shall be in a form agreed upon by Class Counsel and Defendant. A current version is attached hereto as Exhibit 3, but may be subject to modification with the consent of Class Counsel and Defendant prior to the Final Approval Hearing. Such proposed Final Approval Order shall, among other things:

- a. Determine that the Settlement is fair, adequate, and reasonable;
- b. Finally certify the Settlement Class for settlement purposes only;
- c. Determine that the Notice provided satisfied Due Process requirements;
- d. Dismiss the Action with prejudice;
- e. Bar and enjoin the Releasing Parties from asserting any of the Released Claims, as set forth in Section IX herein, including during the pendency of any appeal from the Final Approval Order;

- f. Release Defendant and the Released Parties from the Released Claims, as set forth in Section IX herein; and
- g. Reserve the Court's continuing and exclusive jurisdiction over Defendant and all Settlement Class Members (including all objectors) to administer, supervise, construe, and enforce this Agreement in accordance with its terms.

X. RELEASES

1. As of the Effective Date, the Releasing Parties shall automatically be deemed to have fully and irrevocably released and forever discharged the Released Parties of and from any and all Released Claims.

2. For the avoidance of doubt, the Released Claims include any claims that a Releasing Party may have under the law of any jurisdiction, including, without limitation, those arising under state or federal law of the United States (including, without limitation, any causes of action under consumer protection statutes in effect in the United States or in any states and territories of the United States); causes of action under the common or civil laws of any state or territory of the United States, including but not limited to: state statutory consumer protection or privacy claims, unjust enrichment, negligence, bailment, conversion, negligence *per se*, breach of contract, breach of implied contract, breach of fiduciary duty, breach of implied covenant of good faith and fair dealing, misrepresentation (whether fraudulent, negligent, or innocent), fraudulent concealment or nondisclosure; and also including, but not limited to, any and all claims in any state or federal court of the United States for damages, injunctive relief, restitution, disgorgement, declaratory relief, equitable relief, attorneys' fees and expenses, pre-judgment interest, and any other form of relief arising out of, or relating to, or in any way connected with, the Data Incident, and which have been asserted or could have been asserted in the Actions against any of the Released Parties. The Released Claims do not include any claims (a) not arising from or relating to the Data Incident, and/or (b) any claims arising from or relating to any conduct by Defendant after the date the Settlement Agreement is executed. Released Claims also do not include the right of Named Plaintiffs, Settlement Class Members or any Released Person to enforce the terms of the Settlement Agreement and claims not arising from the facts alleged in the Action.

3. As of the Effective Date, the Released Parties will be deemed to have completely released and forever discharged Named Plaintiffs and the Settlement Class Representatives, the other members of the Settlement Class, and Class Counsel from and for any and all liabilities, claims, cross-claims, causes of action, rights, actions, suits, debts, liens, contracts, agreements, damages, costs, attorneys' fees, losses, expenses, obligations, or demands, of any kind whatsoever, whether known or unknown, existing or potential, or suspected or unsuspected, whether raised by claim, counterclaim, setoff, or

otherwise, including any known or unknown claims, which they have or may claim now or in the future to have, relating to the institution, prosecution, or settlement of the Action.

4. Upon entry of the Final Approval Order, the Settlement Class Members shall be enjoined from prosecuting any claim they have released in the preceding paragraphs in any proceeding against any of the Released Parties or based on any actions taken by any of the Released Parties that are authorized or required by this Agreement or by the Final Approval Order. It is further agreed that the Settlement may be pleaded as a complete defense to any proceeding subject to this section.

XI. ATTORNEYS' FEES, COSTS, EXPENSES AND SERVICE AWARDS

1. **Service Awards.** The Settlement Class Representatives will ask the Court to approve a service award not to exceed five thousand dollars (\$5,000.00) for each Settlement Class Representative, which is intended to compensate such individual for his effort in the litigation and commitment on behalf of the Settlement Class ("**Service Award**"). Neither Class Counsel's application for, nor Class Representatives' entitlement to, a Service Award shall be conditioned in any way upon support for this Agreement. Such Service Award Payment shall be paid by the Settlement Administrator, in the amount approved by the Court, no later than ten (10) business days after the Effective Date.

2. **Attorneys' Fees, Costs, and Expenses.** Class Counsel will ask the Court to approve an award of Attorneys' Fees of up to one-third of the Settlement Fund (\$2,333,333.33) plus litigation costs and expenses not to exceed \$200,000.00 to be paid from the Settlement Fund. The finality or effectiveness of the Settlement will not be dependent on the Court awarding Class Counsel any particular amount on their Fee Request and shall not alter the Effective Date. Attorneys' Fees, Costs, and Expenses shall be paid by the Settlement Administrator from the Settlement Fund, in the amount approved by the Court, no later than ten (10) business days after the Effective Date.

3. In the event the Court declines to approve, in whole or in part, the payment of attorneys' fees, costs, and expenses in the amount that Class Counsel requests, the remaining provisions of this Settlement Agreement shall remain in full force and effect. No order of the Court, or modification, or reversal, or appeal, of any order of the Court, concerning the amount(s) of attorneys' fees, costs, and expenses shall constitute grounds for cancellation or termination of this Agreement. Any amount not awarded to Class Counsel will not revert back to Defendant.

XII. TERMINATION

1. This Settlement may be terminated by either (a) a consensus of all Named Plaintiffs or (b) Defendant by serving on counsel for the opposing Party and filing with the Court a written notice of termination within 14 calendar days (or such longer time as may be agreed between Class Counsel and Defendant) after any of the following occurrences:

- a. Class Counsel and Defendant agree to termination before the Effective Date;
- b. The Court rejects, materially modifies, materially amends or changes, or declines to preliminarily or finally approve the Settlement;
- c. An appellate court reverses the Final Approval Order, and the Settlement is not reinstated and finally approved without material change by the Court on remand;
- d. The Court or any reviewing appellate court incorporates material terms or provisions into, or deletes or strikes material terms or provisions from, or materially modifies, amends, or changes, the Preliminary Approval Order, the proposed Final Approval Order, or the Settlement; or
- e. The Effective Date does not occur.

2. In the event of a termination as provided in Paragraph 1 of this Section, this Settlement Agreement shall be considered null and void; all of the Parties' obligations under the Settlement Agreement shall cease to be of any force and effect, and the Parties shall return to the status quo ante in the Actions as if the Parties had not entered into this Agreement. In addition, in the event of such a termination, all of the Parties' respective pre-Settlement claims and defenses will be preserved.

XIII. NO ADMISSION OF LIABILITY

1. Defendant disputes the claims alleged in the Actions and does not by this Settlement Agreement or otherwise admit any liability or wrongdoing of any kind. Defendant has agreed to enter into this Settlement Agreement solely to avoid the further expense, inconvenience, and distraction of burdensome and protracted litigation, and to be completely free of any further claims that were asserted or could have been asserted in the Actions.

2. Named Plaintiffs and Class Counsel believe, and the Parties have agreed, that the Settlement confers substantial benefits upon the Settlement Class. Based on their comprehensive examination and evaluation of the law and facts relating to the matters at issue in the Actions, Class Counsel have concluded that the terms and conditions of this Settlement Agreement are fair, reasonable, and adequate to the Settlement Class, and that it is in the best interests of the Settlement Class to settle the claims raised in the Actions pursuant to the terms and provisions of this Settlement Agreement.

3. The Parties understand and acknowledge that this Settlement Agreement

constitutes a compromise and settlement of disputed claims. No action taken by the Parties either previously or in connection with the negotiations or proceedings connected with this Settlement Agreement shall be deemed or construed to be an admission of the truth or falsity of any claims or defenses heretofore made, or an acknowledgment or admission by any party of any fault, liability, or wrongdoing of any kind whatsoever.

4. Neither the Settlement, nor any act performed or document executed pursuant to or in furtherance of the Settlement: (a) is or may be deemed to be, or may be used as, an admission of, or evidence of, the validity of any claim made by Named Plaintiffs or Settlement Class Members, or of any wrongdoing or liability of the Released Parties; or (b) is or may be deemed to be, or may be used as, an admission of, or evidence of, any fault or omission of any of the Released Parties, in the Actions or in any proceeding in any court, administrative agency, or other tribunal.

XIV. MISCELLANEOUS

1. Singular and Plurals. As used in this Settlement Agreement, all references to the plural shall also mean the singular and to the singular shall also mean the plural whenever the context so indicates.

2. Binding Effect. This Settlement Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the Releasing Parties and the Released Parties.

3. Cooperation of Parties. The Parties to this Settlement Agreement agree to cooperate in good faith to prepare and execute all documents, to seek Court approval, defend Court disapproval, and to do all things reasonably necessary to complete and effectuate the Settlement described in this Settlement Agreement, including securing certification of the Settlement Class for settlement purposes and the prompt, complete, and final dismissal with prejudice of the Actions as to Defendant.

4. Obligation To Meet And Confer. Before filing any motion in the Court raising a dispute arising out of or related to this Settlement Agreement, the Parties shall consult with each other and certify to the Court that they have consulted in good faith.

5. Integration. This Settlement Agreement (along with any Exhibits attached hereto) constitutes a single, integrated written contract expressing the entire agreement of the Parties relative to the subject matter hereof. No covenants, agreements, representations, or warranties of any kind whatsoever have been made by any Party hereto, except as provided for herein.

6. No Conflict Intended. Any inconsistency between the headings used in this Settlement Agreement and the text of the paragraphs of this Settlement Agreement shall be resolved in favor of the text.

7. Governing Law. The Settlement Agreement shall be construed in accordance with, and be governed by, the laws of the State of Texas, without regard to its choice of law or conflict of laws principles.

8. Counterparts. This Settlement Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, even though all signatories do not sign the same counterparts. Original signatures are not required. Any signature submitted by facsimile or through e-mail of an Adobe PDF shall be deemed an original.

9. Jurisdiction. The Court shall retain jurisdiction over the implementation, enforcement, and performance of this Settlement Agreement, and shall have exclusive jurisdiction over any suit, action, proceeding or dispute arising out of or relating to this Settlement Agreement that cannot be resolved by negotiation and agreement by counsel for the Parties. The Court shall retain jurisdiction with respect to the administration, consummation, and enforcement of the Settlement Agreement and shall retain jurisdiction for the purpose of enforcing all terms of the Settlement Agreement. The Court shall also retain jurisdiction over all questions and/or disputes related to the Notice Program and the Settlement Administrator. As part of its agreement to render services in connection with this Settlement, the Settlement Administrator shall consent to the jurisdiction of the Court for this purpose.

10. Notices. All notices to Class Counsel provided for herein shall be sent by overnight mail to:

FEDERMAN & SHERWOOD
William B. Federman
10205 N. Pennsylvania Ave.
Oklahoma City, OK 73120

All notices to Defendant provided for herein, shall be sent by overnight mail to:

ARETE LAW GROUP PLLC
Lynn M. Engel
1218 Third Avenue, Suite 2100
Seattle, WA 98101

PALUMBO LAW
Ralph H. Palumbo
398 Lark Sparrow Lane
P.O. Box 137
Wolcott, CO 81655

The notice recipients and addresses designated above may be changed by written notice. Upon the request of any of the Parties, the Parties agree to promptly provide each other with copies of objections, requests for exclusion, or other filings received as a result of the Notice Program.

11. Authority. Any person executing this Settlement Agreement in a representative capacity represents and warrants that he or she is fully authorized to do so and to bind the Party on whose behalf he or she signs this Settlement Agreement to all of the terms and provisions of this Settlement Agreement.

12. Signatures of All Settlement Class Members Unnecessary to be Binding. The Parties agree that, because the members of the Settlement Class are numerous, it is impractical, if not impossible, to have each Settlement Class Member execute this Settlement Agreement. The Notice discussed above advises all Settlement Class Members of the binding nature of the Release provided herein, and therefore the Release provided herein shall have the same force and effect as if this Settlement Agreement were executed by each individual Settlement Class Member.

13. No Construction Against Drafter. This Settlement Agreement shall be deemed to have been drafted by the Parties, and any rule that a document shall be interpreted against the drafter shall not apply to this Settlement Agreement.

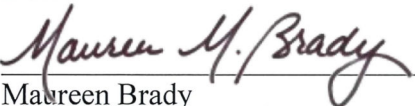
XV. SETTLEMENT TIMELINE

<u>Grant of Preliminary Approval</u>	
Defendant provides list of Settlement Class Members to the Settlement Administrator	10 business days after Preliminary Approval
Long Form and Short Form Notices Posted on the Settlement Website	30 calendar days after Preliminary Approval
Notice Deadline	30 calendar days after Preliminary Approval
Reminder Notice	30 calendar days before Claims Deadline
Class Counsel's Motion for Attorneys' Fees, Reimbursement of Litigation Expenses, and Class Representative Service Award	90 days after Preliminary Approval Order
Objection Deadline	50 calendar days after Notice Deadline
Opt-Out Deadline	50 calendar days after Notice Deadline
Claims Deadline	75 calendar days after Notice Deadline
<u>Final Approval Hearing</u>	210 days after Preliminary Approval Order (at minimum)
Motion for Final Approval	120 calendar days after the Notice Deadline


Settlement Administrator to Provide the final report of Opt-Outs and/or Objections	10 business days after the Opt-Out and Objection Deadlines
Settlement Administrator to Provide the Affidavit(s) to be Submitted in Support of Final Approval	35 calendar days after the Claims Deadline

IN WITNESS WHEREOF, the Parties hereto have caused this Settlement Agreement to be executed on their behalf by their authorized counsel of record, all as of the day set forth below.

For Plaintiffs:

 William B. Federman
 Federman & Sherwood
 Date:

 Maureen Brady
 McShane & Brady LLC
 Date:

 Beth E. Terrell
 Terrell Marshall Law Group PLLC
 Date:

 Jean S. Martin
 Morgan & Morgan Complex
 Litigation Group
 Date:

 John Heenan
 Heenan & Cook
 Date:

For Defendant:

Lynn M. Engel
Lynn M. Engel (Oct 23, 2023 06:28 PDT)

 Ralph H. Palumbo
 Palumbo Law
 Date: Oct 23, 2023
Lynn M. Engel
Lynn M. Engel (Oct 23, 2023 06:28 PDT)

 Lynn M. Engel
 Arete Law Group PLLC
 Date: Oct 23, 2023

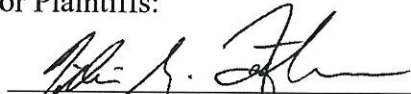
For

 Ethan Carlyle
 Wilson Elser Moskowitz Edelman &
 Dicker LLP
 Date:

Settlement Administrator to Provide the final report of Opt-Outs and/or Objections	10 business days after the Opt-Out and Objection Deadlines
Settlement Administrator to Provide the Affidavit(s) to be Submitted in Support of Final Approval	35 calendar days after the Claims Deadline

IN WITNESS WHEREOF, the Parties hereto have caused this Settlement Agreement to be executed on their behalf by their authorized counsel of record, all as of the day set forth below.

For Plaintiffs:




William B. Federman
Federman & Sherwood
Date:

For Defendant:


Ralph H. Palumbo
Palumbo Law
Date:

Maureen Brady
McShane & Brady LLC
Date:

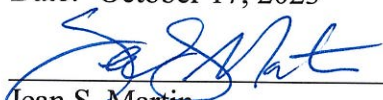
Lynn M. Engel
Arete Law Group PLLC
Date:



Beth E. Terrell
Terrell Marshall Law Group PLLC
Date: October 17, 2023



Ethan Carlyle
Wilson Elser Moskowitz Edelman &
Dicker LLP
Date: 10-23-23



Jean S. Martin
Morgan & Morgan Complex
Litigation Group
Date: 10-23-23

John Heenan
Heenan & Cook
Date: