PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Settlement" or "Agreement") is made and entered into between Plaintiffs David Nguyen and Czarman Lucea ("Plaintiffs"), acting in a Private Attorney General capacity, and Defendants Baxter Healthcare Corporation ("Baxter") and Kelly Services, Inc. ("Kelly") (collectively, "Defendants").

I. DEFINITIONS

The following terms, when used in this Settlement, shall have the following meanings:

1. "Action" means the matter entitled *David Nguyen, et al. v. Baxter Healthcare Corporation, et al.,* filed on October 30, 2023in the Orange County Superior Court, Case No. 30-2023-01358073-CU-OE-CXC, and as set forth in Plaintiffs' correspondences to the California Labor and Workforce Development Agency ("LWDA Letters") dated on or about August 25, 2023, October 3, 2023, and March 22, 2024.

2. "Aggrieved Employees" means all current and former California hourly or non-exempt direct-hire employees employed by Baxter, or staffing employees employed by Kelly and staffed at Baxter during the PAGA Period. Defendants represent that there are approximately 536 Aggrieved Employees.

3. "Complaint" means the First Amended Representative Action Complaint for Violation of the California Private Attorneys General Act (Labor Code § 2698, *et seq.*), to be filed in the Action upon the execution of this Agreement and attached hereto as **Exhibit B**.

4. "Court" means the Superior Court of California for the County of Orange.

5. "Effective Date" means the date the Court enters an order approving the Settlement and entering judgment thereon.

6. "Individual PAGA Payment" means the amount to be paid to each Aggrieved Employee based on the formula described herein.

7. "LWDA" means the California Labor and Workforce Development Agency.

8. "Gross Settlement Amount" is the non-reversionary sum of Four Hundred Twenty Thousand Dollars and Zero Cents ($420,000.00), which represents the total all-in amount payable under this Settlement by Defendants, including, without limitation, payments to all Aggrieved Employees, payment to the LWDA, payment of Plaintiffs' Counsel's fees and costs, Plaintiffs' service award, and payment to the Settlement Administrator for administration costs.

9. "Net Settlement Amount" is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts (if approved by the Court) are subtracted from the Gross Settlement Amount: (a) Plaintiffs' Counsel's fees up to 35% of the Gross Settlement Amount, currently estimated at $147,000.00; (b) Plaintiffs' verified costs up to $30,000.00; (c) Plaintiffs' service award of $5,000.00 to each Plaintiff, totaling $10,000.00; and (d) verified administration costs up to $9,500.00.

10. "PAGA" means the California Labor Code Private Attorneys General Act, California Labor Code §§ 2698, *et seq.*

11. "PAGA Period" means the time period from August 25, 2022, through the approval of the Settlement or August 26, 2026, whichever date is earlier.

12. "PAGA Released Claims" means any and all claims for PAGA civil penalties that were alleged, or reasonably could have been alleged based on any of the facts stated in the Complaint or any of the LWDA Letters.

13. "Parties" means Plaintiffs and Defendants, collectively.

14. "Pay Period" means any pay period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.

15. "Plaintiffs" means David Nguyen and Czarman Lucea.

16. "Plaintiffs' Counsel" means William C. Sung and Tiffany L. Luu of Justice for Workers, P.C. and Roman Otkupman of Otkupman Law Firm.

17. "Released Parties" means Defendants Baxter Healthcare Corporation and Kelly Services Global, LLC, and Kelly Services, Inc. and any of their parents, subsidiaries, affiliates, predecessors or successors, and any and all of their agents, employees, officers, directors, and attorneys.

18. "Settlement Administrator" or "Administrator" means CPT Group.

II. <u>RECITALS</u>

1. Plaintiffs collectively allege that with regard to the Aggrieved Employees, Defendants (1) failed to pay wages; (2) failed to pay overtime; (3) failed to provide meal breaks; (4) failed to provide rest breaks; (5) failed to provide accurate wage statements; (6) failed to pay all wages due at separation; (7) failed to reimburse for business expenses; (8) failed to pay earned wages twice per month; (9) failed to maintain accurate records; (10) failed to permit inspection of time records, all of which result in liability for civil penalties under the PAGA; (11) failure to comply with provisions of California paid sick leave; (12) failure to comply with various requirements of reporting time pay; and (13) failure to provide a safe and healthful work environment, all of which Plaintiffs allege result in liability for civil penalties under PAGA.

2. Plaintiff Ngyuen provided on August 25, 2023, and October 3, 2023, and Plaintiff Lucea provided on March 22, 2024, the LWDA Letters to the LWDA and Defendants asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of the California Labor Code described in Paragraph II.1 above.

3. On October 30, 2023, Plaintiff Nguyen filed a PAGA representative action complaint in this Action. On May 30, 2024, Plaintiff Lucea filed a putative class action and PAGA representative action in Solano County Superior Court (the "Lucea Action").

4. During the pendency of the Action, the Parties agreed to mediate this Action and the Lucea Acton collectively in a global mediation whereby the Parties would consider settling both cases as one single PAGA representative action settlement. The Parties engaged in an informal discovery exchange prior to mediation. In response to Plaintiffs' Counsel's informal discovery requests, Defendants provided Plaintiffs' Counsel with information and documents pertaining to Plaintiffs and other Aggrieved Employees and the claims in the Action in order for Plaintiffs' Counsel to investigate Plaintiffs' allegations and value of the PAGA claim, including but not limited to timekeeping and payroll data.

5. On May 1, 2025, the Parties participated in mediation before mediator Steve Pearl, Esq. With the assistance of Mr. Pearl, the Parties agreed to fully and finally resolve, subject to Court approval, the PAGA Released Claims as to Plaintiffs and the Aggrieved Employees subject to consolidating the Lucea Action with this Action.

6. As of October 14, 2025, the Parties entered into a fully executed Memorandum of Understanding agreeing to settle this Action and the Lucea Action as a consolidated PAGA representative action.

III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT

The Parties agree as follows:

1. **Non-Admission.** Nothing in this Settlement shall be construed to be an admission by Plaintiffs that Plaintiffs' claims do not have merit or by Defendants of any liability or wrongdoing as to Plaintiffs, Aggrieved Employees, or any other person, and Defendants specifically disclaim any such liability or wrongdoing. The Parties have entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses and risks. This Settlement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **Gross Settlement Amount.** Defendants shall pay Four Hundred Twenty Thousand Dollars and Zero Cents ($420,000.00) as the **non-reversionary** Gross Settlement Amount. Defendants will not pay more than the Gross Settlement Amount (subject to the Escalator Clause below). The payment of the Gross Settlement Amount shall be made within fifteen (15) business days of the Effective Date. Defendants shall make the payment to the Settlement Administrator who will then distribute all payments required by this Agreement.

3. **Escalator Clause.** Baxter represents that Aggrieved Employees consist of approximately 536 non-exempt and hourly Baxter and Kelly employees, who worked approximately 32,241 pay periods during the PAGA Period. In the event the number of pay periods worked by the Aggrieved Employees exceeds 32,241 during the PAGA Period by more than 11%, Defendants shall be entitled to select either a pro-rata increase in the Gross Settlement Amount or a decrease in the end date covered by the PAGA Period so that the total number of pay periods worked is within 11% of 32,241. No later than 30 days prior to the hearing on Plaintiffs' motion for approval of PAGA settlement, Defendants shall verify the number of pay periods worked by Aggrieved Employees, and if applicable, elect whether to increase the Gross Settlement Amount or decrease the end date of the PAGA Period.

4. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the Gross Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to distribute to the LWDA and Aggrieved Employees:

a. Plaintiffs Counsel's Fees and Costs. Defendants will not oppose Plaintiffs' request for attorneys' fees in the amount up to 35% of the Gross Settlement Amount (currently estimated at $147,000.00), or costs incurred in prosecuting this Action up to $40,000.00, consistent with applicable law. In the event the Court approves a payment of less than these amounts, the difference will be added to the Net Settlement Amount. If the Court believes the fees or costs should be reduced, the other terms of the Settlement will remain in effect and any such reduction will not affect the remaining terms, other than adjusting the Net Settlement Amount. Defendants, via the Settlement Administrator, will report these payments on IRS Form 1099 issued to Plaintiffs' Counsel.

b. Administration Costs. Defendants will not oppose the Settlement Administrator's costs in the amount up to $9,500.00 for administering the Settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. Defendants, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to the Settlement Administrator.

c. Plaintiffs' Service Award. Defendants will not oppose Plaintiffs' request for a service award in the amount of $5,000.00 to each Plaintiff, totaling $10,000.00, consistent with applicable law, for Plaintiffs' service to the LWDA and the Aggrieved Employees and the risk Plaintiffs undertook by attaching Plaintiffs' name to the Action. In the event the Court approves a payment of less than the requested amount, the difference will be added to the Net Settlement Amount. If the Court believes the service awards should be reduced, the other terms of the Settlement will remain in effect and any such reduction will not affect the remaining terms, other than adjusting the Net Settlement Amount. Defendants, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to Plaintiffs.

5. **Allocation of Net Settlement Amount.** The Net Settlement Amount shall be distributed pursuant to Labor Code § 2699(i) as follows:

a. 75% of the Net Settlement Amount shall be distributed to the LWDA.

b. 25% of the Net Settlement Amount shall be paid to Aggrieved Employees. This portion of the Net Settlement Amount shall be paid to all Aggrieved Employees pro rata based on the proportional number of Pay Periods worked by each Aggrieved Employee for Defendants in California during the PAGA Period.

c. The Parties agree that should the Court deny approval of the Settlement based on the allocation of the Gross Settlement Amount or the Net Settlement Amount, the Parties agree to re-negotiate the allocation of funds in good faith in an effort to obtain approval of the Settlement.

6. **PAGA Released Claims.** Plaintiffs agree that upon entry of an Order approving the Settlement and full payment by Defendants of the Gross Settlement Amount, all Aggrieved

Employees, including Plaintiffs, on behalf of themselves and their respective former and current representatives, agents, attorneys, heirs, administrators, successors, and assigns, and the State of California, will release any and all PAGA Released Claims against the Released Parties that relate to or arose during the PAGA Period. Upon entry of the Order approving the Settlement and judgment entered thereon, as well as full payment by Defendants of the Gross Settlement Amount, Plaintiffs and all Aggrieved Employees will be forever barred from pursuing any and all of the PAGA Released Claims that relate to or arose during the PAGA Period against the Released Parties.

7. **No Right to Opt-Out.** Aggrieved Employees do not have the right to object or opt out of or otherwise exclude themselves from the settlement of claims for civil penalties under PAGA, and upon approval of the Settlement by the Court, each Aggrieved Employee will have released Defendants and each of the Released Parties from, of, and for claims for civil penalties under PAGA released herein, including the PAGA Released Claims, and each Aggrieved Employee will be entitled to receive payment in conformity with the Settlement.

8. **Covenants and Representations by Plaintiffs and Plaintiffs' Counsel.**

a. Plaintiffs represent and warrant that Plaintiffs have not assigned or transferred or purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement.

b. Plaintiffs acknowledge that Plaintiffs have read this Settlement, that Plaintiffs fully understand Plaintiffs' rights, privileges and duties under the Settlement, and enter into this Settlement freely and voluntarily, and without duress. Plaintiffs further acknowledge that Plaintiffs had the opportunity to consult with Plaintiffs' attorneys to explain the terms of this Settlement and the consequences of signing this Settlement.

9. **Notification to LWDA.** Plaintiffs' counsel will notify the LWDA of the Settlement at the time the Settlement is submitted to the court for approval, seek approval of the Settlement, and perform any and all statutory tasks as required by law.

10. **Termination of Settlement.** If the Court does not approve the Settlement, or if the Court does not enter judgment as provided for in this Settlement, or if the Court makes or orders material changes to the Basic Settlement Terms (defined as the Gross Settlement Amount; the PAGA Period; the Escalator Clause; the PAGA Released Claims; and/or the Parties' respective right to terminate the settlement as provided herein), or if appellate review is sought and, on such review, the Court's decision is materially modified or reversed, or, except as otherwise set forth herein, if one or more of the material terms of the Settlement is not approved or is materially modified or reversed or found to be invalid, then either of the Parties shall have the right within ten (10) days of written notice thereof to elect to terminate the Settlement, in which case the Settlement shall have no force or effect, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Settlement. However, before exercising this option, a Party contemplating terminating the Settlement will attempt to work with the other Party in good faith to modify the Settlement in order to obtain Court approval or to otherwise cure any defect in the Settlement.

11. **Judgment.** As part of the Motion to approve the Settlement, Plaintiffs shall submit a proposed order and judgment which enters judgment in the Action in accordance with the terms of the Settlement, and the Court retains jurisdiction over the Action for the purpose of enforcing the terms of the Settlement following approval of the Settlement pursuant to Cal. Code Civ. Proc. § 664.6. This Settlement is expressly conditioned upon the Court entering judgment as set forth herein. The judgment will not release or bar any claims other than the PAGA Released Claims as to Plaintiffs and Aggrieved Employees. Before filing the motion for approval of the settlement, Plaintiffs shall provide a draft of said motion, and the proposed order and judgment upon the motion, to Defendants for review and comment, and will obtain Defendants comments and consent prior to submission of the motion and proposed order and judgment to the Court. Defendants shall have 10 business days after their receipt of the draft of said motion, and the proposed order and judgment upon the motion, to provide their comments and consent, after which Defendants shall be deemed to have consented to the proposed judgment.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties agree to use CPT Group to handle the administration of this Settlement.

2. **Provision of Information for Aggrieved Employees.** Within fifteen (15) calendar days of the Effective Date, Defendants shall provide the Settlement Administrator with information for Aggrieved Employees. Defendants will in good faith compile from its records a list of Aggrieved Employees that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and shall include each Aggrieved Employee's full name, last known mailing address, total number of Pay Periods or dates of employment, and Social Security number. Because Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement.

Within seven (7) calendars days of receiving the Aggrieved Employees' information from Defendants, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the estimated individual settlement payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

3. **Explanatory Letter and Individual PAGA Payments.** Upon receipt of the information for Aggrieved Employees, the Settlement Administrator will perform a search on the National Change of Address database to update the Aggrieved Employees' addresses.

Within fifteen (15) calendar days of the Settlement being fully funded as provided above in Section III.2, the Settlement Administrator shall mail copies of the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A** and to be translated into Spanish by the Settlement Administrator, along with Individual PAGA Payments to all Aggrieved Employees via regular First-Class U.S. Mail. If the Court orders modifications to the explanatory letter, the Parties may re-submit a modified explanatory letter consistent with the Court's order without amending this Agreement.

The Settlement Administrator will calculate the amount to be received by each Aggrieved

Employee, which will be based on the formula set forth in Section III.5., *supra.* The Settlement Administrator will send each Aggrieved Employee a check for his or her Individual PAGA Payment along with the explanatory letter. Checks will remain negotiable for 180 days. Each Individual PAGA Payment shall be deemed penalties/interest and reported using IRS Form 1099.

4. **Undeliverable Notices.** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Aggrieved Employee.

Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address, using a skip-trace or other similar search, using the name, address and/or Social Security number of the Aggrieved Employee involved and will perform a single re-mailing if a new address is located.

Defendants fully discharge their obligations to those Aggrieved Employees to whom they will pay an Individual PAGA Payment through the mailing of a check, regardless of whether such checks are actually received and/or negotiated by Aggrieved Employees. Funds represented by checks returned as undeliverable after a re-mailing, and funds represented by checks remaining un-cashed for more than 180 days after issuance, will be tendered to the State Controller's Office under the unclaimed property fund laws in the names of the Aggrieved Employees to whom the checks were issued.

5. **Payment of Remainder.** Within fifteen (15) calendar days of the Settlement being fully funded, the Settlement Administrator will distribute the following additional payments: (1) the 75% share of the Net Settlement Amount to the LWDA; (2) Court-approved attorney's fees and costs to Plaintiffs' Counsel; (3) Court-approved service award to Plaintiffs; and (4) Court-approved administration costs to the Settlement Administrator.

6. **Accounting.** No later than ten (10) business days prior to the Court's Final Accounting Hearing, if any such hearing is set by the Court, the Settlement Administrator will provide an accounting under oath to the Parties of the amounts paid from the Settlement and/or uncashed.

7. **Tax Consequences.** Individual PAGA Payments made under this Settlement will be attributed 100% as penalties and interest and paid via IRS Form 1099 issued to each Aggrieved Employee. Neither Plaintiffs nor Defendants, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement.

V. MISCELLANEOUS PROVISIONS

1. **Mutual Preparation and Drafting.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. The Parties agree that the terms and conditions of this Settlement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that neither Plaintiffs nor Defendants shall be considered the "drafter" of this

Settlement for purposes of having terms construed against that Party. This Settlement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement.

2. **Successors.** This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, assigns, administrators and successors.

3. **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, expert fees, mediator fees and other fees incurred in connection with this Settlement and Plaintiffs' PAGA claim, except as otherwise set forth specifically herein.

4. **Governing Law.** This Settlement shall be construed under and governed by the laws of the state of California. This Settlement shall be deemed to have been entered into in the County of Los Angeles, California, and all questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement, it shall be brought in the State of California, County of Orange.

5. **Complete Agreement.** The Parties each acknowledge and represent that this Settlement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA Released Claims in the Action. This Settlement cannot be amended or modified except by a writing signed by counsel for the Parties hereto.

6. **Nullification of Settlement.** In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions unless otherwise required under this Agreement.

7. **Judgment and Continued Jurisdiction.** After approval of this Settlement, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement. Plaintiffs will submit a proposed judgment in conformity with this Agreement to be entered by the Court, which shall constitute a final and binding resolution of the PAGA claim in the Action. Plaintiffs will provide a draft of the proposed judgment to Defendants and will obtain Defendants comments and consent prior to submission of same to the Court. Defendants shall have 10 business days after their receipt of the proposed judgment to provide their comments and consent, after which Defendants shall be deemed to have consented to the proposed judgment.

8. **Authorization to Enter into Settlement.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other

and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

9. **Execution and Counterparts.** This Settlement is subject only to the execution of all Parties. However, the Settlement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and

10. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Settlement is a fair, adequate and reasonable settlement of the PAGA claim in the Action, and. have arrived at this Settlement after arm's-length negotiations by experienced counsel and with the assistance of an experienced mediator. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement. the same instrument.

11. **Invalidity of Any Provision.** Before declaring any provision of this Settlement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Settlement valid and enforceable.

12. **Severability.** If any term or provision of this Settlement is held to be invalid or unenforceable, the remaining portions of this Settlement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

13. **Waiver.** No waiver of any condition or covenant contained in this Settlement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

14. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and this Settlement has been executed with the consent and advice of counsel and reviewed in full.

15. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms under California Code of Civil Procedure § 664.6 and any other applicable statute or law, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

16. **Denial of Liability.** The Parties expressly recognize that the making of this Settlement does not in any way constitute an admission or concession of wrongdoing on the part of Defendants. Nothing in this Settlement, nor any action taken in implementation thereof, nor any

statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement may be used in any Court proceeding that has as its purpose the interpretation, implementation or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

17. **Confidential.** The Parties agree that this Settlement is confidential (except for purposes of enforcement) and that no Party will issue any press release nor other public or non-public representation regarding the settlement other than as necessary to obtain Court approval and effectuate the terms of the Settlement. The Parties and their counsel agree that they will not initiate or have any contact with the press, respond to any press inquiry, or have any communication with the press about this case.

18. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action, motion, or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the prevailing Party or Parties will be entitled to recover from the non-prevailing Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any action, motion, or other proceeding.

IN WITNESS THEREOF, the Parties each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

ACCEPTED AND AGREED:

Dated: 3/3____________, 2026 __________________________________
Plaintiff David Nguyen

Dated: ______________, 2026 __________________________________
Plaintiff Carmen Lucea

Dated: ______________, 2026 __________________________________
Defendant Baxter Healthcare Corporation

____
Printed Name

____
Title

Dated: ______________, 2026 _________________________________
Defendant Kelly Services, Inc.

____
Printed Name

____
Title

AGREED AS TO FORM AND CONTENT:

Dated: March 3, 2026 _________________________________
William C. Sung
Tiffany L. Luu
JUSTICE FOR WORKERS P.C.
Attorneys for Plaintiff David Nguyen

Dated: ______________, 2026 _________________________________
Roman Otkupman
OTKUPMAN LAW FIRM, A LAW CORPORATION
Attorneys for Plaintiff David Nguyen

Dated: ______________, 2026 _________________________________
Yesenia Gallegos
McDermott Will & Schulte LLP
Attorneys for Defendant Baxter Healthcare Corporation

Dated: ______________, 2026 _________________________________
Eden E. Anderson
Duane Morris LLP
Attorneys for Kelly Services, Inc.

statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement may be used in any Court proceeding that has as its purpose the interpretation, implementation or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

17. **Confidential.** The Parties agree that this Settlement is confidential (except for purposes of enforcement) and that no Party will issue any press release nor other public or non-public representation regarding the settlement other than as necessary to obtain Court approval and effectuate the terms of the Settlement. The Parties and their counsel agree that they will not initiate or have any contact with the press, respond to any press inquiry, or have any communication with the press about this case.

18. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action, motion, or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the prevailing Party or Parties will be entitled to recover from the non-prevailing Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any action, motion, or other proceeding.

IN WITNESS THEREOF, the Parties each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

ACCEPTED AND AGREED:

Dated: ______________, 2026 ______________________________
Plaintiff David Nguyen

Dated: 03 / 02 / 2026, 2026 ______________________________
Plaintiff Carmen Lucea

Dated: ______________, 2026 ______________________________
Defendant Baxter Healthcare Corporation

Printed Name

Title

Dated: ____________, 2026

Defendant Kelly Services, Inc.

Printed Name

Title

AGREED AS TO FORM AND CONTENT:

Dated: ____________, 2026

William C. Sung
Tiffany L. Luu
JUSTICE FOR WORKERS P.C.
Attorneys for Plaintiff David Nguyen

Dated: 03 / 02 / 2026, 2026

Roman Otkupman
OTKUPMAN LAW FIRM, A LAW CORPORATION
Attorneys for Plaintiff David Nguyen

Dated: ____________, 2026

Yesenia Gallegos
McDermott Will & Schulte LLP
Attorneys for Defendant Baxter Healthcare Corporation

Dated: ____________, 2026

Eden E. Anderson
Duane Morris LLP
Attorneys for Kelly Services, Inc.

statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement may be used in any Court proceeding that has as its purpose the interpretation, implementation or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

17. **Confidential.** The Parties agree that this Settlement is confidential (except for purposes of enforcement) and that no Party will issue any press release nor other public or non-public representation regarding the settlement other than as necessary to obtain Court approval and effectuate the terms of the Settlement. The Parties and their counsel agree that they will not initiate or have any contact with the press, respond to any press inquiry, or have any communication with the press about this case.

18. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action, motion, or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the prevailing Party or Parties will be entitled to recover from the non-prevailing Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any action, motion, or other proceeding.

IN WITNESS THEREOF, the Parties each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

ACCEPTED AND AGREED:

Dated: _______________, 2026 ___________________________________

Plaintiff David Nguyen

Dated: _______________, 2026 ___________________________________

Plaintiff Carmen Lucea

Dated: March 25, 2026

Signed by:

Cindy Carlisle

F5CE042DF194470...

Defendant Baxter Healthcare Corporation

Cindy Carlisle
Printed Name

Executive Vice President and CHRO
Title

Dated: ______________, 2026

Defendant Kelly Services, Inc.

Printed Name

Title

AGREED AS TO FORM AND CONTENT:

Dated: ______________, 2026

William C. Sung
Tiffany L. Luu
JUSTICE FOR WORKERS P.C.
Attorneys for Plaintiff David Nguyen

Dated: ______________, 2026

Roman Otkupman
OTKUPMAN LAW FIRM, A LAW CORPORATION
Attorneys for Plaintiff David Nguyen

Dated: March 26, 2026

Yesenia Gallegos
McDermott Will & Schulte LLP
Attorneys for Defendant Baxter Healthcare Corporation

Dated: ______________, 2026

Eden E. Anderson
Duane Morris LLP
Attorneys for Kelly Services, Inc.

____
Printed Name

____
Title

Dated: 03-Mar-2026 | 9:25 AM EST, 2026

Robert Haddad
____
Defendant Kelly Services, Inc.

Robert Haddad
____
Printed Name

VP, Deputy GC
____
Title

AGREED AS TO FORM AND CONTENT:

Dated: _______________, 2026

____
William C. Sung
Tiffany L. Luu
JUSTICE FOR WORKERS P.C.
Attorneys for Plaintiff David Nguyen

Dated: _______________, 2026

____
Roman Otkupman
OTKUPMAN LAW FIRM, A LAW CORPORATION
Attorneys for Plaintiff David Nguyen

Dated: _______________, 2026

____
Yesenia Gallegos
McDermott Will & Schulte LLP
Attorneys for Defendant Baxter Healthcare Corporation

Dated: March 3, 2026

Eden Anderson
____
Eden E. Anderson
Duane Morris LLP
Attorneys for Kelly Services, Inc.

EXHIBIT A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>
<<ADDRESS 1>>
<<ADDRESS 2>>

Re: Notice of Settlement - *Payment from David Nguyen v. Baxter Healthcare Corporation and Kelly Services, Inc.*
Superior Court of California for County of Orange
Case No. 30-2023-01358073-CU-OE-CXC

SIMID
Name
Address

Dear NAME:

Enclosed is a check made payable to you representing your payment from the settlement of the lawsuit titled *David Nguyen, et al. v. Baxter Healthcare Corporation, et al.*, Case No. 30-2023-01358073-CU-OE-CXC, pending in the Superior Court of California for the County of Orange (the "Action").

The Action was filed on October 30, 2023 against Baxter Healthcare Corporation and Kelly Services Global, LLC("Defendants") and includes a claim pursuant to the California Labor Code Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* ("PAGA"). The Action was brought by David Nguyen and Czarman Lucea ("Plaintiffs"), former employees, on behalf of the State of California and other alleged "Aggrieved Employees." "Aggrieved Employees" is defined as all current and former California hourly or non-exempt direct-hire employees employed by Baxter, or staffing employees employed by Kelly and staffed at Baxter during the "PAGA Period." That "PAGA Period" is defined as August 25, 2022, through the approval of the Settlement or August 26, 2026, whichever is earlier." You have been identified as one of the employees on whose behalf the Action was brought. On DATE, the Court issued an order approving the settlement of the Action.

Plaintiffs claimed that Defendants owed civil penalties under PAGA for alleged violations of the California Labor Code. After accounting for Court approved deductions from the settlement amount for things such as attorneys' fees and costs, administration of the settlement, and payments to the named plaintiffs, the remainder is $223,500. Of the remainder, the law requires that 75% is allocated to the State of California's Labor and Workforce Development Agency, and 25% is allocated among the Aggrieved Employees.

By agreeing to this settlement, Defendants did not and still do not admit that they are liable in any way to current or former employees for any alleged violations of the California Labor Code or any penalties. The Court has not decided the merits of Plaintiffs' claims.

Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. This check will remain valid for 180 days from the date of issuance. If you do not cash your check within 180 days of issuance, the funds will be deposited by the Settlement Administrator with the California State Controller's Unclaimed Property Fund in your name. If you are still employed by Defendants, your decision to cash the check will not affect your employment.

While you were not a party to the Action, you (including your former and current representatives, agents, attorneys, heirs, administrators, successors, and assigns) and the State of California have been bound by the settlement entered in this matter and approved by the Court, including the release contained in the settlement. The release pertains to civil penalties under PAGA only. The release includes any and all claims for PAGA civil penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the operative First Amended Complaint or the August 25, 2023, October 3, 2023, and March 22, 2024 LWDA Letters that Plaintiffs submitted to the California Labor and Workforce Development Agency, which arose from August 25, 2022 through [DATE OF THE APPROVAL OF THE SETTLEMENT OR AUGUST 26, 2026, WHICHEVER DATE IS EARLIER] (the "PAGA Period"), including claims for (1) failure to pay wages; (2) failure to pay overtime; (3) failure to provide meal breaks; (4) failure to provide rest breaks; (5) failure to provide accurate wage statements; (6) failed to pay all wages due at separation; (7) failure to reimburse for business expenses; (8) failure to pay earned wages twice per month; (9) failure to maintain accurate records; (10) failure to permit inspection of time records; (11) failure to comply with provisions of California paid sick leave; (12) failure to comply with various requirements of reporting time pay; and (13) failure to provide a safe and healthful work environment, all of which Plaintiffs allege result in liability for civil penalties under the PAGA.

If you have any questions, you can contact CPT Group, the Settlement Administrator, at (____) ____-_________.