SETTLEMENT AGREEMENT

This Settlement Agreement is entered into by and between Management Health Systems, Inc., d/b/a Medpro Healthcare Staffing (Medpro), and Eden Selispara (Selispara) (together, the Parties).

On July 2, 2017, Medpro commenced a lawsuit against Selispara in the Circuit Court of the Seventeenth Judicial Circuit in and for Broward County, Case No. CACE-17-010509 (the Litigation), alleging claims for breach of contract and unjust enrichment. On November 3, 2017, Selispara filed an amended answer and seven counterclaims under Florida and federal law.

Given the uncertainty of litigation, the Parties wish to settle their respective claims. Accordingly, in consideration of the mutual promises and agreements set forth herein, the Parties agree as follows:

- 1. The effective date of this settlement shall be the date on which the Settlement Agreement is executed by all of the Parties, in whole or in counterpart.
- 2. MedPro shall adopt the policies identified in attached Exhibit A, subject to any necessary approval by a regulatory or licensing body. These policies shall be for the benefit of any current or future actual or prospective employees. Such policies shall remain in effect for 5 years from the effective date.
- 3. Within 7 days of the effective date, the parties shall file a joint stipulation of dismissal with prejudice of all claims and counterclaims in the Litigation.
- 4. The Parties hereby mutually waive and release any and all claims they may have against each other existing as of today's date.
- 5. This Settlement Agreement shall be construed under the laws of the State of Florida.
- 6. All modifications to this Settlement Agreement must be confirmed in writing and signed by all Parties.
- 7. The Parties shall each bear their own costs and attorneys' fees with respect to the Litigation and matters recited herein, including the negotiation of this Settlement Agreement. This Settlement Agreement does not address any claim for costs or attorneys' fees that may be asserted in an action to enforce its terms, including the availability of such a claim.
- 8. Selispara or her counsel intend to issue a press release about the Litigation and settlement thereof, and they agree that such press release will be substantively similar to that attached as Exhibit B to this Agreement. This will be the only press release Selispara or her counsel will issue, but this Agreement does not otherwise restrict Selispara or her counsel's freedom to communicate with any person or entity, including the media, relating to the Litigation, the underlying factual allegations, or this Agreement.
- 9. MedPro intends to issue a press release about the Litigation and settlement thereof, and agrees that such press release will be substantively similar to that attached as Exhibit C to this Agreement. This will be the only press release MedPro or its counsel will issue, but this Agreement does not otherwise restrict MedPro or its counsel's freedom to communicate with any person or entity,

including the media, relating to the Litigation, the underlying factual allegations, or this Agreement.

- 10. Neither the fact of settlement negotiations, the consideration recited in this Settlement Agreement, nor this Settlement Agreement itself, shall be considered an admission, or constitute evidence of any legal position, liability, or any validity or invalidity of, any claim, issue, argument or demand, or the amount of any claim, issue, or demand by the respective Parties.
- 11. The Parties have entered into this Settlement Agreement freely and without coercion. The Parties further acknowledge that they have read the provisions of this Settlement Agreement and are able to abide by them. The Parties represent that each of them or their undersigned representative has full authority to enter into and bind them to the terms and conditions of this Settlement Agreement.

Name: Cristy L. Caserta, Esq. Title: Corporate Counsel

For Management Health Systems, Inc.

For Eden Selispara

EXHIBIT A

Agreed-Upon Policies to Be Followed by MedPro in Connection with the Recruitment and Employment of Health Care Professionals from Outside the United States

A. General

- 1. MedPro maintains that it is currently in compliance with all applicable laws of the United States, Florida, and all other relevant jurisdictions in which it operates, and agrees to comply with such laws in the future.
- 2. MedPro maintains that it does not provide health care professionals it employs or seeks to employ with knowingly false or deliberately misleading information, and agrees not to do so in the future. MedPro will develop written "Frequently Asked Questions" (FAQs) and provide them to health-care professionals to reduce/eliminate misunderstandings.
- 3. In communications with health care professionals it employs or seeks to employ, no MedPro employee or agent will mention reporting such professionals to immigration officials/agencies for fraud, misconduct, or the like, without the explicit approval of MedPro's Corporate Counsel. In no case will MedPro accuse an individual of "immigration fraud" without a good faith basis to believe that such fraud occurred. In no case will MedPro reference "immigration fraud" or reporting to any immigration authorities for the purposes of inducing, coercing or threatening a health care professional to continue to work for MedPro.

B. Recruitment

- 1. MedPro maintains that it does not make any false or misleading statements to health care professionals about the length of time between arrival and placement in a paying position and agrees that neither it nor any of its employees or agents will do in the future.
- 2. During the recruitment process, prior to the execution of a contract, MedPro will disseminate the FAQs to potential employees.
- 3. The FAQs will explicitly advise health care professionals as to the average length of time between arrival in the United States and the commencement of the initial assignment and will elaborate on the various factors that impact time to place.
- 4. Within sixty days of the effective date of the parties' settlement agreement, MedPro will revise its standard contracts (Employment Agreement and Education and Training Agreement, as applicable) to provide that health care professionals will be paid wages during any waiting time between the completion of orientation and a health care professional's first assignment. Details about such payment will be included in the FAQs.
- 5. MedPro will include its policies relating to travel by health care professionals prior to their first assignment, discussed below, in the FAQs.
- 6. MedPro will advise health care professionals that, as Long Term Clinical Employees, they are not eligible for per diems or to be utilized as travel nurses in the traditional sense.

7. Should any health care professional request more detailed information about the time for placement after arrival in the United States, MedPro will provide accurate, truthful, and responsive information.

C. Contracts

Note: all proposed contract changes must be formally approved by Philippine Overseas Labor Office (POLO) and the Philippine Overseas Employment Administration (POEA). Such approval is not guaranteed and there is no certainty as to the time to receive the necessary approvals.

- 1. Within sixty days of this agreement, MedPro will modify both its standard contract and the cover letter (or email) that accompanies the contract to include language advising each health care professional that he or she may seek independent legal advice prior to signing. Each health care professional will be provided with 30 days to review the contract prior to signing, without penalty. MedPro maintains that it does not provide any intentionally misleading or false information about the terms of the contract or MedPro's business practices, and agrees not to do so in the future.
- 2. Within sixty days of this agreement, MedPro will revise its standard contracts (Employment Agreement and Education and Training Agreement, as applicable) to clarify
 - a. when the "commitment term" begins for a health care professional;
 - b. what, if any, obligations a health care professional has with respect to time and attendance prior to the beginning of the "commitment term";
 - c. whether MedPro will pay wages prior to the beginning of the "commitment term"; and
 - d. what, if any, expenses, incurred by MedPro, a health care professional would be required to pay if the relationship is terminated prior to entering the US, or prior to the beginning of the "commitment term."

MedPro will also include this information in the FAQs.

- 3. Should MedPro wish to enter into a revised contract after a health care professional has signed an initial contract, MedPro will provide a written, detailed, and accurate explanation of any contract revisions and provide the health care professional with at least five days to review and execute the updated contract.
- 4. MedPro maintains that it does not make any false or misleading statements about the date upon which health care professionals will begin to be employed or paid at the prevailing wage in correspondence with the United States Government, including any United States Embassy, and agrees not to make any such statements in the future.

D. <u>During Orientation/Awaiting Assignment</u>

1. MedPro maintains that it has and will continue to pay health care professionals no less than the prevailing wage for their profession during orientation.

- 2. MedPro will create and distribute Orientation Rules and Policies that address, inter alia, any and all restrictions on health care professionals' travel away from Sunrise prior to their first assignment.
- 3. When not attending orientation but prior to confirmation of their first assignment, there will be no restriction on health care professionals' travel within the Tri-County Area (Palm Beach/Broward/Miami-Dade counties).
- 4. Health care professionals may travel anywhere on weekends, provided that (1) they advise MedPro of such travel 48 hours ahead of time, and (2) they are willing and able to accept client interview calls if they are anticipated.
- 5. Any other reasonable requests for travel will be considered in good faith and accommodated on an individual basis.
- 6. MedPro will caution health care professionals that are within their medical insurance waiting period that they need to be careful in all travel and extracurricular activities, so they do not incur uninsured medical expenses.
- 7. Once a health care professional has received confirmation of his or her initial assignment and meets all employment requirements necessary to commence the assignment, he or she is free to travel without restriction, within the United States, so long as health care professional 1) notifies MedPro in advance of such travel, 2) prior to traveling personally, coordinates with MedPro to arrange travel to the initial assignment location early enough to fully assimilate to the area, and 3) commences the assignment on the scheduled start date.
- 8. MedPro will not threaten any health care professional with "breach" for mere failure to appear on demand at MedPro's offices. This does not apply to attendance in classes as established by the orientation schedule, or where a health care professional has unreasonably failed to be available to meet with MedPro staff or otherwise respond to communication attempts for more than two business days.
- 9. MedPro will not require documentation to support any health care professional's claim of illness that lasts less than 48 hours.
- 10. In the FAQs and during orientation, MedPro will explain to health care professionals that it submits them for job opportunities in jurisdictions where they are not licensed because a temporary or other reciprocal license can be obtained after an offer is made.

E. Breach

- 1. No MedPro employee will accuse a health care professional of breach of contract without the approval of Corporate Counsel. This does not restrict any MedPro employee's ability to advise a health care professional that his or her action or inaction conflicts with a MedPro policy or is contrary to the terms of his or her contract. If asked, MedPro employees may confirm or deny whether a particular action would be considered a breach of a health care professional's contract.
- 2. While MedPro may advise a health care professional that, in its view, an employee is not in compliance with the terms of his or her contract, no MedPro employee will reference potential litigation or MedPro's litigation history without the approval of Corporate

Counsel. If asked, MedPro employees may truthfully discuss MedPro's litigation history or potential litigation. In no case will MedPro mention potential litigation or MedPro's litigation history for the purposes of coercing or threatening a health care professional to continue to work for MedPro against his or her will.

- 3. Prior to issuing any demand to a health care professional as a result of an alleged breach, MedPro will review the underlying contract to ensure that the damages sought are supported by the contract and actual costs. It will also conduct an individualized assessment of the damages incurred by MedPro in connection with the health care professional, and not seek to recover beyond those damages. In determining the amount of a demand:
 - a. MedPro will not seek to recover expenses incurred prior to the execution of a contract.
 - b. MedPro will not seek to recover any costs for or expenses associated with any activity related to obtaining a permanent labor certification where such recovery is prohibited by federal regulations.
 - c. Any damages MedPro seeks will be pro-rated to account for time that a health care professional has been employed by MedPro.
 - d. MedPro will rely upon good faith and reasonableness in determining whether to pursue damages, and the amount of those damages.
 - e. In no case will MedPro demand more than \$40,000 based solely on a failure to complete a three-year term of employment, even if, in MedPro's opinion, that health care professional's contract would allow for greater recovery. Note this has no bearing on any right MedPro may have to separately collect any additional amounts due by the employee under any other written loan arrangement (such as personal loans made on request of the employee).
- 4. Upon request, MedPro will produce documentation to support any claimed damages.
- 5. Should MedPro determine that a health care professional is in breach of contract and owes MedPro damages, the health care professional will be allowed to pay such damages on a reasonable payment schedule, if the health care professional requests one. Any written demand for payment will advise the health care professional that if he or she is unable to make an immediate payment, he or she should call Corporate Counsel to discuss the possibility of payment plan.
- 6. In connection with any demand, MedPro will advise any health care professional that he or she is free to consult a lawyer and will not penalize any professional who does so.
- 7. MedPro will attempt to settle any disputes in good faith prior to commencing litigation arising out of a purported breach.
- 8. Once a health care professional is or is alleged to be in breach of contract, any and all communications between MedPro and that health care professional will be cleared with Corporate Counsel or his/her designee prior to sending.

F. Compliance

1. MedPro will provide iFAN and any other agencies it uses to communicate with employees and potential employees with the policies set forth in this document, as well as the

- Orientation Rules & Policies and FAQs referenced above. If MedPro learns that any such agencies are in violation of or misrepresents these policies, it will take remedial actions.
- 2. MedPro will provide training to "journey guides" and any other MedPro employees who directly communicate with health care professionals as part of the recruitment or employment process as to the relevant policies referenced in this document, including approved templates and reference guides to ensure consistent and accurate answers to questions posed by health care professionals.
- 3. Should MedPro receive a complaint related to any of the policies identified herein, or otherwise has reason to believe that any of these policies has been violated, Medpro will investigate such complaint within 30 days. If MedPro determines a violation has occurred, it will develop and implement a remedial plan within 60 days.
- 4. MedPro agrees not to retaliate against any employee who reports a violation of any of the policies identified in this document, or who truthfully participates in any investigation of a suspected violation of such policies.
- 5. Within 60 days of the effective date of the parties' settlement agreement, MedPro will establish an internal monitoring process to be conducted by Corporate Counsel to ensure continuous, ongoing compliance with the policies contained in this document by all MedPro employees. Corporate Counsel will identify, document and report on any violation of policies to MedPro leadership, along with recommended remedial action.

EXHIBIT B

For Immediate Release: MONTH DD, 2018

Contact: SSS YYY

As a Result of Lawsuit, Florida Health Staffing Agency MedPro to Modify Employment Practices for Foreign-Educated Health Care Professionals

WASHINGTON, D.C. – As part of a settlement of a Florida state court case between Management Health Systems, a Florida health staffing agency operating as MedPro, and Eden Selispara, a nurse MedPro brought to the United States from the Philippines, MedPro has agreed to modify its recruitment, placement, and compensation practices for nurses and health care professionals it brings to the United States from abroad.

Over the past two decades, American health care facilities increasingly have relied on foreign-educated nurses to fill their staffing needs. More than 5,000 foreign-educated nurses are brought to the United States each year under special visa programs, particularly from the Philippines, India and other Asian countries. Dozens of companies in the United States and abroad recruit nurses internationally, obtain visas for them to immigrate to the United States, and then place them in short-term work assignments at health care facilities in the U.S.

Health care facilities pay the staffing companies for the nurses' services, and the companies pay only a portion of that payment to the nurses as wages, while also providing training and related assistance. While abroad, nurses are recruited with the promise of the "American Dream" and the ability to earn money that they can send back to support their families, and are given contracts to sign committing them to multi-year employment.

Selispara signed a contract with MedPro in 2013 while she was still living abroad. Three years later, she was required to sign a revised contract if she wanted to come to the United States.

Selispara claimed that when she arrived in Sunrise, Fla., in 2017, she was assigned to a three-bedroom apartment with eight other immigrant health care workers, and attended mandatory orientation and training conducted by MedPro. She remained in MedPro-provided housing in Sunrise for two months and was prohibited from obtaining other work or from traveling outside of South Florida. Over those two months, after deductions from payroll taxes, she received \$2,500—which she was told to save because she would need it for relocation costs for her first assignment. In those two months, she did not receive so much as a placement interview, while her savings dwindled and she was unable to provide support to family members back home.

Selispara alleged that when she confronted MedPro staff about her concerns regarding her lack of employment, MedPro employees threatened to report her to U.S. immigration officials for fraud and threatened "financial consequences" if she didn't continue to wait for an assignment, without being paid wages. When Selispara decided to find a job for herself, she alleges that

MedPro demanded an immediate payment of more than \$150,000, and then filed a lawsuit against her for breach of contract when she didn't pay.

Represented by Public Citizen Litigation Group and the firm of Varnell & Warwick, PA, Selispara filed counterclaims under both Florida and federal law in the Broward County Circuit Court. The parties resolved the lawsuit on [DATE], with MedPro agreeing to make improvements to its practices, without any party admitting wrongdoing. MedPro will modify its hiring practices so that nurses and other health care professionals better understand the terms of any contracts they are presented with, that nurses are paid for time spent in mandatory training and orientation, and that lawsuits or reporting to immigration are not used as threats.

EXHIBIT C

For Immediate Release: MONTH, DD, 2018

Contact: Cristy Caserta, Corporate Counsel (954) 332-4472

MedPro Healthcare Staffing Modifies Practices to Improve Experience for Foreign-Educated Healthcare Professionals

SUNRISE, FL—MedPro Healthcare Staffing, a Joint Commission-certified staffing agency that recruits U.S. and foreign-educated healthcare professionals for assignments across its nationwide network of client healthcare facilities, has agreed to modify certain policies and communications to improve the experience for its foreign-educated healthcare professionals.

For decades, America has faced a nursing shortage, a problem that has been increasing in severity. The Bureau of Labor Statistics projects by the year 2024, there will be a deficit of over one million registered nurses—double the number seen in past shortages. This is tied to several factors, including an aging nurse generation, longer life expectancy, and the aging of baby-boomers that make up a disproportionate share of the population. The shortage of healthcare professionals, especially in certain U.S. markets, negatively impacts access to care and the quality of care that patients receive.

To combat the shortage of qualified U.S. healthcare professionals, MedPro Healthcare Staffing has invested millions of dollars to recruit and prepare foreign-trained healthcare professionals to practice in the U.S. This lengthy and costly process includes professional licensure, English testing, education credentialing, U.S. assimilation training, orientation, and securing the necessary immigration work authorization. MedPro employs a team of educational, credentialing, and immigration specialists to improve the success rate for its candidates. MedPro also bears almost all the candidate's out-of-pocket costs associated with the process. The process can take several years and cost tens of thousands of dollars. As part of its commitment, MedPro secures permanent residency for almost all its foreign-trained professionals, permitting them to work in the U.S. for any employer and live the American Dream.

In return for this support and sponsorship, MedPro healthcare professionals agree to remain employed with MedPro for a contracted period of time. During this time each healthcare professional is paid at least the prevailing wage for their specialty plus scheduled raises, and receives a comprehensive benefits package, including group health insurance, company-paid disability and life insurance, 401k, continuing education reimbursement, and paid time off. Once they have completed their contracted employment term, the healthcare professional is free to seek employment elsewhere.

As a result of litigation between MedPro and Ms. Eden Selispara, a former employee, MedPro identified a number of changes it could make to help improve communications, reduce misunderstandings, and clarify expectations for our overseas candidates looking for a better life in the U.S. MedPro understands that immigrating to the U.S. is a major decision for our candidates, and we are committed to making the process as transparent as possible.

"MedPro is always looking for ways to improve the experience for our employees and candidates so we can be the trusted leader in the recruitment and placement of foreign-educated healthcare professionals," says Liz Tonkin, CEO of MedPro Healthcare Staffing. "We understand and acknowledge that Ms. Selispara's experience was not a positive one for her, and we apologize for that." The case between MedPro and Ms. Selispara was settled without any admission of liability on the part of either party.