

PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.)
SETTLEMENT AGREEMENT AND RELEASE OF CLAIM

This Settlement Agreement and Release of PAGA Claim (“Settlement Agreement”) is made by and between Plaintiff James Blake Hallman (“Plaintiff”), on behalf of himself and as a representative for all allegedly aggrieved individuals and the California Labor Workforce Development Agency (“LWDA”), and Defendant MedImpact Healthcare Systems, Inc. (“Defendant” or “MedImpact”), who may collectively be referred to herein as the “Parties,” and each may be individually referred to as a “Party.”

A. Definitions

The following terms, when used in this Settlement Agreement, shall have the following meanings:

1. “Action” or “Lawsuit” means and refers to *James Blake Hallman, an Individual, v. MedImpact Healthcare Systems, Inc., a California Corporation; and DOES 1 through 30, inclusive*, California Superior Court, County of San Diego, Case No. 37-2021-00023249.
2. “Active Date” means the latest of: (i) the timely provision of this Settlement Agreement, the Final Order, and any other required items to the LWDA; (ii) if no appeal is filed, the expiration of the deadline for any appeals; and (iii) if an appeal is filed, the date that an appeal is resolved resulting in a court order approving this Settlement.
3. “Agreement,” “Stipulation,” or “Settlement Agreement,” shall mean this Settlement Agreement and Release of PAGA Claim, including any attached Exhibits.
4. “Attorneys’ Fees and Costs” means the amount of money Plaintiff’s Counsel have incurred in attorneys’ fees and litigation costs, which shall not exceed \$41,849.00 total (which represents up to \$41,250.00 in attorneys’ fees and up to \$599.00 in actual and reasonable litigation costs) and which shall be paid out of the Settlement Amount. The Settlement Agreement shall be binding and enforceable regardless of the final amount of Attorneys’ Fees and Costs approved by the Court.
5. “Covered Position” means an employee primarily engaged to provide services to MedImpact in California during the PAGA Release Period.
6. “Court” (or “Judge”) means the California Superior Court, County of San Diego.
7. “Defendant’s Counsel” means and refers to Jones Day.
8. “Effective Date” means the date that the Court enters the Final Order.
9. “Eligible Pay Period” means any full or partial bi-weekly pay period worked in a Covered Position by a PAGA Employee during the PAGA Release Period.
10. “Final Order” means the Court’s order approving this Private Attorneys General Act of 2004 (“PAGA”) Settlement and dismissing the Action and all PAGA Representative Claims during the PAGA Release Period with prejudice.

11. “Funding Date” means twenty-one (21) calendar days after the Active Date.
12. “LWDA Settlement Proceeds” means the seventy-five percent (75%) of the Net Settlement Amount that shall be paid to the Labor Workforce and Development Agency.
13. “Net Settlement Amount” is the remainder of the Settlement Amount after deducting Plaintiff’s Counsel’s Attorneys’ Fees and Costs, the Settlement Administrator’s fees and costs, and a service award to the PAGA representative, Plaintiff, in the amount not to exceed \$5,000.00.
14. “Notice” means the notice that will be sent to the PAGA Employees with payment after the Final Order is entered by the Court and the Active Date occurs.
15. “PAGA Employees” means all persons who were engaged by MedImpact in California at any time from March 16, 2020, through the Effective Date, on behalf of themselves, their heirs, spouses, executors, administrators, attorneys, agents, and assigns.
16. “PAGA Employees Civil Penalties Fund” means the twenty-five percent (25%) of the Settlement Fund that shall collectively be paid to the PAGA Employees.
17. “PAGA Representative Claims” means Plaintiff’s PAGA claims under California Labor Code § 2698 *et. seq.* based on alleged predicate violations of Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802 and the applicable Industrial Welfare Commission Wage Order §§ 3(A), 4, 7, 9, 11 and 12.
18. “PAGA Settlement” or “Settlement” means the settlement of the Action as memorialized in this Agreement.
19. “PAGA Release Period” means March 16, 2020, through the Effective Date.
20. “Plaintiff” means James Blake Hallman, on behalf of himself, his heirs, spouses, executors, administrators, attorneys, agents, and assigns.
21. “Plaintiff’s Counsel” is Andrew Hillier with Hillier Law.
22. “Released Parties” means Defendant and its respective past and present direct and indirect affiliates, parents, subsidiaries, divisions, predecessors, successors and assigns, and its past and present partners, principals, employees, officers, directors, attorneys, representatives and agents, whether acting as agents or in individual capacities, any of Defendant’s welfare benefit plans (and their respective administrators, fiduciaries, trustees and insurers, whether acting as agents or in individual capacities), and any third-party payroll provider.
23. “Settlement Administrator” means ILYM Group, Inc.

24. “Settlement Amount” means the maximum settlement amount that Defendant will pay in connection with this Settlement, which is One Hundred and Twenty Five Thousand Dollars and Zero Cents (\$125,000).

B. General

25. On March 16, 2021, Plaintiff sent a PAGA letter to the LWDA, and on May 26, 2021, filed the Action in the San Diego Superior Court, entitled *James Blake Hallman, an Individual, v. MedImpact Healthcare Systems, Inc., a California Corporation; and DOES 1 through 30, inclusive*, California Superior Court, County of San Diego, Case No. 37-2021-00023249 which referenced Plaintiff’s PAGA letter to the LWDA and alleged a PAGA claim based on the following: (1) failure to pay all wages, including overtime wages (Labor Code §§ 204, 510, 1194, and 1198); (2) failure to provide meal periods or premium pay (Labor Code §§ 226.7 and 512); (3) failure to authorize and permit rest periods or premium pay (Labor Code § 226.7); (4) failure to timely pay all wages at termination (Labor Code §§ 201, 202, and 203); (5) failure to timely pay all wages during employment owed (Labor Code § 204); (6) failure to provide accurate itemized wage statements (Labor Code §§ 226, 226.3); (7) failure to maintain accurate records (Labor Code § 1174); and (8) failure to reimburse or indemnify employees for expenditures (Labor Code § 2802).

26. Defendant denies all of the allegations in the Action, including all PAGA Representative Claims, and denies that it has committed any misconduct, statutory or regulatory violation, wrongdoing, or any other actionable conduct of any kind.

27. The Parties have conducted a thorough investigation into the facts of the Action, including exchanging information and documents relating to the PAGA Representative Claims. Based on the foregoing data and on their own independent investigation and evaluation, Plaintiff’s Counsel is of the opinion that the settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the LWDA and PAGA Employees in light of all known facts and circumstances, including the risk of significant delay, uncertainty associated with litigation, various defenses asserted by Defendant, and numerous potential appellate issues. Defendant and Defendant’s counsel also agree that the settlement is fair and in the best interest of the PAGA Employees.

28. The Parties understand, acknowledge, and agree that this Agreement constitutes a compromise of Plaintiff’s PAGA Representative Claims, and that it is the desire and intention of the Parties to affect a final and complete resolution of the Action, including the PAGA Representative Claims, against Defendant. The Parties further acknowledge that this Agreement is a compromise of disputed claims and that nothing in this Agreement shall be construed as an admission of liability by Defendant.

29. Under California Law, the State may assess and collect civil penalties from employers for violations of certain provisions of the Labor Code. (*See* Cal. Lab. Code §§ 2699 *et seq.*) Under PAGA, however, if an “aggrieved employee” “give[s] written notice by certified mail to the [State] and the employer of the specific provision of the [Labor Code] alleged to have been violated,” and the State thereafter decides not to investigate, as was the case here, or does investigate and determines that a citation against the employer should not issue, the employee may, “as an alternative” to enforcement by the State, act as a proxy or agent of the State’s labor law enforcement agencies and bring a civil action under PAGA

to recover civil penalties “on behalf of himself or herself and other current or former employees.” *Id.* “[C]ivil penalties recovered by aggrieved employees shall be distributed as follows: 75 percent to the state and 25 percent to the aggrieved employees.” *Id.*

30. California Labor Code § 2699(1)(2) provides that “The superior court shall review and approve any settlement of any civil action filed pursuant to this part.”

31. In consideration of the promises and agreements contained herein, the Parties agree and covenant as follows:

C. Terms of Settlement

32. Subject to the Court’s approval of the Settlement pursuant to Labor Code § 2699(1)(2), which counsel and the Parties agree to recommend in good faith to the Court, the Parties agree to the following binding settlement of the Action.

33. Upon the Court entering the Final Order and the Active Date occurring, Defendant shall pay the non-reversionary Settlement Amount of One Hundred and Twenty Five Thousand Dollars and Zero Cents (\$125,000) which includes all Attorneys’ Fees and Costs, service award payments for the Plaintiff, LWDA Settlement Proceeds, all moneys needed for the Settlement Administrator, and any and all other cost or expenses related in any way to the Settlement. Neither the Court nor the Settlement Administrator shall have any power to increase the Settlement Amount or depart from the express terms of the Settlement. Defendant shall not have any obligation to provide any portion of the Settlement Amount to the Settlement Administrator or any third party until after the Active Date. The Settlement Amount will be distributed in the following manner:

- a. **Settlement Administrator Costs:** The costs associated with settlement administration (e.g., preparing and mailing payments to LWDA and PAGA Employees, tax documentation, etc.) shall be paid from the Settlement Amount and shall not exceed \$5,164.00. The Parties agree to use ILYM Group, Inc. as the Settlement Administrator.
- b. **Attorneys’ Fees and Costs:** The Parties agree that, subject to the Court’s review and approval, Plaintiff’s Counsel will be paid their Attorneys’ Fees and Costs incurred in prosecuting the Action, not to exceed \$41,849.00, which will be paid from the Settlement Amount.
- c. **Service Award to Plaintiff:** The Parties agree that, subject to the Court’s review and approval, Plaintiff will be paid a service award of \$5,000.00, for his role as the PAGA representative in the Action (“Service Award”).
- d. **Net Settlement Amount:** After deducting Attorneys’ Fees and Costs, Settlement Administration Costs, and the Service Award to Plaintiff from the Settlement Amount, the remainder forms the Net Settlement Amount (which totals \$72,987.00 if the amounts set forth above are approved by the Court). Any reduction by the Court to the Attorneys’ Fees, and Costs, Settlement Administration Costs, and/or the Service Award to Plaintiff shall

become part of the Net Settlement Amount. The Net Settlement Amount shall be all inclusive, encompassing all payments to the LWDA and PAGA Employees and any and all other interest, costs or expenses relating to the Settlement.

- e. **The Net Settlement Fund Allocation:** The Net Settlement Amount shall be allocated seventy-five percent (75%) to the California Labor & Workforce Development Agency (“LWDA Settlement Proceeds”), which is estimated to total approximately \$54,740.25. The remaining twenty-five percent (25%) of the Net Settlement Amount (\$18,246.75 if the Court approves all amounts set forth in this Settlement) constitutes the PAGA Employees Civil Penalties Fund and shall be paid to the PAGA Employees on a *pro rata* basis. Each PAGA Employee’s *pro rata* share shall be determined based on the number of Eligible Pay Periods that he or she worked for MedImpact in a Covered Position during the PAGA Release Period, and shall be calculated as follows:
 - i. For PAGA Employees, the Net Settlement Amount will be divided by the total number of Eligible Pay Periods worked by all PAGA Employees during the PAGA Release Period, and the resulting figure will be referred to as the “Multiplier.”
 - ii. Each PAGA Employee’s *pro rata* share of the Net Settlement Amount will be determined by multiplying the Eligible Pay Periods that the PAGA Employee worked by the Multiplier. That amount shall be referred to as the PAGA Employee’s “Individual Penalties Share.”
- f. **Taxes and Reporting:** Each PAGA Employee’s Individual Penalties Share will be treated as non-wage income and reported by the Settlement Administrator on IRS Form 1099 to the respective PAGA Employee and applicable governmental authorities.

D. Release as to the PAGA Representative Claims

34. Upon the Effective Date, Plaintiff, as the representative for the State of California, will forever completely release and discharge the Released Parties of any and all PAGA Representative Claims during the PAGA Release Period for civil penalties under Labor Code § 2699 that were alleged in the Action, or which could have been alleged in the Action based on the facts pled therein, including but not limited to, claims for violations of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802 and the applicable Industrial Welfare Commission Wage Order §§ 3(A), 4, 7, 9, 11 and 12; violations of the California Labor Code Private Attorney General Act, Labor Code § 2698 et seq.; and any damages, penalties, restitution, disgorgement, interest or attorneys’ fees as a result thereof.

35. In accordance with *Arias v. Superior Court* (2009) 46 Cal.4th 969, 985, a judgment in “a representative action brought by an aggrieved employee under the Labor Code Private Attorneys General Act of 2004 ... is binding not only on the named employee plaintiff but also on government agencies and any aggrieved employee not a party to the proceeding,” which the Final Order shall so reflect. Further, in accordance with *Arias, supra*, the Final Order shall be binding on the PAGA Employees as to the Released Claims, including the PAGA Representative Claims. A statement to this effect shall be included in the

Notice sent to the PAGA Employees. The Settlement shall not affect or release the PAGA Employees' separate individual claims against Defendant that are not based on PAGA.

E. Release by Plaintiff

36. Plaintiff expressly releases all claims or rights against Released Parties arising out of or relating to alleged violations of any contracts, express or implied (including but not limited to any contract of employment); any contract or covenant of good faith and fair dealing (express or implied); any tort, including any claim for improper or unauthorized wage deductions, failure to pay the applicable wage, unpaid wages, penalties, liquidated damages, other damages, overtime, and alleged "off the clock" work under federal and state law, including California Labor Code Sections 204 and 558, waiting time penalties pursuant to California Labor Section 203, damages or penalties pursuant to California Labor Code Section 226, meal period and rest break payments pursuant to California Labor Code Sections 226.7 and 512, failure to provide itemized wage statements and maintain required records pursuant to California Labor Code Section 226, statutory or civil penalties pursuant to California Labor Code Section 210, unfair competition and unfair business practices pursuant to Business and Professions Code Section 17200 et seq., interest and costs pursuant to California Civil Code Section 3287 and California Labor Code Section 218.6, statutory or common law rights to attorneys' fees and costs, including those pursuant to California Labor Code Section 1194 et seq.; claims under the Private Attorneys General Act of 2004, Labor Code section 2699 et seq., and the alleged violation or breach of any other state or federal statute, rule and or regulation; including all applicable Industrial Welfare Commission Wage Orders, and all similar causes of action, including but not limited to, any claim for restitution, equitable relief, interest, penalties, costs or attorneys' fees in connection with any of the foregoing, negligent infliction of emotional distress, intentional infliction of emotional distress, and defamation; any "wrongful discharge," "constructive discharge," and "retaliation" claims; any claims relating to any breach of public policy; any legal restrictions on Defendant's right to discharge employees; and any federal, state, or other governmental statute, regulation, or ordinance, including, without limitation: (1) Title VII of the Civil Rights Act of 1964 (race, color, religion, sex, and national origin discrimination or harassment, including retaliation for reporting discrimination or harassment); (2) 42 U.S.C. § 1981 (discrimination); (3) Equal Pay Act, 29 U.S.C. § 209(d)(1) (equal pay); (4) Americans with Disabilities Act, 42 U.S.C. § 12100 et seq. (disability discrimination); (5) Family and Medical Leave Act, 29 U.S.C. § 2601 et seq. (family/medical leave); (6) California Fair Employment and Housing Act, Cal. Government Code § 12900 et seq. (discrimination or harassment in employment and/or housing, including discrimination or harassment based on race, religious creed, color, national origin, ancestry, disability, marital status, sex (including pregnancy), or age, including retaliation for reporting discrimination or harassment); (7) California Family Rights Act, Cal. Government Code § 12945.1 et seq. (family/medical leave); (8) California Labor Code, including Section 1102.5 et seq. (California whistleblower law), or any Industrial Welfare Commission Wage Order; (9) Executive Order 11246 (race, color, religion, sex, and national origin discrimination or harassment); (10) Executive Order 11141 (age discrimination); (11) Sections 503 and 504 of the Rehabilitation Act of 1973 (handicap discrimination); (12) the Fair Labor Standards Act; and (13) Employee Retirement Income Security Act, 29 U.S.C. § 1000 et seq. (employee benefits), unless otherwise prohibited by applicable law.

37. Plaintiff expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California and does so understanding and acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of the State of California states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all parties, Plaintiff and Plaintiff's Counsel expressly acknowledge that this Settlement Agreement is intended to include in its effect, without limitation, all claims that Plaintiff knows of, as well as all claims that he does not know or suspect to exist in his favor against Defendant for the time period from the beginning of time to the date of the Final Order, and that this Settlement Agreement contemplates the extinguishment of any such claims, unless otherwise prohibited by applicable law.

38. Plaintiff agrees to waive his right to file an appeal and/or writ or any challenge whatsoever to the terms of this Settlement Agreement.

39. Plaintiff's general release shall become effective on the Active Date.

F. Settlement Approval and Implemental Procedures.

40. Plaintiff's Counsel shall prepare a motion for approval of the settlement pursuant to California Labor Code § 2699(1)(2), advocating that the Settlement is fair, adequate, and reasonable, and Defendant or Defendant's Counsel shall not oppose such a motion provided that Plaintiff's Counsel sends a draft of the motion for approval to Defendant's Counsel allowing sufficient time for review and comment. Defendant's Counsel will provide Plaintiff's Counsel with and allow Plaintiff's Counsel to submit to the Court, adequate information related to the released claims to obtain approval of the Settlement. Plaintiff's Counsel will further provide this Settlement Agreement, the Final Order, and any other required items to the LWDA on a timely basis.

41. Upon the Court entering the Final Order, and within seven (7) calendar days after the Active Date, the Settlement Administrator shall send counsel for Defendant electronic wiring instructions to fund the Settlement Amount.

42. Fourteen (14) calendar days after the Active Date, Defendant will send to the Settlement Administrator a list of all PAGA Employees including each PAGA Employee's: (1) full name; (2) last known address; (3) social security number; and (4) hire date and, if applicable, last date of employment (the "PAGA Employees List"). This information shall be treated as and remain confidential, shall be used solely to manage the notice and payment process described herein, and shall not be disclosed to anyone other than the Settlement Administrator, except to applicable taxing authorities, or pursuant to express written authorization of Defendant, the individual in question, or by order of the Court.

43. On or before the Funding Date, Defendant shall wire to the Settlement Administrator the non-reversionary Settlement Amount of One Hundred and Twenty Five Thousand Dollars and Zero Cents (\$125,000).

44. The Settlement Administrator will perform all settlement administration duties, including (i) performing a National Change of Address (“NCOA”) search to update the addresses of the PAGA Employees, (ii) issuing the Notice and payments to the PAGA Employees, (iii) issuing any required IRS forms, and (iv) issuing payment to the LWDA, Plaintiff, and Plaintiff’s Counsel.

45. PAGA Employees shall have 180 calendar days after mailing to cash their settlement checks. If any PAGA Employee’s check is not cashed within that period, the check will be voided and a stop-payment will be issued. In accordance with Code of Civil Procedure section 384, any funds in the Settlement Administrator’s account as a result of a failure to timely cash a settlement check shall be paid to the San Diego Volunteer Lawyer Program. Neither Defendant, Defendant’s Counsel, Plaintiff’s Counsel nor Plaintiff will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, unauthorized negotiation of settlement checks or failure to timely cash a settlement check within the 180 day period.

46. Upon the Court’s entry of the Final Order, Plaintiff will: (i) be bound by the terms and conditions of this Agreement, and the releases set forth herein; (ii) be deemed to have waived all objections and oppositions to the fairness, reasonableness, and adequacy of the settlement and the Court’s Final Order; and (iii) be entitled to receive a share of the Net Settlement Amount along with all other PAGA Employees, as set forth herein.

G. Miscellaneous Provisions.

47. **Voiding the Agreement:** The Settlement Agreement shall be voidable and unenforceable as to all Parties herein at the option of either Party if (a) the Court does not approve this Settlement, or (b) the Court should for any reason fail to enter a judgment, or (c) the approval of the Settlement and judgment is reversed, modified or declared or rendered void. In that event, then neither the Settlement nor any of the related negotiations or proceedings shall be of any force or effect, and all Parties to the Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court. Notwithstanding the foregoing, the Parties may attempt in good faith to cure any perceived defects in the Settlement to facilitate approval. Further, for avoidance of doubt, the Settlement Agreement shall be binding and enforceable regardless of the final amount of Attorneys’ Fees and Costs and/or Service Award approved by the Court.

48. **Waiver:** The waiver by one Party of any breach of this Agreement by another Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

49. **Parties’ Authority:** The signatories hereto represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

50. **No Prior Assignments:** The Parties represent, covenant, and warrant that they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights released and discharged by this Settlement Agreement.

51. **Mutual Full Cooperation:** The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, executing documents and taking other actions that are reasonably necessary to implement the terms of this Settlement

Agreement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, Plaintiff's Counsel shall, with the assistance and cooperation of Defendant and Defendant's counsel, take all necessary steps to secure the Court's approval of the settlement, and the Final Order.

52. **No Admission:** Defendant denies any and all liability to Plaintiff and/or the PAGA Employees in this Lawsuit, as to any and all causes of action that were asserted or that might have been asserted in this Action. Nonetheless, Defendant wishes to settle and compromise the matters at issue in the Complaint to avoid further substantial expense and the inconvenience and distraction of protracted and burdensome litigation. Defendant also has taken into account the uncertainty and risks inherent in litigation, and without conceding any infirmity in the defenses that it has asserted or could assert against Plaintiff, has determined that it is desirable and beneficial that Plaintiff's claims be settled in the manner and upon the terms and conditions set forth in this Agreement.

53. **Acknowledgment that the Settlement is Fair and Reasonable:** The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

54. **Confidentiality and No Media Statements:** Except as provided in this Settlement Agreement, the Parties agree that they will not directly or indirectly divulge or disclose the fact or terms of this Settlement Agreement, except (a) to their tax advisors and attorneys but only to the extent that it is required for the rendering of professional services, so long as the person is informed of Plaintiff's obligation to keep this Settlement Agreement confidential prior to the disclosure of the information, and promises to comply with the terms of the Settlement Agreement, and Plaintiff instructs them not to disclose the fact or terms of this Settlement Agreement or (b) as required by any governmental agency or to comply with a lawfully-issued subpoena or court order. Plaintiff and Plaintiff's Counsel agree that they will not issue or make any press release or press statement, respond to any press inquiry, or initiate or respond to media coverage or other publicity regarding Defendant, the Released Parties, or this Settlement Agreement, nor post any notice on any website related to the Settlement Agreement, nor otherwise publicize the Settlement. Plaintiff's Counsel also agree not to utilize the Settlement Agreement or mention or refer to MedImpact, even by implication, in any way in their marketing or advertising materials or website. Plaintiff and Plaintiff's Counsel will not communicate with other wage-hour plaintiff's Counsel about this Settlement.

55. **Circular 230 Disclaimer:** EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING

PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

56. **Binding Settlement:** Nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the other Released Parties. Each of the Parties has entered into this Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document and shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement.

57. **Enforcement Actions:** Except as otherwise provided in this Settlement Agreement, in the event that one or more of the Parties to this Settlement Agreement institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs incurred in connection with any enforcement actions.

58. **Notices:** Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed:

To Plaintiff:

Andrew Hillier
Hillier DiGiacco LLP
600 West Broadway, Suite 700
San Diego, CA 92101
Phone: (619) 500-7906
Fax: (619) 839-3895
Email: andrew@hdlawllp.com

To Defendant:

Rick Bergstrom
Jones Day
4655 Executive Drive, Suite 1500
San Diego, CA 92121
Phone: (858) 314-1200
Fax: (844) 345-3178
Email: rjbergstrom@jonesday.com

59. **Construction:** The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his or its counsel participated in the drafting of this Settlement Agreement.

60. **Captions and Interpretations:** Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a recital.

61. **Modification:** This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all of the Parties hereto.

62. **Choice of Law:** This Settlement Agreement shall be governed by and construed, enforced and administered in accordance with the laws of the State of California, without regard to its conflicts-of-law rules.

63. **Integration Clause:** This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

64. **Binding On Assigns:** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

65. **Dispute Resolution:** The Parties agree that any disputes regarding the language of this Settlement Agreement or forms or pleadings in support thereof that cannot be resolved between them shall be submitted to the judge assigned to the Action for final and binding resolution.

66. **Counterparts:** This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully-signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic delivery

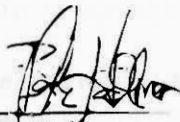
shall be deemed an original. The Parties further agree that the Settlement Agreement may be executed via electronic signature using DocuSign or another similar means of executing an electronic signature.

67. **Entire Agreement:** This Agreement sets forth the entire agreement between the Parties hereto and fully supersedes any and all prior and/or supplemental understandings, whether written or oral, between the Parties concerning the subject matter of this Agreement. Any modification to this Agreement must be in writing and signed by Plaintiff and an authorized officer of Defendant.

IN WITNESS WHEREOF, the Parties knowingly and voluntarily executed this Settlement Agreement and Release as of the date set forth below.

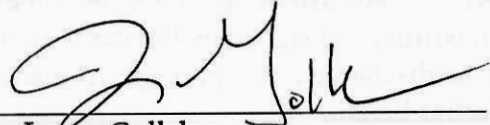
Dated: August 20, 2021

PLAINTIFF


James Blake Hallman

Dated: August 23, 2021

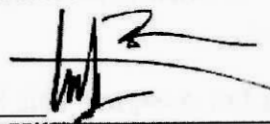
MEDIMPACT HEALTHCARE SYSTEMS, INC.


Name: James Gollaher
Title: Chief Financial Officer

APPROVED AS TO FORM AND CONTENT

Dated: August 20, 2021

HILLIER DIGIACCO LLP


Andrew Hillier
Attorney for Plaintiff James Blake Hallman

Dated: August 20, 2021

JONES DAY

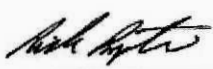

Rick Bergstrom
Attorney for Defendant

Exhibit A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

Re: Payment From *James Blake Hallman, individually and on behalf of all other aggrieved employees, v. MedImpact Healthcare Systems, Inc.*

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed is your payment from the settlement of the lawsuit entitled *James Blake Hallman, an Individual, v. MedImpact Healthcare Systems, Inc., a California Corporation; and DOES 1 through 30, inclusive*, California Superior Court, County of San Diego, Case No. 37-2021-00023249 (the “Lawsuit”).

That case was filed against MedImpact Healthcare Systems, Inc. (“MedImpact”) pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called “PAGA”). The claim was brought on behalf of the State of California and all similarly situated aggrieved employees of MedImpact. You have been identified as one of the employees on whose behalf the case was brought.

The plaintiff in the case claimed that MedImpact owed penalties under PAGA for certain California Labor Code violations. MedImpact denies that it did anything wrong or that it owes any penalties. The parties agreed to resolve the case, and as part of that settlement, MedImpact agreed to pay a certain amount of money categorized as PAGA penalties.

The Court approved the Settlement on _____, 2021. Under California law, any settlement of a PAGA case results in 75 percent of the awarded PAGA penalty being paid to the State of California and 25 percent of the penalty being paid to the employees who worked during the applicable period. MedImpact vigorously disputes that any PAGA penalties are due, but nonetheless has agreed to resolve the claims raised in the Lawsuit without further court action. You are receiving a payment as your share of the Settlement. You have 180 days to cash the settlement check. You will receive a tax form 1099 for the check.

In exchange for these payments, the settlement releases claims for civil penalties only alleged in the complaint under PAGA (Labor Code §§ 2698, 2699 *et seq.*) for the period of March 16, 2020, through _____, 2021. The settlement does not release any individual claims belonging to any employee that are not based on PAGA, other than individual claims by James Blake Hallman.

You can learn more about the lawsuit on the Court’s website at www.sdcourt.ca.gov by entering the case number 37-2021-00023249. You may also call the attorneys listed below:

Counsel for Plaintiff: Andrew Hillier Hillier DiGiacco LLP 600 West Broadway, Suite 700 San Diego, CA 92101 Phone: (619) 500-7906 Fax: (619) 839-3895 Email: andrew@hdlawllp.com	Counsel for MedImpact: Rick Bergstrom Jones Day 4655 Executive Drive, Suite 1500 San Diego, CA 92121 Phone: (858) 314-1200 Fax: (844) 345-3178 rjbergstrom@jonesday.com
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