

## CLASS ACTION SETTLEMENT AGREEMENT

This Class Action Settlement Agreement between Plaintiff JOSE BERMEJO, on behalf of himself and the Settlement Class Members, and Defendant LABORATORY CORPORATION OF AMERICA dba LABCORP (“the Parties”), is entered into for the purposes of resolving *Bermejo v. Laboratory Corporation of America dba Labcorp*, and DOES 1 through 50, pending in the United States District Court, Central District of California, and designated as Case No.: 2:20-cv-05337-DMG-SK, and, subject to the approval of the Court, the Bermejo Class Action is hereby being compromised and settled pursuant to the terms and conditions set forth in this Settlement Agreement (the “Settlement”).

### I. DEFINITIONS

Capitalized terms used in this Settlement shall have the meanings as set forth below:

- A. “Bermejo Class Action” shall mean the lawsuit entitled *Bermejo v. Laboratory Corporation of America dba Labcorp*, and DOES 1 through 50, pending in the United States District Court, Central District of California, and designated as Case No.: 2:20-cv-05337-DMG-SK.
- B. “Settlement Administrator” shall mean Phoenix Class Action Administration Solutions.
- C. “Settlement Administration Costs” shall mean the amount to be paid to the third-party Settlement Administrator to administer the settlement, not to exceed twenty-thousand dollars (\$20,000.00).
- D. “Class Counsel” shall mean Kevin Mahoney, Berkeh Alemzadeh and Laura Theriault of Mahoney Law Group, APC, who is representing Plaintiff and the Class in the Bermejo Class Action.
- E. “Class Counsel Award” shall mean reasonable attorneys’ fees for Class Counsel’s litigation and resolution of the Bermejo Class Action in a maximum amount of eight-hundred thousand dollars (\$800,000.00) or one-third of the Gross Settlement Amount). The Class Counsel Award is subject to the approval of the Court and shall be paid from the Gross Settlement Amount.
- F. “Class Counsel Costs” shall mean expenses incurred by Class Counsel for Class Counsel’s litigation and resolution of the Bermejo Class Action, not to exceed twenty-thousand dollars (\$20,000.00), subject to approval of the Court, and to be paid from the Gross Settlement Amount.
- G. “Class Information” shall mean information regarding Settlement Class Members that Defendant Laboratory Corporation of America dba Labcorp will in good faith compile from its records and provide to the Settlement Administrator. Class Information shall be provided as a Microsoft Excel spreadsheet and shall include: each Settlement Class Member’s full name; last known address; last known home telephone number; social security number; start and end dates of employment during the Class Period, and the total number of days each Settlement Class Member worked for Defendant Laboratory Corporation of America dba Labcorp during the Class Period. Because social security numbers are included in the Class

Information, the Settlement Administrator shall maintain the Class Information in confidence; access shall be limited to those with a need to use the Class Information as part of the administration of the Settlement; and transmission shall be through use of a secure, password-protected file.

- H. “Class Period” shall mean the period from April 20, 2016 through January 8, 2022.
- I. “Class Representative Enhancement Award” shall mean the amount authorized by the Court to be paid to the Class Representative Jose Bermejo, not to exceed ten-thousand dollars (\$10,000.00), for his service in connection with being the Class Representative. The Class Representative Enhancement Award shall be paid from the Gross Settlement Amount. Any portion of the requested Class Representative Enhancement Award that is not awarded to Plaintiff Jose Bermejo shall be part of the Net Settlement Amount.
- J. “Court” shall mean the United States District Court, Central District of California.
- K. “Defendant” shall mean Laboratory Corporation of America dba Labcorp, and all of its current and former parents, owners, subsidiaries, predecessors and successors, and each of their respective officers, directors, partners, shareholders and agents, and any other successors, assigns, or legal representatives.
- L. “Defense Counsel” shall mean Eugene Ryu, Esq. and Carter L. Norfleet, Esq. of K&L Gates LLP.
- M. “Effective Date” shall mean the date that the Gross Settlement Amount is fully funded pursuant to the payment plan as agreed to in this Agreement.
- N. “Employee Taxes” shall mean the employee's share of any and all applicable federal, state, and local payroll taxes on the portion of Participating Class Members' Individual Settlement Payment that constitutes wages. The Employee Taxes will be paid out of the Net Settlement Amount.
- O. “Employer Taxes” shall mean the employer's share of any and all applicable federal, state, and local payroll taxes on the portion of Participating Class Members' Individual Settlement Payment that constitutes wages. The Employer Taxes will be paid separately by the Employer and shall not be paid out of the Gross Settlement Amount.
- P. “Final Approval Hearing” shall mean the hearing held by the Court, pursuant to class action procedures and requirements, on the motion for final approval of the Settlement.
- Q. “Final Approval Date” shall mean the date on which the Court grants final approval of the Settlement.
- R. “Final Judgment” shall mean the Court's entry of an order of judgment in the Bermejo Class Action following the Court's final approval of the Settlement.
- S. “General Released Claims” shall mean, as to the claims of Plaintiff only, without limitation, any and all claims whatsoever Plaintiff may have against Released Parties regarding Plaintiff's employment and/or the termination of employment including, but not limited to, any claims for wages, penalties, bonuses, severance

pay, vacation pay, employment benefits, stock options, violation of any personnel policy, any claims based on discrimination, harassment, unlawful retaliation, violation of public policy, or damages of any kind whatsoever, arising out of any common law torts, contracts, express or implied, any covenant of good faith and fair dealing, any theory of wrongful discharge, any theory of negligence, any theory of retaliation, any legal restriction on any Defendants' right to terminate the employment relationship, or any federal, state, or other governmental statute, executive order, regulation or ordinance, or common law, or any other basis whatsoever, to the fullest extent provided by law. Plaintiff shall be deemed to have, and by operation of the Judgment shall have, expressly waived and relinquished to the fullest extent permitted by law the provisions, rights, and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law that purports to limit the scope of a general release.

- T. "Gross Settlement Amount" shall mean the maximum amount Defendant shall have to pay in connection with this Settlement, by way of a common fund, which shall be inclusive of all Individual Settlement Amounts to Participating Class Members, Class Counsel Award, Class Counsel Costs, Settlement Administrator Costs, Class Representative Enhancement Award, and Employee Taxes. Subject to Court approval and the terms of this Settlement, the Gross Settlement Amount Defendant shall be required to pay is two million, four-hundred-thousand dollars (\$2,400,000.00). No portion of the Gross Settlement Amount will revert to Defendant, and the Settlement does not require Participating Class Members to submit claims as a prerequisite to receiving their Individual Settlement Payment. This settlement sum is based on Defendant's representation that the Class size is approximately four hundred and ninety-seven (497) individuals. Defendant shall not be required to pay more than the Gross Settlement Amount as long as the Class size does not increase by more than ten percent (10%) in which case the Gross Settlement Amount shall increase proportionately, or Defendant shall have the option to cap the Class Period at five-hundred and forty-seven individuals. The Defendant also represented that there were eighty-three thousand two hundred nineteen (83,219) work weeks. Defendant shall also not be required to pay more than the Gross Settlement Amount as long as the work weeks do not increase by more than ten percent (10%), to a total of ninety-one thousand five hundred forty-one (91,541) work weeks, in which case the Gross Settlement Amount shall increase proportionately, or Defendant shall have the option to cap the class period at the date at which the work weeks reach a total of ninety-one thousand five hundred forty-one (91,541). Under no other circumstances shall Defendant be required to pay more than the Gross Settlement Amount except as provided for in this Paragraph.
- U. "Individual Class Settlement Payment" shall mean the amount payable to each Participating Class Member, as calculated pursuant to Paragraph III.I of the Settlement, from the Net Settlement Amount. Checks for Individual Class Settlement Payments will specifically indicate that they are void if not negotiated within one hundred and eighty (180) days of their issuance.

- V. “Net Settlement Amount” means the funds available for payments to the Participating Class Members, which shall be an amount remaining after the following amounts are deducted from the Gross Settlement Amount: (1) Class Representative Enhancement Award, as specified in this Settlement and approved by the Court; (2) Class Counsel Award, as specified in this Settlement and approved by the Court; (3) Class Counsel Costs, as specified in this Settlement and approved by the Court; and (4) Settlement Administration Costs.
- W. “Non-Participating Class Member” shall mean a Class Member who submits a complete, valid and timely request to be excluded from the Class Settlement pursuant to the instructions provided in the Class Notice and/or who has signed a release with Defendant to resolve any claims as alleged in the Bermejo Class Action.
- X. “Notice of Settlement” shall mean the Notice of Proposed Class Action Settlement (substantially in the form attached hereto as **Exhibit A**).
- Y. “Notice Packet” shall mean the Notice of Proposed Class Action Settlement, Notice of Estimated Individual Settlement Payment, and the Request for Exclusion.
- Z. “Participating Class Members” shall mean all Settlement Class Members who do not submit a valid and timely Request for Exclusion from the Class Settlement.
- AA. “Parties” shall mean Plaintiff and Defendant collectively, and “Party” shall mean any Plaintiff or any Defendant, individually.
- BB. “Plaintiff” shall mean Jose Bermejo.
- CC. “Preliminary Approval Date” shall mean the date the Court enters the Preliminary Approval Order for the Settlement.
- DD. “Preliminary Approval Order” shall mean the Proposed Order (filed concurrently with this Settlement) for Preliminary Approval of the Settlement, as amended by the Court.
- EE. “Released Class Claims” All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action, including claims for unpaid wages including minimum wage payments, failure to pay wages during employment, failure to pay overtime, failure to pay wages upon termination, failure to keep accurate payroll records, failure to indemnify for expenditures, meal and rest break violations, wage statement violations and penalties, waiting time penalties, reimbursement, restitution and other equitable relief, disgorgement, conversion, unjust enrichment, civil and statutory penalties, interests, liquidated damages, punitive damages, attorneys' fees and costs, claims under California Labor Code sections 201–203, 204, 226, 226.7, 510, 512, 1174, 1175, 1194, 1197, 1198, and 2802,

Industrial Welfare Commission Wage Order No. 4, claims under California Business & Professions Code sections 17200–17204, and any other benefit claims on account of the allegations asserted in the Bermejo Class Action. This release shall apply to all claims arising at any point between April 20, 2016 through date of preliminary approval. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

- FF. “Released Parties” shall mean Laboratory Corporation of America Holdings, Laboratory Corporation of America dba Labcorp, and all of their current, former, and future parent and subsidiary companies, as well as all of their current, future and former agents, officers, directors, partners, shareholders, agents, and any other successors, assigns, as well as any other individual or entity which could be jointly liable with any of the aforementioned.
- GG. “Request for Exclusion” shall mean a Settlement Class Member's completed Request for Exclusion form to opt out of the Settlement postmarked on or before the Response Deadline in the form substantially similar to that attached hereto as **Exhibit B**. Settlement Class Members to whom Notice Packets are resent after having been returned undeliverable to the Settlement Administrator shall have an additional fourteen (14) days from the date of re-mailing or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion.
- HH. “Response Deadline” shall mean the date forty-five (45) days after the Settlement Administrator mails Notice Packets to Settlement Class Members, and shall be the last date on which Settlement Class Members may: (1) postmark Requests for Exclusion from the Settlement, or (2) postmark Objections to the Settlement. Settlement Class Members to whom Notice Packets are resent after having been returned undeliverable to the Settlement Administrator shall have an additional fourteen (14) calendar days from the date of re-mailing or until the Response Deadline has expired, whichever is later, to submit an Objection to the Settlement or submit a Request for Exclusion.
- II. “Settlement” shall mean the terms of this Settlement Agreement.
- JJ. “Settlement Class Member(s)” or “Settlement Class” means all non-exempt employees, currently and formerly employed by Defendant Laboratory Corporation of America dba Labcorp in the position of Service Representative. in the State of California during the period of April 20, 2016 through January 8, 2022.

## II. RECITALS

- A. **Class Certification.** The Parties stipulate and agree to the certification of this Action for purposes of this Settlement only. Should the Settlement not become final and effective, class certification shall immediately be set aside (subject to further proceedings on motion of any party to certify or deny certification thereafter), the Settlement shall be deemed null and void, and will be of no force

or effect whatsoever, and will not be referred to or utilized for any purpose whatsoever. The Parties' willingness to stipulate to class certification as part of the Settlement shall have no bearing on, and shall not be admissible in or considered in connection with, the issue of whether a class should be certified in a non-settlement context in this Action, and shall have no bearing on and shall not be admissible or considered in connection with the issue of whether a class should be certified in any other lawsuit.

- B. **Procedural History.** On April 20, 2020, Plaintiff, a former employee of Defendant, filed the Bermejo Class Action in the Superior Court of California for the County of Los Angeles as a proposed class action on behalf of all current and former non-exempt California employees of Defendant during the period of April 20, 2016 through the date of final judgment. Plaintiff alleged that Defendant: (1) failed to pay all wages; (2) failed to keep accurate payroll records; (3) failed to pay wages upon ending employment; and (4) engaged in unfair business practices. On June 3, 2020, Plaintiff filed a First Amended Complaint adding causes of action alleging that Defendant: (5) failed to provide meal periods; (6) failed to provide rest periods; and (7) failed to indemnify for necessary business expenditures. Plaintiff sought recovery under the California Labor Code, the applicable Industrial Welfare Commission Wage Order, and the California Business & Professions Code. On June 15, 2020, Defendant removed this action to the United States Central District Court. Plaintiff filed a Motion for Remand on July 15, 2020, and said motion was denied on November 2, 2020. On July 22, 2020 Defendant filed an Answer to Plaintiff's First Amended Complaint in which it denied Plaintiff's allegations and asserted twenty-eight (28) affirmative defenses.
- C. **Settlement Negotiations.** On February 24, 2022, the Parties participated in a private mediation session with Hon. Carl West (Ret.), a well respected and experienced mediator in the field of wage and hour class actions. Prior to the mediation, Class Counsel conducted extensive informal discovery and investigation during the prosecution of the Bermejo Class Action. The informal discovery and investigation included, among other things: (1) inspection and analysis of employee documents and data, including personnel files, time and payroll records, employment policies and procedures, and other relevant documents; (2) evaluation of legal positions taken by Defendant; (3) evaluation of potential class-wide damages; and (4) review and research of applicable law with respect to the claims and potential defenses brought by Defendant. Class Counsel has vigorously prosecuted this Class Action, and Defendant has vigorously defended it. The Parties have engaged in sufficient discovery and investigation to assess the relative merits of the claims and contentions of the Parties. Based on this information and the settlement discussions conducted at arm's length during the mediation on February 24, 2022, the Parties came to an agreement to settle the Bermejo Class Action. The settlement is the result of an informed and detailed evaluation of the potential liability of total exposure in relation to the costs and risks associated with continued litigation of the Bermejo Class Action.
- D. **Benefits of Settlement to Settlement Class Members.** Plaintiff and Class Counsel recognize the length of continued proceedings necessary to litigate their

disputes through certification, trial, and any possible appeal. Plaintiff and Class Counsel have also taken into account the uncertainty and risk of the outcome of further litigation, the difficulties and delays inherent in such litigation, including, but not limited to, the risks related to a contested motion for class certification, and the risks related to liability raised by the issues in this case. Plaintiff and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Bermejo Class Action and the difficulties in establishing damages for the Settlement Class Members. Plaintiff and Class Counsel have also taken into account Defendant's agreement to enter into a settlement that confers substantial relief upon Settlement Class Members. Based on the foregoing, Plaintiff and Class Counsel have determined that this Settlement is fair, adequate, and reasonable, and is in the best interest of the Settlement Class Members.

E. **Defendant's Denial of Wrongdoing and Liability and Reasons for Settlement.**

Defendant contends that the Settlement Class Members were properly and timely paid all wages owed, including, but not limited to, all regular time and overtime wages, were properly reimbursed, and were provided meal and rest periods as required under California law. However, Defendant has concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of Defendant's time, energy and resources have been expended and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiff and Settlement Class Members. Defendant has also taken into account the risks of further litigation in reaching their decision to enter into this Settlement. Nonetheless, Defendant has concluded that further proceedings in the Bermejo Class Action would be protracted and expensive and that it is desirable that the Bermejo Class Action be fully and finally settled, in the manner and upon the terms and conditions set forth in this Settlement, in order to dispose of burdensome and protracted litigation and to permit the operation of Defendant's business without further expensive litigation and the distraction and diversion of its personnel with respect to matters at issue in Bermejo Class Action. Defendant has also taken into account the uncertainty and risks inherent in any litigation, especially in complex cases such as this Action. Defendant has therefore determined that it is desirable and beneficial to them that the Bermejo Class Action be settled in the manner and upon the terms and conditions set forth in this Settlement.

F. **No Admissions.** The Parties understand and agree that this Settlement is the result of a good faith compromise of disputed claims and allegations, and Defendant is entering into this Settlement Agreement solely to resolve doubtful and disputed matters. No part of this Settlement Agreement or any conduct or written or oral statements made in connection with this Settlement, whether or not the Settlement Agreement is finally approved and/or consummated, may be offered as, or construed to be, an admission or concession of any kind by either of the Parties. In particular, but without limiting the generality of the foregoing, nothing about this Settlement or Settlement Agreement shall be offered or construed as an admission that Defendant has violated any of their obligations under the California Labor Code, or of liability in general, or any wrongdoing, impropriety, responsibility, or fault whatsoever on the part of Defendant and/or Released

Parties. In addition, this Settlement Agreement shall not be offered or admissible as evidence against any of the Parties or any of the Released Parties, except in any action or proceeding brought by or against Plaintiff, the Class, Class Members, or Defendant to enforce its terms, or by Defendant in defense of any claims brought by Plaintiff, the Class, or Class Members. The provision of this paragraph shall become effective when this Settlement is signed and shall be binding on the Parties and their counsel regardless of whether the Settlement Agreement is preliminarily and/or finally approved or terminated for any reason or rendered null and void.

- G. **Settlement Class Members' Claims.** Plaintiff claims that the Released Claims have merit and give rise to liability on the part of Defendant. This Settlement is a compromise of disputed claims. Nothing contained in this Settlement and no documents referred to herein, nor any action taken to carry out this Settlement may be construed or used as an admission by or against the Settlement Class Members or Class Counsel as to the merits or lack thereof of the claims asserted.
- H. **Defendant's Defenses.** Defendant has denied and continues to deny each and all of the allegations, claims, and contentions alleged by Plaintiff in the Bermejo Class Action. Defendant has expressly denied and continues to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged in the Bermejo Class Action. Defendant contends that it complied in good faith with California and federal wage-and-hour laws and has dealt legally and fairly with Plaintiff and Settlement Class Members. Defendant further denies that, for any purpose other than settling the Bermejo Class Action, these claims are appropriate for class treatment.
- I. **Gross Amount Payable by Defendant.** Under the terms of this Settlement, the gross amount payable by Defendant shall not exceed the Gross Settlement Amount of two-million, four-hundred-thousand dollars (\$2,400,000.00) as provided by this Agreement, exclusive of the normal employer's share of any payroll taxes attributable to the Settlement Share payments allocated to wages. Defendant shall pay the employer's share of taxes separate and apart from the Gross Settlement Amount.

### III. **TERMS OF SETTLEMENT**

The Parties agree as follows:

- A. **Binding Settlement.** This Settlement shall bind the Parties and all Participating Class Members, subject to the terms and conditions hereof and the Court's approval.
- B. **Release as to Plaintiff and All Settlement Class Members.**
  - a. **Release as to All Settlement Class Members.** As of the Effective Date, all Settlement Class Members, including Plaintiff, who do not opt out of the Settlement, will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties from the Released Class Claims for the period of April 20, 2016 to January



8, 2022. Settlement Class Members, including Plaintiff, who do not opt out of the Settlement will be deemed to have released any further attempt, by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind by each and all of the Settlement Class Members (including participation to any extent in any class or collective action), to obtain recovery against the Defendant that is encompassed in the Released Class Claims during the Class Period for harms arising during the Class Period.

b. **Release as to Plaintiff.** In exchange for accepting and receiving an approved Class Representative Enhancement Award pursuant to paragraph III.L below, Plaintiff will release his General Released Claims and shall execute a General Release in the form attached hereto as Exhibit C. Plaintiff must sign and deliver to Defendant this General Release within seven (7) days of the Final Approval Date, and must not revoke said General Release.

C. **Tax Liability.** The Parties understand and agree that the Parties are not providing tax or legal advice. Participating Class Members will remain responsible for any Employee Taxes. Participating Class Members will assume any employee tax obligations or consequences that may arise from this Settlement and should consult with a tax expert if they have questions. However, Individual Settlement Payments will be allocated as follows: thirty percent (30%) as wages for which a W-2 will be issued, and seventy percent (70%) as interest and penalties for which a 1099 will be issued. Any required payroll deductions will be based on this apportionment. The Parties agree that, in the event that any taxing body determines that additional employee taxes are due from any Participating Class Member, such Participating Class Member assumes all responsibility for the payment of such taxes.

D. **Circular 230 Disclaimer.** The Parties acknowledge and agree that: (1) no provision of this Settlement, and no written communication or disclosure between or among the Parties, Class Counsel or Defense Counsel and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Settlement, (b) has not entered into this Settlement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement.

E. **Settlement Approval and Implementation Procedures.** As part of this Settlement, the Parties agree to the following procedures for obtaining the Court's

Preliminary Approval of the Settlement, certifying the Settlement Class, notifying Settlement Class Members of the Settlement, obtaining the Court's final approval of the Settlement, and processing the Individual Settlement Payments.

1. **Preliminary Approval and Certification.** As soon as practicable after execution of this Settlement, but no later than thirty (30) days, the Parties will jointly submit this Settlement to the Court for its Preliminary Approval. Such submission will include this Settlement, the proposed Notice Packet, the proposed Preliminary Approval Order, and any memoranda and evidence as may be necessary for the Court to determine that this Settlement is fair, adequate, and reasonable. The Parties agree to request that the Court enter an order conditionally certifying the Settlement Class after the Preliminary Approval hearing.
2. **Class Information.** No more than twenty-one (21) calendar days after the entry of the Preliminary Approval Order, Defendant shall provide the Settlement Administrator with the Class Information for purposes of mailing Notice Packets to Settlement Class Members, including: 1. Class Member's full name; 2. Class Member's last known address; 3. The last four digits of Class Member's social security number; 4. Class Member's employee identification number; and, based on Defendant's payroll records, 5. the Class Member's total number of workweeks during the Class Period. The Settlement Administrator shall use commercially reasonable efforts to secure the data provided by Defendant at all times so as to avoid inadvertent or unauthorized disclosure or use of such data other than as permitted by the Settlement. The Settlement Administrator shall ensure that the Class Notice and any other communications to Class Members shall not include the Class Members' social security number, except for the last four digits, if necessary.
3. **Notice by First Class U.S. Mail.** Upon receipt of the Class Information, the Settlement Administrator will perform a search on the National Change of Address database to update the Settlement Class Members' addresses. No more than fourteen (14) calendar days after receiving the Class Information from Defendant, as provided herein, the Settlement Administrator shall mail copies of the Notice Packet to all Settlement Class Members by regular First-Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Settlement Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class Member. The Settlement Administrator shall conduct a search on the National Change of Address database to update the Settlement Class Members' addresses immediately before mailing the Settlement checks to Class Members.
4. **Undeliverable Notices.** Any Notice Packets returned to the Settlement Administrator as undeliverable on or before the forty-five (45) day Response Deadline shall be re-mailed to the forwarding address affixed thereto. Settlement Class Members whose Notice Packets have been re-

mailed shall have an additional fourteen (14) calendar days from the re-mailing or until the Response Deadline has expired, whichever is later, to mail the Request for Exclusion or a Notice of Objection.

5. For each Settlement Class Member whose Notice Packet is returned, the Settlement Administrator will perform one (1) skip trace. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class Member. One (1) supplemental Notice Packet shall be mailed to each Settlement Class Member whose original Notice Packet is returned as undeliverable to the Settlement Administrator. Such re-mailing shall be made within five (5) business days of the Settlement Administrator receiving notice that the respective Notice Packet was undeliverable. Any requests by the Settlement Administrator for documents or information from Defendant must be responded to within a reasonable amount of time by Defense Counsel. It is the intent of the Parties that reasonable means be used to locate the Settlement Class Members and apprise them of their rights.
6. Settlement Class Members to whom Notice Packets are resent after having been returned undeliverable to the Settlement Administrator shall have an additional fourteen (14) calendar days from the date of re-mailing or until the Response Deadline has expired, whichever is later, to mail a Request for Exclusion or a Notice of Objection. Notice Packets that are resent shall inform the recipient of this adjusted deadline. The date of the postmark on the return envelope shall be the exclusive means used to determine whether a Settlement Class Member has returned his or her Request for Exclusion on or before the adjusted deadline. If a Settlement Class Member's Notice Packet is returned to the Settlement Administrator more than once as undeliverable, then an additional Notice Packet shall not be re-mailed.
7. Compliance with the procedures specified in paragraphs III.E.3-7 of this Settlement shall constitute due and sufficient notice to Settlement Class Members of this Settlement and shall satisfy the requirement of due process. In the event the procedures set forth herein are followed and the intended recipient of a Notice Packet still does not receive the Notice Packet, the intended recipient will be a participating Class Member and will be bound by all terms of the Settlement and the Order Granting Final Approval entered by the Court. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defense Counsel to provide notice of the proposed Settlement.
8. **Disputes.** Settlement Class Members will have the opportunity during the forty-five (45) day response period, should they disagree with Defendant's records regarding their days worked during the Class Period, to provide documentation and/or an explanation to show contrary days worked. A space will be provided on the Notice of Settlement Payment for Class Members to raise such disputes. For a Class Member's dispute to be considered, the Class Member must fully complete the Dispute form included in the Notice, any documentation supporting the dispute, and

timely return it to the Settlement Administrator. Class Members will have forty-five (45) days after the date the Notice Packet is mailed by the Settlement Administrator to mail in a dispute, including any supporting evidence the Class Member may have. In the event of a notice being re-mailed, the recipient will have until fourteen (14) days after the re-mailing or the Response Deadline, whichever is later to submit a Dispute, including documentation and/or an explanation to show contrary days worked. The date of the postmark of the return mailing envelope shall be the exclusive means used to determine whether a dispute has been timely submitted to the Settlement Administrator. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Settlement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment shall be binding upon the Settlement Class Member and the Parties.

9. **Exclusions (Opt-Outs).** The Notice Packet shall state that Settlement Class Members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion: (1) must contain their name and address; (2) must be signed by the Settlement Class Member or an authorized representative; and (3) must be postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address. If the Request for Exclusion does not contain the information listed in (1)–(3), it will not be deemed valid for exclusion from this Settlement. If a Settlement Class Member's Notice Packet is returned to the Settlement Administrator more than once as undeliverable, then an additional Notice Packet shall not be re-mailed. Settlement Class Members whose Notice Packets have been re-mailed shall have an additional fourteen (14) calendar days from the re-mailing or until the Response Deadline has expired, whichever is later, to submit a valid Request for Exclusion. The date of the postmark on the return-mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class Member who requests to be excluded from the Settlement will not be entitled to any recovery of the Class allocation under the Settlement and will not be bound by the terms of the Settlement. Settlement Class Members who receive a Notice Packet, but fail to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any Final Judgment entered in this Action if the Settlement is approved by the Court. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage members of the Settlement Class to submit Requests for Exclusion from the Settlement. Class Counsel shall not represent any Settlement Class Member with respect to any such Requests for Exclusion. Settlement Class

Members who submit a valid Request for Exclusion may not also submit a Notice of Objection.

10. **Objections.** The Notice Packet shall state that Settlement Class Members who wish to remain Class Members, but desire to object to the Settlement must not submit a Request for Exclusion and must submit a written statement of objection ("Notice of Objection") by the Response Deadline to the Settlement Administrator. The Notice of Objection must be signed by the Settlement Class Member or an authorized representative and state: (1) the full name of the Settlement Class Member; (2) if possible, the dates of employment of the Settlement Class Member; and (3) whether the Settlement Class Member intends to appear at the Final Approval Hearing. The Notice of Objection must be postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address. Settlement Class Members whose Notice Packets have been re-mailed shall have an additional fourteen (14) calendar days from the re-mailing or until the Response Deadline has expired, whichever is later, to submit a Notice of Objection. Within five (5) days of receiving a notice of objection from a Settlement Class Member, the Settlement Administrator shall forward the notice of objection to Class Counsel and Defense Counsel. The Parties will thereafter lodge the Settlement Class Member's Notice of Objection with the Court. Written objections will be lodged with the Court even if the objector does not state their intent to appear at the Final Approval Hearing. Settlement Class Members, regardless of whether or not they submit a timely Notice of Objection, will have a right to appear at the Final Approval Hearing, with or without an attorney, in order to have their objections heard by the Court. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to file or serve written objections to the Settlement or appeal from the Final Judgment. Class Counsel shall not represent any Settlement Class Members with respect to any such objections. If an objector submits an objection without stating whether the Class Member intends to appear at the hearing, the Parties will file the Objection so that the Court may consider the Objection.
  11. **Plaintiffs' Participation.** By executing this Settlement, Plaintiff hereby stipulates he will not object to or exclude himself from the Settlement in anyway.
  12. **No Solicitation of Settlement Objections or Exclusions.** The Parties and their counsel agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to submit either Notice of Objections to the Settlement or Requests for Exclusion from the Settlement, or to appeal from the Court's Final Judgment.
- F. **Funding of the Gross Settlement.** This is a non-reversionary Settlement in which Defendant is required to pay the entire Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant. Defendant shall fully fund

the Settlement within twenty-one (21) days after the Final Approval Date. No payments from the Gross Settlement Amount shall be made before the Gross Settlement Amount is fully funded.

- G. No more than ten (10) business days after the Gross Settlement Amount is fully funded, the Settlement Administrator will provide the Parties with an accounting of all anticipated payments from the Gross Settlement Amount. The Net Settlement Amount shall be calculated by deducting from the Gross Settlement Amount payments for (1) Class Representative Enhancement Award, as specified in this Settlement and approved by the Court; (2) Class Counsel Award, as specified in this Settlement and approved by the Court; (3) Class Counsel Costs, as specified in this Settlement and approved by the Court; and (4) Settlement Administration Costs, as specified in this Settlement and approved by the Court. The Net Settlement Amount shall be distributed in Individual Settlement Payments.
- H. **Individual Settlement Payments.** Each Participating Class Member shall be eligible to receive an Individual Class Settlement Payment which is a share of the Net Settlement Amount, based on the number of weeks worked by the Participating Class Member during the Class Period, as a proportion of all weeks worked by all Participating Class Members during the Class Period. Individual Settlement Payments shall be paid pursuant to the formula set forth below. Individual Settlement Payments shall be mailed by regular First-Class U.S. Mail to Participating Class Members' last known mailing address no later than fifteen (15) calendar days after the Gross Settlement Amount is fully funded. Individual Settlement Payments will specifically indicate that they are void if not negotiated within one-hundred and eighty (180) days of their issuance. Individual Settlement Payments reflect settlement of a dispute regarding wages, interest, and penalties. Individual Settlement Payments will be allocated as follows: thirty percent (30%) as wages; and seventy percent (70%) as interest and penalties. The "wage" portion of each Individual Settlement Payment will be reduced by Employee Taxes. The Settlement Administrator shall issue the appropriate tax documents associated with the Individual Settlement Payments, including an IRS Form W-2 for the amounts allocated as "wages" and an IRS Form 1099 for the amounts allocated as "interest" or "penalties."
- I. **Individual Settlement Payment Formula.** After deducting the Class Counsel Award, Class Counsel Costs, Class Representative Enhancement Award, and Settlement Administration Costs, the remaining funds (the "Net Settlement Amount"), will be distributed as follows: To figure out the "Individual Class Settlement Payment" Formula, the Settlement Administrator shall divide the Net Settlement Amount by the total number of workweeks Participating Class Members worked during the Class Period in order to determine the amount each Participating Class Member is entitled to for each workweek he or she was employed by Defendant (the "Weekly Amount") during the Class Period. The Settlement Administrator will multiply the Weekly Amount by the estimated total number of workweeks that each Participating Class Member worked during the Class Period. The product of each calculation represents the gross Individual Class

Settlement Payment for the respective Participating Class Member. The Settlement Administrator will then deduct Employee Taxes attributable to wages to arrive at the net Individual Settlement Payment for each respective Class Member.

- J. Settlement Class Members are not eligible to receive any compensation other than the Individual Settlement Payment, and they may only receive an Individual Class Settlement Payment if they do not submit a valid and timely Request for Exclusion to opt out of the Settlement. Plaintiff, however, is also eligible to receive a Class Representative Enhancement Award.
- K. If a check for an Individual Settlement Payment is returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace search. If another address is identified, the Settlement Administrator shall mail the check to the newly identified address. If an Individual Settlement Payment check is returned to the Settlement Administrator a second time as undeliverable, the Settlement Administrator shall not attempt any further re-mailing of that check. Any settlement checks that remain uncashed one-hundred and eighty (180) or more calendar days after issuance shall be voided. The Settlement Administrator shall forward all voided settlement checks to the California State Controller's Office's Unclaimed Property Division in the name of the Class Member. In such event, the Participating Class Member shall nevertheless remain bound by the Settlement. The Parties agree that good cause exists for the Court to approve this distribution to the California State Controller's Office's Unclaimed Property Division pursuant to Code Civil Procedure §384.
- L. **Class Representative Enhancement Award.** Defendant agrees not to oppose or object to any application or motion by Plaintiff for a Class Representative Enhancement Award, not to exceed ten-thousand dollars (\$10,000.00) for Plaintiff Jose Bermejo, as consideration for Plaintiff's time and effort in bringing and prosecuting this matter. The Class Representative Enhancement Award shall be paid to Plaintiff from the Gross Settlement Amount no later than fifteen (15) calendar days after the Gross Settlement Amount is fully funded. The Settlement Administrator shall issue an IRS Form 1099 - MISC to Plaintiff for his Class Representative Enhancement Award. Plaintiff shall be solely and legally responsible for payment of all applicable taxes on their Class Representative Enhancement Award and shall hold Defendant harmless from any claim or liability for employee taxes, penalties, or interest arising as a result of the Class Representative Enhancement Award. The Class Representative Enhancement Award shall be in addition to Plaintiff's Individual Settlement Payment as a Participating Class Member. In the event that the Court awards a lesser amount than the Class Representative Enhancement Award requested, any portion of the requested amount not awarded to Plaintiff shall be added to the Net Settlement Amount. Plaintiff shall not have the right to revoke their agreement to the Settlement on the grounds the Court did not approve any or all of his request for a Class Representative Enhancement Award.

- M. **Class Counsel Award and Costs.** Defendant agrees not to oppose or object to any application or motion by Class Counsel for a Class Counsel Award not to exceed eight-hundred-thousand dollars (\$800,000.00) and Class Counsel Costs not to exceed Twenty Thousand Dollars (\$20,000.00) from the Gross Settlement Amount. The Class Counsel Award and Class Counsel Costs shall be paid no later than fifteen (15) calendar days after the Gross Settlement Amount is fully funded. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payments made pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form 1099 - MISC to Class Counsel for the payments made pursuant to this paragraph. This Settlement is not contingent upon the Court awarding Class Counsel any particular amount in attorneys' fees and costs. Any amount requested by Class Counsel for the Class Counsel Award and Class Counsel Costs not granted by the Court shall be part of the Net Settlement Amount.
- N. **Defendant's Option to Terminate Settlement.** If, after the Response Deadline and before the Final Approval Hearing, ten percent (10%) or more of the number of Settlement Class Members submit timely and valid Requests for Exclusion from the Settlement, Defendant shall have, in its sole discretion, the option to terminate this Settlement. Defendant shall exercise its option to terminate, if it wishes, prior to the Final Approval Hearing. If Defendant decides to void the Settlement, then the Settlement and conditional class certification shall be considered void, and neither the Settlement, conditional class certification, nor any of the related negotiations or proceedings, shall be of any force or effect, and the Parties shall stand in the same position, without prejudice, as if this Settlement had been neither entered into nor filed with the Court. Should Defendant void the Settlement under this paragraph, it shall be responsible for all Settlement Administration Costs.
- O. **Settlement Administration Costs.** The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Gross Settlement Amount. Such costs of administration are not to exceed Twenty-Thousand Dollars (\$20,000.00), unless the court approves a higher amount. No fewer than twenty (20) days prior to the Final Approval Hearing, the Settlement Administrator shall provide the Parties with a statement detailing the costs of administration. The Settlement Administrator, on Defendant's behalf, shall have the authority and obligation to make payments, credits and disbursements, including payments and credits in the manner set forth in this Settlement, to Participating Class Members, calculated in accordance with the methodology set out in this Settlement and orders of the Court. The Parties agree to cooperate in the administration of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement. The Parties each represent they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest. The Settlement Administrator shall be responsible for: processing and mailing all court-approved payments to the Plaintiff, Class Counsel, and Participating Class Members; printing and mailing the Notice Packets to the Settlement Class Members as called for in this Settlement and ordered by the Court; receiving and reporting Notices of Objection and Requests for Exclusion submitted by Settlement Class Members; providing declaration(s)



as necessary in support of preliminary and/or final approval of this Settlement; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities. Any legally mandated tax reports, tax forms, tax filings, or other tax documents required by administration of this Settlement shall be prepared by the Settlement Administrator. Any expenses incurred in connection with such preparation shall be Settlement Administration Costs. The Settlement Administrator shall be paid the Settlement Administration Costs from the Gross Settlement Amount no later than fifteen (15) calendar days after the Gross Settlement Amount is fully funded.

- P. **Final Approval Hearing.** At a reasonable time following the Response Deadline, the Court shall hold the Final Approval Hearing, where objections, if any, may be heard, and the Court shall determine amounts properly payable for (1) the Class Counsel Award, (2) the Class Counsel Costs, (3) the Class Representative Enhancement Awards, and (4) the Settlement Administration Costs.
- Q. **Entry of Final Judgment.** If the Court approves this Settlement at the Final Approval Hearing, the Parties shall request that the Court enter the Final Judgment after the Gross Settlement Amount has been fully funded, with the Court retaining jurisdiction over the Parties to enforce the terms of the Final Judgment. If the Court grants final approval of the Settlement, notice of Final Approval shall be posted on the Settlement Administrator's website, at [www.phoenixclassaction.com](http://www.phoenixclassaction.com).
- R. **Nullification of Settlement.** In the event: (1) the Court does not enter the Preliminary Approval Order as specified herein; (2) the Court does not grant Final Approval of the Settlement as provided herein; (3) the Court does not enter a Final Judgment as provided herein; or (4) the Settlement does not become final for any other reason; this Settlement shall be null and void and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. In such a case, the Parties and any funds to be awarded under this Settlement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement, and the Parties shall proceed in all respects as if this Settlement had not been executed, except that any costs and fees already incurred by the Settlement Administrator shall be paid jointly by the Parties. In the event an appeal is filed from the Court's Final Judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review, and any other payments required hereunder by Defendant will not be paid pending the completion and final resolution of the appeal, and any payment thereafter will: (1) occur only if the Order Granting Final Approval is upheld after all appeals; and (2) be in a manner that is provided for in the Settlement and in the Order Granting Final Approval.
- S. **No Admission by the Parties.** Defendant denies any and all claims alleged in this Action and denies all wrongdoing whatsoever. This Settlement is not a concession or admission, and shall not be used against Defendant as an admission or indication, with respect to any claim, of any fault, concession, or omission by

Defendant. Neither this Settlement, nor any of its terms and conditions, nor any of the negotiations connected with it, is a concession or admission, and none shall be used against Defendant as an admission or indication with respect to any claim of any fault, concession, or omission by Defendant or that class certification is proper under the standard applied to contested certification motions. The Parties stipulate and agree to the certification of the proposed class for settlement purposes only. The Parties further agree that this Settlement will not be admissible in this or any other proceeding as evidence that either: (1) a class action should be certified or (2) Defendant is liable to Plaintiff or any Class Member, other than according to the terms of this Settlement.

T. **Dispute Resolution.** Except as otherwise set forth herein, all disputes concerning the interpretation, calculation or payment of settlement claims, or other disputes regarding compliance with this Settlement shall be resolved as follows:

1. If Plaintiff or Class Counsel, on behalf of Plaintiff or any Settlement Class Members, or Defendant, at any time believe that the other Party or Parties have breached or acted contrary to the Settlement, that Party shall notify the other Party or Parties in writing of the alleged violation. Upon receiving notice of the alleged violation or dispute, the responding Party shall have ten (10) days to correct the alleged violation and/or respond to the initiating Party with the reasons why the Party disputes all or part of the allegation.
2. If the response does not address the alleged violation to the initiating Party's satisfaction, the Parties shall negotiate in good faith for up to ten (10) days to resolve their differences.
3. Thereafter, if the Parties still cannot resolve the dispute, the Parties shall utilize the services of Hon. Carl West (Ret.) (Mediator) in a good-faith attempt to mediate and resolve the dispute.
4. If the Parties are unable to resolve their differences after twenty (20) days, either Party may file an appropriate motion for enforcement with the Court. The prevailing party shall be entitled to recover attorney fees and costs as a result of having to enforce this Agreement.

U. **General Provisions.**

1. **Exhibits and Headings.** Any Exhibits to this Settlement are an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Settlement are inserted for convenience of reference only and do not constitute a part of this Settlement.
2. **Interim Stay of Proceedings.** The Parties agree to stay all proceedings in the Bermejo Class Action and thereafter implement and complete the Settlement.
3. **Amendment or Modification.** This Settlement may be amended or modified only by a written instrument signed by all the Parties and counsel for all Parties or their successors-in-interest.

4. **Entire Settlement.** This Settlement and any attached Exhibits constitute the entire agreement among these Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Settlement or its exhibits, other than the representations, warranties, and covenants contained and memorialized in the Settlement and its exhibits. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.
5. **Authorization to Enter into Settlement.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The person signing this Settlement on behalf of Defendant represents and warrants that he or she is authorized to sign this Settlement on behalf of Defendant. Plaintiff Jose Bermejo represents and warrants that he is authorized to sign this Settlement and that he has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.
6. **Binding on Successors and Assigns.** This Settlement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.
7. **No Prior Assignments.** The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.
8. **California Law Governs.** All terms of this Settlement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California.
9. **This Settlement is Fair, Adequate, and Reasonable.** The Parties believe this Settlement is a fair, adequate, and reasonable settlement of the Bermejo Class Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.
10. **Jurisdiction of the Court.** The Parties agree that the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto

submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing this Settlement and all orders and judgments entered in connection therewith.

11. **Invalidity of Any Provision.** Before declaring any provision of this Settlement invalid, the Court shall first attempt to construe the provision to be valid to the fullest extent possible, consistent with applicable precedents.
12. **Cooperation.** The Parties agree to cooperate fully with one another to accomplish and implement the terms of this Settlement. Such cooperation shall include, but not be limited to, execution of such other documents and the taking of such other action as may be reasonably necessary to fulfill the terms of this Settlement. The Parties to this Settlement shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by Court order, or otherwise, to effectuate this Settlement and its terms.
13. **Publicity.** Plaintiff and Class Counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the Bermejo Class Action and/or the fact, amount, or terms of the Settlement. Before the date of the filing of the motion for Preliminary Approval of the Settlement, Plaintiff and Class Counsel will not initiate any contact with Settlement Class Members about the Settlement, except that: (1) Class Counsel, if contacted by a Settlement Class Member, may respond that a settlement has been reached and that the details will be communicated in a forthcoming Court-approved notice; and (2) Plaintiff, if contacted by a Settlement Class Member, may respond only that the Settlement Class Member should contact Class Counsel. Neither Plaintiff nor Class Counsel shall hold a press conference or otherwise seek to affirmatively contact the media about the Settlement. If contacted by the media regarding the Settlement, Class Counsel shall state, "It is a fair settlement, and we are happy with the results." Additionally, no Party or their counsel shall disparage the Settlement. Nothing in this paragraph shall prevent Class Counsel from carrying out their duties.
14. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. Accordingly, this Settlement will not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement.
15. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and that this Settlement has been executed with the consent and advice of counsel, and reviewed in full. Further,

Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

16. **All Terms Subject to Final Court Approval.** All amounts and procedures described in this Settlement Agreement are subject to final Court approval.
17. **Notices.** Unless otherwise specifically provided, all notices, demands or other communications in connection with this Settlement shall be: (1) in writing; (2) deemed given on the third business day after mailing; and (3) sent via United States registered or certified mail, return receipt requested, addressed as follows:

**To Plaintiffs:**

Kevin Mahoney, Esq.  
kmahoney@mahoney-law.net  
Beyonca Alemzadeh, Esq.  
balem@mahoney-law.net  
Laura Theriault, Esq.  
ltheriault@mahoney-law.net  
MAHONEY LAW GROUP, APC  
249 East Ocean Boulevard, Suite  
814  
Long Beach, CA 90802  
Telephone: (562) 590-5550  
Facsimile: (562) 590-8400

**To Defendants:**

Eugene C. Ryu  
gene.ryu@klgates.com  
Carter L. Norfleet  
carter.norfleet@klgates.com  
K&L GATES LLP  
10100 Santa Monica Blvd., 8<sup>th</sup> Floor  
Los Angeles, CA 90067  
Telephone: (310) 552-5000  
Facsimile: (310) 552-5001

18. **Execution by Settlement Class Members.** It is agreed that it is impossible or impractical to have each Settlement Class Member execute this Settlement. The Notice of Settlement will advise all Settlement Class Members of the binding nature of the release and such shall have the same force and effect as if each Settlement Class Member executed this Settlement.
19. **Execution by Plaintiff and Defendant.** Plaintiff and Defendant, by signing this Settlement, are bound by the terms herein.
20. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.
21. **Counterparts.** This Settlement shall become effective upon its execution by all of the undersigned. Plaintiff, Class Counsel, Defendant, and Defense Counsel may execute this Settlement in counterparts, and execution of counterparts shall have the same force and effect as if each had signed the

same instrument. Copies of the executed Settlement shall be effective for all purposes as though the signatures contained therein were original signatures.

**IV. EXECUTION BY PARTIES**

The Parties hereby execute this Agreement.

Dated: 05 / 09 / 2023

**JOSE BERMEJO**

*Jose Bermejo*

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Dated: June 9, 2023

**LABORATORY CORPORATION OF AMERICA dba  
LABCORP**

By: *Sandra D. van der Vaart*

Name: Sandra D. van der Vaart

Title: Executive Vice President

**APPROVED AS TO FORM AND CONTENT**

Dated: May 9, 2023

**MAHONEY LAW GROUP, APC**

*[Signature]*

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Dated: June 9, 2023

**K&L GATES LLP**

By: *[Signature]*

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Gene Ryu

Carter L. Norfleet

Attorneys for Defendant Laboratory Corporation of  
America dba Labcorp