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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CLARA**

KAMLESH KRISHNA, as an individual
and on behalf of all others similarly
situated,

Plaintiffs,

v.

CEPHEID, a Corporation; and DOES 1
through 50, inclusive,

Defendants.

CASE NO. 22CV397316

[Assigned for all purposes to the Hon. Charles F.
Adams, Dept. 7]

**DECLARATION OF LARRY W. LEE IN
SUPPORT OF PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: July 18, 2024
Time: 1:30 P.M.
Dept.: 7

Complaint Filed: April 26, 2022
FAC Filed: June 29, 2022
SAC Filed: January 5, 2023
Trial Date: None Set

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DECLARATION OF LARRY W. LEE

I, Larry W. Lee, declare as follows:

1. I am an attorney at law, duly licensed to practice before all Courts in the State of California, and am with the law firm Diversity Law Group, counsel of record for Kamlesh Krishna and Rex Servania (“Plaintiff”). I have personal knowledge of the facts set forth below and if called to testify I could and would do so competently.

PROCEDURAL HISTORY

2. On April 25, 2025, Plaintiff Kamlesh Krishna filed her written notice with the California Labor & Workforce Development Agency, alleging violations of Labor Code §§ 201-204, 226, and 246 pursuant to the Private Attorneys General Act, Labor Code § 2699 (“PAGA”).

3. Thereafter, on April 26, 2022, Plaintiff filed her Class action Complaint (“Action”) against Defendant in the Superior Court of California, County of Santa Clara. On June 29, 2022, Krishna filed a first amended complaint adding a claim under California’s Private Attorneys General Act and adding Rex Servania as a plaintiff. On January 5, 2023, Plaintiffs filed a second amended complaint dismissing their Labor Code § 204 claim.

4. On October 5, 2022, Cepheid filed a demurrer to the FAC, arguing, among other things, that all three of Plaintiffs’ claims failed as a matter of law because sick pay is not a “wage.” On January 3, 2023, this Court issued its order overruling Cepheid’s demurrer.

5. On March 3, 2023, Defendant filed its Petition for Peremptory Writ to the Court of Appeal, seeking an order reversing this Court's Order Overruling Defendant's Demurrer. On March 8, 2023, Plaintiffs filed their Preliminary Opposition to Defendant's Petition for Peremptory Writ. On March 20, 2023, Defendant filed its Reply in Support of its Petition for Peremptory Writ. On March 11, 2023, the Court of Appeal denied Defendant's Petition for Peremptory Writ. After the Court of Appeal's order was issued, the Parties agreed to mediate the matter and in connection therewith, Defendant produced necessary data to Plaintiffs to conduct a damage analysis.

6. On November 2, 2023 the Parties engaged in a full-day mediation with mediator Daniel J. Turner, Esq. The Parties did not reach an agreement at mediation. Instead, Mr. Turner issued a Mediator's Proposal, which was subsequently accepted by the Parties. In resolution of

1 Plaintiffs' class and PAGA claims, the Parties entered into the Class and Representative Action
2 Settlement Agreement ("Agreement") ("Agreement"), a true and correct copy of which is being filed
3 herewith. The Notice of Settlement is attached to the Agreement as Exhibit "A."

4 7. The Parties recognize the risk, expense, and delay in continuing litigation with the
5 class and PAGA claims, and believe the settlement to be fair, reasonable, and adequate.

6 8. Each side has apprised the other of their respective factual contentions, legal theories,
7 and defenses, resulting in negotiations taking place between the Parties.

8 **POTENTIAL DAMAGES AND PENALTIES**

9 9. Based on the class data provided by Defendant, Plaintiffs estimated that Defendant
10 would face potential liability of up to approximately \$4.482 million for Plaintiffs' underpayment of
11 sick pay and wage statement class and PAGA claims if Plaintiffs succeeded at trial. Plaintiffs was
12 able to estimate the potential penalties based on data provided by Defendant, including a spreadsheet
13 that contained a 10% sampling of the pay records for employees. Utilizing the raw payroll data,
14 Plaintiffs' expert witness calculated the total damages and extrapolated the damages for the entire
15 class.

16 10. Plaintiff estimated Defendant's maximum exposure as follows:

17 **Class Claims**

18 1. Underpaid Sick Pay	\$ 58,725.52
19 2. 226 Penalties	\$ 131,948.72
20 3. 203 Penalties	\$3,038,656.10
21 Total for the Class Claims	\$3,229,330.34

22
23 **PAGA Penalties**

24 1. Underpaid Sick Pay	\$346,800.00
25 2. 226 Penalties	\$867,000.00
26 3. 203 Penalties	\$39,300.00
27 Total PAGA Penalties	\$1,253,100.00

28 **Total Class and PAGA Exposure \$4,482,430.34**

11. However, even assuming Plaintiff ultimately prevails on her PAGA claims, the Court still has discretion to reduce any PAGA penalties.

12. The total amount of class and PAGA penalties amount to approximately \$4.4 million, without discounting for potentially losing on any of the causes of action. The Gross Settlement Amount is \$750,000.00, which is approximately 17% of the maximum class and PAGA penalties.

13. Although Plaintiff believes in the merits of the alleged claims and maintains that there is no reason for reducing PAGA penalties, Plaintiff is aware that Defendant may raise defenses to the claims and further with respect to the reduction of PAGA penalties and that it could be persuasive to the Court. The Gross Settlement Amount was premised with this risk in mind, associated with the possibility of the Court significantly reducing Plaintiff's PAGA penalties, along with other attendant risks, even if Plaintiff was to prevail at trial.

14. Although Plaintiff believes that the class can be certified, Plaintiff also believes in the fairness of the settlement that is based on factoring in the uncertainty and risks to Plaintiff involved in not prevailing on one or more of the causes of action or theories alleged in the operative Complaint, the possibility of non-certification, and the potential for appeals.

15. On a raw average, each Class Member may potentially recover approximately \$922.29.

16. The Agreement also provides for Twelve Thousand Five Hundred Dollars and Zero Cents (\$18,500.00) to be distributed to Aggrieved Employees in settlement of their claims for civil penalties under PAGA. Agreement ¶¶ 7.2, 7.3, 7.4.1, 7.6. Aggrieved Employees are defined as "all non-exempt California employees of Cepheid who were paid non-discretionary incentive wages covering any period in which sick pay was were paid to the employees by Cepheid between April 25, 2021 and December 22, 2022, and whose employment ended, either voluntarily or involuntarily at any time from April 25, 2021 to February 6, 2024." *Id.* ¶ 1.25.

17. Any remaining monies from uncashed settlement checks will be transmitted to the California Controller's Office Unclaimed Property Fund.

18. From the inception of the case, Class Counsel has zealously represented the interests of the Class. Class Counsel exchanged written discovery and engaged in significant meet and confer

1 discussions with opposing counsel to obtain informal data and documents on behalf of the Class. The
2 settlement was obtained for the benefit of the Class, as opposed to the individual Class
3 Representative. Further, Class Counsel has been approved as class counsel on a number of prior
4 cases, have litigated numerous other class action cases, and are competent to represent the Class.

5 19. I have spent significant time researching and pursuing the claims that have been
6 alleged in this action. The Parties engaged in formal discovery, as well as informal discovery in
7 connection with mediation, and participated in the exchange of class data and Defendant's pertinent
8 policies and practices. Based on my review of all the documents and information, and based on my
9 experience in class action litigation, I believe this settlement to be fair, adequate, and reasonable.

10 20. I was retained based upon a contingency fee arrangement wherein Plaintiff's counsel
11 agreed to advance all costs and receive no fee unless a recovery was accomplished. Specifically, had
12 Plaintiff failed to prevail in this case, counsel for Plaintiff would have spent a significant amount of
13 time, money and other resources without any benefit or return. In addition, had Plaintiff also failed
14 to prevail in the present case, Defendant would have been able to seek costs in connection with their
15 defense of the case.

16 **ATTORNEY EXPERIENCE**

17 27. I am one of the primary attorneys on this matter. My qualifications are as follows: I
18 received my J.D. from Arizona State University College of Law in 2003. During law school, I was a
19 summer associate at the law firm of Brobeck, Phleger & Harrison. I graduated cum laude from
20 Arizona State University College of Law in the top 10% of my class. While I was in law school, I
21 was the Associate Managing Editor of the Arizona State University College of Law, Law Journal.
22 Upon graduation, I practiced law as an associate at the Los Angeles County offices of Ogletree
23 Deakins Nash Smoak & Stewart, P.C., a national employment defense law firm that represents a
24 significant number of Fortune 500 companies.

25 28. My firm's primary focus is employment law. I have handled a number of wage and
26 hour matters including class actions and multiple-plaintiff actions. I have a practice that encompasses
27 cases in the Los Angeles Superior Courts, the Orange County Superior Courts, the San Francisco
28 County Superior Courts, the San Diego County Superior Courts, and the United States District Courts

1 for the Central, Eastern, Northern, and Southern Districts of California.

2 29. I have been named as class counsel in a number of class actions that have been
3 granted final approval by the Superior Courts of Los Angeles County, Orange County, San Francisco
4 County, Alameda County, Contra Costa County, Monterey County, San Bernardino County, Santa
5 Clara County, Sonoma County, and the United States District Court for the Central, Eastern, and
6 Northern Districts of California, including but not limited to the following class actions: *Chan Lanier*
7 *v. Citigroup, Inc. et al.*, San Francisco Superior Court Case No. CGC-05-445143; *Naqvi v. Acoustic*
8 *Home Loans et al.*, Orange County Superior Court Case No. 05CC00263; *Ortega v. AIG*, Central
9 District of California Case No. CV 06-0196-RSWL (PJWx); *Universal Protection Overtime Cases*,
10 Orange County Superior Court, Judicial Council Coordination Proceeding No. 4480; *Tse v. Best Buy*,
11 Los Angeles Superior Court Case No. BC392717; *Hernandez v. CVS Corp. et al.*, Judicial Council
12 Coordination Proceeding No. 4539; *Padilla v. Safeway*, San Benito County Superior Court Case No.
13 CU-16-00182; *Valles v. Community Hospital of the Monterey Peninsula*, Monterey County Superior
14 Court Case No. 17CV003452; *DirecTv Wage and Hour Cases*, Santa Clara Superior Court Judicial
15 Council Coordination Proceeding No. 4850; *Perez v. Standard Drywall, Inc.*, Alameda County
16 Superior Court Case No. RG15761142; and *Davis v. Nugget Market, Inc.*, Yolo County Superior
17 Court Case No. CV-18-558.

18 30. My co-counsel and I will adequately represent the Class Members in this action.
19 Class Counsel has and will zealously represent Plaintiff and the Class and pursue this lawsuit to its
20 conclusion.

21 I declare under penalty of perjury under the laws of the State of California that the foregoing
22 is true and correct.

23 Executed on this 26th day of June 2024, at Los Angeles, California.

24 
25 Larry W. Lee

EXHIBIT A

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CLARA

KAMLESH KRISHNA, as an individual and on
behalf of all others similarly situated,

Plaintiffs,

v.

CEPHEID, a Corporation; and DOES 1 through
50, inclusive,

Defendants.

Case No. 22CV397316

Assigned to Hon. Charles F. Adams, Dept. 7

**CLASS AND REPRESENTATIVE
ACTION SETTLEMENT AGREEMENT**

Complaint Filed: April 26, 2022
Trial Date: None Set

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Attorneys for Plaintiffs and the Class

1 This Class and Representative Action Settlement Agreement is between (1) Plaintiffs Kamlesh
2 Krishna and Rex Servania—individually and on behalf of the Class Members defined below—and (2)
3 Cepheid (collectively, the “Parties”). By this Agreement, the Parties intend, with judicial approval, to
4 settle the Action (defined below). If this Agreement is not finally approved, or is otherwise nullified,
5 then the Parties shall return to their positions preceding this Agreement and Defendant shall retain all
6 rights to challenge Plaintiff’s claims and the certification of any class, unless the Parties agree to seek
7 reconsideration of the ruling or Court approval of a renegotiated agreement.

TABLE OF CONTENTS

1.	Definitions.....	1
1.1.	Action.....	1
1.2.	Administrative Costs.....	1
1.3.	Agreement.....	1
1.4.	Class Counsel.....	1
1.5.	Class Counsel Award.....	1
1.6.	Class Members.....	1
1.7.	Class Period	1
1.8.	Class Representatives.....	2
1.9.	Complaint.....	2
1.10.	Consideration Period.....	2
1.11.	Court	2
1.12.	Defendant.....	2
1.13.	Defense Counsel	2
1.14.	Effective Date	2
1.15.	Fairness Hearing	2
1.16.	Final Approval Order.....	2
1.17.	Gross Settlement Amount.....	2
1.18.	Individual Settlement Payment.....	2
1.19.	Judgment.....	3
1.20.	LWDA.....	3
1.21.	Net Settlement Amount.....	3
1.22.	Notice of Settlement	3
1.23.	Objection.....	3
1.24.	Objector.....	3
1.25.	PAGA Members.....	3
1.26.	PAGA Payment.....	3

1	1.27. Parties.....	3
2	1.28. Plaintiffs.....	3
3	1.29. Preliminary Approval.....	4
4	1.30. Qualified Settlement Fund	4
5	1.31. Request for Exclusion	4
6	1.32. Released Class Claims	4
7	1.33. Released PAGA Claims.....	4
8	1.34. Service Award.....	4
9	1.35. Settlement Administrator.....	4
10	1.36. Settlement Class.....	4
11	1.37. Settlement Period.....	4
12	2. Recitals and Procedural History.....	5
13	2.1. Business of Defendant	5
14	2.2. Allegations in Complaint	5
15	2.3. Defendant’s Denials.....	5
16	2.4. Class Counsel’s Investigation	5
17	2.5. Negotiation of Settlement	6
18	2.6. Certification for Settlement Purposes	6
19	3. The Gross Settlement Amount.....	6
20	4. The Net Settlement Amount	6
21	4.1. Calculation of the Amount.....	6
22	4.2. Calculation of Estimated Individual Settlement Payments.....	6
23	5. Selection of Settlement Administrator and Notice of Settlement.....	7
24	5.1. Selection of Settlement Administrator.....	7
25	5.2. Settlement Administration	7
26	5.3. Confidential Data for the Settlement Administrator.....	7
27	5.4. Mailing Materials to Class Members.....	8
28	5.5. Proof of Mailing.....	8

1	6.	Responses to Notice of Settlement	8
2	6.1.	Consideration Period.....	8
3	6.2.	Requests for Exclusion and Opt-Out Rights.....	8
4	6.2.1.	Opt-Out Procedure	9
5	6.2.2.	Effect of Opting Out	9
6	6.2.3.	Tolerance of Opt-Outs—Defendant’s Right to Withdraw.....	9
7	6.3.	Objections	9
8	6.3.1.	Objection Procedure.....	9
9	6.3.2.	Waiver of Objections	10
10	6.4.	Proof of Responses	10
11	6.5.	Binding Effect of Settlement	10
12	6.6.	No Interference with Class Member Responses	10
13	7.	Administration of Settlement Proceeds	10
14	7.1.	Final Funding of Gross Settlement Amount	10
15	7.2.	Administrative Costs.....	10
16	7.3.	Class Counsel Award.....	10
17	7.3.1.	Approval of Class Counsel Award Not Material.....	11
18	7.3.2.	Timing of Class Counsel Award.....	11
19	7.4.	Service Award.....	11
20	7.4.1.	Approval of Service Award Not Material.....	11
21	7.4.2.	Timing of Service Award.....	11
22	7.5.	PAGA Payment.....	12
23	7.5.1.	Reduction of PAGA Payment Not Material	12
24	7.5.2.	Timing of PAGA Payment.....	13
25	7.6.	Individual Settlement Payments	13
26	7.6.1.	Number of Workweeks	13
27	7.6.1.	Calculation of Individual Settlement Payments.....	13
28	7.6.2.	Timing of Individual Settlement Payments	13

1	7.7.	Tax Allocation of Individual Settlement Payments and Individual PAGA	
2		Payments	14
3	7.7.1.	Responsibility for Taxes	14
4	7.7.2.	Approval of Tax Allocations Not Material	14
5	7.8.	Undeliverable or Uncashed Checks	14
6	7.9.	Certification of Completion	14
7	8.	Releases	14
8	8.1.	Released Class Claims	14
9	8.2.	Released PAGA Claims	15
10	8.3.	Additional Release by Class Representatives	15
11	9.	Settlement Approval Procedure	16
12	9.1.	Motion for Preliminary Approval	16
13	9.1.1.	Contents of Motion	16
14	9.1.2.	Notice to LWDA	16
15	9.2.	Motion for Final Approval	16
16	9.3.	Motion for Class Counsel Award	17
17	9.4.	Motion for Service Award	17
18	9.5.	Entry of Judgment	17
19	9.5.1.	Notice of Final Judgment	17
20	9.5.2.	Effect of Failure to Obtain Final Judgment	17
21	9.6.	Appeal Rights	17
22	10.	Miscellaneous	18
23	10.1.	Execution of this Agreement	18
24	10.1.1.	Parties' Authority	18
25	10.1.2.	Counterparts	18
26	10.1.3.	Scanned Signatures	18
27	10.2.	Discharge of Obligations	18
28	10.3.	Construction	18

1	10.3.1. Materiality of Terms	18
2	10.3.2. No Construction Against the Author	19
3	10.3.3. Exhibits Incorporated by Reference.....	19
4	10.3.4. Headings	19
5	10.3.5. Invalidity of Any Provision	19
6	10.3.6. Parties' Entire Agreement.....	19
7	10.3.7. Waivers and Modifications to Be in Writing.....	19
8	10.3.8. Governing Law	19
9	10.4. Inadmissibility of Settlement Documents.....	19
10	10.5. No Tax Advice.....	19
11	10.6. No Impact on Employee Benefits.....	20
12	10.7. No Prior Assignments or Undisclosed Liens	20
13	10.8. Cooperation of the Parties.....	20
14	10.8.1. Affirmative Duty to Cooperate	20
15	10.8.2. No Solicitation of Objections or Opt Outs.....	21
16	10.8.3. Waiver of Right to Object by Class Representatives.....	21
17	10.9. Confidential Information	21
18	10.10. No Media Announcements or Other Undue Publicity.....	21
19	10.11. Disputes.....	22

EXHIBITS

Notice of SettlementA

1 **1. Definitions**

2 The following definitions apply to this Agreement. Each defined term appears throughout in
3 initial capital letters.

4 **1.1. Action.** “Action” means the lawsuit entitled Krishna v. Cepheid, filed April 26, 2022 in
5 the Superior Court of the State of California for the County of Santa Clara as Case No. 22CV397316,
6 and all complaints filed therein.

7 **1.2. Administrative Costs.** “Administrative Costs” means all costs that the Settlement
8 Administrator incurs in administering this Agreement.

9 **1.3. Agreement.** “Agreement” means this Class and Representative Action Settlement
10 Agreement, which includes all its Recitals and all the attached Exhibits. **Class Counsel.** “Class
11 Counsel” refers to Larry W. Lee, Diversity Law Group, P.C.; William L. Marder, Polaris Law Group;
12 Edward W. Choi, Law Offices of Choi & Associates; and Dennis S. Hyun, Hyun Legal, APC. For
13 purposes of providing any notice under this Agreement, Class Counsel shall refer to Larry W. Lee,
14 Diversity Law Group, P.C., 515 S. Figueroa St., Suite 1250, Los Angeles, California 90071.

15 **1.5. Class Counsel Award.** “Class Counsel Award” refers to the amount of attorney’s fees
16 and costs that the Court awards in connection with resolving the Action in accordance with this
17 Agreement.

18 **1.6. Class Members.** “Class Members” refers to those individuals who for purposes of this
19 Agreement will be certified as members of the class, defined as follows: all non-exempt California
20 employees of Cepheid who were paid non-discretionary incentive wages covering any periods in which
21 sick pay was paid to the employee between April 25, 2019 and December 22, 2022, and whose
22 employment ended, either voluntarily or involuntarily, at any time from April 25, 2019 to February 6,
23 2024 excluding those individuals who executed a severance agreement releasing the claims herein.¹

24 **1.7. Class Period.** See “Settlement Period.”
25
26

27 ¹ This exclusion does not include individuals subject to the class action settlement release in *Lopez v.*
28 *Cepheid*, San Benito Superior Court, Case No. 19CV348827. In other words, *Lopez* class members may
be included as Class Members in this case.

1 **1.8. Class Representatives.** “Class Representatives” refers to Plaintiff Kamlesh Krishna and
2 Plaintiff Rex Servania.

3 **1.9. Complaint.** “Complaint” refers to any and all complaints filed in the Action.

4 **1.10. Consideration Period.** “Consideration Period” refers to the 45 calendar days following
5 initial mailing of the Notice of Settlement, during which an individual can submit a written Objection or
6 a Request for Exclusion.

7 **1.11. Court.** “Court” refers to the judge presiding over this Action in the California Superior
8 Court for the County of Santa Clara.

9 **1.12. Defendant.** “Defendant” refers to Cepheid.

10 **1.13. Defense Counsel.** “Defense Counsel” refers to Seyfarth Shaw LLP. For purposes of
11 providing any notices required under this Agreement, Defense Counsel shall refer to Timothy M.
12 Rusche, trusche@seyfarth.com.

13 **1.14. Effective Date.** “Effective Date” shall be the later of (a) the Court’s final approval of the
14 Agreement, if no objections have been filed, (b) the time of appeal has expired if an objection has been
15 filed, (c) or the final resolution of any appeal that has been filed.

16 **1.15. Fairness Hearing.** “Fairness Hearing” is the hearing at which the Court decides whether
17 the terms of the Agreement are fair, reasonable, and adequate and meet all requirements for Final
18 Approval.

19 **1.16. Final Approval Order.** “Final Approval Order” is the order the Court issues, in
20 connection with the Fairness Hearing, that approves this Agreement.

21 **1.17. Gross Settlement Amount.** “Gross Settlement Amount” refers to the maximum payment
22 Defendant may be obligated to make in connection with the Agreement: \$750,000. This sum includes all
23 Individual Settlement Payments, any Service Award, the PAGA Payment, Administrative Costs, and the
24 Class Counsel Award. It does not include employer payroll taxes.

25 **1.18. Individual Settlement Payment.** “Individual Settlement Payment” refers to the amount
26 the Settlement Administrator distributes from the Net Settlement Amount to each Settlement Class
27 Member.
28

1 **1.19. Judgment.** “Judgment” refers to the final judgment entered by the Court in this Action
2 after finally approving the Agreement.

3 **1.20. LWDA.** “LWDA” refers to the California Labor & Workforce Development Agency,
4 which enforces the Private Attorneys General Act of 2004 (“PAGA”), and which receives the LWDA
5 portion of the PAGA Payment.

6 **1.21. Net Settlement Amount.** “Net Settlement Amount” refers to the portion of the Gross
7 Settlement Amount that remains after accounting for any Service Award, the PAGA Payment,
8 Administrative Costs, and the Class Counsel Award.

9 **1.22. Notice of Settlement.** “Notice of Settlement” means a notice of the terms of the
10 Agreement, substantially in the form attached as Exhibit A.

11 **1.23. Objection.** “Objection” refers to a written statement timely submitted to the Settlement
12 Administrator that contains (1) the Objector’s full name and current mailing address, (2) the last four
13 digits of the Objector’s social security number, (3) the specific reason(s) for the Objection, and (4) all
14 evidence and supporting papers (including, without limitation, all briefs, written evidence, and
15 declarations) for the Court to consider.

16 **1.24. Objector.** “Objector” refers to a Settlement Class Member who has submitted an
17 Objection.

18 **1.25. PAGA Members.** “PAGA Members” refers to all non-exempt California employees of
19 Cepheid who were paid non-discretionary incentive wages covering any period in which sick pay was
20 were paid to the employees by Cepheid between April 25, 2021 and December 22, 2022, and whose
21 employment ended, either voluntarily or involuntarily at any time from April 25, 2021 to February 6,
22 2024.

23 **1.26. PAGA Payment.** “PAGA Payment” refers to a payment in settlement of a claim for civil
24 penalties under the Private Attorney General Act of 2004, 75% shall be payable to the LWDA and 25%
25 shall be payable to PAGA Members.

26 **1.27. Parties.** “Parties” refers collectively to (1) Plaintiffs and (2) Defendant.

27 **1.28. Plaintiffs.** “Plaintiffs” refers to Class Representatives Kamlesh Krishna and Rex
28 Servania.

1 **1.29. Preliminary Approval.** “Preliminary Approval” refers to the court order granting
2 preliminary approval of this Agreement.

3 **1.30. Qualified Settlement Fund.** “Qualified Settlement Fund” means a qualified settlement
4 fund established pursuant to U.S. Treasury Regulation section 468B-1, 29 C.F.R. § 468B-1.

5 **1.31. Request for Exclusion.** “Request for Exclusion” refers to a timely, written, opt-out
6 request signed by a Class Member and submitted to the Settlement Administrator with the following
7 information: (1) the Class Member’s full name and current mailing address, (2) the last four digits of the
8 Class Member’s social security number, (3) an express statement that the Class Member wishes to be
9 excluded from the terms of the Agreement.

10 **1.32. Released Class Claims.** “Released Class Claims” refers to all claims set forth in Section
11 8.1 that this Agreement will extinguish as to all Settlement Class Members who do not submit a valid
12 and timely Request for Exclusion, upon the deposit of the Gross Settlement Amount in the Qualified
13 Settlement Fund.

14 **1.33. Released PAGA Claims.** “Released PAGA Claims” refers to all claims set forth in
15 Section 8.2 that this Agreement will extinguish as to all PAGA Members, upon the deposit of the Gross
16 Settlement Amount in the Qualified Settlement Fund.

17 **1.34. Service Award.** “Service Award” refers to any payment that the Court awards for service
18 as Class Representatives and for entering into special agreements described in Paragraph 8 of this
19 Agreement.

20 **1.35. Settlement Administrator.** “Settlement Administrator” refers to the third-party
21 administrator, identified below, that the Parties select.

22 **1.36. Settlement Class.** “Settlement Class” refers to all Class Members who do not file a
23 timely and valid Request for Exclusion.

24 **1.37. Settlement Period.** “Settlement Period for Class Members” refers to the period
25 beginning on April 25, 2019 through February 6, 2024. “Settlement Period for PAGA Members” refers
26 to the period beginning on April 25, 2021 through February 6, 2024.

1 **2. Recitals and Procedural History**

2 **2.1. Business of Defendant.** Defendant is engaged in the business of molecular diagnostics,
3 and it has employed individuals in California.

4 **2.2. Allegations in Complaint.** On April 26, 2022, Kamlesh Krishna brought this Action
5 against Defendant, in the Superior Court of the State of California for the County of Santa Clara, as an
6 individual and on behalf of a class of similarly situated employees. On June 29, 2022, Krishna filed a
7 first amended complaint adding a claim under California’s Private Attorneys General Act and adding
8 Rex Servania as a plaintiff. On January 5, 2023, Plaintiffs filed a second amended complaint dismissing
9 their Labor Code § 204 claim.

10 The Action has asserted claims for: (1) failure to timely pay wages in violation of Labor Code
11 sections §§ 201, 202, 203; (2) failure to provide accurate wage statements in violation of Labor Code §
12 226; and (3) violation of the Private Attorneys General Act (Cal. Lab. Code §§ 2698 – 2699.5),
13 including for violations of Labor Code §§ 201, 202, 203, 204, and 246. After the execution of this
14 Agreement, Plaintiffs shall file a third amended complaint adding a claim for unfair competition.
15 Defendant’s obligation to file an answer to the third amended complaint is stayed pending the
16 Preliminary Approval hearing and Fairness Hearing, and it will be mooted by Final Approval of this
17 Agreement.

18 **2.3. Defendant’s Denials.** Defendant denies (1) all the material allegations in this Action, (2)
19 that Defendant violated any applicable laws, (3) that Defendant is liable for damages, penalties, interest,
20 restitution, attorneys’ fees, or costs, or for any other remedy on account of the claims asserted in the
21 Action, and (4) that class certification, collective action certification, or representative treatment is
22 appropriate as to any claim in the Action. Defendant contends that its policies, procedures, and practices
23 comply with all laws asserted in the Action. Defendant has agreed to settle the Action solely to avoid the
24 burden, expense, and uncertainty of litigation. Any statements in this Agreement are made for settlement
25 purposes only.

26 **2.4. Class Counsel’s Investigation.** Class Counsel has investigated the facts relating to the
27 claims alleged in the Action and also has analyzed all defenses.
28

1 **2.5. Negotiation of Settlement.** Class Counsel has engaged in arms-length negotiations with
2 Defendant with a view toward achieving substantial benefits while avoiding the cost, delay, and
3 uncertainty of further litigation. Plaintiffs will urge that the Court approve this Agreement after
4 considering (1) the factual and legal defenses to the claims asserted, which render uncertain the ultimate
5 outcome of the Action, (2) the potential difficulties Plaintiffs would encounter in establishing their
6 claims and maintaining class or treatment, (3) the substantial benefits produced by this Agreement, (4)
7 that this Agreement provides relief in an expeditious and efficient manner, compared to any manner of
8 recovery possible after litigation and potential appeal, and (5) that this Agreement allows Class
9 Members to opt out of the Action and individually pursue the claims alleged on behalf of the class in the
10 Action.

11 **2.6. Certification for Settlement Purposes.** This Agreement is contingent upon approval of
12 class certification under California Code of Civil Procedure Section 382 for settlement purposes only,
13 and the execution of a general release and confidential settlement agreement by Plaintiff. Defendant
14 expressly reserves the right to challenge the propriety of class certification, collective action
15 certification, or representative treatment for any other purpose should the Court not approve the
16 Agreement.

17 **3. The Gross Settlement Amount.**

18 The Gross Settlement Amount is \$750,000. In no event shall Defendant, absent its further
19 agreement, be obligated to pay more than that amount, except for its portion of employer payroll taxes.
20 The Gross Settlement Amount includes all Individual Settlement Payments, any Service Award, the
21 Class Counsel Award, the PAGA Payment, and Administrative Costs. No portion of the Gross
22 Settlement Amount shall revert to Defendant.

23 **4. The Net Settlement Amount**

24 **4.1. Calculation of the Amount.** The Net Settlement Amount is the portion of the Gross
25 Settlement Amount that remains after deducting amounts for any Service Award, the PAGA Payment,
26 Administrative Costs, and the Class Counsel Award.

27 **4.2. Calculation of Estimated Individual Settlement Payments.** Estimated Individual
28 Settlement Payments will be calculated based on the number of days sick pay was paid to each Class

Member during periods where each earned purported non-discretionary incentive pay from April 25, 2019 through December 22, 2022, in proportion to the total number of such days attributed to all Class Members during that period, following the formula described in Section 7 of this Agreement, on the assumption that each eligible individual will fully participate in the Agreement.

5. Selection of Settlement Administrator and Notice of Settlement

5.1. Selection of Settlement Administrator. The Parties have agreed to CPT Group to serve as the Settlement Administrator before the hearing on Preliminary Approval.

5.2. Settlement Administration. The Settlement Administrator will, as necessary, print, copy, format, and translate materials, mail notices to Class Members, perform a skip trace for undeliverable addresses, establish and maintain a Qualified Settlement Fund, calculate Individual Settlement Payments, prepare and file all required IRS Forms, mail Individual Settlement Payments and tax forms, establish a hotline telephone number for class member communications, post notices regarding settlement on the Settlement Administrator's website, remit all tax payments and required documentation to federal and state taxing authorities, implement the process for any uncashed settlement checks, and perform all other duties associated with settlement administration, including, but not limited to, all those specified in this Agreement. Any dispute relating to settlement administration shall, after good-faith efforts by the Parties to resolve the dispute, be referred to the Court.

5.3. Confidential Data for the Settlement Administrator. Within 15 calendar days of Preliminary Approval, Defendant will give the Settlement Administrator a confidential class list containing the names, employee ID numbers, last known address and telephone number(s), dates of employment, number of paid sick days each Class Member took during periods where each earned purported non-discretionary incentive pay from April 25, 2019 through December 22, 2022 and the number of terminated Class Members during that period, the number of pay periods which included a week during which a PAGA Member took a paid sick day and received purported non-discretionary incentive pay from April 25, 2019 through December 22, 2022. Defendant shall also provide, when needed, social security numbers to facilitate the administration of this Agreement. The Settlement Administrator shall keep the class data provided by Defendant strictly confidential and shall use the class data only for the purposes described in this Agreement, and shall return the class data to Defendant

1 or confirm the destruction of same upon completing the work called for by this Agreement.

2 Notwithstanding the foregoing, the Settlement Administrator may provide Class Counsel with a redacted
3 list of potential Individual Settlement Payments, which shall not include Class Member names or
4 addresses or identify any Class Member by name or address.

5 **5.4. Mailing Materials to Class Members.** Within 30 calendar days of Preliminary
6 Approval, the Settlement Administrator shall send the Notice of Settlement to Class Members via First
7 Class U.S. Mail, using the last-known mailing address for each Class Member. Any mailing returned as
8 undeliverable shall be sent within five calendar days via First Class U.S. Mail to any available
9 forwarding address. If no forwarding address is available, then the Settlement Administrator shall
10 attempt to determine the correct address by using a computer-based skip-trace search, and shall then
11 perform, if feasible, a re-mailing via First Class U.S. Mail within five calendar days. If no current
12 address is available for a Class Member, then the Notice of Settlement for that Class Member will be
13 deemed undeliverable. Only one re-mailing is required. If a Class Member cannot be located within two
14 attempts at mailing, then the Notice of Settlement for that Class Member will be deemed undeliverable.
15 Any Class Member re-mailed a Notice of Settlement shall have his or her Consideration Period extended
16 by 15 calendar days.

17 **5.5. Proof of Mailing.** At least 20 court days prior to the Fairness Hearing, the Settlement
18 Administrator shall provide a declaration of due diligence and proof of mailing with regard to the
19 mailing of the Notice of Settlement to Class Counsel and Defense Counsel, which they shall in turn
20 provide to the Court.

21 **6. Responses to Notice of Settlement**

22 **6.1. Consideration Period.** Within the Consideration Period, Class Members may opt out of
23 the proposed class action settlement by submitting a Request for Exclusion (as provided below) or may
24 submit a dispute (as provided for in the Notice of Settlement) or may submit a written Objection (as
25 provided below). Except as specifically provided herein, no response postmarked after the Consideration
26 Period shall be considered.

27 **6.2. Requests for Exclusion and Opt-Out Rights.** Class Members will have the opportunity
28 to opt out by submitting a Request for Exclusion.

1 **6.2.1. Opt-Out Procedure.** Class Members may opt out of the class action
2 settlement by mailing the Settlement Administrator a Request for Exclusion. A Request for Exclusion, to
3 be valid, must be signed and dated by the Class Member, must provide the Class Member's full name,
4 current address, current telephone number, and the last four digits of the Class Member's social security
5 number, and must include an express statement that the Class Member wishes to be excluded from the
6 terms of the class settlement. Any Request for Exclusion that does not include all of the required
7 information or that is not submitted in a timely manner will be deemed ineffective.

8 **6.2.2. Effect of Opting Out.** Any Class Member who opts out of the class
9 settlement may not submit an Objection, shall not receive any Individual Settlement Payment, and shall
10 not be bound by the releases that this Agreement entails; provided, however, any such Class Member
11 employed at any time within the Settlement Period for PAGA Members shall still receive a share of the
12 PAGA Payment and be bound by the Released PAGA Claims. Each Class Member who does not submit
13 a timely, valid Request for Exclusion shall be bound by the releases that this Agreement entails.

14 **6.2.3. Tolerance of Opt-Outs—Defendant's Right to Withdraw.** If the
15 number of Class Members who opt out by submitting Requests for Exclusion exceeds 5 percent of the
16 total number of Class Members, then Defendant may, in the exercise of its sole discretion, withdraw
17 from this Agreement. Defendant's right to withdraw expires 15 calendar days after the end of the
18 Consideration Period. If Defendant exercises its right to withdraw pursuant to this provision, Defendant
19 shall pay all Administrative Costs.

20 **6.3. Objections.** Unless otherwise provided in this Agreement, only those Class Members
21 who do not submit a Request for Exclusion shall be entitled to object to the terms of the Agreement.

22 **6.3.1. Objection Procedure.** Any written Objection must be made using the
23 procedures set forth in the Notice of Settlement, and must contain (1) the Objector's full name and
24 current mailing address, (2) the last four digits of the Objector's social security number, (3) the specific
25 reason(s) for the Objection, and (4) all evidence and supporting papers (including, without limitation, all
26 briefs, written evidence, and declarations) for the Court to consider. Even if Objectors do not submit a
27 written objection, Objectors can also appear at the Fairness Hearing and orally object either in person or
28 through counsel. An Objection may be withdrawn at any time.

1 **6.3.2. Waiver of Objections.** Class Members who fail to submit an Objection to
2 the Settlement Administrator in the manner specified in the Notice of Settlement or who fail to appear
3 either in person or through counsel at the Fairness Hearing shall be deemed to have waived any
4 objection and shall be foreclosed from objecting to this Agreement, whether by appeal or otherwise.

5 **6.4. Proof of Responses.** At least 20 court days prior to the Fairness Hearing, the Settlement
6 Administrator will prepare a declaration to submit to the Court regarding responses to the Notice of
7 Settlement, including such information as any inability to deliver mailings because of invalid addresses,
8 the number of any Requests for Exclusion, and the employee ID numbers of those Class Members who
9 submitted timely and valid Requests for Exclusion, and the number of any Objections and a copy of all
10 documents submitted with any Objections.

11 **6.5. Binding Effect of Settlement.** Although a Class Member might not timely submit a
12 Request for Exclusion because of inability to locate the Class Member's current address, or for other
13 reasons beyond the Class Member's control, that Class Member shall nonetheless be bound by this
14 Agreement.

15 **6.6. No Interference with Class Member Responses.** Each Party agrees not to encourage
16 any Class Member to submit an Objection or a Request for Exclusion and agrees not to retaliate against
17 any Class Member for participating in this Agreement.

18 **7. Administration of Settlement Proceeds**

19 **7.1. Final Funding of Gross Settlement Amount.** Within 15 calendar days of the Effective
20 Date, Defendant will deposit the Gross Settlement Amount into the Qualified Settlement Fund.

21 **7.2. Administrative Costs.** Administrative Costs shall not exceed \$11,000.00 which shall be
22 deducted from the Gross Settlement Amount. The amount of Administrative Costs is not a material
23 term: if the Court approves a lesser amount, then the other terms of this Agreement shall remain in effect
24 and the difference shall become part of the Net Settlement Amount.

25 **7.3. Class Counsel Award.** Class Counsel intend to request—and Defendant agrees not to
26 oppose—a payment from the Gross Settlement Amount for (a) attorney's fees in an amount up to one-
27 third of the Gross Settlement Amount, (currently estimated at \$250,000.00) and (b) litigation costs
28

1 actually incurred in representing the interests of the class, supported by adequate documentation, in an
2 amount up to \$30,000.00.

3 **7.3.1. Approval of Class Counsel Award Not Material.** Approval of the Class
4 Counsel Award is not a material term. If the Court approves only a lesser amount, then the other terms
5 of this Agreement shall remain in effect and the difference shall become part of the Net Settlement
6 Amount.

7 **7.3.2. Timing of Class Counsel Award.** The Settlement Administrator shall
8 issue the Class Counsel Award within 15 calendar days after the Gross Settlement Amount is deposited
9 into the Qualified Settlement Fund. Within 10 calendar days after the Effective Date, Class Counsel
10 shall instruct the Settlement Administrator as to how the Class Counsel Award may be paid. The
11 Settlement Administrator shall issue an appropriate Internal Revenue Service Form 1099 to Class
12 Counsel. Class Counsel shall be solely responsible for paying all applicable taxes on any Class Counsel
13 Award and shall indemnify and hold harmless Defendant from any claim or liability for taxes, penalties,
14 or interest arising as a result of the Class Counsel Award. Plaintiff, Class Counsel, and the Settlement
15 Class waive any additional claim for attorneys' fees and costs incurred in connection with the Action, if
16 Final Approval is granted by the Court and the Effective Date passes.

17 **7.4. Service Award.** Class Counsel intends to request a payment from the Gross Settlement
18 Amount for a Service Award for the Class Representatives in an amount up to \$10,000 each, for a total
19 of \$20,000. Any Service Award would be in addition to each Class Representative's Individual
20 Settlement Payment.

21 **7.4.1. Approval of Service Award Not Material.** Approval of a Service Award
22 is not a material term. If the Court does not approve a Service Award or approves only a lesser amount
23 than that requested, then the other terms of this Agreement shall remain in effect and the difference shall
24 become part of the Net Settlement Amount.

25 **7.4.2. Timing of Service Award.** The Settlement Administrator shall pay any
26 Service Award within 15 calendar days after the Gross Settlement Amount is deposited into the
27 Qualified Settlement Fund. The Class Representatives shall be solely responsible for paying all
28

1 applicable taxes on any Service Award and shall indemnify and hold harmless Defendant from any
2 claim or liability for taxes, penalties, or interest arising as a result of the Service Award.

3 **7.5. PAGA Payment.** The Parties will seek approval for a PAGA Payment from the Gross
4 Settlement Amount in the amount of \$75,000, 75% of which will go to the LWDA and 25% of which
5 will go to PAGA Members. Notwithstanding anything else in this Agreement, PAGA Members who
6 submit a valid, timely Request for Exclusion shall receive a share of 25% of the PAGA Payment and
7 shall be bound by the Released PAGA Claims. Each PAGA Member shall be entitled to a share of 25%
8 of the PAGA Payment allocated to PAGA Members (“Individual PAGA Payment”), calculated as
9 described below. Defendant’s time records regarding the number of pay periods that contain a week
10 where a PAGA Member received sick pay and earned purported nondiscretionary pay shall control for
11 purposes of the calculation. Defendant will provide to the Settlement Administrator the total number of
12 pay periods where each PAGA Member received sick pay during a week in which that PAGA Member
13 earned nondiscretionary pay from April 25, 2021 through December 22, 2022 (“Individual Pay Periods”) and the total number of pay periods that all PAGA Members received sick pay during a week in which they earned nondiscretionary pay from April 25, 2021 through December 22, 2022 (“Total PAGA Member Pay Periods”). Each PAGA Member’s Individual PAGA Payment shall be calculated by the Settlement Administrator as follows: (1) the number of Individual Pay Periods attributed to the PAGA Member divided by Total PAGA Member Pay Periods, and (2) the result shall be multiplied by 25% of the PAGA Payment. Otherwise stated, the formula for a PAGA Member is: (Individual’s Pay periods ÷ Total PAGA Member Pay Periods) * .25 * PAGA Payment.

21 **7.5.1. Reduction of PAGA Payment Not Material.** Any reduction in the
22 requested PAGA Payment is not a material term. If the Court approves only a lesser amount than that
23 requested, then the other terms of this Agreement shall remain in effect and the difference shall become
24 part of the Net Settlement Amount. However, Court approval of some amount of a PAGA Payment is a
25 material term. If the Court does not approve a PAGA Payment, then the entire Agreement will be, at
26 Defendant’s sole discretion, void and unenforceable. If Defendant elects to void the Agreement
27 pursuant to this provision, Defendant shall pay all Administrative Costs.

1 **7.5.2. Timing of PAGA Payment.** The Settlement Administrator shall pay the
2 PAGA Members and 75% of any approved PAGA Payment to the LWDA within 15 calendar days after
3 the Gross Settlement Amount is deposited into the Qualified Settlement Fund. PAGA Members’
4 Individual PAGA Payment may be combined with their Individual Settlement Payment in one check.

5 **7.6. Individual Settlement Payments.** Each Settlement Class Member shall be entitled to an
6 Individual Settlement Payment consisting of a share of the Net Settlement Amount, calculated as
7 described below. Defendant’s records regarding the number of paid sick days each Class Member took
8 during periods where each earned purported non-discretionary pay control for purposes of calculation.

9 **7.6.1. Number of Workweeks.** Defendant will provide to the Settlement
10 Administrator the total number of the number of paid sick days each Class Member took during periods
11 where each earned purported non-discretionary pay from April 21, 2019 through December 22, 2022
12 and the total number of such days for all Settlement Class Members during that period (“Total
13 Settlement Class Member Workweeks”). Defendant estimates that as of November 8, 2023, (1) there
14 were approximately 415 Class Members; and (2) 1023 Total PAGA Member Pay Periods. If the number
15 of Class Members or Total PAGA Member Pay Periods as of November 8, 2023 was more than 10%
16 greater than the estimations set for in this paragraph, Defendant shall have the option to, in its sole
17 discretion, either (i) increase the Gross Settlement Amount by a proportionate additional amount for
18 each additional Class Member above 457 or pay period above 1126; or (ii) void this Agreement in its
19 entirety.

20 **7.6.1. Calculation of Individual Settlement Payments.** Each Settlement Class
21 Member’s Individual Settlement Payment shall be calculated by the Settlement Administrator as
22 follows: (1) number of paid sick days each Settlement Class Member took during periods where each
23 earned purported non-discretionary incentive pay from April 25, 2019 through December 22, 2022,
24 divided by the total number of such paid sick days each Settlement Class Member took during that
25 period, and (2) the result shall be multiplied by the Net Settlement Amount.

26 **7.6.2. Timing of Individual Settlement Payments.** The Settlement
27 Administrator shall issue Individual Settlement Payments no later than 15 calendar days after the Gross
28 Settlement Amount is deposited into the Qualified Settlement Fund.

1 **7.7. Tax Allocation of Individual Settlement Payments and Individual PAGA Payments.**

2 Each Individual Settlement Payment will be allocated for tax purposes as 95% Form 1099 income for
3 penalties and 5% Form W-2 income for wages. Each PAGA Member's share of the PAGA Payment will
4 be allocated for tax purposes solely as Form 1099 income. The Settlement Administrator shall issue any
5 necessary IRS Form 1099 to Settlement Class Members and PAGA Members for their respective
6 Individual Settlement Payments.

7 **7.7.1. Responsibility for Taxes.** Settlement Class Members and PAGA Member
8 shall be solely responsible for paying all taxes due on their respective payments and shall indemnify and
9 hold harmless Defendant and the Released Parties from any claim or liability for taxes, penalties, or
10 interest arising as a result of the payments.

11 **7.7.2. Approval of Tax Allocations Not Material.** Approval of the allocations
12 of the payments set forth above is not a material term. If the Court approves a different tax allocation of
13 the payments, then the other terms of this Agreement shall remain in effect.

14 **7.8. Undeliverable or Uncashed Checks.** All Individual Settlement Payment and Individual
15 PAGA Payment checks will remain negotiable for 180 days from the date of their mailing. The
16 Settlement Administrator shall notify Class Counsel and Defense Counsel of any undeliverable and
17 uncashed checks. After 180 days from the mailing, the amount of any Individual Settlement Payment
18 and Individual PAGA Payment check that has not been cashed will be transmitted by the Settlement
19 Administrator to the California Controller's Office Unclaimed Property Fund.

20 **7.9. Certification of Completion.** Upon fully administering this Agreement, the Settlement
21 Administrator will certify the completion to the Court and counsel for all Parties in a declaration,
22 summarizing the total money paid and the status of any uncashed checks.

23 **8. Releases**

24 **8.1. Released Class Claims.** Upon the deposit of the Gross Settlement Amount in the
25 Qualified Settlement Fund established by the Settlement Administrator, by operation of the Final
26 Approval and Judgment, and except as to rights that this Agreement creates, each Settlement Class
27 Member—and each Settlement Class Member's executors, administrators, representatives, agents, heirs,
28 successors, assigns, trustees, spouses, or guardians—will release Defendant and each and all of its

1 current or former subsidiaries, parents, affiliates, joint ventures, predecessors, insurers, agents,
2 employees, successors, assigns, officers, officials, directors, attorneys, personal representatives,
3 executors, and shareholders, including their respective pension, profit sharing, savings, health, and other
4 employee benefits plans of any nature, the successors of such plans, and those plans' respective current
5 or former trustees and administrators, agents, employees, and fiduciaries ("Released Parties") from any
6 and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney's
7 fees, damages, action or causes of action of whatever kind or nature, whether known or unknown,
8 contingent or accrued, that were alleged or that reasonably could have been alleged based on the facts
9 alleged in the Action, including, but not limited to, any claims for purported sick pay wages, "waiting
10 time" penalties, wage-statement penalties, claims under the applicable Wage Orders, and claims under
11 Labor Code sections 200, 201, 202, 203, 204, 218.5, 226, and 246, based on purported sick pay wages
12 paid between April 25, 2019 through December 22, 2022.

13 **8.2. Released PAGA Claims.** Upon the deposit of the Gross Settlement Amount in the
14 Qualified Settlement Fund established by the Settlement Administrator, by operation of the Final
15 Approval and Judgment, and except as to rights that this Agreement creates, each PAGA Member—and
16 each PAGA Member's executors, administrators, representatives, agents, heirs, successors, assigns,
17 trustees, spouses, or guardians—will be deemed to have released the Released Parties from any and all
18 claims under the Private Attorneys General Act of 2004 (Labor Code §§ 2698 et seq.) that were or could
19 have been asserted based on the facts alleged in Plaintiff's written notice submitted to the LWDA,
20 regardless of theory of liability, including claims for wages or sick pay benefits, "waiting time"
21 penalties, wage-statement penalties, civil penalties, and claims predicated upon the applicable Wage
22 Orders or Labor Code sections 200, 201, 202, 203, 204, 226, 246. This release is conditioned upon the
23 release by all PAGA Employees as to the released claims set forth above, and upon covenants by all
24 PAGA Employees that they will not participate in any proceeding seeking penalties as to the released
25 claims set forth above based on purported sick pay wages paid between April 25, 2021 through and
26 December 22, 2022.

27 **8.3. Additional Release by Class Representatives.** In addition to the release given by each
28 Settlement Class Member, the Class Representatives generally release claims against each Released

1 Party through the date of preliminary approval of this Agreement. This general release includes claims
2 arising from the Class Representatives' relationships with Defendant, including, without limitation,
3 claims for unpaid wages and liquidated damages, claims under the Fair Labor Standards Act, claims for
4 discrimination, harassment, or retaliation pursuant to Title VII of the Civil Rights Act of 1964, 42
5 U.S.C. section 2000 *et seq.*, the California Fair Employment and Housing Act, California Gov't Code
6 Section 12900 *et seq.*, and claims for violation of public policy. This general release by the Class
7 Representatives also includes a waiver of rights under California Civil Code Section 1542, which states:

8 A general release does not extend to claims that the creditor or releasing party does not
9 know or suspect to exist in his or her favor at the time of executing the release and that, if
10 known by him or her, would have materially affected his or her settlement with the debtor
11 or released party.

11 **9. Settlement Approval Procedure**

12 **9.1. Motion for Preliminary Approval.** Plaintiffs will obtain a hearing to request
13 preliminary approval of this Agreement, to obtain entry of an order that would (i) conditionally certify a
14 settlement class for settlement purposes only, (ii) grant preliminary approval of this Agreement, (iii)
15 approve a Notice of Settlement, and (iv) set a date for a Final Approval hearing.

16 **9.1.1. Contents of Motion.** The motion for preliminary approval shall include
17 the bases for demonstrating that conditional certification of a settlement class is appropriate, and that the
18 settlement amounts are reasonable in light of the facts and law pertaining to the claims alleged. The
19 motion shall be accompanied by a signed declaration by Class Counsel discussing the risks of continued
20 litigation and the decision that this Agreement serves the best interests of class members. Before filing
21 any motion, Class Counsel will consider in good faith any comments by Defendant's counsel.

22 **9.1.2. Notice to LWDA.** Upon moving for preliminary approval, Plaintiffs will
23 also submit the proposed settlement agreement to the LWDA, pursuant to Labor Code section
24 2699(1)(2).

25 **9.2. Motion for Final Approval.** Class Counsel will obtain a hearing for a Motion for Final
26 Approval, to obtain an order to (a) approve this Agreement, (b) adjudge its terms to be fair, reasonable,
27 and adequate, (c) recite the Released Class Claims and Released PAGA Claims, (d) direct that the terms
28 of the Agreement be carried out, and (e) retain jurisdiction to oversee enforcement of this Agreement.

1 **9.3. Motion for Class Counsel Award.** In connection with a Motion for Final Approval,
2 Class Counsel may move for approval of an attorneys' fees and costs award in the amount of (a) up to
3 one-third of the Gross Settlement Amount for fees and (b) up to \$30,000 for litigation costs actually
4 incurred in representing the interest of the Class, supported by adequate documentation.

5 **9.4. Motion for Service Award.** In connection with a Motion for Final Approval, Class
6 Counsel may move for approval of a Service Award for the Class Representatives in an amount of up to
7 \$10,000 each, for a total of \$20,000.

8 **9.5. Entry of Judgment.** Upon Final Approval, the Parties shall request that the Court (a)
9 enter Judgment in accordance with this Agreement, without further fees or costs, (b) enter an order as to
10 the Class Counsel Award, (c) enter an order as to any Service Award, and (d) enter an order approving
11 payment of Administrative Costs.

12 **9.5.1. Notice of Final Judgment.** Notice of Judgment will be posted on the
13 Settlement Administrator's website.

14 **9.5.2. Effect of Failure to Obtain Final Judgment.** If the Court fails to enter
15 Judgment in accordance with this Agreement, or if the Judgment is vacated or reversed, then the Action
16 shall proceed and the Parties shall split the Administrative Costs, unless the Parties jointly agree to seek
17 reconsideration or a renegotiated settlement. Defendant retains the right to contest whether any aspect of
18 the Action should be maintained as a class or representative action, and to contest the merits of the
19 claims asserted in the Action.

20 **9.6. Appeal Rights.** Only an Objector has the right to appeal a judgment that is in accord with
21 this Agreement. The Class Representatives and Class Counsel hereby waive any right to appeal any
22 judgment, ruling, or order based on this Agreement, including any Final Approval Order. This waiver
23 includes all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate
24 judgment, a motion for new trial, and any extraordinary writ, and the Judgment therefore will become
25 non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to
26 oppose any appeal or post-judgment proceeding. If an appeal is taken from the Judgment, then the time
27 to consummate this Agreement (including making payments under the Agreement) will be suspended
28 until the appeal is finally resolved.

1 **10. Miscellaneous**

2 **10.1. Execution of this Agreement.**

3 **10.1.1. Parties' Authority.** The signatories hereto represent that they are fully
4 authorized to bind the Parties to all the terms of this Agreement. The Parties agree that Class Members
5 are so numerous that it is impossible or impractical to have each Class Member execute this Agreement.
6 This Agreement may be executed on behalf of Class Members by the Class Representatives.

7 **10.1.2. Counterparts.** This Agreement may be executed in counterparts, and all
8 signed and delivered counterparts together may constitute one Agreement binding upon the Parties.

9 **10.1.3. Scanned Signatures.** A Party may sign and deliver this Agreement by
10 signing on the designated signature block and transmitting that signature page as an attachment to an
11 email to counsel for the other Party and by DocuSign. Any such signature shall be deemed an original
12 for purposes of this Agreement and shall be binding upon the Party who transmits the signature page.

13 **10.2. Discharge of Obligations.** Defendant shall fully discharge its obligations to Plaintiffs
14 and the Settlement Class through the remittance of the Gross Settlement Amount to the Qualified
15 Settlement Fund, regardless of whether checks representing Individual Settlement Payments are actually
16 negotiated by Settlement Class Members. Once Defendant has complied with its obligation to fund the
17 Gross Settlement Amount and employer's share of payroll taxes, it will be deemed to have satisfied all
18 terms and conditions under this Agreement, shall be entitled to all protections afforded to them under
19 this Agreement, and shall have no further obligations under the terms of this Agreement, regardless of
20 what occurs with respect to the further administration of the Settlement, including any requests to be
21 included in the Settlement Class, challenges to the completeness or accuracy of any Individual
22 Settlement Payment, or issues regarding the completeness or accuracy of the class data.

23 **10.3. Construction.**

24 **10.3.1. Materiality of Terms.** Except as otherwise stated herein, each substantive
25 term of this Agreement is a material term that the Parties have relied upon in making this Agreement. If
26 the Court does not approve any substantive term, or if the Court effects a material change to the
27 Agreement—such as increasing any amount that Defendant must pay—then the entire Agreement will
28 be void and unenforceable and the Parties shall split Administrative Costs. Where this Agreement states

1 that a term is not material, then the Court’s refusal to approve that term leaves all the other terms of the
2 Agreement in effect, and does not give Class Counsel or any Class Member any basis to abrogate this
3 Agreement.

4 **10.3.2. No Construction Against the Author.** Each Party participated in drafting
5 this Agreement, and its terms shall not be construed against any Party by virtue of draftsmanship.

6 **10.3.3. Exhibits Incorporated by Reference.** This Agreement shall include the
7 terms set forth in any attached exhibit. Any exhibit to this Agreement is an integral part of it.

8 **10.3.4. Headings.** The headings within this Agreement appear for convenience of
9 reference only and shall not affect the construction or interpretation of any part of this Agreement.

10 **10.3.5. Invalidity of Any Provision.** Before declaring any provision of this
11 Agreement invalid, the Court shall first attempt to construe the provision valid to the fullest extent
12 possible so as to render all provisions of this Agreement enforceable.

13 **10.3.6. Parties’ Entire Agreement.** This Agreement, with its Definitions,
14 Recitals, and Exhibits, constitutes the entire agreement on its subject matter, and supersedes all prior and
15 contemporaneous negotiations and understandings between the Parties.

16 **10.3.7. Waivers and Modifications to Be in Writing.** No waiver, modification,
17 or amendment of this Agreement shall be valid unless it appears in a writing signed by or on behalf of
18 all Parties, and then shall be valid subject to any required Court approval. Any failure to insist upon the
19 strict performance of any provision shall not be deemed a waiver of future performance of that provision
20 or of any other provision of this Agreement.

21 **10.3.8. Governing Law.** All terms of this Agreement shall be governed by and
22 interpreted according to California law.

23 **10.4. Inadmissibility of Settlement Documents.** The Parties agree that this Agreement and all
24 exhibits thereto shall be inadmissible in any proceeding, except a proceeding to approve or enforce this
25 Agreement. This Agreement will operate as a complete defense to—and may be used as the basis for an
26 injunction against—any proceeding attempted in breach of this Agreement.

27 **10.5. No Tax Advice.** Nothing in this Agreement is advice by Class Counsel or Defense
28 Counsel regarding taxes or taxability, and no Party is relying upon Class Counsel or Defense Counsel

1 for such advice. Each Party instead is relying exclusively on the Party's own independent tax counsel in
2 connection with this Agreement.

3 **10.6. No Impact on Employee Benefits.** This Agreement does not affect any right or
4 obligation under any benefits plan. No payment made under this Agreement shall be considered as
5 compensation or hours worked or hours paid for purposes of determining eligibility, vesting,
6 participation, or contributions with respect to any employee benefit plan. For purposes of this
7 Agreement, the term "employee benefit plan" means every "employee benefit plan," as defined in the
8 Employee Retirement and Income Security Act of 1974, 29 U.S.C. section 1002(3). The term also
9 includes any 401(k) plan, bonus, pension, stock option, stock purchase, stock appreciation, welfare,
10 profit sharing, retirement, disability, vacation, severance, hospitalization, insurance, incentive, deferred
11 compensation, or any other similar benefit plan, practice, program, or policy, regardless of whether any
12 such plan is considered an employee benefit plan.

13 **10.7. No Prior Assignments or Undisclosed Liens.** The Class Representatives and Class
14 Counsel represent that they have not assigned, transferred, conveyed, or otherwise disposed of any
15 Released Claim or claim to attorneys' fees and costs award to be paid under this Agreement. The Class
16 Representatives and Class Counsel further represent and warrant that there are not any liens or claims
17 against any amount that Defendant is to pay under this Agreement. The Class Representatives,
18 Settlement Class Members, and Class Counsel agree to indemnify and to hold Defendant harmless from
19 any liability, losses, claims, damages, costs, or expenses, including reasonable attorneys' fees, resulting
20 from a breach of these representations or from any lien or assignment. Nothing herein is intended to
21 constitute legal advice regarding the taxability of any amount paid pursuant to this Agreement, nor may
22 it be relied upon as such.

23 **10.8. Cooperation of the Parties.** The Parties will comply with the covenants of good faith
24 and fair dealing and otherwise cooperate as follows.

25 **10.8.1. Affirmative Duty to Cooperate.** Each Party, upon the request of another,
26 agrees to perform such acts and to execute and to deliver such documents as are reasonably necessary to
27 carry out this Agreement. In the same spirit, the Parties agree to make all reasonable efforts to avoid
28 unnecessary Administrative Costs.

1 **10.8.2. No Solicitation of Objections or Opt Outs.** The Parties represent that
2 they have not solicited, encouraged, or assisted—and will not solicit, encourage, or assist—Objections
3 or Requests for Exclusion.

4 **10.8.3. Waiver of Right to Object by Class Representatives.** The Class
5 Representatives, by signing this Agreement, agree not to object to any term of this Agreement.

6 **10.9. Confidential Information.** Class Counsel will destroy all confidential documents and
7 information provided by Defendant within 60 calendar days of this Agreement’s completion. Class
8 Counsel further agree that no information provided by Defendant shall be used for any purpose other
9 than prosecution of this Action.

10 **10.10. No Media Announcements or Other Undue Publicity.** No Party shall make any public
11 statement to the news, print, electronic, or Internet media concerning this Agreement, and the Parties
12 shall decline to respond to media inquiries concerning this Agreement. Nothing in this Agreement,
13 however, prevents Class Members from discussing or disclosing information about unlawful acts in the
14 workplace, such as harassment or discrimination or any other conduct that they have reason to believe is
15 unlawful, or discussing with any person or persons wages, hours or other terms and conditions of
16 employment, nor from engaging in lawful protected activity with or on behalf of coworkers regarding
17 same. Class Counsel shall not publicize the settlement in their marketing materials, website, or other
18 advertising media. Nothing in this Agreement prevents Class Counsel from placing in their marketing
19 materials, website, or other advertising media a comment that Class Counsel secured payment for their
20 clients in this Action, so long as any such comment does not mention the name of this case, the name of
21 any Party or Class Member, or the identity of Defense Counsel. Further, nothing in this Agreement
22 prevents or limits Plaintiffs and Class Counsel from communicating with Class Members about this case
23 and/or this settlement. Should Plaintiffs intentionally breach this provision, Plaintiffs shall forfeit to
24 Defendant the full amount of the Service Award. Defendant may also enforce this provision through an
25 action for injunctive relief. Plaintiffs waive any obligation to post a bond in connection with any such
26 action. Notwithstanding the foregoing, Class Counsel can post on his website that the “Lawsuit Settled”
27 and refer questions to the Settlement Administrator.
28

10.11. Disputes. If the Parties dispute the interpretation of this Agreement, then they will attempt to resolve the dispute informally. If those efforts fail, they will mediate the dispute. The Parties will split the costs of the mediator, and the Parties will bear their own fees and costs. The Court shall retain jurisdiction over enforcement and implementation of this Agreement, and can require specific performance, although the Court lacks jurisdiction to modify the terms of this Agreement. If a Party institutes legal action to enforce this Agreement, then the prevailing Party will be entitled to recover attorney's fees and costs incurred in vindicating that Party's position.

SO AGREED.

DATED: April 19, 2024

SEYFARTH SHAW LLP

By: 

Timothy M. Rusche
Attorneys for Defendant, Cepheid

DATED: Apr 19, 2024

CEPHEID

By: 
Chen-Sen Wu (Apr 19, 2024 12:27 PDT)

Chen-Sen "Samson" Wu
SVP, Legal and Compliance

DATED: April 16, 2024

DIVERSITY LAW GROUP

By: 

Larry W. Lee,
Attorneys for Plaintiffs Kamlesh Krishna and Rex Servania

DATED: 4/16/2024

By: 
Kamlesh Krishna

DATED: 4/16/2024

By: 
Rex Servania

306116157v.8

EXHIBIT A

Kamlesh Krishna v. Cepheid, No. 22CV397316
SUPERIOR COURT FOR THE STATE OF CALIFORNIA, COUNTY OF SANTA CLARA
NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully.

To: All non-exempt California employees of Cepheid who were paid non-discretionary incentive wages covering any periods in which sick pay was paid to the employee between April 25, 2019 and December 22, 2022, and whose employment ended, either voluntarily or involuntarily, at any time from April 25, 2019 to February 6, 2024 excluding those individuals who executed a severance agreement releasing the claims in the lawsuit.¹

The Honorable Charles F. Adams of the Superior Court for the State of California, County of Santa Clara has granted preliminary approval of a proposed settlement (“Settlement”) of this action (“Class and Representative Action”).

THE COURT HAS NOT DETERMINED THAT CEPHEID VIOLATED THE LAW. CEPHEID DENIES THAT IT VIOLATED ANY LAWS OR THAT IT HARMED ITS EMPLOYEES IN ANY WAY. IT IS SETTLING THIS LAWSUIT TO AVOID THE EXPENSE AND BURDEN OF FURTHER LITIGATION.

The purpose of this Notice is to provide a brief description of the claims alleged in the Class and Representative Action, the key terms of the Settlement, and your rights and options with respect to the Settlement. **You have received this notice because Cepheid’s records indicate that you are a Class Member and you may be entitled to a settlement payment.**

YOUR ESTIMATE CLASS AND PAGA PAYMENTS
According to Cepheid’s records, you took _____ sick days during a period in which you earned allegedly nondiscretionary pay from April 25, 2019 through December 22, 2022 for a total of _____ individual sick days for your Individual Settlement Payment. According to Cepheid’s records, you also took sick days during _____ pay periods in which you earned allegedly nondiscretionary pay from April 25, 2021 through December 22, 2022 for a total of _____ individual pay periods for your Individual PAGA Payment.
Based on the above, your total estimated gross payment from the Settlement is approximately \$_____, which consists of \$_____ for your Individual Settlement Payment and \$_____ for your Individual PAGA Payment.

Unless you choose to opt out of the Settlement by following the procedures described below, you will be deemed a Settlement Class Member and, if the Court grants final approval of the Settlement, you will be mailed a check for your share of the settlement fund. However, all PAGA Members (as defined below) cannot opt-out of Released PAGA Claims and all PAGA Members shall receive a portion of the PAGA Payment regardless of whether they opt out of the Settlement. The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at __:00 __.m. on _____, 2024 in Courtroom 7 of the Superior Court for the State of California, County of Santa Clara, located at 191 North First Street, San Jose, CA 95023. You are not required to attend the Hearing, but you are welcome to do so. The Court may change the Final Approval Hearing date or time without notice.

¹ This exclusion does not include individuals subject to the class action settlement release in *Lopez v. Cepheid*, San Benito Superior Court, Case No. 19CV348827.
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Summary of the Litigation

Plaintiffs, Kamlesh Krishna and Rex Servania, on behalf of themselves and on behalf of other individuals whom Cepheid employed as nonexempt employees in California and who were paid non-discretionary wages covering any periods in which sick pay was paid to them, claim that Cepheid violated California state labor laws as a result of its alleged failure to: (1) timely pay wages upon termination; and (2) provide accurate itemized wage statements. They also allege violation of the Private Attorneys General Act of 2004 (“PAGA”).

After the exchange of relevant information and evidence, the Parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. The Parties participated in a mediation with Daniel Turner, an experienced and well-respected class action mediator. With Daniel Turner’s guidance, the Parties were able to negotiate a complete settlement of Plaintiff’s claims.

Counsel for Plaintiff, and the attorneys approved by the Court to represent the class, Larry W. Lee, Diversity Law Group, P.C.; William L. Marder, Polaris Law Group; Edward W. Choi, Law Offices of Choi & Associates; and Dennis S. Hyun, Hyun Legal, APC. (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believes that the claims alleged in this lawsuit have merit, Class Counsel also recognizes that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believes the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members and PAGA Members.

Cepheid denies that it violated the law in any way. It has denied, and continues to deny, the factual and legal allegations in the case and believes that it has valid defenses to Plaintiff’s claims. By agreeing to settle, Cepheid is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class, collective, or representative action. Cepheid has agreed to settle the case as part of a compromise with Plaintiff.

Summary of the Proposed Settlement Terms

Plaintiff and Cepheid have agreed to settle the class claims in exchange for a Gross Settlement Amount of \$750,000. This amount is inclusive of: (1) Individual Settlement Payments to all Participating Class Members; (2) any Service Award to the Class Representatives (Up to \$10,000 each); (3) the Class Counsel Award (attorney’s fees in an amount up to \$250,000 and litigation costs in an amount up to \$30,000); (4) the PAGA Payment of \$75,000, and (5) reasonable settlement administration expenses not to exceed \$XX,000. After deducting the settlement administration expenses, the Class Counsel Payment, the Service Award, and the PAGA Payment, a Net Settlement Amount of approximately \$XX will be allocated to Class Members who do not opt out of the settlement (“Settlement Class Members”). Cepheid will pay its share of employer payroll taxes separately, and no portion of the Gross Settlement Amount shall revert to Cepheid.

Each Settlement Class Member’s settlement payment will be based on number of paid sick days each Class Member took during periods where each earned purported non-discretionary incentive pay from April 25, 2019 through December 22, 2022. The formula for calculating settlement payments is as follows:

- (a) Cepheid will calculate the total number of paid sick days each Settlement Class Member took during periods where each earned purported non-discretionary incentive pay from April 25, 2019 through December 22, 2022, and the total number of paid sick days all Settlement Class Member took during periods where each earned purported non-discretionary incentive pay from April 25, 2019 through December 22, 2022.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

- (b) Each Settlement Class Member's share of the Net Settlement Amount is the number of such paid sick days attributed to the Settlement Class Member during the Settlement Period, divided by total number of such sick days attributed to all Settlement Class Members and multiplied by the Net Settlement Amount.

The Parties also will seek approval for a PAGA Payment from the Gross Settlement Amount in the amount of \$75,000, 75% of which will go to the Labor & Workforce Development Agency, which enforces the Private Attorney General Action of 2004, and 25% of which will go to "PAGA Members," which refers to all non-exempt California employees of Cepheid who were paid non-discretionary incentive wages covering any period in which sick pay was paid to these employees by Cepheid between April 25, 2021 and December 22, 2022, and whose employment ended, either voluntarily or involuntarily at any time from April 25, 2021 to February 6, 2024 (the "Settlement Period for PAGA Members"). The formula for calculating Individual PAGA Payments is as follows:

- (a) Cepheid will calculate the total number of pay periods where each PAGA Member received sick pay during a week in which that PAGA Member earned nondiscretionary pay from April 25, 2021 through December 22, 2022, and the total number of pay periods that all PAGA Members received sick pay during a week in which they earned nondiscretionary pay from April 25, 2021 through December 22, 2022.
- (b) Each PAGA Member's share of the PAGA Payment is the number of such pay periods attributed to the PAGA Member, divided by the total number of such pay periods for all PAGA Members, and multiplied by 25% of the PAGA Payment.

Each settlement payment will be reduced by any required legal deductions.

180 days after settlement checks are delivered, the associated funds from all uncashed or undeliverable checks will be transmitted by the Settlement Administrator to the California Controller's Office Unclaimed Property Fund.

According to Cepheid's records, you took _____ sick days during a period in which you earned allegedly nondiscretionary pay from April 25, 2019 through December 22, 2022 for a total of _____ individual sick days. According to Cepheid's records, you also took sick days during _____ pay periods in which you earned allegedly nondiscretionary pay from April 25, 2021 through December 22, 2022 for a total of _____ individual pay periods.

Accordingly, if the Settlement is finally approved, your estimated payment would be approximately \$_____. If you believe the information provided above is incorrect, please promptly contact the Settlement Administrator at _____. If you dispute the information stated above, Cepheid's records will control unless you are able to provide documentation that establishes otherwise.

IRS Forms W-2 and 1099 will be distributed to Settlement Class Members and the appropriate taxing authorities reflecting the payments they receive under the Settlement. Each Individual Settlement Payment will be allocated for tax purposes as follows: 95% Form 1099 income for statutory and civil penalties and interest, and 5% Form W-2 income for wages. Each PAGA Member's share of the PAGA Payment will be allocated for tax purposes solely as Form 1099 income

Why Is This Being Referred to as a "Class and Representative Action"

The Settlement that you are receiving notice about involves a class action and representative action. The key distinction between a "class action" and a "representative action" is their requirements for how you participate in or how or if you can exclude yourself from the settlement.

If you wish to participate in the class action settlement, which is explained in this Notice and the Settlement Agreement, you do not have to do anything. You will receive money under the class action settlement by

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

doing nothing. If you want to opt out of, or request to be excluded from and not bound by, the class action settlement, then you must submit your intention to opt out of the settlement in the manner and timeframe described in this Notice and in the Settlement Agreement. If you opt out of the settlement, you still cannot opt-out of the Released PAGA Claims, you will receive a PAGA payment.

If the Court approves the Settlement you will receive a PAGA Payment and do not have the option to exclude yourself and you will be bound by the PAGA Release of claims.

In sum, for the class action settlement, you do not have to do anything to get the money and be bound by the release of class action claims stated in this Notice and Settlement Agreement. For the PAGA Payment, you do not need to do anything to receive your payment and you will be bound by the PAGA release.

Your Options Under the Settlement

Option 1 – *Automatically Receive a Payment from the Settlement*

If want to receive your payment from the Settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

Option 2 – *Opt Out of the Settlement*

If you do not wish to participate in the Settlement, you may exclude yourself from participating in the Class Action by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class and Representative Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your (i) full name, current mailing address, current telephone number, date, and signature; (ii) the last four digits of your social security number; and (iii) an express statement that you wish to be excluded from the Class Settlement.

Settlement Administrator

c/o _____

The written request to be excluded must be postmarked not later than _____, 2024. If you submit a request for exclusion that is not postmarked by _____, 2024, your request for exclusion will be rejected, and you will be included in the settlement class.

If you do not opt out of the Settlement but then later do not cash your settlement checks, you will be bound by the class action settlement. If you opt out of the settlement, you still will receive a PAGA Payment and will be bound by the release of PAGA claims that is part of the settlement.

Option 3 – *Object to the Settlement*

If you decide to object to the Settlement because you find any portion of it unfair or unreasonable, including the requested Class Counsel Award or Service Award, you must submit an objection stating why you object to the settlement. Your objection must provide: (1) your full name and current mailing address, (2) the last four digits of your social security number, (3) the specific reason(s) for the Objection, (4) all evidence and supporting papers (including, without limitation, all briefs, written evidence, and declarations) for the Court to consider, and (5) your signature or your counsel's signature. The objection must be mailed to the administrator at [administrator's address] and postmarked by _____, 2024.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

By submitting an objection, you are not excluding yourself from the Settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the Settlement and exclude yourself. You must choose one option only.

Class members may appear at the final approval hearing in person or remotely using the Microsoft Teams link for Department 7 (Afternoon Session) of the Superior Court for the State of California, County of Santa Clara, located at 191 North First Street, San Jose, CA 95023. You may also retain an attorney to represent you at the hearing. The Court may change the hearing date or time without notice. Instructions for appearing remotely are provided at https://www.scsccourt.org/general_info/ra_teams/video_hearings_teams.shtml and should be reviewed in advance. Class members who wish to appear remotely are encouraged to contact class counsel at least three days before the hearing if possible, so that potential technology or audibility issues can be avoided or minimized.

If you choose **Option 1 and do nothing**, and if the Court grants final approval of the Settlement, then you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the following claims (“Released Class Claims”):

Upon the deposit of the Gross Settlement Amount in the Qualified Settlement Fund established by the Settlement Administrator, by operation of the Final Approval and Judgment, and except as to rights that this Agreement creates, each Settlement Class Member—and each Settlement Class Member’s executors, administrators, representatives, agents, heirs, successors, assigns, trustees, spouses, or guardians—will release Defendant and each and all of its current or former subsidiaries, parents, affiliates, joint ventures, predecessors, insurers, agents, employees, successors, assigns, officers, officials, directors, attorneys, personal representatives, executors, and shareholders, including their respective pension, profit sharing, savings, health, and other employee benefits plans of any nature, the successors of such plans, and those plans’ respective current or former trustees and administrators, agents, employees, and fiduciaries (“Released Parties”) from any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney’s fees, damages, action or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, that were alleged or that reasonably could have been alleged based on the facts alleged in the Action, including, but not limited to, any claims for purported sick pay wages, “waiting time” penalties, wage-statement penalties, claims under the applicable Wage Orders, and claims under Labor Code sections 200, 201, 202, 203, 204, 218.5, 226, and 246, based on purported sick pay wages paid between April 25, 2019 through December 22, 2022.

Further, upon approval of the settlement, and payment of the Gross Settlement Amount, if you are a PAGA Member, you will be bound by the Released PAGA Claims, which includes a release of the following:

Upon the deposit of the Gross Settlement Amount in the Qualified Settlement Fund established by the Settlement Administrator, by operation of the Final Approval and Judgment, and except as to rights that this Agreement creates, each PAGA Member—and each PAGA Member’s executors, administrators, representatives, agents, heirs, successors, assigns, trustees, spouses, or guardians—will be deemed to have released the Released Parties for any and all claims under the Private Attorneys General Act of 2004 (Labor Code §§ 2698 et seq.) that were or could have been asserted based on the facts alleged in Plaintiff’s written notice submitted to the LWDA, regardless of theory of liability, including claims for wages or sick pay benefits, “waiting time” penalties, wage-statement penalties, civil penalties, and

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

claims predicated upon the applicable Wage Orders or Labor Code sections 200, 201, 202, 203, 204, 226, 246. This release is conditioned upon the release by all PAGA Employees as to the released claims set forth above, and upon covenants by all PAGA Employees that they will not participate in any proceeding seeking penalties as to the released claims set forth above based on the alleged failure to pay sick pay wages that accrued from April 25, 2021, through December 22, 2022.

If you choose **Option 2 and opt out**, then you will no longer be a Class Member, and you will (1) be barred from participating in the settlement, but you will not be deemed to have released the Released Class Claims, (2) be barred from filing an objection to the settlement, and (3) not receive an Individual Settlement Payment. However, if you are a PAGA Member who worked during the Settlement Period for PAGA Members, you will still be bound by Released PAGA Claims and receive a PAGA Payment.

If you choose **Option 3 and object**, then you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Claims.

How Will I Get Paid?

If the Court grant final approval of the Settlement, the Administrator will send a single check to every Settlement Class Member who does not opt out of the Settlement. The single check will combine the Individual Settlement Payment and, if you qualify as a PAGA Member, the Individual PAGA Payment.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible at [Administrator's address].

Additional Information

This Notice does not contain all of the terms of the proposed Settlement or all of the details of these proceedings. The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (a) online on the Superior Court of California, County of Santa Clara's Electronic Filing and Service Website at www.sceffiling.org, or (b) in person at Records, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact Class Counsel or the Settlement Administrator. All inquiries by Class Members regarding this Class Notice or the settlement should be directed to the Settlement Administrator or Class Counsel.

Larry W. Lee
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Los Angeles, California 90071
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(213) 488-6554 facsimile

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501 San Benito Street, Suite 200
Hollister, California 95023
(831) 531-4214

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, CEPHEID OR CEPHEID'S ATTORNEYS WITH INQUIRIES.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******