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Attorneys for Plaintiff Bryan Zuniga

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

BRYAN ZUNIGA, individually and on behalf
of others similarly situated,

vs.

INOVA DIAGNOSTICS, INC., a California
corporation; WERFEN USA LLC, a
Massachusetts limited liability company; and
DOES 1 through 25, inclusive,

Defendants.

Case No. 37-2023-00055201-CU-OE-CTL
(Consolidated With Case No.: 37-2024-
00007407-CU-OE-CTL)

Honorable Katherine Bacal
Department C-63

**DECLARATION OF ANNABEL BLANCHARD
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: August 8, 2025
Time: 1:30 p.m.
Dept.: C-63

Complaint Filed: December 21, 2023
Trial Date: Not Set

1 **DECLARATION OF ANNABEL BLANCHARD**

2 I, Annabel Blanchard, declare and state as follows:

3 1. I am an attorney duly licensed to practice law in all Courts of the State of California. I
4 am a member of Blackstone Law, APC (“Class Counsel”), attorneys of record for Plaintiff Bryan
5 Zuniga (“Plaintiff”). I have personal knowledge of the facts contained herein, and, if called to testify,
6 I could and would competently do so.

7 **Experience and Adequacy of Blackstone Law, APC**

8 2. Blackstone Law, APC was started in February 2018, representing plaintiffs in
9 individual and representative employment litigation. The firm has grown exponentially over the past
10 seven-plus years, now maintaining over twenty highly pedigreed attorneys working on almost
11 exclusively labor and employment class actions, California Labor Code Private Attorney General Act
12 of 2004 (“PAGA”) cases, and individual matters, with roughly 15% of the firm focused on other
13 complex general litigation matters. Below is a summary of the experience and qualifications of the
14 attorneys from Blackstone Law, APC who primarily have been responsible for the representation of
15 Plaintiff in connection with the resolution of the above-captioned matter.

16 3. Jonathan M. Genish is the founder of Blackstone Law, APC. He received his law
17 degree from Benjamin N. Cardozo School of Law and was admitted to the California State Bar in
18 2008. During law school, he clerked at the litigation firm Oved & Oved, LLP and was published
19 several times in various small publications. Upon graduation, he was rehired by Freedman &
20 Taitelman, LLP as an associate and remained employed there from September 2008 through August
21 2015. During his tenure, he managed hundreds (perhaps thousands) of complex litigation cases,
22 ranging from employment, corporate, entertainment, and general business litigation matters, though
23 his primary area of expertise was employment, both single plaintiff and representative actions. On the
24 vast majority of those cases, he was the only or primary attorney managing the case and thus obtained
25 extensive experience. In that capacity, he conducted wage and hour and wrongful termination labor
26 and employment intakes; was the primary contact for all clients; took and defended hundreds (if not
27 thousands) of depositions; propounded and responded to all discovery; prepared and opposed all
28 motions and pleadings, including dispositive and certification motions; strategized on all cases;

1 attended all hearings; attended all mediations; coordinated with class action administrators; prepared
2 and worked with experts; first and second chaired multiple trials and arbitrations; and engaged in all
3 other intricate facets of litigation. During that time, he represented a wide range of clients from sole
4 proprietorships to Fortune 500 companies in state, federal, complex, and appellate courts. Many of
5 the cases he managed were highly publicized, with articles written about them in the Los Angeles
6 Times, Deadline, The Hollywood Reporter, Business Insider, Law360, and others. Super Lawyers has
7 regularly honored him as a Southern California Rising Star since 2012.

8 4. Barbara DuVan-Clarke is a 16-year litigator who joined Blackstone in September 2022
9 as a Senior Trial Attorney and Team Lead, building on her entire career of litigating single-plaintiff
10 employment, catastrophic injury, and class/PAGA matters with well-known plaintiff-side wage and
11 hour law firms in Los Angeles. She earned her Bachelor of Arts degree from the University of
12 California at Los Angeles in 2003, and then obtained her Juris Doctorate from Case Western Reserve
13 University in Cleveland, Ohio in 2007. Ms. DuVan-Clarke also maintains leadership roles in the
14 California Employment Lawyers' Association ("CELA") and other organizations.

15 5. Alexander K. Spellman is a senior associate attorney who worked on this matter when
16 he worked at Blackstone. He graduated from University of California at Los Angeles in 2001, with a
17 Bachelor of Arts degree in American Literature and Culture. He then obtained his Juris Doctorate from
18 Loyola Law School, graduating in 2006, and was admitted to the California State Bar in July 2007.
19 He practiced exclusively plaintiff's side labor and employment law from 2016 through 2024.

20 6. P.J. Van Ert is an accomplished attorney who joined Blackstone in 2023, after having
21 worked at an employment litigation firm for 2 years, and prior to that, having served as a District
22 Attorney for over 13 years. In that role, she was a prolific trial attorney, and it is my understanding
23 that she tried over 50 jury trials to verdict. She graduated from University of California at Davis in
24 2000, with a Bachelor of Arts degree, and from University of California at Los Angeles School of Law
25 with a Juris Doctorate in 2004. She was admitted to the State Bar of California in December 2004.

26 7. I joined Blackstone Law, APC from a highly reputable employment law firm. I
27 graduated from University of California at Berkeley with a Bachelor of Arts degree in 2001, and from
28 Southwestern University School of Law with a Juris Doctorate in 2008. I was admitted to the State

1 Bar of California in December of 2008. I have worked on many wage and hour class action and PAGA
2 representative matters, and my work has included, *inter alia*, researching and drafting pleadings,
3 administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and settlement
4 agreements, engaging in motion practice, claims evaluation and analysis, and making court
5 appearances.

6 8. Blackstone Law, APC has been counsel of record on several class action and PAGA
7 actions that have since been resolved, the most recent of which are attached hereto as **Exhibit 1**.

8 **Procedural History of the Action**

9 9. On December 13, 2023, Plaintiff provided written notice to the California Labor and
10 Workforce Development Agency (“LWDA”) by online submission and to Defendants Inova
11 Diagnostics, Inc. and Werfen USA LLC (collectively, “Defendants”) by U.S. Certified Mail, pursuant
12 to California Labor Code Section 2699.3, of the specified provisions of the California Labor Code
13 alleged to have been violated by Defendant (“PAGA Letter”). A true and correct copy of the PAGA
14 Letter is attached hereto as **Exhibit 2**.

15 10. On December 21, 2023, Plaintiff filed a Class Action Complaint for Damages in the
16 action entitled *Bryan Zuniga v. Inova Diagnostics, Inc., et al.*, San Diego County Superior Court Case
17 No. 37-2023-00055201-CU-OE-CTL (“Class Action”), thereby commencing a putative class action
18 against Defendant. The Putative Class Complaint alleged nine causes of action for (1) failure to pay
19 minimum wages in violation of Labor Code sections 1194, 1197, and 1197.1; (2) unpaid overtime in
20 violation of Labor Code sections 510 and 1198; (3) meal break violations in violation of Labor Code
21 sections 226.7 and 512(a); (4) rest break violations in violation of Labor Code section 226.7; (5) failure
22 to timely pay wages during employment in violation of Labor Code sections 204 and 210; (6) failure
23 to provide accurate wage statements in violation of Labor Code section 226(a); (7) failure to timely
24 pay final wages in violation of Labor Code sections 201, 202 and 203; (8) failure to reimburse
25 necessary business expenses in violation of Labor Code sections 2800 and 2802; and (9) unfair and
26 unlawful business practices in violation of Business and Professions Code sections 17200 et seq.

27 11. On February 16, 2024, Plaintiff filed another complaint against Defendants under the
28 Private Attorneys General Act of 2004 (“PAGA”) (the “PAGA Complaint”) in the Superior Court of

the State of California, County of San Diego, entitled *Bryan Zuniga v. Inova Diagnostics, Inc., et al.*, Case No. 37-2024-00007407-CU-OE-CTL (the “PAGA Action”, and together with the Class Action, the “Actions”), alleging the same wage-and-hour violations under the Labor Code.

12. On December 11, 2024, Plaintiff and Defendants (together, the “Parties”) participated in a formal mediation conducted by Brandon McKelvey (“Mediator”), a neutral and respected mediator with extensive experience in complex wage and hour matters, and with the assistance of the Mediator’s evaluations, the Parties were able to reach an agreement to resolve this dispute on a class and representative basis. The Parties then worked diligently to negotiate and memorialize the terms in a long form settlement agreement.

13. On July 17, 2025, the Parties executed the Class and PAGA Settlement Agreement and Release (“Settlement” or “Settlement Agreement”). A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit 3**.

Summary of the Terms of the Settlement Agreement

14. For purposes of settlement only, the Parties have agreed that the Class shall be defined as “all current and former hourly-paid and/or non-exempt employees of Inova in the State of California at any time during the Settlement Period” (“Class” or “Class Member(s)”). The Settlement Period is defined as the period from December 21, 2019 through April 15, 2025. Based on information provided by Defendant, it is estimated that there are approximately three hundred (300) Class Members.

15. The Parties have agreed to settle the class and PAGA claims at issue in the Actions for a non-reversionary Gross Settlement Amount of Three Million, Eighty-Nine Thousand, Five Hundred Dollars and No Cents (\$3,089,500.00), inclusive of employer-side payroll taxes. The Gross Settlement Amount is a common fund and therefore includes all requested costs, fees, and other allocations. The Gross Settlement Amount includes: (1) Class Counsel’s fees in the amount of thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$1,081,325); (2) Class Counsel’s actual litigation costs and expenses, not to exceed Thirty Thousand Dollars (\$30,000); (3) Settlement Administration Costs, not to exceed Nine Thousand Dollars (\$9,000); (4) Enhancement Payment in the amount of Ten Thousand Dollars (\$10,000); (5) PAGA Amount in the amount of One Hundred Thousand Dollars (\$100,000); and (6) Employer-side Withholdings and Taxes. The Gross Net Settlement Amount that will be

1 available for Class Members, prior to deductions for Withholdings and Taxes, is currently estimated
2 to be Nine Hundred Thirty-Two Thousand, Three Hundred Twenty-Five Dollars (\$932,325).
3 Additionally, 25% of the PAGA Settlement Amount (“PAGA Fund”), which is \$25,000 out of
4 \$100,000 will be fully distributed to all current and former non-exempt employees of Inova in the
5 State of California at any time during the PAGA Period (“PAGA Group”). The “PAGA Period” is
6 defined as the period from December 13, 2022 through April 15, 2025.

7 16. The Net Settlement Sum will be distributed and paid to all Class Members who do not
8 submit a valid and timely Request for Exclusion (“Settlement Class Member(s)”) on a *pro rata* basis
9 based on the number of weeks during the Settlement Period that a Class Member was employed by
10 Inova in California for at least one day as a non-exempt employee (“Class Work Weeks”). The amount
11 that is owed to a Class Member pursuant to the Plan of Allocation (“Class Settlement Award”) will be
12 calculated by the Settlement Administrator, in accordance with the Settlement Agreement.

13 17. The PAGA Fund will be distributed and paid to all PAGA Employees on a *pro rata*
14 basis based on the number of pay periods during the PAGA Period that a PAGA Group Member was
15 employed by Inova in California for at least one day as a non-exempt employee (“PAGA Pay
16 Periods”). The amount that is owed to a PAGA Group Member pursuant to the Plan of Allocation
17 (“PAGA Settlement Award”) will be calculated by the Settlement Administrator, in accordance with
18 the Settlement Agreement.

19 18. Each Class Settlement Award will be allocated as thirty percent (30%) to wages subject
20 to Withholdings and Taxes and seventy percent (70%) to interest, penalties, and non-wage damages.
21 The wages portion shall be reported by the Settlement Administrator on IRS Form W-2, and the
22 remainder of any Class Settlement Award, together with any PAGA Settlement Award, shall be
23 reported by the Settlement Administrator on IRS Form 1099-MISC as interest, penalties, and non-
24 wage damages. The Settlement Administrator will withhold both Defendants’ and the employee’s
25 share of taxes and withholdings with respect to the wages portion of the Class Settlement Awards, and
26 issue checks to Settlement Class Members for their net payment of their Class Settlement Awards
27 (“Allocations”). Each individual PAGA Settlement Award will be allocated as one hundred percent
28 (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement

1 Administrator.

2 19. The Settlement Agreement is a non-reversionary and non-claims made settlement. The
3 Net Settlement Sum will be fully distributed to Settlement Class Members and the PAGA Settlement
4 Amount will be fully distributed to the LWDA and PAGA Group Members, in accordance with the
5 Settlement Agreement. No money will revert to Defendants.

6 20. Any checks tendered to Settlement Class Members and PAGA Group Members will be
7 valid and negotiable for one hundred and eighty (180) calendar days from the date of their issuance
8 and shall thereafter be automatically cancelled if not cashed by the Settlement Class Member or PAGA
9 Group Member within that time. Any funds associated with such canceled checks will be distributed
10 by the Settlement Administrator to the Legal Aid Society of San Diego as the cy pres beneficiary.

11 **The Settlement is Reasonable**

12 ***Informed Arms-Length Negotiations***

13 21. The Parties' settlement negotiations were at all times made at arm's-length and were
14 adversarial. The Settlement was reached following a full day of mediation with a highly respected
15 mediator with substantial experience mediating wage and hour cases, and Plaintiff engaged in
16 additional negotiations in order to finalize the long-form agreement presently before the Court.

17 22. The Parties engaged in extensive formal and informal discovery prior to reaching a
18 settlement. Prior to mediation, Defendants produced a random sampling of putative class members'
19 time and pay records as well as Defendants' relevant wage and hour policies, and information
20 regarding the total number of putative class members, the number of current versus former employees,
21 the total workweeks worked by the putative class members, and the average rate of pay for the putative
22 class members.

23 23. This allowed Class Counsel to conduct an informed assessment and analysis of the
24 strengths and weaknesses of the claims and the potential class-wide damages.

25 24. Based on the information exchanged, the Parties briefed issues regarding class
26 certification and liability and provided their analyses to the Mediator who helped the Parties debate
27 the strengths and weakness of their respective positions.
28

Estimate of Potential Value of Claims

25. Class Counsel analyzed all available data and estimated Defendants' maximum potential exposure to be approximately \$11,368,432, assuming the litigation was successful at trial on all claims at issue and every employee had a violation for each claim on every shift worked. This maximum potential analysis was then reduced based on the challenges facing the likelihood of obtaining class certification, prevailing at trial, and other attendant risks. This estimate is based off an estimated maximum liability for all claims at issue and the total aggregate workweeks during the relevant time period, less interest, and based on the analysis of the data which was extrapolated out for all class members across the entire putative class period, which included: \$2,436,295 for meal period violations (less meal period premiums paid); \$4,836,027 for rest period violations at a 100% violation rate; \$1,093,058 for unpaid off-the-clock work for 1 hour per workweek of off-the-clock work; \$13,019 for unpaid wages due to rounding; \$289,320 for unreimbursed business expenses; \$1,076,513 for waiting time penalties; and \$794,800 for wage statement penalties. Plaintiff further estimated that Defendants faced an additional exposure of \$829,400 in potential, non-stacked (i.e., one penalty, per employee, per pay period during the PAGA statutory period) PAGA penalties. Together with the PAGA penalties, Defendants' maximum potential exposure totaled \$11,368,432 in damages.

Specific Risks Considered

26. Although the investigation and information discovered supports Plaintiff's contentions, Defendants raised potential defenses and other circumstances that impacted the risk of proceeding on a class-wide basis. Consideration of these risks factored into the negotiations and the decision to enter the Settlement.

27. Class Counsel was aware of Defendants' defenses and arguments and have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation, including those involved in class and/or representative adjudication. Plaintiff further recognizes the burdens of proof necessary to establish liability for the claims asserted in the Actions, Defendants' defenses, and the difficulties in establishing entitlement to monetary recovery. Plaintiff has also considered the Parties' settlement discussions, as well as the evaluations of the Mediator, who is experienced and well-regarded in complex labor and employment matters.

1 28. Defendants denied and continue to deny any liability and wrongdoing of any kind
2 associated with the claims alleged in the Actions, and further deny that class certification is appropriate
3 for any purpose other than the Settlement. Defendants believe that they would ultimately prevail in
4 the Actions. Defendants proffered defenses to both certification and to the merits of Plaintiff's claims.
5 Defendants contended that Plaintiff's claims are not suitable for class certification because individual
6 issues would predominate should this case go to trial. As with all class actions, these complex cases
7 raise difficult management and proof issues and, accordingly, there is a significant risk that the Court
8 may deny class certification.

9 29. For example, Plaintiff's meal period claims, which were based on Defendants' alleged
10 failure to provide lawful meal periods, have been increasingly difficult to certify in recent years.
11 Plaintiff's theory of liability for meal period violations was based on allegations that Defendants had
12 failed to implement its policies and that its practices failed to allow Class Members to take meal breaks
13 in the manner required under California law. Defendants contended that their policies and practices
14 at all times during the Class Period were lawful. Defendants further argued that the rate of purported
15 meal period violations reflected in the data would require individualized inquiry and that such inquiry
16 would prohibit a class from being certified. We also had to consider the risk that the Court would find
17 validity in the individualized proof defense to certification of Plaintiff's meal period claim.

18 30. Additionally, a large portion of Defendants' overall liability lies in Plaintiff's rest
19 period allegations. As with the meal period allegations, Defendants contended that it had a lawful
20 written rest period policy, provided compliant rest breaks, and relieved Class Members of all duties as
21 required under California law. Additionally, this claim was even more uncertain given the difficulties
22 associated with proving the alleged rest period violations, as Defendants were not required to record
23 these breaks. Given the lack of records demonstrating rest period violations, there were legitimate
24 concerns Plaintiff would not be able to certify these claims or prove substantial damages with requisite
25 certainty, which made the estimated value of this claim subject to much challenge.

26 31. Plaintiff also faced challenges certifying and proving liability for his minimum wage
27 and overtime claims. These claims were largely based on unrecorded, off-the-clock work performed
28 by the Class Members both before and after their shifts and during purported meal and rest periods.

1 However, the individualized nature of why this work was performed and the individualized nature of
2 damages presented substantial concerns regarding the manageability of the case and the risk the Court
3 could find these issues prevented certification, and the estimated damages for this claim were based
4 on an assumption that all Class Members worked off the clock for at least one hour per week.

5 32. Plaintiff also contended that Defendants failed to reimburse Plaintiff and the other
6 Class Members for necessary business-related expenses, such as the usage of personal vehicles, and
7 usage of personal cell phones for work-related purposes. Defendants contended that they had a policy
8 and practice of reimbursing employees for necessary business-related expenses. Defendants further
9 contended that, with respect to the alleged expenses for which Plaintiff and the other Class Members
10 never requested reimbursement from Defendants, they did not know and had no reason to know that
11 alleged business-related expenses had been incurred. Defendants further contended that the reason
12 why a Class Member undertook certain expenses, while not others, and failed to receive
13 reimbursement for certain expenses while not others, would raise individual issues that could not be
14 certified.

15 33. There are also substantial risks associated with Plaintiff's waiting time penalties and
16 wage statement claims. First, these claims were derivative of Plaintiff's claims for unpaid meal period
17 premiums, unpaid rest period premiums, unpaid minimum wages, and unpaid overtime wages, and if
18 certification was denied on those underlying claims, these derivative claims for penalties would also
19 likely fail. Further, even if Plaintiff prevailed on his underlying claims, he would still be required to
20 demonstrate that Defendants' violations of California Labor Code section 203 were *willful* violations.
21 Wage statement claims have also seen varying treatment at the appellate level because such claims
22 have an element of discretion attached to them rather than a pure calculation of damages after liability
23 is proven. Accordingly, these derivative claims, which comprised a substantial portion of Defendants'
24 estimated liability, were therefore uncertain.

25 34. Class Counsel also recognized that, even if Plaintiff prevailed at class certification,
26 proving the amount of wages due to each Class Member would be an expensive, time-consuming, and
27 extremely uncertain proposition. In order to prove liability and damages, Class Counsel will need to
28 request and analyze thousands of pages of documents, obtain the Class Members' contact information,

1 contact them, and obtain declarations at great expense. Obtaining the cooperation of current employees
2 would also be difficult, given the likely reluctance to aid prosecution of a lawsuit against a current
3 employer. On the other hand, Defendants would likely be able to obtain the cooperation of their
4 employees. Moreover, even if Plaintiff prevailed at class certification and trial, possible appeals would
5 substantially delay any recovery by the Class.

6 35. Therefore, taking into account how each of the above risks potentially effected
7 Plaintiff's ability to first obtain class certification, and then prove the underlying violations, plus the
8 cost and delay in recovering the alleged potential damages, Class Counsel discounted Defendants'
9 estimated liability based on the challenges facing his ability to succeed on class certification by 50%
10 to \$5,684,216.00. The merits-based risk factors further reduced Defendants' estimated liability by an
11 additional 45%. This resulted in an adjusted estimated liability of \$3,126,318.80. In light thereof, the
12 settlement amount of \$3,089,500.00 is a significant settlement.

13 36. Class Counsel also separately contemplated the risks of proceeding with the PAGA
14 action and potential liability Defendants could face from this claim as part of the global resolution.
15 Existing case law makes PAGA claims subject to the same defenses and risks as Plaintiff's underlying
16 wage claims. Class Counsel also anticipated that even if successful on the merits at trial, the imposition
17 of cumulative civil penalties based on the alleged wage and hour violations could be considered unjust,
18 arbitrary and oppressive, or confiscatory, and that Defendants would argue that they made a good faith
19 attempt to comply with its legal obligations warranting a reduction in penalties. Class Counsel also
20 anticipated **Error! Reference source not found.**s would argue that they made a good faith attempt to
21 comply with their legal obligations and that the violations per pay period were low, warranting an
22 additional reduction in civil penalties. Finally, we were also mindful of the fact that PAGA is
23 fundamentally not intended to be compensatory in nature but is instead intended to facilitate
24 enforcement of California's labor laws by financing state activities and educating and deterring non-
25 compliance.

26 37. Therefore, after considering this multitude of factors, we concluded that it was in the
27 best interest of the State of California and the PAGA Employees to enter into the Settlement, and to
28 allocate One Hundred Thousand Dollars (\$100,000) of the Gross Settlement Amount towards the

1 PAGA claim, which represents approximately 3.24% of the Gross Settlement Amount **Error!**
2 **Reference source not found.** This percentage of the settlement is well-within the range of wage and
3 hour settlements regularly approved in both state and federal court for cases that include both a class
4 and PAGA action. Typically, such hybrid cases allocate only 1% of the gross settlement value to
5 resolve PAGA claims, and, indeed, settlements allocations as little as 0.22% of the gross settlement
6 amount have been approved as reasonable by courts. Moreover, the overall relief obtained by the
7 Settlement is significant, not only from a monetary perspective, but also because it fulfills the public
8 policy objectives of PAGA—to promote enforcement of California’s labor laws, provide funds to the
9 state, and deter future non-compliance by the employer.

10 38. Class Counsel therefore submits that the Settlement is fair, reasonable, and adequate.
11 The Settlement is in the best interest of the Class Members, the PAGA Employees, and the State of
12 California and is within the accepted range of recoveries for this type of litigation given the inherent
13 risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further
14 litigation.

15 ***Enhancement Payment***

16 39. As part of the Settlement Agreement, Plaintiff is requesting a reasonable Enhancement
17 Payment of Ten Thousand Dollars (\$10,000) to Plaintiff Bryan Zuniga. This Enhancement Payment
18 is eminently reasonable given the time and effort Plaintiff spent on this case, and the benefit to the
19 Class Members as a result of Plaintiff’s actions. Notice of the requested Enhancement Payment is
20 disclosed to the Class Members in the Class Notice.

21 ***Fee and Expense Award***

22 40. The attorneys’ fees incurred by Class Counsel are in line with the common fund
23 requested. The Settlement Agreement provides for Class Counsel to apply for attorneys’ fees in an
24 amount of up to thirty-five (35%) of the Gross Settlement Amount (i.e., \$1,081,325) and actual
25 litigation costs and expenses in an amount not to exceed Thirty Thousand Dollars (\$30,000), which
26 will be paid out of the Gross Settlement Amount, subject to approval by the Court. Class Counsel has
27 borne all of the risks and costs of litigation and will not receive any compensation until recovery is
28 obtained.

41. The effectiveness of Blackstone Law, APC's prosecution of this matter has translated into tangible monetary benefits as follows: (1) Class Members, the State of California, and PAGA Group will obtain monetary recovery over a relatively short period of time, as opposed to waiting additional years for the same, or potentially worse, result; (2) a guaranteed result that compares favorably with other similar class action settlements of this type, given the strengths and weaknesses of the case; and (3) significant savings in Class Counsel's fees and/or costs that would have only increased significantly had the case progress through certification, trial, and/or upon appeal.

42. Class Counsel has litigated this matter for over a year and was actively preparing this matter for class certification and trial. The Motion for Final Approval will elaborate on the nature of the legal services provided, the time incurred in performing those services, and Class Counsel's hourly rates. The Motion for Final Approval will also elaborate on the reimbursement costs sought by Class Counsel. Notice of the requested Fee and Expense Award is disclosed to the Class Members in the Class Notice.

Notice to the Class

43. The Parties have agreed to retain Apex Class Action Administration (“Apex” or “Settlement Administrator”) to handle the notice and settlement administration process. The Parties respectfully request that the Court appoint Apex to handle these procedures and to serve as the Settlement Administrator. Defendant will provide Apex with the Class information and Apex will calculate each Class Member’s estimated Class Settlement Award and each PAGA Group Members’ estimated PAGA Settlement Award. Apex will also receive and process Requests for Exclusion, Objections, and Workweek Disputes; will provide necessary reports and declarations; will calculate, subtract, and transmit necessary taxes and withholdings with respect to the wages portion of the Allocations; will prepare and submit informational and other tax filings and documents; will issue and transmit all payments provided for by the Settlement, including, but not limited to, mailing Class Settlement Award checks to the Settlement Class Members and PAGA Settlement Award checks to the PAGA Group Members; and perform any other usual and customary duties for administering a class action settlement.

44. I am not aware of an alternative method of providing notice to the Class which would

1 result in a higher likelihood of actual notice. The original source of the mailing addresses is from each
2 Class Member, who provided the information to Defendants. As a fail-safe to this highly reliable
3 method, skip-tracing will be performed, if necessary.

4 ***Notice of Settlement to the LWDA***

5 45. In accordance with California Labor Code section 2699(1)(2), on July 17, 2025, a copy
6 of the proposed Settlement was submitted to the LWDA via online submission through the LWDA's
7 website. A true and correct copy of the email from the LWDA confirming receipt is attached hereto
8 as **Exhibit 4**.

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

11 Executed on July 17, 2025, at Beverly Hills, California

12
13 *A. Blanchard*

14

Annabel Blanchard

EXHIBIT 1

6. Blackstone Law, APC has been counsel of record on several class action and PAGA actions, the most recent of which are as follows:

- *Maria Ayala, et al. v. SDH Services West, LLC*, Kern County Superior Court, Case No. BCV-21-101933, approved as class counsel in final settlement of wage and hour class action.
- *Alfredo Sanchez v. Greenworld, Inc.*, Riverside County Superior Court, Case No. CVRI2105756, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Michael Bravo v. Michels Pacific Energy, Inc.*, Santa Clara County Superior Court, Case No. 22CV403427, preliminarily approved as class counsel in settlement of wage and hour class and PAGA action.
- *Oscar Bryant v. Midwest Construction Services, Inc. dba Trillium*, San Bernardino County Superior Court, Case No. CIVSB2121529, approved as class counsel in final settlement of wage and hour class action.
- *Bobby Birdi v. Lucid USA, Inc.*, Alameda County Superior Court, Case No. 21CV003541, preliminarily approved as class counsel in settlement of wage and hour class and PAGA action.
- *David Williams v. Rancho Nicasio, LLC*, Marin County Superior Court, Case No. CIV2203067, preliminarily approved as class counsel in settlement of wage and hour class and PAGA action.
- *Matthew Savattieri v. AMI Expeditionary Healthcare, LLC, et al.*, Los Angeles County Superior Court, Case No. 21STCV33372, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Lexy Barajas, et al. v. H. W. Hunter, Inc.*, Los Angeles County Superior Court, Case No. 22STCV01892, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandro Valdez v. C.H.I. Automart, Inc.*, Los Angeles County Superior Court, Case No. 21STCV40168, approved as class counsel in final settlement of wage and hour class and

PAGA action.

- *Sheizan Bawa v. Meathead Movers, Inc.*, Orange County Superior Court, Case No. 30-2021-01211895-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tanisha Lopez, et al. v. Restorix Health, Inc.*, Los Angeles County Superior Court, Case No. 21STCV33067, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Perla Soto, et al. v. Nippon Express U.S.A., Inc.*, Los Angeles Superior Court, Case No. 21STCV24902, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Angel Garcia, et al. v. J&B Investments, Inc., et al.*, San Bernardino Superior Court, Case No. CIVSB2208601, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Sindy Aviles, et al. v. Freeway Insurance Services America, LLC*, Los Angeles County Superior Court, Case No. 21STCV34864, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Alexander Gnaedig, et al. v. Favorite Healthcare Staffing, Inc.*, Los Angeles County Superior Court, Case No. 21STCV20904, approved as class counsel, in final settlement of wage and hour class and PAGA action.
- *Richard Evans v. My Paint Stop, LLC, et al.*, Contra Costa Superior Court, Case No. MSC21-01812, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Parada George v. Main Electric Supply Company, LLC, et al.*, Orange County Superior Court, Case No. 30-2021-01220136-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Samia Salazar Yunis v. Sharif Jewelers*, Sacramento Superior Court, Case No. 34-2020-00290080, approved as class counsel in final settlement of wage and hour class and PAGA

action.

- *Daniel Analco v. Felix Chevrolet, LP, et al.*, Los Angeles Superior Court, Case No. 21STCV36654, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sasha Aiono v. Benefit Cosmetics*, Los Angeles Superior Court, Case No. 21STCV33719, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Maria Castillo-Rodriguez v. HR Outsourcing Associates, LLC*, Los Angeles Superior Court, Case No. 20STCV44138, a wage and hour PAGA action.
- *Ramiro Cruz v. LK Plumbing & Heating, Inc.*, Los Angeles Superior Court, Case No. BC686825, a wage and hour PAGA action.

EXHIBIT 2



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Barbara DuVan-Clarke, Esq.
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December 13, 2023

PAGA Claim Notice Via Online Electronic Submission

California Labor & Workforce Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)

Sacramento, CA 95814

<https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>

RE: *Bryan Zuniga v. Werfen USA LLC; Inova Diagnostics, Inc.*

To Whom It May Concern:

This office represents Bryan Zuniga (“Claimant”) with respect to their claims under the California Labor Code against Werfen USA LLC and Inova Diagnostics, Inc. (including all of each of their affiliates, subsidiaries, parents, directors, and officers) (collectively referred to herein as “Employers”). This letter is being sent simultaneously to Employers by certified mail.

Employers employed Bryan Zuniga from approximately November 2020 to October 2023 as a non-exempt, hourly-paid employee. Bryan Zuniga worked as a Shipper for Employers and was based out of Employers’ facility located at 9900 Old Grove Road San Diego, California 92131. Employer provides and ships testing kits and other medical products to facilities worldwide.

Claimant intends to bring a representative action seeking penalties for violations of the California Labor Code which are recoverable under the Labor Code Private Attorneys General Act of 2004, California Labor Code sections 2698, *et seq.* (“PAGA”). Claimant is seeking penalties on behalf of himself in a representative capacity on behalf of the State of California and all current and former hourly-paid and/or non-exempt employees who worked for Employers in the State of California during the relevant statutory period (“Aggrieved Employees”). This letter is being sent in compliance with California Labor Code section 2699.3 and shall serve as Claimant’s notice of the provisions of the California Labor Code alleged to have been violated, including the facts and theories in support thereof.

As detailed below, Employers violated several of California’s wage and hour laws during Claimant’s employment, including but not limited to California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the applicable Industrial Welfare Commission Wage Order (“IWC Wage Order”).

The claims made on behalf of Claimant and Aggrieved Employees are based upon the following facts and theories:

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employers engaged in numerous unlawful practices which resulted in the failure to pay Claimant and other Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.

California Labor Code sections 1194, 1197, and 1197.1 and the applicable IWC Wage Order require employers to pay at least the legal minimum wage to their employees. California Labor Code sections 510 and 1198 and the applicable IWC Wage Order further require employers to pay no less than one and one-half times an employee's regular rate of pay for hours worked in excess of eight (8) hours in one workday, for hours worked in excess of forty (40) hours in one workweek, and for the first eight (8) hours worked on the seventh day of work in any one workweek, and to pay no less than twice an employee's regular rate of pay of the employee for hours worked in excess of twelve (12) hours in one workday and for any work in excess of eight (8) hours on any seventh day of a workweek.

Throughout the relevant time, Employers regularly required Claimant and other Aggrieved Employees to perform work off-the-clock including, among other things, (1) arriving to work early to complete COVID-19 questionnaires, (2) working through meal periods to attend meetings and assist coworkers with job-related tasks, and (3) running necessary, work-related errands as well as taking work calls in between shifts. Employers failed to compensate Claimant and other Aggrieved Employees for any of this off-the-clock work, in violation of California law.

This uncompensated work often resulted in the total number of hours worked by Claimant and other Aggrieved Employees exceeding the daily and/or weekly triggers for overtime wages, yet Employers failed to pay Claimant and Aggrieved Employees applicable overtime rate(s) for these hours.

Employers also failed to accurately record the actual time worked by Claimant and Aggrieved Employees. In addition, Employers utilized time rounding practices that resulted in the systematic underpayment of wages (including minimum wages, straight time wages and overtime wages) to Claimant and Aggrieved Employees.

Employers also failed to pay overtime to Claimant and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration, including non-discretionary commissions, non-discretionary bonuses, and non-discretionary performance pay.

As a result of the foregoing practices, Employers failed to pay Claimant and other Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated the applicable IWC Wage Order and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to the applicable IWC Wage Orders; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

2. MEAL BREAK VIOLATIONS

California law requires employers to provide employees with an opportunity to take an uninterrupted meal period of no less than thirty (30) minutes before the end of the fifth hour of work when an employee works more than five (5) hours in a day. Cal. Lab. Code §§ 226.7 & 512(a). Employers must provide a second meal period of no less than thirty (30) minutes before the end of the tenth hour of work when an employee works more than ten (10) hours in a day. *Id.* For each day that an employer fails to provide compliant meal period(s), the employer must pay the employee a meal penalty equal to one hour of pay at the employee's regular rate of compensation. *Id.*

During the relevant time period, Employers failed to provide Claimant and other Aggrieved Employees with legally compliant 30-minute meal periods. Claimant and other Aggrieved Employees were required by Employers to work more than five (5) hours per day but were not provided with uninterrupted 30-minute meal periods. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Claimant and other Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. Meal breaks, when provided, were oftentimes interrupted and/or cut short.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded their own purported meal period policies; (2) Employers' management at various levels failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employers failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employers failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employers required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during meal periods; and

(7) Employers' policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on maximizing profits over employees' right to receive timely, uninterrupted, and duty-free meal periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for each day a compliant meal period was not provided to them in compliance with California law.

Accordingly, Employers violated the applicable IWC Wage Order and California Labor Code sections 226.7, 512(a) and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph of the applicable IWC Wage Orders; penalties pursuant to California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. REST BREAK VIOLATIONS

California law requires employers to authorize and permit employees to take an uninterrupted rest period of no less than ten (10) minutes for every four (4) hours, or major fraction thereof, worked. Cal. Lab. Code § 226.7. For each day that an employer fails to authorize and permit a compliant rest period, the employer owes the employee one hour of pay at the employee's regular rate of compensation. Cal. Lab. Code § 226.7(c).

Employers failed to authorize and permit Claimant and other Aggrieved Employees to take compliant 10-minute rest periods. Employers required Claimant and other Aggrieved Employees to work through rest periods. Claimant and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Claimant and other Aggrieved Employees were not completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257 (2016).

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employers' management at various levels failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employers failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train

Claimant and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employers required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during rest periods; and (7) Employers' policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for each day a rest period was not provided to them in compliance with California law. Accordingly, Employers violated the applicable IWC Wage Order and California Labor Code sections 226.7 and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to the applicable IWC Wage Orders; Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month.

California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Employers failed to timely pay all wages earned because Claimant and other Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

California Labor Code section 226(a) requires an employer semimonthly or at the time of each payment of wages to furnish wage statements to its employees setting forth, *inter alia*, (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all

deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, and (8) the name and address of the legal entity that is the employer.

As a result of the practices described above, the wage statements provided to Claimant and other Aggrieved Employees failed to include the actual hours worked (including time spent working off-the-clock), the actual gross wages earned (including wages owed for time spent working off the clock and meal and rest period premiums), and the correct rates of pay. The wage statements provided to Claimant and other Aggrieved Employees also failed to include the name of the legal entity that employed Claimant and the Aggrieved Employees. Accordingly, Employers violated California Labor Code section 226(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

6. FAILURE TO MAINTAIN ACCURATE RECORDS

California Labor Code section 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than three years. During the relevant time period, Employers have failed to maintain accurate records relating to Claimant and other Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employers violated the applicable IWC Wage Order and California Labor Code sections 1198.5 and 1174(d).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph of the applicable IWC Wage Orders; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. The applicable IWC Wage Order requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include but are not limited to the usage of

personal cell phones and personal vehicles for work-related purposes without proper reimbursement.

Accordingly, Employers violated the applicable IWC Orders and California Labor Code sections 2800 and 2802. Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph of the applicable IWC Wage Orders; and attorneys' fees and costs.

8. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

During the relevant time period, upon the termination of employment (including but not limited to when they were temporarily laid off, laid off, discharged, and/or resigned), Employers failed to pay all wages due to their employees within twenty-four (24) hours of termination or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employers' practices of requiring Claimant and Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, unlawful rounding practices, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employers failed to pay Claimant and Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employers also failed to pay Claimant and Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst other wages. Accordingly, Employers violated California Labor Code sections 201 and 202.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to California Labor Code sections 203 and 1199; and attorneys' fees and costs.

9. EMPLOYER'S OTHER VIOLATIONS OF THE CALIFORNIA LABOR CODE

Finally, pursuant to *Huff v. Securitas Security Services USA, Inc.* (2018) 25 Cal.App.5th 745 ("*Huff*"), as an Aggrieved Employee, Claimant has standing, and intends to pursue civil penalties on behalf of the LWDA against Employers for any and all other Labor Code violations committed by Employers. In *Huff*, the California Court of Appeals held that an employee alleging a single violation of the Labor Code under PAGA may also bring PAGA claims against Employer for all other alleged Labor Code violations, even those suffered by other employees of the same employer. According to the *Huff* decision, Claimant, as an "aggrieved" employee affected by at least one Labor Code violation may, and hereby does, pursue penalties on behalf of LWDA for all

Labor Code violations by Employer.

Employers are in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. Claimant hereby provides notice to the LWDA under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, *et seq.*, and specifically asks for an investigation, or if the agency does not intend to investigate the alleged violations, a letter confirming the same so that Claimant may allege a cause of action under PAGA against Employers for the violations discussed in this letter.

This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3. By law, an employee alleging a violation of one of the above referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of Sections 2699, *et seq.*, by seeking redress in court. Cal. Lab. Code § 2699.3(a)(1). The LWDA must then notify the employer and the employee within 60 calendar days regarding whether it intends to investigate the alleged violation. Cal. Lab. Code § 2699.3(a)(2)(B). If the LWDA advises it will not investigate, or if no notice is provided within 65 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code § 2699. Cal. Lab. Code § 2699.3(a)(2)(A). It is Claimant's intention to file a civil complaint and to bring the appropriate claims under California Labor Code § 2699 on behalf of themselves, the State of California and all Aggrieved Employees should your office not address Employers' alleged violations within this timeframe.

If you have any questions or require additional information, please do not hesitate to contact my office. Thank you for your attention to this matter.

BLACKSTONE LAW

Barbara DuVan-Clarke

Barbara DuVan-Clarke, Esq.

cc: By U.S. Certified Mail, Return Receipt Requested

Werfen USA LLC
180 Hartwell Road
Bedford, MA 01730

Werfen USA LLC
Agent for Service 1505 Corporation CSC
2710 Gateway Oaks Dr
Sacramento, CA 95833

Inova Diagnostics, Inc.
Agent for Service 1505 Corporation CSC
2710 Gateway Oaks Dr
Sacramento, CA 95833

Inova Diagnostics, Inc.
9950 Old Grove Road
San Diego, CA 92131

EXHIBIT 3

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14 Attorneys for Defendants
15 INOVA DIAGNOSTICS, INC. and
WERFEN USA LLC

16 SUPERIOR COURT OF THE STATE OF CALIFORNIA
17 COUNTY OF SAN DIEGO

18 BRYAN ZUNIGA, individually, and on behalf
19 of others similarly situated,

20 Plaintiff,

21 v.

22 INOVA DIAGNOSTICS, INC., a California
23 corporation; WERFEN USA LLC, a
Massachusetts limited liability company; and
24 DOES 1 through 25, inclusive,

25 Defendants.

Case No.: 37-2023-00055201-CU-OE-CTL

Consolidated With Case No.: 37-2024-
00007407-CU-OE-CTL

(Assigned For All Purposes to the Honorable
Katherine Bacal, Dept. C-63)

**CLASS AND PAGA SETTLEMENT
AGREEMENT AND RELEASE**

Date Action Filed: December 21, 2023

Trial Date: Not Yet Set

1 This Class and PAGA Settlement Agreement and Release (the “Agreement”) is entered into
2 by and between plaintiff Bryan Zuniga (“Zuniga” or “Plaintiff”), on the one hand, individually and
3 on behalf of all persons who are members of the class to be certified for settlement purposes only
4 as provided for herein and the PAGA Group and the State of California, and defendants Inova
5 Diagnostics, Inc. (“Inova”) and Werfen USA LLC (“Werfen”) (collectively, “Defendants”), on the
6 other hand, subject to the approval of the Court. In consideration of the promises and mutual
7 covenants and agreements herein contained, Plaintiff and Defendants (collectively, the “Parties”)
8 hereby covenant and agree as follows:

9 **1. RECITALS**

10 1.1 On December 21, 2023, Plaintiff filed a putative class action complaint (the
11 “Putative Class Complaint”) against Defendants in the Superior Court of the State of California,
12 County of San Diego, entitled *Bryan Zuniga v. Inova Diagnostics, Inc., et al.*, Case No. 37-2023-
13 00055201-CU-OE-CTL (the “Putative Class Action”). The Putative Class Complaint alleged nine
14 causes of action for (1) failure to pay minimum wages in violation of Labor Code sections 1194,
15 1197, and 1197.1; (2) unpaid overtime in violation of Labor Code sections 510 and 1198; (3) meal
16 break violations in violation of Labor Code sections 226.7 and 512(a); (4) rest break violations in
17 violation of Labor Code section 226.7; (5) failure to timely pay wages during employment in
18 violation of Labor Code sections 204 and 210; (6) failure to provide accurate wage statements in
19 violation of Labor Code section 226(a); (7) failure to timely pay final wages in violation of Labor
20 Code sections 201, 202 and 203; (8) failure to reimburse necessary business expenses in violation
21 of Labor Code sections 2800 and 2802; and (9) unfair and unlawful business practices in violation
22 of Business and Professions Code sections 17200 et seq.

23 1.2 On February 16, 2024, Plaintiff filed another complaint against Defendants under
24 the Private Attorneys General Act of 2004 (“PAGA”) (the “PAGA Complaint”) in the Superior
25 Court of the State of California, County of San Diego, entitled *Bryan Zuniga v. Inova Diagnostics,*
26 *Inc., et al.*, Case No. 37-2024-00007407-CU-OE-CTL (the “PAGA Action”, and together with the
27 Putative Class Action, the “Actions”), alleging the same wage-and-hour violations under the Labor
28 Code.

1 1.3 On April 1, 2024, the Parties stipulated to stay the PAGA Action pursuant to an
2 agreement for early mediation of the same. On April 8, 2024, the Court ordered the PAGA Action
3 stayed pending the outcome of the Parties' mediation. On May 9, 2024, the Parties stipulated to
4 stay the Putative Class Action pursuant to an agreement for early mediation of the same. On May
5 13, 2024, the Court ordered the Putative Class Action stayed pending the outcome of the Parties'
6 mediation.

7 1.4 On July 26, 2024, the Court held a status conference and ordered the Actions related
8 and stayed the Actions pending the outcome of the Parties' mediation, scheduled for December 11,
9 2024.

10 1.5 In preparation for the mediation on December 11, 2024, Plaintiff asked for and
11 Defendants provided substantial informal discovery, including production of various policies,
12 employee headcounts and work week and pay period counts relevant to various claims, time and
13 payroll data, and other information requested by Plaintiff.

14 1.6 In these and other ways, the Parties investigated the facts and analyzed the relevant
15 legal issues regarding the claims and defenses in the Actions. Based on this investigation and
16 analysis, Plaintiff believes the Actions have merit, while Defendants believe the Actions have no
17 merit.

18 1.7 On December 11, 2024, the Parties participated in a full day mediation conducted
19 by Brandon McKelvey of M Resolution. Following the mediation, the Parties agreed to global
20 settlement of the Actions. The Parties also agreed to enter into a separate agreement that includes
21 a general release of claims by Plaintiff, which by itself the Parties agree does not require court
22 approval, but which is conditioned on approval of this Agreement.

23 1.8 On February 14, 2025, the Court held a status conference and consolidated the
24 Actions by stipulation of the Parties, with the Putative Class Action designated the lead case.

25 1.9 The Parties have each considered the uncertainties of continued litigation and the
26 benefits to be obtained under the proposed settlement, and have considered the costs, risks, and
27 delays associated with the continued prosecution of the Actions and the likely appeals of any rulings
28

1 in favor of either Plaintiff or Defendants. At all times, the Parties' settlement negotiations have
2 been non-collusive, adversarial, and at arm's length.

3 1.10 It is the Parties' intention and the objective of this Agreement to avoid the costs of
4 further litigation and trial, and to settle and dispose of, fully and completely and forever, the claims
5 released herein and described below.

6 **2. DEFINITIONS**

7 As used in this Agreement, the terms set forth in this Section 2 shall have the meanings
8 ascribed to them below.

9 2.1 **Actions.** "Actions" means the Putative Class Action and the PAGA Action.

10 2.2 **Agreement.** "Agreement" means this Class and PAGA Settlement Agreement and
11 Release, including all Exhibits referred to herein and attached hereto.

12 2.3 **Allocations.** "Allocations" means the amounts to be paid from the Net Settlement
13 Sum to the Settlement Class Members and from the PAGA Fund to the PAGA Group Members, as
14 provided in Section 4.5 of this Agreement.

15 2.4 **Class or Class Members.** "Class" or "Class Members" means all current and
16 former hourly-paid and/or non-exempt employees of Inova in the State of California at any time
17 during the Settlement Period.

18 2.5 **Class Counsel.** "Class Counsel" means the law firm of Blackstone Law, APC.

19 2.6 **Class Notice.** "Class Notice" means the Notice of Settlement of Class Action to be
20 mailed to Class Members. The Class Notice shall be substantially in the form of **Exhibit A** hereto.

21 2.7 **Class Settlement Award.** "Class Settlement Award" means the amount that the
22 Settlement Administrator determines is owed to a Class Member pursuant to the Plan of Allocation
23 described in Section 4.5, below.

24 2.8 **Class Work Weeks.** "Class Work Weeks" means the number of weeks during the
25 Settlement Period that a Class Member was employed by Inova in California for at least one day
26 as a non-exempt employee. Defendant represents that this is how workweeks was calculated prior
27 to mediation. Class Work Weeks shall be calculated by the Settlement Administrator. Settlement
28 Class Members may dispute the number of Class Work Weeks they worked during the Settlement

1 Period by submitting their dispute in writing to the Settlement Administrator in the manner
2 described in the Class Notice.

3 2.9 **Complaints.** “Complaints” means the Putative Class Complaint and the PAGA
4 Complaint.

5 2.10 **Court.** “Court” means the Superior Court of the State of California, County of San
6 Diego.

7 2.11 **Defendants.** “Defendants” mean defendants Inova Diagnostics, Inc. and Werfen
8 USA LLC.

9 2.12 **Defendants’ Counsel.** “Defendants’ Counsel” means the law firm of Morrison &
10 Foerster LLP.

11 2.13 **Effective Date.** “Effective Date” means either (a) the date sixty (60) calendar days
12 after entry of the Final Judgment and Order Approving Settlement, if no motions for
13 reconsideration and no appeals or other efforts to obtain review have been filed, or (b) in the event
14 that a motion for reconsideration, an appeal or other effort to obtain review of the Final Judgment
15 and Order Approving Settlement is filed, the date sixty (60) calendar days after such
16 reconsideration, appeal, or review has been finally concluded and is no longer subject to review,
17 whether by appeal, petition for rehearing, petition for review, or otherwise.

18 2.14 **Employer-Side Payroll Taxes.** “Employer-Side Payroll Taxes” means all federal,
19 state, and local employment payroll taxes due in regard to the wages portion of the Class Settlement
20 Award, owed by Defendants. For avoidance of doubt, Employer-Side Payroll Taxes are a subset
21 of Withholdings and Taxes, defined herein at Section 2.54.

22 2.15 **Enhancement Payment.** “Enhancement Payment” means the compensation paid
23 to Plaintiff in recognition of his effort and work in prosecuting the Actions on behalf of the Class
24 Members and PAGA Group Members and negotiating the Settlement, separate and apart from the
25 Class Settlement Award and PAGA Settlement Award he will receive, to be paid to him from the
26 Gross Settlement Amount.

27 2.16 **Fairness Hearing or Final Approval Hearing.** “Fairness Hearing” or “Final
28 Approval Hearing” means the hearing at or after which the Court will make a final decision on

1 whether to grant Final Approval of the Settlement as fair, reasonable, and adequate, implement the
2 terms of the Agreement, and enter Judgment. The Fairness Hearing shall be scheduled for a date
3 approximately ninety (90) calendar days after the Preliminary Approval Date, or as soon as
4 thereafter as the Court is available.

5 **2.17 Fee and Expense Award.** “Fee and Expense Award” means such award of
6 attorneys’ fees and costs/expenses as the Court may authorize to be paid to Class Counsel for the
7 services they have rendered to Plaintiff, the Class, and the PAGA Group.

8 **2.18 Final Approval or Judgment.** “Final Approval” or “Judgment” means the Final
9 Judgment and Order Approving Settlement finally certifying the Settlement Class and approving
10 the Settlement and this Agreement, as contemplated in Section 4.7 of this Agreement.

11 **2.19 Gross Settlement Amount.** “Gross Settlement Amount” means Three Million
12 Eighty-Nine Thousand Five Hundred Dollars and No Cents (\$3,089,500.00), which is the
13 maximum total amount that Defendants shall be required to pay for any and all purposes under this
14 Agreement. The following shall be paid from the Gross Settlement Amount pursuant to the Plan
15 of Allocation set forth in Section 4.5, below: (a) all Class Settlement Awards, (b) the PAGA
16 Settlement Amount, (c) the Fee and Expense Award, (d) the Enhancement Payment, (e) the
17 Settlement Administration Costs, and (f) Withholdings and Taxes. Under no other circumstances
18 shall Defendants pay any sum in excess of the Gross Settlement Amount in connection with the
19 Settlement, however, in the event that the Court does not approve the inclusion of Employer-Side
20 Payroll Taxes in the Gross Settlement Amount, Defendants shall pay such sums separate and in
21 addition to the Gross Settlement Amount.

22 **2.20 Inova.** “Inova” means defendant Inova Diagnostics, Inc.

23 **2.21 LWDA.** “LWDA” means the California Labor and Workforce Development
24 Agency.

25 **2.22 Net Settlement Sum.** “Net Settlement Sum” means the Gross Settlement Amount
26 less the following: (a) the PAGA Settlement Amount, (b) the Fee and Expense Award, (c) the
27 Enhancement Payment, (d) the Settlement Administration Costs, and (e) Withholdings and Taxes.
28

1 2.23 **Notice Response Deadline.** “Notice Response Deadline” means forty-five (45)
2 calendar days from the date of initial mailing of the Class Notice, or such other date set by the Court
3 in the Preliminary Approval Order.

4 2.24 **PAGA.** “PAGA” means the Labor Code Private Attorneys General Act of 2004
5 (Lab. Code, § 2698 et seq.).

6 2.25 **PAGA Action.** “PAGA Action” means the above-captioned action entitled *Bryan*
7 *Zuniga v. Inova Diagnostics, Inc., et al.*, Case No. 37-2024-00007407-CU-OE-CTL, currently
8 pending in the Superior Court of the State of California, County of San Diego.

9 2.26 **PAGA Complaint.** “PAGA Complaint” means the complaint filed by Plaintiff in
10 the PAGA Action on February 16, 2024.

11 2.27 **PAGA Fund.** “PAGA Fund” means 25% of the PAGA Settlement Amount, which
12 is the portion to be paid to PAGA Group Members.

13 2.28 **PAGA Group.** “PAGA Group” means all current and former hourly-paid and/or
14 non-exempt employees of Inova in the State of California at any time during the PAGA Period.

15 2.29 **PAGA Group Members.** “PAGA Group Members” means all members of the
16 PAGA Group.

17 2.30 **PAGA Notice.** “PAGA Notice” means the PAGA notice filed by Plaintiff with the
18 LWDA regarding Defendants on or about December 13, 2023.

19 2.31 **PAGA Pay Periods.** “PAGA Pay Periods” means the number of pay periods during
20 the PAGA Period that a PAGA Group Member was employed by Inova in California for at least
21 one day as a non-exempt employee. Defendant warrants and represents that pay periods were
22 calculated using this methodology prior to mediation. PAGA Pay Periods as provided in this
23 Agreement shall be calculated by the Settlement Administrator. PAGA Group Members may
24 dispute the number of PAGA Pay Periods they worked during the PAGA Period by submitting their
25 dispute in writing to the Settlement Administrator in the manner described in the Class Notice.

26 2.32 **PAGA Period.** “PAGA Period” means from December 13, 2022 through April 15,
27 2025.

1 **2.33 PAGA Settlement Amount.** “PAGA Settlement Amount” means One Hundred
2 Thousand Dollars and No Cents (\$100,000.00) or such other amount approved by the Court, 75%
3 of which (\$75,000.00) is to be paid to the LWDA and 25% of which (\$25,000.00) is to form the
4 PAGA Fund to be paid to PAGA Group Members. The PAGA Settlement Amount is to be paid
5 for resolution of the PAGA claims alleged in the PAGA Action, and which are included in the
6 Released PAGA Claims.

7 **2.34 PAGA Settlement Award.** “PAGA Settlement Award” means the amount that the
8 Settlement Administrator determines is owed to a PAGA Group Member pursuant to the Plan of
9 Allocation described in Section 4.5, below.

10 **2.35 Parties.** “Parties” means plaintiff Bryan Zuniga, on the one hand, individually and
11 on behalf of all Settlement Class Members, and on behalf of the PAGA Group and the State of
12 California, and defendants Inova Diagnostics, Inc. and Werfen USA LLC, on the other hand.

13 **2.36 Plaintiff.** “Plaintiff” means plaintiff Bryan Zuniga.

14 **2.37 Plan of Allocation.** “Plan of Allocation” means the manner in which the Net
15 Settlement Sum shall be allocated to Settlement Class Members and the PAGA Fund shall be
16 allocated to the LWDA and PAGA Group Members as set forth in Section 4.5, below.

17 **2.38 Preliminary Approval or Preliminary Approval Order.** “Preliminary Approval”
18 or “Preliminary Approval Order” means the order preliminarily approving this Settlement, which
19 shall, among other things, provisionally certify the Settlement Class for purposes of this Settlement
20 only; determine that Plaintiff adequately represents the Settlement Class and shall be its class
21 representative; appoint Class Counsel as counsel for the Settlement Class; approve Apex Class
22 Action as the Settlement Administrator; approve the content and distribution of the Class Notice to
23 the Class Members; set the Notice Response Deadline; and set the date for the Fairness Hearing, all
24 as contemplated in Section 4.1, below.

25 **2.39 Preliminary Approval Date.** “Preliminary Approval Date” means the date upon
26 which the Court enters the Preliminary Approval Order.

1 2.40 **Putative Class Action.** “Putative Class Action” means the above-captioned action
2 entitled *Bryan Zuniga v. Inova Diagnostics, Inc., et al.*, Case No. 37-2023-00055201-CU-OE-CTL,
3 currently pending in the Superior Court of the State of California, County of San Diego.

4 2.41 **Putative Class Complaint.** “Putative Class Complaint” means the complaint filed
5 by Plaintiff in the Putative Class Action on December 21, 2023.

6 2.42 **Released Claims.** “Released Claims” means all claims, debts, liabilities, demands,
7 obligations, damages, and actions or causes of action of any kind, including wage and hour claims
8 related to allegations of failure to pay overtime wages, failure to pay minimum wages, failure to
9 provide meal and rest periods, failure to pay meal and rest period premiums, failure to timely pay
10 wages, failure to pay all wages at time of discharge, failure to provide accurate wage statements,
11 failure to keep complete and accurate payroll records, and failure to reimburse necessary business-
12 related expenses, arising during the Settlement Period and that were alleged in the Putative Class
13 Complaint, the PAGA Complaint, or the PAGA Notice or could have reasonably been alleged
14 against any of the Released Parties based on the facts alleged in any of the Complaints or the PAGA
15 Notice. Specifically, for the Settlement Class Members, released claims include, without
16 limitation, claims under Labor Code sections 201-204, 210, 226(a), 226.7, 510, 512(a), 558,
17 1174(d), 1174.5, 1194, 1197, 1197.1, 1198, 2800, 2802, and 2698 et seq.; Business and Professions
18 Code section 17200 et seq.; and Code of Civil Procedure section 1021.5.

19 2.43 **Released PAGA Claims.** “Released PAGA Claims” means all claims that were or
20 could have been asserted pursuant to PAGA arising out of or related to the Released Claims arising
21 during the PAGA Period. Specifically, for the PAGA Group, released PAGA claims include those
22 based on, without limitation, alleged violations of Labor Code sections 201-204, 210, 226(a), 226.7,
23 510, 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and 2698 et seq.

24 2.44 **Released Parties.** “Released Parties” means Defendants; each of their respective
25 present, former, or future parents, subsidiaries, affiliates, divisions, corporations in common
26 control, predecessors, successors, and assigns; each of its respective present, past, or future officers,
27 directors, employees, partners (both general and limited), shareholders, agents, attorneys, insurers,
28

1 and any other successors, assigns, or legal representatives; and any other individual or entity which
2 could be liable for any of the Released Claims or Released PAGA Claims.

3 **2.45 Request for Exclusion.** Class Members who wish to be excluded from or opt out
4 of the Settlement Class, must sign and submit a “Request for Exclusion”, which is a written request
5 made by a Class Member to the Settlement Administrator seeking to be excluded from the
6 Settlement Class.

7 **2.46 Settlement.** “Settlement” means this Agreement and all actions taken pursuant to
8 and in furtherance of this Agreement.

9 **2.47 Settlement Administration Costs.** “Settlement Administration Costs” means the
10 amount approved by the Court to be paid for the services of the Settlement Administrator to perform
11 the Settlement Administrator Duties, as specified in Section 4.2.2, below, estimated not to exceed
12 Nine Thousand Dollars and No Cents (\$9,000.00).

13 **2.48 Settlement Administrator.** “Settlement Administrator” means Apex Class Action
14 or such professional, third-party administrator as may be approved by the Court, which shall be
15 responsible for administering the Settlement pursuant to the terms of the Agreement, the Class
16 Notice, the Preliminary Approval Order, and the Judgment. The Settlement Administrator shall
17 agree to confidentiality terms as may be required by Defendants regarding personnel, payroll, and
18 any other data provided to the Settlement Administrator and shall work with Class Counsel and
19 Counsel for Defendants to implement and administer appropriate fraud-prevention policies. The
20 Settlement Administration Costs shall be paid out of the Gross Settlement Amount.

21 **2.49 Settlement Class.** “Settlement Class” means Plaintiff and all Settlement Class
22 Members.

23 **2.50 Settlement Class Members.** “Settlement Class Members” means each Class
24 Member who does not submit a valid and timely Request for Exclusion.

25 **2.51 Settlement Fund.** “Settlement Fund” means the fund established and administered
26 by the Settlement Administrator for the purpose of receiving and disbursing amounts to be paid to
27 Settlement Class Members, PAGA Group Members, the LWDA, Plaintiff, Class Counsel, and the
28

Settlement Administrator pursuant to this Agreement. The Settlement Fund shall be funded by Defendants following the Effective Date in accordance with Section 4.8, below.

2.52 **Settlement Period.** “Settlement Period” means from December 21, 2019 through April 15, 2025.

2.53 **Werfen.** “Werfen” means defendant Werfen USA LLC.

2.54 **Withholdings and Taxes.** “Withholdings and Taxes” means all withholdings from the Class Settlement Award required by law plus all federal, state, and local employment payroll taxes due in regard to the wages portion of Class Settlement Award, owed by a Settlement Class Member of the Class or by Defendants. Withholdings and Taxes shall be deducted from the Net Settlement Sum.

2.55 **Work Weeks Dispute.** “Work Weeks Dispute” means a dispute by a Settlement Class Member and/or PAGA Group Member regarding the number of Class Work Weeks and/or PAGA Pay Periods credited to that individual, which the individual has submitted in writing to the Settlement Administrator in the manner described in the Class Notice.

2.56 **Zuniga.** “Zuniga” means plaintiff Bryan Zuniga.

3. SETTLEMENT TERMS

3.1 **Stay of Proceedings.** Subject to Court approval, the Parties agree to the entry of a formal stay of all proceedings in this Action, including with respect to California Code of Civil Procedure section 583.310, except such proceedings as may be necessary to implement and complete the settlement, including for the sole and limited purpose of Plaintiff filing the motion for Preliminary Approval and motion for Final Approval (as set forth in Section 4.1).

3.2 **Certification of the Settlement Class.** For purposes of settlement and the proceedings contemplated by this Agreement only, the Settlement Class shall be provisionally certified and consist of Plaintiff and all Settlement Class Members.

3.3 **Decertification of the Settlement Class If Settlement Not Approved.** Defendants do not consent to certification of the Settlement Class or any settlement class for any purpose other than to effectuate the Settlement of the Action. If, for any reason, the Settlement does not become final, any certification of any Settlement Class will be vacated and the Parties will be returned to

1 their positions with respect to the Actions as if the Agreement had not been entered into. In the
2 event that Final Approval is not achieved: (a) any Court order preliminarily approving the
3 certification of any class contemplated by this Agreement shall be null, void, and vacated, and shall
4 not be used or cited thereafter by any person or entity; (b) the fact of the Settlement reflected in this
5 Agreement, that Defendants did not oppose the certification of the Settlement Class under this
6 Agreement, or that the Court preliminarily approved the certification of the Settlement Class, shall
7 not be used or cited thereafter by any person or entity in any manner whatsoever, including without
8 limitation any contested proceeding relating to the certification of any class; and (c) the Parties
9 agree that they will be returned to their status quo ante positions. In the event the terms and
10 conditions of this Agreement are substantially modified by the Court, Plaintiff and Defendants
11 reserve the right to declare this Agreement null and void, in their sole discretion, within fourteen
12 (14) calendar days after such modification; provided, however, the Party exercising this right shall
13 be solely responsible for the Settlement Administrator's expenses incurred through the date of that
14 Party's exercise, not to exceed the amount approved by the Court in the Preliminary Approval
15 Order.

16 **3.4 Settlement Payment by Defendants.** In full settlement of the Released Claims and
17 Released PAGA Claims and following the Effective Date, Defendants shall deliver the Gross
18 Settlement Amount to the Settlement Administrator for establishment of the Settlement Fund, in
19 accordance with Section 4.8.1, below.

20 **3.5 Attorneys' Fees and Costs.** Defendants agree not to oppose Plaintiff's application
21 for a Fee and Expense Award consisting of attorneys' fees up to One Million Eighty-One Thousand
22 Three Hundred Twenty-Five Dollars and No Cents (\$1,081,325.00) (i.e., 35% of the Gross
23 Settlement Amount) plus actual costs and expenses, subject to the Court's approval. Plaintiff agrees
24 not to petition the Court for more than One Million Eighty-One Thousand Three Hundred Twenty-
25 Five Dollars and No Cents (\$1,081,325.00) for attorneys' fees or more than Thirty Thousand
26 Dollars and No Cents (\$30,000) for costs, and in no event shall Defendants be liable for any
27 attorneys' fees or costs in excess of these amounts. The Fee and Expense Award shall represent
28 payment for all claims for Class Counsel's attorneys' fees and costs, past and future, incurred in

1 the Action. The Fee and Expense Award shall be paid from the Gross Settlement Amount, and
2 Defendants shall not otherwise be required to pay for any portion of Class Counsel's attorneys'
3 fees, costs, or expenses. The Fee and Expense Award shall be paid to Class Counsel following the
4 Effective Date, in accordance with Section 4.8.2, below. An award by the Court of attorneys' fees
5 or costs that is less than the amounts applied for will not be grounds for Plaintiff or Class Counsel
6 to challenge or withdraw from the Settlement, and any amounts not awarded in costs or fees will
7 be included in the Net Settlement Sum.

8 **3.6 Enhancement Payment.** In recognition of his effort and work in prosecuting the
9 Actions on behalf of the Class Members and PAGA Group Members and negotiating the
10 Settlement, Plaintiff shall receive compensation in the sum of Ten Thousand Dollars and No Cents
11 (\$10,000.00). This Enhancement Payment is to be paid from the Gross Settlement Amount and
12 reported on IRS Form 1099-MISC. The Enhancement Payment is separate from and in addition to
13 the Class Settlement Award and PAGA Settlement Award to be paid to Plaintiff as a Settlement
14 Class Member and PAGA Group Member. It will not be grounds for Plaintiff or Class Counsel to
15 challenge or withdraw from the Settlement if the Court denies Plaintiff's application for the
16 Enhancement Payment or awards a lesser amount than that for which Plaintiff applies, and any
17 amounts not awarded in the Enhancement Payment will be included in the Net Settlement Sum.

18 **3.7 PAGA Settlement Amount.** Plaintiff shall seek approval from the Court for a total
19 payment of One Hundred Thousand Dollars and No Cents (\$100,000.00) for resolution of the
20 PAGA claims alleged in the PAGA Complaint, the PAGA Notice, or any of them. 75% of the
21 PAGA Settlement Amount shall be paid to the LWDA, and 25% of the PAGA Settlement Amount
22 shall form the PAGA Fund to be paid to PAGA Group Members in accordance with the Plan of
23 Allocation set forth in Section 4.5, below.

24 **4. CLASS SETTLEMENT PROCEDURES**

25 **4.1 Preliminary Approval.** As soon as practicable, Plaintiff shall move for Preliminary
26 Approval of the Settlement in the Putative Class Action. Plaintiff's motion shall request the Court
27 to:

28 4.1.1 Preliminarily approve this Agreement as fair, reasonable, and adequate;

1 4.1.2 Preliminarily approve the form, manner, and content of the Class Notice
2 described in Section 4.2 and attached as **Exhibit A**;

3 4.1.3 Set deadlines for the Settlement Administrator to provide the Class Notice,
4 and for Class Members to opt out of or object to the Settlement;

5 4.1.4 Set the date and time for the Fairness Hearing;

6 4.1.5 Provisionally certify the Settlement Class;

7 4.1.6 Stay all proceedings except for such proceedings as may be necessary to
8 implement and complete the Settlement, including for the sole and limited purpose of Plaintiff filing
9 the motion for Preliminary Approval, and motion for Final Approval, until Final Approval;

10 4.1.7 Appoint Plaintiff as class representative for the Settlement Class for
11 settlement purposes only;

12 4.1.8 Appoint Class Counsel as class counsel for settlement purposes only; and

13 4.1.9 Approve Apex Class Action as the Settlement Administrator.

14 Class Counsel shall draft the preliminary approval papers and give Defendants' Counsel a
15 draft of the papers to review at least three (3) court days prior, or as soon as practicable, before they
16 are filed.

17 4.2 **Class Notice.** Subject to Court approval, the Parties agree that as soon as practicable
18 after entry of the Preliminary Approval Order, the Settlement Administrator shall provide notice to
19 the Settlement Class pursuant to the following procedures:

20 4.2.1 **Information Regarding Class Members.** Within fifteen (15) business days
21 following entry of the Preliminary Approval Order, Defendants will provide the Settlement
22 Administrator the following information with respect to each Class Member: (i) name, (ii) last
23 known residence address, (iii) Social Security number, (iv) dates of employment, (v) individual
24 number of Class Work Weeks during the Settlement Period, and (vi) individual number of PAGA
25 Pay Periods during the PAGA Period (if applicable). Defendants will provide this information in
26 spreadsheet format. The information Defendants provide to the Settlement Administrator, along
27 with any updated contact information identified by the Settlement Administrator as set forth in
28 Sections 4.2.2 and 4.2.3, below, shall be used solely to administer the Class Notice and Plan of

1 Allocation process described herein, shall remain confidential, and shall not be disclosed to anyone,
2 except pursuant to the express written authorization of Defendants or the individual in question, by
3 order of the Court, or to the extent necessary to fulfill the Settlement Administrator's reporting
4 obligations hereunder.

5 **4.2.2 Settlement Administrator Duties.** The Settlement Administrator's duties
6 shall include, without limitation: (i) printing the Class Notice (including exhibits thereto) in English
7 and Spanish, and mailing it to the Class Members as directed by the Court; (ii) taking all steps
8 reasonably necessary to ensure Class Members timely receive the Class Notice; (iii) resolving any
9 disputes by Settlement Class Members regarding their number of Class Work Weeks; (iv) taking
10 receipt of and safeguarding the Gross Settlement Amount; (v) calculating and distributing Class
11 Settlement Awards, PAGA Settlement Awards, the portion of the PAGA Settlement Amount
12 payable to the LWDA, the Enhancement Payment, and the Fee and Expense Award, provided such
13 amounts are approved by the Court; (vi) calculating and remitting all Withholdings and Taxes;
14 (vii) issuing IRS Forms W-2 and 1099-MISC, as applicable; and (viii) filing such other reports with
15 the taxing authorities as required by law, together with such other tasks as the Parties may mutually
16 agree or the Court may order the Settlement Administrator to perform. The Settlement
17 Administrator shall take all reasonable steps to ensure that (a) the highest percentage of Class
18 Members receive the Class Notice; (b) Class Members who wish to participate in the Settlement
19 are permitted to do so consistent with this Agreement; and (c) the Settlement Administrator has the
20 most current and accurate addresses for Class Members, including but not limited to performing an
21 initial National Change of Address database search on all Class Members who are former
22 employees. In addition, the Settlement Administrator shall perform a standard search, also known
23 as "batch," "skip trace," or "credit header" searches, on all addresses returned as undeliverable.
24 The Settlement Administrator shall immediately re-mail the Class Notice to all updated addresses
25 obtained through its efforts to locate the most current and accurate addresses for Class Members.
26 The Settlement Administrator shall also provide toll-free telephone support to Class Members;
27 maintain appropriate databases to fulfill its duties; receive, control, and account for all returned
28 Class Notices, disputes, requests for exclusion/opt-outs, and objections; and prepare and deliver

1 reports to Class Counsel and Defendants' Counsel on a weekly basis that communicate the status
2 of the notice process, including the number of Class Notices mailed, returned, searched, and re-
3 mailed as well as disputes, requests for exclusion, and objections. In addition to the duties identified
4 above, the Settlement Administrator shall prepare final declarations, reports, and invoices that
5 accurately describe the notice process, the level of participation, and actions taken to ensure the
6 best possible notice of the Settlement was provided to Class Members.

7 **4.2.3 Mailing of Class Notice to Class Members.** No later than five (5) calendar
8 days following receipt of the information to be provided under Section 4.2.1, above, the Settlement
9 Administrator shall mail the Class Notice to all Class Members. The Settlement Administrator
10 shall send a copy of the Class Notice in the form approved by the Court in its Preliminary Approval
11 Order to Class Members, via first class United States mail, using Class Members' most current
12 mailing address. Any Class Notices returned to the Settlement Administrator with a forwarding
13 address shall be immediately re-mailed by the Settlement Administrator. The Settlement
14 Administrator shall conduct one address search for any Class Member's Class Notice that is
15 returned without a forwarding address and shall, upon obtaining a new or different address,
16 immediately re-mail the Class Member's Class Notice. Plaintiff, Defendants, and their respective
17 counsel each agree that, other than as provided in this Agreement, they will not distribute or make
18 available any documents, notices, or information regarding the Actions or the Settlement to any
19 Class Member, unless a specific request is first made by the Class Member.

20 **4.3 Requests for Exclusion/Opt Outs.** Class Members who wish to be excluded from
21 or opt out of the Settlement must submit a written, signed Request for Exclusion to the Settlement
22 Administrator, within the Notice Response Deadline. This is the only way Class Members can
23 exclude themselves from the Class Settlement.

24 **4.3.1 Contents of Request.** The Request for Exclusion must contain (i) the full
25 name, address, telephone number, and last four digits of the Social Security number of the person
26 requesting to be excluded; and (ii) clearly state that the person does not wish to be included in the
27 Class Settlement.
28

1 **4.3.2 Personal Signatures.** The Request for Exclusion must be personally signed
2 by the Class Member who seeks to opt out. No Class Member may opt out by having a request to
3 opt out submitted by an actual or purported agent or attorney acting on behalf of the Class Member.
4 No opt out request may be made on behalf of a group of Class Members.

5 **4.3.3 Timeliness.** For purposes of determining timeliness, Requests for Exclusion
6 shall be deemed to have been submitted on the date postmarked by the U.S. Postal Service or other
7 delivery service. The Settlement Administrator shall stamp the date received on the original of any
8 Request for Exclusion it receives. Not later than fifteen (15) calendar days after the Notice
9 Response Deadline set by the Court, the Settlement Administrator will inform Class Counsel and
10 Defendants' Counsel of the total number of Class Members who timely submitted valid Requests
11 for Exclusion. Not later than sixteen (16) court days before the date set for the Fairness Hearing,
12 the Settlement Administrator shall serve copies of all date-stamped Requests for Exclusion on Class
13 Counsel and Defendants' Counsel as well as a declaration describing the Class Notice procedures.
14 The Settlement Administrator shall retain the originals of all Requests for Exclusion in its files.
15 Counsel for the Parties shall not use or disclose the information thus received for any purpose other
16 than the effectuation of the Settlement.

17 **4.3.4 Effect of Exclusion/Opt-Out.** Class Members who are excluded from or
18 opt out of the Settlement cannot object to the Settlement. Only Settlement Class Members (i.e.,
19 those Class Members who have not excluded themselves from or opted out of the Settlement) may
20 object to the Settlement, in accordance with Section 4.4 of this Agreement.

21 **4.3.5 Non-Opt Outs Bound by Settlement.** Each Class Member who does not
22 submit a Request for Exclusion substantially in compliance with this Section 4.3 within the
23 deadline set by the Court shall be included in the Settlement as a Settlement Class Member and be
24 bound by the terms of this Agreement and any Court order approving the terms of the Settlement,
25 unless the Court deems such Class Member excluded at the time of the final Fairness Hearing.

26 **4.3.6 Resolution of Disputes.** In the event of any issue over the completeness,
27 accuracy, timeliness, or validity of a Request for Exclusion, the Parties shall meet and confer in
28 good faith for the purpose of resolving the issue and, if the issue cannot be resolved, shall submit

1 the dispute to the Settlement Administrator or the Court for a final and binding determination that
2 shall not be appealable.

3 **4.3.7 Defendants' Right to Rescind.** If more than five percent (5%) of the Class
4 Members opt out of the Settlement, then Defendants shall have the option, in their sole discretion,
5 to rescind this Agreement, in which case all of Defendants' obligations under this Agreement shall
6 cease to be of any force or effect, and this Agreement shall be null and void. If Defendants exercise
7 this option, they shall provide Plaintiff with written notice of their election within thirty (30)
8 calendar days of the Notice Response Deadline set by the Court, with a copy to the Settlement
9 Administrator, at which point the Parties shall return to their respective positions that existed before
10 the execution of this Agreement, and no term of this Agreement or any draft thereof, or the
11 negotiation, documentation, or other part or aspect of the Parties' settlement discussions, shall have
12 any effect or be admissible as evidence for any purpose in the Action, or in any other proceeding.
13 Notwithstanding the foregoing, the Parties agree that in the event this Agreement is rescinded by
14 Defendants pursuant to this Section, Defendants shall pay the expenses incurred by the Settlement
15 Administrator through the date of Defendants' election to rescind, not to exceed the amount
16 approved by the Court in the Preliminary Approval Order.

17 **4.3.8 No Right to Exclusion by PAGA Group Members.** Because this
18 Settlement resolves claims brought pursuant to PAGA by Plaintiff acting as a proxy and as a Private
19 Attorney General of, and for, the State of California and the LWDA, the Parties agree that no PAGA
20 Group Member has the right to exclude himself or herself from the release of Released PAGA
21 Claims. PAGA Group Members shall be bound by the terms of the Settlement, upon its approval
22 by the Court, regardless of whether he or she requested exclusion as a Class Member, and thus is
23 not a Settlement Class Member, and regardless of whether he or she cashes the PAGA Settlement
24 Award issued to him or her.

25 **4.4 Objections.** Only Settlement Class Members (i.e., those Class Members who have
26 not excluded themselves from the Settlement) may object to the Settlement.

27 **4.4.1 Manner of Objecting.** Settlement Class Members who wish to object to the
28 Settlement do not need to submit their objection in writing, but if they wish to do so, they must

1 submit to the Settlement Administrator a signed, written statement objecting to the Settlement
2 Administrator in accordance with the Class Notice. Any such written objection and any supporting
3 briefs or other materials must be submitted to the Settlement Administrator no later than the Notice
4 Response Deadline. Settlement Class Members may but are not required to appear at the Fairness
5 Hearing. Settlement Class Members may appear at the Fairness Hearing to object to the Settlement
6 without providing any prior notice to the Parties, their counsel, the Settlement Administrator, or the
7 Court.

8 **4.4.2 Response to Objections.** At the same time Plaintiff moves for Final
9 Approval pursuant to Section 4.7 of this Agreement, Plaintiff shall also file a response to any
10 written objections submitted by Settlement Class Members. Class Counsel must draft the response
11 to the objections and give Defendants' Counsel a draft of the response to review at least three (3)
12 court days before it is filed or as soon as practical under the circumstances. Defendants shall be
13 permitted, but not required, to file their own response to any objections.

14 **4.4.3 No Right to Objections by PAGA Group Members.** Because this
15 Settlement resolves claims brought pursuant to PAGA by Plaintiff acting as a proxy and as a Private
16 Attorney General of, and for, the State of California and the LWDA, the Parties agree that no PAGA
17 Group Member has the right to object to the PAGA Settlement or release of Released PAGA
18 Claims, whether or not he or she has objected thereto as a Settlement Class Member.

19 **4.5 Plan of Allocation: Calculation of All Settlement Awards.** The Settlement
20 Administrator shall be responsible for the Allocations of the Net Settlement Sum to Settlement
21 Class Members and of the PAGA Fund to PAGA Group Members and, thereby, for determining
22 the Class Settlement Award and the PAGA Settlement Award, all to be paid on a pro rata basis as
23 follows:

24 **4.5.1 Calculating Class Settlement Awards.** The Class Settlement Award for
25 each Settlement Class Member of the Class shall be his or her pro-rata share of the Net Settlement
26 Sum (including and subject to Withholdings and Taxes) calculated as follows: The Settlement
27 Administrator shall first calculate the total number of Class Work Weeks for all Settlement Class
28 Members of the Class. The Settlement Administrator shall then divide the Net Settlement Sum by

1 this sum total number of Class Work Weeks, resulting in a per Class Work Week value to be used
2 in calculating the Class Settlement Award for the Class. The Settlement Administrator shall then
3 take this per Class Work Week value and multiply it by the number of individual Class Work Weeks
4 for each Settlement Class Member of the Class, resulting in the Class Settlement Award plus their
5 Withholdings and Taxes for each Settlement Class Member of the Class.

6 **4.5.2 Class Settlement Awards Payable Only to Settlement Class Members.**

7 The Settlement Administrator shall pay the Class Settlement Awards from the Net Settlement Sum
8 and shall pay only the Class Settlement Awards payable to Settlement Class Members.
9 Withholdings and Taxes will be remitted by the Settlement Administrator prior to distributing Class
10 Settlement Awards to Settlement Class Members.

11 **4.5.3 Calculating PAGA Settlement Awards.**

12 The PAGA Settlement Award for each member of the PAGA Group shall be the member's pro-rata share of the PAGA Fund,
13 calculated as follows: The Settlement Administrator shall first calculate the sum total number of
14 PAGA Pay Periods for all members of the PAGA Group. The Settlement Administrator shall then
15 divide the PAGA Fund by the sum total number of PAGA Pay Periods for all members of the
16 PAGA Group, resulting in a per PAGA Pay Period value to be used in calculating the PAGA
17 Settlement Award for these members. The Settlement Administrator shall then take this per PAGA
18 Pay Period value and multiply it by the number of individual PAGA Pay Periods for each of these
19 members, resulting in the PAGA Settlement Award for each member of the PAGA Group.

20 **4.5.4 Payment of Settlement Awards.**

21 At its discretion, the Settlement Administrator may combine the Class Settlement Award and PAGA Settlement Award to be issued
22 to an individual who is both a Settlement Class Member and a PAGA Group Member, into a single
23 check. The Parties understand and acknowledge that a given person may be both a Settlement Class
24 Member and a PAGA Group Member or may be a Settlement Class Member but not a PAGA Group
25 Member (to the extent such person was not employed during the PAGA Period).

26 **4.5.5 Using Class Information Provided by Defendants to Determine**

27 **Settlement Awards.** In order to determine the Class Settlement Awards and PAGA Settlement
28 Awards, the Settlement Administrator shall use the information provided by Defendants pursuant

1 to Section 4.2.1, above. In the event that any dispute arises with respect to a Settlement Award
2 amount, the Settlement Administrator shall make the final determination after consultation with
3 Class Counsel and Defendants' Counsel.

4 4.6 Taxes.

5 4.6.1 **Tax Allocation of Awards.** The Parties agree that, for purposes of this
6 Settlement, the Class Settlement Awards shall be allocated 30% to wages subject to Withholdings
7 and Taxes, and 70% to interest, penalties, and non-wage damages. The entirety of the PAGA
8 Settlement Award shall be allocated as penalties.

9 4.6.2 **Tax Reporting.** When reporting the Class Settlement Awards and PAGA
10 Settlement Awards for tax purposes, the amount of the Class Settlement Awards allocated to wages
11 under Section 4.6.1 shall be reported by the Settlement Administrator on IRS Form W-2 as wages,
12 and the remainder of any Class Settlement Award, together with any PAGA Settlement Award,
13 shall be reported by the Settlement Administrator on IRS Form 1099-MISC as interest, penalties,
14 and non-wage damages.

15 4.6.3 **Settlement Class Member and PAGA Group Member Obligations.**
16 Each Settlement Class Member and/or PAGA Group Member receiving a Class Settlement Award
17 and/or PAGA Settlement Award shall be responsible for paying applicable federal, state, and local
18 income taxes, if any, on all amounts such person receives pursuant to this Agreement, and
19 Defendants shall have no liability therefor.

20 4.6.4 **Settlement Administrator Responsibilities Regarding Taxes.** It shall be
21 the responsibility of the Settlement Administrator or its designee to timely and properly withhold
22 all applicable Withholdings and Taxes from the Class Settlement Awards and to prepare and deliver
23 the necessary tax documentation for signature by all necessary parties and, thereafter, to pay
24 Withholdings and Taxes to the appropriate authorities, and to file all necessary information and
25 other tax returns. Payments to Settlement Class Members, PAGA Group Members, Plaintiff, and
26 Class Counsel pursuant to this Agreement shall be reported on IRS Forms W-2 and/or 1099-MISC,
27 as applicable, and shall be provided to the respective Settlement Class Members, PAGA Group
28 Members, Plaintiff, Class Counsel, and all applicable governmental entities as required by law. All

1 Withholdings and Taxes deposited with the applicable government entities in accordance with this
2 Agreement shall be part of, and paid out of, the Class Settlement Award of each Settlement Class
3 Member of the Class.

4 **4.6.5 Tax Expenses Resulting from Settlement Administration.** All reasonable
5 and direct expenses and costs incurred by or at the direction of the Settlement Administrator in
6 connection with the administration of the Settlement (including, without limitation, expenses of tax
7 attorneys and/or accountants incurred in providing advice to the Settlement Administrator, and
8 mailing and distribution costs and expenses relating to the filing, or failure to file, the informational
9 and other tax returns described above) shall be considered a cost of administration of the Settlement
10 and shall be part of the Settlement Administration Costs, to be paid out of the Gross Settlement
11 Amount.

12 **4.6.6 No Claims.** No person shall have any claim against Defendants,
13 Defendants' Counsel, Plaintiff, the Class Members, Class Counsel, or the Settlement Administrator
14 based on mailings, distributions, and payments made in accordance with or pursuant to this
15 Agreement.

16 **4.7 Final Approval and Entry of Judgment in the Action.** Following the Notice
17 Response Deadline and before the Fairness Hearing, on or before the date set by the Court, Plaintiff
18 shall move for Final Approval of the Settlement in the Action. Class Counsel shall draft the final
19 approval papers and give Defendants' Counsel a draft of the papers to review at least three (3) court
20 days prior, or as soon as practicable, before they are filed.

21 **4.8 Distribution of Settlement Payments.** After the Effective Date, the Class
22 Settlement Award and PAGA Settlement Award shall be distributed to Settlement Class Members
23 and PAGA Group Members in accordance with the procedures set forth below:

24 **4.8.1 Remittance of Gross Settlement Amount.** Within fourteen (14) calendar
25 days from the Effective Date, Defendants will remit the Gross Settlement Amount to the Settlement
26 Administrator for the establishment of the Settlement Fund.

27 **4.8.2 Delivery of Payments.** Within five (5) calendar days from Defendants'
28 remittance to the Settlement Administrator of the Gross Settlement Amount, the Settlement

1 Administrator shall establish the Settlement Fund and distribute (a) the Fee and Expense Award to
2 Class Counsel, (b) the Class Settlement Award and PAGA Settlement Award checks to Settlement
3 Class Members and PAGA Group Members, (c) the portion of the PAGA Settlement Amount
4 payable to the LWDA, (d) the Enhancement Payment to Plaintiff, (e) the Withholdings and Taxes
5 arising from the Class Settlement Award to the appropriate government entities, and (f) the
6 Settlement Administration Costs to itself. Also within five (5) calendar days from Defendants'
7 remittance of the Gross Settlement Amount, the Settlement Administrator shall provide Class
8 Counsel and Defendants' Counsel an anonymized written report listing each Settlement Class
9 Member and PAGA Group Member and the amount of the Class Settlement Award and PAGA
10 Settlement Award to be paid to each such person. Class Counsel shall hold the information
11 contained in this report in strictest confidence and not use or disclose it for any purpose, except on
12 the written authorization of Defendants or by order of the Court. No payments shall be made or
13 distributed unless and until the orders and Judgment described in this Agreement are final (meaning
14 that the right to appeal or otherwise seek review of such orders or the Judgment has expired) and
15 on the condition that no appeals from the orders and the Judgment have been filed. Additionally,
16 by no later than the date set by the Court in its Final Approval order, the Settlement Administrator
17 shall file a report with the Court setting forth (1) the total amount of money paid to the Settlement
18 Class Members as the Class Settlement Award, (2) the total amount of money paid to PAGA Group
19 Members as the PAGA Settlement Award, (3) the portion of the PAGA Settlement Amount paid
20 to the LWDA, (4) the Fee and Expense Award paid to Class Counsel, and (5) the total amount of
21 uncashed funds to be distributed to the *cy pres* beneficiary designated by the Parties in Section
22 4.8.3, below.

23 **4.8.3 Negotiation of Settlement Checks.** Any checks tendered to Settlement
24 Class Members and PAGA Group Members shall remain valid and negotiable for one hundred and
25 eighty (180) calendar days from the date of their issuance and shall thereafter be automatically
26 cancelled if not cashed by the Settlement Class Member or PAGA Group Member within that time,
27 after which the Settlement Class Member's and/or PAGA Group Member's right to participate in
28 the Settlement shall be extinguished, although the individual shall remain a Settlement Class

1 Member and/or PAGA Group Member bound by the Judgment entered in the Action. After one
2 hundred and eighty (180) calendar days, any amounts from uncashed checks shall be transmitted
3 the Legal Aid Society of San Diego, leaving no unpaid residue in accordance with Code of Civil
4 Procedure section 384.

5 **4.8.4 Non-Reversionary Settlement.** No portion of the Gross Settlement
6 Amount will revert to Defendants.

7 **4.8.5 Discharge of Obligations.** Defendants shall fully discharge their
8 obligations to Plaintiff, the Settlement Class Members, the PAGA Group Members, and the State
9 of California through the remittance of the Gross Settlement Amount to the Settlement
10 Administrator as set forth in Section 4.8.1, above, regardless of whether checks representing the
11 Class Settlement Award and/or PAGA Settlement Award are actually received and/or negotiated
12 by the payee. Once Defendants have complied with their obligation set forth in Section 4.8.1,
13 above, they will be deemed to have satisfied all terms and conditions under this Agreement, shall
14 be entitled to all protections afforded to them under this Agreement, and shall have no further
15 obligations under the terms of the Agreement, regardless of what occurs with respect to the further
16 administration of the Settlement. Without prejudice to any other remedies, the Settlement
17 Administrator shall hold Defendants harmless from and against all liabilities, claims, causes of
18 action, costs, and expenses (including legal fees and expenses) arising out of any failure to timely
19 or properly compensate Class Members and PAGA Group Members as provided for in this
20 Agreement.

21 **4.9 Questions and Disputes.** In the event that questions or disputes arise regarding the
22 entitlement of any Class Member or PAGA Group Member under this Agreement, counsel for each
23 Party shall cooperate to provide to counsel for the other Party and the Settlement Administrator all
24 available information reasonably necessary to resolve them. Such information shall be provided in
25 either electronic form or hard copy, as the Settlement Administrator may reasonably request. If the
26 Parties cannot resolve any dispute concerning the entitlement of any Class Member or PAGA
27 Group Member under this Agreement, the dispute(s) shall be submitted to the Settlement
28

1 Administrator, who shall resolve the dispute(s) and whose decision shall be final and binding. In
2 such a dispute, the information provided by Defendants will be presumed accurate.

3 **4.10 Notification and Certification by Settlement Administrator.** The Settlement
4 Administrator shall keep Class Counsel and Defendants' Counsel apprised of the status of the
5 administration process and its distribution of all sums pursuant to this Agreement. Upon
6 completion of administration of the Settlement, the Settlement Administrator shall provide a
7 detailed, written certification of such completion to the Court and counsel for the Parties.

8 **4.11 Nullification of Settlement Agreement if Settlement Not Approved.** In the event
9 (a) the Court does not preliminarily approve the Settlement as provided herein; (b) the Court does
10 not finally approve the Settlement as provided herein or in the event said approval is reversed on
11 appeal; (c) the Court does not enter the Judgment in the action as provided herein; or (d) the
12 Settlement does not become final for any other reason, including the exercise of Defendants' right
13 to rescind the Settlement under Section 4.3.7, above, this Agreement shall be null and void *ab initio*
14 (with the exception of this Section, Section 3.3, and Section 4.3.7) and any order or Judgment
15 entered by the Court in furtherance of this Settlement shall be treated as withdrawn or vacated by
16 stipulation of the Parties. In such case, the Parties shall be returned to their respective statuses as
17 of December 11, 2024. In the event an appeal is filed from the Judgment, or any other appellate
18 review is sought before the Effective Date, administration of the Settlement shall be stayed pending
19 final resolution of the appeal or other appellate review.

20 **4.12 Escalator Clause.** In advance of the mediation resulting in the Settlement,
21 Defendants represented that based on Inova's records from December 21, 2019 through September
22 30, 2024, there were approximately 38,269 work weeks for the putative class members. The Parties
23 extrapolated the data for purposes of mediation and estimated the number of work weeks to be
24 approximately 39,000 from December 21, 2019 through December 11, 2024. The Parties agree
25 that if the number of Class Work Weeks exceeds 39,000 by greater than 10% (i.e., there are more
26 than 42,900 Class Work Weeks), then the Gross Settlement Amount shall be proportionally
27 increased for each Class Work Week that exceeds 42,900 Class Work Weeks. For example, if the
28

number of Class Work Weeks is 11% greater than 39,000, then the Gross Settlement Amount would increase by \$30,895, as a 1% increase from \$3,089,500.

5. ENTRY OF JUDGMENT AND RELEASES

5.1 Obtaining Approval. As soon as practicable after execution of this Agreement, Class Counsel shall, with the cooperation of Defendants' Counsel as reasonably requested by Class Counsel, take all necessary steps to secure Preliminary Approval and Final Approval of the Agreement by the Court, including responding to any objectors, intervenors, or other persons or entities seeking to preclude approval of this Agreement.

5.2 Entry of Judgment. The Final Judgment and Order Approving Settlement in the Actions shall include a provision for entry of judgment in accordance with this Agreement, with each Party to bear all of his, her, or its own costs and attorneys' fees, except as expressly set forth herein.

5.3 Notification to the LWDA. Plaintiff shall submit to the LWDA a copy of the Judgment within ten (10) calendar days after its entry, in accordance with Labor Code section 2699, subdivision (s)(3).

5.4 Settlement Class Release. Upon the Effective Date, all Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly released, waived, and relinquished the Released Claims. Settlement Class Members shall be subject to claim preclusion with regard to the Released Claims or any other contemplated proceedings against any of the Released Parties regarding any of the Released Claims. Settlement Class Members' release, waiver, and relinquishment of the Released Claims shall preclude them from participating in any judgment or settlement of claims that are the subject of the Released Claims in any other class, collective, or representative action.

5.5 PAGA Release. Upon the Effective Date, all PAGA Group Members and the State of California shall be deemed to have, and by operation of the Judgment shall have, expressly released, waived, and relinquished the Released PAGA Claims. All PAGA Group Members shall be subject to claim preclusion should they attempt to bring, join, or otherwise participate in a PAGA representative action or otherwise make, join, or otherwise participate in a claim against any of the

Released Parties for any of the Released PAGA Claims. The State of California shall be barred from pursuing recovery of any civil penalties from any of the Released Parties for any of the Released PAGA Claims.

5.6 **Plaintiff's General Release.** In addition to his release of the Released Parties from the Released Claims and Released PAGA Claims as set forth in Sections 5.4 and 5.5, above, Plaintiff has entered into a separate confidential settlement agreement regarding his general release and waiver of claims against the Released Parties, including a release of Civil Code section 1542.

6. ADDITIONAL PROVISIONS

6.1 **No Admission of Liability.** Defendants contend that all of their employment practices comply and have complied with all applicable laws and regulations, and that Defendants have not engaged in any unlawful conduct, whether willful or not, and whether knowing and intentional or not, with respect to anything alleged in the Actions. Defendants deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Actions and contend that all of Plaintiff's claims lack merit and Defendants have valid defenses to each of them. This Agreement reflects the compromise and settlement of disputed claims between the Parties, and its provisions and any and all drafts, communications, or discussions relating thereto do not constitute, are not intended to constitute, and will not under any circumstances be deemed to constitute an admission by Defendants as to the merits, validity, or accuracy of any of the allegations or claims in the Actions, nor a waiver of any defense.

6.2 **Parties Represented by Counsel.** The Parties hereby acknowledge that they have been represented in negotiations for and in the preparation of this Agreement by independent counsel of their own choosing, they have read this Agreement and have had it fully explained to them by such counsel, and they are fully aware of the contents of this Agreement and of its legal effect.

6.3 **Voluntary Agreement.** This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any Party, or of any other person, firm, or entity. Each Party has made such investigation of the facts pertaining to this Agreement and of all other matters pertaining hereto as he, she, or it deems necessary.

1 6.4 **Notices.** The Parties, Class Counsel, and Defendants acknowledge and agree that
2 for the purposes of any claims, actions, or proceedings arising out of this Agreement, notice
3 provided to Class Counsel shall be deemed notice to Plaintiff and to Class Members. All notices,
4 requests, demands, and other communications required to be given to counsel for the Parties under
5 this Agreement shall be in writing and shall be delivered personally, faxed, emailed or mailed,
6 postage prepaid, by first class United States mail, addressed as follows:

7 To Class Members or to Plaintiff:

8 Jonathan M. Genish (JGenish@blackstonepc.com)
9 Barbara DuVan-Clarke (BDC@blackstonepc.com)
10 Danielle L. GruppChang (DGruppChang@blackstonepc.com)
11 P.J. Van Ert (PJVanert@blackstonepc.com)
12 Annabel Blanchard (ABlanchard@blackstonepc.com)
13 BLACKSTONE LAW, APC
14 8383 Wilshire Boulevard, Suite 745
15 Beverly Hills, California 90211
16 Telephone: 310.622.4278
17 Facsimile: 855.786.6356

18 To Defendants:

19 Eric Akira Tate (ETate@mofo.com)
20 William N. Lawther (WLawther@mofo.com)
21 MORRISON & FOERSTER LLP
22 425 Market Street
23 San Francisco, California 94105-2482
24 Telephone: 415.268.7000
25 Facsimile: 415.268.7522

26 6.5 **No Press Releases/Public Comment.** Absent Defendants' express written consent,
27 Plaintiff and/or Class Counsel shall not (a) discuss, reveal, disclose, publicize, or promote the terms
28 of this Settlement, or the negotiations leading to this Settlement, to any third party (including but
not limited to the media, the legal community, or the public at large) and/or (b) issue any press
releases and/or initiate any contact with the media regarding the Settlement, and/or otherwise
advertise and/or publicize the Settlement. Nothing in this Agreement is intended to prevent
Plaintiff and/or Class Counsel from disclosing and/or discussing the terms of this Settlement
(i) with the Court, (ii) with any Class Member or PAGA Group Member, (iii) with the Settlement
Administrator, (iv) with the LWDA, or (v) as otherwise required by law to fulfill Plaintiff's and/or

1 Class Counsel's obligations to effectuate the Settlement, and/or in court filings in other cases by
2 Class Counsel in connection with a class action approval process, class certification, and/or class-
3 wide settlement approval.

4 **6.6 Authorization.** The Parties hereto represent and warrant that each signatory hereto
5 has the full right and authority to enter into this Agreement and bind the Party on whose behalf he,
6 she, or it has executed this Agreement.

7 **6.7 Agreement Binding on Successors in Interest.** This Agreement shall be binding
8 on and inure to the benefit of the respective successors, assigns, heirs, and personal representatives
9 of the Parties.

10 **6.8 Time Periods.** The time periods and dates set forth in this Agreement with respect
11 to the giving of notices and hearings are subject to approval and modification by the Court or the
12 written stipulation of counsel for the Parties.

13 **6.9 Mutual Full Cooperation.** The Parties agree to cooperate fully with each other to
14 accomplish the terms of this Agreement, including but not limited to execution and delivery of any
15 and all additional papers, documents, and other assurances and taking such other action that may
16 be reasonably necessary to implement the terms of this Agreement. The Parties and their counsel
17 shall use their best efforts, including all efforts contemplated by this Agreement and any other
18 efforts that may become necessary by order of the Court, to effectuate this Agreement and the terms
19 set forth herein.

20 **6.10 Entire Agreement.** The Exhibits to this Agreement are integral parts of this
21 Agreement and are hereby incorporated and made a part of the Agreement. This Agreement
22 contains the entire agreement between the Parties and constitutes the complete, final, and exclusive
23 embodiment of their agreement with respect to the subject matter hereof. This Agreement is
24 executed without reliance upon any promise, representation, or warranty by any Party or
25 representative of any Party, other than those expressly set forth herein. Any inconsistency between
26 this Agreement and the attached Exhibits will be resolved in favor of this Agreement.

27 **6.11 Headings.** The various headings used in this Agreement are solely for the
28 convenience of the Parties and shall not be used to interpret this Agreement.

1 **6.12 No Construction Against Drafter.** This Agreement shall be deemed to have been
2 drafted jointly by the Parties, and any rule that a document shall be interpreted against the drafter
3 shall not apply to this Agreement.

4 **6.13 Amendment and Modification.** Except as expressly provided in Section 6.8,
5 above, with respect to time periods and dates set forth herein, this Agreement may not be amended,
6 altered, or modified except in writing and signed by the Parties hereto, their successors in interest,
7 or their duly authorized representatives, and approved by the Court.

8 **6.14 Governing Law.** This Agreement is entered into in accordance with the laws of the
9 State of California and shall be governed by and interpreted in accordance with those laws.

10 **6.15 Jurisdiction of the Court.** Any dispute regarding the interpretation or validity or
11 otherwise arising out of this Agreement, or relating to the Action, the Released Claims, or the
12 Released PAGA Claims, shall be subject to the exclusive jurisdiction of the Court, and the Plaintiff,
13 Class Members, and Defendants agree to submit to the personal and exclusive jurisdiction of the
14 Court for the purpose of resolving any such dispute. Following the Effective Date, the Court shall
15 retain jurisdiction solely with respect to the interpretation, implementation, and enforcement of the
16 terms of this Agreement and all orders and judgments entered in connection therewith, and the
17 Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting,
18 implementing, and enforcing the Settlement embodied in this Agreement and all orders and
19 judgments entered in connection therewith.

20 **6.16 Agreement Constitutes a Complete Defense.** To the extent permitted by law, this
21 Agreement may be pleaded as a full and complete defense to any action, suit, or other proceeding
22 that may be instituted, prosecuted, or attempted in breach of or contrary to this Agreement.

23 **6.17 Signatures.** Signatures by facsimile or in Portable Document Format (PDF), such
24 as through DocuSign, shall have the same force and effect as original signatures.

25 **6.18 Execution Date and Execution in Counterparts.** This Agreement shall be deemed
26 executed upon the last date of signature of all of the undersigned. The Parties may execute this
27 Agreement in counterparts, each of which shall constitute an original, but all of which together
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1 shall constitute one and the same instrument having the same force and effect as if all Parties had
2 signed the same instrument.

3 IN WITNESS WHEREOF, the Parties hereto have so agreed.

4
5 Dated: _____

BRYAN ZUNIGA

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7
8 On behalf of himself, the Settlement Class, the State
9 of California, and PAGA Group Members as a
private attorney general

10 Dated: 7/17/2025 _____

INOVA DIAGNOSTICS, INC.

11 Signed by:
12 By: Diana Catalano
13 EC05924BE30B401...
14 Name: Diana Catalano
15 Title: vice President, Secretary and Asst
16 Treasurer

17 Dated: 7/17/2025 _____

WERFEN USA LLC

18 Signed by:
19 By: Diana Catalano
20 EC05924BE30B401...
21 Name: Diana Catalano
22 Title: vice President and Secretary

1 shall constitute one and the same instrument having the same force and effect as if all Parties had
2 signed the same instrument.

3 IN WITNESS WHEREOF, the Parties hereto have so agreed.
4

5 Dated: 07/17/2025

BRYAN ZUNIGA

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8

On behalf of himself, the Settlement Class, the State
of California, and PAGA Group Members as a
private attorney general

9

10 Dated: _____

INOVA DIAGNOSTICS, INC.

11

12

By: _____

13

Name: _____
Title: _____

14

Dated: _____

WERFEN USA LLC

15

16

By: _____

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Name: _____
Title: _____

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APPROVED AS TO FORM:

Dated: _____

BLACKSTONE LAW, APC

By: _____
Barbara DuVan-Clarke

Attorneys for Plaintiff
BRYAN ZUNIGA

Dated: 7/16/2025

MORRISON & FOERSTER LLP

DocuSigned by:
By: 
Eric Akira Tate

Attorneys for Defendants
INOVA DIAGNOSTICS, INC. and
WERFEN USA LLC

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APPROVED AS TO FORM:

Dated: 07/17/2025

BLACKSTONE LAW, APC

By: 
Barbara DuVan-Clarke

Attorneys for Plaintiff
BRYAN ZUNIGA

Dated:

MORRISON & FOERSTER LLP

By:
Eric Akira Tate

Attorneys for Defendants
INOVA DIAGNOSTICS, INC. and
WERFEN USA LLC

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Bryan Zuniga v. Inova Diagnostics, Inc., et al.

Superior Court of California for the County of San Diego, Case No. 37-2023-00055201-CU-OE-CTL

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Class Work Weeks and/or PAGA Pay Periods that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Bryan Zuniga ("Plaintiff") and Defendants Inova Diagnostics, Inc. and Werfen USA LLC ("Defendants") (Plaintiff and Defendants are collectively referred to as the "Parties") in the case entitled *Bryan Zuniga v. Inova Diagnostics, Inc., et al.*, San Diego County Superior Court, Case No. 37-2023-00055201-CU-OE-CTL ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" or "Class Member(s)" means all current and former hourly-paid and/or non-exempt employees of Inova in the State of California at any time during the Settlement Period.

"Settlement Period" means the period from December 21, 2019, through April 15, 2025.

"Class Settlement" means the settlement and resolution of all Released Claims.

"PAGA Group" means all current and former hourly-paid and/or non-exempt employees of Inova in the State of California at any time during the PAGA Period.

"PAGA Period" means the period from December 13, 2022, through April 15, 2025.

"PAGA Settlement" means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTION

On December 13, 2023, Plaintiff provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendants of the specific provisions of the California Labor Code that Plaintiff contends were violated ("PAGA Letter"). On December 21, 2023, Plaintiff commenced a putative class action lawsuit by filing a Class Action Complaint for Damages ("Class Action Complaint") in the Action. On February 16, 2024, Plaintiff commenced an action pursuant to the Labor Code Private Attorneys General Act ("PAGA") by filing a Complaint for Enforcement under PAGA ("PAGA Complaint") (San Diego Superior Court Case No. 37-2024-00007407-CU-OE-CTL). On February 14, 2025, the class action and the PAGA action were consolidated, with the class action designated as the lead case.

Plaintiff contends that Defendants failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under PAGA. Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendants deny all of the allegations in the Action or that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Class and PAGA Settlement Agreement and Release (“Settlement” or “Settlement Agreement”).

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Apex Class Action as the administrator of the Settlement (“Settlement Administrator”), Plaintiff Bryan Zuniga as representative of the Class (“Class Representative”), and the following Plaintiff’s attorneys as counsel for the Class (“Class Counsel”):

Jonathan M. Genish
Barbara DuVan-Clarke
P.J. Van Ert
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If you are a Class Member, you need not take any action to receive a Class Settlement Award, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive a Class Settlement Award), object to the Class Settlement, and/or dispute the Class Work Weeks and/or PAGA Pay Periods credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Group Member, you do not need to take any action to receive a PAGA Settlement Award; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Group Members will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement 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 Plaintiff, Class Members, or PAGA Group Members. Plaintiff and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Group Members.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Three Million, Eighty-Nine Thousand, Five Hundred Dollars (\$3,089,500) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Sum.” The Net Settlement Sum will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed thirty-five (35%) of the Gross Settlement Amount (i.e., \$1,081,325), and reimbursement of litigation costs and expenses, in an amount not to exceed Thirty Thousand Dollars (\$30,000) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Ten Thousand Dollars (\$10,000) to Plaintiff for his services in the Action; (3) the amount of One Hundred Thousand Dollars (\$100,000) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 75% (\$75,000) (“LWDA Payment”) and the remaining 25% (\$25,000) will be distributed to PAGA Group Members (“PAGA Fund”); (4) Settlement Administration Costs in an amount not to exceed Nine Thousand Dollars (\$9,000) to the Settlement Administrator; and (5) Employer-side Withholdings and Taxes.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Sum (“Class Settlement Award”) based on the number of weeks during the Settlement Period that a Class Member was employed by Inova in California for at least one day as a non-exempt employee (“Class Work Weeks”). The Settlement Administrator has divided the Net Settlement Sum by the Class Work Weeks of all Class Members, arriving at a per Class Work Week value, and multiplied each Class Member’s individual Class Work Weeks by the Class Work Week value to yield the Class Settlement Award (plus their Withholdings and Taxes) that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid

Request for Exclusion (“Settlement Class Members”) will be issued their final Class Settlement Awards.

The Class Settlement Awards shall be allocated 30% to wages, subject to Withholdings and Taxes, and 70% to interest, penalties, and non-wage damages. Each Class Settlement Award will be subject to reduction for the employee’s and employer’s share of payroll taxes and withholdings with respect to the wages portion of the Class Settlement Awards resulting in a net payment to the Settlement Class Member.

PAGA Group Members are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Fund (“PAGA Settlement Award”) based on the number of pay periods during the PAGA Period that a PAGA Group Member was employed by Inova in California for at least one day as a non-exempt employee. (“PAGA Pay Periods”). The Settlement Administrator has divided the PAGA Fund, i.e., 25% of the PAGA Settlement Amount, by the Pay Periods of all PAGA Group Members to yield the “PAGA Pay Period Value,” and multiplied each PAGA Group Member’s individual Pay Periods by the Pay Period Value to yield each PAGA Group Member’s PAGA Settlement Award.

Each PAGA Settlement Award will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Class Settlement Awards will be mailed to Settlement Class Members and PAGA Settlement Award will be mailed to PAGA Group Members at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Work Weeks and Pay Periods (if applicable) Based on Defendant’s Records

According to Defendant’s records:

- **From December 21, 2019, through April 15, 2025 (i.e., the Settlement Period), you are credited as having worked [REDACTED] Class Work Weeks.**
- **From December 13, 2022, through April 15, 2025 (i.e., the PAGA Period), you are credited as having worked [REDACTED] PAGA Pay Periods.**

If you wish to dispute the Class Work Weeks and/or PAGA Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator (“Work Weeks Dispute”). The Work Weeks Dispute must: (a) contain the case name and number of the Action (*Bryan Zuniga v. Inova Diagnostics, Inc., et al.*, Case No. 37-2023-00055201-CU-OE-CTL);

(b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Class Work Weeks and/or PAGA Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Notice Response Deadline]**.

C. Your Estimated Class Settlement Award and PAGA Settlement Award (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Class Work Weeks and PAGA Pay Periods (if applicable) credited to you.

Under the terms of the Settlement, your Class Settlement Award is estimated to be \$ [REDACTED]. The Class Settlement Award is subject to reduction for the employee’s and employer’s share of taxes and withholdings with respect to the wages portion of the Class Settlement Award and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your PAGA Settlement Award is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Class Settlement Award and PAGA Settlement Award (if applicable) reflected in this Class Notice are only estimates. Your actual Class Settlement Award and PAGA Settlement Award (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of California with respect to all PAGA Group Members, and all PAGA Group Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

“Released Claims” means all claims, debts, liabilities, demands, obligations, damages, and actions or causes of action of any kind, including wage and hour claims related to allegations of failure to pay overtime wages, failure to pay minimum wages, failure to provide meal and rest periods, failure to pay meal and rest period premiums, failure to timely pay wages, failure to pay all wages at time of discharge, failure to provide accurate wage statements, failure to keep complete and accurate payroll records, and failure to reimburse necessary business-related expenses, arising during the Settlement Period and that were alleged in the Putative Class Complaint, the PAGA Complaint, or the PAGA Notice or could have reasonably been alleged against any of the Released Parties based on the facts alleged in any of the Complaints or the PAGA Notice. Specifically, for the Settlement Class Members, released claims include, without limitation, claims under Labor Code sections 201-204, 210, 226(a), 226.7, 510, 512(a), 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1198, 2800, 2802, and 2698 *et seq.*; Business and Professions Code section 17200 *et seq.*; and Code of Civil Procedure section 1021.5.

“Released PAGA Claims” means all claims that were or could have been asserted pursuant to PAGA arising out of or related to the Released Claims arising during the PAGA Period. Specifically, for the PAGA Group, released PAGA claims include those based on, without limitation, alleged violations of Labor Code sections 201-204, 210, 226(a), 226.7, 510, 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and 2698 *et seq.*

“Released Parties” means Defendants; each of their respective present, former, or future parents, subsidiaries, affiliates, divisions, corporations in common control, predecessors, successors, and assigns; each of its respective present, past, or future officers, directors, employees, partners (both general and limited), shareholders, agents, attorneys, insurers, and any other successors, assigns, or legal representatives; and any other individual or entity which could be liable for any of the Released Claims or Released PAGA Claims.

E. Fee and Expense Award to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed One Million Eighty-One Thousand Three Hundred Twenty-Five Dollars (\$1,081,325) of the Gross Settlement Amount (i.e., \$3,089,500) and reimbursement of litigation costs and expenses in an amount not to exceed Thirty Thousand Dollars (\$30,000) (collectively, “Fee and Expense Award”), subject to approval by the Court. The Fee and Expense Award granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff, Class Members, and PAGA Group Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of Ten Thousand Dollars (\$10,000) (“Enhancement Payment”), in recognition of his services in connection with the Action. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to his Class Settlement Award and PAGA Settlement Award that he is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Nine Thousand Dollars (\$9,000) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Objections, and Work Weeks Disputes, calculating Allocations, Class Settlement Awards, and PAGA Settlement Awards, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Class Settlement Award unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Claims against the Released Parties as described in Section III.D above.

If you are a PAGA Group Member and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your PAGA Settlement Award. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and PAGA Group Member (if applicable), you will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter (“Request for Exclusion”) to the Settlement Administrator, at the following address:

Apex Class Action
18 Technology Dr.
Irvine, CA 92618
(800) 355-0700
Fax (949) 878-3536

A Request for Exclusion must: (a) contain the case name and number of the Action (*Bryan Zuniga v. Inova Diagnostics, Inc., et al.*, Case No. 37-2023-00055201-CU-OE-CTL); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before [Notice Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued a Class Settlement Award, will not be bound by the Class Settlement (and the release of Released Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Group Members will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued a PAGA Settlement Award, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement, as long as you have not submitted a Request for Exclusion, by submitting a written

objection (“Objection”) to the Settlement Administrator.

The Objection must: (a) contain the case name and number of the Action (*Bryan Zuniga v. Inova Diagnostics, Inc., et al.*, Case No. 37-2023-00055201-CU-OE-CTL); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Notice Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a written Objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department C-63 of the San Diego County Superior Court, located at 330 West Broadway, San Diego, CA 92101, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Fee and Expense Award to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and PAGA Group Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Action by consulting the Court’s Register of Actions website by going to <https://odyroa.sdcourt.ca.gov/>, and entering the case number for the Action, 37-2023-00055201-CU-OE-CTL. Documents filed in the Action can be previewed and purchased for a fee on the Court’s Register of Actions website. You may also review filed documents in person at the Superior Court of California, County of San Diego, Hall of Justice at 330 West Broadway, San Diego, CA 92101, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures.

You may also visit the Settlement Administrator’s website at **[redacted]** for key documents in the Action.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT 4

Thank you for your Proposed Settlement Submission

Desde no-reply@formassembly.com <no-reply@formassembly.com>

Fecha Jue 17 Jul 2025 12:13

Para Karina Hernandez <khernandez@blackstonepc.com>

[External Email].

07/17/2025 12:13:07 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

On 07/17/2025 12:13:07 PM your Proposed Settlement was successfully processed for case number LWDA-CM-999656-23

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: <http://labor.ca.gov/Private Attorneys General Act.htm>