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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
EASTERN DIVISION**

DANIELLE GAMINO, individually and  
on behalf of all others similarly situated,

*Plaintiff,*

v.

SPCP GROUP, LLC,

*Defendant,*

and

KPC HEALTHCARE, INC. EMPLOYEE  
STOCK OWNERSHIP PLAN,

*Nominal Defendant*

Case No.: 5:20-cv-01126-SB-SHK  
[Consolidated with Case No.: 5:21-  
cv-01466-SB-SHK]

**CLASS COUNSEL'S  
PROPOSED PLAN OF  
ALLOCATION**

1           **1. The Settlement Fund.**<sup>1</sup> The Gross Settlement Fund will consist of  
2 the \$5,00,000 paid pursuant to the Settlement Agreement, plus any earnings and  
3 interest accrued thereon. The Net Settlement Fund will be the Gross Settlement  
4 Fund minus any expenses incurred by the Fund, including expenses for settlement  
5 administration, the costs to pay for Class Notice, any taxes owed or paid (or  
6 reserves to pay taxes or tax expenses) and expenses for tax preparation, any  
7 attorneys' fees and expenses or costs awarded by the Court, any service award to  
8 the Class Representative authorized by the Court, and any other court-approved  
9 costs or deductions from the Settlement Fund.

10           **2. Authorized Claimants.** An Authorized Claimant will be any  
11 participant in the ESOP (or alternatively a beneficiary entitled to payment) who  
12 falls within the definition of the Class, and who is not excluded from the definition  
13 of the Class.

14           **3. Allocation of the Net Settlement Fund.** Each Authorized Claimant  
15 shall be allocated a pro rata share of the Net Settlement Fund based on each Class  
16 Member's number of shares of KPC stock in their ESOP account as of August 31,  
17 2021 or, if a Class member previously received a distribution, the amount of shares  
18 that a Class member held prior to receiving distribution(s) of their vested ESOP  
19 benefits.

20           **4. Distribution of Residual Funds.** In the event that monies remain in  
21 the Net Settlement fund after distribution of the Final Distribution Amount and  
22 after all taxes and other expenses have been paid, those residual amounts will be  
23 distributed to non-sectarian, non-profit 501(c)(3) charitable organization(s)  
24 recommended by Co-Lead Class Counsel and approved by the Court.

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27 <sup>1</sup> Unless otherwise defined, all capitalized terms have the meanings ascribed them  
28 by the Settlement Agreement.