

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**  
***Castro et al. v. Arch Health Partners, Inc. d/b/a Palomar Health Medical Group***  
**Case No. 37-2024-00024339-CU-NP-CTL**

*The Superior Court for the State of California, County of San Diego authorized this Notice.*

*This is not a solicitation from a lawyer.*

**If your Private Information was compromised as a result of the Data Incident that occurred between April 23, 2024, and May 5, 2024, a class action settlement may affect your rights.**

A proposed settlement has been reached in the lawsuit entitled *Castro et al. v. Arch Health Partners, Inc. d/b/a Palomar Health Medical Group*, relating to the unauthorized access to or acquisition of the Private Information that occurred between April 23, 2024, and May 5, 2024, as part of a cybersecurity incident involving Palomar Health Medical Group's ("Palomar Health" or "Defendant") computer systems ("Data Incident").

Defendant denies all claims alleged against it and denies all charges of wrongdoing or liability. The Settlement is not an admission of wrongdoing or an indication that the Defendant has violated any laws, but rather the resolution of disputed claims.

Your legal rights are affected regardless of whether you do or do not act. Read this notice carefully. For complete details, visit [www.PHMGDataSettlement.com](http://www.PHMGDataSettlement.com) or call toll-free 1-844-440-4203.

| YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT        |                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SUBMIT A CLAIM FORM BY:<br/>OCTOBER 22, 2026</b>     | Submitting a valid Claim Form is the only way you can receive Settlement Class Member Benefits.                                                                                                                                                                                                                                                                                             |
| <b>OPT OUT OF THE SETTLEMENT BY<br/>OCTOBER 7, 2026</b> | If you opt out of the Settlement, you will not receive any benefits from the Settlement, but you also will not release your claims against Defendant. This is the only option that allows you to be part of any other lawsuit against Defendant for the legal claims resolved by this Settlement.<br><br>If you exclude yourself from the Settlement, you may not object to the Settlement. |
| <b>OBJECT TO THE SETTLEMENT BY<br/>OCTOBER 7, 2026</b>  | To object to the Settlement, you can write to the Court with reasons why you do not agree with the Settlement.<br><br>You may ask the Court for permission for you or your attorney to speak about your objection at the Final Approval Hearing at your own expense.                                                                                                                        |
| <b>DO NOTHING</b>                                       | If you do nothing, you will not receive any benefits from the Settlement. You will also give up certain legal rights.                                                                                                                                                                                                                                                                       |

**Questions? Visit [www.PHMGDataSettlement.com](http://www.PHMGDataSettlement.com) or call toll-free 1-844-440-4203**

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### BASIC INFORMATION

#### 1. Why is this Notice being provided?

The Court directed that this Notice be provided because you have a right to know about a proposed Settlement that has been reached in this class action lawsuit and about all of your options before the Court decides whether to grant final approval of the Settlement. If the Court approves the Settlement, and after objections or appeals, if any, are resolved, the Settlement Administrator appointed by the Court will distribute the Settlement Class Member benefits to Settlement Class Members who submitted a valid and timely Claim Form. This Notice explains the lawsuit, the Settlement, your legal rights, what payments are available, who is eligible for them, and how to get them.

The Court overseeing this case is the Superior Court for the State of California, County of San Diego. The Settlement resolves the following lawsuit entitled: *Castro et al. v. Arch Health Partners, Inc. d/b/a Palomar Health Medical Group*, Case No. 37-2024-00024339-CU-NP-CTL. The individuals who brought this Action are called the Plaintiffs or Class Representatives, and the entity they sued is called the Defendant.

#### 2. What is this lawsuit about?

The Plaintiffs allege that Palomar Health is liable for the Data Incident and have asserted numerous legal claims against the Defendant. Palomar Health denies all the claims and contentions alleged against it and denies all charges of wrongdoing or liability as alleged, or which could be alleged, in the Action.

For more information and to review the complaint filed in this Action, visit [www.PHMGDataSettlement.com](http://www.PHMGDataSettlement.com).

#### 3. What is a class action settlement?

In a class action, one or more people called Plaintiff or Plaintiffs sue on behalf of people who have similar claims. Together, these people are called a Settlement Class or Settlement Class Members. One court and one judge resolve the issues for all Settlement Class Members, except for those who exclude themselves from the Settlement Class.

#### 4. Why is there a Settlement?

The Court did not decide in favor of the Plaintiffs or Palomar Health. Instead, a settlement was negotiated that allows the Plaintiffs, the proposed Settlement Class, and Defendant to avoid the risks and costs of lengthy and uncertain litigation and the uncertainty of a trial and appeals. The Settlement provides benefits and allows Settlement Class Members to obtain payment for certain costs or losses and other benefits without further delay. Plaintiffs and Plaintiffs' attorneys ("Class Counsel") think the Settlement is in the best interest of all Settlement Class Members. This Settlement does not mean that Palomar Health did anything wrong.

#### WHO IS INCLUDED IN THE SETTLEMENT?

#### 5. How do I know if I am part of the Settlement?

The Settlement Class includes all individuals whose Private Information was accessed, acquired, disclosed, or compromised in the Data Incident.

"Data Incident" means any actual, alleged, or potential unauthorized access to, acquisition of, exfiltration of, theft of, disclosure of, compromise of, misuse of, loss of, or inability to access Private Information, that occurred in connection with the cybersecurity incident on Defendant's computer systems between April 23, 2024, and May 5, 2024, including but not limited to the events, facts, circumstances, conduct, acts, or omissions alleged in the Complaint or otherwise in the Action.

Settlement Class Members were also sent notice of this class action Settlement via mail. If you received notice of this Settlement, you are eligible to submit a Claim Form for Settlement benefits. If you are still not sure whether you are included, you can contact the Settlement Administrator by calling toll-free at 1-844-440-4203 or by visiting the Settlement Website at [www.PHMGDataSettlement.com](http://www.PHMGDataSettlement.com).

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

Yes. Excluded from the Settlement Class are: (1) all persons who are directors, officers, and agents of Defendant, or their respective subsidiaries and affiliated companies; (2) governmental entities; and (3) the Judge assigned to the Action, that Judge's immediate family, and Court staff.

#### THE SETTLEMENT BENEFITS—WHAT YOU GET IF YOU QUALIFY

#### 7. What does the Settlement provide?

The Settlement provides for the creation of a Settlement Fund in the amount of \$3,100,000.00 to pay for: (1) all Settlement Class Member Benefits to Settlement Class Members who submit Valid Claims; (2) all Settlement Administration Costs; and (3) any attorneys' fees, costs, or Service Awards awarded by the Court.

Please visit [www.PHMGDataSettlement.com](http://www.PHMGDataSettlement.com) for complete information about the Settlement Class Member Benefits.

**The Settlement provides for the following Settlement Class Member Benefits. Settlement Class Members can select:**

- **One of the following cash payment benefits:**
  - **Cash Payment A – Documented Losses:** Up to \$5,000.00 for reasonable documented losses related to the Data Incident.
  - **Cash Payment B – Alternative Cash:** Cash payment is estimated to be \$60.00. *The final amount of the cash payment will not be determined until all Claim Forms have been received and evaluated.*
- **Credit Monitoring:** Two years of credit monitoring with one bureau, which may be claimed alone or in addition to either cash payment benefit.

## 8. What is included under the Cash Payment A - Documented Losses Payment?

Settlement Class Members may submit a claim for a Cash Payment for up to \$5,000.00 per Settlement Class Member upon presentation of documented losses related to the Data Incident.

To receive a documented loss payment, a Settlement Class Member must elect Cash Payment A on the Claim Form, and attest under penalty of perjury to having incurred documented losses. Settlement Class Members will be required to submit reasonable documentation supporting the losses, which means documentation contemporaneously generated or prepared by a third party or the Settlement Class Member supporting a claim for expenses paid.

Non-exhaustive examples of reasonable documentation include telephone records, correspondence including emails, or receipts. Except as expressly provided herein, personal certifications, declarations, or affidavits from the Settlement Class Member do not constitute reasonable documentation but may be included to provide clarification, context, or support for other submitted reasonable documentation. Settlement Class Members shall not be reimbursed for expenses if they have been reimbursed for the same expenses by another source, including compensation provided in connection with the credit monitoring and identity theft protection product offered as part of the notification letter provided by Defendant or otherwise.

## 9. What is the Cash Payment B – Alternative Cash Payment?

Settlement Class Members may alternatively elect to receive the Cash Payment B option, which is a cash payment in the estimated amount of \$60.00 that does not require documentation. *The final amount of the flat cash payment will not be determined until all Claim Forms have been received and evaluated.*

All Cash Payments will be subject to a *pro rata* (a) increase from the Net Settlement Fund if the amount of Valid Claims is insufficient to exhaust the entire Net Settlement Fund or (b) decrease from the Net Settlement Fund if the amount of Valid Claims exhausts the amount of the Net Settlement Fund.

## 10. What is included in the Credit Monitoring?

In addition to Cash Payment A or Cash Payment B, Settlement Class Members may also make a Claim for Credit Monitoring that will include two years of single bureau credit monitoring, including \$1,000,000 in identity fraud insurance, and dark web monitoring.

## 11. Will the Defendant implement any additional security measures?

Yes. Since the Data Incident, Defendant has undertaken certain business practice enhancements intended to improve the security of its systems and protect against future incidents, which include, among other measures, deployment of endpoint detection and response (EDR) tools, new backup storage capabilities, and additional network monitoring capabilities. Defendant has borne the costs of these enhancements separate and apart from the Settlement Fund and agrees that they benefit the Settlement Class.

### HOW TO GET BENEFITS—SUBMITTING A CLAIM FORM

## 12. How do I get benefits from the Settlement?

In order to receive Settlement Class Member Benefits, you must complete and submit a Claim Form online at [www.PHMGDataSettlement.com](http://www.PHMGDataSettlement.com). Claim Forms are available for download at [www.PHMGDataSettlement.com](http://www.PHMGDataSettlement.com), or you may request one by mail by calling 1-844-440-4203. Read the instructions carefully, fill out the Claim Form, and submit it online, or mail it postmarked no later than **October 22, 2026**, to: Palomar Health Data Incident Settlement, PO Box 60, East Brunswick, NJ 08816-9998.

## 13. How will claims be decided?

The Settlement Administrator will decide whether the information provided on the Claim Form is complete and valid. The Settlement Administrator may require additional information from any claimant. If the Settlement Administrator requires additional information from you and you do not provide it in a timely manner, your claim may not be paid.

#### 14. When will I get my payment?

The Court will hold a Final Approval Hearing at 10:30 a.m. on November 6, 2026 to decide whether to approve the Settlement. Even if the Court approves the Settlement, there may be appeals, and resolving them may take additional time. It also takes time for all the Claim Forms to be processed, depending on the number of claims submitted and whether any appeals are filed. Please be patient. If you have further questions regarding payment timing, you may contact the Settlement Administrator by emailing [info@PHMGDataSettlement.com](mailto:info@PHMGDataSettlement.com).

#### REMAINING IN THE SETTLEMENT

#### 15. Do I need to do anything to remain in the Settlement?

You do not have to do anything to remain in the Settlement, but if you want to receive Settlement Class Member Benefits, you must submit a Claim Form online or postmarked by **October 22, 2026**.

If you do nothing, you will **not** receive Settlement Class Member Benefits and you will also give up certain legal rights.

#### 16. What am I giving up as part of the Settlement?

If the Settlement becomes final, you will give up your right to sue Palomar Health (and the other Released Parties defined in the Settlement Agreement) for the claims being resolved by this Settlement. The specific claims you are giving up against Palomar Health and the claims you are releasing are described in the Settlement Agreement, available at [www.PHMGDataSettlement.com](http://www.PHMGDataSettlement.com). The Settlement Agreement describes the Released Claims with specific descriptions, so read it carefully. If you have any questions about what claims you are giving up and which parties you are releasing, you can talk to the law firms listed in Question 20 for free or you can, of course, talk to your own lawyer at your own expense.

#### OPTING OUT OF THE SETTLEMENT

If you do not want any benefits from this Settlement, and you want to keep the right to sue Palomar Health or other Released Parties about legal issues resolved by this Settlement, then you must take steps to get out of the Settlement Class. This is called “opting out” of – the Settlement Class.

#### 17. If I opt out, can I still get payment from the Settlement?

No. If you opt out of the Settlement, you will not be entitled to any Settlement Class Member Benefits, but you will not be bound by any judgment in this case.

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

No. Unless you opt out of the Settlement, you give up any right to sue Palomar Health (and the other Released Parties defined in the Settlement Agreement) for the claims that this Settlement resolves. You must opt out of the Settlement Class to start your own lawsuit or to be part of any different lawsuit relating to the claims in this case.

#### 19. How do I get out of the Settlement?

To opt out of the Settlement, you must send a letter by mail stating that you want to opt out of the Settlement. The opt-out request must be personally signed by the Settlement Class member and contain the requestor’s name, address, telephone number, and email address (if any), and include a statement indicating a request to opt-out of the Settlement Class. Opt-out requests must be mailed so it postmarked no later than October 7, 2026, to the address below:

**Questions? Visit [www.PHMGDataSettlement.com](http://www.PHMGDataSettlement.com) or call toll-free 1-844-440-4203**

Palomar Health Data Incident Settlement  
**Attn: Exclusions**  
P.O. Box 59  
East Brunswick, NJ 08816-9998

Requests to opt out may only be done on an individual basis, and no person may request to be excluded from the Settlement Class through “mass” or “class” opt-outs. Any Settlement Class Member who does not timely and validly request to opt-out shall be bound by the terms of the Settlement even if that Settlement Class Member does not submit a Valid Claim.

**THE LAWYERS REPRESENTING YOU**

**20. Do I have a lawyer in this case?**

Yes. The Court appointed the following attorneys as “Class Counsel” to represent the Settlement Class:

| Class Counsel                                                                                                                      |                                                                                                                           |
|------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| Kristen Lake Cardoso<br><b>KOPELOWITZ OSTROW P.A.</b><br>1 West Las Olas Blvd., Ste. 500<br>Fort Lauderdale, FL 33301              | Danielle L. Perry<br><b>MASON LLP</b><br>5335 Wisconsin Avenue, NW, Suite 640<br>Washington, DC 20015                     |
| Bart D. Cohen<br><b>BAILEY GLASSER LLP</b><br>1055 Thomas Jefferson Street NW, Suite 540<br>Washington, DC 20007<br>(202) 463-2101 | Jason M. Wucetich<br><b>WUCETICH &amp; KOROVILAS LLP</b><br>222 N. Pacific Coast Hwy., Suite 2000<br>El Segundo, CA 90245 |

You will not be charged for contacting Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

**21. How will Class Counsel be paid?**

Class Counsel shall apply to the Court for an award of attorneys’ fees of up to one-third of the Settlement Fund, plus reimbursement of reasonable costs. Class Counsel will also seek Service Awards in the amount of \$2,500 for each of the five Class Representatives - Clarissa Castro, Amber Friedrich, Duncan Meadows, John South, and Nyree Zapata. The Court may award less than these amounts.

**OBJECTING TO THE SETTLEMENT**

**22. How do I tell the Court that I do not like the Settlement?**

If you are a Settlement Class Member, and you do not opt out of the Settlement, you can object to the Settlement if you do not like or agree with the Settlement or some part of it. You can give reasons to the Court why you think the Court should not approve the Settlement. The Court will consider your views before deciding.

For an objection to be considered by the Court, the objection be submitted no later than **October 7, 2026**, and must set forth:

- the objector’s full name, mailing address, telephone number, and email address (if any);
- all grounds for the objection, accompanied by any legal support for the objection known to the objector or objector’s counsel;
- the number of times the objector has objected to a class action settlement within the 5 years preceding the date that the objector files the objection, the caption of each case in which the objector has made such objection, and a copy of any orders related to or ruling upon the objector’s prior objections that were issued by the trial



- and appellate courts in each listed case;
- d) the identity of all counsel who represent the objector, including any former or current counsel who may be entitled to compensation for any reason related to the objection to the Settlement and/or Application for Attorneys' Fees and Costs;
  - e) the number of times in which the objector's counsel and/or counsel's law firm have objected to a class action settlement within the five years preceding the date of the filed objection, the caption of each case in which counsel or the firm has made such objection and a copy of any orders related to or ruling upon counsel's or the counsel's law firm's prior objections that were issued by the trial and appellate courts in each listed case in which the objector's counsel and/or counsel's law firm have objected to a class action settlement within the preceding five years;
  - f) the identity of all counsel (if any) representing the objector, and whether they will appear at the Final Approval Hearing;
  - g) a list of all persons who will be called to testify at the Final Approval Hearing in support of the objection (if any);
  - h) a statement confirming whether the objector intends to personally appear and/or testify at the Final Approval Hearing; and
  - i) the objector's signature (an attorney's signature is not sufficient).

Class Counsel and/or Defendant's Counsel may conduct limited discovery on any objector or objector's counsel.

Objections must be sent to the Clerk of Court, and sent by U.S. Mail<sup>1</sup> to Class Counsel, Defendant's Counsel, and the Settlement Administrator, at the addresses set forth below, submitted no later than **October 7, 2026**.

| Court                                                                                               | Settlement Administrator                                                                                           | Defendant's Counsel                                                                                                       |
|-----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| San Diego Superior Court<br>Hall of Justice<br>330 W. Broadway, Fourth Floor<br>San Diego, CA 92101 | Palomar Health Data Incident Settlement<br><b>Attn: Objections</b><br>P.O. Box 59<br>East Brunswick, NJ 08816-9998 | David A. Cole, Esq.<br><b>FREEMAN MATHIS &amp; GARY,<br/>LLP</b><br>100 Galleria Parkway, Suite 1600<br>Atlanta, GA 30339 |

| Class Counsel                                                                                                         |                                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| Kristen Lake Cardoso<br><b>KOPELOWITZ OSTROW P.A.</b><br>1 West Las Olas Blvd., Ste. 500<br>Fort Lauderdale, FL 33301 | Danielle L. Perry<br><b>MASON LLP</b><br>5335 Wisconsin Avenue, NW, Suite 640<br>Washington, DC 20015                     |
| Bart D. Cohen<br><b>BAILEY GLASSER LLP</b><br>1055 Thomas Jefferson Street NW, Suite 540<br>Washington, DC 20007      | Jason M. Wucetich<br><b>WUCETICH &amp; KOROVILAS LLP</b><br>222 N. Pacific Coast Hwy., Suite 2000<br>El Segundo, CA 90245 |

### 23. What is the difference between objecting to and opting out of the Settlement?

Objecting is telling the Court that you do not like something about the Settlement. Excluding yourself is telling the Court that you do not want to be part of the Class in this Settlement. If you exclude yourself from the Settlement, you have no basis to object or submit a Claim Form because the Settlement no longer affects you.

<sup>1</sup> If submitted by mail, an objection shall be deemed to have been submitted when posted if received with a postmark date indicated on the envelope if mailed first-class postage prepaid and addressed in accordance with the instructions. If submitted by private courier (e.g., Federal Express), an objection shall be deemed to have been submitted on the shipping date reflected on the shipping label.

## THE COURT'S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you do not have to. You cannot speak at the hearing if you opt out of the Settlement.

### **24. When and where will the Court decide whether to approve the Settlement?**

The Court will hold a Final Approval Hearing at 10:30 a.m., on November 6, 2026, in Courtroom SD-64 located at Hall of Justice, 330 W. Broadway, Fourth Floor, San Diego, CA 92101. At the Final Approval Hearing, the Court will hear argument on Plaintiffs' Motion for Final Approval of the Settlement and Application for Attorneys' Fees, Costs, and Service Awards.

In the Court's discretion, the Court will also hear argument at the Final Approval Hearing from any Settlement Class Members (or their counsel) who object to the Settlement and/or to the Application for Attorneys' Fees, Costs, and Service Award, provided the objectors submitted timely objections that meet all of the requirements listed Question 22.

### **25. Do I have to come to the Final Approval Hearing?**

No. Class Counsel will answer any questions the Court may have. However, you are welcome to attend the Final Approval Hearing at your own expense. If you file an objection, you do not have to come to Court to talk about it. You may also hire your own lawyer to attend, at your own expense, but you are not required to do so.

### **26. May I speak at the Final Approval Hearing?**

Yes, you may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must follow the instructions provided in Question 22 above. You cannot speak at the hearing if you exclude yourself from the Settlement.

## IF YOU DO NOTHING

### **27. What happens if I do nothing?**

If you do nothing, you will not receive any Settlement Class Member Benefits. If the Court approves the Settlement, and you do nothing, you will be bound by the Settlement Agreement. This means you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Palomar Health or Released Parties about the issues involved in this lawsuit, resolved by this Settlement, and released by the Settlement Agreement.

## GETTING MORE INFORMATION

### **28. Are more details about the Settlement available?**

Yes. This Notice summarizes the proposed Settlement. More details are available at [www.PHMGDataSettlement.com](http://www.PHMGDataSettlement.com), including the Settlement Agreement, Preliminary Approval Order, and answers to frequently asked questions.

### **29. How do I get more information?**

For more information, please visit [www.PHMGDataSettlement.com](http://www.PHMGDataSettlement.com) or call toll-free 1-844-440-4203. You may also contact the Settlement Administrator by mail or email:

Email: [info@PHMGDataSettlement.com](mailto:info@PHMGDataSettlement.com)

Mail: Palomar Health Data Incident Settlement, PO Box 59, East Brunswick, NJ 08816-9998

***Please DO NOT call the Court or the Clerk of the Court for additional information.***

**Questions? Visit [www.PHMGDataSettlement.com](http://www.PHMGDataSettlement.com) or call toll-free 1-844-440-4203**