

09/25/2025

David W. Slayton, Executive Officer / Clerk of Court

R. Arraiga Deputy

RULING RE: MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

Lowrey, et al., v. Community Psychiatry Management, LLC

Case No. 24STCV30135

Department 9

Hon. Elaine Lu

Hearing: September 25, 2025 c/f September 10, 2025 c/f July 15, 2025 c/f May 22, 2025

The Parties' Motion for Preliminary Approval of Class Action Settlement is **GRANTED** as the settlement is fair, adequate, and reasonable.

The essential terms of the Settlement Agreement are:

- The Settlement Fund ("SF") is **\$3,500,000**, non-reversionary. (¶1.34.)
- The Net Settlement Fund ("Net") is the SF minus the following:
 - Up to **\$1,166,666.67** (33%) for attorney fees split as follows: 1/3 to Cole & Van Note; 1/3 to Wilshire Law Firm, PLC; and 1/3 to Migliaccio & Rathod LLP (¶9.1; Van Note Decl., ¶43.)
 - Up to **\$35,000** for litigation costs (¶9.1);
 - Up to **\$15,000** for Service Payments to the Named Plaintiffs (**\$5,000 each**) (¶9.2); and
 - Up to **\$202,900** for settlement administration costs (¶1.1.)
- Plaintiffs shall release Defendants from claims described herein.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by **January 13, 2026**, and will be heard on **February 19, 2026, 10:00 a.m., in Department 9**.

Failure to file the Parties' Motion for Final Approval of Class Action Settlement by this deadline will result in a continuance of the final approval hearing to the Court's first available hearing date, which could be months after the hearing date noted here. Prior to filing the moving papers, Plaintiff must contact the court staff for Department 9 to obtain a briefing schedule, which must be included in the caption of the moving papers.

The Parties' Motion for Final Approval of Class Action Settlement must include a concurrently lodged **single document** that constitutes a [Proposed] Order and Judgment containing among other things, the class definition, full release language, and names of the any class members who opted out.

Non-Appearance Case Review Re: Filing and Serving of Motion for Final Approval of Class Action Settlement is set for January 20, 2026, 8:30 a.m., Department 9.

BACKGROUND

This is a data breach class action. Defendant Community Psychiatry Management, LLC dba Mindpath Health (“Mindpath” or “Defendant”) is a leading, independent provider of outpatient behavioral health services in the United States. Plaintiffs and putative Class Members were all patients who used Mindpath’s services. As part of its business operations, Mindpath requires that its patients provide it with their personal identifying information (“PII”) and protected health information (“PHI”) (collectively, “Private Information”) to receive its services. Mindpath then collects, aggregates, and stores this patient PII/PHI in its internal data servers. On January 9, 2023, Mindpath issued a data breach notice to its patients, informing them that on July 5, 2022 Defendant discovered that at least two of its employee email accounts—one in March of 2022 and one in June of 2022—had been subject to unauthorized access (the “Incidents”). These Incidents impacted the PII and PHI of approximately 193,947 of Mindpath’s patients. The information impacted included, inter alia, the names, addresses, dates of birth, medical diagnoses, treatment information, and Social Security Numbers of those patients.

In early 2023, Plaintiffs Corina Lowrey (“Lowrey”) and Christen Lynch (“Lynch”) filed their respective Complaints against Mindpath in the United States District Court for the Eastern District of California, which were consolidated on June 6, 2023.

In April 2023, Plaintiff Desislava Tsvetanova (“Tsvetanova”) filed her Complaint in the United States District Court for the Middle District of North Carolina. Later, Plaintiff Tsvetanova dismissed the North Carolina action without prejudice and joined the consolidated matter in California. On August 2, 2023, Plaintiffs Lowrey, Lynch, and Tsvetanova (collectively, “Plaintiffs”) filed an Amended Consolidated Complaint. Mindpath moved to dismiss, which was briefed as the Parties continued settlement discussions and mediation.

On November 15, 2024, Plaintiffs, for themselves and on behalf of all others similarly situated, filed their Complaint against Mindpath in this Court, alleging 12 causes of action for: (1) Negligence; (2) Breach of Implied Contract; (3) Breach of Fiduciary Duty; (4) Breach of Confidence; (5) Quasi-Contract/Unjust Enrichment; (6) Violation of the California’s Constitution’s Right to Privacy; (7) Violation of the California Confidentiality of Medical Information Act (“CMIA”) (Cal. Civ. Code, §§ 56, et seq.); (8) Violation of the California Unfair Competition Law (“UCL”) (Cal. Bus. & Prof. Code, §§ 17200, et seq.); (9) Violation of the California Customer Records Act (“CCRA”) (Cal. Civ. Code, §§ 1798.80, et seq.); (10) Violation of the California Consumer Privacy Act (“CCPA”) (Cal. Civ. Code, §§ 1798.100, et seq.); (11) Violation of the California Consumer Legal Remedies Act (“CLRA”) (Cal. Civ. Code, §§ 1750, et seq.); and (12) Injunctive/Declaratory Relief.

That same day, on November 15, 2024, Plaintiffs voluntarily dismissed their claims pending in the consolidated action in the Eastern District of California.

The Parties conducted two full-day mediation sessions. They mediated with Wayne Andersen, Esq. in 2023, and though they were unable to reach a resolution, they continued settlement discussions. The Parties mediated again in 2024 with Bruce Friedman, Esq. The Parties reached an agreement following their second mediation. The terms of settlement were finalized in the long-form *Class Settlement Agreement and Release* (“Settlement Agreement”), a copy of which is attached to the Declaration of Thiago M. Coelho (“Coelho Decl.”) as Exhibit 1.

On May 21, 2025, the court issued a checklist of items for the parties to address and continued preliminary approval. In response, on June 17, 2025, counsel filed an unexecuted Amended Settlement Agreement attached to the Declaration of Laura Van Note (“Van Note Decl.”) as Exhibit 1.

On July 10, 2025, the court issued a checklist of items for the parties to address and continued preliminary approval. In response, on August 15, 2025, counsel filed a fully executed Amended Settlement Agreement attached to the Supplemental Declaration of Laura Van Note (“Van Supp. Note Decl.”) as Exhibit A.

On September 10, 2025, the court continued preliminary approval for further revisions. In response, on September 17, 2025, counsel filed a fully executed Amended Settlement Agreement attached to the Supplemental Declaration of Laura Van Note (“Van 2nd Supp. Note Decl.”) as Exhibit A.

Now before the Court is the Motion for Preliminary Approval of the Settlement Agreement.

SETTLEMENT CLASS DEFINITION

- “Settlement Class” means all Persons, whose Private Information may have been accessed or acquired in the data security incidents experienced by Mindpath in March 2022 and July 2022, as identified by Mindpath through reasonable investigation, including all individuals to whom Mindpath sent direct notice of the Incidents. Excluded from the Settlement Class are any judge presiding over this matter and any members of their first-degree relatives, judicial staff, Mindpath’s officers, directors, and members, and Persons who timely and validly request exclusion from the Settlement Class. The release period extends from the earliest date of the Incidents (March 2022) through the date of Preliminary Approval. (¶1.30.)
- “California Settlement Subclass” means all Settlement Class members who resided in California at the time of at least one of the Incidents (i.e., between March 2022 and January 2023). Excluded from the Settlement Class are any judge presiding over this matter and any members of their first-degree relatives, judicial staff, Mindpath’s officers, directors, and members, and Persons who timely and validly request exclusion from the Settlement Class. (¶1.4.)
 - “Incidents” means the March 2022 and July 2022 incidents alleged in the Complaint filed by Representative Plaintiffs during which unauthorized actors gained access to certain Mindpath O365 business email accounts, and which

Mindpath disclosed to potentially impacted individuals beginning on or about January 2023. (¶1.13.)

- The parties agree to conditional class certification for the purposes of settlement. (¶1.23)

TERMS OF SETTLEMENT AGREEMENT

The essential terms are as follows:

- The Settlement Fund ("SF") is **\$3,500,000**, non-reversionary. (¶1.34.)
- The Net Settlement Fund ("Net") (**\$2,080,433.33**) is the SF minus the following:
 - Up to **\$1,166,666.67** (33%) for attorney fees (¶9.1);
 - Fee Split: 1/3 to Cole & Van Note; 1/3 to Wilshire Law Firm, PLC; and 1/3 to Migliaccio & Rathod LLP. (Van Note Decl., ¶43.)
 - Up to **\$35,000** for litigation costs (¶9.1);
 - Up to **\$15,000 (\$5,000 each)** for Service Payments to the Named Plaintiffs (¶9.2); and
 - Up to **\$202,900** for settlement administration costs (¶1.1.)
- Funding of the SF: Mindpath will pay the Settlement Fund to the Claims Administrator as follows: (a) within 30 (thirty) days following entry of the Preliminary Approval Order, Mindpath will advance the amounts necessary to pay for the Notice Program, which amount shall be determined and requested by the Claims Administrator, and any such advance will be credited against the Settlement Fund; and (b) Mindpath will pay the balance of the Settlement Fund into an Escrow Account established by the Administrator no later than the Funding Date (the "Funding Date" means a date no later than twenty five (25) days after the Effective Date). (¶12.2)
- Order of Distribution of Funds: The Settlement Administrator must use the funds available in the Net Settlement Fund (after payment of Settlement Costs) to make payments for approved claims in this initial order of allocation: Documented Extraordinary Losses; Documented Ordinary Losses, including Lost Time; California Statutory Payments; Credit Monitoring; Alternative Cash Payments. In the event that the aggregate amount of all Settlement Payments exceeds the total amount of the Net Settlement Fund, then all valid Extraordinary Loss Claims and Ordinary Loss Claims (including Lost Time) shall be paid in full, all California Statutory Payments shall be made in full, all Credit Monitoring shall be awarded and then Alternative Cash Payment claims shall be proportionately determined on a pro rata basis. However, if after that re-allocation, the Alternative Cash Payment amount falls below \$10, then the California Statutory Payment amount shall be reduced until either: (a) the Alternative Cash Payment amount would reach \$10 or (b) the California Statutory Payment falls to \$15. In the event that, after that reallocation, the aggregate amount of all Settlement Payments still exceeds the total amount of the Net Settlement Fund, then all Settlement Payments to Settlement Class Members shall be reduced proportionately on a pro rata basis until the Net Settlement Fund is equal to the aggregate amount of all Settlement Payments. In no event shall the Settlement Fund be increased for any reason. In the event that the

aggregate amount of all Settlement Payments does not exceed the Net Settlement Fund after the initial order of allocation, then each Settlement Class member who is entitled to receive payment for an Ordinary and Extraordinary Loss Claim, a Lost Time claim, a California Statutory Payment and/or an Alternative Cash Payment Claim shall be allocated to receive additional funds increased on a pro rata basis up to the following caps: \$10,000 for Extraordinary Losses, \$1,500 for Ordinary Losses, \$300 for California Statutory Payments, and \$100 for Alternative Cash Payments. (¶12.8)

- The Settlement Administrator will agree to make the following compensation from the Settlement Fund available to Settlement Class Members who submit valid and timely claim forms and to California Settlement Subclass Members for their statutory payments. All compensation is subject to the availability of funds in the Net Settlement Fund: (¶12.3)
 - Credit Monitoring: Settlement Class Members are eligible to make a claim for three (3) years of IDX one-bureau credit monitoring services, with identity theft insurance (no deductible) of \$1,000,000 and access to fraud resolution agents to help resolve identity thefts, regardless of whether the Settlement Class Member submits a claim for reimbursement of documented ordinary losses, including lost time, or reimbursement for extraordinary losses. In the alternative to Credit Monitoring, Settlement Class Members can elect to receive an Alternative Cash Payment. Settlement Administrator shall send an activation code to each valid credit monitoring services claimant within fourteen (14) days of the Effective Date that can be used to activate Credit Monitoring Services. Such enrollment codes shall be sent via e-mail, unless the claimant did not provide an e-mail address, in which case such codes shall be sent via U.S. mail. Codes will be active for 90 days after the date of issuance and may be used to activate the full 3-year term at any time during that 90 day period. IDX shall provide Credit Monitoring Services to all valid claimants who timely activate those services for a period of three (3) years from the date of activation. (¶12.3.1.)
 - Monetary Settlement Benefits: In addition to (and not in lieu of) Credit Monitoring, Settlement Class Members may make a Settlement Claim for reimbursement of documented ordinary losses, including lost time, and/or reimbursement for extraordinary losses. (¶12.3.2.)
 - Documented Ordinary Losses: Settlement Class Members may submit a claim for documented out-of-pocket expenses fairly traceable to the Incidents, with compensation capped at \$1,500 per individual. Ordinary Losses may include: (i) unreimbursed losses relating to fraud or identity theft; (ii) credit monitoring costs that were incurred on or after the Incidents through the date of claim submission; and (iii) bank fees, long distance phone charges, postage, or gasoline for local travel. This list of reimbursable documented out-of-pocket expenses is not meant to be exhaustive, rather it is exemplary. Settlement Class Members may make claims for any documented out-of-pocket losses

reasonably related to the Incidents or to mitigating the effects of the Incidents. The Claims Administrator shall have discretion to determine whether any claimed loss is reasonably related to the Incidents. Settlement Class Members with Ordinary Losses must submit documentation supporting their claims. This can include receipts or other documentation not “self-prepared” by the claimant that documents the costs incurred. “Self-prepared” documents such as handwritten receipts are, by themselves, insufficient to receive reimbursement, but can be considered to add clarity or support to other submitted documentation. (§2.3.2(a).)

- Attested Time Spent: A Settlement Class Member who spent time remedying issues related to the Incidents can receive reimbursement for up to ten (10) hours of lost time at a rate of \$30 per hour, provided they submit a written attestation that they spent the claimed time responding to issues raised by the Incidents, including but not limited to, (i) changing passwords on potentially impacted accounts; (ii) monitoring for or investigating suspicious activity on potentially impacted medical, financial, or other accounts; (iii) contacting a medical provider or financial institution to discuss suspicious activity; (iv) signing up for identity theft or fraud monitoring; or (v) researching information about the Incidents, assessing the impact, or investigating how to protect themselves from harm due to the Incidents. No additional documentation shall be required for members of the Settlement Class to receive compensation for attested time spent. Claims made for time spent can be combined with reimbursement for Ordinary Losses subject to the \$1,500.00 aggregate individual cap. (§2.3.2(b).)
- Documented Extraordinary Losses: Settlement Class Members are eligible for compensation for extraordinary losses resulting from the Incident, up to a maximum of \$10,000.00, upon submission of a valid Claim Form and supporting documentation, provided that: (i) the loss is an actual, documented, and unreimbursed monetary loss; (ii) the loss was more likely than not caused by the Incidents; (iii) the loss occurred between March 2022 and the Claims Deadline; (iv) the loss is not already covered by one or more of the normal reimbursement categories; (v) the claimant made reasonable efforts to avoid the loss or seek reimbursement for the loss, including, but not limited to, demonstration any exhaustion of credit monitoring insurance and identity theft insurance. Extraordinary Losses may include, without limitation, the unreimbursed costs, expenses, losses or charges incurred a result of identity theft or identity fraud, falsified tax returns, or other possible misuse of Private Information. To receive reimbursement for any Documented Extraordinary Loss, Settlement Class Members must submit supporting documentation of the loss

and a description of how the loss is fairly traceable to the Incidents, if not readily apparent from the documentation. The Settlement Administrator shall determine whether a claimed loss is fairly traceable to the Incidents based on a review of the documentation submitted and any additional information provided. Claims not based on facts alleged in the operative complaint shall not be eligible for reimbursement. (§2.3.2(c).)

- California Statutory Payment. California Settlement Subclass Members will receive a \$50 payment in recognition of their statutory claims including under the CMIA and CCPA (“California Statutory Payment”). The California Statutory Payment is made to California Settlement Subclass Members in addition to, but not as a substitute for all other settlement benefits. California Settlement Subclass Members to whom Mindpath provided notice of the Incidents in or around January 2023 to a California mailing address shall automatically receive the California Statutory Payment and, at the notice stage, shall be given the opportunity to update their mailing address and elect to receive payment via digital means. Settlement Class Members who do not receive automatic payments shall be afforded an opportunity to submit documentation confirming California residency at the time of either Incident to establish eligibility. The amount of the California Statutory Payment is subject to a pro rata increase or decrease as set forth in paragraph 2.8. (§2.3.2(d).)
- Alternative Cash Payment. As an alternative to filing a Settlement Claim for Credit Monitoring, Settlement Class Members can elect to make a claim for an Alternative Cash Payment. To receive this Alternative Cash Payment, Settlement Class Members must submit a valid Claim Form with the election. The amount of the Alternative Cash Payment shall be determined in accordance with paragraph 2.8, which will depend on the amount left in the Net Settlement Fund after other benefits have been distributed. For purposes of notice, all Settlement Class Members will be provided an estimate of \$50 and informed that it is subject to a pro rata increase or decrease based on a number of factors such as the claims rate. The Alternative Cash Payment shall only be available to Settlement Class Members who do not elect to receive Credit Monitoring, and who timely submit a valid claim selecting the cash option. No documentation will be required to receive the Alternative Cash Payment. (§2.3.2(e).)
- Claims -process:
 - “Claim Form” shall mean the form used by Settlement Class Members to file claims for the benefits offered in this settlement. Settlement Class Members who will be sent direct notice will be assigned a unique identifier that they will need to use to submit a Valid Claim Form. Reasonable and secure

measures will be taken by the Claims Administrator to provide the unique identifier to these Settlement Class Members if they lose access to the Notice with the identifier. Settlement Class Members who receive the notice via publication will be able to obtain a unique identifier from the Claim Administrator through reasonable and secure means and on reasonable proof (such as a receipt, statement of services rendered, or insurance document) that they are a Settlement Class Member. The Claims Administrator will also take reasonable steps to ensure that Settlement Class Members who receive re-mailed notices are afforded sufficient time to obtain a unique identifier and submit a claim. (§1.7)

- The notice effort was designed and will be implemented by Apex in consultation with Angeion Group, a recognized leader in notice design and media analytics. Angeion utilized demographic modeling tools such as comScore and MRI Simmons to target a universe of over 1.74 million individuals matching likely class member profiles. (Van Note Decl., ¶33.) The campaign includes not only direct notice but also digital and publication notice in the California edition of USA Today, maximizing reach and reinforcing awareness. (*Ibid.*) Based on Angeion's analysis, the Notice Plan is expected to reach over 70% of likely class members with an average exposure frequency of at least 3 times. (*Ibid.*)
- "Claims Deadline" means 60 days after the Notice Deadline, and is the last day by which a Settlement Class Member may submit a Claim Form to the Settlement Administrator, except that the Claims Deadline shall be extended an additional 20 days for Settlement Class Members who receive re-mailed notice, or such other date(s) set by the Court in the Preliminary Approval Order. (§1.6)
- Assessing The Claims: The Settlement Administrator shall have the sole discretion and authority to determine whether and to what extent documentation for Ordinary Losses or Extraordinary Losses reflect valid unreimbursed economic losses actually incurred that are fairly traceable to the Incidents, but may consult with both Class Counsel and Defendant's Counsel in making individual determinations. The Settlement Administrator is authorized to contact any Settlement Class Member (by e-mail, telephone, or U.S. mail) to seek clarification regarding a submitted claim prior to making a determination as to its validity. (§2.4) The Settlement Administrator shall have the sole discretion and authority to determine the validity of claimed lost time, and are based on the facts alleged in the operative complaint. The Settlement Administrator may consult with both Class Counsel and Defendant's Counsel in making individual determinations. The Settlement Administrator is authorized to contact any Settlement Class Member (by e-mail, telephone, or U.S. mail) to seek clarification regarding a submitted claim prior to making a determination as to its validity. (§2.5) The Settlement Administrator shall assess claims for Alternative Cash Payments and shall verify that the Claim Form includes a proper election and that the claimant

did not also request Credit Monitoring. The Administrator may contact the Settlement Class member to resolve ambiguities before denying the claim. (¶12.6)

- To the extent the Settlement Administrator determines a claim is deficient in whole or part, within a reasonable time of making such a determination, the Settlement Administrator shall notify the Settlement Class Member of the deficiencies and give the Settlement Class Member twenty-one (21) calendar days to cure the deficiencies, unless it appears that the deficiency is likely the product of a fraudulent filing (such as by a claimant not in Defendant's records). Such notifications shall be sent via e-mail, unless the claimant did not provide an e-mail address, in which case such notifications shall be sent via U.S. mail. If the Settlement Class Member attempts to cure the deficiencies but, at the sole discretion and authority of the Settlement Administrator, fails to do so, the Settlement Administrator shall notify the Settlement Class Member of that determination within ten (10) calendar days. For Settlement Class Members who receive a re-mailed notice, the cure period shall be reasonably extended to ensure fairness. The Settlement Administrator may consult with Class Counsel and Defendant's Counsel in making such determinations. The basis for any final denial of a claim shall be documented in the claims record. (¶12.9.)
- "Opt-Out Deadline" means the date by which Settlement Class Members must mail or submit through the settlement website their Request for Exclusion in order for it to be effective. The postmark date shall constitute evidence of the date of mailing for these purposes. The Opt-Out Deadline shall be sixty (60) days after the Notice Deadline, except that the Opt-Out Deadline shall be extended an additional 20 days for Settlement Class Members who receive re-mailed notice. (¶1.20.)
- "Objection Deadline" means sixty (60) days after the Notice Deadline. (¶1.18.)
- Recipients of re-mailed notices shall be granted an extension of at least fourteen (14) calendar days from the date of the re-mailed notice to file a claim, opt out, or object, and such deadline shall be stated in the re-mailed notice. (¶4.2(a)(iii).)
- Residual Funds: To the extent any monies remain in the Net Settlement Fund more than one hundred and twenty (120) days after the distribution of all award payments to the Settlement Class Members, a subsequent payment will be evenly made to all Settlement Class Members who cashed or deposited their award payments, provided that the average payment amount, after administration costs of a redistribution are factored in, will result in a supplemental payment equal to or greater than Ten Dollars and No Cents (\$10.00) per Settlement Class Member. Any amount remaining in the Net Settlement Fund after said additional distribution(s), if any, shall be distributed to the Non-Profit Residual Recipient. The Parties agree that the chosen Non-Profit Residual Recipient is appropriate for a cy pres distribution under Code of Civil Procedure section 384, as the distribution benefit will be made to a non-profit whose work advances the interests of the Class. The Parties shall request that the Court reopen the judgment and amend it to reflect the cy pres distribution in accordance with Code of Civil Procedure section 384, including the

unclaimed amount and any interest accrued. The Parties and their counsel confirm they have no interest in or affiliation with the Non-Profit Residual Recipient. (¶12.10.)

- “Non-Profit Residual Recipients” means the National Alliance on Mental Illness (“NAMI”). NAMI is a mental health advocacy organization whose work aligns with the nature of the claims in this Litigation, which relate to the unauthorized disclosure of mental health information. The Parties selected NAMI because its mission supports education, access, and advocacy for individuals impacted by mental health conditions, including through data privacy awareness. The Parties and their counsel do not have any conflict of interest or direct involvement in the governance or work of NAMI. (¶1.16.)
- Uncashed Checks: Award payment checks (electronic and paper) shall be valid for a period of one hundred and eighty (180) days from issuance, and shall state, in words or substance that the check must be cashed within one hundred and eighty (180) days, after which time it will become void. In the event an award payment check becomes void, the Settlement Class Member to whom that award payment check was made payable will forfeit the right to payment and will not be entitled to have the check reissued or to any further distribution from the Settlement Fund or to any further recourse against the Released Parties, and the Class Settlement Agreement will in all other respects be fully enforceable against the Settlement Class Member. No later than one hundred and ninety (190) days from the issuance of the award payment checks, the Claims Administrator shall take all steps necessary to stop payment on any award payment checks that remain uncashed. Uncashed funds shall be handled consistent with Code of Civil Procedure section 384 and as further detailed in Paragraph 2.10 (¶7.5.)
- The claims administrator will be Angeion Group (“Angeion”). (¶1.6; Weisbrot Decl.)
- Participating class members and the named Plaintiff will release certain claims against Defendants. (See further discussion below)

ANALYSIS OF SETTLEMENT AGREEMENT

1. Does a presumption of fairness exist?

1. Was the settlement reached through arm’s-length bargaining? Yes. The Parties conducted two full-day mediation sessions. They mediated with Wayne Andersen, Esq. in 2023, and though they were unable to reach a resolution, they continued settlement discussions. The Parties mediated again in 2024 with Bruce Friedman, Esq. The Parties reached an agreement following their second mediation. (Coelho Decl., ¶¶9-10.)

2. Were investigation and discovery sufficient to allow counsel and the court to act intelligently? Yes. Counsel represents that throughout the Parties’ settlement discussions and in preparation for mediation, the Parties exchanged informal discovery, including information and documents, to assess the strengths and weaknesses of their respective positions. After reviewing the information obtained from Mindpath, Plaintiffs prepared for mediation. (*Id.* at ¶7.) Counsel represents that the information reviewed included documentation concerning the scope of potentially impacted individuals, internal incident response protocols, data impact summaries and Mindpath’s contemporaneous IT security

and data protection policies. (Van Note Decl., ¶14.) Additionally, Class Counsel analyzed Mindpath's data breach notification materials submitted to state regulators, including the California Attorney General's Office, to assess the nature of the information disclosed and the company's remedial measures. (*Id.* at ¶¶16-17.)

3. Is counsel experienced in similar litigation? Yes. Class Counsel is experienced in class action and consumer litigation. (Coelho Decl ¶¶26-33; Van Note Decl., ¶¶37-42; Declaration of Jason S. Rathod, ¶¶2-4, and Exhibit thereto.)

4. What percentage of the class has objected? This cannot be determined until the fairness hearing. See Weil & Brown, Cal. Practice Guide: Civil Procedure Before Trial (The Rutter Group 2014) ¶ 14:139.18, ("Should the court receive objections to the proposed settlement, it will consider and either sustain or overrule them at the fairness hearing.").

CONCLUSION: The settlement is entitled to a presumption of fairness.

2. Is the settlement fair, adequate, and reasonable?

1. Strength of Plaintiff's case. "The most important factor is the strength of the case for plaintiff on the merits, balanced against the amount offered in settlement." (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 130.)

Counsel represents they determined that Defendant's maximum statutory exposure under the Confidentiality of Medical Information Act (CMIA), which provides for damages of \$1,000 per violation, could theoretically exceed \$193 million, based on a class size of approximately 193,947 individuals. We also assessed potential statutory damages under the California Consumer Privacy Act (CCPA), which permits recovery of between \$100 and \$750 per violation under specified circumstances. (Van Note Decl., ¶21.) Based on this analysis, Class Counsel estimates that a realistic recovery at trial, after considering litigation risk, decertification exposure, and appeal, would likely fall between \$5 million and \$15 million. (*Id.* at ¶25.)

2. Risk, expense, complexity and likely duration of further litigation. Given the nature of the class claims, the case is likely to be expensive and lengthy to try. Procedural hurdles (e.g., motion practice and appeals) are also likely to prolong the litigation as well as any recovery by the class members.

3. Risk of maintaining class action status through trial. Even if a class is certified, there is always a risk of decertification. (See *Weinstat v. Dentsply Intern., Inc.* (2010) 180 Cal.App.4th 1213, 1226 ("Our Supreme Court has recognized that trial courts should retain some flexibility in conducting class actions, which means, under suitable circumstances, entertaining successive motions on certification if the court subsequently discovers that the propriety of a class action is not appropriate.").)

4. Amount offered in settlement.

Plaintiffs' counsel obtained a Settlement Fund of \$3,500,000 to Settlement Class Members who submit claim forms (\$1,500 each for Ordinary Documented Losses, \$30 per hour for up to 10 hours of lost time, and up to \$10,000 for Documented Extraordinary Losses, all incurred as a result of the Incidents) and to California Settlement Subclass Members for their statutory payments. Further, all Settlement Class Members and Sub-Class Members will receive the ability to redeem complimentary credit monitoring services

valued at \$8.95/month for three years, for a total value of up to \$62,489,723.40, or \$322.20 per class member. (Coelho Decl., ¶17.)

The Settlement Fund of \$3,500,000 (without the additional costs of credit monitoring), is approximately 23% to 73% of Defendant's exposure valuation, which, given the uncertain outcomes, is within the "ballpark of reasonableness."

The \$3,500,000 Settlement Fund, after reduced by the requested deductions, leaves approximately \$2,080,433.33 to be divided among approximately 193,947 Class Members.

5. Extent of discovery completed and stage of the proceedings. As indicated above, at the time of the settlement, Class Counsel had conducted sufficient discovery.

6. Experience and views of counsel. The settlement was negotiated and endorsed by Class Counsel who, as indicated above, is experienced in class action litigation, including wage and hour class actions.

7. Presence of a governmental participant. This factor is not applicable here.

8. Reaction of the class members to the proposed settlement. The class members' reactions will not be known until they receive notice and are afforded an opportunity to object, opt-out and/or submit claim forms. This factor becomes relevant during the fairness hearing.

CONCLUSION: The settlement is preliminarily deemed "fair, adequate, and reasonable."

3. Scope of the release

Upon the Funding Date, the Releasing Parties will be deemed by operation of this Class Settlement Agreement and the Final Approval Order and Judgment to have forever fully, finally, completely, and unconditionally released, discharged, and acquitted Mindpath and the Released Parties from any and all of the Released Claims and the Representative Plaintiffs only will be deemed to have also released Unknown Claims. (¶8.1.)

Upon the Funding Date, the Releasing Parties shall be deemed to have released any claims that are released by operation of the Class Settlement Agreement and the Final Approval Order and Judgment and that are based on the facts and claims alleged in the operative Complaint. (¶8.2.)

"Released Claims" means any and all claims, causes of action, damages, liabilities, costs, attorneys' fees, remedies, or relief of any kind, that were asserted or that could have been asserted based on the same factual predicate as the claims in the Litigation, including but not limited to those arising from or relating to the Incidents, the alleged compromise, exfiltration, or theft of Private Information as a result of the Incidents, and the allegations in the operative Complaint. This includes claims for negligence; breach of implied contract; breach of fiduciary duty; breach of confidence; unjust enrichment/quasi-contract; and violations of the California Constitutional Right to Privacy, the CMIA, the UCL, the California Customer Records Act, the CCPA, and the CLRA. Released Claims do not include any claims unrelated to the facts alleged in the operative Complaint, any claims of Settlement Class Members who validly exclude themselves from the Settlement Class, or any claims to enforce the terms of this Settlement Agreement. This release is not intended to serve as a waiver under California Civil Code § 1542, and no such waiver is made on behalf of the

Settlement Class, except for the Representative Plaintiffs who may waive such rights solely with respect to their individual claims as reflected in the Final Approval Order. (¶1.24.)

“Released Parties” means Mindpath and each of its past, present, and future parents, subsidiaries, divisions, affiliates, predecessors, successors, and assigns, and its past, present, and future directors, officers, employees, agents, insurers, shareholders, owners, attorneys, advisors, consultants, representatives, partners, joint venturers, independent contractors, wholesalers, resellers, distributors, retailers, and the predecessors, successors, and assigns of each of them. (¶1.25.)

“Releasing Parties” means Representative Plaintiffs and all Settlement Class Members who do not timely and properly exclude themselves from the settlement memorialized in this Class Settlement Agreement, and their respective heirs, executors, administrators, successors, and assigns, but solely with respect to claims arising from the facts alleged in the operative Complaint. (¶1.26.)

The Named Plaintiffs are providing general releases and CC§1542 waivers as to Defendants. (¶1.36)

4. May conditional class certification be granted?

1. Standards

A detailed analysis of the elements required for class certification is not required, but it is advisable to review each element when a class is being conditionally certified (*Amchem Products, Inc. v. Windsor* (1997) 521 U.S. 620, 622-627.) The trial court can appropriately utilize a different standard to determine the propriety of a settlement class as opposed to a litigation class certification. Specifically, a lesser standard of scrutiny is used for settlement cases. (*Dunk* at 1807, fn 19.) Finally, the Court is under no “ironclad requirement” to conduct an evidentiary hearing to consider whether the prerequisites for class certification have been satisfied. (*Wershba* at 240.)

2. Analysis

a. **Numerosity.** There approximately 193,947 Class Members. (Coelho Decl., ¶21.) This element is met.

b. **Ascertainability.** The proposed class is defined above. The class definition is “precise, objective and presently ascertainable.” (*Sevidal v. Target Corp.* (2010) 189 Cal.App.4th 905, 919.) The class members are identifiable from Defendants’ records. (Coelho Decl., ¶21.)

c. **Community of interest.** “The community of interest requirement involves three factors: ‘(1) predominant common questions of law or fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives who can adequately represent the class.’” (*Linder v. Thrifty Oil Co.* (2000) 23 Cal.4th 429, 435.)

Counsel contends that questions of law and fact common to all Class Members predominate over any individual questions. Factual and legal issues are the same for all of the Settlement Class Members, including Plaintiffs. All of Plaintiffs’ claims stem from a single course of conduct which Mindpath engaged in with respect to the Private Information of each and every one of the Settlement Class Members. Further, all Settlement Class Members suffered from, and seek redress for, the same alleged injuries in the form of time lost mitigating the resulting harm from the Incidents, out-of-

pocket costs mitigating the resulting harm from the Incidents, the loss of value of their Private Information, and the deprivation of their benefit of the bargain with Mindpath. Therefore, Plaintiffs contend that commonality and predominance are easily satisfied. (Coelho Decl., ¶122.)

As to typicality, Counsel contends that Plaintiffs were current or former patients of Mindpath during the Class Period who had their Private Information breached; as such, they allege that they were subject to the same policies and practices as other similarly situated Settlement Class Members. (*Id.* at ¶123.)

Further, the class representatives have no conflicts with the class and are represented by adequate counsel. (Declaration of Plaintiff Tsvetanova, *passim*; Declaration of Plaintiff Lynch, *passim*; Declaration of Plaintiff Lowrey, *passim*.)

d. Adequacy of class counsel. As indicated above, Class Counsel has shown experience in class action litigation.

e. Superiority. Given the relatively small size of the individual claims, a class action appears to be superior to separate actions by the class members.

CONCLUSION: The class may be conditionally certified since the prerequisites of class certification have been satisfied.

5. Is the notice proper?

Content of class notice. The proposed notices are attached to the Supplemental Declaration of Laura Van Note as Exhibit C. Their content appears to be acceptable. It includes information such as: a summary of the litigation; the nature of the settlement; the terms of the settlement agreement; the proposed deductions from the gross settlement amount (attorney fees and costs, enhancement awards, and claims administration costs); the procedures and deadlines for participating in, opting out of, or objecting to, the settlement; the consequences of participating in, opting out of, or objecting to, the settlement; and the date, time, and place of the final approval hearing.

1. Method of class notice. “Class Notice” means the notice of settlement that is contemplated by this Class Settlement Agreement, and which shall include the long form notice (“Long Notice”) to be posted on the settlement website and a summary notice to be sent via first-class U.S. mail to the individuals who received written notice of the Incidents from Mindpath (“Short Notice”). It also includes publication notice intended to reach those individuals that may have been impacted by the Incidents but for whom Mindpath did not have mailing addresses. Prior to mailing, the Claims Administrator shall update addresses using the National Change of Address (NCOA) database, and re-mail any returned notices where updated addresses are reasonably available. Recipients of re-mailed notices will be given a reasonable extension of time to respond, consistent with the schedule set forth in this Agreement. (¶1.8.)

“Notice Deadline” means the date by which the dissemination of notice to the Settlement Class shall begin, including the mailing of Short Notice, posting of the Long Notice on the Settlement Website and commencement of any publication notice, and shall be thirty (30) days after the entry of the Preliminary Approval Order. (¶1.17)

Within ten (10) calendar days of entry of the Preliminary Approval Order, Mindpath will provide the Claims Administrator with a list of Settlement Class Members Mindpath has been able to identify in such format as requested by the Claims Administrator which will include, to the extent available, the name and physical mailing address of each Settlement Class Member. The Notice Program shall be designed to reach at least 70 percent of the Class. (¶4.1.)

Within thirty (30) days after receiving the list of Settlement Class Members from Mindpath, the Claims Administrator shall send the Summary Notice as follows: (i) The Claims Administrator will send the Summary Notice (in postcard form) by first-class U.S. mail, postage prepaid; (ii) For any Short Notice (in postcard form) that has been mailed via first-class U.S. mail and returned by the U.S. Postal Service (“U.S.P.S.”) as undeliverable, the Claims Administrator shall re-mail the notice to the forwarding address, if any, provided by the U.S.P.S. on the face of the returned mail; (iii) In the event the Claims Administrator transmits a Short Notice via first-class U.S. mail, then the Claims Administrator shall perform any further investigations deemed appropriate by the Claims Administrator, including using the National Change of Address (“NCOA”) database maintained by the U.S.P.S., in an attempt to identify current mailing addresses for individuals whose names are provided by Mindpath; (iv) For re-mailed notices, the Claim Administrator will make reasonable efforts to highlight to the recipient the deadlines to file a claim, opt-out and/or object and make reasonable accommodations when appropriate. (¶4.2(a).)

The Claims Administrator shall establish a dedicated settlement website that includes this Class Settlement Agreement, the Complaint filed in the Litigation, and the Long Notice approved by the Court. The Claims Administrator will also post on the settlement website copies of the motion for final approval of the Class Settlement Agreement, and the motion for an Attorneys’ Fees, Expenses Award and Service Award and other relevant filings. A toll-free number with interactive voice response and FAQs shall also be made available to address Settlement Class Members’ inquiries. The settlement website shall not include any advertising and shall remain operational from the Notice Date until one-hundred eighty (180) days following the Effective Date, at which time the Claims Administrator shall terminate the settlement website and transfer ownership of the URL to Mindpath. (¶4.2(b).)

The Claims Administrator shall design and implement a publication notice program intended to reach Settlement Class Members for whom Mindpath does not have contact information. The publication notice shall summarize the settlement, explain how to file a claim, object, or opt out, and direct recipients to the website for full details. (¶4.2(c).) To satisfy the requirements of the California Consumers Legal Remedies Act (“CLRA”), Angeion will cause notice of the Settlement to be published in the California regional edition of the USA Today for four (4) consecutive weeks, utilizing 1/4-page black and white ads. (Weisbrot Decl., ¶139.)

The Settlement Administrator contends that the proposed Notice Plan provides for a customized targeted media notice campaign, and the implementation of a dedicated website and toll-free telephone line where Settlement Class Members can learn more about their rights and options pursuant to the terms of the Settlement. In addition, the Notice Plan provides for notice to be mailed to all reasonably identifiable Settlement Class

Members and publication in the California regional edition of USA Today. (Weisbrot Decl., ¶20.) The Administrator provides a detailed declaration regarding the media notice that appears sufficient. (Weisbrot Decl., *passim*.)

The Final Judgment shall be posted on the settlement website in accordance with California Rules of Court, rule 3.771(b.) (¶4.2(b).)

2. Cost of class notice. As indicated above, settlement administration costs are estimated not to exceed **\$202,900**. Prior to the time of the final fairness hearing, the claims administrator must submit a declaration attesting to the total costs incurred and anticipated to be incurred to finalize the settlement for approval by the Court.

6. Attorney fees and costs

CRC rule 3.769(b) states: “Any agreement, express or implied, that has been entered into with respect to the payment of attorney fees or the submission of an application for the approval of attorney fees must be set forth in full in any application for approval of the dismissal or settlement of an action that has been certified as a class action.”

Ultimately, the award of attorney fees is made by the court at the fairness hearing, using the lodestar method with a multiplier, if appropriate. (*PLCM Group, Inc. v. Drexler* (2000) 22 Cal.4th 1084, 1095-1096; *Ramos v. Countrywide Home Loans, Inc.* (2000) 82 Cal.App.4th 615, 625-626; *Ketchum III v. Moses* (2000) 24 Cal.4th 1122, 1132-1136.) Despite any agreement by the parties to the contrary, “the court ha[s] an independent right and responsibility to review the attorney fee provision of the settlement agreement and award only so much as it determined reasonable.” (*Garabedian v. Los Angeles Cellular Telephone Company* (2004) 118 Cal.App.4th 123, 128.)

The question of whether Class Counsel is entitled to **\$1,166,666.67** in attorney fees and **\$35,000** in costs will be addressed at the fairness hearing when class counsel brings a noticed motion for attorney fees. Class counsel must provide the court with billing information so that it can properly apply the lodestar method, and must indicate what multiplier (if applicable) is being sought as to each counsel.

7. Incentive Awards to Class Representatives

The Settlement Agreement provides for an enhancement award of up to **\$15,000 (\$5,000 each)** for Plaintiff. In connection with the final fairness hearing, the named Plaintiff must submit declarations attesting to why he should be entitled to an enhancement award in the proposed amount. The named Plaintiff must explain why he “should be compensated for the expense or risk she has incurred in conferring a benefit on other members of the class.” (*Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 806.) Trial courts should not sanction enhancement awards of thousands of dollars with “nothing more than *pro forma* claims as to ‘countless’ hours expended, ‘potential stigma’ and ‘potential risk.’ Significantly more specificity, in the form of quantification of time and effort expended on the litigation, and in the form of reasoned explanation of financial or other risks incurred by the named plaintiffs, is required in order for the trial court to conclude that an enhancement was ‘necessary to induce [the named plaintiff] to participate in the suit’” (*Id.* at 806-807, italics and ellipsis in original.) The Court will decide the issue of the enhancement award at the time of final approval.

CONCLUSION AND ORDER

The Parties' Motion for Preliminary Approval of Class Action Settlement is **GRANTED** as the settlement is fair, adequate, and reasonable.

The essential terms of the Settlement Agreement are:

- The Settlement Fund ("SF") is **\$3,500,000**, non-reversionary. (¶1.34.)
- The Net Settlement Fund ("Net") is the SF minus the following:
 - Up to **\$1,166,666.67** (33%) for attorney fees split as follows: 1/3 to Cole & Van Note; 1/3 to Wilshire Law Firm, PLC; and 1/3 to Migliaccio & Rathod LLP (¶9.1; Van Note Decl., ¶43.)
 - Up to **\$35,000** for litigation costs (¶9.1);
 - Up to **\$15,000** for Service Payments to the Named Plaintiffs (**\$5,000 each**) (¶9.2); and
 - Up to **\$202,900** for settlement administration costs (¶1.1.)
- Plaintiffs shall release Defendants from claims described herein.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by **January 13, 2026**, and will be heard on **February 19, 2026, 10:00 a.m., in Department 9**. *Failure to file the Parties' Motion for Final Approval of Class Action Settlement by this deadline will result in a continuance of the final approval hearing to the Court's first available hearing date, which could be months after the hearing date noted here.* Prior to filing the moving papers, Plaintiff must contact the court staff for Department 9 to obtain a briefing schedule, which must be included in the caption of the moving papers.

The Parties' Motion for Final Approval of Class Action Settlement must include a concurrently lodged **single document** that constitutes a [Proposed] Order and Judgment containing among other things, the class definition, full release language, and names of the any class members who opted out.

Non-Appearance Case Review Re: Filing and Serving of Motion for Final Approval of Class Action Settlement is set for January 20, 2026, 8:30 a.m., Department 9.

THE PLAINTIFF IS ORDERED TO DOWNLOAD THE INSTANT **SIGNED** ORDER FROM THE COURT'S WEBSITE AND TO GIVE NOTICE TO ALL PARTIES AND TO FILE PROOF OF SERVICE OF SUCH WITHIN 10 DAYS.

IT IS SO ORDERED.

DATED: September 25, 2025



A handwritten signature in cursive script, reading "Elaine Lu", written over a horizontal line.

Elaine Lu

Judge of the Superior Court
~~Elaine Lu, Judge~~