

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re

MODIVCARE INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-90309 (ARP)

(Jointly Administered)

**STIPULATION AND AGREED ORDER REGARDING
PROPOSED LEAD PLAINTIFF OPT-OUT OF THIRD-PARTY RELEASE
ON BEHALF OF PROPOSED CLASS IN SECURITIES LITIGATION**

ModivCare Inc. and its debtor affiliates in the above-captioned Chapter 11 Cases (as defined below) pending in the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”), as debtors and debtors in possession (collectively, the “**Debtors**”), on the one hand, and Christopher Skrypski, as a proposed lead plaintiff (the “**Proposed Lead Plaintiff**”) in the putative securities class action pending in the United States District Court for the District of Colorado (the “**District Court**”) and captioned as *Kalera v. ModivCare Inc. et al.*, Case No. 25-cv-00306 (the “**Securities Litigation**”), on the other hand, hereby stipulate to the following and agree to the entry of an order of the Bankruptcy Court as set forth below (the “**Agreed Order**”). Each of the Debtors and the Proposed Lead Plaintiff is referred to herein as a “**Party**” and, together, they are referred to as the “**Parties**.”

¹ A complete list of each of the Debtors in these chapter 11 cases (the “**Chapter 11 Cases**”) and the last four digits of each Debtor’s taxpayer identification number (if applicable) may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/ModivCare>. Debtor ModivCare Inc.’s principal place of business and the Debtors’ service address in the Chapter 11 Cases is 6900 E. Layton Avenue, Suite 1100 & 1200, Denver, Colorado 80237.



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RECITALS

A. WHEREAS, on January 29, 2025, a *Complaint* (the “***Complaint***”) [Sec. Lit. Doc. No. 1] was filed by Dinesh Kalera in the Securities Litigation naming as defendants ModivCare Inc. (“***ModivCare***”) and certain of the Debtors’ current and former directors and officers (the “***Non-Debtor Defendants***” and together with ModivCare, the “***Defendants***”);

B. WHEREAS, a lead plaintiff has not yet been appointed to represent the interests of the Proposed Class (as defined below) in the Securities Litigation, as required under the Private Securities Litigation Reform Act, 15 U.S.C. § 78u-4(3) (the “***PSLRA***”);

C. WHEREAS, the Proposed Lead Plaintiff is one of two movants that filed motions in the Securities Litigation to be appointed “Lead Plaintiff” under the PSLRA, which motions are currently pending before the District Court;

D. WHEREAS, the Proposed Class in the Securities Litigation is not currently certified;

E. WHEREAS, on August 20, 2025 (the “***Petition Date***”), the Debtors each commenced a voluntary case (collectively, the “***Chapter 11 Cases***”) under chapter 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “***Bankruptcy Code***”) in the Bankruptcy Court. The Debtors continue to operate their business and manage their properties as debtors in possession under sections 1107(a) and 1108 of the Bankruptcy Code. The Chapter 11 Cases are jointly administered for procedural purposes only pursuant to rule 1015(b) of the Federal Rules of Bankruptcy Procedure and rule 1015-1 of the Bankruptcy Local Rules for the Southern District of Texas;

F. WHEREAS, on September 5, 2025, ModivCare filed a Notice of Suggestion of Bankruptcy stating that ModivCare had filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code, triggering an automatic stay (the “***Automatic Stay***”) of continued judicial proceedings against ModivCare under 11 U.S.C. § 362(a) [Sec. Lit. Doc. No. 41] (the “***Suggestion of Bankruptcy***”);

G. WHEREAS, on September 29, 2025, the Proposed Lead Plaintiff filed in the Bankruptcy Court the *Objection of Proposed Lead Plaintiff to the Disclosure Statement and Solicitation Procedures Related to the Joint Chapter 11 Plan of Reorganization of ModivCare Inc. and its Debtor Affiliates* [Docket No. 382] (the “***Objection***”) on behalf of himself and on behalf of the proposed class in the Securities Litigation (the “***Proposed Class***” and the members thereof, the “***Class Members***”);

H. WHEREAS, on October 1, 2025, the Proposed Lead Plaintiff filed in the Bankruptcy Court the *Motion of Securities Litigation Proposed Lead Plaintiff for Entry of an Order (I) Authorizing Proposed Lead Plaintiff to Opt Out of Third-Party Release on Behalf of the Proposed Class or Confirming Such Authority, or Alternatively, (II) Certifying the Proposed Class for a Limited Purpose* (the “***Motion***”) [Docket No. 409] seeking, on behalf of the Proposed Class, (i) authorization to opt-out of the third-party release (the “***Third-Party Release***”) on behalf of the Proposed Class or, in the alternative, (ii) certification of the Proposed Class pursuant to Bankruptcy Rule 7023 for the sole and limited purpose of permitting the Proposed Lead Plaintiff to opt-out of the Third-Party Release on behalf of the Proposed Class and its members;

I. WHEREAS, on October 6, 2025, following the entry of the Solicitation Procedures Order,² the Debtors filed the solicitation versions of the Plan,³ which contains the Third-Party Release, and the Disclosure Statement.⁴

J. WHEREAS, the Parties have agreed that, subject to the Bankruptcy Court's entry of this Agreed Order and in accordance with the terms of this Agreed Order, the Proposed Lead Plaintiff shall be entitled to, and shall be deemed to, opt-out of the Third-Party Release on behalf of himself and all prospective members of the Proposed Class solely with respect to the claims asserted in the Securities Litigation (the "***Third-Party Release Opt-Out***"), notwithstanding anything to the contrary in the Plan, the Solicitation Procedures Order, and/or any order confirming the currently proposed Plan (the "***Confirmation Order***"); and

K. WHEREAS, subject to the Bankruptcy Court's entry of this Agreed Order, the Proposed Lead Plaintiff agrees to not to object to the Third-Party Release as currently set forth in the Plan.

THE PARTIES AGREE AND IT IS HEREBY ORDERED THAT:

1. Upon entry of this Agreed Order, the Proposed Lead Plaintiff shall be authorized to make, and shall be deemed to have effectuated, the Third-Party Release Opt-Out on behalf of himself and the Proposed Class as of the date of this Agreed Order; *provided, however*, that the Third-Party Release Opt-Out shall not apply to any Consenting Creditors (as defined in the Plan) who shall, as of the Effective Date (as defined in the Plan), be bound by the Third Party Release in accordance with the terms of the Plan; *provided, further*, that such Third-Party Release Opt-Out shall become null and void and the Third-Party Release shall apply in full to the Proposed Lead

² Order (A) Approving Disclosure Statement; (B) Scheduling Confirmation Hearing; (C) Establishing Related Objection and Voting Deadlines; (D) Approving Related Solicitation Procedures, Ballots, and Release Opt-Out Forms and Form and Manner of Notice; (E) Approving Procedures For Assumption of Executory Contracts and Unexpired Leases; (F) Approving Equity Rights Offering Procedures and Related Materials; and (G) Granting Related Relief [Docket No. 457] (the "***Solicitation Procedures Order***").

³ First Amended Joint Chapter 11 Plan of Reorganization of ModivCare Inc. and Its Debtor Affiliates [Docket No. 465] (as may be amended and/or supplemented from time to time, the "***Plan***").

⁴ Disclosure Statement For First Amended Joint Chapter 11 Plan of Reorganization of ModivCare Inc. and Its Debtor Affiliates [Docket No. 466] (as may be amended and/or supplemented from time to time, the "***Disclosure Statement***").

Plaintiff and members of the Proposed Class if the court presiding over the Securities Litigation enters a Final Order⁵ (i) dismissing the Securities Litigation, (ii) declining to certify the Proposed Class in the Securities Litigation under Rule 23 of the Federal Rules of Civil Procedure, or (iii) granting judgment in favor of all Defendants with respect to all claims in the Securities Litigation.

2. Given the Third-Party Release Opt-Out, the Proposed Lead Plaintiff shall not object to the absence of any supplemental service of the Plan and related solicitation documents on the Proposed Class; *provided*, that such service shall continue to be made on counsel to the Proposed Lead Plaintiff.

3. The Proposed Lead Plaintiff hereby agrees not to object to the Third-Party Release as currently set forth in the Plan.

4. Nothing in this Agreed Order shall be deemed: (i) an implication or admission as to the amount of, basis for, or validity of any claim against any of the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (ii) a waiver of any Debtor's or any other party in interest's rights to dispute any claim on any grounds, except that the Debtor or any other party may not assert that the claims of the Proposed Lead Plaintiff and/or of the members of the Proposed Class asserted in the Securities Litigation have been released pursuant to the Third-Party Release under the Plan; (iii) an admission, representation, or waiver respecting the Proposed Lead Plaintiff's or the Proposed Class's likelihood of success in the Securities Litigation at any stage in that action; (iv) an admission as to the validity, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of any Debtor's estate; (v) a waiver of any Debtor's, Proposed Lead Plaintiff's, or any other party in interest's rights under the Bankruptcy Code or any

⁵ “***Final Order***” means an order as to which all rights of appeal, certiorari, re-argument, repleading, reconsideration, and rehearing have been exhausted or waived and the time to seek any such relief has expired.

other applicable law except as specifically set forth in this Agreed Order; (vi) a waiver of any claims or causes of action which may exist against any entity; or (vii) an admission, representation, or waiver with respect to efforts by the Proposed Lead Plaintiff or the Proposed Class to collect any judgment, settlement, or other award of damages, if any, in the Securities Litigation.

5. Nothing in this Agreed Order shall be deemed or construed as an admission by any Party that the claims asserted in the Securities Litigation are direct claims as opposed to derivative or estate claims. The Debtors and all other Parties expressly reserve all rights, arguments, and defenses with respect to the characterization of such claims.

6. As currently set forth in Article 1.A in the Plan, the Proposed Lead Plaintiff and the Proposed Class are not Released Parties (as such term is currently defined in the Plan) under the Plan.

7. Except as set forth in this Agreed Order, all rights, claims, defenses and objections of the Debtors and other parties in interest and their respective successors and assigns are expressly reserved.

8. Except for a claim or request to enforce this Agreed Order, including, but not limited to, the Third-Party Release Opt-Out, nothing in this Agreed Order, or relating to the actions of the Parties in connection with this Agreed Order, shall constitute admissible evidence against, or otherwise be used against, the Parties in the Securities Litigation, or in any other action or proceeding involving some or all of the Parties.

9. Except for the right to enforce this Agreed Order, nothing in this Agreed Order shall create any rights in favor of, or enhance the status of any claim that may be held by, the Proposed Lead Plaintiff or the Proposed Class. In particular, nothing in this Agreed Order shall bind any court to determine, or otherwise support any argument, (i) that the Proposed Lead Plaintiff should

be appointed as the Lead Plaintiff under the PSLRA, or (ii) that the Proposed Class meets any requirement for certification under Federal Rule of Civil Procedure 23 or the PSLRA. The Parties agree that for the purposes of this Agreed Order and the Plan, the Proposed Class shall only be deemed a “Proposed Class” for the limited purpose of the Third-Party Release Opt-Out.

10. Nothing in this Agreed Order shall result in the removal or transfer of the Securities Litigation from the District Court to the Bankruptcy Court or other court of competent jurisdiction; *provided*, that all parties’ rights to request removal, transfer, stay, or dismissal of the Securities Litigation, or object to the same are reserved.

11. This Agreed Order shall constitute the entire agreement and understanding of the Parties relating to the subject matter hereof and supersedes all prior agreements and understandings related to the subject matter hereof.

12. Each of the undersigned counsel who executes this Agreed Order by or on behalf of a Party represents and warrants that he or she has been duly authorized and empowered to execute and deliver this Agreed Order on behalf of such Party.

13. Except as specifically set forth herein, nothing in this Agreed Order shall be construed to alter the terms of the Plan, the corresponding disclosure statement, or the treatment of any claim under the Plan pursuant to section 1129 of the Bankruptcy Code; *provided*, that nothing in the Confirmation Order shall void, invalidate, or alter the terms or effectiveness of this Agreed Order.

14. This Agreed Order shall be binding upon the Parties’ successors, agents, assigns (including bankruptcy trustees and estate representatives), and any parent, subsidiary, or affiliated entity of the Parties.

15. The Parties are hereby authorized to take all actions necessary to effectuate the relief granted in this Agreed Order.

16. Except as otherwise provided herein, this Agreed Order shall not be modified, altered, amended or vacated without the written consent of all Parties or by further order of the Court.

17. Upon the entry of this Agreed Order, the Motion shall be marked off the Court's calendar as "resolved."

18. The Court retains exclusive jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and enforcement of this Agreed Order.

Signed: _____, 2025
Houston, Texas

UNITED STATES BANKRUPTCY JUDGE

AGREED BY:

/s/ Timothy A. ("Tad") Davidson II

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