

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Settlement Agreement” or “Agreement”) is made by and between (1) Settlement Class Representative (as defined in Paragraph 23), for herself and on behalf of the Participating Settlement Class Members (as defined in Paragraph 17) (together “Plaintiffs”), and (2) CareCentrix, Inc. (“Defendant” or “CareCentrix”) (collectively the “Parties”). This Agreement fully and finally compromises and settles any and all claims that are, were, or could have been asserted in the litigation styled *Sarah Hapka, individually and on behalf of all others similarly situated v. CareCentrix, Inc.*, No. 2:16-cv-02372 (D. Kan., Complaint filed June 2, 2016).

I. RECITALS

A. In March 2016, CareCentrix announced that it suffered a security incident after one of its employees sent the 2015 Internal Revenue Service Wage and Tax Statements (W-2 Forms) of 1,986 current and former CareCentrix employees to an unauthorized third party.

B. On June 2, 2016, Plaintiff Sarah Hapka, on behalf of herself and all others similarly situated, filed a class action lawsuit asserting a negligence claim against CareCentrix relating to the security incident.

C. On December 19, 2016, the Court denied CareCentrix’s motion to dismiss the Complaint. Thereafter, CareCentrix Answered the Complaint and the Parties engaged in several months of discovery.

D. Throughout the Summer of 2017, the Parties engaged in arm’s-length confidential settlement negotiations. On August 17, 2017, Plaintiffs and CareCentrix reached an agreement in principle on a proposed settlement for the Action.

E. On August 24, 2017, the Court stayed proceedings in this matter pending submission of a proposed settlement. The Court ordered that Plaintiff shall file a motion for preliminary approval of class settlement on or before September 20, 2017, and set a preliminary approval hearing for September 25, 2017 at 3:30 p.m. at 440 U.S. Courthouse, 500 State Avenue, Kansas City, Kansas.

F. CareCentrix disputes the claims alleged in the Action and does not admit any liability or wrongdoing of any kind.

G. The Parties now agree to settle the Action in its entirety to avoid the further expense, uncertainty, and distraction of burdensome and protracted litigation and intend this Agreement to bind CareCentrix and all Participating Settlement Class Members.

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 Action be settled subject to Court approval, on the following terms and conditions:

II. DEFINITIONS

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

1. “Action” means the litigation styled *Sarah Hapka, individually and on behalf of all others similarly situated v. CareCentrix, Inc.*, No. 2:16-cv-02372 (D. Kan., Complaint filed June 2, 2016).

2. “Claim” or “Claim Form” means the form Settlement Class Members must submit to be eligible for reimbursement of Out-of-Pocket Losses and for Credit Monitoring Services under the terms of the Settlement, the proposed form of which is attached hereto as Exhibit 2.

3. “Claims Deadline” means 90 days after the Notice Deadline.

4. “Class Counsel” means Barrett J. Vahle of the firm Stueve Siegel Hanson LLP.

5. “Court” means the United States District Court for the District of Kansas.

6. “Credit Monitoring Services” means the suite of 3-bureau credit monitoring services provided by Experian Identity Works.

7. “E-mail Security Incident” means the security incident that occurred on February 24, 2016 and was announced by CareCentrix in March 2016.

8. “Effective Date” means the date upon which the Settlement contemplated by this Agreement shall become effective as set forth in Paragraph 53.

9. “Final Approval Order and Judgment” means an order and judgment that the Court enters after the Final Fairness Hearing, which finally approves the Settlement Agreement and dismisses CareCentrix with prejudice and without material change to the Parties’ agreed-upon proposed final approval order and judgment.

10. “Final Fairness Hearing” means the hearing to be conducted by the Court to determine the fairness, adequacy, and reasonableness of the Settlement Agreement and whether to issue the Final Approval Order and Judgment.

11. “Notice” means notice of the proposed class action settlement to be provided to Settlement Class members pursuant to the Notice Plan approved by the Court in connection with preliminary approval of the Settlement, substantially in the form attached hereto as Exhibit 1.

12. “Notice Deadline” means 30 days after Preliminary Approval.

13. “Notice Plan” means the settlement notice program developed by the Parties and Settlement Administrator and submitted as an exhibit to Plaintiffs’ motion for preliminary approval of the settlement, as approved by the Court.

14. “Objection Deadline” means 60 days after the Notice Deadline.

15. “Opt-Out Deadline” means 60 days after the Notice Deadline.

16. “Out-of-Pocket Losses” means documented out-of-pocket costs or expenditures that a Settlement Class Member actually incurred between the date of the E-mail Security Incident (February 24, 2016) and the date of timely claim submission that are fairly traceable to the E-mail Security Incident, and that have not already been reimbursed by CareCentrix or another party, as set forth in Section IV. Out-of-Pocket Losses may include, without limitation, the following: unreimbursed fraud losses or charges; professional fees incurred in connection with identity theft or falsified tax returns; credit freezes; credit monitoring that was purchased on or after February 24, 2016 through the date of timely claim submission; and miscellaneous expenses such as notary, fax, postage, copying, mileage, and long-distance telephone charges. Out-of-Pocket Losses do not include claims of time spent, hassle, inconvenience, risk of future harms, or other similar unquantified damages.

17. “Participating Settlement Class Members” means all Settlement Class Members who did not timely opt-out of the settlement through a valid opt-out form.

18. “Personal Information” means names, dates of birth, Social Security numbers, addresses, employment information, and other information contained in Internal Revenue Service Wage and Tax Statements (W-2 Forms) that were accessed without authorization as a result of the E-mail Security Incident.

19. “Preliminary Approval Order” means an order by the Court that preliminarily certifies a Settlement Class, approves this Agreement, including but not limited to the forms and procedure for providing notice to the Settlement Class, establishes a procedure for Settlement Class Members to object to or opt-out of the Settlement, and sets a date for the Final Fairness Hearing, without material change to the Parties’ agreed-upon proposed preliminary approval order attached as an exhibit to Plaintiffs’ motion for preliminary approval of the Settlement and related filings.

20. “Service Award Payment” means compensation awarded and paid to Settlement Class Representative in recognition of her role in this litigation, as set forth in Paragraph 59.

21. “Settlement Administrator” means the settlement administration company Heffler Claims Group.

22. “Settlement Class Members” or “Class Members” means “All current and former employees whose Personal Information was compromised as a result of the e-mail security incident announced by CareCentrix, Inc. in March 2016.” Excluded from the Settlement Class is CareCentrix, including any entity in which CareCentrix has a controlling interest, is a parent or

subsidiary, or which is controlled by CareCentrix, as well as the officers, directors, affiliates, legal representatives, heirs, predecessors, successors, and assigns of CareCentrix. Also excluded are the judges and court personnel in this case and any members of their immediate families.

23. “Settlement Class Representative” means named plaintiff Sarah Hapka.

24. “Settlement Website” means the website that the Settlement Administrator will establish as soon as practicable following Preliminary Approval, but prior to the commencement of the Notice Plan, as a means for Settlement Class Members to obtain notice of and information about the Settlement, the order preliminarily approving this Settlement, the Claim Form, the Complaint and such other documents as Class Counsel and CareCentrix agree to post or that the Court orders posted on the website. These documents shall remain on the Settlement Website at least until 90 days after the Effective Date. The URL of the Settlement Website shall be agreed upon by Class Counsel and CareCentrix. Settlement Class Members shall also be able to submit Claim Forms electronically via the Settlement Website. The Settlement Website shall not include any advertising.

III. SETTLEMENT CONSIDERATION

In exchange for Settlement Class Representative’s and Participating Settlement Class Members’ release of claims as set forth in Section XI, CareCentrix will provide the following relief as part of the Settlement:

25. **Reimbursement of Out-of-Pocket Losses.** Class Counsel and CareCentrix, in conjunction with the Settlement Administrator, will create a claims process by which Settlement Class Members can receive reimbursement for documented Out-of-Pocket Losses as set forth in Section IV.

26. **Credit Monitoring Services.** CareCentrix will make Credit Monitoring Services available to all Settlement Class Members at no cost for a period of twenty-four (24) months after enrollment as set forth in Section V.

27. **Prospective Relief.** CareCentrix agrees to have and maintain certain data security measures for a period of twenty-four (24) months following the Effective Date as set forth in Section VI.

28. **Additional Relief.** CareCentrix will separately pay the costs of administration of the Settlement and class notice, reasonable attorneys’ fees, costs and expenses, and the Service Awards Payment for the Settlement Class Representative as set forth in Sections IX and XII.

IV. CLAIMS PROCESS

29. **Reimbursement for Out-of-Pocket Losses.** Participating Settlement Class Members with Out-of-Pocket Losses can receive reimbursement up to \$5,000 per individual for documented Out-of-Pocket losses by submitting a Claim Form with supporting documentation (as set forth in the Claim Form) on or before the Claims Deadline. Valid supporting

documentation includes documents from a third party (e.g., credit bureau, mailing service, tax service, etc.) that show specific and actual amounts paid by the claimant. This means that handwritten notes or other writings created by the claimant are not acceptable forms of documentation. Other documentation reflecting indicia of an actual payment is acceptable.

30. Claimants must submit with their claim a verification that they believe the losses they claim are fairly traceable to the E-Mail Security Incident and that such expenses have not been reimbursed from any other source.

31. CareCentrix will pay a single payment of \$200 to claimants who can properly document actual tax fraud between the date of the E-Mail Security Incident and the date of timely submission of the claim. Such tax fraud claimants who chose to claim the \$200 payment will forego any other claims for unreimbursed expenses or Out-of-Pocket Losses, but may make a claim for Credit Monitoring Services. Any such claimant must submit documentation from a governmental taxing authority showing that an actual fraudulent tax filing was made in her or his name.

32. The Settlement Administrator shall verify that each person who submits a Claim Form is a Settlement Class Member and shall have the discretion and authority to determine whether and to what extent documentation for Out-of-Pocket Losses reflects valid Out-of-Pocket Losses actually incurred between the date of the E-mail Security Incident and the date of timely claim submission, are attested to by the Settlement Class Member as unreimbursed, and are fairly traceable to the E-mail Security Incident. To the extent the Settlement Administrator determines a claim for Out-of-Pocket Losses is deficient in whole or part, within ten (10) days of making such a determination, the Settlement Administrator shall notify the Settlement Class Member of the deficiencies and give the Settlement Class Member thirty (30) days to cure the deficiencies. Such notice shall inform the Settlement Class Member that she or he can either attempt to cure the deficiencies outlined in the notice, or dispute the determination in writing and request an appeal. 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) days of the determination. The notice shall inform the Settlement Class Member of its right to dispute the determination in writing and request an appeal within thirty (30) days.

33. If a Settlement Class Member disputes a determination in writing and requests an appeal, the Settlement Administrator shall provide Class Counsel and CareCentrix's Counsel with a copy of the Settlement Class Member's dispute and Claim Form along with all documentation submitted by the Settlement Class Member. Class Counsel and CareCentrix's Counsel (together "Counsel") will confer regarding the claim submission, and Counsel's agreement on approval or denial of the Settlement Class Member's claim, in whole or part, will be final. If Counsel cannot agree on approval or denial of the Settlement Class Member's claim, in whole or part, the dispute will be submitted to the Settlement Administrator Referee, who was not previously involved in the consideration of the claim at issue. The Settlement Administrator Referee's decision will be final and not subject to appeal or further review.

34. CareCentrix will pay all approved monetary claims. Payments for approved claims for reimbursement for Out-of-Pocket Losses submitted on or before the Claims Deadline shall be issued in the form of a mailed check within 30 days of the Effective Date, excluding claims still subject to the dispute process as set forth in Paragraphs 32-33, in which case such claims shall be paid within 30 days of the final determination of those claims.

35. CareCentrix shall coordinate with the Settlement Administrator to ensure sufficient funding is available to make timely payments to Settlement Class Members in conjunction with the deadlines provided for in Paragraph 34.

36. All checks issued to Participating Settlement Class Members pursuant to this Agreement shall bear in the legend that they expire if not negotiated within ninety (90) days of their date of issue. To the extent that a check issued to a Participating Settlement Class Member is not cashed within ninety (90) days after the date of issue, the Settlement Administrator shall mail that Participating Settlement Class Member a postcard reminding him/her of the deadline to cash such check and providing information as to how to obtain a reissued check in the event the check was lost, stolen or misplaced. Any replacement checks issued to Participating Settlement Class Members shall remain valid and negotiable for ninety (90) days from the date of their issuance and may thereafter automatically be canceled if not cashed by the Participating Settlement Class Members within that time. Any funds still not negotiated following this process shall be forwarded, in the name of the Participating Settlement Class Member, to the unclaimed property division of that Participating Settlement Class Member's home state, for further handling on behalf of the Participating Settlement Class Member. Participating Settlement Class Members who, for any reason, do not negotiate their check[s] in a timely manner shall remain subject to the terms of the Final Judgment.

V. CREDIT MONITORING SERVICES

37. **Credit Monitoring Services.** All Participating Settlement Class Members are eligible to enroll in twenty-four (24) months of Credit Monitoring Services by submitting a valid Claim Form on or before the Claims Deadline and electing to enroll, regardless of whether the Participating Settlement Class Member submits a claim for documented Out-of-Pocket Losses. The features included with Experian's "Identity Works" credit monitoring services include:

- a. Daily credit monitoring of the Settlement Class Members' credit file at all three (3) major credit reporting agencies (Experian, Equifax & TransUnion);
- b. An Experian Credit Report upon enrollment;
- c. A subsequent, updated Experian credit report available at the Settlement Class Members' election as often as daily (online);
- d. Identity theft insurance, which covers certain identity theft related expenses incurred by Settlement Class Members up to a limit of \$1 million;

- e. Internet surveillance, which includes monitoring of the “dark web” for Settlement Class Members’ personal information;
- f. Identity validation monitoring and alerts to notify Settlement Class Members in the event their identity has been verified across the Experian identity network; and
- g. Identity restoration services that provide professional fraud resolution assistance to Settlement Class Members who experience identity theft or fraud, helping them with identity recovery and restoration.

38. **Identity Restoration Services.** Those Participating Settlement Class Members who do not submit a Claim Form or otherwise elect to enroll in the Credit Monitoring Services will still be able to take advantage of identity restoration services offered through Experian. Experian shall provide identity restoration services to all Participating Settlement Class Members (whether or not they make any other claim), for a period of twenty-four (24) months from the Effective Date. Identity restoration services provide for professional fraud resolution assistance by a U.S. based fraud resolution agent who assists Participating Settlement Class Members who experience identity theft or fraud with the steps to identity recovery and restoration. The costs of providing the Credit Monitoring Services and identity restoration services shall be paid by CareCentrix separate from any additional benefits offered under this Settlement.

39. The Parties agree that the retail price of the credit monitoring services made available to Settlement Class Members shall be used to support approval of the Settlement.

40. The Settlement Administrator shall send to each valid Credit Monitoring Services claimant, via e-mail, or for claimants who do not provide an e-mail address by U.S. Mail, an activation code to be used to activate Credit Monitoring Services via the website of Experian within 30 days of the Effective Date. Experian will provide Credit Monitoring Services to all valid claimants who timely activate those services.

VI. PROSPECTIVE RELIEF

41. **Prospective Relief.** CareCentrix agrees to have and maintain the following data security measures for a period of twenty-four (24) months following the Effective Date:

- a. **Technical Security Barriers.** CareCentrix shall maintain technical security barriers specifically designed to reduce the flow of unwanted outside e-mails (common examples are email security systems such as Proof Point, Cisco Iron Port, etc. and may include Sender Policy Framework, etc.).
- b. **Employee Training.** CareCentrix shall maintain an employee cybersecurity training program that trains and educates employees, including those responsible for handling payroll and compensation data, on maintaining the confidentiality of information, and helping them recognize scams aimed at

gaining unauthorized access to such information, including “phishing” and “spoofing” scams.

42. CareCentrix will provide to Class Counsel documentation attesting to compliance with and maintenance of the prospective relief set forth above within 30 days after the Effective Date. Such documentation shall be treated as confidential and cannot be used for any other purpose. To the extent Plaintiff believes that CareCentrix is not complying with the prospective relief set forth herein, Settlement Class Counsel will first meet and confer with CareCentrix before seeking relief from the Court.

VII. PRELIMINARY APPROVAL

43. Upon the execution of this Agreement, Class Counsel will promptly file a motion for preliminary approval of the Settlement with the Court. Contemporaneously with or as part of that motion, Settlement Class Representative and Class Counsel will move for certification of the Settlement Class for purposes of settlement only, and CareCentrix will stipulate to class certification for purposes of settlement only. The Parties agree that if the court does not grant either preliminary approval or final approval of this Settlement, or if the Settlement is terminated as set forth in Paragraphs 55-56, the stipulation regarding class certification will be void and of no further force or effect.

44. Class Counsel shall apply to the Court for entry of the Preliminary Approval Order. The Preliminary Approval Order shall include approval of the form of notice provided to Settlement Class Members.

VIII. CLASS NOTICE, OPT-OUTS, AND OBJECTIONS

45. The Settlement Administrator is responsible for distributing and disseminating the Notice in accordance with the Notice Plan.

46. CareCentrix shall provide the Settlement Administrator with the names, last known mailing address, and last known e-mail addresses of Settlement Class Members, to the extent reasonably available, no later than seven (7) days after the date on which the Court enters the Preliminary Approval Order. The Settlement Administrator shall distribute the Court-approved notice to Settlement Class Members no later than 21 days after the date on which the Court enters the Preliminary Approval Order.

47. **Opt-Outs.** The Notice shall explain the procedure for Settlement Class Members to exclude themselves or “opt-out” of the Settlement by submitting a written request for exclusion to the Settlement Administrator postmarked no later than sixty (60) calendar days after the Notice Deadline. The request for exclusion must include the name of the proceeding, the individual’s full name, current address, personal signature, and the words “Request for Exclusion” or a comparable statement that the individual does not wish to participate in the Settlement at the top of the communication. The Notice will also state that any Settlement Class Member who does not file a timely and adequate request for exclusion in accordance with this

Paragraph will lose the opportunity to exclude herself from the Settlement and will be bound by the Settlement.

48. **Objections.** The Notice shall explain the procedure for Settlement Class Members to object to the Settlement by submitting written objections to the Settlement Administrator postmarked no later than sixty (60) calendar days after the Notice Deadline. The written objection must include the name of the proceeding, the objector's full name, current address, personal signature, a statement of grounds for the objection, the identity of any attorneys representing the objector, and the signature of the objector or the objector's attorney. The Notice must set forth the time and place of the Final Fairness Hearing that the objector may choose to attend. The Notice will also state that any Settlement Class Member who does not file a timely and adequate objection in accordance with this Paragraph waives the right to object or to be heard at the Final Fairness Hearing and shall be forever barred from making any objection to the Settlement.

49. The Parties agree that neither they nor their counsel will solicit or otherwise encourage directly or indirectly Settlement Class Members to request exclusion from the Class, object to the Settlement, or appeal the Final Judgment.

IX. DUTIES OF THE SETTLEMENT ADMINISTRATOR

50. The Settlement Administrator shall perform the functions as specified in this Agreement, including, but not limited to, overseeing administration of the Claims Process; providing Notice to Settlement Class Members via U.S. mail and e-mail; establishing and operating the Settlement Website and a toll-free number; administering the claims process; and distributing Credit Monitoring Services and payments for Out-Of-Pocket Losses according to the processes and criteria set forth herein.

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

- a. Obtaining from CareCentrix, pursuant to Paragraph 46, the names, last known mailing addresses, and last known e-mail addresses, to the extent reasonably available, of Settlement Class Members for the purpose of sending Notice to Settlement Class Members;
- b. Reviewing, determining the validity of, and processing all claims submitted by Settlement Class Members, pursuant to criteria set forth in Section IV;
- c. Establishing and maintaining a post office box for mailed written notifications of exclusion 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 objections and requests for exclusion from the Settlement Class;
- h. Providing weekly reports and, no later than seven (7) days after the Opt-Out Deadline, a final report to Counsel, that summarizes 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 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 Plan 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;
- k. After the Effective Date, processing and transmitting distributions to Settlement Class Members;
- l. Providing weekly reports and a final report to Counsel that summarize the number of Claims since the prior reporting period, the total number of Claims received to date, the number of any Claims approved and denied since the prior reporting period, the total number of Claims approved and denied to date, and other pertinent information as requested by Counsel; and
- m. Performing any function related to Settlement administration at the agreed-upon instruction of Counsel, including, but not limited to, verifying that cash payments have been distributed.

52. CareCentrix shall be responsible for payment to the Settlement Administrator. Such costs shall be borne by and paid separately by CareCentrix.

X. EFFECTIVE DATE AND TERMINATION

53. The Effective Date of the Settlement shall be the first business day after all of the following conditions have occurred:

- a. CareCentrix and Class Counsel execute this Settlement Agreement;

- b. The Court enters the Preliminary Approval Order, without material change to the Parties' agreed-upon proposed preliminary approval order attached as an exhibit to plaintiff's motion for preliminary approval of the settlement;
- c. Notice is provided to the Settlement Class consistent with the Preliminary Approval Order;
- d. The Court enters the Final Approval Order and Judgment, without material change to the Parties' agreed-upon proposed final approval order and judgment; and
- e. The Final Approval Order and Judgment has become final because (i) the time for appeal, petition, rehearing or other review has expired, or (ii) if any appeal, petition, request for rehearing or other review has been filed, the Final Approval Order and Judgment is affirmed without material change or the appeal is dismissed or otherwise disposed of, no other appeal, petition, rehearing or other review is pending, and the time for further appeals, petitions, requests for rehearing or other review has expired.

54. The Effective Date shall not be altered in the event the Court declines to approve, in whole or in part, the payment of attorneys' fees, costs, and expenses in the amounts that Class Counsel requests. Further, the Effective Date shall not be altered in the event that an appeal is filed with the sole issue on appeal being the fee request awarded to Class Counsel.

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

- a. Class Counsel and CareCentrix 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.

56. In the event of a termination as provided in Paragraph 55, this Agreement shall be considered null and void; all of the Parties' obligations under the Agreement shall cease to be of any force and effect and the Parties shall return to the status quo ante in the Action 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.

XI. RELEASES

57. As of the Effective Date, Settlement Class Representative and Participating Settlement Class Members absolutely and unconditionally release and discharge CareCentrix—including any entity in which CareCentrix has a controlling interest, is a parent or subsidiary, or which is controlled by CareCentrix, as well as the officers, directors, affiliates, legal representatives, CareCentrix's Counsel, insurers, employees, managers, agents, heirs, predecessors, successors, and assigns of CareCentrix, whether named in this Action or not—from any and all liabilities, rights, claims, actions, causes of action, demands, damages, penalties, costs, attorneys' fees, losses, and remedies, whether known or unknown, existing or potential, suspected or unsuspected, liquidated or unliquidated, legal, statutory, or equitable, that result from, arise out of, are based upon, or relate to the E-mail Security Incident or that were alleged or could have been alleged in the Action.

58. As of the Effective Date, CareCentrix absolutely and unconditionally releases and discharges Settlement Class Representative, Participating Settlement Class Members, and Class Counsel from any and all liabilities, rights, claims, actions, causes of action, demands, damages, penalties, costs, attorneys' fees, losses, and remedies, whether known or unknown, existing or potential, suspected or unsuspected, liquidated or unliquidated, legal, statutory, or equitable, that result from, arise out of, are based upon, or relate to the E-mail Security Incident or that were alleged or could have been alleged in the Action.

XII. ATTORNEYS' FEES, COSTS, EXPENSES AND SERVICE AWARD

59. **Service Award Payment.** Class Counsel will ask the Court to approve, and CareCentrix will not oppose, a Service Award Payment not to exceed \$2,500 for the Settlement Class Representative that is intended to compensate Settlement Class Representative for her efforts in the litigation and commitment on behalf of the Settlement Class. Any Service Award Payment shall be paid by CareCentrix separate from any other benefits offered under this Settlement. Neither Class Counsel's application for, nor any individual's entitlement to, a Service Award Payment shall be conditioned in any way upon such individual's support for this Agreement.

60. **Attorneys' Fees, Costs and Expenses.** CareCentrix agrees to pay the reasonable attorneys' fees, costs and expenses of Plaintiffs' counsel incurred in this matter, as determined by the Court. Class Counsel will make an application for such fees, costs and expenses to the Court at least 21 days before the Objection Deadline. CareCentrix will not assert any objection to the reasonableness of an attorneys' fees request of \$300,000 or less. CareCentrix will only be obligated to pay such fees, costs and expenses as awarded by the Court. 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. Any award of attorneys' fees, costs, and expenses shall be paid by CareCentrix separate from any other benefits offered under this Settlement.

61. Within seven (7) business days after the later of the Effective Date or a final order approving Class Counsel's fee request after the time for seeking rehearing, appellate or other review of the fee request has expired, CareCentrix shall pay to Class Counsel all Court-approved attorneys' fees, costs, and expenses. In the event that the award of attorneys' fees, costs, and expenses is reduced on appeal, CareCentrix shall only pay the reduced amount of such award. Class Counsel shall timely furnish to CareCentrix any required tax information, account information or necessary forms before the payment is due. The payment of attorneys' fees, costs, and expenses shall be made by wired deposit by CareCentrix into the attorney client trust account to be designated by Class Counsel.

62. In the event the Court declines to approve, in whole or in part, the payment of attorneys' fees, costs, and expenses in the amounts that Class Counsel requests, the remaining provisions of this 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.

XIII. NO ADMISSION OF LIABILITY

63. CareCentrix disputes the claims alleged in the Action and does not by this Agreement or otherwise admit any liability or wrongdoing of any kind. CareCentrix has agreed to enter into this Agreement 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 Action.

64. Class Counsel and Settlement Class Representatives believe that the claims asserted in the Action have merit, and they have examined and considered the benefits to be obtained under the proposed Settlement set forth in this Agreement, the risks associated with the continued prosecution of this complex, costly, and time-consuming litigation, and the likelihood of success on the merits of the Action. Class Counsel and Settlement Class Representative have concluded that the proposed Settlement set forth in this Agreement is fair, adequate, reasonable, and in the best interests of the Settlement Class Members.

65. The Parties understand and acknowledge that this 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 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.

66. 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 Plaintiffs; or (b) is or may be deemed to be, or may be used as, an admission of, or evidence of, any fault or omission by CareCentrix in the Action or in any proceeding in any court, administrative agency or other tribunal.

67. Other than as provided herein, neither party nor their counsel shall issue any press releases or other comments to any form of media or any third party announcing the settling of this matter or the terms of the Settlement. The Parties will agree on language for a responsive stand-by statement for media inquiries regarding the litigation and Settlement Agreement and any related matters. This statement will not provide information on the specific terms of the Settlement, and will only confirm that the matter has been closed pursuant to a settlement. The Parties may make additional disclosures to comply with applicable law or to obtain or defend approval of the Settlement. CareCentrix may make such disclosures as it may be required to do under contract. Nothing herein shall prevent Class Counsel from communicating with Settlement Class Members regarding the substance of the Settlement or the notice and claims process. No Party, Class Counsel, or Defendant's Counsel will encourage any Settlement Class Member to communicate with the media about this Settlement Agreement. No Party or their counsel, nor anyone else acting on behalf of any of them shall make any public statement disparaging any Party, any Party's counsel, or this Settlement Agreement.

XIV. MISCELLANEOUS

68. **Singular and Plurals.** As used in this 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.

69. **Binding Effect.** This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of Plaintiff and CareCentrix.

70. **Cooperation of Parties.** The Parties to this Agreement agree to cooperate in good faith to prepare and execute all documents, to seek Court approval, defend Court approval, and to do all things reasonably necessary to complete and effectuate the Settlement described in this Agreement.

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

72. **Integration.** This 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.

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

74. **Governing Law.** The Agreement shall be construed in accordance with, and be governed by, the laws of the State of Kansas, without regard to the principles thereof regarding choice of law.

75. **Counterparts.** This 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.

76. **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 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 Agreement and shall retain jurisdiction for the purpose of enforcing all terms of the Agreement. The Court shall also retain jurisdiction over all questions and/or disputes related to the Notice Plan 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.

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

Barrett J. Vahle
STUEVE SIEGEL HANSON LLP
460 Nichols Road, Suite 200
Kansas City, Missouri 64112

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

Jason R. Scheiderer
DENTONS US LLP
4520 Main Street, Suite 1100
Kansas City, Missouri 64111

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 Plan.

78. **Authority.** Any person executing this 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 Agreement to all of the terms and provisions of this Agreement.

79. **No Construction against Drafter.** This 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 Agreement.

CARECENTRIX, INC.



Alison K. Gilligan
Chief Legal & Strategic Solutions Officer

September 20, 2017
Date

SETTLEMENT CLASS REPRESENTATIVE

Sarah Hapka

Date

Approved as to form and content:

Barrett J. Vahle
STUEVE SIEGEL HANSON LLP

Attorneys for Plaintiff

Jason R. Scheiderer
DENTONS US LLP

Attorneys for Defendant

Date: _____

Date: _____

CARECENTRIX, INC.

Alison Gilligan
Chief Legal Officer

Date

SETTLEMENT CLASS REPRESENTATIVE

Sarah Hapka

Date

Approved as to form and content:



Barrett J. Vahle
STUEVE SIEGEL HANSON LLP

Attorneys for Plaintiff

Date: 09/18/17

Jason R. Scheiderer
DENTONS US LLP

Attorneys for Defendant

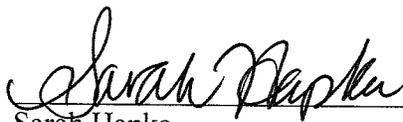
Date: _____

CARECENTRIX, INC.

Alison Gilligan
Chief Legal Officer

Date

SETTLEMENT CLASS REPRESENTATIVE



Sarah Hapka

9/19/17

Date

Approved as to form and content:

Barrett J. Vahle
STUEVE SIEGEL HANSON LLP

Jason R. Scheiderer
DENTONS US LLP

Attorneys for Plaintiff

Attorneys for Defendant

Date: _____

Date: _____

CARECENTRIX, INC.

Alison K. Gilligan
Chief Legal Officer

Date

SETTLEMENT CLASS REPRESENTATIVE

_____ Sarah
Hapka

Date

Approved as to form and content:

Barrett J. Vahle
STUEVE SIEGEL HANSON LLP

Attorneys for Plaintiff

Date: _____



Jason R. Scheiderer
DENTONS US LLP

Attorneys for Defendant

Date: September 20, 2017