

Exhibit

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**IN THE GENERAL COURT OF JUSTICE, SUPERIOR COURT DIVISION
PITT COUNTY, NORTH CAROLINA**

TAMMY FLYNN, HEISHA LYNCH, J.L., a
minor through her mother, HEISHA LYNCH,
DEAN SWINSON, BRANDON CANNON,
BRITTANY MORRE, ANNAIA MCLAMB,
CYNTHIA MEADOWS, SUZANNE
ABRAMS, LATASHA WILLIAMS, BILLY
ROBINSON, JOSEPH SAWYER, SAMANTH
RICHARDSON, LORI POWERS, JASON
POWERS, GENEVIEVE JONES, ELAINE
QUITTKAT, and MARY SHELDON,
*individually and on behalf of all others similarly
situated,*

Plaintiffs,

v.

EASTERN RADIOLOGISTS, INC.,

Defendant.

Case No.
24-CVS-772

Class Action

AMENDED SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into by and among the following Settling Parties (as defined below): (i) Plaintiffs Tammy Flynn, Heisha Lynch, J.L., a minor through her mother, Heisha Lynch, Dean Swinson, Brandon Cannon, Brittany Moore, Annaia McLamb, Cynthia Meadows, Suzanne Abrams, Latasha Williams, Billy Robinson, Joseph Sawyer, Samantha Richardson, Lori Powers, Jason Powers, Genevieve Jones, Elaine Quittkat, and Mary Sheldon (collectively “Plaintiffs”), individually and on behalf of the Settlement Class (as defined below), by and through Class Counsel Jean Martin of Morgan & Morgan Complex Litigation Group, Scott C. Harris and Gary M. Klinger of Milberg Coleman Bryson Phillips Grossman, PLLC, and Joel Rhine of Rhine Law Firm PC; and (ii) Eastern Radiologists, Inc. (“Defendant” or “Eastern

Radiologists” and together with Plaintiffs, the “Parties” or the Settling Parties”) by and through its counsel of record, O’Hagan Meyer PLLC. The Settlement Agreement is subject to Court approval and is intended by the Settling Parties to fully, finally, and forever resolve, discharge, and settle the Released Claims (as defined below), upon and subject to the terms and conditions hereof.

I. THE LITIGATION

Plaintiffs allege that between the dates of November 20, 2023 and November 24, 2023, an unauthorized individual(s) (i.e., threat actors) gained unauthorized access to Eastern Radiologists’ computer network including certain files containing the personal and medical data of current and former patients and employees (the “Data Incident,” as defined below). Defendant first detected the Data Incident on November 24, 2023. Plaintiffs allege that the Data Incident resulted in access to, and compromise of, personally identifiable information (or, PII, as defined below) and protected health information (or, PHI, as defined below) of approximately 884,935 individuals. Subsequently, Plaintiffs filed separate lawsuits asserting claims against Eastern Radiologists relating to the Data Incident. These cases were consolidated into the instant matter on June 10, 2024, and on August 10, 2024, Plaintiffs filed their consolidated complaint.

Defendant filed a Motion to Dismiss the Consolidated Complaint on December 5, 2024, and Plaintiffs filed a response on January 9, 2025. With the Motion to Dismiss still pending, the Parties agreed to discuss a potential resolution of the Action. On March 11, 2025 the Parties mediated the Action for a full day with experienced mediator, the Hon. Wayne Anderson (Ret.) of JAMS. While the matter did not resolve at mediation, the Parties ultimately agreed to the terms of a settlement after continued negotiation, desiring to resolve the Action rather than continue litigating. As part of the settlement, the Parties agreed to stay the Action pending the final drafting of the formal Settlement Agreement, notices, motions for preliminary and final approval, ensuing

Court hearings, or such other efforts as may be necessary to finalize the Settlement between the Parties. The intention of the Parties, in this regard, is that they shall be fully restored to the *status quo ante* in all respects in the event of the Settlement Agreement's termination.

Pursuant to the terms set out below, this Settlement Agreement provides for the resolution of all claims and causes of action asserted, or that could have been asserted, against Eastern Radiologists and the Released Persons (as defined below) relating to the Data Incident, by and on behalf of Plaintiffs and Settlement Class Members (as defined below), and any other such actions by and on behalf of any other individuals originating, or that may originate, in jurisdictions in the United States of America ("United States," as defined below) against Eastern Radiologists and the Released Persons relating to the Data Incident.

II. CLAIMS OF PLAINTIFFS AND BENEFITS OF SETTLING

Plaintiffs believe that the claims asserted in the Litigation, as set forth in the Consolidated Class Action Complaint, have merit. Plaintiffs and Class Counsel (as defined below) recognize and acknowledge, however, the expense and length of continued proceedings necessary to prosecute the Litigation against Eastern Radiologists through motion practice, trial, and potential appeals. They have also considered the uncertain outcome and risk of further litigation, as well as the difficulties and delays inherent in such litigation. Class Counsel are highly experienced in class-action litigation and very knowledgeable regarding the relevant claims, remedies, and defenses at issue generally in such litigation and in this Litigation. They have determined that the settlement set forth in this Settlement Agreement is fair, reasonable, and adequate, and in the best interests of the Settlement Class.

III. DENIAL OF WRONGDOING AND LIABILITY

Eastern Radiologists denies each and all of the claims and contentions alleged against it in the Litigation. Eastern Radiologists denies all charges of wrongdoing or liability as alleged, or which could be alleged, in the Litigation. Nonetheless, Eastern Radiologists believes that further litigation would be protracted and expensive, and that it is desirable that the Litigation be fully and finally settled in the manner and upon the terms and conditions set forth in this Settlement Agreement. Eastern Radiologists has considered the uncertainty and risks inherent in any litigation and determined that the Litigation should be settled in the manner and upon the terms and conditions set forth in this Settlement Agreement.

IV. TERMS OF SETTLEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and among Plaintiffs, individually and on behalf of the Settlement Class, Class Counsel, and Eastern Radiologists that, subject to the approval of the Court, the Litigation and the Released Claims shall be finally and fully compromised, settled, and released, and the Litigation shall be dismissed with prejudice as to the Settling Parties, the Settlement Class, and the Settlement Class Members, except those Settlement Class Members who lawfully opt-out of the Settlement Agreement, upon and subject to the terms and conditions of this Settlement Agreement, as follows:

1. Definitions

As used in the Settlement Agreement, the following terms have the meanings specified below:

1.1. **“Action”** or **“Litigation”** shall mean the action captioned *Powers et al. v. Eastern Radiologists, Inc.*, Case No. 24CVS772 in the Superior Court of Pitt County, North Carolina.

1.2 **“Agreement”** or **“Settlement Agreement”** shall mean this agreement, appended exhibits, and the settlement embodied herein.

1.3 “**Approved Claims**” shall mean complete and timely Claim Forms submitted by Settlement Class Members that have been approved by the Settlement Administrator.

1.4 “**Claims Administration and Notice Costs**” shall mean all reasonable costs and expenses incurred by the Claims Administrator (as defined below) in carrying out its duties under this Agreement, including all costs and expenses incurred in connection with implementing and executing the Notice Plan and the processing and payment of claims received from Settlement Class Members by the Claims Administrator.

1.5 “**Claims Administrator**” shall mean Epiq Class Action & Claims Solutions, Inc. (“Epiq”), a company experienced in administering class action claims generally and specifically those of the type provided for and made in data-breach litigation.

1.6 “**Claims Deadline**” shall mean the postmark and/or online submission deadline for Valid Claims (as defined below) pursuant to ¶¶ 2.1 and 2.2 and shall be the 90th day after the deadline for the commencement of notice to Settlement Class Members as set forth in ¶ 5.2.

1.7 “**Claim Form**” shall mean the form utilized by the Settlement Class Members to submit a Settlement Claim (as defined below) for reimbursement. The Claim Form will be substantially in a form as shown in **Exhibit A** attached hereto, which will be available on both the Settlement Website (as defined below) and in paper format, if specifically requested by Settlement Class Members.

1.8 “**Class Counsel**” shall mean Jean Martin of Morgan & Morgan Complex Litigation Group, Scott C. Harris and Gary M. Klinger of Milberg Coleman Bryson Phillips Grossman, PLLC, and Joel Rhine of Rhine Law Firm PC.

1.9 **“Class List”** shall mean a list compiled by the Claims Administrator that shall include all persons identified by Eastern Radiologists to be Settlement Class Members, and whose names and contact information are provided to the Claims Administrator by Eastern Radiologists.

1.10 **“Court”** shall mean the Judge Matthew T. Houston of the North Carolina Business Court or any judge who is presiding over this Litigation.

1.11 **“Data Incident”** means the cybersecurity incident discovered by Defendant on or around November 24, 2023.

1.12 **“Day(s)”** means calendar days, but does not include the day of the act, event, or default from which the designated period of time begins to run. Further and notwithstanding the above, when computing any period of time prescribed or allowed by this Agreement, “Days” includes the last day of the period unless it is a Saturday, a Sunday, or a federal or North Carolina state legal holiday, in which event the period runs until the end of the next day that is not a Saturday, Sunday, or federal or North Carolina state legal holiday.

1.13 **“Defendants’ Counsel”** shall mean Candice A. Diah and James W. Davidson or O’Hagan Meyer PLLC.

1.14 **“Effective Date”** shall mean the first date by which all of the events and conditions specified in ¶ 9.1 herein have occurred and been met.

1.15 **“Fee Award and Expenses”** shall mean the amount of attorneys’ fees and reimbursement of litigation expenses awarded by the Court to Class Counsel.

1.16 **“Final”** means the occurrence of all of the following events: (i) the settlement pursuant to this Settlement Agreement is finally approved by the Court; (ii) the Court has entered a Judgment (as defined below); and (iii) the time to appeal or seek permission to appeal from the Judgment has expired or, if appealed, the appeal has been dismissed in its entirety, or the Judgment

has been affirmed in its entirety by the court of last resort to which such appeal may be taken, and such dismissal or affirmance has become no longer subject to further appeal or review. Notwithstanding the above, any order modifying or reversing any attorneys' fee award or service award made in this case shall not affect whether the Judgment is "Final" as defined herein or any other aspect of the Judgment.

1.17 **"Final Approval"** shall mean the entry of a Final Approval Order and Judgment.

1.18 **"Final Approval Hearing"** shall mean the hearing before the Court where the Plaintiffs will request a judgment to be entered by the Court approving this Agreement and approving the Fee Award and Expenses.

1.19 **"Final Approval Order"** shall mean an order entered by the Court that grants final approval to the Settlement Agreement.

1.20 **"Judgment"** shall mean a judgment rendered by the Court.

1.21 **"Long Form Notice"** shall mean the long form notice of settlement posted on the Settlement Website that will include robust details about the Settlement, substantially in the form as shown in **Exhibit B** hereto.

1.22 **"Notice"** shall mean the direct notice of this proposed Settlement, which is to be provided to Settlement Class Members substantially in the manner set forth in this Agreement. Nothing in this Agreement shall be understood or construed to create any obligation on the part of Defendant to provide notice regarding the Data Security Incident to any person, except as set forth herein.

1.23 **"Notice Deadline"** shall mean **45 days after the Court's entry of the Preliminary Approval Order**, which is the day by which Notice to the Settlement Class Members must be commenced.

1.24 **“Notice Plan”** means the notice program described in this Agreement.

1.25 **“Objection Deadline”** shall mean the date by which Settlement Class Members must mail their objection to the settlement for that objection to be effective and shall be the 60th day after the deadline for the commencement of notice to Settlement Class Members as set forth in ¶ 5.2. The postmark date shall be evidence of the date of mailing for these purposes.

1.26 **“Opt-Out Deadline”** means the date by which Settlement Class Members must mail their requests to be excluded from the Settlement Class for that request to be effective, and shall be the 60th day after the deadline for the commencement of notice to Settlement Class Members as set forth in ¶ 5.2. The postmark date shall be evidence of the date of mailing for these purposes.

1.27 **“Person”** shall mean an individual, corporation, partnership, limited partnership, limited liability company or partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity, and their respective spouses, heirs, predecessors, successors, representatives, or assignees.

1.28 **“Plaintiffs” or “Class Representatives”** shall mean Tammy Flynn, Heisha Lynch, J.L., a minor through her mother, Heisha Lynch, Dean Swinson, Brandon Cannon, Brittany Moore, Annaia McLamb, Cynthia Meadows, Suzanne Abrams, Latasha Williams, Billy Robinson, Joseph Sawyer, Samanth Richardson, Lori Powers, Jason Powers, Genevieve Jones, Elaine Quittkat, and Mary Sheldon.

1.29 **“Preliminary Approval Order”** shall mean the order preliminarily approving the Settlement Agreement and ordering that notice be provided to the Settlement Class. The Settling Parties’ proposed form of Preliminary Approval Order is attached hereto as **Exhibit D**.

1.30 **“Private Information”** (which includes both Personally identifiable information (“PII”) and Protected Health Information (“PHI”)) shall include any combination of names, Social Security numbers, home addresses, phone numbers, dates of birth, financial account numbers, driver’s license numbers, patient account numbers, billing account numbers, health insurance plan member ID, medical record number, dates of service, provider names, medical treatment information, or other sensitive personal information.

1.31 **“Related Entities”** shall mean Eastern Radiologists and its allied entities, and each of the preceding entities’ past or present parents, subsidiaries, divisions, and related or affiliated entities, and each of its and their respective predecessors, successors, directors, officers, managers, members, principals, agents, attorneys, insurers, and reinsurers, and includes, without limitation, any Person related to any such entity who is, was or could have been named as a defendant in any of the actions in the Litigation, other than any Person who is found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding or abetting the criminal activity occurrence of the Data Incident or who pleads *nolo contendere* to any such charge.

1.32 **“Released Claims”** shall collectively mean any and all past, present, and future claims and causes of action including, but not limited to, any causes of action arising under or premised upon any statute, constitution, law, ordinance, treaty, regulation, or common law of any country, state, province, county, city, or municipality, including 15 U.S.C. § 45, *et seq.*, and all similar statutes in effect in any states in the United States; violations of the California Unfair Competition Law, Cal. Bus. & Prof. Code § 17200, *et seq.* and all similar state consumer-protection statutes; violations of the California Consumer Protection Act of 2018, Cal. Civ. Code § 1798, *et seq.*, and all similar state privacy-protection statutes; violations of the California Customer Records Act, Cal. Civ. Code § 1798.84, *et seq.* and all similar notification statutes in effect in any states in

the United States; negligence; negligence *per se*; breach of contract or implied contract; unjust enrichment; intrusion into private affairs/invasion of privacy; breach of fiduciary duty; breach of confidence; fraud; misrepresentation (whether fraudulent, negligent or innocent); unjust enrichment; bailment; wantonness; failure to provide adequate notice pursuant to any breach notification statute or common law duty; and including, but not limited to, any and all claims for damages, injunctive relief, disgorgement, declaratory relief, equitable relief, attorneys' fees and expenses, pre-judgment interest, credit monitoring services, the creation of a fund for future damages, statutory damages, punitive damages, special damages, exemplary damages, restitution, and/or the appointment of a receiver, whether known or unknown, liquidated or unliquidated, accrued or unaccrued, fixed or contingent, direct or derivative, and any other form of legal or equitable relief that either has been asserted, was asserted, or could have been asserted, by any Settlement Class Member against any of the Released Persons based on, relating to, concerning or arising out of the Data Incident or the allegations, transactions, occurrences, facts, or circumstances alleged in or otherwise described in the Litigation. Released Claims shall not include the right of any Settlement Class Member or any of the Released Persons to enforce the terms of the settlement contained in this Settlement Agreement and shall not include the claims of Settlement Class Members who have timely excluded themselves from the Settlement Class.

1.33 “**Released Persons**” shall mean Eastern Radiologists and the Related Entities.

1.34 “**Settlement Claim**” shall mean a claim for settlement benefits made under the terms of this Settlement Agreement.

1.35 “**Settlement Class**” shall mean “all persons whose Private Information was impacted by the Data Incident and were sent a notice of the Data Incident from or on behalf of Defendant.” The Settlement Class specifically excludes: (i) all Settlement Class Members who

timely and validly request exclusion from the Settlement Class; and (ii) the Judge presiding over this Litigation and his or her staff and their direct family members.

1.36 “**Settlement Class Member**” shall mean each of the approximately 884,935 individuals who falls within the definition of the Settlement Class.

1.37 “**Settlement Website**” shall mean the website the Claims Administrator will establish as soon as practicable following entry of the Preliminary Approval Order as a means for Settlement Class Members to obtain notice of and information about the Settlement and relevant case documents and deadlines. The Settlement Website shall contain relevant documents, including, but not limited to, a downloadable version of a customary form of Short Form Notice, a customary form of Long Form Notice, a customary version of the Claim Form, which together shall include a fair summary of the Settling Parties’ respective litigation positions, the general terms of the settlement, instructions for how to object or opt-out of the settlement, the process and instructions for making claims, and the date, time and place of the Final Approval Hearing; this Agreement; Plaintiffs’ motion for preliminary approval of the Settlement; the Preliminary Approval Order; and Class Counsels’ motion for attorneys’ fees and expenses. The Settlement Website shall also include a toll-free telephone number, email address, and mailing address through which Settlement Class Members may contact the Settlement Administrator directly. The Settlement Website shall not include any advertising and shall remain operational until at least 60 days after all Settlement Payments have been distributed. “**Settling Parties**” shall mean, collectively, Eastern Radiologists and Plaintiffs, individually and on behalf of the Settlement Class.

1.38 “**Short Notice**” shall mean the content of the mailed notice to the proposed Settlement Class Members, substantially in the form as shown in **Exhibit C**, attached hereto. The Short Form Notice will direct recipients to the Settlement Website and inform Settlement Class

Members, among other things, of the Claims Deadline, the Opt-Out Date, the Objection Date, the requested attorneys' fees, and the date of the Final Fairness Hearing (as defined below).

1.39 “**Unknown Claims**” shall mean claims that could have been raised in the Action and that any of the Settlement Class Representatives or Settlement Class Members, and each of their respective heirs, executors, administrators, representatives, agents, partners, successors, attorneys, and assigns, does not know or suspect to exist, which, if known by him, her, or it, might affect his, her, or its agreement to release the **Released Parties** or might affect his, her, or its decision to agree, object, or not to object to the Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that upon the Effective Date, Plaintiffs intend to and expressly shall have waived the provisions, rights, and benefits conferred by California Civil Code § 1542, (or any similar comparable, or equivalent provision of any federal, state or foreign law, or principle of common law which is similar, comparable, or equivalent to California Civil Code §1542), which provides:

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

Plaintiffs may hereafter discover facts in addition to, or different from, those that they, and any of them, now know or believe to be true with respect to the subject matter of the Released Claims, but Plaintiffs expressly shall have, upon the Effective Date, fully, finally and forever settled and released any and all Released Claims. The Settling Parties acknowledge that the foregoing waiver is a material element of the Settlement Agreement of which this release is a part.

1.40 **“United States”** as used in this Settlement Agreement includes all 50 states, the District of Columbia and all territories.

1.41 **“Valid Claims”** means Settlement Claims in an amount approved by the Claims Administrator or found to be valid through the claims processing and/or dispute resolution process described in ¶ 2.4.

2. Settlement Benefits: Defendant will provide benefits to the Settlement Class Members (as defined below) through two separate provisions of an agreed upon settlement structure as follows:

2.1 Common Fund Benefit.

2.1.1 Defendant will fund a non-reversionary common fund of \$3,200,000 for the benefit of the Settlement Class Members (the “Common Fund”). The Common Fund will be used for the payment of approved claims for a pro rata cash payment, costs of notice and claims administration, service awards approved by the Court and attorneys’ fees, costs and expenses (the “Common Fund Benefit”), as follows.

2.1.2 **Cash Payment:** Settlement Class Members may make a claim for pro rata alternative cash payment in lieu of Out-of-Pocket Losses estimated to be \$50.00 but increased or decreased depending upon the number of claims made and approved. (“Cash Payment”). The Settlement Class Members who make a claim for a pro rata alternative cash payment shall not be entitled to make a claim for Out-of-Pocket losses as enumerated below. Payments for approved Cash Payment claims shall be made from the Common Fund.

2.1.3 **Settlement Administration Fees:** Eastern Radiologists will pay, or cause to be paid, the settlement administration fees, including the cost of notice. Payments of Settlement Administration Fees shall be made from the Common Fund.

2.1.4 **Service Award:** Subject to Court approval, Eastern Radiologists shall not object to a request for a service award in the amount of \$2,500 to each Settlement Class Representative. Payments of Service Awards shall be made from the Common Fund.

2.1.5 **Attorneys' Fees:** Eastern Radiologists shall not object to an award for attorneys' fees, litigation expenses and costs to Class Counsel, subject to Court approval. Class Counsel shall submit a motion to the Court requesting attorneys' fees of \$1,500,000 (33.33% of the aggregate Common Fund and claimable benefits) and costs and expenses up to \$50,000 to be paid from the Common Fund, by no later than 30 days before the Objection and Opt-Out Deadlines. Class Counsel, in their sole discretion, shall allocate and distribute any amount of attorneys' fees, costs, and expenses awarded by the Court among themselves. Any attorneys' fees, costs and expenses awarded by the Court shall be due and payable within 30 days after the Effective Date. Payment of awarded attorneys' fees and costs shall be made from the Common Fund.

2.1.6 **Uncashed checks or unclaimed e-payment:** Uncashed checks or e-payments not claimed after the time expires for negotiation of those checks or e-payments (and all re-issues), the amount of those remaining funds shall be designated to a mutually agreed upon *cy pres* recipient, subject to approval by the Court.

2.1.7 **Qualified Settlement Fund:** The Parties agree that the Common Fund is intended to be maintained as a qualified settlement fund within the meaning of Treasury Regulation § 1.468 B-1, and that the Claims Administrator shall invest the Settlement Fund exclusively in instruments or accounts backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof, including a U.S. Treasury Fund or a bank account that is either (a) fully insured by the Federal Deposit Insurance Corporation ("FDIC") or (b) secured by instruments backed by the full faith and credit of the United States Government.

Defendant and Defendant's Counsel shall have no responsibility for, interest in, or liability whatsoever with respect to investment decisions executed by the Claims Administrator. All risks related to the investment of the Common Fund shall be borne solely by the Common Fund and its Escrow Agent. Further, the Claims 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 Common Fund and paying from the Common Fund any taxes and tax-related expenses owed with respect to the Common Fund. The Parties agree that the Common 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 Common Fund as a qualified settlement fund from the earliest date possible. The Claims Administrator shall provide an accounting of any and all funds in the Common Fund, including any interest accrued thereon and payments made pursuant to this Agreement, upon request of any of the Parties.

2.1.8 Custody of Common Fund: The Common 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 Common Fund is distributed pursuant to this Settlement Agreement or the balance returned to those who paid the Common Fund in the event this Settlement Agreement is terminated in accordance with Section 9 of this Agreement.

2.1.9 Taxes and Representations: Taxes and tax-related expenses relating to the Common Fund shall be considered Notice and Administrative Expenses and shall be timely paid by the Claims Administrator out of the Common Fund without prior order of the Court. Further, the Common Fund shall indemnify and hold harmless the Parties, their counsel, and their insurers and reinsurers 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 with respect to the tax treatment by any 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 Common Fund. Each Class Representative and 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 Common Fund pursuant to this Agreement.

2.2 **Claims Made Benefits.**

2.2.1 Eastern Radiologists will pay, on a wholly claims-made basis, Valid Claims for documented, unreimbursed costs or expenditures incurred by the Settlement Class Members that are fairly traceable to the Data Incident (“Out-of-Pocket Losses”). The Claims Made Benefit is separate from the Common Fund Benefit. Settlement Class Members who elect to accept a Cash Payment from the Common Fund as described in §2.1.2 above, are ineligible to make a claim for Out-of-Pocket Losses.

2.2.2 Out-of-Pocket Losses would include, without limitation and by way of example, unreimbursed losses related to the following:

- (i) costs, expenses, losses or charges incurred as a result of identity theft or identity fraud, falsified tax returns, or other misuse of a class member’s personal information after November 20, 2023;
- (ii) costs incurred on or after November 20, 2023, associated with accessing or freezing/unfreezing credit reports with any credit reporting agency;
- (iii) miscellaneous expenses such as notary, postage, copying, mileage, and other charges; and

- (iv) charges for credit monitoring or other mitigative expenditures incurred on or after November 20, 2023, through the date of the Settlement Class Member's claim submission.

2.2.3 Out of Pocket Losses, Documentation and Attestation: Claims for Out-of-Pocket Losses by Settlement Class Members must be supported by third-party documentation sufficient to show the claimant's actual, incurred costs or expenditures that are fairly traceable to the Incident, such as receipts or other documentation that is not "self-prepared" by the claimant and that documents the costs incurred. Out-of-Pocket Expense Claims must include an attestation under the penalty of perjury that (1) the claimant has made reasonable efforts to avoid, or seek reimbursement for, the loss and has not been reimbursed for the loss to date, and (2) the monetary losses are more likely than not caused by the Incident Data Incident and were not incurred due to some other event or reason.

2.2.4 Caps for Out-of-Pocket Losses: Total payments for Out-of-Pocket Losses shall not exceed an aggregate cap of \$200,000. Settlement Class Members can submit a claim for Out-of-Pocket Losses up to a maximum of \$5,000 per person if:

- (i) the loss is an actual, documented, and unreimbursed monetary loss;
- (ii) the loss was incurred on or after November 20, 2023;
- (iii) the loss was more likely than not caused by the Incident;
- (iv) the loss is not already covered by one or more of the other reimbursement categories provided for in this Settlement Agreement; and
- (v) the Settlement Class Member made reasonable efforts to avoid, or seek reimbursement for, the loss, including but not limited to exhaustion of all available credit monitoring.

2.3 **Medical Account Monitoring:** In addition to electing a Cash Payment, as provided in Paragraph 2.1.2, or submitting an Out-of-Pocket Losses Claim, as provided in Paragraphs 2.2.1-2.2.4, Settlement Class Members may elect to receive one year of Medical Account Monitoring through CyEx's Medical Shield product. The Medical Account Monitoring will include dark web monitoring, \$1 million dollars of medical identity theft insurance, real-time authentication alerts, high-risk transaction monitoring, security freeze assistance, and victim assistance. Defendant will pay for the cost of Medical Account Monitoring separate and apart from the Common Fund and from the aggregate cap on Documented Loss Payments. The retail value of this benefit is \$179.40 per Settlement Class Member.

2.4 **Business Practice Changes:** Eastern Radiologists represents that it has implemented and shall maintain reasonable data security-related measures following the Data Incident. A description of the data security measures implemented following the Data Incident and approximate overall costs of these measures will be provided to Class Counsel. All costs associated with these data security-related measures are paid by Defendant separate and apart from other settlement benefits.

2.5 **Claims Review and Dispute Resolution.**

2.5.1 The Parties have agreed that Epiq will serve as the Claims Administrator who will be responsible for administering all aspects of the Settlement Agreement and would be charged with delivering sufficient notice. Within 14 days after entry of an order directing class notice, Eastern Radiologists will provide to the Claims Administrator a class list that includes the Settlement Class Members' full names, and current addresses, to the extent Eastern Radiologists is in possession of that information. Eastern Radiologists shall also provide the list of names and addresses to which notice of the Data Incident was sent and that were returned as undeliverable, so that funds are not

expended sending notice of the settlement to Class Members at addresses already known to be inaccurate or out-of-date. The Claims Administrator in its sole discretion to be reasonably exercised, will determine whether: (i) the claimant is a Settlement Class Member; (ii) the claimant has provided all information needed to complete the Claim Form, including any documentation that may be necessary to reasonably support the expenses described in ¶ 2.2 and (iii) the information submitted could lead a reasonable person to conclude that more likely than not the claimant has suffered the claimed losses as a result of the Data Incident. The Claims Administrator may, at any time, request from the claimant, in writing, additional information as the Claims Administrator may reasonably require in order to evaluate the claim, documentation requested on the Claim Form and required documentation regarding the claimed losses. The Claims Administrator's initial review will be limited to a determination of whether the claim is complete and plausible. For any claims that the Claims Administrator determines to be implausible, the Claims Administrator will submit those claims to the Settling Parties (through their counsel). If the Settling Parties do not agree with the Claimant's claim, after meeting and conferring, then the claim shall be referred to a claims referee for resolution. The Settling Parties will mutually agree on the claims referee, should one be required.

2.5.2 Upon receipt of an incomplete or unsigned Claim Form or a Claim Form that is not accompanied by sufficient documentation to determine whether the claim is facially valid, the Claims Administrator shall request additional information ("Claim Supplementation") and give the claimant twenty-one (21) days to cure the defect before rejecting the claim. In the event of unusual circumstances interfering with compliance during the twenty-one (21) day period, the claimant may request and, for good cause shown (illness, military service, out of the country, mail failures, lack of cooperation of third parties in possession of required information, etc.), shall be given a reasonable

extension of the twenty-one (21) day deadline in which to comply; however, in no event shall the deadline be extended to later than three (3) months from the Effective Date. If the defect is not timely cured, then the claim will be deemed invalid and Eastern Radiologists shall have no obligation to pay it.

2.5.3 Following receipt of additional information requested by the Claims Administrator, the Claims Administrator shall have fifteen (15) days to accept, in whole or lesser amount, or reject each claim. If, after review of the claim and all documentation submitted by the claimant, the Claims Administrator determines that such a claim is facially valid, then the claim shall be paid. If the Claims Administrator determines that such a claim is not facially valid because the claimant has not provided all information needed to complete the Claim Form and enable the Claims Administrator to evaluate the claim, then the Claims Administrator may reject the claim without any further action. If the claim is rejected in whole or in part, for other reasons, then the claim can be referred to the claims referee.

2.5.4 Settlement Class Members shall have thirty (30) days from receipt of any offer of payment from the Claims Administrator to accept or reject the offer. If a Settlement Class Member rejects an offer from the Claims Administrator, the dispute will be submitted to the claims referee within thirty (30) days.

2.5.5 If any dispute is submitted to the claims referee, the claims referee may approve the Claims Administrator's determination by making a ruling within fifteen (15) days of the claims referee's receipt of the submitted dispute. The claims referee may make any other final determination of the dispute or request further supplementation of a claim within thirty (30) days of the claims referee's receipt of the submitted dispute. The claims referee's determination shall be based on whether the claims referee is persuaded that the claimed amounts are reasonably supported in fact

and were more likely than not caused by the Data Incident. The claims referee shall have the power to approve a claim in full or in part. The claims referee's decision will be final and non-appealable. Any claimant referred to the claims referee shall reasonably cooperate with the claims referee, including by either providing supplemental information as requested or, alternatively, signing an authorization allowing the claims referee to verify the claim through third party sources, and failure to cooperate shall be grounds for denial of the claim in full. The claims referee shall make a final decision within thirty (30) days of the latter of the following events: its receipt of the submitted dispute and receipt of all supplemental information requested.

2.6 Settlement Class Certification. The Settling Parties agree, for purposes of this settlement only, to the certification of the Settlement. If the settlement set forth in this Settlement Agreement is not approved by the Court, or if the Settlement Agreement is terminated or cancelled pursuant to the terms of this Settlement Agreement, this Settlement Agreement, and the certification of the Settlement Class provided for herein, will be vacated and the Litigation shall proceed as though the Settlement Class had never been certified, without prejudice to any Settling Party's position on the issue of class certification or any other issue. The Settling Parties' agreement to the certification of the Settlement Class is also without prejudice to any position asserted by the Settling Parties in any other proceeding, case or action, as to which all of their rights are reserved.

3. Opt-Out Procedures

3.1 Any individual choosing to opt-out of the Settlement Class shall individually sign and timely submit written notice of such intent to the designated Post Office box established by the Claims Administrator. The written notice must clearly manifest the individual's intent to be excluded from the Settlement Class.

3.2 All individuals who submit valid and timely notices of their intent to be excluded from the Settlement Class, as set forth in ¶ 3.1 above, referred to herein as “Opt-Outs,” shall not receive any benefits of and/or be bound by the terms of this Settlement Agreement. All individuals falling within the definition of the Settlement Class who do not request to be excluded from the Settlement Class in the manner set forth in ¶ 3.1 above shall be bound by the terms of this Settlement Agreement and Judgment entered thereon.

3.3 In the event that within 10 days after the Opt-Out Deadline there are more than 100 opt-out requests, Defendant may void the Settlement Agreement by notifying Plaintiffs’ counsel in writing.

4. Objection Procedures

4.1 Each Settlement Class Member desiring to object to the Settlement Agreement shall submit a timely written notice of his or her objection by the Objection Date. Such notice shall state: (i) the objector’s full name, address, telephone number, and e-mail address (if any); (ii) information identifying the objector as a Settlement Class Member, including proof that the objector is a member of the Settlement Class (*e.g.*, copy of notice, copy of original notice of the Data Incident); (iii) a written statement of all grounds for the objection, accompanied by any legal support for the objection the objector believes applicable; (iv) the identity of any and all counsel representing the objector in connection with the objection; (v) a statement as to whether the objector and/or his or her counsel will appear at the Final Fairness Hearing; (vi) and the objector’s signature and the signature of the objector’s duly authorized attorney or other duly authorized representative (along with documentation setting forth such representation). To be timely, written notice of an objection in the appropriate form must be mailed to the Settlement Administrator in the address provided in the Notice, no later than sixty (60) days from the date on which notice program commences pursuant to ¶ 5.2.

4.2 Any Settlement Class Member who fails to comply with the requirements for objecting in ¶ 4.1 shall waive and forfeit any and all rights he or she may have to appear separately and/or to object to the Settlement Agreement and shall be bound by all the terms of the Settlement Agreement and by all proceedings, orders and judgments in the Litigation. The exclusive means for any challenge to the Settlement Agreement shall be through the provisions of ¶ 4.1 (above paragraph). Without limiting the foregoing, any challenge to the Settlement Agreement, the final order approving this Settlement Agreement, or the Judgment to be entered upon final approval shall be pursuant to appeal under the applicable North Carolina appellate rules and not through a collateral attack.

5. Preliminary Approval Order

5.1 As soon as practicable after the execution of the Settlement Agreement, Class Counsel and counsel for Eastern Radiologists shall jointly submit this Settlement Agreement to the Court, and Class Counsel will file a motion for preliminary approval of the settlement with the Court requesting entry of a Preliminary Approval Order in the form attached hereto as **Exhibit D**, or an order substantially similar to such form in both terms and cost, requesting, among other things:

- a) certification of the Settlement Class for settlement purposes only;
- b) preliminary approval of the Settlement Agreement as set forth herein;
- c) appointment of Plaintiffs as Class Representatives;
- d) appointment of Jean Martin of Morgan & Morgan Complex Litigation Group, Scott C. Harris and Gary M. Klinger of Milberg Coleman Bryson Phillips Grossman, PLLC, and Joel Rhine of Rhine Law Firm PC as Class Counsel.
- e) approval of a customary form of Short Notice to be sent by U.S. mail and/or electronic mail to Settlement Class Members, in a form substantially similar to Exhibit A, attached hereto.

- f) approval of the Long Notice to be posted on the Settlement Website in a form substantially similar to Exhibit B, attached hereto, which, together with the Short Notices, shall include a fair summary of the Settling Parties' respective litigation positions, the general terms of the settlement set forth in the Settlement Agreement, instructions for how to object to or opt-out of the settlement, the process and instructions for making claims to the extent contemplated herein, the requested attorneys' fees, and the date, time and place of the Final Fairness Hearing;
- g) approval of the Claim Form to be available on the Settlement Website for submitting claims and available, upon request, in a form substantially similar to Exhibit A, attached hereto; and
- h) approval of the Settlement Website described in ¶ 5.2 below; and
- i) appointment of Epiq as the Claims Administrator.

5.2 Eastern Radiologists shall pay, or cause to be paid, the costs for providing notice to the Settlement Class in accordance with the Preliminary Approval Order, and the costs of such notice, together with the costs of Claims Administration. Notice shall be provided to Settlement Class Members by the Claims Administrator as follows:

- a) *Class Member Information*: Within 14 days of entry of the Preliminary Approval Order directing class notice, Eastern Radiologists shall give the Claims Administrator each Settlement Class Member's full name and last known postal address (collectively, "Class Member Information").
- b) The Class Member Information and its contents shall be used by the Claims Administrator solely for the purpose of performing its obligations pursuant to this Agreement and shall not be used for any other purpose at any time. Except to

administer the settlement as provided in this Agreement, or to provide all data and information in its possession to the Settling Parties upon request, the Claims Administrator shall not reproduce, copy, store, or distribute in any form, electronic or otherwise, the Class Member Information.

c) *Settlement Website*: Prior to the dissemination of the Short Notice, the Claims Administrator shall establish the Settlement Website that will inform Settlement Class Members of the terms of this Agreement, their rights, dates and deadlines and related information. The Settlement Website shall include, in .pdf format and available for download, the following: (i) the Long Notice; (ii) the Claim Form; (iii) the Preliminary Approval Order; (iv) this Agreement; (v) the operative Class Action Complaint filed in the Litigation; and (vi) any other materials agreed upon by the Settling Parties and/or required by the Court. The Settlement Website shall provide Settlement Class Members with the ability to complete and submit the Claim Form, and supporting documentation, electronically.

d) *Short Notice*: Within 45 days of entry of the Preliminary Approval Order, subject to the requirements of this Agreement and the Preliminary Approval Order, the Claims Administrator will provide notice to the Settlement Class members, using the appropriate form of Short Notice for members of the Settlement as follows:

- via direct mail to the postal address provided by Eastern Radiologists. Before any mailing under this paragraph occurs, the Claims Administrator shall run the postal addresses of Settlement Class Members through the United States Postal Service (“USPS”) National Change of Address database to update any change of address on file with the USPS;

- in the event that a Short Notice is returned to the Claims Administrator by the USPS because the address of the recipient is not valid, and the envelope contains a forwarding address, the Claims Administrator shall re-send the Short Notice to the forwarding address within seven (7) days of receiving the returned Short Notice;
 - in the event that subsequent to the first mailing of a Short Notice a Short Notice is returned to the Claims Administrator by the USPS because the address of the recipient is no longer valid, *i.e.*, the envelope is marked “Return to Sender” and does not contain a new forwarding address, the Claims Administrator shall perform a standard skip trace, in the manner that the Claims Administrator customarily performs skip traces, in an effort to attempt to ascertain the current address of the particular Settlement Class Member in question and, if such an address is ascertained, the Claims Administrator will re-send the Short Notice within seven (7) days of receiving such information. This shall be the final requirement for mailing.
- f) Publishing, on or before the date of mailing, the Long Notice and the Claim Form on the Settlement Website, and maintaining and updating the Settlement Website throughout the claim period;
- g) A toll-free help line with an IVR script shall be made available to provide Settlement Class Members with additional information about the settlement and to respond to Settlement Class Members’ questions. The Claims Administrator also will provide copies of the Long Notice and paper Claim Form, as well as this Settlement Agreement, upon request to Settlement Class Members; and

- h) Contemporaneously with seeking Final approval of the Settlement, Class Counsel shall cause to be filed with the Court an appropriate affidavit or declaration with respect to complying with this provision of notice.

5.3 The Short Notice, Long Notice, and other communications to the Settlement Class may be adjusted by the Claims Administrator, respectively, in consultation and agreement with the Settling Parties, as may be reasonable and not inconsistent with such approval.

5.4 Class Counsel shall request that after notice is completed, the Court hold a hearing (the “Final Fairness Hearing”) and grant final approval of the settlement set forth herein.

6. Release

6.1 Upon the Effective Date, each Settlement Class Member, including Plaintiffs, and Class Counsel shall be deemed to have, and by operation of the Judgment shall release and discharge all claims against Eastern Radiologists and their affiliates, parents, subsidiaries, wholesalers, retailers, or dealers, and each and all of its or their respective present or former directors, officers, consultants, affiliated entities or corporations, subsidiaries, divisions, franchisees, partners, joint venturers, agents, shareholders, investors, creditors, insurers, reinsurers, attorneys, employees, representatives, successors, licensees, customers, and assigns (“Released Parties”), arising out of or relating to the Data Incident (the “Released Claims”). Plaintiffs (and Settlement Class Members) shall not sue any Released Parties with respect to any of the Released Claims, or otherwise assist others in doing so, and shall be forever barred from doing so, in any court of law or equity, or any other forum.

6.2 Eastern Radiologists shall release and discharge Settlement Class Members, Settlement Class Representatives, and Class Counsel from any claims that arise out of or relate in any way to the institution, prosecution, or settlement of this Litigation against Defendant, except for claims relating to the enforcement of the Settlement, and for the submission of false or

fraudulent claims for settlement benefits. Any other claims or defenses Eastern Radiologists may have against such Persons including, without limitation, any claims based upon or arising out of any contractual, employment, or other business relationship with such Persons that are not based upon or do not arise out of the institution, prosecution, assertion, settlement, or resolution of the Litigation are specifically preserved and shall not be affected by the preceding sentence.

7. Administration of Claims

7.1 The Claims Administrator shall administer and calculate the claims submitted by Settlement Class Members under ¶¶ 2.1 and 2.2. Class Counsel and Eastern Radiologists shall be given reports as to both claims and distribution and have the right to review and obtain supporting documentation to the extent necessary to resolve claims administration issues. The Claims Administrator's and claims referee's, as applicable, determination of whether a Settlement Claim is a Valid Claim shall be binding, subject to the dispute resolution process set forth in ¶ 2.4. All claims agreed to be paid in full by Eastern Radiologists shall be deemed a Valid Claim.

7.2 Checks for Valid Claims shall be mailed and postmarked within the later of sixty (60) days of the Effective Date or thirty (30) days of the date that the claim is approved.

7.3 Checks will be valid for ninety (90) days from the date of issuance. Upon request, the Claims Administrator will provide counsel with a report on uncashed or cancelled checks.

7.4 All residual funds remaining in any account (except the non-reversionary common fund) maintained by the Claims Administrator for purposes of administering this settlement shall revert back to, and be the property of, Eastern Radiologists and/or its insurer at the conclusion of the administration process. Such funds shall be transferred back to Eastern Radiologists or its insurer within 10 business days of the close of the administration period pursuant to wire instructions to be provided by counsel for Eastern Radiologists.

7.5 All Settlement Class Members who fail to timely submit a claim for any benefits hereunder within the time frames set forth herein, or such other period as may be ordered by the Court, or otherwise expressly allowed by law or the Settling Parties' written agreement, shall be forever barred from receiving any payments or benefits pursuant to the settlement set forth herein, but will in all other respects be subject to, and bound by, the provisions of the Settlement Agreement, the releases contained herein and the Judgment.

7.6 No individual shall have any claim against the Claims Administrator, claims referee, Eastern Radiologists, Released Persons, Eastern Radiologists' counsel, Plaintiffs, and/or Class Counsel based on distributions of benefits to Settlement Class Members.

7.7 Information submitted by Settlement Class Members in connection with submitted claims under this Settlement Agreement shall be deemed confidential and protected as such by the Claims Administrator, claims referee, Class Counsel, and counsel for Eastern Radiologists.

8. Final Approval

8.1 At the time of the submission of the Settlement Agreement to the Court for preliminary approval, the Parties shall request that the Court hold a hearing on final approval of the settlement (the "Final Approval Hearing") approximately one hundred twenty (120) days after entry of the Preliminary Approval Order.

8.2 At least fourteen (14) days prior to the Final Approval Hearing, or by some other date if so directed by the Court, Plaintiffs will move for final approval of the Settlement Agreement.

8.3 At the Final Approval Hearing, the parties will ask the Court to enter the Final Approval Order.

9. Conditions of Settlement; Disapproval, Cancellation, or Termination

9.1 The Effective Date of the settlement shall be conditioned on the occurrence of all of the following events:

- a) the Court has entered the Preliminary Approval Order, as required by ¶ 5.1;
- b) the Court has entered the Judgment granting final approval to the settlement as set forth herein; and
- c) the Judgment has become Final, as defined in ¶ 1.15.

9.2 If all conditions specified in ¶ 9.1 hereof are not satisfied, the Settlement Agreement shall be canceled and terminated subject to ¶ 9.4 unless Class Counsel and counsel for Eastern Radiologists mutually agree in writing to proceed with the Settlement Agreement.

9.3 Within seven (7) days after the Opt-Out Date, the Claims Administrator shall furnish to Class Counsel and to Eastern Radiologists counsel a complete list of all timely and valid requests for exclusion (the “Opt-Out List”).

9.4 In the event that the Settlement Agreement or the releases set forth in ¶¶ 6.1 and 6.2. above are not approved by the Court or the settlement set forth in the Settlement Agreement is terminated in accordance with its terms: (i) the Settling Parties shall be restored to their respective positions in the Litigation and shall jointly request that all scheduled Litigation deadlines be reasonably extended by the Court so as to avoid prejudice to any Settling Party or Settling Party’s counsel; and (ii) the terms and provisions of the Settlement Agreement shall have no further force and effect with respect to the Settling Parties and shall not be used in the Litigation or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Settlement Agreement shall be treated as vacated, *nunc pro tunc*. Notwithstanding anything in this Settlement Agreement to the contrary, no order of the Court or modification or reversal on appeal of any order reducing the amount of attorneys’ fees, costs, expenses, and/or

service awards shall constitute grounds for cancellation or termination of the Settlement Agreement. Further, notwithstanding any statement in this Settlement Agreement to the contrary, Eastern Radiologists shall be obligated to pay amounts already billed or incurred for costs of notice to the Settlement Class, and Claims Administration, and shall not, at any time, seek recovery of same from any other party to the Litigation or from counsel to any other party to the Litigation.

10. Miscellaneous Provisions

10.1 The Settling Parties (i) acknowledge that it is their intent to consummate this Settlement Agreement; and (ii) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Settlement Agreement, and to exercise their best efforts to accomplish the terms and conditions of this Settlement Agreement.

10.2 The Settling Parties intend this settlement to be a final and complete resolution of all disputes between them with respect to the Litigation. The settlement compromises claims that are contested and shall not be deemed an admission by any Settling Party as to the merits of any claim or defense. The Settling Parties each agree that the settlement was negotiated in good faith by the Settling Parties and reflects a settlement that was reached voluntarily after consultation with competent legal counsel. The Settling Parties reserve their right to rebut, in a manner that such party determines to be appropriate, any contention made in any public forum that the Litigation was brought or defended in bad faith or without a reasonable basis. No Party shall have any liability to any other Party as it relates to the Litigation, except as set forth in the Settlement Agreement.

10.3 Neither the Settlement Agreement, nor the settlement contained herein, nor any act performed or document executed pursuant to or in furtherance of the Settlement Agreement or the settlement (i) is or may be deemed to be or may be used as an admission of, or evidence of, the validity or lack thereof of any Released Claim, or of any wrongdoing or liability of any of the Released Persons; or (ii) 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 Persons in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Any of the Released Persons may file the Settlement Agreement and/or the Judgment in any action that may be brought against them or any of them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar, or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

10.4 The Settlement Agreement may be amended or modified only by a written instrument signed by or on behalf of all Settling Parties or their respective successors-in-interest.

10.5 This Agreement contains the entire understanding between Eastern Radiologists and Plaintiffs regarding the payment of the Litigation settlement and supersedes all previous negotiations, agreements, commitments, understandings, and writings between Eastern Radiologists and Plaintiffs in connection with the payment of the Litigation settlement. Except as otherwise provided herein, each party shall bear its own costs. This Agreement supersedes all previous agreements made between Eastern Radiologists and Plaintiffs.

10.6 Class Counsel, on behalf of the Settlement Class, are expressly authorized by Plaintiffs to take all appropriate actions required or permitted to be taken by the Settlement Class pursuant to the Settlement Agreement to effectuate its terms, and also are expressly authorized to enter into any modifications or amendments to the Settlement Agreement on behalf of the Settlement Class which they deem appropriate in order to carry out the spirit of this Settlement Agreement and to ensure fairness to the Settlement Class.

10.7 Each counsel or other individual executing the Settlement Agreement on behalf of any party hereto hereby warrants that such individual has the full authority to do so.

10.8 The Settlement Agreement may be executed in one or more counterparts. All executed counterparts shall be deemed to be one and the same instrument. A complete set of original executed counterparts shall be filed with the Court.

10.9 The Settlement Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the parties hereto. No assignment of this Settlement Agreement will be valid without the other party's prior, written permission.

10.10 The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Settlement Agreement, and all parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the settlement embodied in the Settlement Agreement.

10.11 All dollar amounts are in United States dollars (USD).

10.12 Cashing a settlement check is a condition precedent to any Settlement Class Member's right to receive cash benefits from the settlement. All settlement checks shall be void ninety (90) days after issuance and shall bear the language: "This check must be cashed within ninety (90) days, after which time it is void." The Settlement Class Member shall have until ninety (90) days after the Effective Date to request re-issuance of a check. If no request for re-issuance is made within this period, the Settlement Class Member will have failed to meet a condition precedent to recovery of settlement benefits, the Settlement Class Member's right to receive monetary relief shall be extinguished, and Eastern Radiologists shall have no obligation to make payments to the Settlement Class Member for expenses under ¶¶ 2.1 and 2.2 or any other type of monetary relief. The same provisions shall apply to any re-issued check. For any checks that are issued or re-issued for any reason more than ninety (90) days from the Effective Date, requests for re-issuance need not be honored.

10.14 All agreements made and orders entered during the course of the Litigation relating to the confidentiality of information shall survive this Settlement Agreement.

IN WITNESS WHEREOF, the parties hereto have caused the Settlement Agreement to be executed by their duly authorized attorneys.

MORGAN & MORGAN COMPLEX LITIGATION GROUP
Attorneys for Plaintiffs and the Settlement Class


Jean S. Martin (Jun 26, 2025 16:27 EDT)

Jean Martin

Date: Jun 26, 2025

MILBERG COLEMAN BRYSON PHILLIPS GROSSMAN
Attorneys for Plaintiffs and the Settlement Class



Scott C. Harris

Date: 6/26/2025

RHINE LAW FIRM PC
Attorneys for Plaintiffs and the Settlement Class


Joel R. Rhine (Jun 26, 2025 16:25 EDT)

Joel R. Rhine

Date: Jun 26, 2025

O'HAGAN MEYER, PLLC
Attorney for Eastern Radiologists, Inc.



Candice Diah

Date: Jun 26, 2025

EXHIBIT A

**Must be postmarked or
submitted online
NO LATER THAN
[DATE]**

*Eastern Radiology Data Incident
Claims Administrator
P.O. BOX XXXX
PORTLAND, OR 972XX-XXXX
www.xxxx.com*

Powers, et al., v. Eastern Radiologists, Inc., Claim Form
Case No. 24CVS772

GENERAL INFORMATION

If you received Notice of this Settlement, the Claims Administrator identified you as a potential member of the Settlement Class because you were identified by Eastern Radiologists, Inc. (“Defendant”) involving a Cybersecurity Incident suffered by Defendant where cybercriminals potentially accessed Defendant’s systems containing your Private Information, discovered by Defendant on or around November 24, 2023. The Private Information includes any combination of names, Social Security numbers, home addresses, phone numbers, dates of birth, financial account numbers, driver’s license numbers, patient account numbers, billing account numbers, health insurance plan member ID, medical record number, dates of service, provider names, medical treatment information, or other sensitive personal information.

You may submit a Claim Form for Settlement benefits, outlined below, by visiting the Settlement website at www.XXXXXXXXXX.com. **Claims must be submitted online or mailed by [DATE]. If you would prefer to submit by mail, please use the address at the top of this form.**

SETTLEMENT BENEFITS – WHAT YOU MAY GET

You may submit a Claim for one of the Cash Payment options:

- A. **Expense Reimbursement:** You may submit a Claim Form and provide receipts or other reasonable documentation for unreimbursed losses related to the Cybersecurity Incident for up to \$5,000 per Settlement Class Member. Supporting documentation is required, and self-prepared documents are, on their own, insufficient.

Claims for Out-of-Pocket Losses may be reduced pro rata (a legal term meaning equal share) in the unlikely event that the amount of Valid Claims for Out-of-Pocket Losses exceeds \$200,000.

OR

- B. **Alternative Cash Payment:** Instead of Cash Payment A, without providing documentation, you may submit a Claim Form to receive a pro rata (a legal term meaning equal share) payment from the Common Fund after all costs associated with the Settlement have been paid. If all costs and payments exceed the Settlement Fund amount, this option could result in no payment.

AND

Medical Monitoring: In addition to Expense Reimbursement *or* Alternative Cash Payment, you may also submit a Claim Form to receive one year of free Medical Monitoring.

* * *

Please note: the Claims Administrator may contact you to request additional documents to process your Claim.
For more information and complete instructions visit www.XXXXXXXXXX.com

Please note that Settlement benefits will be distributed after the Settlement is approved by the Court and becomes final.

Expense Reimbursement – Documented Expenses

If you lost or spent money relating to the Cybersecurity Incident and have not been reimbursed for that loss/expenses through any other source, you may receive reimbursement for up to \$5,000 total. Eligible expenses include those incurred after November 20, 2023, and prior to the Effective Date.

You **must** provide documents supporting the claimed loss to be eligible for reimbursement. Documentation must show what happened and how much you lost or spent. “Self-prepared” documents like handwritten receipts, personal certifications, or affidavits prepared by you are insufficient for reimbursement but can be used to add clarity or support other submitted documentation.

To look up more details about how the Expense Reimbursement work, visit www.XXXXXXXXXX.com or call toll-free 1-XXX-XXX-XXXX. Please also review the Long Form Notice on the Settlement Website, which provides examples of what documents you need to attach and the types of expenses that can be claimed. *By filling out the boxes below, you are certifying that the money you spent doesn't relate to other data incidents or breaches.*

Supporting Documents (Identify what you are attaching)	Amount and Date	Description of Expense or Money Spent (Identify what expense you incurred and how it's related to the Data Incident)
Document Title:	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> Date: <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> MM DD YYYY	<hr/> <hr/> <hr/>
Document Title:	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> Date: <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> MM DD YYYY	<hr/> <hr/> <hr/>
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Alternative Cash Payment

If you do not want to claim reimbursement for Out-of-Pocket Losses, you may instead claim a pro rata (a legal term meaning equal share) payment from the Common Fund after all costs associated with the Settlement have been paid. If all costs and payments exceed the Settlement Fund amount, this option could result in no payment.

By checking this box, I affirm I want to receive an Alternate Cash payment.

Signature

I affirm under the laws of North Carolina and the United States that the information I have supplied in this Claim Form and any copies of documents that I am sending to support my Claim are true and correct to the best of my knowledge and that any claimed losses resulted from the Cybersecurity Incident.

I understand that I may be asked to provide more information by the Claims Administrator before my Claim is complete.

Signature

Date: - -
MM DD YYYY

Print Name

Exhibit

B

If your Private Information was impacted by the Data Incident involving Eastern Radiologists, Inc., discovered on or around November 24, 2023, and you were sent notice, you may be entitled to benefits from a Settlement.

A Court authorized this Notice. This is not a solicitation from a lawyer.

- A settlement has been reached in a class action lawsuit against Eastern Radiologists, Inc. (“Defendant”) involving a Data Incident discovered by Defendant on or around November 24, 2023, resulting in the unauthorized access to Defendant’s computer network. Plaintiffs allege the Data Incident resulted in access to, and compromise of, personally identifiable information and protected health information (together, “Private Information”). The Private Information involved includes any combination of names, Social Security numbers, home addresses, phone numbers, dates of birth, financial account numbers, driver’s license numbers, patient account numbers, billing account numbers, health insurance plan member ID, medical record number, dates of service, provider names, medical treatment information, or other sensitive personal information.
- The Settlement Class includes: all persons whose Private Information was impacted by the Data Incident and were notified of the Data Incident from or on behalf of Defendant.
- If you are a member of the Settlement Class, you can submit a Claim Form for the following Settlement benefits:
 - **Out-of-Pocket Losses Cash Payment:** You may submit a Claim Form and provide reasonable documentation for unreimbursed losses fairly traceable to the Data Incident for up to \$5,000 per Settlement Class Member; **OR**
 - **Alternative Cash Payment:** Instead of Out-of-Pocket Losses, you may submit a Claim Form to receive a pro rata (a legal term meaning equal share) alternative cash payment without providing supporting documentation; **AND**
 - **Medical Account Monitoring:** In addition to the Out-of-Pocket Losses Cash Payment or the Alternative Cash Payment benefits detailed above, you may submit a Claim Form to receive one year of free Medical Account Monitoring.
 - Your Cash Payment may be subject to a pro rata increase or decrease depending upon the total value of all Valid Claims.

Injunctive Relief: Defendant is implementing additional security measures following the Data Incident.

This Notice may affect your rights. Please read it carefully.

Your Legal Rights & Options		Deadline
Submit a Claim Form	The only way to get Settlement benefits is to submit a timely and valid Claim Form.	Submitted or Postmarked by: MONTH DD, 20YY
Exclude Yourself	Get no Settlement benefits. Keep your right to file your own lawsuit against the Released Persons about the Released Claims that are released by the Settlement in this lawsuit.	Postmarked by: MONTH DD, 20YY
Object to the Settlement	Stay in the Settlement, but tell the Court why you do not agree with the Settlement. You will still be bound by the Settlement if the Court approves it.	Postmarked by: MONTH DD, 20YY
Do Nothing	Get no Settlement benefits. Give up your legal rights.	

- These rights and options—and the deadlines to exercise them—are explained in this Notice.

Questions? Go to www.XXXXXXXX.com or call 1-XXX-XXX-XXXX

- The Court must decide whether to approve the Settlement, attorneys’ fees, costs, and service awards. No Settlement benefits will be provided unless the Court approves the Settlement.

BASIC INFORMATION

1. Why is this Notice being provided?

A court authorized this Notice because you have the right to know about the Settlement of this class action lawsuit and about all of your rights and options before the Court decides whether to grant final approval to the Settlement. This Notice explains the lawsuit, the Settlement, your legal rights, what Settlement benefits are available, who is eligible for the Settlement benefits, and how to get them.

Superior Court Judge Matthew T. Houston is overseeing this class action. The lawsuit is known as *Powers et al. v. Eastern Radiologists, Inc.*, Case No. 24CVS772 (the “Lawsuit”). The individuals who filed this lawsuit are called the “Plaintiffs” and/or “Class Representatives” and the company sued, Eastern Radiologists, Inc., is called the “Defendant.”

2. What is this lawsuit about?

The Plaintiffs filed this lawsuit against the Defendant on behalf of themselves and all others similarly situated involving a Data Incident discovered by Defendant on or around November 24, 2023, resulting in the unauthorized access to Defendant’s computer network. Plaintiffs allege the Data Incident resulted in access to, and compromise of, personally identifiable information and protected health information (together, “Private Information”). The Private Information involved includes but is not limited to, any combination of names, Social Security numbers, home addresses, phone numbers, dates of birth, financial account numbers, driver’s license numbers, patient account numbers, billing account numbers, health insurance plan member ID, medical record number, dates of service, provider names, medical treatment information, or other sensitive personal information.

Plaintiffs allege negligence, negligence per se, breach of implied contract, breach of fiduciary duty, unjust enrichment, invasion of privacy, and violations of various North Carolina laws.

Defendant denies the legal claims and denies any wrongdoing or liability. The Court has not made any determination of any wrongdoing by Defendant, or that any law has been violated. Instead, the Plaintiffs and Defendant have agreed to a settlement to avoid the risk, cost, and time of continuing the lawsuit.

3. Why is there a Settlement?

The Plaintiffs and Defendant do not agree about the legal claims made in this lawsuit. The lawsuit has not gone to trial, and the Court has not decided in favor of the Plaintiffs or Defendant. Instead, the Plaintiffs and Defendant have agreed to settle the lawsuit. The Class Representatives, Defendant, and their lawyers believe the Settlement is best for the Settlement Class because of the Settlement benefits available and the risks and uncertainty associated with continuing the lawsuit.

4. Why is this lawsuit a class action?

In a class action, one or more people (called class representatives) sue on behalf of all people who have similar legal claims. Together, all these people are called a class or class members. One court resolves the issues for all class members, except for those class members who timely exclude themselves (opt-out) from the class.

WHO IS INCLUDED IN THE SETTLEMENT?

5. How do I know if I am included in the Settlement?

You are included in the Settlement Class if you are a person whose Private Information was impacted by the Data Incident and you were notified of the Data Incident from or on behalf of Defendant.

6. Are there exceptions to being included in the Settlement?

Yes. Excluded from the Settlement Class are: (i) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; and (ii) the Judge presiding over this lawsuit and their staff and their direct family members.

7. What if I am still not sure whether I am part of the Settlement?

If you are still not sure whether you are a Settlement Class Member, you may go to www.XXXXXXXXXX.com or call toll-free 1-XXX-XXX-XXXX.

THE SETTLEMENT BENEFITS

8. What does this Settlement provide?

If you are a Settlement Class Member, you can submit a Claim Form for the following Settlement benefits:

Out-of-Pocket Losses Cash Payment

You may submit a Claim Form to receive reimbursement of documented out-of-pocket losses, which must include third-party documentation sufficient to show your actual, incurred costs or expenses which are fairly traceable to the Data Incident for up to \$5,000 per Settlement Class Member if:

- 1) the loss is an actual, documented, and unreimbursed monetary loss;
- 2) the loss was incurred on or after November 20, 2023;
- 3) the loss was more likely than not caused by the Data Incident;
- 4) the loss is not already covered by one or more of the other reimbursement categories; and
- 5) you made reasonable efforts to avoid, or seek reimbursement for the loss, including but not limited to, exhaustion of all available credit monitoring.

Examples of expenses incurred as a result of the Data Incident, include (without limitation):

- 1) costs, expenses, losses or charges incurred as a result of identity theft or identity fraud, falsified tax returns, or other misuse of your personal information after November 20, 2023;
- 2) costs incurred on or after November 20, 2023, associated with accessing or freezing/unfreezing credit reports with any credit reporting agency;
- 3) miscellaneous expenses such as notary, postage, copying, mileage, and other charges; and

Questions? Go to www.XXXXXXXXXX.com or call 1-XXX-XXX-XXXX

- 4) charges for credit monitoring or other mitigative expenditures incurred on or after November 20, 2023, through the date of your claim submission.

Examples of reasonable documentation include (but are not limited to): telephone records, correspondence including emails, or receipts. Documentation supporting Out-of-Pocket Losses can include receipts or other documentation not “self-prepared” by the Settlement Class Member concerning the costs incurred. “Self-prepared” documents such as handwritten receipts are, by themselves, insufficient to receive reimbursement, but can be considered to clarify or support other submitted documentation.

You will not be reimbursed for expenses if you have been reimbursed for the same expenses by another source.

Claims for Out-of-Pocket Losses may be reduced pro rata (a legal term meaning equal share) in the unlikely event that the amount of Valid Claims for Out-of-Pocket Losses exceeds \$200,000.

Alternative Cash Payment

Instead of Out-of-Pocket Losses, you may submit a Claim Form to receive a pro rata alternative cash payment without providing documentation.

Your Alternative Cash Payment may be subject to a pro rata increase if the amount of Valid Claims does not use the entire Common Fund, calculated after payment for administration costs, attorneys’ fees and expenses, and service awards have been subtracted. Alternatively, if the amount of Valid Claims exceeds the amount of the net Common Fund, calculated after payment for administration costs, attorneys’ fees and expenses, and service awards has been subtracted, your Cash Payment may be subject to a pro rata reduction.

Any pro rata increases or decreases to Alternative Cash Payments will be on an equal percentage basis.

If approved by the Court, Alternative Cash Payments will be paid from the \$3,250,000 Common Fund after the payment of administration costs, attorneys’ fees, costs, expenses, and service awards. Out-of-Pocket Losses will not be paid from the Common Fund but rather will be paid separately by the Defendant.

Medical Account Monitoring

In addition to either of the Cash Payments, you may also submit a Claim Form to receive one year of free Medical Account Monitoring.

Injunctive Relief

Defendant is implementing additional security measures following the Data Incident.

9. What am I giving up to receive Settlement benefits or stay in the Settlement Class?

Unless you exclude yourself (opt-out), you will remain in the Settlement Class. If the Settlement is approved and becomes final, all Court orders and any judgments will apply to you and legally bind you. You will not be able to sue, continue to sue, or be part of any other lawsuit against the Released Persons about the Released Claims in this lawsuit. The specific rights you are giving up are called “Released Claims.”

10. What are the Released Claims?

Section six of the Settlement Agreement describes the Release, Released Claims, and Released Persons, in necessary legal terminology, so please read this section carefully. The Settlement

Questions? Go to www.XXXXXXXX.com or call 1-XXX-XXX-XXXX

Agreement is available at www.XXXXXXXXXXX.com. For questions regarding the Release, Released Claims, or Released Persons and what the language in the Settlement Agreement means, you can also contact Class Counsel listed below for free, or you can talk to your own lawyer at your own expense.

HOW TO GET BENEFITS FROM THE SETTLEMENT

11. How do I submit a Claim Form?

You must submit a timely and valid Claim Form to receive Settlement benefits as described above. Your Claim Form must be submitted online at www.XXXXXXXXXXX.com by **MONTH DD, 20YY**, or mailed to the Claims Administrator at the address on the Claim Form, **postmarked by Month DD, 20YY**. Claim Forms are also available at www.XXXXXXXXXXX.com or by calling 1-XXX-XXX-XXXX or by writing to:

Eastern Radiologists Data Incident
Claims Administrator
PO Box XXXX
Portland, OR 972XX-XXXX

12. What happens if my contact information changes after I submit a Claim Form?

If you change your mailing address or email address after you submit a Claim Form, it is your responsibility to inform the Claims Administrator of your updated information. You may notify the Claims Administrator of any changes by writing to:

Eastern Radiologists Data Incident
Claims Administrator
PO Box XXXX
Portland, OR 972XX-XXXX

13. When will I receive my Settlement benefits?

If you file a timely and valid Claim Form, the Settlement benefits will be provided after the Settlement is approved by the Court and becomes final.

It may take time for the Settlement to be approved and become final. Please be patient and check www.XXXXXXXXXXX.com for updates.

EXCLUDE YOURSELF OR OPT-OUT OF THE SETTLEMENT

If you are a member of the Settlement Class and want to keep any right you may have to sue or continue to sue the Released Persons on your own about the legal claims in this lawsuit or the Released Claims, then you must take steps to get out of the Settlement. This is called excluding yourself from—or “opting-out” of—the Settlement.

14. How do I opt-out of the Settlement?

To exclude yourself from the Settlement, you must mail a written request for exclusion, which includes the following:

Questions? Go to www.XXXXXXXXXXX.com or call 1-XXX-XXX-XXXX

- 1) Your name, address, telephone number, and email address (if any);
- 2) Your personal physical signature; and
- 3) A statement that you want to be excluded from the Settlement Class, such as “I hereby request to be excluded from the Settlement Class in *Powers et al. v. Eastern Radiologists, Inc.*”

The exclusion request must be **mailed** to the Claims Administrator at the following address, and be **postmarked** by **MONTH DD, 20YY**:

Eastern Radiologists Data Incident
Claims Administrator
PO Box XXXX
Portland, OR 972XX-XXXX

You cannot opt-out (exclude yourself) by telephone or by email.

Settlement Class Members will only be able to submit an opt-out request on their own behalf; mass or class opt-outs will not be permitted.

15. If I opt-out can I still get anything from the Settlement?

No. If you opt-out, you will not be able to receive Settlement benefits, and you will not be bound by the Settlement or any judgments in this lawsuit. You can only get Settlement benefits if you stay in the Settlement and submit a timely and valid Claim Form.

16. If I do not opt-out, can I sue the Defendant for the same thing later?

No. Unless you opt-out, you give up any right to sue any of the Released Persons for the released legal claims this Settlement resolves, and you will be bound by all the terms of the Settlement, proceedings, orders, and judgments in the lawsuit. You must opt-out of this lawsuit to start or continue your own lawsuit or be part of any other lawsuit against the Released Persons about the Released Claims in this Settlement. If you have a pending lawsuit, speak to your lawyer in that lawsuit immediately.

OBJECTING TO THE SETTLEMENT

17. How do I tell the Court I do not like the Settlement?

If you are a Settlement Class Member, you can tell the Court you do not agree with all or any part of the Settlement and/or attorneys’ fees, costs, and service awards.

To object, you must send your timely written objection by U.S. mail to the Claims Administrator **postmarked** by **MONTH DD, 20YY**, stating you object to the Settlement in *Powers et al. v. Eastern Radiologists, Inc.*, Case No. 24CVS772.

To submit an objection, you cannot exclude yourself from the Settlement Class. Your objection must include all of the following information:

- 1) Your full name, address, telephone number, and email address (if any);
- 2) Information identifying you as a Settlement Class Member, including proof that you are a member of the Settlement Class (e.g., copy of notice, copy of original notice of the Data Incident);
- 3) A written statement of all grounds for the objection, accompanied by any legal support for the objection you believe applicable;
- 4) The identity of any and all lawyers representing you in connection with the objection;
- 5) A statement as to whether you and/or your lawyer will appear at the Final Approval Hearing; and

Questions? Go to www.XXXXXXXX.com or call 1-XXX-XXX-XXXX

- 6) Your signature as the objector and/or the signature of your duly authorized lawyer or other duly authorized representative (along with documentation setting forth such representation).

To object, you must submit your timely written objection by U.S. mail to the Claims Administrator **postmarked** by **MONTH DD, 20YY**, to the following address:

Eastern Radiologists Data Incident
Claims Administrator
PO Box XXXX
Portland, OR 972XX-XXXX

18. What is the difference between objecting and asking to be excluded?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Settlement Class. Opting-out is telling the Court that you do not want to be part of the Settlement Class. If you opt-out, you cannot object because you are no longer part of the Settlement.

THE LAWYERS REPRESENTING YOU

19. Do I have a lawyer in the lawsuit?

Yes. The Court has appointed Jean Martin of Morgan & Morgan Complex Litigation Group, Scott C. Harris and Gary Klinger of Milberg Coleman Bryson Phillips Grossman, PLLC, and Joel Rhine of Rhine Law Firm PC as Class Counsel to represent you and the Settlement Class for the purposes of this Settlement. You may hire your own lawyer at your own cost if you want someone other than Class Counsel to represent you in this lawsuit.

20. How will Class Counsel be paid?

Class Counsel will file a motion asking the Court to award attorneys' fees of \$1,500,000 (33.33% of the Common Fund and claimable benefits), plus reimbursement of costs and expenses up to \$50,000 to be paid from the Common Fund. Class Counsel will also ask the Court to approve service awards for each Class Representative of \$2,500 for their efforts. If awarded by the Court, the attorneys' fees, costs, expenses, and service awards will be paid from the Common Fund. The Court may award less than these amounts.

THE FINAL APPROVAL HEARING

The Court will hold a "Final Approval Hearing" to decide whether to approve the Settlement and attorneys' fees, costs, and service awards. You may attend and you may ask to speak if you submit an objection by the deadline, but you do not have to.

21. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing on **MONTH DD, 20YY, at XX:XX a.m./p.m.** before the Honorable Matthew T. Houston at the Wake County Courthouse, 316 Fayetteville St. Raleigh, NC 27601. At this hearing, the Court will consider whether the Settlement is fair, reasonable,

Questions? Go to www.XXXXXXXXXX.com or call 1-XXX-XXX-XXXX

and adequate and decide whether to approve the Settlement, attorneys' fees, costs, expenses, and service awards.

If there are objections that were submitted by the deadline, the Court will consider them. If you submit a timely objection, and you (or your lawyer) ask to speak at the hearing, the Court may hear objections at the hearing.

Note: The date and time of the Final Approval Hearing are subject to change without further notice to the Settlement Class. The Court may also decide to hold the hearing via video conference or by telephone. You should check the Settlement Website www.XXXXXXXXXX.com to confirm the date and time of the Final Approval Hearing have not changed.

22. Do I have to attend the Final Approval Hearing?

No. Class Counsel will answer any questions the Court may have. However, you are welcome to attend at your own expense. If you submit an objection, you do not have to attend the Final Approval Hearing to speak about it. As long as you submit your written objection by the deadline, the Court will consider it.

23. May I speak at the Final Approval Hearing?

If there are objections that were submitted by the deadline, the Court will consider them. If you submit a timely objection, and you (or your lawyer) ask to speak at the hearing, the Court, may hear objections at the hearing.

GET MORE INFORMATION

24. How do I get more information about the Settlement?

This Notice summarizes the Settlement. Complete details about the Settlement are provided in the Settlement Agreement. The Settlement Agreement and other related documents are available at www.XXXXXXXXXX.com. You may get additional information at www.XXXXXXXXXX.com, by calling toll-free 1-XXX-XXX-XXXX, or by writing to:

Eastern Radiologists Data Incident
Claims Administrator
PO Box XXXX
Portland, OR 972XX-XXXX

**PLEASE DO NOT TELEPHONE THE COURT OR THE COURT'S CLERK OFFICE
REGARDING THIS NOTICE.**

Questions? Go to www.XXXXXXXXXX.com or call 1-XXX-XXX-XXXX

Exhibit

C

Eastern Radiologists Data Incident
Settlement Administrator
PO Box XXXX
Portland, OR 972XX-XXXX

**BARCODE
NO-PRINT
ZONE**

FIRST-CLASS MAIL
U.S. POSTAGE
PAID
Portland, OR
PERMIT NO. xxx

Court-Approved Legal Notice

Powers et al. v. Eastern Radiologists, Inc.
Case No. 24CVS772
Superior Court of Pitt County, North Carolina

**If your Private Information was impacted by
the Data Incident involving Eastern
Radiologists, Inc., discovered on or around
November 24, 2023, and you were sent notice,
you may be entitled to benefits from a
Settlement.**

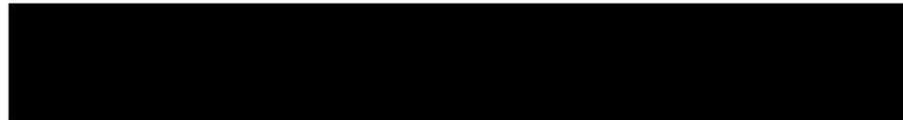
*A Court has authorized this notice.
This is **not** a solicitation from a lawyer.*

This notice is a summary.

www.XXXXX.com
1-XXX-XXX-XXX

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A settlement has been reached in a class action lawsuit against Eastern Radiologists, Inc. (“Defendant”) involving a Data Incident discovered by Defendant on or around November 24, 2023, resulting in the unauthorized access to Defendant’s computer network. Plaintiffs allege the Data Incident resulted in access to, and compromise of, personally identifiable information and protected health information (together, “Private Information”). The Private Information includes any combination of names, Social Security numbers, home addresses, phone numbers, dates of birth, financial account numbers, driver’s license numbers, patient account numbers, billing account numbers, health insurance plan member ID, medical record number, dates of service, provider names, medical treatment information, or other sensitive personal information.

Who is Included? Records show you are a member of the Settlement Class, defined as: all persons whose Private Information was impacted by the Data Incident and were notified of the Data Incident from or on behalf of Defendant.

What does the Settlement Provide? As a Settlement Class Member, you can submit a Claim Form online or by mail postmarked by **Month XX, 20YY**, for the following Settlement benefits:

- **Out-of-Pocket Losses Cash Payment:** You may submit a Claim Form, accompanied by supporting documentation, for reimbursement of up to \$5,000 in out-of-pocket losses fairly traceable to the Data Incident; **OR**
- **Alternative Cash Payment:** Instead of Out-of-Pocket Losses, without providing documentation, you may submit a Claim Form to receive a pro rata (a legal term meaning equal share) alternative cash payment; **AND**
- **Medical Account Monitoring:** In addition to the **Out-of-Pocket Losses Cash Payment or the Alternative Cash Payment benefits detailed above,** you may also submit a Claim Form to receive one year of free Medical Account Monitoring.

Your Cash Payment may be subject to a pro rata increase or decrease depending upon the total value of all Valid Claims.

Injunctive Relief: Defendant is implementing additional security measures following the Data Incident.

Other Options. If you do not want to be legally bound by the Settlement, you must submit an opt-out **postmarked by Month DD, 20YY**. If you do not opt-out, you will give up the right to sue and will release the Defendant and Released Persons about the legal claims in this lawsuit. If you do not opt out, you may object to the Settlement and/or attorneys’ fees, costs, expenses, and service awards by **Month DD, 20YY**. The Long Form Notice on the Settlement Website explains how to opt-out or object. If you do nothing, you will get no Settlement benefits, and you will be bound by the Settlement and any judgments and orders. The Court will hold a Final Approval Hearing on **Month DD, 20YY**, to consider any objections and whether to approve the Settlement and Class Counsel’s attorneys’ fees of \$1,500,000 (33.33% of the Common Fund and claimable benefits), plus reimbursement of costs and expenses up to \$50,000. You or your lawyer may attend and ask to appear at the hearing if you object, but you are not required to do so.

Exhibit

D

**STATE OF NORTH CAROLINA
PITT COUNTY**

**IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
BUSINESS COURT NO. 24CVS000772-730**

TAMMY FLYNN, HEISHA LYNCH, J.L., a
minor through her mother, HEISHA LYNCH,
DEAN SWINSON, BRANDON CANNON,
BRITTANY MORRE, ANNAIA MCLAMB,
CYNTHIA MEADOWS, SUZANNE ABRAMS,
LATASHA WILLIAMS, BILLY ROBINSON,
JOSEPH SAWYER, SAMANTHA
RICHARDSON, LORI POWERS, JASON
POWERS, GENEVIEVE JONES, ELAINE
QUITTKAT, and MARY SHELDON,

Plaintiffs,

v.

EASTERN RADIOLOGISTS, INC.,

Defendant.

Case No.
24-CVS-772

Class Action

WHEREAS, the above-captioned class action is pending in this Court (the “Action”);

WHEREAS, Plaintiffs Tammy Flynn; Heisha Lynch; J.L., a minor through her mother, Heisha Lynch; Dean Swinson; Brandon Cannon; Brittany Moore; Annaia McLamb; Cynthia Meadows; Suzanne Abrams; Latasha Williams; Billy Robinson; Joseph Sawyer; Samantha Richardson; Lori Powers; Jason Powers; Genevieve Jones; Elaine Quittkat; and Mary Sheldon, individually and on behalf of all others similarly situated (“Plaintiffs”) and Defendant Eastern Radiologists, Inc., (“Eastern Radiologists” or “Defendant”) have entered into a Settlement Agreement (the “Settlement Agreement”) that settles the above-captioned litigation and provides for a complete dismissal with prejudice of the claims asserted against Defendant in the above-

captioned action on the terms and conditions set forth in the Settlement Agreement, subject to the approval of the Court;

WHEREAS, Plaintiff has made an application, pursuant to Rule 23 of the North Carolina Rules of Civil Procedure, for an order preliminarily approving the Settlement in accordance with the Settlement Agreement, certifying the Settlement Class for purposes of the Settlement only, appointing Plaintiff as Class Representative, appointing Class Counsel as counsel for the Settlement Class, appointing Epiq as Settlement Administrator, and allowing notice to Settlement Class Members as more fully described herein;

WHEREAS, the Court has read and considered: (a) Plaintiffs' motion for preliminary approval of the Settlement, and the papers filed and arguments made in connection therewith; and (b) the Settlement Agreement and exhibits attached thereto; and

WHEREAS, unless otherwise defined herein, the capitalized terms herein shall have the same meaning as they have in the Settlement Agreement.

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. **Class Certification for Settlement Purposes Only**. For settlement purposes only and pursuant to North Carolina Civ. R. 23(c), the Court certifies, solely for purposes of effectuating the proposed Settlement, a Settlement Class in this matter defined as follows:

“All persons whose Private Information was impacted by the Data Incident and were sent a notice of the Data Incident from or on behalf of Defendant”

The Settlement Class includes approximately 884,935 people. The Settlement Class specifically excludes: (1) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; and (2) the Judge presiding over the Litigation and his or her staff and their direct family members.

2. **Class Findings:** The Court provisionally finds, for settlement purposes only, that: (1) a class exists such that shared issues of law or fact predominate over individual issues; (2) the named representatives are adequate representatives (i.e. they will fairly and adequately represent the class, there is no conflict of interest between the named representatives and the class, and the named parties have a genuine personal interest in the outcome of the case); (3) class members are so numerous to make joinder impractical; (4) adequate notice can be given to the class; and (5) a class action is superior to individual actions.

3. **Class Representative and Settlement Class Counsel:** Tammy Flynn; Heisha Lynch; J.L., a minor through her mother, Heisha Lynch; Dean Swinson; Brandon Cannon; Brittany Moore; Annaia McLamb; Cynthia Meadows; Suzanne Abrams; Latasha Williams; Billy Robinson; Joseph Sawyer; Samantha Richardson; Lori Powers; Jason Powers; Genevieve Jones; Elaine Quittkat; and Mary Sheldon, are hereby provisionally designated and appointed as Class Representatives. The Court provisionally finds that the Class Representatives are similarly situated to absent Settlement Class Members and therefore typical of the Settlement Class and that they will be adequate Class Representatives. The Court further finds that Jean Martin of Morgan & Morgan Complex Litigation Group, Scott C. Harris and Gary M. Klinger of Milberg Coleman Bryson Phillips Grossman, PLLC, and Joel Rhine of Rhine Law Firm PC are experienced and adequate counsel and are hereby provisionally designated as Settlement Class Counsel.

4. **Preliminary Settlement Approval.** The Court hereby preliminarily approves the Settlement, as embodied in the Settlement Agreement, as being fair, reasonable and adequate to the Settlement Class, subject to further consideration at the Final Approval Hearing to be conducted as described below. The Court finds that the proposed settlement is within the range of reasonableness and that it is worthwhile to provide notice to the class.

5. **Final Approval Hearing.** A Final Approval Hearing shall be held at ___: __.m. on _____, 2025, in the Wake County Superior Court, at the Courthouse located at 316 Fayetteville St., Raleigh, NC 27601 [or by videoconference] for the following purposes:

- a. To determine whether the proposed Settlement is fair, reasonable, and adequate to the Class and should be approved by the Court;
- b. To determine whether to enter a Final Approval Order, as defined in the Settlement Agreement;
- c. To determine whether the Notice Plan conducted was appropriate;
- d. To determine whether the claims process under the Settlement is fair, reasonable and adequate and should be approved by the Court;
- e. To determine whether the requested Class Representative Service Awards in the amount of \$2,500 to each Class Representative, and Class Counsel's Fee and Expense Award should be approved by the Court;
- f. To determine whether the settlement benefits are fair, reasonable, and adequate; and,
- g. To rule upon such other matters as the Court may deem appropriate.

6. **Retention of Claims Administrator and Manner of Giving Notice.** Class Counsel is hereby authorized to retain Epiq (the "Settlement Administrator") to supervise and administer the notice procedure in connection with the proposed Settlement as well as the processing of Claim Forms as set for more fully below.

7. **Approval of Form and Content of Notice.** The Court (a) approves, as to form and content, the Long Form Notice, Short Form Notice, and Claim Form attached to the Settlement Agreement as Exhibits A, B and C, and (b) finds that the Notice provided to Settlement Class Members as set forth in the Settlement Agreement (i) is the best notice practicable under the

circumstances; (ii) constitutes notice that is reasonably calculated, under the circumstances, to apprise the Settlement Class Members of the pendency of the Action, of the effect of the proposed Settlement (including the releases to be provided thereunder), of Class Counsel's request for Fee Award and Expenses, of Class Representative's request for a Service Award, of their right to object to the Settlement, of their right to exclude themselves from the Settlement Class, and of their right to appear at the Final Approval Hearing; (iii) constitutes due, adequate and sufficient notice to all persons entitled to receive notice of the proposed Settlement; and (iv) satisfies the requirements of Rule 23 of the North Carolina Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), and all other applicable law and rules. The date and time of the Final Approval Hearing shall be included in the Notice before it is distributed so long as that date is known at the time of Notice.

8. **Participation in the Settlement.** Settlement Class Members who qualify for and wish to submit a Claim Form shall do so in accordance with the requirements and procedures specified in the Notice and the Claim Form and must do so within ninety (90) days after Notice is mailed to the Settlement Class Members. If a Final Approval Order and Judgment is entered, all Settlement Class Members who qualify for any benefit under the Settlement but fail to submit a claim in accordance with the requirements and procedures specified in the Notice and the Claim Form shall be forever barred from receiving any such benefit, but will in all other respects be subject to and bound by the provisions in the Settlement Agreement, the Release included in that Settlement Agreement, and the Final Approval Order and Judgment.

9. **Claims Process and Distribution and Allocation Plan.** The Settlement Agreement contemplates a process for the Settlement Administrator to assess and determine the validity and value of claims and a payment methodology to Settlement Class Members who submit

a timely, valid Claim Form. The Court preliminarily approves the claims process described in the Settlement Agreement and directs that the Settlement Administrator to effectuate the distribution of Settlement consideration according to the terms of the Settlement Agreement, should the Settlement be finally approved.

10. **Exclusion from Class**. Any Settlement Class Member who wishes to be excluded from the Settlement Class must mail a written notification of the intent to exclude himself or herself from the Settlement Class to the Settlement Administrator at the address provided in the Notice, postmarked no later than **60 Days after the deadline for the commencement of notice to Settlement Class Members** (the “Opt-Out/Exclusion Deadline”). The written notification 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.

Any Settlement Class Member who does not timely and validly exclude himself or herself from the Settlement shall be bound by the terms of the Settlement Agreement. If a Final Approval Order and Judgment is entered, any Settlement Class Member who has not submitted a timely, valid written notice of exclusion from the Settlement Class shall be bound by all proceedings, orders, and judgments in this matter, including but not limited to the Release set forth in the Final Approval Order and Judgment, including Settlement Class Members who have previously initiated or who subsequently initiate any litigation against any or all of the Released Parties relating to the claims and transactions released in the Settlement Agreement. All Settlement Class Members who submit valid and timely notices of exclusion from the Settlement Class shall not be entitled to receive any benefits of the Settlement.

11. **Objections and Appearances.** No Settlement Class Member shall be heard, and no papers, briefs, pleadings, or other documents submitted by any Settlement Class Member shall be received and considered by the Court, unless the objection is mailed first-class postage prepaid to the Settlement Administrator at the address listed in the Notice, and postmarked by no later than the Objection/Exclusion Deadline, as specified in the Notice. For an objection to be considered by the Court, the objection must also include all of the information set forth in Paragraph 4.1 of the Settlement Agreement, which is as follows: (i) the objector's full name, address, telephone number, and e-mail address (if any); (ii) information identifying the objector as a Settlement Class Member, including proof that the objector is a member of the Settlement Class (e.g., copy of notice, copy of original notice of the Data Incident); (iii) a written statement of all grounds for the objection, accompanied by any legal support for the objection the objector believes applicable; (iv) the identity of any and all counsel representing the objector in connection with the objection; (v) a statement as to whether the objector and/or his or her counsel will appear at the Final Fairness Hearing; (vi) and the objector's signature and the signature of the objector's duly authorized attorney or other duly authorized representative (along with documentation setting forth such representation).

12. Any Settlement Class Member who fails to comply with the provisions in Paragraph 11 may waive and forfeit any and all rights he or she may have to object, and shall be bound by all the terms of the Settlement Agreement, this Order, and by all proceedings, orders, and judgments in this matter, including, but not limited to, the release in the Settlement Agreement if a Final Approval Order and Judgment is entered. If a Final Approval Order and Judgment is entered, any Settlement Class Member who fails to object in the manner prescribed herein shall be deemed to have waived his or her objections and shall be forever barred from making any such

objections in this Action or in any other proceeding or from challenging or opposing, or seeking to reverse, vacate, or modify any approval of the Settlement Agreement, the motion for Service Award, or the motion for Fee Award and Expenses.

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

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

15. **Stay of Proceedings and Temporary Injunction.** Until otherwise ordered by the Court, the Court stays all proceedings in the Action other than proceedings necessary to carry out or enforce the terms and conditions of the Settlement Agreement. Pending final determination of whether the Settlement should be approved, the Court bars and enjoins Plaintiff, and all other

members of the Settlement Class, from commencing or prosecuting any and all of the Released Claims against the Released Entities.

16. **Settlement Fund.** The contents of the Settlement Fund shall be deemed and considered to be *in custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as funds shall be distributed pursuant to the Settlement Agreement and/or further order(s) of the Court.

17. **Taxes.** The Settlement Administrator is authorized and directed to prepare any tax returns and any other tax reporting form for or in respect to the Settlement Fund, to pay from the Settlement Fund any taxes owed with respect to the Settlement Fund, and to otherwise perform all obligations with respect to taxes and any reporting or filings in respect thereof without further order of the Court in a manner consistent with the provisions of the Settlement Agreement.

18. The Court retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

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

<u>Grant of Preliminary Approval</u>	
Defendant provides list of Settlement Class Members to the Settlement Administrator	+14 days after Preliminary Approval
Notice Deadline	+45 days after Preliminary Approval
Class Counsel’s Motion for Attorneys’ Fees, Reimbursement of Litigation Expenses, and Class Representative Service Award	-30 days prior to the Objection Deadline and Opt-Out Deadline
Objection Deadline	+60 days after Notice Deadline
Exclusion Deadline	+60 days after Notice Deadline
Claims Deadline	+90 days after Notice Deadline
Settlement Administrator Provide List of Objections/Exclusions to the Court and Settlement Administrator	+7 days after deadline for Opt-Out

Final Approval Hearing	+120 days after Preliminary Approval Order
Motion for Final Approval	-14 Days before Final Approval Hearing
Final Approval	
Effective Date	+1 day after all conditions met pursuant to ¶ 9.1 of Settlement Agreement
Payment of Attorneys' Fees and Expenses Class Representative Service Award	+30 days after Effective Date
Payment of Claims	+60 days of the Effective Date, or +30 days after the Claims Deadline, whichever is later
Settlement Website Deactivation	+60 days after all Settlement Payments have been distributed

IT IS SO ORDERED this ___ day of _____, 2025.

Hon. Matthew T. Houston
Special Superior Court Judge
For Complex Business Cases

Amended Settlement Agreement with Exhibits A-D

Final Audit Report

2025-06-26

Created:	2025-06-26
By:	Scott Heldman (sheldman@brysonfirm.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAawBVldVSqeg8ITG1mxgIG2CJOIgp5RGBX

"Amended Settlement Agreement with Exhibits A-D" History

-  Document created by Scott Heldman (sheldman@brysonfirm.com)
2025-06-26 - 7:38:50 PM GMT
-  Document emailed to Joel Rhine (jrr@rhinelawfirm.com) for signature
2025-06-26 - 7:41:43 PM GMT
-  Email viewed by Joel Rhine (jrr@rhinelawfirm.com)
2025-06-26 - 8:24:49 PM GMT
-  Signer Joel Rhine (jrr@rhinelawfirm.com) entered name at signing as Joel R. Rhine
2025-06-26 - 8:25:49 PM GMT
-  Document e-signed by Joel R. Rhine (jrr@rhinelawfirm.com)
Signature Date: 2025-06-26 - 8:25:51 PM GMT - Time Source: server
-  Document emailed to jeanmartin@forthepeople.com for signature
2025-06-26 - 8:25:53 PM GMT
-  Email viewed by jeanmartin@forthepeople.com
2025-06-26 - 8:26:26 PM GMT
-  Signer jeanmartin@forthepeople.com entered name at signing as Jean S Martin
2025-06-26 - 8:27:09 PM GMT
-  Document e-signed by Jean S Martin (jeanmartin@forthepeople.com)
Signature Date: 2025-06-26 - 8:27:11 PM GMT - Time Source: server
-  Document emailed to Candice Diah (cdiah@ohaganmeyer.com) for signature
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 Document e-signed by Candice Diah (cdiah@ohaganmeyer.com)

Signature Date: 2025-06-26 - 9:10:24 PM GMT - Time Source: server

 Agreement completed.

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