

SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

This Settlement Agreement and Release of Claims (“**Agreement**” or “**Settlement**”) is entered into between Plaintiff Karen Elizabeth Gordon (“**Gordon**” or “**Plaintiff**”) as proxy on behalf of the California Labor and Workforce Development Agency (the “**LWDA**”) and as a representative of the “Aggrieved Employees” defined below, on the one hand, and Defendant Axelon Services Corporation (“**Axelon**” or “**Defendant**”), on the other hand. Plaintiff and Defendant are referred to herein collectively as the “**Parties**.”

DEFINITIONS

A. Definition of “Aggrieved Employees” and “Settlement Period”

1. “**Aggrieved Employees**” means all non-exempt employees of Defendant who are and/or have been placed on work assignments by Defendant at Abbott Vascular Inc. locations in California during the Settlement Period. This Settlement is based on Defendant’s estimate that there are not more than 45 Aggrieved Employees covered by this Agreement.

2. “**Settlement Period**” means the inclusive time period from June 27, 2021, through the date that this Agreement is granted approval by the Court (as defined below).

B. Additional Definitions

When used in this Agreement, along with the specified terms set forth above and elsewhere in this Agreement, the following terms have the meanings specified below:

3. “**Net Settlement Amount**” means the Gross Settlement Fund (as defined below) less approved attorneys’ fees and litigation costs and final costs of administration paid out of the Gross Settlement Fund (as defined below), 75% of which will be distributed to the LWDA and 25% of which will be distributed to the Aggrieved Employees in the manner described below.

4. “**Court**” means the Superior Court of the State of California in and for the County of Riverside.

5. “**Effective Date**” means 65 days after service of notice of entry of the Court’s Order approving this Settlement and judgment thereon, or if an appeal is taken from any aspect of the Court’s Order regarding approval of this Agreement and/or the judgment entered thereon, then

21 days after the later of either (i) the appeal being withdrawn or (ii) the exhaustion of all available appellate review and an appellate decision affirming the Order granting approval of the Settlement or judgment thereon becoming final and not subject to further appellate review.

6. **“Gross Settlement Fund”** means Forty-Five Thousand Dollars and No Cents (\$45,000.00), which is the total maximum sum that Defendant has agreed to pay to settle the Lawsuit in accordance with the terms of this Agreement, subject to the pro rata clause set forth herein. If the number of Aggrieved Employees on the date of approval exceeds 45, then there will be a *pro rata* increase of the Gross Settlement Fund amount of \$350.00 per additional Aggrieved Employee (the “additur amount”), or, at Defendant’s election, the number of aggrieved employees covered by this Settlement will be limited to 45 or such higher amount it specifies, subject to increasing the Gross Settlement Fund Amount by the *pro rata* additur amount for such higher amount. In no event will Defendant be required to pay more than this amount under the terms of this Agreement, including without limitation governmental and other penalties payments (including to the LWDA as set forth below), if any, settlement administration fees and costs, and attorneys’ fees and costs. None of the Gross Settlement Fund will be payable by Defendant prior to approval by the Court of the settlement and the occurrence of all conditions precedent as set forth in this Settlement Agreement as approved by the Court.

7. **“Labor Code”** means the California Labor Code.

8. **“Lawsuit”** means the civil action, styled as *KAREN ELIZABETH GORDON, individually and on behalf of all others similarly situated v. ABBOTT VASCULAR INC.; ABBOTT LABORATORIES; AXELON SERVICES CORPORATION; and DOES 1 through 20, inclusive*, filed on September 9, 2022, in the Court, Case No. CVRI2203907.

9. **“PAGA”** means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

10. **“Plaintiff”** or **“Named Plaintiff”** means Plaintiff Karen Elizabeth Gordon.

11. **“Plaintiff’s Counsel”** means Samuel A. Wong, Kashif Haque, Jessica L. Campbell and Kristy R. Connolly of Aegis Law Firm, P.C. As set forth below, Plaintiff’s Counsel may apply

to the Court for an award to be paid from the Gross Settlement Fund of attorneys' fees and costs and expenses incurred in connection with the prosecution of this matter, and all of the work remaining to be performed by Plaintiff's Counsel in documenting the Settlement, securing Court approval of the Settlement (including all related appellate work, if any), carrying out their duties to see that the Settlement is fairly administered and implemented, and obtaining dismissal of the action.

12. **"Released Claims"** means any claim for civil penalties under PAGA and all other related remedies for all allegations, claims, debts, rights, demands, charges, complaints, actions, causes of action, guarantees, interest, costs, expenses, attorneys' fees, damages, obligations or liabilities of any and every kind, contingent or accrued, that are, were or reasonably could have been alleged or asserted based upon the facts and/or theories alleged in the pleadings filed in the Lawsuit and/or in any notice provided pursuant to PAGA by Gordon to the LWDA and Defendant, arising out of, based on or related to any violation of Labor Code §§ 201, 201.3, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174 ,1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 that occurred, arose or accrued at any time during the Settlement Period.

13. **"Released Parties"** means Defendant Axelon Services Corporation and its officers, directors, and employees. Abbott Vascular, Inc. and Abbott Laboratories are excluded from the definition of Released Parties.

14. **"Settlement Administrator"** means Phoenix, which is a qualified third-party settlement administrator retained by Plaintiff's Counsel to issue checks, handle all tax reporting, issue appropriate tax forms to Plaintiff, Plaintiff's Counsel, and all Aggrieved Employees, and such other related tasks as the Parties may request. The Settlement Administrator's duties of administration shall include, without limitation, receiving and updating through normal and customary procedures the list of Aggrieved Employees to be produced by Defendant, so that it is updated prior to the Notice being mailed, printing and mailing the Court approved Notice of Settlement, performing necessary additional skip traces on Notices and/or checks returned as undeliverable, calculating Aggrieved Employees' shares of the Net Settlement Amount, preparing

and mailing of settlement checks, responding to Aggrieved Employees' inquiries as appropriate, preparing any appropriate tax forms in connection with the settlement payments and remitting those forms and any required payments to the appropriate governmental agencies, and generally performing all normal and customary duties associated with the administration of such settlements. All administration fees for the Settlement Administrator's services will be paid out of the Gross Settlement Fund.

BACKGROUND AND FACTUAL RECITALS

15. On or about June 27, 2022, Gordon, through her attorneys, sent a letter via electronic submission and certified mail to the LWDA and Defendant, respectively, providing notice of alleged violations of the Labor Code based upon alleged failure to pay overtime wages, failure to pay minimum wages, meal period violations, rest period violations, failure to provide accurate wage statements and maintain accurate and complete records, and failure to timely pay wages during employment and at separation, in violation of Labor Code §§ 201, 201.3, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 (the "**Notice Letter**"). The LWDA elected not to investigate the alleged violations. Accordingly, by operation of law (Labor Code § 2699(a) and § 2699.3(a)), Gordon was "deputized" to proceed with a civil lawsuit for civil penalties on behalf of herself, the LWDA, and other allegedly "aggrieved employees."

16. On September 9, 2022, Gordon filed the Lawsuit in the Court for a single cause of action for violation of the PAGA arising from the alleged violations, as set forth in Paragraph 15, above.

17. The Parties have engaged in an informal exchange of information and arms-length negotiations that have resulted in the preparation and execution of this Agreement.

18. Defendant at all times has denied Plaintiff's claims and maintains this position. Nonetheless, Defendant has concluded that further litigation will be protracted and expensive, and would also divert management and employee time. Defendant has taken into account the uncertainty and risks inherent in litigation and has, therefore, concluded that it is desirable that the

claims in the Lawsuit be settled in the manner and upon the terms and conditions set forth in this Agreement.

19. The Parties expressly acknowledge that nothing in this Agreement, nor the fact of the Agreement itself, shall be construed or deemed an admission of liability, culpability, negligence or wrongdoing of any kind by Defendant, nor shall it constitute an admission on behalf of Defendant of any fact or allegations against it. Defendant at all times has denied Plaintiff's claims and maintains this position.

20. Plaintiff and Plaintiff's Counsel believe that the claims asserted against Defendant in the Lawsuit have merit. Plaintiff and Plaintiff's Counsel, however, recognize and acknowledge the significant expense and length of continued proceedings necessary to prosecute the litigation of the Released Claims against Defendant through trial and through appeals. Plaintiff and Plaintiff's Counsel are also mindful of the possible defenses to the Released Claims. After careful consideration, Plaintiff and Plaintiff's Counsel have concluded that it is desirable that the claims asserted against Defendant in the Lawsuit be settled in the manner and upon the terms and conditions set forth in this Agreement.

21. The Parties also recognize the inherent risk in proceeding with this Lawsuit based on the current uncertainty and ongoing evolution of California jurisprudence with respect to PAGA and the underlying claims. The Parties agree that the Settlement set forth herein adequately balances the risk of proceeding with the claims asserted against Defendant versus any potential recovery for the Plaintiff, LWDA, and the Aggrieved Employees and, therefore, the Agreement represents a fair and just compromise of the Released Claims with regard to the Released Parties.

22. It is the desire of the Parties that Plaintiff shall release fully and completely for the Settlement Period, with respect to Plaintiff, the LWDA, and all Aggrieved Employees, all of the Released Claims with regard to the Released Parties.

23. It is also the desire of the Parties that Plaintiff shall release fully and completely release any and all claims, whether known or unknown, including without limitation those alleged in the Lawsuit, against Defendant, its heirs, successors or assigns prior to and through the date this

Agreement is approved by the Court and, further, that Plaintiff waives the protection of Section 1542 of the Civil Code, as set forth more fully below.

24. The Parties and their respective counsel of record deem the Agreement to be fair and reasonable and have arrived at the Agreement in arms-length negotiations taking into account all relevant factors, present or potential.

COURT APPROVAL OF THE AGREEMENT

25. The Parties and their respective counsel shall, in good faith, take all necessary steps to implement this Agreement, any steps that may be requested by the Court relating to the approval of this Agreement as quickly as possible, and shall otherwise use their respective best efforts to obtain Court approval of this Agreement and implement this Agreement. The procedure for obtaining Court approval of this Agreement and implementing this Agreement shall be as set forth below.

26. As soon as practicable after this Agreement has been signed by all parties and their counsel, Plaintiff shall submit a motion to the Court for approval of this Agreement pursuant to Labor Code § 2699(l). Plaintiff will request entry of an order that accomplishes the following:

- a. Approves this Agreement;
- b. Provides that there has not been any tolling of the applicable statute of limitation periods as to any claims that are not Released Claims as a result of the pendency of the Lawsuit, and the Court shall retain continuing jurisdiction over the Parties, the LWDA, and the Aggrieved Employees to enforce the Agreement; and
- c. Enters judgment in accordance with the terms of this Agreement, including without limitation dismissing the claims asserted against Defendant in the Lawsuit with prejudice as to the Aggrieved Employees and without prejudice as to all other putative aggrieved employees as alleged in the Lawsuit, and the permanent injunction provisions.

27. Neither Defendant, nor its counsel, shall oppose Plaintiff's Motion as set forth in Paragraph 26, including Plaintiff's Counsel's Request for Attorneys' Fees and Costs, if made in

accordance with this Agreement.

28. Plaintiff's Counsel shall be responsible for ensuring that all required submittals and notifications to the LWDA under PAGA regarding this Settlement are made by Plaintiff and provided to Defendant and the Court concurrently with seeking approval of this Settlement, and that at least the following documents are filed with the Court in anticipation of the approval hearing:

- a. A duly-noticed motion, accompanying memorandum of points and authorities prepared by Plaintiff's Counsel (and approved by Defendant's counsel prior to filing), and such other pleadings, evidence, or other documents as may be necessary for the Court to approve the Agreement.
- b. A [Proposed] Order and Judgment for the Court's signature (i) to approve this Agreement, (ii) to provide that there has not been any tolling of the applicable statute of limitation periods as to any claims that are not Released Claims as a result of the pendency of the Lawsuit, and the Court shall retain continuing jurisdiction over the Parties, the LWDA, and the Aggrieved Employees to enforce the Agreement; and (iii) to enter judgment consistent with this Agreement, including without limitation dismissing the claims asserted against Defendant in the Lawsuit with prejudice as to the Aggrieved Employees and without prejudice as to all other putative aggrieved employees as alleged in the Lawsuit, and the permanent injunction provisions.

29. Plaintiff's Counsel will prepare Plaintiff's motion for approval of the settlement, and not later than five court days prior to the submission thereof to the Court, they will submit near-final drafts thereof (including all supporting papers and proposed order and judgment) to counsel for Defendant for their review and comment. Counsel for Defendant agrees to respond to Plaintiff's Counsel within 5 calendar days of receiving the papers in support of approval of this agreement, with any changes made, tracked in redline.

SETTLEMENT CALCULATIONS AND PAYMENTS

30. All amounts paid as part of this Settlement shall be paid out of the Gross Settlement Fund. These amounts shall be, subject to adjustment as set forth in this Agreement, as follows:

- a. Up to Fifteen Thousand Dollars and No Cents (\$15,000.00) (one-third of the Gross Settlement Fund) for attorneys' fees to be paid to Plaintiff's Counsel (or such other amount as the Court approves);
- b. Up to Four Thousand Dollars and No Cents (\$4,000.00) as reimbursement for litigation costs incurred to be paid to Plaintiff's Counsel (or such other amount as the Court approves);
- c. Up to Two Thousand Dollars and No Cents (\$2,000.00) for costs of settlement administration to be paid to the Settlement Administrator (or such other amount as the Court approves);
- d. The Net Settlement Amount (\$45,000.00 less approved attorneys' fees, litigation costs, and final administration costs) of which 75% shall be paid to the LWDA and 25% shall be paid to the Aggrieved Employees.
- e. The Parties agree that the Settlement shall not be contingent upon the Court awarding Plaintiff's Counsel any particular amount for attorneys' fees or costs.

31. Defendant shall have no obligation to make any payment whatsoever beyond what is set forth in Paragraph 6 (*i.e.*, the Gross Settlement Fund). Defendant shall pay the Gross Settlement Fund Amount into a Qualified Settlement Fund ("QSF") established by the Settlement Administrator within 15 calendar days after occurrence of all of the following: (1) the Effective Date, and (2) establishment of the QSF and Defendant being provided wiring instructions for the same.

32. In the event that a lesser sum is awarded for the attorneys' fees and costs referenced above in Paragraph 30(a)-(b), the approval by the Court of any such lesser sum(s) shall not be grounds for Plaintiff's Counsel and/or Plaintiff to terminate the settlement, but such an order shall be appealable by them. In the event that such an appeal is filed, administration of the settlement

shall be stayed pending resolution of the appeal. Thereafter, if after the exhaustion of such appellate review, any additional amounts remain which are distributable to the Aggrieved Employees, the cost of administration of such additional payments will be paid out of such additional amounts, and will not be chargeable to or payable by Defendant. Any amount not awarded in fees and/or costs, but which is not challenged via appeal by Plaintiff and/or Plaintiff's Counsel, shall be added to the Net Settlement Amount and distributed to the LWDA and the Aggrieved Employees in accordance with the terms of this Settlement Agreement.

33. Each of the Aggrieved Employees shall be allocated a portion of the 25% share of Net Settlement Amount to be paid to the Aggrieved Employees based on the respective number of pay periods during which each of the Aggrieved Employees performed work for Defendant during the Settlement Period (the "**Pay Periods**"). Specifically, the number of Pay Periods for each Aggrieved Employee during the Settlement Period will be added up, resulting in the "**Gross Pay Periods**." Each Aggrieved Employee's share of the Net Settlement Amount will then be calculated based on the total number of Pay Periods he/she performed work for Defendant during the Settlement Period, divided by the total number of Pay Periods for all of the Aggrieved Employees. The size and membership of the Aggrieved Employees shall be determined for the Settlement Period.

34. The payments made to the Aggrieved Employees pursuant to this Agreement are not intended to count as earnings by the Aggrieved Employees, and will not entitle the Aggrieved Employees to any additional compensation and/or benefits under any retirement, benefit, bonus, incentive, pension, welfare, and/or any other plan of or sponsored by Defendant. Defendant shall not make as part of this Agreement, nor be required to make, any deductions, nor pay any monthly contributions for any insurance, retirement, bonuses, 403(b), or profit sharing plans related to monies paid as a result of this Agreement. The payments paid to Aggrieved Employees shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g. bonuses, vacation, holiday pay, retirement plans, etc.) of Aggrieved Employees. The Parties agree that any payments paid to Aggrieved Employees under the terms of this Agreement do not represent any

modification of Aggrieved Employees' previously credited hours of service or other eligibility criteria under an employee benefit plan sponsored by Defendant. Further, any payments are penalties and thus shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, any employee benefit plan or bonus plan sponsored by Defendant.

35. The Parties are mindful that the total consideration payable hereunder is comprised of a number of separate and distinct claims by Plaintiff, the Aggrieved Employees, and the LWDA. Accordingly, having considered the matter in detail, having performed their own separate and independent computations and estimation of the amounts potentially awardable to Plaintiff, the Aggrieved Employees, and the LWDA at trial, and having done the foregoing with complete and satisfactory access to, and advice from, accounting and legal advisors, the Parties mutually consent and agree that the Gross Settlement Fund be apportioned among the various claims in this action as set forth above. Moreover, the Parties mutually consent and agree, and hereby represent to the Court in this settlement transaction, that the apportionment of Gross Settlement Fund, as stated above, is a reasonable and arm's length determination of the character of the distribution for all purposes.

36. Within 15 calendar days after the Effective Date, Defendant will provide to the Settlement Administrator an Excel spreadsheet including the following information for each Aggrieved Employee: (1) name; (2) last known address, (3) phone number, (4) hire date of record with Defendant, (5) termination date of record with Defendant, (6) Social Security Number, and (7) the number of pay periods actually worked for Defendant during the Settlement Period. This data shall be collectively referred to as the "Database." The Database provided to the Settlement Administrator shall be used only by the Settlement Administrator and only for purposes of administering the settlement as provided for in this Agreement, and the Settlement Administrator shall not disclose the contents thereof except as expressly permitted under this Agreement. The restrictions on the use and disclosure of the Database set forth in this Agreement shall be deemed, upon entry of the Court's Order granting approval of this Settlement, to be a protective order

entered by the Court subject to full enforcement by the Parties to this Agreement and the Court, and by taking on the administration of the Settlement, the Settlement Administrator agrees that it and its employees, agents and representatives are bound by such protective order.

37. Within 15 calendar days following its receipt of the Database, the Settlement Administrator shall disburse the Gross Settlement Fund by (a) sending to the Aggrieved Employees, by first class mail, a check representing their pro rata share of the 25% of the Net Settlement Amount, based on the formulas set forth above in Paragraph 33, along with a copy of the Notice of Settlement Payment (a copy of which is attached hereto as **Exhibit A**); (b) issuing payment to Plaintiff's Counsel for Plaintiff's attorneys' fees as approved by the Court up to \$15,000.00 and up to \$4,000.00 for Plaintiff's litigation costs as approved by the Court (or such other amounts approved by the Court); (c) issuing payment to the LWDA for 75% of the Net Settlement Amount; and (d) issuing payment to the Settlement Administrator for its costs as approved by the Court.

38. In the event that any checks mailed to Aggrieved Employees remain uncashed after the expiration of 180 days, or an envelope mailed to an Aggrieved Employee is returned and no forwarding address can be located for the Aggrieved Employee after reasonable efforts have been made, then any such funds shall be transmitted by the Settlement Administrator pursuant to governing California law to the State of California Unclaimed Property Fund, to be held there in the name of and for the benefit of such Aggrieved Employees under California's escheatment laws. Any such Aggrieved Employee whose payments is remitted to the Unclaimed Property Fund is still bound by this Agreement and the release of claims provided herein.

39. All costs for administration of the settlement, whether foreseen or unforeseen, including, but not limited to, issuing and mailing settlement checks, printing and mailing of a notice to Aggrieved Employees, responding to inquiries from Aggrieved Employees, reasonable efforts to locate Aggrieved Employees, and preparing any required tax returns and tax reports, will be paid from the Gross Settlement Fund. The Settlement Administrator shall submit one invoice to Plaintiff's Counsel and Defendant's counsel and, if within the amount approved by the Court,

such invoice shall be deemed approved and paid out of the Gross Settlement Fund.

40. Defendant shall cooperate with and assist the approved Settlement Administrator as may be reasonably necessary in conjunction with the Settlement Administrator's calculations, withholdings, issuance, distribution, and reporting of settlement award checks and related taxes (if any). The Settlement Administrator and Defendant will be required to cooperate and coordinate with each other with respect to the calculation, reporting and payment of all payroll taxes and withholdings, if any, in accordance with all applicable laws and requirements of government taxing authorities

41. Any unused portion of the amount allocated in Paragraph 30 to settlement administration costs shall be reallocated to the Net Settlement Amount.

ALLOCATION AND TAX TREATMENT

42. The portion of the Net Settlement Amount distributed to each of the Aggrieved Employees will be considered penalties and interest, and will be reported by the Settlement Administrator as such to each of the Aggrieved Employees on an IRS Form 1099 or as otherwise required by applicable law.

43. The Parties represent that they have not received, and shall not rely on, advice or representations from the other party or their agents regarding the tax treatment of payments pursuant to this Settlement Agreement under federal, state, or local law. The Settlement Administrator must coordinate the calculation and remittance of all payroll taxes, if any, with Defendant to ensure compliance with the requirements of all taxing authorities related to payments made by qualified settlement funds.

44. No amount of any of the Aggrieved Employees' payments made under this Settlement Agreement will constitute wages with regard to any employment-related benefit or incentive compensation plan or program previously, now or hereafter offered by or on behalf of Defendant to any of the Aggrieved Employees.

45. Plaintiff's Counsel will provide a completed IRS Form W-9 to the Settlement Administrator and will be issued an IRS Form 1099 by the Settlement Administrator for their

attorneys' fees and costs. Plaintiff will provide an IRS Form W-9 to the Settlement Administrator if necessary.

RELEASE OF CLAIMS

46. Effective upon and subject to the Court's approval of this Settlement and payment of the Gross Settlement Fund Amount into the QSF established by the Settlement Administrator in accordance with its wire transfer instructions provided to Defendant, Plaintiff, the LWDA, and all Aggrieved Employees shall, for the entire Settlement Period, be deemed to have fully released and discharged the Released Parties from any and all of the Released Claims. Beyond the Gross Settlement Fund, and as set forth in this Settlement Agreement, Defendant shall not owe any further monies to Plaintiff, the LWDA, or the Aggrieved Employees based upon the Released Claims. The release and discharge of the Released Claims is not contingent upon any Aggrieved Employees receiving or negotiating their settlement checks.

47. In addition to the release set forth in Paragraph 46, Plaintiff, for herself alone only, releases the Released Parties of and from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, actions or causes of action of every kind or nature, contingent or accrued, known or unknown, which do or may exist as of the date of the execution of this Settlement Agreement and through and including the date of the Court's order approving the this Agreement (the "Plaintiff Released Claims"). In connection therewith, Plaintiff waives the provisions of California Civil Code Section 1542 which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

48. As part of the Court's approval of this Settlement, the claims asserted against Defendant in the Lawsuit will be dismissed with prejudice as to the Aggrieved Employees and

without prejudice as to all other putative aggrieved employees as alleged in the Lawsuit, and Plaintiff, Aggrieved Employees and the LWDA shall be enjoined from filing, initiating or continuing to prosecute any actions, claims, complaints, or proceedings in court, arbitration, with the California Division of Labor Standards Enforcement (“DLSE”), with the LWDA, or with any other entity, with respect to the Released Claims and Plaintiff Released Claims with regard to the Released Parties. This settlement is conditioned upon the release by Aggrieved Employees, Plaintiff and the LWDA as described in Paragraphs 46 and 47, above, and the approval thereof by the Court, and upon covenants by Plaintiff, Aggrieved Employees and the LWDA that they will not and cannot participate in any actions, lawsuits, proceedings, complaints or charges brought individually, by the DLSE, the LWDA, or by any other agency, persons or entity in any court, arbitration or before any administrative body with respect to the claims released as described in Paragraphs 46 and 47, above, with regard to the Released Parties nor will such Aggrieved Employees, Plaintiff or the LWDA contest or interfere with efforts by Defendant or by any other Released Parties to oppose any attempt to bring such released claims against any of them. In addition, this settlement and Defendant’s payment obligations under this Agreement are conditioned on Plaintiff notifying the LWDA that Plaintiff irrevocably withdraws the Notice Letter as to any putative aggrieved employees who are not Aggrieved Employees under this Agreement. Additionally, it is agreed herein that neither injunctive, declaratory or other equitable relief will be ordered by the Court against Defendant in approval of this Settlement, which will otherwise give Defendant the right to rescind and terminate this Agreement.

49. It is expressly agreed that, as part of the Court’s approval of this Agreement, it will be confirmed that there has not been any tolling of the applicable statute of limitation periods as to any claims with regard to the Released Parties that are not Released Claims or Plaintiff Released Claims as a result of the pendency of the Lawsuit.

50. It is agreed that this Settlement does not constitute or effectuate any waiver or limitation of the applicability of any arbitration agreement, or any argument against the enforcement of any arbitration agreement, entered into between Defendant and its current and

former employees, including Plaintiff and the Aggrieved Employees and Defendant.

VOIDING THE AGREEMENT

51. In the event: (i) the Court does not enter an order approving this Agreement as provided herein; (ii) the Court does not enter judgment as provided herein; (iii) the Effective Date does not occur; or (iv) the settlement set forth in this Agreement does not become final for any other reason, this Agreement shall be null and void *ab initio* and any order, dismissal, judgment or pleading filed with or entered by the Court in connection with or furtherance of the Settlement set forth herein shall be treated as withdrawn or vacated by stipulation of the Parties. In such case, the Parties shall be returned to their respective statuses as of the date immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had not been executed. In the event an appeal is filed from any aspect of the Court's order regarding approval of this Agreement prior to the Effective Date, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review.

MUTUAL FULL COOPERATION

52. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to execution of such documents and to take such other actions as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, Plaintiff's Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the Court's approval of this Settlement Agreement.

MISCELLANEOUS PROVISIONS

53. Confidentiality: Plaintiff and Plaintiff's Counsel will maintain the proposed settlement and this Settlement Agreement as confidential and not publicly disclose the same. Except as otherwise agreed in writing between the Parties, both before and following the execution

of this Settlement Agreement by the Parties and their counsel, there will be no direct or indirect comment or publication by Plaintiff and Plaintiff's Counsel of the settlement in terms of affirmative or responsive media statements/comments, press releases or conferences, website postings or content, social media postings or content, other Internet postings or content, subscribed email messages, newsletters, disseminated updates, mass mailings, or any other comment or publication to the press, media or public at large. This shall not apply to or limit the public filing of motions or other case materials by Plaintiff's Counsel in the Lawsuit related to seeking and obtaining Court approval of the proposed settlement and the related awards of attorneys' fees and costs, and the other relief set forth in this Settlement Agreement, or to communications between Plaintiff's Counsel and Plaintiff or Aggrieved Employees in the Lawsuit, except that prior to the filing of the motion for approval of the Settlement in the Lawsuit, Plaintiff's Counsel shall not discuss the settlement with Aggrieved Employees other than the named Plaintiff. Plaintiff's Counsel may otherwise state only that the Lawsuit against Defendant has been settled on terms mutually agreeable to the parties. The Parties understand and agree that there may be media coverage of the settlement of the Lawsuit not initiated by Plaintiff or Plaintiff's Counsel, directly or indirectly. It is also agreed and understood that the Parties and each and every Aggrieved Employee may disclose the settlement to their immediate families, plus their legal, tax, or accounting advisors, insurance companies, or if such disclosure is required by law, regulatory rules or regulatory requirements.

54. Each Party to Bear Own Costs. Except as specifically provided herein, the Parties hereto will bear responsibility for their own attorneys' fees and costs, taxable or otherwise, incurred by them or arising out of or related to this Lawsuit, and will not seek reimbursement thereof from any Party to this Agreement.

55. Severability. If any of the above provisions are found null, void, or inoperative, for any reason, the remaining provisions will remain in full force and effect. Notwithstanding, the invalidation in whole or in part of any material term of this Agreement, including but not limited to all the terms and provisions specified in the releases of claims, will invalidate this Agreement

in its entirety unless the Parties subsequently agree in writing that the remaining provisions will remain in force and effect.

56. Headings. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute any part of this Agreement.

57. No Admission of Liability by the Defendant. Defendant, on behalf of itself and each and all of its respective, parents, subsidiaries and affiliates, and their respective employees and agents, denies any direct or indirect liability or wrongdoing of any kind associated with the claims being released herein. Defendant contends, among other things, that it has complied at all times with all applicable laws and asserts that the Aggrieved Employees were properly provided accurate wage statements, and otherwise treated at all times in compliance with applicable laws. Neither this Settlement Agreement nor any exhibit thereto, nor any other document pertaining to the settlement contemplated herein, may be offered in any other case or proceeding as evidence of any admission by Defendant of any direct or indirect liability on any claims for damages or other relief. Any stipulation or admission by Defendant contained herein is made for settlement purposes only.

58. Agreement Jointly Prepared. The Parties and their attorneys have reviewed this Agreement. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, the Parties expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement, and agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

59. Non-Evidentiary Use. Neither the fact of this Agreement, the existence of this Agreement, the terms of this Agreement, nor any order or action pursuant thereto may be referred to, relied upon, cited, or used as evidence by any of the Parties, Aggrieved Employees, or their respective counsel in the Lawsuit or in any other action or proceeding; provided, however, that nothing contained in this section shall prevent this Agreement from being used, offered, or

received in evidence in any proceeding to enforce, construe, or finalize this Agreement.

60. Amendment or Modification. Unless otherwise provided herein, this Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

61. Authorization to Enter Into Agreement. Each individual signing this Agreement warrants that he or she has the authority and is expressly authorized to enter into this Agreement on behalf of the party for which that individual signs.

62. Advice of Counsel. The Parties to this Agreement are represented by competent counsel, and they have had an opportunity to consult with counsel. The Parties to this Agreement agree that it reflects their good faith compromise of the claims raised in this action, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel.

63. Assignment. None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Aggrieved Employee, Plaintiff's Counsel, or Defendant's Counsel without the express prior written consent of each Party and their respective counsel hereto. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement, the LWDA, and the Aggrieved Employees, and shall not be construed to confer any right or to avail any remedy to any other person.

64. Governing Law. This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, irrespective of the State of California's choice of law principles.

65. Entire Agreement. This Agreement and any supplemental written agreement subsequently incorporated constitute the entire Agreement among these Parties, and no oral or written representations, warranties or inducements have been made to any Party concerning this Agreement other than the representations, warranties and covenants contained and memorialized herein. Any arbitration agreements and/or prior settlement and release agreements entered into

between Defendant and any of the Aggrieved Employees (including Plaintiff) remain in force and are not superseded hereby, but, otherwise, this Agreement, once it is fully executed, supersedes any and all prior agreements between the Parties, whether written or verbal.

66. Counterparts. This Agreement, and any amendments hereto, may be executed in any number of counterparts (and by facsimile, DocuSign or electronically-transmitted signatures, which shall be deemed to be originals) and any Party and/or their respective counsel hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.

67. Cooperation. The Parties shall cooperate fully with one another and to use their best efforts to consummate the Agreement and cause the Court to enter an order and judgment as described herein. No Party to this Agreement shall seek to evade his, her or its good faith obligations to seek approval and implementation of the Agreement by virtue of any ruling, order, or other development, whether in the Lawsuit, in any other litigation or otherwise that hereafter might occur and might be deemed to alter the relative strengths of the Parties with respect to any claims or defenses of their relative bargaining power with respect to negotiating.

* * *

EACH OF THE UNDERSIGNED ACKNOWLEDGE THAT EACH HAS READ THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO THE PROVISIONS CONTAINED THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.

IT IS SO STIPULATED AND AGREED:

DATED: 3/27/2023 | 3:55 PM PDT

DocuSigned by:
Karen Elizabeth Gordon
1F94168DE4C4430...
KAREN ELIZABETH GORDON

DATED: 3/24/2023 | 4:28 AM PDT

AXELON SERVICES CORPORATION

By:  Cynthia Lah
508121DCFE3483...
Cynthia Lah, its Chief Operating Officer

APPROVED AS TO FORM:

DATED: _____

AEGIS LAW FIRM, PC

By: _____
Samuel A. Wong, Esq.
Kashif Haque, Esq.
Jessica L. Campbell, Esq.
Kristy R. Connolly, Esq.
Attorneys for Plaintiff

DATED: _____

AXELON SERVICES CORPORATION

By: _____
Cynthia Lah, its Chief Operating Officer

APPROVED AS TO FORM:

DATED: 3/27/2023

AEGIS LAW FIRM, PC



By: _____
Samuel A. Wong, Esq.
Kashif Haque, Esq.
Jessica L. Campbell, Esq.
Kristy R. Connolly, Esq.
Attorneys for Plaintiff

EXHIBIT A

NOTICE OF SETTLEMENT PAYMENT

Gordon v. Axelon Services Corporation, et al.
(Riverside County (California) Superior Court, Case No. CVRI2203907)

[Address Line 1]
[Address Line 2]
[Address Line 3]

[Dear Mr./Ms. _____]:

You are receiving this letter and the accompanying check made payable to you pursuant to a court-approved settlement in the matter of *Gordon v. Axelon Services Corporation, et al.* The check is in the amount of \$_____ and is for your share of the “Net Settlement Amount” under the approved settlement agreement in the above-referenced lawsuit. Please read this letter carefully. It explains the matter and how the settlement affects you.

A. Why am I Receiving This Notice and This Check?

On September 9, 2022, Karen Elizabeth Gordon filed an action against, *inter alia*, Axelon Services Corporation (“Axelon” or “Defendant”), under the California Labor Code Private Attorneys General Act (“PAGA”) based on alleged violations of the California Labor Code. Gordon (“Plaintiff”) and Axelon have reached a settlement, and you are eligible to receive a payment from this settlement because you performed work for Axelon in California during the Settlement Period (as defined below).

Plaintiff alleges that Axelon violated the California Labor Code by failing to pay overtime wages, failing to pay minimum wages, meal period violations, rest period violations, failing to provide accurate wage statements and maintain accurate and complete records, and failing to timely pay wages during employment and at separation to its employees in California. By statute, the amounts recovered under PAGA must be paid 75% to the State of California and 25% to the impacted employees.

The individuals impacted by this settlement include all non-exempt employees of Axelon who are and/or have been placed on work assignments by AXELON at Abbott Vascular Inc. locations in California at any time from June 27, 2021, through _____ (the “Aggrieved Employees”). According to Axelon’s records, you fall within this definition, and you are therefore receiving this notice and the enclosed check.

Axelon denies Plaintiff’s allegations. Specifically, Axelon maintains that it has complied with all applicable laws. Axelon therefore disputes that any amounts are owed. **The settlement – and the amount you are receiving – represents a compromise resolution of disputed claims.**

B. How Has The Court Ruled?

The Court has not ruled on the merits of the claims, Axelon’s defenses, or any of the contentions of the parties. No inferences regarding the merits of the lawsuit should be drawn from the fact there is a settlement.

Instead, the parties agreed to a settlement, which entails a compromise by both sides. That way, each side avoids the costs, risks and uncertainty of a trial.

C. What Rights Am I Giving Up?

By operation of the court-approved settlement, the Aggrieved Employees are deemed to have fully released and discharged the “Released Parties” from any and all “Released Claims” during the “Settlement Period.” “Settlement Period” means the inclusive time period from June 27, 2021, through [REDACTED].

“Released Parties” means Axelon and its officers, directors, and employees.

“Released Claims” means any claim for civil penalties under the PAGA and all other related remedies for all allegations, claims, debts, rights, demands, charges, complaints, actions, causes of action, guarantees, interest, costs, expenses, attorneys’ fees, damages, obligations or liabilities of any and every kind, contingent or accrued, that are, were or reasonably could have been alleged or asserted based upon the facts and/or theories alleged in the pleadings filed in the Lawsuit and/or in any notice provided pursuant to PAGA by Gordon to the LWDA and Defendant, arising out of, based on or related to any violation of Labor Code §§ 201, 201.3, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 that occurred, arose or accrued at any time during the Settlement Period.

Note: Any arbitration agreement between you and Axelon remains in full force and effect and is not waived or limited as a result of this settlement.