

Michael Nourmand, Esq. (SBN 198439)
James A. De Sario, Esq. (SBN 262552)
THE NOURMAND LAW FIRM, APC
8822 West Olympic Boulevard
Beverly Hills, California 90211
Telephone: (310) 553-3600
Facsimile: (310) 553-3603
mnourmand@nourmandlawfirm.com
Jdesario@nourmandlawfirm.com

Attorneys for Plaintiff,
IRENE HERNANDEZ VENEGAS on behalf
of herself and all others similarly situated

Timothy M. Rusche, Esq.
MCGUIRE WOODS LLP
355 South Grand Avenue, Suite 4200
Los Angeles, California 90071
Tel. No. (213) 457-9849
trusche@mcguirewoods.com

Attorneys for Defendant,
SENDX MEDICAL, INC.

[Additional Counsel Listed on Next Page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO**

IRENE HERNANDEZ VENEGAS, on behalf of
herself and all others similarly situated,

Plaintiffs,

V.

NEXT LEVEL RESOURCES INC., a California
corporation; SENDX MEDICAL, INC., a
Delaware corporation; and DOES I through 100,
Inclusive

Defendants.

CASE NO.: 37-2023-00005351-CU-OE-CTL

[Assigned for all purposes to the Hon. William
W. Wood - Dept. "N-29"]

**CLASS AND REPRESENTATIVE
ACTION SETTLEMENT AGREEMENT**

DATE:
TIME:
DEPT: N-29

1 Marisa Jannine-Page, Esq.
2 **CALARELLI HEJMANOWSKI PAGE & LEER LLP**
3 3398 Caramel Mountain Road, Suite 250
4 San Diego, California 92121
5 3 Tel. No. (858) 720-8107

6 Melissa W. Woo, Esq.
7 **WOO ALLEN LAW LLP**
8 3398 Caramel Mountain Road, Suite 250
9 San Diego, California 92121
10 Tel. No. (858) 450-2201
11 Attorneys for Plaintiffs and the Class

12 Attorneys for Defendant,
13 NEXT LEVEL RESOURCES INC.
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

This Class and Representative Action Settlement Agreement is between (1) Plaintiff Irene Hernandez Venegas (“Plaintiff”)—individually and on behalf of the Class Members defined below, on the one hand—and (2) Next Level Resources, Inc. and SenDx Medical, Inc. (“Defendants”), on the other (collectively, the “Parties”). By this Agreement, the Parties intend, with judicial approval, to settle the Action (defined below). If this Agreement is not finally approved, or is otherwise nullified, then the Parties shall return to their positions preceding this Agreement and Defendants shall retain all rights to challenge Plaintiff’s claims and the certification of any class, unless the Parties agree to seek reconsideration of the ruling or Court approval of a renegotiated agreement.

TABLE OF CONTENTS

	Page
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 Representative	1
1.9. Complaint.....	1
1.10. Consideration Period.....	2
1.11. Court	2
1.12. Defendants	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.....	2
1.20. LWDA	3
1.21. Net Settlement Amount.....	3
1.22. Next Level.	3
1.23. Notice of Settlement	3
1.24. Objection.....	3

1	1.25. Objector	3
2	1.26. PAGA Members.....	3
3	1.27. PAGA Payment.....	3
4	1.28. Parties	3
5	1.29. Plaintiff	3
6	1.30. Preliminary Approval.....	3
7	1.31. Qualified Settlement Fund	4
8	1.32. Request for Exclusion	4
9	1.33. Released Class Claims.	4
10	1.34. Released PAGA Claims.....	4
11	1.35. SenDx. “SenDx” refers to Defendant SenDx Medical, Inc.	4
12	1.36. Service Award.....	4
13	1.37. Settlement Administrator	4
14	1.38. Settlement Class.....	4
15	1.39. Settlement Period.....	4
16	2. Recitals and Procedural History.....	5
17	2.1. Business of Defendant	5
18	2.2. Allegations in Complaint	5
19	2.3. Defendants’ Denials.....	5
20	2.4. Class Counsel’s Investigation	5
21	2.5. Negotiation of Settlement	5
22	2.6. Certification for Settlement Purposes	6
23	3. The Gross Settlement Amount.....	6
24	4. The Net Settlement Amount	6
25	4.1. Calculation of the Amount.....	6
26	4.2. Calculation of Estimated Individual Settlement Payments.....	6
27	5. Selection of Settlement Administrator and Notice of Settlement	7
28	5.1. Selection of Settlement Administrator.....	7

1	5.2.	Settlement Administration	7
2	5.3.	Confidential Data for the Settlement Administrator	7
3	5.4.	Mailing Materials to Class Members	8
4	5.5.	Proof of Mailing	8
5	6.	Responses to Notice of Settlement	8
6	6.1.	Consideration Period	8
7	6.2.	Requests for Exclusion and Opt-Out Rights	8
8	6.2.1.	Opt-Out Procedure	8
9	6.2.2.	Effect of Opting Out	9
10	6.2.3.	Tolerance of Opt-Outs—Defendant’s Right to Withdraw	9
11	6.3.	Objections	9
12	6.3.1.	Objection Procedure	9
13	6.3.2.	Waiver of Objections	9
14	6.4.	Proof of Responses	10
15	6.5.	Binding Effect of Settlement	10
16	6.6.	No Interference with Class Member Responses	10
17	7.	Administration of Settlement Proceeds	10
18	7.1.	Final Funding of Gross Settlement Amount	10
19	7.2.	Administrative Costs	10
20	7.3.	Class Counsel Award	10
21	7.3.1.	Approval of Class Counsel Award Not Material	11
22	7.3.2.	Timing of Class Counsel Award	11
23	7.4.	Service Award	11
24	7.4.1.	Approval of Service Award Not Material	11
25	7.4.2.	Timing of Service Award	11
26	7.5.	PAGA Payment	11
27	7.5.1.	Reduction of PAGA Payment Not Material	12
28	7.5.2.	Timing of PAGA Payment	12

1	7.6.	Individual Settlement Payments	12
2	7.6.1.	Number of Workweeks	13
3	7.6.1.	Calculation of Individual Settlement Payments	13
4	7.6.2.	Timing of Individual Settlement Payments	13
5	7.7.	Tax Allocation of Individual Settlement Payments and Individual PAGA	
6		Payments	13
7	7.7.1.	Responsibility for Taxes	14
8	7.7.2.	Approval of Tax Allocations Not Material	14
9	7.8.	Undeliverable or Uncashed Checks	14
10	7.9.	Certification of Completion	14
11	8.	Releases	14
12	8.1.	Released Class Claims	14
13	8.2.	Released PAGA Claims	15
14	8.3.	Additional Release by Class Representative	16
15	9.	Settlement Approval Procedure	16
16	9.1.	Motion for Preliminary Approval	16
17	9.1.1.	Contents of Motion	16
18	9.1.2.	Notice to LWDA	17
19	9.2.	Motion for Final Approval	17
20	9.3.	Motion for Class Counsel Award	17
21	9.4.	Motion for Service Award	17
22	9.5.	Entry of Judgment	17
23	9.5.1.	Notice of Final Judgment	17
24	9.5.2.	Effect of Failure to Obtain Final Judgment	17
25	9.6.	Appeal Rights	17
26	10.	Miscellaneous	18
27	10.1.	Execution of this Agreement	18
28	10.1.1.	Parties' Authority	18

1	10.1.2. Counterparts.....	18
2	10.1.3. Scanned Signatures	18
3	10.2. Discharge of Obligations.	18
4	10.3. Construction.....	19
5	10.3.1. Materiality of Terms	19
6	10.3.2. No Construction Against the Author	19
7	10.3.3. Exhibits Incorporated by Reference.....	19
8	10.3.4. Headings	19
9	10.3.5. Invalidity of Any Provision	19
10	10.3.6. Parties' Entire Agreement.....	19
11	10.3.7. Waivers and Modifications to Be in Writing.....	19
12	10.3.8. Governing Law	20
13	10.4. Inadmissibility of Settlement Documents.....	20
14	10.5. No Tax Advice.....	20
15	10.6. No Impact on Employee Benefits	20
16	10.7. No Prior Assignments or Undisclosed Liens.....	20
17	10.8. Cooperation of the Parties.....	21
18	10.8.1. Affirmative Duty to Cooperate	21
19	10.8.2. No Solicitation of Objections or Opt Outs.....	21
20	10.8.3. Waiver of Right to Object by Class Representative	21
21	10.9. Confidential Information	21
22	10.10. No Media Announcements or Other Undue Publicity	21
23	10.11. Disputes	22
24	SO AGREED	22

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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 *Irene Hernandez Venegas v. Next Level*
5 *Resources Inc. and SenDx Medical, Inc.*, filed on February 7, 2023 in the Superior Court of the State of
6 California for the County of San Diego, Case No. 37-2023-00005351-CU-OE-CTL, and all complaints
7 filed therein.

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

10 **1.3. Agreement.** “Agreement” means this Class and Representative Action Settlement
11 Agreement, which includes all its Recitals and all the attached Exhibits.

12 **1.4. Class Counsel.** “Class Counsel” refers to Michael Nourmand and James A. De Sario of
13 The Normand Law Firm, APC, 8822 West Olympic Boulevard, Beverly Hills, California 90211.

14 **1.5. Class Counsel Award.** “Class Counsel Award” refers to the amount of attorney’s fees
15 and costs that the Court awards in connection with resolving the Action in accordance with this
16 Agreement.

17 **1.6. Class Members.** “Class Members” refers to those individuals who for purposes of this
18 Agreement will be certified as members of the class, defined as follows: all non-exempt employees of
19 Next Level Resources, Inc. who performed work at SenDx Medical, Inc. in the State of California at any
20 time from February 7, 2019 until March 15, 2023. Defendants represent that there are approximately
21 200 Class Members who worked approximately 3,253 workweeks during the Settlement Period for
22 Class Members.

23 **1.7. Class Period.** See “Settlement Period.”

24 **1.8. Class Representative.** “Class Representative” refers to Plaintiff Irene Hernandez
25 Venegas.

26 **1.9. Complaint.** “Complaint” refers to any and all complaints filed in the Action, including
27 the First Amended Class Action Complaint filed on June 6, 2023, which is the operative Complaint.
28

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

1.11. Court. “Court” refers to the judge presiding over this Action in the California Superior Court for the County of San Diego.

1.12. Defendants. “Defendants” refers to Defendants Next Level Resources, Inc. and SenDx Medical, Inc.

1.13. Defense Counsel. “Defense Counsel” refers to McGuire Woods LLP and Woo Allen Law LLP. For purposes of providing any notices required under this Agreement, Defense Counsel shall refer to Timothy M. Rusche, trusche@seyfarth.com and Melissa W. Woo, melissa@woollaw.com.

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

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

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

1.17. Gross Settlement Amount. “Gross Settlement Amount” refers to the maximum payment Defendants may be obligated to make in connection with the Agreement: \$100,000. This sum includes all Individual Settlement Payments, any Service Award, the PAGA Payment, Administrative Costs, and the Class Counsel Award. It does not include employer payroll taxes, which shall be paid by Next Level.

1.18. Individual Settlement Payment. “Individual Settlement Payment” refers to the amount the Settlement Administrator distributes from the Net Settlement Amount to each Settlement Class Member.

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

1 **1.20. LWDA.** “LWDA” refers to the California Labor & Workforce Development Agency,
2 which enforces the Private Attorneys General Act of 2004 (“PAGA”), and which receives the LWDA
3 portion of the PAGA Payment.

4 **1.21. Net Settlement Amount.** “Net Settlement Amount” refers to the portion of the Gross
5 Settlement Amount that remains after accounting for any Service Award, the PAGA Payment,
6 Administrative Costs, and the Class Counsel Award.

7 **1.22. Next Level.** “Next Level” refers to Defendant Next Level Resources, Inc.

8 **1.23. Notice of Settlement.** “Notice of Settlement” means a notice of the terms of the
9 Agreement, substantially in the form attached as Exhibit A.

10 **1.24. Objection.** “Objection” refers to a written statement timely submitted to the Settlement
11 Administrator that contains (1) the Objector’s full name and current mailing address, (2) the last four
12 digits of the Objector’s social security number, (3) the specific reason(s) for the Objection, and (4) all
13 evidence and supporting papers (including, without limitation, all briefs, written evidence, and
14 declarations) for the Court to consider.

15 **1.25. Objector.** “Objector” refers to a Settlement Class Member who has submitted an
16 Objection.

17 **1.26. PAGA Members.** “PAGA Members” refers to those individuals who for purposes of
18 this Agreement will be defined as follows: all non-exempt employees of Next Level Resources, Inc. who
19 performed work at SenDx Medical, Inc. in the State of California at any time from February 6, 2022
20 until March 15, 2023. Defendants represent that there are approximately 705 pay periods for PAGA
21 Members during the Settlement Period for PAGA Members.

22 **1.27. PAGA Payment.** “PAGA Payment” refers to a payment in settlement of a claim for civil
23 penalties under the Private Attorney General Act of 2004, 75% shall be payable to the LWDA and 25%
24 shall be payable to PAGA Members.

25 **1.28. Parties.** “Parties” refers collectively to (1) Plaintiff and (2) Defendants.

26 **1.29. Plaintiff.** “Plaintiff” refers to Class Representative Irene Hernandez Venegas.

27 **1.30. Preliminary Approval.** “Preliminary Approval” refers to the court order granting
28 preliminary approval of this Agreement.

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

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

1.33. Released Class Claims. “Released Class Claims” refers to all claims set forth in Section 8.1 that this Agreement will extinguish as to all Settlement Class Members who do not submit a valid and timely Request for Exclusion, upon the deposit of the Gross Settlement Amount and Next Level’s share of payroll taxes in the Qualified Settlement Fund.

1.34. Released PAGA Claims. “Released PAGA Claims” refers to all claims set forth in Section 8.2 that this Agreement will extinguish as to all PAGA Members, upon the deposit of the Gross Settlement Amount and Next Level’s share of payroll taxes in the Qualified Settlement Fund.

1.35. SenDx. “SenDx” refers to Defendant SenDx Medical, Inc.

1.36. Service Award. “Service Award” refers to any payment that the Court awards for service as Class Representative and for entering into special agreements described in Paragraph 8 of this Agreement.

1.37. Settlement Administrator. “Settlement Administrator” refers to the third-party administrator, identified below, that the Parties select.

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

1.39. Settlement Period. “Settlement Period for Class Members” refers to the period beginning on February 7, 2019 through March 15, 2023. “Settlement Period for PAGA Members” refers to the period beginning on February 6, 2022 through March 15, 2023.

2. Recitals and Procedural History

2.1. Business of Defendant. Next Level is a staffing firm and has employed individuals in California. SenDx is engaged in the business of the development and manufacturing of acute care testing solutions, and it has facilities in California.

2.2. Allegations in Complaint. On February 7, 2023, Irene Hernandez Venegas filed a wage and hour class action Complaint against Defendants, in the Superior Court of the State of California for the County of San Diego, as an individual and on behalf of a class of similarly situated employees. On June 6, 2023, she filed a first amended complaint, adding a claim for civil penalties under the PAGA. The Action has asserted claims for: (1) failure to timely pay overtime ;(2) failure to pay minimum wages; (3) failure to provide meal periods; (4) failure to provide rest periods; (5) failure to pay all wages upon termination; (6) failure to provide accurate wage statements; (7) unfair competition; and (8) violation of the Private Attorneys General Act (Cal. Lab. Code §§ 2698 – 2699.5), including for violations of Labor Code §§ 200, 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1194, 1194.2, 1197, 1197.1, and 1199.

2.3. Defendants' Denials. Defendants deny (1) all the material allegations in this Action, (2) that Defendants violated any applicable laws, (3) that Defendants are liable for damages, penalties, interest, restitution, attorneys' fees, or costs, or for any other remedy on account of the claims asserted in the Action, and (4) that class certification, collective action certification, or representative treatment is appropriate as to any claim in the Action. Defendants contends that their policies, procedures, and practices comply with all laws asserted in the Action. Defendants have agreed to settle the Action solely to avoid the burden, expense, and uncertainty of litigation. Any statements in this Agreement are made for settlement purposes only.

2.4. Class Counsel's Investigation. Class Counsel has engaged in formal and informal discovery to investigate the facts relating to the claims alleged in the Action and also has analyzed all defenses.

2.5. Negotiation of Settlement. Class Counsel has engaged in arms-length negotiations with Defendants with a view toward achieving substantial benefits while avoiding the cost, delay, and uncertainty of further litigation. Plaintiff will urge that the Court approve this Agreement after

considering (1) the factual and legal defenses to the claims asserted, which render uncertain the ultimate outcome of the Action, (2) the potential difficulties Plaintiff would encounter in establishing their claims and maintaining class or treatment, (3) the substantial benefits produced by this Agreement, (4) that this Agreement provides relief in an expeditious and efficient manner, compared to any manner of recovery possible after litigation and potential appeal, and (5) that this Agreement allows Class Members to opt out of the Action and individually pursue the claims alleged on behalf of the class in the Action.

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

3. The Gross Settlement Amount.

The Gross Settlement Amount is \$100,000, of which \$98,500 shall be paid by SenDx, and \$1,500 of which shall be paid by Next Level. In no event shall Defendants, absent their further agreement, be obligated to pay more than that amount, except for Next Level's portion of employer payroll taxes or in the event that the escalator clause is triggered and Defendants elect to increase the Gross Settlement Amount pursuant to the escalator provision. The Gross Settlement Amount includes all Individual Settlement Payments, any Service Award, the Class Counsel Award, the PAGA Payment, and Administrative Costs. No portion of the Gross Settlement Amount shall revert to Defendants.

4. The Net Settlement Amount

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

4.2. Calculation of Estimated Individual Settlement Payments. Estimated Individual Settlement Payments will be calculated based on the number of workweeks worked at SenDx by Class Members during the Settlement Period for Class Members, in proportion to the total number of such workweeks 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, Inc. 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, Next Level 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 work weeks each Class Member worked at SenDx during the Settlement Period for Class Members and the number of terminated Class Members during that period, the number of pay periods which included a week during which each PAGA Member worked at SenDx during the Settlement Period for PAGA Members. Next Level 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 Next Level strictly confidential and shall use the class data only for the purposes described in this Agreement, and shall return the class data to Defendants or confirm the destruction of same upon completing the work called for by this Agreement. Notwithstanding the foregoing, the Settlement Administrator may provide Class Counsel with a redacted list of potential Individual

1 Settlement Payments, which shall not include Class Member names or addresses or identify any Class
2 Member by name or address.

3 **5.4. Mailing Materials to Class Members.** Within 30 calendar days of Preliminary
4 Approval, the Settlement Administrator shall send the Notice of Settlement to Class Members via First
5 Class U.S. Mail, using the last-known mailing address for each Class Member. Any mailing returned as
6 undeliverable shall be sent within five calendar days via First Class U.S. Mail to any available
7 forwarding address. If no forwarding address is available, then the Settlement Administrator shall
8 attempt to determine the correct address by using a computer-based skip-trace search, and shall then
9 perform, if feasible, a re-mailing via First Class U.S. Mail within five calendar days. If no current
10 address is available for a Class Member, then the Notice of Settlement for that Class Member will be
11 deemed undeliverable. Only one re-mailing is required. If a Class Member cannot be located within two
12 attempts at mailing, then the Notice of Settlement for that Class Member will be deemed undeliverable.
13 Any Class Member re-mailed a Notice of Settlement shall have his or her Consideration Period extended
14 by 15 calendar days.

15 **5.5. Proof of Mailing.** At least 20 court days prior to the Fairness Hearing, the Settlement
16 Administrator shall provide a declaration of due diligence and proof of mailing with regard to the
17 mailing of the Notice of Settlement to Class Counsel and Defense Counsel, which Plaintiff's counsel
18 shall in turn file with the Court.

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

20 **6.1. Consideration Period.** Within the Consideration Period, Class Members may opt out of
21 the proposed class action settlement by submitting a Request for Exclusion (as provided below) or may
22 submit a dispute (as provided for in the Notice of Settlement) or may submit a written Objection (as
23 provided below). Except as specifically provided herein, no response postmarked after the Consideration
24 Period shall be considered.

25 **6.2. Requests for Exclusion and Opt-Out Rights.** Class Members will have the opportunity
26 to opt out by submitting a Request for Exclusion.

27 **6.2.1. Opt-Out Procedure.** Class Members may opt out of the class action
28 settlement by mailing the Settlement Administrator a Request for Exclusion. A Request for Exclusion, to

1 be valid, must be signed and dated by the Class Member, must provide the Class Member's full name,
2 current address, current telephone number, and the last four digits of the Class Member's social security
3 number, and must include an express statement that the Class Member wishes to be excluded from the
4 terms of the class settlement. Any Request for Exclusion that does not include all of the required
5 information or that is not submitted in a timely manner will be deemed ineffective.

6 **6.2.2. Effect of Opting Out.** Any Class Member who opts out of the class
7 settlement may not submit an Objection, shall not receive any Individual Settlement Payment, and shall
8 not be bound by the releases that this Agreement entails; provided, however, any such Class Member
9 employed at any time within the Settlement Period for PAGA Members shall still receive a share of the
10 PAGA Payment and be bound by the Released PAGA Claims. Each Class Member who does not submit
11 a timely, valid Request for Exclusion shall be bound by the releases that this Agreement entails.

12 **6.2.3. Tolerance of Opt-Outs—Defendant's Right to Withdraw.** If the
13 number of Class Members who opt out by submitting Requests for Exclusion exceeds 10 percent of the
14 total number of Class Members, then SenDx may, in the exercise of its sole discretion, withdraw from
15 this Agreement. SenDx's right to withdraw expires 15 calendar days after the end of the Consideration
16 Period. If SenDx exercises its right to withdraw pursuant to this provision, SenDx shall pay all
17 Administrative Costs.

18 **6.3. Objections.** Unless otherwise provided in this Agreement, only those Class Members
19 who do not submit a Request for Exclusion shall be entitled to object to the terms of the Agreement.

20 **6.3.1. Objection Procedure.** Any written Objection must be made using the
21 procedures set forth in the Notice of Settlement, and must contain (1) the Objector's full name and
22 current mailing address, (2) the last four digits of the Objector's social security number, (3) the specific
23 reason(s) for the Objection, and (4) all evidence and supporting papers (including, without limitation, all
24 briefs, written evidence, and declarations) for the Court to consider. Even if Objectors do not submit a
25 written objection, Objectors can also appear at the Fairness Hearing and orally object either in person or
26 through counsel. An Objection may be withdrawn at any time.

27 **6.3.2. Waiver of Objections.** Class Members who fail to submit an Objection to
28 the Settlement Administrator in the manner specified in the Notice of Settlement or who fail to appear

either in person or through counsel at the Fairness Hearing shall be deemed to have waived any objection and shall be foreclosed from objecting to this Agreement, whether by appeal or otherwise.

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

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

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

7. Administration of Settlement Proceeds

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

7.2. Administrative Costs. Administrative Costs shall not exceed \$8,500 which shall be deducted from the Gross Settlement Amount. The amount of Administrative Costs is not a material term: if the Court approves a lesser amount, then the other terms of this Agreement shall remain in effect and the difference shall become part of the Net Settlement Amount.

7.3. Class Counsel Award. Class Counsel intend to request—and Defendants agree not to oppose—a payment from the Gross Settlement Amount for (a) attorney's fees in an amount up to 35% of the Gross Settlement Amount or up to \$35,000, and (b) litigation costs actually incurred in representing the interests of the class, supported by adequate documentation, in an amount up to \$15,000.

1 **7.3.1. Approval of Class Counsel Award Not Material.** Approval of the Class
2 Counsel Award is not a material term. If the Court approves only a lesser amount, then the other terms
3 of this Agreement shall remain in effect and the difference shall become part of the Net Settlement
4 Amount.

5 **7.3.2. Timing of Class Counsel Award.** The Settlement Administrator shall
6 issue the Class Counsel Award within 15 calendar days after the Gross Settlement Amount is deposited
7 into the Qualified Settlement Fund. Within 10 calendar days after the Effective Date, Class Counsel
8 shall instruct the Settlement Administrator as to how the Class Counsel Award may be paid. The
9 Settlement Administrator shall issue an appropriate Internal Revenue Service Form 1099 to Class
10 Counsel. Class Counsel shall be solely responsible for paying all applicable taxes on any Class Counsel
11 Award and shall indemnify and hold harmless Defendants from any claim or liability for taxes,
12 penalties, or interest arising as a result of the Class Counsel Award. Plaintiff, Class Counsel, and the
13 Settlement Class waive any additional claim for attorneys' fees and costs incurred in connection with the
14 Action, if Final Approval is granted by the Court and the Effective Date passes.

15 **7.4. Service Award.** Class Counsel intends to request a payment from the Gross Settlement
16 Amount for a Service Award for the Class Representative in an amount up to \$5,000. Any Service
17 Award would be in addition to each Class Representative's Individual Settlement Payment.

18 **7.4.1. Approval of Service Award Not Material.** Approval of a Service Award
19 is not a material term. If the Court does not approve a Service Award or approves only a lesser amount
20 than that requested, then the other terms of this Agreement shall remain in effect and the difference shall
21 become part of the Net Settlement Amount.

22 **7.4.2. Timing of Service Award.** The Settlement Administrator shall pay any
23 Service Award within 15 calendar days after the Gross Settlement Amount is deposited into the
24 Qualified Settlement Fund. The Class Representative shall be solely responsible for paying all
25 applicable taxes on any Service Award and shall indemnify and hold harmless Defendants from any
26 claim or liability for taxes, penalties, or interest arising as a result of the Service Award.

27 **7.5. PAGA Payment.** The Parties will seek approval for a PAGA Payment from the Gross
28 Settlement Amount in the amount of \$10,000, 75% of which (\$7,500) will go to the LWDA and 25%

(\$2,500) of which will go to PAGA Members. Notwithstanding anything else in this Agreement, PAGA Members who submit a valid, timely Request for Exclusion shall receive a share of 25% of the PAGA Payment and shall be bound by the Released PAGA Claims. Each PAGA Member shall be entitled to a share of 25% of the PAGA Payment allocated to PAGA Members (“Individual PAGA Payment”), calculated as described below. Next Level’s time records regarding the number of pay periods that contain a week where a PAGA Member worked at SenDx’s facility shall control for purposes of the calculation. Next Level will provide to the Settlement Administrator the total number of pay periods where each PAGA Member worked at least one week during the Settlement Period for PAGA Members (“Individual Pay Periods”) and the total number of pay periods that all PAGA Members worked a week for SenDx during the Settlement Period for PAGA Members (“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.

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

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

7.6. Individual Settlement Payments. Each Settlement Class Member shall be entitled to an Individual Settlement Payment consisting of a share of the Net Settlement Amount, calculated as

described below. Defendant's records regarding the number of workweeks worked by each Class Member control for purposes of calculation.

7.6.1. Number of Workweeks. Next Level will provide to the Settlement Administrator the total number of workweeks worked by each Class Member during the Settlement Period for Class Members and the total number of such workweeks for all Settlement Class Members during that period ("Total Settlement Class Member Workweeks"). Defendants estimate that Class Members worked approximately 3,253 workweeks during the Settlement Period for Class Members at SenDx's facility. If the number of workweeks worked by Class Members at SenDx during the Settlement Period is more than 10% above 3,253 (i.e., more than 3,578), then Defendants shall have the option to either: (i) increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of workweeks worked by Class Members above 10% (for example, if the number of workweeks worked increases by 11%, the Gross Settlement Amount will increase by 1%) or (ii) shorten the release period to an earlier date at which only the represented number of workweeks plus 10% are included in the Settlement Class Period for Class Members (i.e., no more than 3,578 workweeks). If Defendants elect to shorten the release period, then Defendants must make the election at least 10 days prior to Plaintiff filing the motion for preliminary approval.

7.6.1. Calculation of Individual Settlement Payments. Each Settlement Class Member's Individual Settlement Payment shall be calculated by the Settlement Administrator as follows: (1) number of workweeks worked by each Class Member at SenDx during the Settlement Period for Class Members, divided by the total number of such workweeks worked by all Settlement Class Member during that period, and (2) the result shall be multiplied by the Net Settlement Amount.

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

7.7. Tax Allocation of Individual Settlement Payments and Individual PAGA Payments. Each Individual Settlement Payment will be allocated for tax purposes as 50% Form 1099 income for penalties and 50% 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. The Settlement Administrator shall issue

any necessary IRS Form 1099 to Settlement Class Members and PAGA Members for their respective Individual Settlement Payments.

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

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

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

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

8. Releases

8.1. Released Class Claims. Upon the deposit of the Gross Settlement Amount and Next Level's share of payroll taxes 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 Defendants and each and all of their 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, 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, regardless of theory of liability, including any claims for purported failure to pay wages, failure to provide meal periods, failure to provide rest periods, failure to pay wages upon termination, failure to provide accurate wage statements, "waiting time" penalties, wage-statement penalties, claims under the applicable Wage Orders based on the facts alleged in the Action or that could have been alleged based on facts alleged in the Action, claims under the Unfair Competition Law based on the facts alleged in the Action or that could have been alleged based on facts alleged in the Action, Code of Civil Procedure section 1021.5, Civil Code section 3287, and claims under Labor Code sections 200, 201, 202, 203, 218.6 226, 226.3, 226.7, 510, 512, 1194, 1194.2, 1197, and 1197.

8.2. Released PAGA Claims. Upon the deposit of the Gross Settlement Amount and Next Level's share of payroll taxes 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 from 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 any claims for purported failure to pay wages, failure to provide meal periods, failure to provide rest periods, failure to pay wages upon termination, failure to provide accurate wage statements, "waiting time" penalties, wage-statement penalties, civil penalties, and claims predicated upon the applicable Wage Orders or Labor Code sections 200, 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 512, 1194, 1194.2, 1197, 1197.1 and 1199. 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.

1 **8.3. Additional Release by Class Representative.** In addition to the release given by each
2 Settlement Class Member, the Class Representative generally releases claims against each Released
3 Party through the date of preliminary approval of this Agreement, excluding any claims for disability
4 discrimination, harassment or retaliation under the California Fair Employment and Housing Act and
5 California Gov't Code Section 12900 *et seq.* Except for as provided above, this general release includes
6 claims arising from the Class Representative's relationship with Defendants, including, without
7 limitation, claims for unpaid wages and liquidated damages, claims under the California Labor Code,
8 claims under the Fair Labor Standards Act, claims for discrimination, harassment, or retaliation pursuant
9 to Title VII of the Civil Rights Act of 1964, 42 U.S.C. section 2000 *et seq.*, the California Fair
10 Employment and Housing Act, California Gov't Code Section 12900 *et seq.*, and claims for violation of
11 public policy. This general release by the Class Representative also includes a waiver of rights under
12 California Civil Code Section 1542, which states:

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

16 **9. Settlement Approval Procedure**

17 **9.1. Motion for Preliminary Approval.** Plaintiff will obtain a hearing to request preliminary
18 approval of this Agreement, to obtain entry of an order that would (i) conditionally certify a settlement
19 class for settlement purposes only, (ii) grant preliminary approval of this Agreement, (iii) approve a
20 Notice of Settlement, and (iv) set a date for a Final Approval hearing.

21 **9.1.1. Contents of Motion.** The motion for preliminary approval shall include
22 the bases for demonstrating that conditional certification of a settlement class is appropriate, and that the
23 settlement amounts are reasonable in light of the facts and law pertaining to the claims alleged. The
24 motion shall be accompanied by a signed declaration by Class Counsel discussing the risks of continued
25 litigation and the decision that this Agreement serves the best interests of class members. Before filing
26 any motion, Class Counsel will consider in good faith any comments by Defendants' counsel.
27
28

1 **9.1.2. Notice to LWDA.** Upon moving for preliminary approval, Plaintiff will
2 also submit the proposed settlement agreement to the LWDA, pursuant to Labor Code section
3 2699(1)(2).

4 **9.2. Motion for Final Approval.** Class Counsel will obtain a hearing for a Motion for Final
5 Approval, to obtain an order to (a) approve this Agreement, (b) adjudge its terms to be fair, reasonable,
6 and adequate, (c) recite the Released Class Claims and Released PAGA Claims, (d) direct that the terms
7 of the Agreement be carried out, and (e) retain jurisdiction to oversee enforcement of this Agreement.

8 **9.3. Motion for Class Counsel Award.** In connection with a Motion for Final Approval,
9 Class Counsel may move for approval of an attorneys' fees and costs award in the amount of (a) up to
10 35% of the Gross Settlement Amount for fees or up to \$35,000 and (b) up to \$15,000 for litigation costs
11 actually incurred in representing the interest of the Class.

12 **9.4. Motion for Service Award.** In connection with a Motion for Final Approval, Class
13 Counsel may move for approval of a Service Award for the Class Representative in an amount of up to
14 \$5,000.

15 **9.5. Entry of Judgment.** Upon Final Approval, the Parties shall request that the Court (a)
16 enter Judgment in accordance with this Agreement, without further fees or costs, (b) enter an order as to
17 the Class Counsel Award, (c) enter an order as to any Service Award, and (d) enter an order approving
18 payment of Administrative Costs.

19 **9.5.1. Notice of Final Judgment.** Notice of Judgment will be posted on the
20 Settlement Administrator's website.

21 **9.5.2. Effect of Failure to Obtain Final Judgment.** If the Court fails to enter
22 Judgment in accordance with this Agreement, or if the Judgment is vacated or reversed, then the Action
23 shall proceed and the Parties shall split the Administrative Costs, unless the Parties jointly agree to seek
24 reconsideration or a renegotiated settlement. Defendants retain the right to contest whether any aspect of
25 the Action should be maintained as a class or representative action, and to contest the merits of the
26 claims asserted in the Action.

27 **9.6. Appeal Rights.** Only an Objector has the right to appeal a judgment that is in accord with
28 this Agreement. The Class Representative and Class Counsel hereby waive any right to appeal any

judgment, ruling, or order based on this Agreement, including any Final Approval Order. This waiver includes all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a motion for new trial, and any extraordinary writ, and the Judgment therefore will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal or post-judgment proceeding. If an appeal is taken from the Judgment, then the time to consummate this Agreement (including making payments under the Agreement) will be suspended until the appeal is finally resolved.

10. Miscellaneous

10.1. Execution of this Agreement.

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

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

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

10.2. Discharge of Obligations. Defendants shall fully discharge their obligations to Plaintiff and the Settlement Class and PAGA Members through the remittance of the Gross Settlement Amount to the Qualified Settlement Fund, regardless of whether checks representing Individual Settlement Payments are actually negotiated by Settlement Class Members. Once SenDx has complied with its obligation to fund the Gross Settlement Amount and Next Level has complied with its obligation to fund the Gross Settlement Amount and pay the employer's share of payroll taxes, they will, respectively, be deemed to have satisfied all terms and conditions under this Agreement, shall be entitled to all protections afforded to them under this Agreement, and shall have no further obligations under the terms of this Agreement, regardless of what occurs with respect to the further administration of the Settlement,

1 including any requests to be included in the Settlement Class or as PAGA Members, challenges to the
2 completeness or accuracy of any Individual Settlement Payment or PAGA Payment, or issues regarding
3 the completeness or accuracy of the class data.

4 **10.3. Construction.**

5 **10.3.1. Materiality of Terms.** Except as otherwise stated herein, each substantive
6 term of this Agreement is a material term that the Parties have relied upon in making this Agreement. If
7 the Court does not approve any substantive term, or if the Court effects a material change to the
8 Agreement—such as increasing any amount that Defendants must pay—then the entire Agreement will
9 be void and unenforceable and the Parties shall split Administrative Costs. Where this Agreement states
10 that a term is not material, then the Court’s refusal to approve that term leaves all the other terms of the
11 Agreement in effect, and does not give Class Counsel or any Class Member any basis to abrogate this
12 Agreement.

13 **10.3.2. No Construction Against the Author.** Each Party participated in drafting
14 this Agreement, and its terms shall not be construed against any Party by virtue of draftsmanship.

15 **10.3.3. Exhibits Incorporated by Reference.** This Agreement shall include the
16 terms set forth in any attached exhibit. Any exhibit to this Agreement is an integral part of it.

17 **10.3.4. Headings.** The headings within this Agreement appear for convenience of
18 reference only and shall not affect the construction or interpretation of any part of this Agreement.

19 **10.3.5. Invalidity of Any Provision.** Before declaring any provision of this
20 Agreement invalid, the Court shall first attempt to construe the provision valid to the fullest extent
21 possible so as to render all provisions of this Agreement enforceable.

22 **10.3.6. Parties’ Entire Agreement.** This Agreement, with its Definitions,
23 Recitals, and Exhibits, constitutes the entire agreement on its subject matter, and supersedes all prior and
24 contemporaneous negotiations and understandings between the Parties.

25 **10.3.7. Waivers and Modifications to Be in Writing.** No waiver, modification,
26 or amendment of this Agreement shall be valid unless it appears in a writing signed by or on behalf of
27 all Parties, and then shall be valid subject to any required Court approval. Any failure to insist upon the
28

1 strict performance of any provision shall not be deemed a waiver of future performance of that provision
2 or of any other provision of this Agreement.

3 **10.3.8. Governing Law.** All terms of this Agreement shall be governed by and
4 interpreted according to California law.

5 **10.4. Inadmissibility of Settlement Documents.** The Parties agree that this Agreement and all
6 exhibits thereto shall be inadmissible in any proceeding, except a proceeding to approve or enforce this
7 Agreement. This Agreement will operate as a complete defense to—and may be used as the basis for an
8 injunction against—any proceeding attempted in breach of this Agreement.

9 **10.5. No Tax Advice.** Nothing in this Agreement is advice by Class Counsel or Defense
10 Counsel regarding taxes or taxability, and no Party is relying upon Class Counsel or Defense Counsel
11 for such advice. Each Party instead is relying exclusively on the Party's own independent tax counsel in
12 connection with this Agreement.

13 **10.6. No Impact on Employee Benefits.** This Agreement does not affect any right or
14 obligation under any benefits plan. No payment made under this Agreement shall be considered as
15 compensation or hours worked or hours paid for purposes of determining eligibility, vesting,
16 participation, or contributions with respect to any employee benefit plan. For purposes of this
17 Agreement, the term "employee benefit plan" means every "employee benefit plan," as defined in the
18 Employee Retirement and Income Security Act of 1974, 29 U.S.C. section 1002(3). The term also
19 includes any 401(k) plan, bonus, pension, stock option, stock purchase, stock appreciation, welfare,
20 profit sharing, retirement, disability, vacation, severance, hospitalization, insurance, incentive, deferred
21 compensation, or any other similar benefit plan, practice, program, or policy, regardless of whether any
22 such plan is considered an employee benefit plan.

23 **10.7. No Prior Assignments or Undisclosed Liens.** The Class Representative and Class
24 Counsel represent that they have not assigned, transferred, conveyed, or otherwise disposed of any
25 Released Claim or claim to attorneys' fees and costs award to be paid under this Agreement. The Class
26 Representative and Class Counsel further represent and warrant that there are not any liens or claims
27 against any amount that Defendants is to pay under this Agreement. The Class Representative and
28 Settlement Class Members, agree to indemnify and to hold Defendants harmless from any liability,

1 losses, claims, damages, costs, or expenses, including reasonable attorneys' fees, resulting from a breach
2 of these representations or from any lien or assignment. Nothing herein is intended to constitute legal
3 advice regarding the taxability of any amount paid pursuant to this Agreement, nor may it be relied upon
4 as such.

5 **10.8. Cooperation of the Parties.** The Parties will comply with the covenants of good faith
6 and fair dealing and otherwise cooperate as follows.

7 **10.8.1. Affirmative Duty to Cooperate.** Each Party, upon the request of another,
8 agrees to perform such acts and to execute and to deliver such documents as are reasonably necessary to
9 carry out this Agreement. In the same spirit, the Parties agree to make all reasonable efforts to avoid
10 unnecessary Administrative Costs.

11 **10.8.2. No Solicitation of Objections or Opt Outs.** The Parties represent that
12 they have not solicited, encouraged, or assisted—and will not solicit, encourage, or assist—Objections
13 or Requests for Exclusion.

14 **10.8.3. Waiver of Right to Object by Class Representative.** The Class
15 Representative, by signing this Agreement, agree not to object to any term of this Agreement.

16 **10.9. Confidential Information.** Class Counsel will destroy all confidential documents and
17 information provided by Defendants within 60 calendar days of this Agreement's completion. Class
18 Counsel further agree that no information provided by Defendants shall be used for any purpose other
19 than prosecution of this Action.

20 **10.10. No Media Announcements or Other Undue Publicity.** No Party shall make any public
21 statement to the news, print, electronic, or Internet media concerning this Agreement, and the Parties
22 shall decline to respond to media inquiries concerning this Agreement. Nothing in this Agreement,
23 however, prevents Class Members from discussing or disclosing information about unlawful acts in the
24 workplace, such as harassment or discrimination or any other conduct that they have reason to believe is
25 unlawful, or discussing with any person or persons wages, hours or other terms and conditions of
26 employment, nor from engaging in lawful protected activity with or on behalf of coworkers regarding
27 same. Class Counsel shall not publicize the settlement in their marketing materials, website, or other
28 advertising media. Nothing in this Agreement prevents Class Counsel from placing in their marketing

materials, website, or other advertising media a comment that Class Counsel secured payment for their clients in this Action, so long as any such comment does not mention the name of this case, the name of any Party or Class Member, the amount of the settlement, or the identity of Defense Counsel. Further, nothing in this Agreement prevents or limits Plaintiffs and Class Counsel from communicating with Class Members about this case and/or this settlement. Defendants may also enforce this provision through an action for injunctive relief. Plaintiff shall be liable for Defendants' reasonable attorneys' fees incurred successfully obtaining an injunction to enforce this provision. Notwithstanding the foregoing, Class Counsel can post on his website that the "Lawsuit Settled" and refer questions to the Settlement Administrator.

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 reasonable attorney's fees and costs incurred in vindicating that Party's position.

SO AGREED.

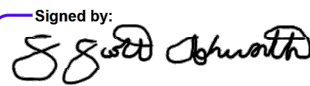
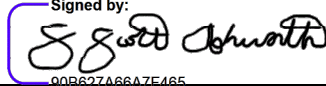
DATED: October 27, 2025

MCGUIRE WOODS LLP

By: 
Timothy M. Rusche
Attorneys for Defendant, SenDx Medical, Inc.

DATED: October 27, 2025 | 2:24 PM EDT

SenDx Medical, Inc.

Signed by:

By: 
90B627A86A7F465...

DATED: 09/24/2025

THE NOURMAND LAW FIRM, APC

By: James A. De Sario

Michael Nourmand

James A. De Sario

Attorneys for Plaintiff Irene Hernandez Venegas

DATED: 09/22/2025

By: Irene Hernandez Venegas

Irene Hernandez Venegas

DATED:

WOO ALLEN LAW LLP

By: Melissa W. Woo

Melissa W. Woo

Attorneys for Defendant, Next Level Resources, Inc.

DATED: 10/7/2025

NEXT LEVEL RESOURCES, INC.

By: Paul Gould

Paul Gould

306116157v.7

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

Irene Hernandez Venegas v. Next Level Resources Inc.
Case No. 37-2023-00005351-CU-OE-CTL

To: All non-exempt employees of Next Level Resources, Inc. who performed work at SenDx Medical, Inc. in the State of California at any time from February 7, 2019 until March 15, 2023.

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.
YOU MAY BE ENTITLED TO RECEIVE MONEY FROM THIS PROPOSED
SETTLEMENT.

**THE COURT HAS NOT DETERMINED THAT NEXT LEVEL OR SENDX
VIOLATED THE LAW. NEXT LEVEL AND SENDX DENY THAT THEY
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.**

**TO RECEIVE YOUR SHARE OF THE SETTLEMENT, YOU DO NOT NEED TO DO
ANYTHING.**

This Notice is Court Approved. This is not a solicitation from an attorney.

1. WHY DID I GET THIS NOTICE?

You received this Notice because the court granted preliminary approval of a proposed settlement (the “Settlement”) in the class action and representative lawsuit entitled *Irene Hernandez Venegas v. Next Level Resources Inc., et al.*, Case No. 37-2023-00005351-CU-OE-CTL (hereinafter referred to as the “Action”) on **PRELIMINARY APPROVAL DATE**.

The Notice explains the Action, the general terms of the proposed Settlement, and your legal rights and obligations. To obtain more information about the Settlement, including information about how you can see a copy of the Settlement Agreement, see Section 15, below.

2. WHAT IS THE ACTION ABOUT?

On February 7, 2023, Irene Hernandez Venegas (“Plaintiff”) filed a wage and hour class action Complaint against Next Level Resources Inc. (“Next Level”) and SenDx Medical, Inc. (“SenDx”) (together, “Defendants”), in the Superior Court of the State of California for the County of San Diego, as an individual and on behalf of a class of allegedly similarly situated employees. On June 6, 2023, she filed a first amended complaint, adding a claim for civil penalties under the Private Attorneys General Act of 2004 (“PAGA”). In the operative First Amended Complaint, Plaintiff, on behalf of herself and all purported similarly situated individuals, alleges the following causes of action: (1) failure to timely pay overtime ;(2) failure to pay minimum wages; (3) failure to provide meal periods; (4) failure to provide rest periods;

(5) failure to pay all wages upon termination; (6) failure to provide accurate wage statements; (7) unfair competition; and (8) violation of the Private Attorneys General Act (Cal. Lab. Code §§ 2698 – 2699.5), including for violations of Labor Code §§ 200, 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1194, 1194.2, 1197, 1197.1, and 1199. No court has made any ruling on the merits in the Action. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the final hearing.

3. WHAT IS A CLASS ACTION?

In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. Plaintiff brought his case as a class action.

In the Action, the Plaintiff seeks to represent you on a class and representative basis. Next Level and SenDx are the Defendants. A class action allows the Court to resolve the claims of all the class members at the same time. A class member is bound by the determination or judgment entered in the case, whether the class wins or loses, and may not file his or her own lawsuit on the same claims that were decided in the class action. A class action allows one court to resolve all the issues in a lawsuit for all the class members who choose not to exclude themselves from the class.

4. WHO IS INCLUDED IN THE SETTLEMENT CLASS?

All non-exempt employees of Next Level who performed work at SenDx's facilities in California at any time from February 7, 2019 until March 15, 2023.

5. WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?

There was a hearing on **PRELIMINARY APPROVAL DATE**, in the Superior Court of the State of California for the County of San Diego, at which time Judge William W. Wood preliminarily approved the Settlement. The Settlement will resolve the Class Members' claims for violation of Labor Code alleged in the Action that arose during the Class Period.

The Settlement represents a compromise of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Action have merit or that Defendants have any liability to the Plaintiff or the Class Members on those claims. No court has made any ruling on the merits of the Action.

The parties have agreed to settle the case for \$100,000 ("Gross Settlement Amount"). Under the terms of the settlement, the following payments have been agreed to: (1) attorneys' fees not to exceed \$35,000 which is 35% of the Gross Settlement Amount; (2) all documented litigation costs to Class Counsel, in amounts set by the Court, which are expected to not exceed \$15,000.00; (3) service payment to Plaintiff for services in the Action in an amount not to exceed \$5,000.00; (4) **\$XX** for settlement administration costs; and (5) a PAGA payment of \$10,000, \$7,500.00 of which will be paid to the State of California's Labor and Workforce Development Agency in connection with settlement of the claims under PAGA and \$2,500 of which will be distributed to PAGA Employees, defined below, (the "Employee PAGA Allocation"). The amount of money remaining after these payments are deducted from the Gross

Settlement Amount is the Net Settlement Amount, from which will be distributed to individuals who are Settlement Class Members on a pro-rata basis. This pro-rata share of the Net Settlement Amount is known as the “Settlement Share.”

Each Class Member will receive a Settlement Share based on their pro-rata share of the Net Settlement Amount based on the number of workweeks worked for Settlement Class Members who do not validly opt-out of this Settlement. In other words, the Net Settlement Amount will be divided by the total number of workweeks worked by all Settlement Class Members and then multiplied by the total number of workweeks worked by each Settlement Class Member between February 7, 2019 and March 15, 2023 (the “Class Period”).

Each PAGA Employee, which is any Class Member who worked at SenDx’s facility at any time between February 6, 2022 and March 15, 2023 (the “PAGA Period”), shall receive a PAGA Share, which is a pro-rata portion of the Employee PAGA Allocation. Each PAGA Share is calculated based on the number of pay periods worked during the PAGA Period. In other words, the Employee PAGA Allocation will be divided by the total number of pay periods worked by all PAGA Employees during the PAGA Period and then multiplied by the total number of pay periods worked by each PAGA Employee during the PAGA Period.

Your estimated Settlement payments is <<Estimated Payment>>.

6. HOW DOES THE SETTLEMENT AFFECT MY RIGHTS?

If the Settlement is approved, the Court will enter a Final Order and Judgment. Upon entry of the Final Order and Judgment, you will release the following claims, and will be barred from prosecuting all such claims against SenDx, Next Level, and their related entities and agents as follows:

1. Released Class Claims. Upon the deposit of the Gross Settlement Amount and Next Level’s share of payroll taxes 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 Defendants and each and all of their 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, 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, regardless of theory of liability, including any claims for purported failure to pay wages, failure to provide meal periods, failure to provide rest periods, failure to pay wages upon termination, failure to provide accurate wage statements, “waiting time” penalties, wage-statement penalties, claims under the applicable Wage Orders based on the facts alleged in the Action or that could have been alleged based on facts alleged in the Action,

claims under the Unfair Competition Law based on the facts alleged in the Action or that could have been alleged based on facts alleged in the Action, Code of Civil Procedure section 1021.5, Civil Code section 3287, and claims under Labor Code sections 200, 201, 202, 203, 218.6 226, 226.3, 226.7, 510, 512, 1194, 1194.2, 1197, and 1197.

2. Released PAGA Claims. Upon the deposit of the Gross Settlement Amount and Next Level's share of payroll taxes 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 from 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 any claims for purported failure to pay wages, failure to provide meal periods, failure to provide rest periods, failure to pay wages upon termination, failure to provide accurate wage statements, "waiting time" penalties, wage-statement penalties, civil penalties, and claims predicated upon the applicable Wage Orders or Labor Code sections 200, 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 512, 1194, 1194.2, 1197, 1197.1 and 1199. 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.

The precise definitions of the capitalized terms in the paragraphs above can be found in the Class and Representative Action Settlement Agreement on file with the San Diego County Superior Court or obtained from the Class Action Administrator.

7. WHY IS THIS BEING REFERRED TO AS A CLASS AND REPRESENTATIVE ACTION?

The Settlement 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 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 time limit described in this Notice and in the Settlement Agreement. 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.

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.

8. WHAT DO I NEED TO DO TO RECEIVE A SETTLEMENT PAYMENT?

You do not need to do anything to participate in the settlement. You will receive a monetary award from this Settlement approximately 30 days after the Final Approval Hearing on **FINAL APPROVAL HEARING**, if the Settlement is approved, and no later appeal is filed. Class Counsel have been appointed and approved by the Court and Class Counsel will represent you.

NOTE: It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your settlement payment. If you fail to keep your address current, you may not receive your settlement payment.

9. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

You can object to any of the terms of the Settlement before or at the Final Approval Hearing. Failure to take the steps below will be deemed a waiver of your objections. If the Court rejects your objection, you will still be bound by the terms of the Settlement, and receive a settlement payment unless you timely request to be excluded from the settlement and submit the exclusion form provided to you. To object, in writing, you should mail your written objection to the Settlement Administrator at the addresses listed below:

[administrator address]

Any written objections shall your full name and current mailing address, the last four digits of your social security number, state each specific reason for your objection and any legal support for each objection, and include all evidence and supporting papers. You may also appear personally at the Final Approval Hearing, or through your own counsel, paid for at your own expense.

IF YOU DO NOT TIMELY MAKE YOUR OBJECTION, YOU WILL BE DEEMED TO HAVE WAIVED ALL OBJECTIONS AND WILL NOT BE ENTITLED TO SPEAK AT THE FINAL APPROVAL HEARING.

10. WHAT IF I DON'T WANT TO PARTICIPATE IN THIS SETTLEMENT?

You have the right to request exclusion from the settlement. To do so, you may use the enclosed exclusion form and mail it to the Settlement Administrator at the following address:

[administrator address]

To be valid, a written request for exclusion must state that you wish to be excluded, and (1) must contain your full name (and former names, if any), current address, current telephone number, and last four digits of your social security number; (2) must be signed by you; (3) must include an express statement that you wish to be excluded from the terms of the class settlement; (4) must be postmarked on or before **[EXCLUSION DEADLINE]**, 45 days after the date of mailing of this Notice; and (5) returned to the Settlement Administrator at the address listed

above.

Unless you timely request to be excluded from the settlement, you will be bound by the judgment upon final approval of the Settlement, including the Release described in this Notice. Class Counsel will not represent your interests if you request to be excluded.

You cannot exclude yourself from the PAGA settlement. Even if you choose to exclude yourself from the class settlement, if you are a PAGA Employee, you will still receive your share of the portion of the settlement allocated to the PAGA claims, and you will still be bound by the release of the Released PAGA Claims.

11. YOUR NUMBER OF WORKWEEKS

Based on Defendants' records, your number of workweeks worked during the Class Period is <<Workweeks Worked>>. Based on Defendants' records your number of pay periods worked during the PAGA Period is <<PAGA pay periods Worked>>

If you dispute the number of workweeks or pay periods allocated to you, you may mail your written dispute with supporting documentation on the number of workweeks you worked during the Class Period to the Settlement Administrator, who will decide the amount of workweeks and/or pay periods you worked, at the addresses listed below by [INSERT DISPUTE DEADLINE], 45 days after the date of mailing of this Notice.

[Administrator Address]

12. WILL THE NAMED PLAINTIFF BE COMPENSATED FOR BRINGING THIS LAWSUIT?

The Plaintiff individually will request a service award of up to \$5,000.00 for her services as the Representative and for his efforts in bringing the Action. In exchange for this payment, Plaintiff will also execute an individual general release. The Court will make the final decision as to the amount of the service award to be paid to the Plaintiff. Plaintiff's Application for his service award can be viewed at the Courthouse after [INSERT DATE OF FINAL APPROVAL FILING], during normal business hours (as well as Class Counsel's Application for Attorneys' Fees and Costs as discussed below).

13. DO I HAVE A LAWYER IN THIS CASE?

Yes. The Court has ordered that the interests of Named Plaintiff, the Class Members, and PAGA Employees are represented by counsel for Plaintiff as follows:

Michael Nourmand, Esq.
James A. De Sario, Esq.
THE NOURMAND LAW FIRM, APC
8822 West Olympic Boulevard
Beverly Hills, California 90211
Telephone: (310) 553-3600
Facsimile: (310) 553-3603

mnourmand@nourmandlawfirm.com
Jdesario@nourmandlawfirm.com

(Collectively, “Class Counsel”). Class Members will not be separately charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

14. HOW WILL THE LAWYERS BE PAID?

Class Counsel will be requesting from the Court an amount not to exceed 35% of the total settlement amount (in other words, up to \$35,000) for their attorneys’ fees and litigation costs not exceeding \$15,000. The actual amount awarded to Class Counsel will be determined by the Court.

15. WHAT IS THE FINAL APPROVAL HEARING?

The Court has preliminarily approved the Settlement and will hold a hearing to decide whether to give final approval to the Settlement. The purpose of the Final Approval Hearing will be for the Court to determine whether the Settlement should be approved as fair, reasonable, adequate, and in the best interests of the Class; to consider the award of attorneys’ fees and expenses to Class Counsel; and to consider the request for a service award to Plaintiff.

16. WHEN AND WHERE IS THE FINAL APPROVAL HEARING?

The Court will hold the Final Approval Hearing on **FINAL APPROVAL HEARING** at 8:30 a.m. **[insert address]** (“Final Approval Hearing”).

The Final Approval Hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing to have your objection considered by the Court. However, you have the right to attend the Final Approval Hearing and be represented by your own counsel at your own expense. If you plan to attend the Final Approval Hearing, you may contact Class Counsel to confirm the date and time. If the Court does not approve the Settlement or it does not become final for some reason, the Action may continue to trial. If you served a timely objection with the Settlement Administrator, you will be provided with notice of any continuances of the final approval hearing by first class mail.

17. MAY I SPEAK AT THE FINAL APPROVAL HEARING?

At the hearing, the Court will be available to hear any objections and arguments concerning the Settlement. You may attend, but you do not have to attend. If you have requested exclusion from the Settlement, however, you may not speak at the Final Approval Hearing.

18. HOW DO I GET MORE INFORMATION?

To see a copy of the Class and Representative Action Settlement Agreement between Plaintiff and Defendants (which defines the capitalized terms used in this Notice and provides a brief summary of what has happened in the Action), the Court’s Preliminary Approval Order,

Class Counsel's application for attorneys' fees and costs, the operative Complaint filed in his lawsuit, and other filed documents related to Plaintiff's lawsuit and this Settlement, you may view all such files at the Clerk's office at the Superior Court of the State of California for the County of San Diego [insert address].

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at the address and telephone number listed below, toll free. Please refer to the Venegas v. Next Level Class Action Settlement.

[Administrator Contact Information]

You may also contact the attorneys for the Class, whose names and contact information is listed above.

19. WHAT IF MY INFORMATION CHANGES?

If, after you receive this Notice, you change your postal address or telephone number, it is your responsibility to inform the Settlement Administrator of your updated information.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE