

Exhibit 2

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**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

**CLASS COUNSEL'S
PROPOSED PLAN OF
ALLOCATION OF
SETTLEMENT WITH SPCP**

1 **1. The Settlement Fund.**¹ The Gross Settlement Fund will consist of
2 the \$100,000 paid pursuant to the Class Action Settlement Agreement with SPCP,
3 plus any earnings and interest accrued thereon. The Net Settlement Fund will be
4 the Gross Settlement Fund minus any expenses incurred by the Fund, including
5 expenses for settlement administration, the costs to pay for Class Notice, any taxes
6 owed or paid (or reserves to pay taxes or tax expenses) and expenses for tax
7 preparation, any expenses or costs awarded to Class Counsel by the Court, and any
8 other court-approved costs or deductions from the Settlement Fund.

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

13 **3. Allocation of the Net Settlement Fund.** Each Authorized Claimant
14 shall be allocated a pro rata share of the Net Settlement Fund based on each active
15 employee Class Member's number of vested and unvested shares of KPC stock in
16 their ESOP account as of August 31, 2021 or, if a Class Member terminated
17 employment prior to August 31, 2021, the number of vested shares in such Class
18 Member's ESOP account at the date of termination date plus any previously
19 unvested shares that vested upon plan termination. The Plan of Allocation does not
20 include shares in the ESOP's suspense account that were allocated to active
21 employee participants upon plan termination or unvested shares that were
22 previously forfeited pursuant to the terms of the Plan.

23 **4. Distribution of Residual Funds.** In the event that monies remain in
24 the Net Settlement fund after distribution of the Final Distribution Amount and
25 after all taxes and other expenses have been paid, those residual amounts will be

26 ¹ Unless otherwise defined, all capitalized terms have the meanings ascribed them
27 by the Settlement Agreement.

1 distributed to non-sectarian, non-profit 501(c)(3) charitable organization(s)
2 recommended by Co-Lead Class Counsel and approved by the Court.

3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28