

[PROPOSED]
**NEXTGEN HEALTHCARE DATA BREACH SETTLEMENT BENEFITS
DISTRIBUTION PLAN**

1. Capitalized Terms: Unless defined herein, the capitalized terms used in this Proposed Settlement Benefits Distribution Plan (“Benefits Plan”) are defined in the Settlement Agreement and Release.
2. Net Settlement Fund: The “Net Settlement Fund” is the Settlement Fund less (1) Notice Costs and Administrative Costs; (2) Attorneys’ Fees and Expenses awarded by the Court; (3) Service Awards awarded by the Court; and (4) costs associated with procurement of Identity Defense Services and Restoration Services as provided in Exhibit 3 to the Motion for Preliminary Approval. The Settlement Administrator shall use the Net Settlement Fund to pay valid claims for Out-of-Pocket Losses, Lost Time, and Alternative Cash Payments as set forth below. The Settlement Administrator, subject to such supervision and direction of the Court and Class Counsel as may be necessary or as circumstances may require, shall administer and oversee distribution of the Net Settlement Fund pursuant to the process set forth in this Benefits Plan.
3. Out-of-Pocket Losses: “Out-of-Pocket Losses” are verifiable unreimbursed costs or expenditures that a Settlement Class Member actually incurred and that the Settlement Class Member believes are fairly traceable to the Data Breach. Out-of-Pocket Losses may include, without limitation, the following:
 - a. unreimbursed costs, expenses, losses or charges incurred as a result of identity theft or identity fraud, falsified tax returns, or other alleged misuse of a Settlement Class Member’s personal information;
 - b. costs incurred on or after March 29, 2023, associated with placing or removing a credit freeze on a Settlement Class Member’s credit file with any credit reporting agency;
 - c. other miscellaneous expenses incurred on or after March 29, 2023, related to any Out-of-Pocket Loss such as notary, fax, postage, copying, mileage, and long-distance telephone charges;
 - d. costs of credit reports, credit monitoring, or other products related to detection or remediation of identity theft incurred on or after March 29, 2023, through the date of the Settlement Class Member’s claim submission.
4. Lost Time: “Lost Time” is time spent 1) remedying fraud, identity theft, or other misuse of a Settlement Class Member’s Private Information that the Settlement Class Member believes is fairly traceable to the Data Breach and 2) taking preventative measures to avoid such losses. Lost Time will be paid at the “Reimbursement Rate,” which shall be \$25 per hour.
 - a. Lost Time related to a qualifying claim for Out-of-Pocket Losses may be supported by a certification for up to 10 hours.

- b. Lost Time not related to a qualifying claim for Out-of-Pocket Losses but incurred as a result of fraud, identity theft or other misuse, or incurred taking preventative measures to avoid fraud, identity theft or other misuse may be supported by a certification for up to 5 hours.
- c. Lost Time claims may be made in 15-minute increments.

5. Alternative Cash Payments:

- a. As an alternative to making a claim for Lost Time and Out of Pocket Losses, Settlement Class Members (except California Settlement Subclass Members) may request an Alternative Cash Payment of up to \$50, subject to the pro rata adjustments set forth in Paragraph 8 below.
- b. As an alternative to making a claim for Lost Time and Out of Pocket Losses, California Settlement Subclass Members may request an Alternative Cash Payment of up to \$150, subject to the pro rata adjustments set forth in Paragraph 8 below.
- c. Settlement Class Members making a claim for Lost Time will be entitled to the greater of the approved claim for Lost Time, or the amount available under this Alternative Cash Payments provision.

6. Claims Period: The “Claims Period” is the period starting from the date the Court enters the Preliminary Approval Order and ending 90 days after the Notice Date. Settlement Class Members must submit claims for Out-of-Pocket Losses, Lost Time, and Alternative Cash Payments during the Claims Period. Settlement Class Members may claim Identity Defense Services during the Claims Period. After the Effective Date, Settlement Class Members may request Restoration Services or enroll in Identity Defense Services during the period such services are available to the Settlement Class, regardless of whether they made a claim for Identity Defense Services during the Claims Period.

7. Out of Pocket Claims Cap: The Settlement Administrator will use the Net Settlement Fund to compensate those Settlement Class Members who submit valid claims for Out-of-Pocket Losses, Lost Time, and Alternative Cash Payments. Settlement Class Members will be subject to an aggregate claims cap of seven thousand, five hundred United States Dollars (\$7,500) (the “Out of Pocket Claims Cap”) paid directly from the Net Settlement Fund regardless of the number of claims submitted by the Settlement Class Member during the Claims Period.

8. Insufficient or Excess Funds:

- a. To the extent total valid claims are greater than the Net Settlement Fund, all valid claims (including Alternative Cash Payments) shall be reduced on a pro rata basis.
- b. To the extent total valid claims are less than the Net Settlement Fund, all valid claims for Lost Time and Alternative Cash Payments shall be increased on a pro rata basis, up to a maximum amount of \$599.

- c. To the extent total valid claims are less than the Net Settlement Fund after the pro rata increases for claims for Lost Time and Alternative Cash Payments set forth in ¶8(b), the remaining funds shall be used to extend the length of the Identity Defense Services. No funds shall revert to NextGen.
 - d. Any remaining funds resulting from the failure of Settlement Class Members to timely negotiate a settlement check, to timely provide required tax information such that a settlement check could issue, otherwise accept their share of settlement payments, or to sufficiently document a claim they have appealed, shall be used to extend the length of the Identity Defense Services and/or distribute a *cy pres* payment to a non-profit cybersecurity organization agreed upon by the parties and approved by the Court, or as otherwise ordered by the Court. No funds may revert to NextGen.
9. Claims Process: The “Claim Form” shall be the form approved by the Court and used by Settlement Class Members to submit claims for benefits under the Settlement. Settlement Class Members may submit Claim Forms to the Settlement Administrator electronically during the Claims Period, or download a form for mailing from the settlement website. The Settlement Administrator shall verify that each individual who submits a Claim Form is a Settlement Class Member and shall be responsible for evaluating claims and deciding whether claimed Out-of-Pocket Losses and Lost Time are valid and fairly traceable to the Data Breach. The Settlement Administrator will establish a reasonable practicable procedure to protect against fraudulent claims.
- a. Claims for Out-of-Pocket Losses:
 - i. Settlement Class Members with Out-of-Pocket Losses must submit Reasonable Documentation supporting their claims. “Reasonable Documentation” means documentation supporting a claim, including but not limited to: credit card statements, bank statements, invoices, telephone records, and receipts. Except as expressly provided herein, personal certifications, declarations, or affidavits from the claimant do not constitute Reasonable Documentation but may be included to provide clarification, context or support for other submitted Reasonable Documentation.
 - ii. In assessing what qualifies as “fairly traceable,” the Settlement Administrator must consider (1) the timing of the loss, including whether the loss occurred on or after March 29, 2023, through the date of the Settlement Class Member’s claim submission; (2) whether the loss involved the possible misuse of the type of personal information compromised in the Data Breach; (3) whether the personal information compromised in the Data Breach that is related to the Settlement Class Member is of the type that was possibly misused; (4) the Class Member’s explanation as to how the loss is fairly traceable to the Data Breach; (5) the nature of the loss, including whether the loss was reasonably incurred as a result of the Data Breach; and (6) any other factor that the Settlement Administrator considers to be relevant. The Settlement Administrator shall have the sole discretion and authority to determine whether claimed Out-of-Pocket Losses are valid and fairly traceable to the Data Breach.

b. Claims for Lost Time:

- i. Lost Time related to Out-of-Pocket Losses. Settlement Class Members with (1) qualifying Out-of-Pocket Losses and (2) time spent remedying these issues may submit a claim for up to 10 hours of such time to be compensated at the Reimbursement Rate. In the event the Settlement Administrator does not approve a claim for Out-of-Pocket Losses, related claims for Lost Time shall be treated as a claim for Self-Certified Lost Time.
- ii. Self-Certified Lost Time. Settlement Class Members who attest (i) to fraud, identity theft, or other alleged misuse of the Settlement Class Member's personal information the Settlement Class Member believes is fairly traceable to the Data Breach, or taking preventive measures to avoid such fraud, identity theft, or other misuse and (ii) that they spent time remedying such misuse or taking such preventative measures, may self-certify the amount of time they spent remedying the foregoing by providing a certified explanation of the misuse or preventative measures taken and how the time claimed was spent remedying the misuse or taking preventative measures (the "Self-Certified Lost Time"). Settlement Class Members may file a claim for Self-Certified Lost Time for up to 5 hours at the Reimbursement Rate.

- c. Claims for the California Settlement Subclass Payments: To receive a California Subclass Payment, California Settlement Subclass Members must submit a Claim Form and attest they were a California resident on March 29, 2023, and include the residential address where they resided on that date.

10. Payment Method: Settlement Class Members will be able to select a method of payment, including at least one option for electronic payment.

11. Disputes and Appeals:

- a. To the extent the Settlement Administrator determines a claim is deficient in whole or part, within 14 business days after the Settlement Administrator processes all claims, the Settlement Administrator shall notify the Settlement Class Member in writing (including by e-mail where the Settlement Class Member selects e-mail as his or her preferred method of communication) of the deficiencies and provide the Settlement Class Member 21 business days to cure the deficiencies. The notice and response must be emailed by 11:59 p.m. PT on the deadline or postmarked by the deadline. The notice shall inform the Settlement Class Member that he or she can either attempt to cure the deficiencies outlined in the notice, or dispute the determination in writing and request an appeal. If the Settlement Class Member attempts to cure the deficiencies but, in 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 14 business days of the determination. The notice shall inform the Settlement Class Member of his or her right to dispute the determination in writing and request an appeal within 21 business days. The notice and any response must be

emailed by 11:59 p.m. PT on the deadline or postmarked on the deadline. The Settlement Administrator shall have the sole discretion and authority to determine whether a claim is deficient in whole or part but may consult with Class Counsel in making individual determinations.

- b. If a Settlement Class Member disputes a determination in writing (including by e-mail where the Settlement Class Member selects e-mail as his or her preferred method of communication) and requests an appeal, the Settlement Administrator shall provide a copy of the Settlement Class Member's dispute and Claim Form along with all documentation or other information submitted by the Settlement Class Member to a claims referee who has been proposed by Class Counsel and approved by the Court. Such claims referee shall be paid from the Net Settlement Fund. The claims referee's approval or denial of the Settlement Class Member's claim, in whole or part, will be final. However, before the claims referee renders a decision, counsel for the parties may confer upon such appeals and direct the Settlement Administrator to approve or deny a claim in whole or part where the parties agree upon the validity of a claim or appeal.

12. Timing of Pro Rata Adjustment Calculations. To the extent practicable, the timing of the pro rata adjustment calculations set forth in Paragraph 8, will be made immediately after the processing of all claims, and the Settlement Administrator shall issue payments based upon such pro rata adjustment calculations as soon as practicable. Should they deem it to be in the best interest of the Settlement Class, Class Counsel shall have the sole discretion to postpone this calculation until after the completion of the Disputes and Appeals procedure set forth in Paragraph 11. To the extent pro rata calculations were made immediately after the initial processing of all claims, and to the extent that funds related to claims in the Disputes and Appeals Procedure remain in the Net Settlement Fund after the completion of the procedure set forth in Paragraph 11, Class Counsel shall have the sole discretion to determine whether to 1) cause supplemental pro rata payments to be issued to Settlement Class Members, or 2) to distribute the funds as set forth in Paragraph 8(d).

13. Identity Defense Services. All Settlement Class Members are entitled to enroll in three years of Identity Defense Services as a benefit of the Settlement, in addition to claiming Out-of-Pocket Losses and Lost Time, or Alternative Cash Payment. If you are the Parent of a Minor who is a Class Member, you may enroll your Minor in Identity Defense Services on the Settlement Website. The Identity Defense Services provides:

- a. **Dark Web Monitoring:** Alerts are generated in real time when a claimant's personal identity information is found in places where criminals buy, sell and trade personal identity information. Driver's licenses, passports and other identifying information are monitored. Alerts are generated if a claimant's name, alias, or address becomes associated with their Social Security number. Alerts are generated when a claimant's personal information has been connected to a criminal act, whether by court or arrest records at the federal, state, city and county level. Alerts are generated when a claimant is connected to a change of address request made through the United States Postal Service.

- b. **Quick Cash Scans:** Monitors high risk transactions, including short-term and cash-advance loan sources as well as online, rent-to-own, and payday lender storefronts for unauthorized activity. An alert will be generated if new loans or inquiries are detected.
- c. **Social Security Scans:** Monitors a wide array of sources to quickly identify any situation in which a claimant's Social Security number appears. Alerts are generated accordingly.
- d. **Fraud Consultation:** Claimants have unlimited access to consultation with a Kroll fraud specialist. Support includes educational resources related to identity protection, assistance with any alerts received, and investigating suspicious activity that could be tied to a suspicious event.
- e. **ID Theft Restoration:** In the event a claimant becomes a victim of identity theft, a licensed Kroll investigator will work on their behalf to resolve related issues. The investigator will work to uncover the scope of the identity theft and work to resolve it.
- f. **\$1M Fraud Reimbursement:** Reimburses claimants for out-of-pocket expenses totaling up to \$1 million in covered legal costs and expenses for any one stolen identity event.
- g. **Credit Reports and Credit Monitoring:** Multi-Bureau Credit Monitoring and a Single Bureau Credit Report – Claimants receive alerts when there are changes to their credit data at any of the three national credit bureaus (Equifax, Experian and TransUnion)—for instance, when a new line of credit is applied for in the claimant's name. If claimants do not recognize the activity, they can contact a Kroll fraud specialist to resolve the situation.
- h. **ID Monitoring for Minors:** Minor Identity Monitoring searches a wide array of public data sources and detects activity tied to a claimant child's Social Security number. An alert will be sent to the guardian or parent of that class member when activity is detected. The other above-listed monitoring services are also employed for the minor.

To enroll for these services, Settlement Class Members will visit <<**Identity Defense Services website**>> and provide the Activation Code and Verification ID included in the notice mailing. Once the Settlement is approved and becomes final, this service will activate. There is no deadline to enroll for free Identity Defense Services, but these Services will end on the same date regardless of when a Settlement Class Member enrolls.

At any point during the service period, Settlement Class Members are entitled to enroll in Identity Defense Services or use the Restoration Services, even if they did not make a claim, provided that enrollment will only be open during the three year period that commences after final approval and ends on the same date for all Settlement Class Members. Additional information regarding these services and how to enroll will be available on the Settlement Website.