

SETTLEMENT AGREEMENT REGARDING ATTORNEY’S FEES

NOW COME Alicia Franklin and Reina Guzman, on behalf of themselves and members of the certified class (“Plaintiffs”), and Kody Kinsley, in his official capacity as the Secretary of the North Carolina Department of Health and Human Services (“Department” or “Defendant”) (collectively referred to hereinafter as “the parties”) and enter in the following Settlement Agreement (“Agreement”) regarding Attorney’s Fees.

RECITALS

WHEREAS, on November 21, 2017, Plaintiffs filed this lawsuit (Case No.: 5:17-CV-581) in the United States District Court for the Eastern District of North Carolina (“the Court”);

WHEREAS, on January 13, 2023, the Court, following notice to the class and a fairness hearing, entered an Order approving the Parties’ Settlement Agreement on the merits;

WHEREAS, Section VI of the Settlement Agreement approved by the Court provided for the right of Plaintiffs’ Counsel to seek Attorney’s Fees under 42 U.S.C. § 1988; and

WHEREAS, the parties wish to enter into a Settlement Agreement to resolve the issue of Attorney’s Fees as is fully set forth herein;

NOW THEREFORE, the parties have decided to resolve this matter as follows:

AGREEMENT

I. Scope of Agreement: This Settlement Agreement shall apply solely to the amount of attorney’s fees to be paid by Defendant to Plaintiffs’ Attorneys for the work performed through the date of January 13, 2023. Nothing in this Agreement affects the right of Plaintiffs’ attorneys to seek fees for work performed after that date or the right of Defendant to oppose such a motion. This Agreement will take effect and become enforceable 10 days after Court approval of this Agreement.

II. Definitions:

- A. “Defendant” as used herein refers to the named Defendant in his official capacity, and his successors in office, as well as his employees, contractors, and agents, including county Departments of Social Services.
- B. “Plaintiffs’ Attorneys” as used herein refers to the Charlotte Center for Legal Advocacy (“CCLA”) and the National Health Law Program (“NHLP”), the attorneys representing the named Plaintiffs and class members in the above-captioned lawsuit.

III. Requirements:

- A. Defendant will pay to Charlotte Center for Legal Advocacy the amount of \$725,000 in full settlement of Plaintiffs' Claim for Attorney's Fees for work performed in the above-captioned lawsuit during the period ending January 13, 2023.
- B. CCLA shall pay to NHeLP the sum of \$71,608.08 in full settlement of Plaintiffs' Claim for Attorney's Fees for work performed in the above-captioned lawsuit during the period ending January 13, 2023.

IV. Court Approval:

- A. This Settlement Agreement is contingent and expressly conditioned upon the Court's approval of this Agreement by entering an Order of Approval. In entering into this Agreement, the parties are aware that, pursuant to Rule 23(h), Fed. R. Civ. P., the Court must approve the terms of this Agreement and make certain findings in support of its approval. The Parties agree to promptly file this Agreement with the Court, together with a Joint Motion for Approval of Settlement Agreement.

V. Merger: The parties agree and acknowledge that this written Agreement sets forth all of the terms and conditions between them concerning the subject matter of this Agreement, superseding all prior oral and written statements and representations and that there are no terms or conditions between the Parties except as specifically set forth in this Agreement.

VI. Amendment: Any amendment or modification to this Agreement shall be in writing and signed by all Parties.

VII. No Strict Interpretation Against Draftsman: The Parties have participated in the drafting of this Agreement and have had the opportunity to consult with counsel concerning its terms. This Agreement shall not be interpreted strictly against any one party on the ground that it drafted the Agreement or any part of it.

VIII. Voluntary Acceptance of Terms: The Parties represent and acknowledge that this Agreement is the result of extensive, thorough, and good faith negotiations. The Parties further represent and acknowledge that the terms of this Agreement have been voluntarily accepted, after consultation with counsel, for the purpose of making a full and final compromise and settlement of any and all claims, allegations, or defenses set forth by the Parties in the litigation.

IX. Recitals and Headings: All parts and provisions of this Agreement, including the recitals, paragraph headings, and exhibits, are intended to be material parts of the Agreement.

X. Authority to Settle: Each Party to this Agreement represents and warrants that the person who has signed this Agreement on behalf of the Party is duly authorized to enter into this Agreement and to bind that Party to the terms and conditions of this Agreement, subject to approval of the Court and the other contingencies specified herein. The signatures below of attorneys

representing the Parties signify that all Parties have given their approval to this Agreement, subject to approval by the Court.

XI. Facsimile or Email Signatures Binding: To expedite the signing of this Agreement, the Parties stipulate and agree that the delivery of an executed signature page by one party to the other via facsimile transmission or email of a PDF copy shall bind the transmitting party to the same extent as service of the original signature page by hand delivery. The Parties stipulate and agree that a party that sends a signature page via facsimile or email transmission shall mail the original to the other party within five (5) business days after the facsimile or email transmission.

XII. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, and the counterparts shall together constitute one and the same Agreement, notwithstanding that each party is not a signatory to the original or the same counterpart. All references to signature or execution of the Agreement shall be calculated from the date on which the last party executed the Agreement.

XIII. Binding Effect: This Agreement is binding upon and shall inure to the benefit of the Parties hereto, including all members of the Plaintiff class, and their successors, and assigns.

XIV. Law: This Agreement shall be interpreted in accordance with federal law and the laws of the State of North Carolina. The venue for all legal actions concerning this Agreement shall be in the Eastern District of North Carolina..

IN WITNESS WHEREOF, the parties have executed three (3) original copies of this Agreement.

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FOR THE CHARLOTTE CENTER FOR LEGAL ADVOCACY:

DocuSigned by:

Doug Sea

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Douglas Sea

2/3/23

DATE

FOR THE NATIONAL HEALTH LAW PROGRAM:

DocuSigned by:

Jane Perkins

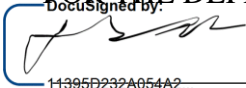
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Jane Perkins

DATE

FOR THE DEFENDANT:

DocuSigned by:



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Dave Richard
Deputy Secretary, NC Medicaid
N.C. Dept. of Health and Human Services

2/3/23

DATE