

Miriam L. Schimmel (State Bar No. 185089)
mschimmel@blackstonepc.com
Joana Fang (State Bar No. 309623)
jfang@blackstonepc.com
Alexandra Rose (State Bar No. 329407)
arose@blackstonepc.com
Jared C. Osborne (State Bar No. 335968)
josborne@blackstonepc.com
BLACKSTONE LAW, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

Attorneys for Plaintiff STEPHANIE LEON,
individually, and on behalf of Aggrieved
Employees pursuant to the California
Private Attorneys General Act

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

STEPHANIE LEON, individually, and on
behalf of Aggrieved Employees pursuant to the
California Private Attorneys General Act,

Plaintiff,

vs.

FULGENT THERAPEUTICS, LLC, a
California limited liability company; and DOES
1 through 25, inclusive,

Defendants.

Case No. 24STCV14168

Honorable Richard S. Kemalyan
Department 61

**DECLARATION OF ALEXANDRA ROSE IN
SUPPORT OF PLAINTIFF'S MOTION FOR
APPROVAL OF PAGA SETTLEMENT AND
AWARD OF ATTORNEYS' FEES AND
COSTS, ENHANCEMENT PAYMENT, AND
SETTLEMENT ADMINISTRATION COSTS**

Reservation No: 801068786933
Date: August 3, 2026
Time: 10:00 a.m.
Department: 61

Complaint Filed: June 6, 2024
Trial Date: Not Set

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

DECLARATION OF ALEXANDRA ROSE

I, Alexandra Rose, declare and state as follows:

1. I am an attorney admitted to practice in all Courts of the State of California. I am a member of Blackstone Law, APC (“Plaintiff’s Counsel”), attorneys of record for Plaintiff Stephanie Leon (“Plaintiff”). I submit this declaration in support of Plaintiff’s Motion for Approval of PAGA Settlement and Award of Attorneys’ Fees and Costs, Enhancement Payment, and Settlement Administration Costs (“Motion”). I have personal knowledge of the facts contained herein, and, if called to testify, I could and would competently do so.

Procedural History

2. Defendants Fulgent Therapeutics, LLC and Fulgent Genetics, Inc. (together, “Defendants”) are a full-service genomic testing company founded in 2011 that provides testing options in oncology, anatomic pathology, infectious and rare diseases, and reproductive health. Defendants employed Plaintiff as an hourly-paid, non-exempt Medical Biller from approximately August 2020 to August 2024.

3. On April 1, 2024, Plaintiff provided written notice by electronic submission to the California and Workforce Development Agency (“LWDA”) and by U.S. Certified Mail to Defendant Fulgent Therapeutics, LLC, pursuant to California Labor Code § 2699.3, of the specific provisions of the California Labor Code alleged to have been violated . A true and correct copy of the April 1, 2024 notice is attached hereto as **Exhibit 1**.

4. On June 6, 2024, Plaintiff filed a Complaint for Enforcement Action Under the Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.* (“Operative Complaint”) in the action entitled *Stephanie Leon v. Fulgent Therapeutics, LLC, et al.*, Los Angeles County Superior Court Case No. 24STCV14168 (“Action”). The Operative Complaint asserts a single cause of action for civil penalties under the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”) for violations of multiple provisions of the California Labor Code and the applicable Industrial Welfare Commission Wage Orders.

///

///

1 5. On August 20, 2024, Defendant Fulgent Therapeutics, LLC filed a Motion to Compel
2 Mediation and, If Unsuccessful, Arbitration and to Stay Proceedings (“Motion to Compel Mediation”)
3 and supporting documents. On November 6, 2024, Plaintiff filed an Opposition to the Motion to
4 Compel Mediation. On November 13, 2024, Defendant Fulgent Therapeutics, LLC filed a Reply in
5 support of the Motion to Compel Mediation. On November 20, 2024, the Court entered a Minute
6 Order, which denied the Motion to Compel Mediation.

7 6. On December 23, 2024, Plaintiff provided an amended written notice to the LWDA
8 and to Defendants and also filed an Amendment to Complaint, both of which to add Defendant Fulgent
9 Genetics, Inc. as an employer and defendant for purposes of the PAGA claim. A true and correct copy
10 of the December 23, 2024 amended notice is attached hereto as **Exhibit 2**.

11 7. On May 2, 2025, Plaintiff and Defendants (collectively, the “Parties”) participated in a
12 formal mediation conducted by Tripper Ortman, Esq., a neutral and respected mediator with extensive
13 experience in complex wage and hour matters, during which the Parties were ultimately able to reach
14 an agreement to resolve the Action in its entirety.

15 8. On November 4, 2025, the Parties executed the Settlement Agreement (“Settlement,”
16 “Agreement,” or “Settlement Agreement”). A true and correct copy of the Settlement Agreement is
17 attached hereto as **Exhibit 3**.

18 9. During the course of informal discovery in the Action, Plaintiff’s Counsel conducted
19 an intense investigation into the facts of the Action. This included obtaining data, information, and
20 documents relating to the underlying alleged violations, including, but not limited to, Plaintiff’s
21 employee file, a twenty percent (20%) sampling of Aggrieved Employees’ time and payroll data,
22 Employee Handbook, and Aggrieved Employees’ data points so that Plaintiff could assess the number
23 of alleged potential violations and value of the recoverable penalties, as well as evaluate the strengths
24 and weaknesses of her claims.

25 10. Based on the data, information, and documents received, as well as thorough
26 discussions with Defendants’ counsel, Plaintiff’s Counsel was able to (i) determine the total number
27 of distinct individuals falling within the definition of “Aggrieved Employees” for the relevant statutory
28 period, (ii) the number of affected pay periods at issue among them, and (iii) construct a damages

1 model that calculated the maximum realistic amount of PAGA penalties that could be levied against
2 Defendants within the relevant statutory period. Defendants, however, disputed Plaintiff's claims and
3 disputed both the existence of and extent of liability as alleged by Plaintiff, which allowed Plaintiff's
4 Counsel to further assess the strength of Plaintiff's claims. Plaintiff's Counsel's experience in
5 litigating similar representative wage and hour claims, the degree of investigation that was conducted
6 here, and the amount of data, information, and documents that was obtained, was sufficient to
7 determine the potential value of the PAGA claims, and to evaluate the strength of these claims for
8 purposes of settlement.

9 11. The Parties believe the Settlement Agreement is fair, reasonable, and adequate. The
10 Parties understand, acknowledge, and agree that the Settlement Agreement constitutes a compromise
11 of Plaintiff's PAGA claims, and that it is the desire and intention of the Parties to affect a final and
12 complete resolution of the Action.

13 12. Defendants deny all of the claims in the Action, and do not waive, but rather expressly
14 reserve, all rights to challenge all such claims and allegations upon all legal, procedural, and factual
15 grounds should the Settlement Agreement not become final. The Settlement Agreement reflects a
16 compromise reached to end litigation in the Action. Following significant investigation and extensive
17 settlement negotiations, Plaintiff now seeks approval of the proposed Settlement Agreement, which
18 will resolve all representative claims alleged in the Action.

19 **Notice to the LWDA**

20 13. In accordance with California Labor Code sections 2699 *et. seq.*, on November 19,
21 2025, a copy of the proposed Settlement Agreement was submitted to the LWDA via online
22 submission through the LWDA's website. A true and correct copy of the email from the LWDA
23 confirming receipt is attached hereto as **Exhibit 4**.

24 **Summary of the Terms of the Settlement Agreement**

25 14. For purposes of settlement only, the Parties have agreed that the "Aggrieved
26 Employees" shall be defined as "all persons who worked for Defendants in the State of California as
27 hourly-paid and/or non-exempt employees at any time during the PAGA Period." The "PAGA Period"
28 is the period from April 1, 2023 through July 2, 2025. There are approximately one hundred and

seventy-six (176) Aggrieved Employees (as of April 17, 2025).

15. The Parties have agreed to settle the PAGA claims at issue in the Action for a non-reversionary Gross Settlement Amount of Two Hundred Eighty-Five Thousand Dollars and Zero Cents (\$285,000.00). The Gross Settlement Amount is a common fund and therefore includes all requested costs, fees, and other allocations. The Gross Settlement Amount includes: (1) counsel's fees in the amount of thirty-five (35%) of the Gross Settlement Amount (i.e., \$99,750.00 if the Gross Settlement Amount is \$285,000.00); (2) counsel's actual litigation costs and expenses in the amount of Twenty-Four Thousand Six Hundred Eight Dollars and Twenty-Six Cents (\$24,608.26); (3) Enhancement Payment in the amount of Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff; and (4) Settlement Administration Costs, not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00).

16. After the above-estimated amounts are deducted from the Gross Settlement Amount, the Net Settlement Amount will amount to One Hundred Forty-Five Thousand Six Hundred Forty-One Dollars and Seventy-Four Cents (\$145,641.74), of which seventy-five percent (75%), or One Hundred Nine Thousand Two Hundred Thirty-One Dollars and Thirty Cents (\$109,231.30), will be paid to the LWDA ("LWDA Payment"), and twenty-five percent (25%), or Thirty-Six Thousand Four Hundred Ten Dollars and Forty-Four Cents (\$36,410.44), will be distributed and paid to Aggrieved Employees on a *pro rata* basis based upon their number of Pay Periods.

17. If the actual number of pay periods that the Aggrieved Employees worked for Defendants during the PAGA Period ("Pay Periods") is more than ten percent (10%) above 6,148, then the Gross Settlement Amount will be increased by the percentage that the actual number exceeds 6,762 Pay Periods (i.e., meaning if the Pay Periods increase by 11%, the Gross Settlement Amount will increase by 1%).

18. Within twenty-one (21) calendar days after the Effective Date, Defendants will deliver a list to the Settlement Administrator, containing each Aggrieved Employee's full name, last known mailing or email address, total Pay Periods worked during the PAGA Period, dates worked during the PAGA Period, and Social Security number (collectively, "Aggrieved Employees List").

///

1 19. Within seven (7) business days of receiving the Aggrieved Employees List from
2 Defendants, the Settlement Administrator will circulate to counsel for both Parties an anonymized
3 spreadsheet containing the estimated Individual PAGA Payments to each Aggrieved Employee and
4 the data used to calculate said payments. After the Settlement Administrator has provided preliminary
5 calculations, the Parties will have five (5) business days to finalize and approve the calculations.

6 20. Within seven (7) business days of the Parties having finalized and approved the
7 calculations, Defendants will fully fund the Gross Settlement Amount by transmitting the funds into
8 Qualified Settlement Fund established and maintained by the Settlement Administrator.

9 21. Within seven (7) business days of receiving the Gross Settlement Amount funds in the
10 Qualified Settlement Fund, the Settlement Administrator will distribute the Individual PAGA
11 Payments along with an explanatory letter to Aggrieved Employees, the LWDA Payment to the
12 LWDA, the Enhancement Payment to Plaintiff, the Attorneys' Fees and Costs to Plaintiff's Counsel,
13 and the Settlement Administration Costs to itself.

14 22. Each Individual PAGA Payment check will be valid and negotiable for one hundred
15 and eighty (180) calendar days from the date the checks are issued, and thereafter, will be canceled.
16 Any funds associated with such canceled checks will be distributed by the Settlement Administrator
17 to the State Controller's Office Unclaimed Property Division in the name of the Aggrieved Employee
18 at issue and the amount of their Individual PAGA Payment.

19 **The Agreement is Fair and Reasonable and Took Into Consideration the Strengths and**
20 **Weaknesses of Plaintiff's Claims and the Defenses thereto, as well as the Risks and Benefits of**
21 **the Agreement**

22 23. Here, the Agreement is presumptively fair because: (1) it occurred after counsel for the
23 Parties engaged in significant investigation to evaluate the strength and potential value of the PAGA
24 claims, and the risks of litigating these claims through trial; and (2) it was negotiated at great length
25 and effort by counsel with significant experience in similar complex labor and employment matters.

26 24. This case and settlement address important employee protections embodied in the
27 California Labor Code. Plaintiff's core allegations are that Defendant systematically violated the
28 California Labor Code by, *inter alia*, failing to properly pay wages for all hours worked, failing to pay

overtime at the correct rate, failing to provide compliant meal and rest periods, failing to pay premiums at the correct rate of pay, failing to timely pay wages during employment and upon termination, failing to maintain accurate payroll records, failing to provide accurate wage statements, and failing to reimburse necessary business expenses.

25. Defendants maintained several defenses to Plaintiff's theories of liability, which, if successfully argued and proven, had the potential to eliminate or substantially reduce recovery. Throughout this litigation, Defendants maintained, and continue to maintain, that they had, and continue to have, compliant employment policies and practices throughout the time period at issue. Defendants deny that they ever violated any provision of the California Labor Code, including, but not limited to, those sections for which Plaintiff seeks penalties under PAGA. Defendants further denied, and continue to deny, that the lawsuit is appropriate for representative treatment for any purpose other than settlement. Defendants also challenged Plaintiff's standing as an aggrieved employee and denied that any of Defendants' other employees whom Plaintiff seeks to represent are aggrieved. Defendants also argued that an important feature of PAGA is that the Court retains discretion to lower the penalties if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is "unjust, arbitrary and oppressive, or confiscatory."

26. Even if violations of the California Labor Code occurred, which Defendants deny, Defendants contended that said violations would only be considered "initial violations" and thus heightened "subsequent violation" penalties were not warranted.

27. Defendants also contended that, with respect to PAGA claims, the Court was unlikely to assess cumulative penalties for the maximum number of possible, separate California Labor Code violations, because it would be unjust, arbitrary, oppressive, and/or confiscatory, especially where certain conduct may be regulated by multiple provisions of the California Labor Code that are interrelated and work in tandem.

28. While Plaintiff maintains that her PAGA claims have merit, in reaching the Agreement, Plaintiff and her counsel took into account the strengths and weaknesses of each side's position, and the uncertainty of how the case might have concluded as litigation continued, at trial, and/or upon appeal. The Agreement achieves a sizeable benefit obtained.

1 29. As set forth in the Motion, the California Labor Code does not set forth the criteria by
2 which a PAGA settlement is to be evaluated; it is presumed that a reviewing court may take into
3 consideration some of the factors that courts use when reviewing a class action settlement.¹ “[A]
4 PAGA claim asserted on a non-class representative basis...is not considered a class action but a law
5 enforcement action, and therefore does not have to meet the requirements of [a class action].” *Casida*
6 *v. Sears Holdings Corp.*, 2012 U.S. Dist. LEXIS 9302 at *8 (E.D. Cal. Jan. 25, 2012). However, a
7 discussion of the strengths and weaknesses of each claim, along with an estimate of the total potential
8 recovery is as follows:

9 *i. Unpaid Wages*

10 30. Plaintiff alleges that Defendants failed to compensate Plaintiff and the Aggrieved
11 Employees at their applicable minimum, regular, and overtime rates for their work, and failed to
12 compensate them for all hours that they worked. For example, Plaintiff alleged that Plaintiff and the
13 other Aggrieved Employees had to work off-the-clock, which included, *inter alia*, requiring them to
14 turn on and shut down computer systems, stay after hours to wrap up any work with deadlines, and
15 attend meetings and respond to Microsoft Teams messages during meal and rest periods and in
16 between shifts. Additionally, Plaintiff alleged that Defendant failed to pay overtime compensation at
17 the rate of one and one-half times the regular rate of pay by failing to include all non-discretionary
18 compensation into the regular rate calculation.

19 31. Defendants denied these claims, arguing that their overtime policies and practices
20 comply with California law. Defendants further contended that their non-exempt employees were
21 responsible for accurately recording their own hours and that they were not aware that any work had
22 been performed off-the-clock. Defendants also argued that their overtime calculations lawfully
23 included all forms of compensation. Defendants also produced payroll data evidencing overtime paid
24 to its employees.

25 ///

26 ///

27 _____
28 ¹ As this is not a class action, the *Kullar* factors pertaining to the risk of maintaining class action status through trial and the reaction of class members to the proposed settlement are inapplicable.

32. If a violation was found to have occurred in every one of the aggregate pay periods within the relevant time period, the potential maximum exposure for this claim would be \$614,800.²

ii. Meal Periods

33. Plaintiff asserted that Defendants failed to provide employees with lawful meal periods. For example, as mentioned above, Plaintiff reported that she and the other Aggrieved Employees were required to attend meetings and respond to Microsoft Teams messages during meal periods.

34. Defendants argued that the Aggrieved Employees were permitted, if not encouraged, to take their meal breaks. Defendants also argued that their written meal break policy was lawful and employees' time records reflected that they took lawful meal periods. Moreover, litigating the meal period claims would be inherently difficult as it would need to be proven that compliant meal periods were not provided, but time records would not indicate whether or not a meal period was interrupted. Additionally, Defendants pointed to the fact that many of their employees who frequently worked shifts that did not exceed six hours in length had signed lawful meal period waivers, thereby reducing the alleged violation rate. Ultimately, Plaintiff's analysis revealed a 0% violation rate of purported unique meal period violations after offsetting meal period premiums paid and taking into consideration valid and enforceable meal break waivers.

35. If a violation was found to have occurred in every one of the aggregate pay periods within the relevant time period, the potential maximum exposure for this claim would be \$85,700.

iii. Rest Periods

36. Plaintiff argued that Defendants failed to schedule, permit, or authorize compliant rest periods. For example, Plaintiff alleged that Plaintiff and other Aggrieved Employees' rest breaks were often interrupted with work-related questions or cut short due to the amount of work that needed to be done. Here, Plaintiff faced the challenge of having to prove each alleged rest period violation with only testimony from Aggrieved Employees.

///

² While the California Labor Code provides for \$100 for the first violation and up to \$250 for each subsequent violation (depending on the underlying violation), Plaintiff used this simple computation of the total number of aggregate pay periods times a \$100 penalty for analysis purposes only to account for the argument that the imposition of PAGA penalties is discretionary and courts have the power to reduce or assess penalties based on the specifics of each case.

1 37. If a violation was found to have occurred in every one of the aggregate pay periods
2 within the relevant time period, the potential maximum exposure for this claim would be \$608,700.

3 *iv. Unreimbursed Business Expenses*

4 38. Plaintiff alleged that Aggrieved Employees incurred necessary business expenses that
5 were never fully reimbursed by Defendants, such as the purchase of monitors, keyboard, desk,
6 computer chair, printer and scanner, and laptop wires for work-related purposes when they worked
7 from home during the COVID-19 pandemic.

8 39. Defendants contended that they had a policy and practice of reimbursing employees for
9 necessary business-related expenses. Defendants further contended that, with respect to the alleged
10 expenses for which Plaintiff and Aggrieved Employees never requested reimbursement from
11 Defendants, they did not know and had no reason to know that alleged business-related expenses had
12 been incurred.

13 40. If a violation was found to have occurred in every one of the aggregate pay periods
14 within the relevant time period, the potential maximum exposure for this claim would be \$614,800.

15 *v. Derivative Claims*

16 41. As with all derivative claims, success depends on the success of the underlying claims.
17 Here, Plaintiff's claims for inaccurate wage statements, failure to pay all wages due during
18 employment and upon termination, and failure to keep requisite payroll records would only succeed if
19 the underlying claims for failure to pay wages for off-the-clock work, failure to pay overtime, and
20 failure to pay premiums for all meal and rest periods not lawfully provided were successful. Therefore,
21 these claims were subject to the same risks of failure as discussed above.

22 42. Again, if a violation was found to have occurred in every one of the aggregate pay
23 periods within the relevant time period, the potential maximum exposure for this claim would be
24 \$614,800.

25 *vi. Total PAGA Penalties*

26 43. Plaintiff's Counsel considered information obtained through investigations and
27 obtained from Plaintiff and Aggrieved Employees, as well as data provided by Defendants, and created
28 valuation models. Based thereon and assuming that the Court would be satisfied that the PAGA claims

1 were susceptible to being efficiently tried and adjudicated on a representative basis, and that it could
2 be shown that civil penalties under the California Labor Code are owed of one penalty per pay period
3 during the relevant time period, Defendants' estimated total exposure in theory would exceed several
4 million dollars. However, Plaintiff's Counsel considered the fact that, by law, the Court has the
5 discretion to reduce and/or assess lower penalties, that it was not clear that heightened penalties would
6 apply, and that stacking and/or cumulative penalties may not be allowed. Based thereon and the
7 application of one penalty per pay period in the relevant time period, the estimated total exposure was
8 \$614,800. Plaintiff's Counsel then considered the defenses asserted, information and evidence
9 obtained, and circumstances in this case, which posed risks to representative adjudication and
10 monetary recovery. Accordingly, a discount of 30% was applied to account for the risks associated
11 with proving the underlying violations and the cost and delay in recovering the alleged potential
12 penalties (bringing the value of this claim closer to \$430,360), and a discount of 30% was applied to
13 account for the risks associated with succeeding on the merits and establishing liability (bringing the
14 value of this claim closer to \$301,252). In light thereof, the Gross Settlement Amount of \$285,000 is
15 a significant settlement.

16 **The Amount in the Settlement Agreement**

17 44. The Net Settlement Amount is currently estimated to be One Hundred Forty-Five
18 Thousand Six Hundred Forty-One Dollars and Seventy-Four Cents (\$145,641.74). After all
19 deductions from the Gross Settlement Amount are made for the Attorneys' Fees and Costs,
20 Enhancement Payment, and Settlement Administration Costs, One Hundred Nine Thousand Two
21 Hundred Thirty-One Dollars and Thirty Cents (\$109,231.30) (i.e. 75% of the Net Settlement Amount)
22 will go to the LWDA, and Thirty-Six Thousand Four Hundred Ten Dollars and Forty-Four Cents
23 (\$36,410.44) (i.e. 25% of the Net Settlement Amount) will go to the Aggrieved Employees, as required
24 by California Labor Code § 2699(i) in effect at the time of Plaintiff's filing in this matter ("civil
25 penalties recovered by aggrieved employees shall be distributed as follows: 75 percent to the Labor
26 and Workforce Development Agency . . . and 25 percent to the aggrieved employees."). There is no
27 reason to doubt the fairness of the proposed plan of allocation of the Net Settlement Amount as it fully
28 complies with California Labor Code section 2699(i).

1 45. The Settlement Agreement is a compromise of highly disputed claims. Plaintiff and
2 her counsel recognize the expense and length of continued proceedings necessary to litigate the matter
3 through trial and any possible appeals. Plaintiff and her counsel have also taken into account the
4 uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in
5 such litigation. Plaintiff and her counsel are also aware of the burdens of proof necessary to establish
6 liability, both generally and in response to Defendants' defenses thereto, and the difficulties in
7 establishing Defendants' liability for, and the right to recover, penalties on behalf of Plaintiff, the State
8 of California, and other Aggrieved Employees. Plaintiff and her counsel have also taken into account
9 Defendants' agreement to enter into a settlement that confers significant relief upon the Aggrieved
10 Employees and the State of California. Considering all of the facts in this case, Plaintiff and her
11 counsel have determined that the Agreement represents a fair, adequate, and reasonable resolution of
12 the PAGA claims, and that it is in the best interests of the Aggrieved Employees and the State of
13 California.

14 46. The result achieved in this case is well within the range of what is considered an
15 acceptable settlement under the circumstances, especially when compared to the settlement of PAGA
16 claims in other cases.

17 **The Agreement was Negotiated by Experienced Counsel**

18 47. In the view of Plaintiff's Counsel, the benefits conferred by the Agreement are
19 eminently fair and reasonable, and in the best interests of the State of California and the Aggrieved
20 Employees in light of the risk, delay, and uncertainty of continued litigation and the substantial
21 monetary benefits provided for by the Agreement.

22 48. Here, the extent of informal discovery conducted was sufficient to enable Plaintiff's
23 Counsel to evaluate the strength and value of the PAGA claims for purposes of settlement. The
24 settlement negotiations were conducted by highly capable and experienced counsel. Plaintiff's
25 Counsel are respected members of the bar with strong records of vigorous and effective advocacy, and
26 are experienced in handling complex wage and hour class action litigation. Accordingly, Plaintiff's
27 Counsel had sufficient information and experience to act intelligently in negotiating the Agreement.

28 ///

The Requested Fees Payment is Fair and Reasonable

49. Plaintiff's Counsel's application for attorneys' fees in light of the facts and circumstances surrounding this matter is well-within the range of reasonableness. Plaintiff's Counsel has vigorously litigated this case since it was commenced, with the very real possibility of an unsuccessful outcome and no fee recovery of any kind.

50. In the present case, Plaintiff's Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained. Plaintiff's Counsel is experienced in complex wage-and-hour litigation and used that experience to obtain a favorable result for Plaintiff, the Aggrieved Employees, and the State of California. Considering the amount of fees requested, work performed, risks incurred, and experience of Plaintiff's Counsel in handling similar matters, Plaintiff maintains that the requested attorneys' fees of thirty-five (35%) of the Gross Settlement Amount (i.e., \$99,750.00) is reasonable and should be awarded.

51. The effectiveness of Plaintiff's Counsel's prosecution of this matter has translated into tangible monetary benefits for the Aggrieved Employees as follows: (1) Aggrieved Employees 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 representative PAGA actions of this type, given the strengths and weaknesses of the case; and (3) significant savings in Plaintiff's Counsel's fees and/or costs that would have only increased significantly had the case progressed through trial and/or appeals.

52. Plaintiff's Counsel is experienced in complex representative and class action wage-and-hour litigation. Blackstone Law, APC ("Blackstone") has been counsel of record on several class and PAGA actions that have since been resolved, the most recent of which are attached hereto as **Exhibit 5**. The attorneys who worked on the Action are all experienced in litigating wage and hour matters as follows:

a. Jonathan M. Genish is the founder of Blackstone. He received his law degree from Benjamin N. Cardozo School of Law and was admitted to the California State Bar in 2008. During law school, he clerked at the litigation firm Oved & Oved, LLP and was published several times in various small publications. Upon graduation, he was rehired by Freedman & Taitelman, LLP as an

1 associate and remained employed there from September 2008 through August 2015. During his
2 tenure, he managed hundreds (perhaps thousands) of complex litigation cases, ranging from
3 employment, corporate, entertainment, and general business litigation matters, though his primary area
4 of expertise was employment, both single plaintiff and representative actions. On the vast majority of
5 those cases, he was the only or primary attorney managing the case and thus obtained extensive
6 experience. In that capacity, he conducted wage and hour and wrongful termination labor and
7 employment intakes; was the primary contact for all clients; took and defended hundreds (if not
8 thousands) of depositions; propounded and responded to all discovery; prepared and opposed all
9 motions and pleadings, including dispositive and certification motions; strategized on all cases;
10 attended all hearings; attended all mediations; coordinated with class action administrators; prepared
11 and worked with experts; first and second chaired multiple trials and arbitrations; and engaged in all
12 other intricate facets of litigation. During that time, he represented a wide range of clients from sole
13 proprietorships to Fortune 500 companies in state, federal, complex, and appellate courts. Many of
14 the cases he managed were highly publicized, with articles written about them in the Los Angeles
15 Times, Deadline, The Hollywood Reporter, Business Insider, Law360, and others. Super Lawyers has
16 regularly honored him as a Southern California Rising Star since 2012. He is currently the managing
17 partner of Blackstone overseeing roughly 500 labor and employment cases, approximately 80% of
18 which include a wage and hour component. The majority of those cases are wage-and-hour putative
19 class actions or representative PAGA actions seeking relief on behalf of thousands of California
20 employees. His billable rate is \$1,295, which is well within the prevailing rate for attorneys with his
21 experience in this area of practice in Southern California.

22 b. Miriam L. Schimmel is a 28-year litigator who joined Blackstone in June 2022,
23 following ten years of working with two well-known plaintiff-side wage and hour law firms in Los
24 Angeles. She obtained her Bachelor of Arts degree in Political Science from the University of
25 California at Los Angeles in 1992. Thereafter, she received her law degree from Loyola Law School
26 in 1996 and was admitted to the California State Bar in December 1996. Since her admission to the
27 Bar, she has devoted her practice to a wide variety of litigation matters on both the plaintiff and defense
28 side, including general business, toxic tort, medical device, and pharmaceutical matters. Since 2010,

1 her practice has been devoted almost entirely to employment litigation consisting of wage and hour
2 class actions and representative actions pursuant to PAGA, as well as individual actions based on
3 violations of the Fair Employment and Housing Act (“FEHA”). Approximately 75% of her work in
4 this regard has been on behalf of employees (plaintiffs), while the remaining 25% was on behalf of
5 employers/businesses. On many of those cases, she was the senior lead attorney managing the
6 litigation and overseeing other attorneys. In that capacity, she obtained extensive experience analyzing
7 potential wage and hour and wrongful termination claims for viability; took and defended hundreds of
8 depositions; propounded and responded to discovery; prepared and opposed a wide variety of motions
9 and pleadings, including dispositive and certification motions, as well as settlement approval motions;
10 strategized on all cases; participated in and directed communication with class members; attended
11 hearings; led and participated in mediations; coordinated with class action administrators; prepared
12 and worked with experts; and engaged in all other related aspects of litigation in state, federal,
13 complex, and appellate courts. Her billable rate is \$1,075, which is well within the prevailing rate for
14 attorneys with her experience in this area of practice in Southern California.

15 c. Joana Fang is a highly skilled eight-year lawyer who is part of the team at Blackstone
16 that litigated this matter. She is a 2015 graduate of Loyola Law School, and a 2011 graduate of
17 University of California, Berkeley where she was a double major in Legal Studies and Media Studies.
18 Since passing the Bar, Ms. Fang has exclusively represented plaintiffs in wage and hour litigation, as
19 well as catastrophic injury complex litigation. She is admitted to the State of California, all federal
20 district courts of California, and the U.S. Court of Appeals for the 9th Circuit. She was most recently
21 recognized as a 2025 Southern California Rising Star by Super Lawyers. Her hourly rate of \$750 is
22 reasonable based on her education and experience and is in line with the market rate.

23 d. I joined Blackstone from a highly reputable employment law firm. I graduated from
24 the University of California, Los Angeles with a Bachelor of Arts degree in 2016 and from New
25 England Law | Boston with a Juris Doctor degree in 2019 and the State Bars of New York and New
26 Jersey in 2023. I am additionally licensed in all federal district courts of California. I have worked
27 on many wage and hour class action and PAGA representative matters, and my work has included,
28 *inter alia*, researching and drafting pleadings, administrative notice exhaustion, drafting, negotiating,

1 and finalizing stipulations and settlement agreements, engaging in motion practice, claims evaluation
2 and analysis, and making court appearances. I was admitted to the State Bar of California in December
3 of 2019 and the State Bars of New York and New Jersey in 2023. I manage the post-settlement
4 department at Blackstone. In that capacity, I oversee and handle over 100 wage-and-hour putative
5 class actions and/or representative actions under PAGA that are in settlement. My hourly rate of \$750
6 is reasonable based on my education and experience and is in line with the market rate.

7 e. Jared C. Osborne joined Blackstone also from a highly reputable employment law firm.
8 He graduated from New York University with a Bachelor of Arts degree in 2009 and from University
9 of Southern California Gould School of Law (USC) with a Juris Doctor degree in 2020. While at
10 USC, he was an Executive Senior Editor on the Southern California Law Review and graduated in the
11 top 10% of his class. He was admitted to the State Bar of California in February 2021. Since his
12 admittance, he has worked exclusively as a Plaintiff's side employment attorney handling both
13 individual and class action cases. He was most recently recognized as a 2025 Southern California
14 Rising Star by Super Lawyers. His hourly rate of \$675 is reasonable based on his education and
15 experience and is in line with the market rate.

16 f. Shawn Bahmani is a former attorney of Blackstone who originally joined Blackstone
17 from a firm focused on class action litigation. He graduated from San Diego State University with a
18 Bachelor of Sciences degree in 2014 and from Tulane University Law School with a Juris Doctor
19 degree in 2019. He was admitted to the State Bar of California in May 2022. His hourly rate of \$650
20 is reasonable based on his education and experience and is in line with the market rate.

21 53. Blackstone Law, APC has spent approximately 194.50 total hours litigating this matter.
22 To date, our total fees incurred amount to \$167,923. Each attorney who worked on this matter engaged
23 in a multitude of tasks, including communicating with the client and defense counsel; investigating
24 the facts and researching applicable legal issues; drafting pleadings and the mediation brief; reviewing
25 documents; preparing for and attending mediation; and facilitating the settlement by negotiating the
26 settlement documents and drafting the documents for obtaining settlement approval. A summary of
27 Blackstone's lodestar for each attorney who worked on this matter is as follows:

28 ///

<u>Attorney</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Jonathan M. Genish	Managing Partner	15.40	\$1,295	\$19,943
Miriam L. Schimmel	Senior Counsel	57.80	\$1,075	\$62,135
Joana Fang	Senior Associate	43.20	\$750	\$32,400
Alexandra Rose	Senior Associate	18.20	\$750	\$13,650
Jared C. Osborne	Senior Associate	34.40	\$675	\$23,220
Shawn Bahmani	Associate	25.50	\$650	\$16,575

54. We expect to spend an additional 10 hours (\$7,500) in connection with finalizing the Motion, preparing for the approval hearing, and managing the Agreement through its conclusion, including anticipated communications with defense counsel, the Settlement Administrator, and our client. Based thereon, the total amount of Plaintiff's Counsel's fees through closure of this matter are estimated to be approximately \$175,423.

The Requested Litigation Expenses Payment is Fair and Reasonable

55. The Agreement provides for reimbursement of Plaintiffs Counsel's litigation costs and expenses of up to Thirty Thousand Dollars and Zero Cents (\$30,000.00). However, Plaintiff's Counsel seeks reimbursement of a total of Twenty-Four Thousand Six Hundred Eight Dollars and Twenty-Six Cents (\$24,608.26) in litigation costs and expenses. A true and correct itemized list of Blackstone's litigation costs and expenses is attached hereto as **Exhibit 6**. This amount was reasonable and necessary in the prosecution of this matter.

The Settlement Administration Costs are Fair and Reasonable

56. As set forth in the Settlement Agreement, the Parties have agreed to retain, subject to approval by the Court, ILYM Group, Inc., to handle the administration of the Agreement. The fees and expenses of the Settlement Administrator are estimated not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00). These costs include, but are not limited to, expenses for preparing, printing, and mailing the explanatory letter and Individual PAGA Payment checks to the Aggrieved Employees, re-mailing the returned Individual PAGA Payment checks to any new addresses obtained, and handling inquiries from Aggrieved Employees regarding the Agreement, among other things.

1 Accordingly, the Court should grant approval of the Settlement Administration Costs in the amount
2 of *up to* Ten Thousand Dollars and Zero Cents (\$10,000.00) to ILYM Group, Inc., a necessary third-
3 party for handling the settlement process.

4 **The Enhancement Payment Is Fair and Reasonable**

5 57. As part of the Settlement Agreement, Plaintiff respectfully requests a reasonable
6 Enhancement Payment of Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff. This
7 Enhancement Payment is eminently reasonable given the time and effort Plaintiff spent on this matter,
8 her services on behalf of the State of California and the Aggrieved Employees, and her broader, general
9 release of claims.

10 58. By initiating and pursuing the Action, Plaintiff stepped into the shoes of the State of
11 California and undertook the responsibilities of serving in a representative capacity. Plaintiff was
12 available whenever Plaintiff's Counsel needed her and actively tried to obtain information that would
13 benefit the prosecution of the Action.

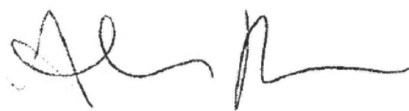
14 59. Accordingly, Plaintiff respectfully submits that it is appropriate and just for Plaintiff to
15 receive an Enhancement Payment in the amount of Five Thousand Dollars and Zero Cents (\$5,000.00)
16 in addition to the Individual PAGA Payment she will receive as an Aggrieved Employee, for her
17 services on behalf of the State of California and the other Aggrieved Employees, as well as for her
18 broader, general release of claims.

19 **Pending Actions**

20 60. Neither I nor Plaintiff are aware of any other pending matter or action asserting claims
21 that will be extinguished or adversely affected by the Agreement.

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

24 Executed on November 19, 2025, at Jersey City, New Jersey.

25
26 

27 Alexandra Rose
28

EXHIBIT 1



8383 Wilshire Blvd., Suite 745
Beverly Hills, CA 90211
Phone: (310) 622-4278
Fax: (855) 786-6356

Miriam Schimmel, Esq.
mschimmel@blackstonepc.com

April 1, 2024

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: *Stephanie Leon v. Fulgent Therapeutics, LLC*

To Whom It May Concern:

This office represents Stephanie Leon (“Claimant”) with respect to their claims under the California Labor Code against Fulgent Therapeutics, LLC (including all 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 Stephanie Leon from approximately August 2020 to Present as a non-exempt, hourly-paid employee. Stephanie Leon works as a Medical Biller for Employers and is a hybrid employee who worked remotely and out of Employers’ offices at 4399 Santa Anita Avenue, El Monte, CA 91731.

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 his or herself and 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) preparing for the day prior to clocking in, (2) attending meetings and responding to Microsoft Teams messages during meal and rest periods, and (3) responding to Microsoft Teams messages 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. 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 penalties 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 purchase of monitors, keyboard, desk, computer chair, printer and scanner, and laptop wires for work-related purposes.

Accordingly, Employers violated the applicable IWC Order 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



8383 Wilshire Blvd., Suite 745
Beverly Hills, CA 90211
Phone: (310) 622-4278
Fax: (855) 786-6356

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

Miriam Schimmel

Miriam Schimmel, Esq.

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

Fulgent Therapeutics, LLC
4399 Santa Anita Ave.
El Monte, CA 91731

Fulgent Therapeutics, LLC
ATTN: C T Corporation System, Agent for Service of Process
330 N. Brand Boulevard, Suite 700
Glendale, CA 91203

EXHIBIT 2

December 23, 2024

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: *Stephanie Leon v. Fulgent Therapeutics, LLC*
LWDA Case No. LWDA-CM-1019809-24

Dear Representative:

On April 1, 2024, pursuant to the Private Attorneys General Act of 2004 (“PAGA”) (California Labor Code § 2699.3), our office provided notice to the Labor and Workforce Development Agency (LWDA) and Fulgent Therapeutics, LLC on behalf of Stephanie Leon (“Ms. Leon”) that Ms. Leon may allege a cause of action under PAGA in a civil action against Fulgent Therapeutics, LLC (including any and all affiliates, subsidiaries, parents, directors, and officers thereof). It has come to our office’s attention that one such affiliate of Fulgent Therapeutics, LLC is Fulgent Genetics, Inc., which is also the employer’s name that appears throughout Ms. Leon’s personnel file. As such, Ms. Leon intends to add Fulgent Genetics, Inc. as a named employer in this PAGA notice and collectively with Fulgent Therapeutics, LLC, will be referred hereinafter as “Employers.”

As detailed below, Employers employed Stephanie Leon from approximately August 2020 to Present as a non-exempt, hourly-paid employee. Stephanie Leon works as a Medical Biller for Employers and is a hybrid employee who worked remotely and out of Employers’ offices at 4399 Santa Anita Avenue, El Monte, CA 91731.

On June 6, 2024, Claimant filed 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 section 2698, *et seq.*, with Los Angeles Superior Court Case No. 24STCV14168 (“PAGA Action”). On December 23, 2024, Claimant filed a DOE Amendment adding Fulgent Genetics, Inc. to the PAGA Action as DOE 1.

Claimant is seeking penalties on behalf of herself and 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) preparing for the day prior to clocking in, (2) attending meetings and responding to Microsoft Teams messages during meal and rest periods, and (3) responding to Microsoft Teams messages 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. 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 penalties 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 purchase of monitors, keyboard, desk, computer chair, printer and scanner, and laptop wires for work-related purposes.

Accordingly, Employers violated the applicable IWC Order 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.

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



8383 Wilshire Blvd., Suite 745
Beverly Hills, CA 90211
Phone: (310) 622-4278
Fax: (855) 786-6356

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

Miriam Schimmel

Miriam Schimmel, Esq.

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

Fulgent Therapeutics, LLC
4399 Santa Anita Ave.
El Monte, CA 91731

Fulgent Therapeutics, LLC
ATTN: C T Corporation System, Agent for Service of Process
330 N. Brand Boulevard, Suite 700
Glendale, CA 91203

Fulgent Genetics, Inc.
4399 Santa Anita Ave.
El Monte, CA 91731

Fulgent Genetics, Inc.
ATTN: C T Corporation System, Agent for Service of Process
330 N. Brand Boulevard, Suite 700
Glendale, CA 91203



8383 Wilshire Blvd., Suite 745
Beverly Hills, CA 90211
Phone: (310) 622-4278
Fax: (855) 786-6356

cc: By E-mail

Danielle Hultenius Moore, Esq.
E-Mail: dmoore@fisherphillips.com
Lauren Bushman, Esq.
E-Mail: lbushman@fisherphillips.com
FISHER & PHILLIPS LLP
4747 Executive Drive, Suite 1000
San Diego, California 92121

Attorneys for Defendant
FULGENT THEARPEUTICS LLC

EXHIBIT 3

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement” or “Agreement”) is made and entered into between Plaintiff Stephanie Leon (“Plaintiff”), on behalf of herself and on behalf of similarly situated aggrieved PAGA members, and Defendants Fulgent Therapeutics, LLC and Fulgent Genetics, Inc. (“Defendants”).

I. DEFINITIONS

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

1. “Action” means the matter entitled *Stephanie Leon v. Fulgent Therapeutics, LLC*, Los Angeles County Superior Court, Case No. 24STCV14168, filed on or about June 6, 2024.

2. “Aggrieved Employees” consist of all persons who worked for Defendants in the State of California as hourly-paid and/or non-exempt employees at any time during the PAGA Period.

3. “Complaint” means the Complaint for Enforcement Action Under the Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.* filed in the Action.

4. “Court” means the Superior Court of California for the County of Los Angeles.

5. “Effective Date” means the date upon entry of an Order by the Court approving this Settlement.

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

7. “LWDA” means the California Labor and Workforce Development Agency.

8. “Gross Settlement Amount” is the non-reversionary sum of Two Hundred and Eighty-Five Thousand Dollars and Zero Cents (\$285,000.00), which represents the total amount payable under this Settlement by Defendants, including, without limitation, payments to all Aggrieved Employees, payment to the LWDA, payment of Plaintiff’s Counsel’s fees and costs, and payment to the Settlement Administrator for administration costs. The Gross Settlement Amount is subject to increase pursuant to Section III.2.

9. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts (if approved by the Court) are subtracted from the Gross Settlement Amount: (a) Plaintiff’s Counsel’s fees up to Thirty-Five Percent (35%) of the Gross Settlement Amount, currently estimated at Ninety-Nine Thousand Seven Hundred and Fifty Dollars and Zero Cents (\$99,750.00); (b) Plaintiff’s verified costs up to Thirty Thousand Dollars and Zero Cents (\$30,000.00); (c) administration costs up to Ten Thousand Dollars and Zero Cents (\$10,000.00); and (d) enhancement payment to Plaintiff of Five Thousand Dollars and Zero Cents (\$5,000.00) for service as the PAGA representative and in exchange for execution of a complete and separate full release of claims, including a section 1542 waiver.

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

11. “PAGA Letter” means the April 1, 2024 and December 23, 2024 letters Plaintiff submitted to the LWDA.

12. “PAGA Period” means the time period from April 1, 2023 through July 2, 2025.

13. “Pay Periods” means the number of pay periods the Aggrieved Employees worked for Defendant during the PAGA Period.

14. “Released Parties” means Defendants Fulgent Therapeutics, LLC, and Fulgent Genetics, Inc., each of their former and present owners, parents, and subsidiaries, and all of their former and present officers, directors, members, managers, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, affiliates, assigns, accountants, insurers, reinsurers, and/or legal representatives.

15. “PAGA Released Claims” mean any and all claims for civil penalties under PAGA relating to any and all facts and claims asserted in the PAGA Letter and Complaint or any other claims for civil penalties under PAGA that could have been reasonably alleged, based on the facts alleged in the PAGA Letter and Complaint, arising during the PAGA Period, including but not limited to any and all claims for PAGA penalties for violations of the California Labor Code governing: meal and rest breaks; minimum wages, overtime, and double time wages (including, but not limited to, any and all theories related to “off the clock work” or incorrect calculation of the “regular rate of pay”); expense reimbursement; late payment of wages; failure to properly record and maintain employment records; waiting time penalties; wage statement violations; and separation pay violations; and any related claims for attorneys’ fees, costs, or interest resulting therefrom.

16. “Parties” mean Plaintiff and Defendants.

17. “Plaintiff’s Counsel” means Jonathan M. Genish, Miriam L. Schimmel, Joana Fang, and Alexandra Rose of Blackstone Law, APC.

18. “Settlement Administrator” means ILYM Group, Inc.

II. RECITALS

1. Plaintiff alleges that Defendants: (1) failed to pay for all hours worked, including minimum wages and overtime wages, (2) failed to provide meal periods, (3) failed to authorize and permit rest periods, (4) failed to timely pay wages, (5) failed to provide accurate itemized wage statements, (6) failed to keep requisite payroll records; and (7) failed to provide reimbursement for necessary expenditures; and as a result of the foregoing, are liable for civil penalties under PAGA.

2. On April 1, 2024, Plaintiff provided written notice to the LWDA asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of the California Labor Code described above.

3. On June 6, 2024, Plaintiff filed her PAGA representative complaint against Defendant Fulgent Therapeutics, LLC in the Action.

4. On December 23, 2024, Plaintiff submitted an amended PAGA letter with the LWDA and filed an Amendment to Complaint in the Action to add Fulgent Genetics, Inc. as an employer and defendant for purposes of the PAGA claim.

5. The Parties engaged in an informal discovery exchange prior to mediation. In response to Plaintiff's Counsel's informal discovery requests, Defendants provided Plaintiff's Counsel with information and documents pertaining to Plaintiff, other Aggrieved Employees, and the claims in the Action in order for Plaintiff's Counsel to investigate Plaintiff's allegations and value the PAGA claim.

6. On May 2, 2025, the Parties participated in mediation before mediator Tripper Ortman, Esq. With the assistance of Mr. Ortman, the Parties agreed to fully and finally resolve, subject to Court approval, the PAGA Released Claims as to Plaintiff and the Aggrieved Employees.

III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT

The Parties agree as follows:

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

2. **Gross Settlement Amount.** Defendants shall pay Two Hundred and Eighty-Five Thousand Dollars and Zero Cents (\$285,000.00) as the non-reversionary Gross Settlement Amount. Defendants' best estimate for the number of Pay Periods for the period of October 25, 2020 to April 17, 2025 is approximately 6,148. If the actual number of Pay Periods is more than ten percent (10%) above 6,148, then the Gross Settlement Amount will be increased by the percentage that the actual number exceeds 6,762 Pay Periods (i.e. meaning if the Pay Periods increase by 11% the Gross Settlement Amount will increase by 1%).

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

a. **Plaintiff's Counsel's Fees and Costs.** Defendants will not oppose Plaintiff's request for attorneys' fees in the amount up to thirty-five (35%) of the Gross Settlement Amount (currently estimated at Ninety-Nine Thousand Seven Hundred and Fifty Dollars and Zero Cents (\$99,750.00) and costs incurred in prosecuting this Action, up to Thirty Thousand Dollars and Zero Cents (\$30,000.00) (together, "Attorneys' Fees and Costs"). In the event the Court approves a payment of less than these amounts, the difference will be added to the Net Settlement Amount (although Plaintiff may appeal an order granting less than the full amount sought for Attorneys'

Fees and Costs). If the Court believes that any portion of the Attorneys' Fees and Costs should be reduced, the other terms of this Settlement will remain in effect and any such reduction will not affect the remaining terms, other than adjusting the Net Settlement Amount. Defendants, via the Settlement Administrator, will report these payments on IRS Form 1099 issued to Plaintiff's Counsel.

b. Administration Costs. Defendants will not oppose the Settlement Administrator's costs in the amount up to Ten Thousand Dollars and Zero Cents (\$10,000.00) for administering the Settlement ("Settlement Administration Costs"). In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. Defendants, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to the Settlement Administrator.

c. Enhancement Payment to Plaintiff. Defendants will not oppose an enhancement award to Plaintiff in the amount up to Five Thousand Dollars and Zero Cents (\$5,000.00) for service as the PAGA representative and for executing a general release of claims including a section 1542 waiver, set forth in Paragraph 7 below ("Enhancement Payment").

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

a. 75% of the Net Settlement Amount shall be distributed to the LWDA ("LWDA Payment").

b. 25% of the Net Settlement Amount shall be paid to Aggrieved Employees (i.e., Individual PAGA Payments). To determine the amount of each Individual PAGA Payment, the Settlement Administrator shall: (i) for each Aggrieved Employee, divide the number of Pay Periods the Aggrieved Employee worked by the total aggregate number of Pay Periods worked by all Aggrieved Employees, and then (ii) multiply this amount by 25% of the Net Settlement Amount.

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

5. PAGA Released Claims. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Aggrieved Employees will release any and all PAGA Released Claims against the Released Parties that arose during the PAGA Period. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Aggrieved Employees will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against the Released Parties.

6. Plaintiff's General Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff releases, in addition to the PAGA Released Claims, all claims related to or arising from Plaintiff's employment with Defendants, whether known or unknown, under federal law or state law, to the fullest extent permitted by law, up to the execution of this Settlement, against the Released Parties ("Plaintiff's General Release"). Plaintiff acknowledges that Plaintiff may discover facts and/or law different from, and/or in addition to, the facts and/or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that the Plaintiff's

General Release shall be and remain effective in all respects, notwithstanding the existence of such different and/or additional facts and/or law or Plaintiff's discovery of them. Plaintiff further understands that this release includes unknown claims and that she is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

Notwithstanding the above nor anything else in this Agreement, this waiver and release does not apply to: (i) those rights as a matter of law that cannot be waived, including, but not limited to, vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time; (ii) rights or claims arising out of this Agreement after the date this Agreement is executed by Plaintiff; and (iii) rights or claims arising out of this Agreement. The Agreement in no way affects Plaintiff's entitlement and/or benefits to be received by Plaintiff in workers' compensation pursuant to the jurisdiction of workers' compensation.

7. **No Right to Opt-Out.** The Parties agree that there is no statutory right for any Aggrieved Employee to opt out or otherwise exclude oneself from the Settlement.

8. **Covenants and Representations by Plaintiff.**

a. Plaintiff represents and warrants that she has not assigned or transferred or purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement.

b. Plaintiff acknowledges that she has read this Settlement, that she fully understands her rights, privileges and duties under the Settlement, and enters into this Settlement freely and voluntarily, and without duress. Plaintiff further acknowledges that she had the opportunity to consult with her attorneys to explain the terms of this Settlement and the consequences of signing this Settlement.

9. **Confidentiality.** Except as provided below, to the extent necessary to effectuate the Settlement or as required by court or legal process, Plaintiff and Plaintiff's Counsel will keep the terms of this Settlement confidential up until the motion for approval is filed. In response to any inquiries, Plaintiff and Plaintiff's Counsel will state that "the case was resolved with Court approval." Plaintiff's Counsel shall not report the Settlement or its content in any medium or in any publication, shall not post or report anything regarding the claims of Plaintiff or Aggrieved Employees on their website, and shall not contact any reporters or media regarding the Settlement, the Action, or their content. However, Plaintiff's Counsel is authorized to make a limited disclosure to the Court and the LWDA for the purposes of obtaining the approval of the Settlement. This disclosure is limited to court filings and electronic submission of settlement documents to the LWDA. Nothing in this provision is intended to prohibit: (i) Plaintiff from discussing this Settlement with their spouses, attorneys, or tax advisors; (ii) Plaintiff's Counsel from citing the Settlement in this case as evidence supporting their competence as counsel in wage/hour and/or class action matters in public court filings; or (iii) Plaintiff's Counsel from communicating with

the Plaintiff in this case, the LWDA, or with the court in which this action is pending. Defendants acknowledge that upon Plaintiff's submission of the Settlement to the Court for approval, the Settlement will become public knowledge.

To permit judicial review and approval of the Settlement, as required by Labor Code Section 2698, *et seq.*, Plaintiff's Counsel will file the Settlement with the Court and submit the Settlement to the LWDA as part of the Parties seeking Court approval of the Settlement, pursuant to Lab. Code § 2699(l)(2).

10. **Termination of Settlement.** If the Court does not approve the Settlement, if the Court does not enter judgment as provided for in this Settlement, or if appellate review is sought and, on such review, the Court's decision is materially modified or reversed, or, except as otherwise set forth herein, if one or more of the terms of the Settlement is not approved or is materially modified or reversed or found to be invalid, then Plaintiff's Counsel and Defendant's counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement or otherwise satisfy the Court's concerns.

11. **Judgment.** As part of the motion to approve the Settlement, Plaintiff shall submit a proposed order and judgment which enters judgment in the Action in accordance with the terms of the Settlement and retains jurisdiction over the Action for the purpose of enforcing the terms of the Settlement following approval of the Settlement. This Settlement is expressly conditioned upon the Court entering judgment as set forth herein. The judgment will not release or bar any claims other than the PAGA Released Claims as to Plaintiff and Aggrieved Employees; however, Plaintiff's individual general release shall remain effective and bar her individual claims as set forth therein.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties agree to utilize ILYM Group, Inc. to handle the administration of this Settlement.

2. **Funding and Settlement Administration Timeline.**

a. **Provision of Information for Aggrieved Employees.** Within twenty-one (21) calendar days after the Effective Date, Defendants shall provide the Settlement Administrator with information for Aggrieved Employees. Defendants will in good faith compile from their records a list of Aggrieved Employees that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and shall include each Aggrieved Employee's full name, last known mailing or email address, total Pay Periods worked during the PAGA Period, dates worked during the PAGA Period, and Social Security number (collectively, "Aggrieved Employees List"). Because Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement.

b. **Preliminary Calculations.** Within seven (7) business days of receiving the Aggrieved Employees List from Defendants, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the estimated Individual PAGA Payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement

Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

c. Approval of Calculations. After the Settlement Administrator has provided preliminary calculations, the Parties will have five (5) business days to finalize and approve calculations.

d. Funding. Within seven (7) business days of the Parties having finalized and approved calculations, Defendants will fund the Gross Settlement Amount by transmitting the funds into a Qualified Settlement Fund established and maintained by the Settlement Administrator.

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

Within seven (7) business days of receiving the Gross Settlement Amount funds in the Qualified Settlement Fund, the Settlement Administrator shall mail copies of the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, in English, along with Individual PAGA Payments to all Aggrieved Employees via regular First Class U.S. Mail. Checks will remain negotiable for 180 days. Each Individual PAGA Payment shall be deemed penalties/interest and reported using IRS Form 1099.

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

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

Defendants fully discharge their obligations to those Aggrieved Employees to whom they will pay an Individual PAGA Payment through the mailing of a check, regardless of whether such checks are actually received and/or negotiated by Aggrieved Employees. The funds of all uncashed checks—that is, checks that remain uncashed for more than 180 days following issuance by the Settlement Administrator—will be canceled and distributed by the Settlement Administrator to the Unclaimed Property Division in the name of the Aggrieved Employee at issue and the amount of their Individual PAGA Payment.

5. Payment of Remainder. Within seven (7) business days of receiving the Gross Settlement Amount funds in the Qualified Settlement Fund, the Settlement Administrator will distribute the following additional payments: (1) the LWDA Payment to the LWDA; (2) the Court-approved Attorneys' Fees and Costs to Plaintiff's Counsel; (3) the Court-approved Enhancement Payment to Plaintiff; and (4) the Court-approved Settlement Administration Costs to the Settlement Administrator.

6. **Accounting.** No later than fifteen (15) business days of any final accounting hearing, the Settlement Administrator will provide an accounting declaration under oath to the Parties of the amounts paid from the Settlement.

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

VI. MISCELLANEOUS PROVISIONS

1. **Mutual Preparation and Drafting.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. The Parties agree that the terms and conditions of this Settlement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that neither Plaintiff nor Defendants shall be considered the "drafter" of this Settlement for purposes of having terms construed against that Party. This Settlement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement.

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

3. **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, expert fees, mediator fees and other fees incurred in connection with this Settlement, the Action and Plaintiff's claims, except as otherwise set forth specifically herein, except as provided in Paragraph 15 below.

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

5. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement has been made to them and acknowledge and represent that this Settlement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA Released Claims in the Action.

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

7. **Judgment and Continued Jurisdiction.** After approval of this Settlement, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and

enforcement of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement. Plaintiff will submit a proposed judgment in conformity with this Agreement to be entered by the Court, which shall constitute a final and binding resolution of the claims in the Action.

8. **Amendment or Modification.** This Settlement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all Parties.

9. **Authorization to Enter into Settlement.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the mediator to resolve such disagreement.

10. **Execution and Counterparts.** This Settlement is subject only to the execution of all Parties. However, the Settlement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

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

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

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

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

15. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions. In any proceeding to enforce the terms of this Agreement, the Parties may disclose the terms of this Agreement to the extent necessary to enforce the Agreement, but shall make all efforts to preserve the confidentiality of this Agreement, including but not limited to filing the relevant provisions of the Agreement and/or discussion of these terms under seal or conditionally under seal to the fullest extent appropriate and possible.

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

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

18. **Denial of Liability.** The Parties expressly recognize that the making of this Settlement does not in any way constitute an admission or concession of wrongdoing on the part of Defendants. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of the Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement may be used in any Court proceeding that has as its purpose the interpretation, implementation or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

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

Dated: 10/15/2025

Stephanie Leon

Stephanie Leon, Plaintiff

Nov 4, 2025
Dated: _____

Natalie Prescott

Defendants Fulgent Therapeutics, LLC and
Fulgent Genetics, Inc.

By: Natalie Prescott
Its: General Counsel & Chief Privacy Officer

APPROVED AS TO FORM ONLY BY:

Plaintiff's Counsel:

Dated: October 15, 2025

BLACKSTONE LAW, APC

By:



Jonathan M. Genish
Miriam L. Schimmel
Joana Fang
Alexandra Rose

Attorney for Plaintiff

Defendants' Counsel:

Dated:

FISHER & PHILLIPS LLP

By:



Danielle Hultenius Moore
Lauren Bushman
Julia A. Sherwood

Attorneys for Defendants

EXHIBIT A

To: «FirstName» «LastName»
«Address1» «Address2»
«City» «State» «Zip»

NOTICE OF PAGA SETTLEMENT

Enclosed please find a check in the amount of [INDIVIDUAL PAGA PAYMENT].

You are receiving this check because of a lawsuit brought by Plaintiff Stephanie Leon (“Plaintiff”) against Defendants Fulgent Therapeutics, LLC and Fulgent Genetics, Inc. (“Defendants”) for civil penalties pursuant to the Private Attorneys General Act, California Labor Code sections 2698, *et seq.* (“PAGA”). The lawsuit was filed on June 6, 2024, in the Los Angeles County Superior Court, Case No. 24STCV14168 (the “Action”).

Plaintiff’s Action against Defendants is for civil penalties pursuant to the PAGA, a law that allows Plaintiff to attempt to stand in the shoes of the government and to seek penalties on the government’s behalf and on behalf of those employees who Plaintiff claims were “aggrieved” by Defendants’ alleged unlawful conduct. Specifically, Plaintiff alleges that Defendants failed to comply with wage-and-hour laws as to hourly-paid or non-exempt employees who worked for Defendants.

Defendants strongly deny these claims and maintain that they fully complied with all applicable wage-and-hour laws. Nevertheless, to avoid further costs and uncertainty from further litigation, the Parties agreed to settle the matter. The Settlement covers Defendants and each of their former and present owners, parents, and subsidiaries, and all of their former and present officers, directors, members, managers, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, affiliates, assigns, accountants, insurers, reinsurers, and/or legal representatives (all of whom are referred to here as the “Released Parties”). The Court has approved the Settlement and release of claims described below. By settling the Action, Defendants and the Released Parties are not admitting they have done anything wrong, and they deny that they owe any penalties to the government or to you.

On [insert date], 2025, the Settlement was approved by the Court. Pursuant to PAGA, a portion of the Settlement is being paid to the government and a portion is being paid to all persons who worked for Defendants in the State of California as hourly-paid and/or non-exempt employees at any time during the PAGA Period (the “Aggrieved Employees”). You are receiving a portion of the Settlement because Defendants’ records indicate that you worked for Defendants during at least one pay period from April 1, 2023 to July 2, 2025 (the “PAGA Period”).

You will not be retaliated against for cashing the check. It is entirely up to you if you cash your check or not. Checks that are not cashed within 180 days of issuance shall be sent to the California Department of Unclaimed Property. Regardless of what you do with the check issued to you, by law and Court order you have released the Released Parties from the Released PAGA Claims described below.

One hundred percent (100%) of your payment under this Settlement will be considered penalties and not considered taxable but will be reported to the IRS and state tax authorities.

The Settlement bars you and other Aggrieved Employees from any and all claims for civil penalties under PAGA relating to any and all facts and claims asserted in the PAGA Letter and Complaint or any other claims for civil penalties under PAGA that could have been reasonably alleged, based on the facts alleged in the PAGA Letter and Complaint, arising during the PAGA Period, including but not limited to any and all claims for PAGA penalties for violations of the California Labor Code governing: meal and rest breaks; minimum wages, overtime, and double time wages (including, but not limited to, any and all theories related to “off the clock work” or incorrect calculation of the “regular rate of pay”); expense reimbursement; late payment of wages; failure to properly record and maintain employment records; waiting time penalties; wage statement violations; and separation pay violations; and any related claims for attorneys’ fees, costs, or interest resulting therefrom.

Do not call or write the Court or Office of the Clerk to ask questions about the Settlement.

If you have any questions, you may call or write [insert], at the following phone number or address: [insert address and telephone number for Settlement Administrator’s contact person]

EXHIBIT 4

Thank you for your Proposed Settlement Submission

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

Fecha Mié 19 Nov 2025 14:11

Para Karina Hernandez <khernandez@blackstonepc.com>

[External Email].

11/19/2025 02:11:18 PM

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

Item submitted: Proposed Settlement

On 11/19/2025 02:11:18 PM your Proposed Settlement was successfully processed for case number LWDA-CM-1019809-24

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>

EXHIBIT 5

- *Kassandra Herndon, et al. v. Agreeya Solutions, Inc.*, San Joaquin County Superior Court, Case No. STK-CV-UOE-2023-0002783, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Damon Siler, et al. v. Call-The-Car dba Call the Car*, Los Angeles County Superior Court, Case No. 24STCV07514, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Daniel Ochoa-Lopez v. CorTech West Staffing, LLC, et al.*, Los Angeles County Superior Court Case No. 23STCV19480, approved as counsel in settlement of representative wage and hour action pursuant to PAGA
- *Juan Escobedo v. Block Tops, Inc.*, Orange County Superior Court, Case No. 30-2023-01356309-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Antonio Quintero v. Weyerhaeuser NR Company*, Los Angeles County Superior Court, Case No. 23STCV02624, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cristo Hernandez v. Eldorado National (California), Inc.*, Riverside County Superior Court, Case No. CVRI2201056, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Rigoberto Tecaliz v. National Restaurant Inc. dba Black Bear Diner*, San Diego County Superior Court, Case No. 37-2023-00046906-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cecilia Estrada v. The Roman Catholic Archbishop of Los Angeles*, Los Angeles County Superior Court, Case No. 24STCV07184, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alexander Davis v. JAJ Roofing dba Citadel Roofing and Solar*, Sacramento County Superior Court, Case No. 23CV011004, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Aurelio Aguilar v. Supreme Car Wash, Inc.*, Los Angeles County Superior Court, Case No. 21STCV29696, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Aaron Coffey v. Catalina Channel Express, Inc.*, Los Angeles County Superior Court, Case No. 21STCV41396, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Djuana Shanella Hale, et al. v. Welbe Health, LLC, et al.*, San Joaquin County Superior Court, Case No. STK-CV-UOE-2023-0006866, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Mario Fosados v. Drew Chain Security Corp.*, Los Angeles County Superior Court, Case No. 24STCV00519, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Jose Manuel Amaro Bernal v. Joseph Holt Plastering, Inc.*, Los Angeles County Superior Court, Case No. 24STCV15637, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Brandon Geston v. FRTO LLC, et al.*, Fresno County Superior Court, Case No. 24CECG01292, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Alfonso Herrera v. W.L. Butler Construction, Inc., et al.*, Orange County Superior Court, Case No. 30-2023-01335445-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Marcos Ojendiz, et al. v. Jonathan Louis International*, Los Angeles County Superior Court, Case No. 21STCV35253, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Emmanuel Caldera v. Zeb's World Famous Boathouse Inc. dba Goat Hill Tavern*, Orange County Superior Court, Case No. 30-2023-01310801-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Alex Javier Nakamoto v. Skydio, Inc.*, Alameda County Superior Court, Case No. 24CV062913, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Jason McEntee v. Roche Molecular Systems, Inc.*, Alameda County Superior Court, Case No. 23CV041360, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alexzander Roberts, et al. v. Lemonade Restaurant Group*, Los Angeles County Superior Court, Case No. 22STCV38302, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Halla Knotts v. Launch Technical Workforce Solutions, LLC*, San Bernardino County Superior Court, Case No. CIVSB2332568, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Armando Gastelum v. Premier Trailer Manufacturing, Inc.*, Tulare County Superior Court, Case No. VCU300333, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Tiffany Patterson v. Black Mountain Healthcare, LLC., d/b/a Seaport Home Health & Hospice*, San Diego County Superior Court, Case No. 37-2023-00037563-CU-OE-CTL, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Angel Rodriguez v. American Textile Maintenance*, Los Angeles County Superior Court, Case No. 22STCV17855, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Rita Ray v. Families Together of Orange County*, Orange County Superior Court, Case No. 30-2023-01324555-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Ly Hai v. Sunroad HS Auto, Inc.*, San Diego County Superior Court, Case No. 37-

2022-00025788-CU-OE-CTL, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.

- *Anabel Perez v. Eureka Specialties, Inc.*, Los Angeles County Superior Court, Case No. 22STCV35940, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Galicia v. Virco, Inc., et al.*, Los Angeles County Superior Court, Case No. 23STCV29425, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Rene Umana v. Columbus Technologies*, Los Angeles County Superior Court, Case No. 22STCV16432, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Sitara Nayabhil v. San Francisco SPCA (dba SFSPCA), a California 501(c)(3) non-profit organization*, San Francisco County Superior Court, Case No. CGC-23-609950, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Fernando Solis v. Tuff Shed, Inc.*, Los Angeles County Superior Court, Case No. 24VECV00368, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tyler Emery v. Santa Cruz Bicycles, LLC*, Santa Cruz Superior Court, Case No. 24CV00244, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Odalys Montejo v. Team Nissan LLC*, Ventura County Superior Court, Case No. 2023CUOE017853, approved as counsel in settlement of representative wage and hour action pursuant to PAGA
- *Vanessa Cortes v. Giti Tire (USA) LTD*, San Bernardino County Superior Court, Case No. CIVSB2332578, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Travis Sanford v. Santa Cruz Seaside Company*, Santa Cruz County Superior Court, Case No. 23CV01762, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jered Ortega v. YMCA of San Diego County*, San Diego County Superior Court, Case No. 37-2023-00043645-CU-OE-CTL, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Corina Martinez v. Stagnaro Bros. Seafood, Inc.*, Santa Cruz County Superior Court, Case No. 24CV00082, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandra Jimenez v. ClearFreight, Inc.*, Los Angeles County Superior Court, Case No. 23STCV28938, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Jazzmin Cortez v. Millard Mall Services, Inc.*, Riverside County Superior Court, Case No. CVRI2104010, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Christa Morton, et al. v. PSI Services, LLC*, Fresno County Superior Court, Case No. 24CECG00039, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Michael Bravo v. Michels Pacific Energy, Inc.*, Santa Clara County Superior Court, Case No. 22CV403427, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Rodriguez v. Republique, LLC*, Los Angeles County Superior Court, Case No. 23STCV14521, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Theresa Bendorf, et al. v. Sea World LLC, et al.*, San Diego County Superior Court, Case No. 37-2021-00034922-CU-OE-CTL, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA

action.

- *Victor De La Cruz v. Northwest Pipe Company*, San Bernardino County Superior Court, Case No. CIVSB2211140, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Bobby Birdi v. Lucid USA, Inc.*, Alameda County Superior Court, Case No. 21CV003541, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Trujillo, et al. v. Producers Dairy Foods, Inc.*, Sacramento County Superior Court, Case No. 34-2022-00313753, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *David Williams v. Rancho Nicasio, LLC*, Marin County Superior Court, Case No. CIV2203067, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Alexander Jackson v. Lifecare Assurance Company*, Los Angeles County Superior Court, Case No. 23STCV26579, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alexis Cardoza v. BHFC Operating LLC*, Los Angeles County Superior Court, Case No. 21STCV34040, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *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.
- *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.

- *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 County 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 County 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 association with other counsel, in final settlement of wage and hour class and PAGA action.

- *Richard Evans v. My Paint Stop, LLC, et al.*, Contra Costa County 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 County 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 County 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 County Superior Court, Case No. 21STCV33719, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

EXHIBIT 6

Matter: Leon Stephany v. Fulgent Therapeutics, LLC

Date	Type of Expense	Description of Expense	Amount
2/8/2024	Other	Wizzy Marketing Cost	\$134.00
3/5/2024	Mailing	Records Request to Fulgent Therapeutics, LLC	\$8.69
3/5/2024	Mailing	Records Request to CT Corporation System Agent	\$8.69
3/5/2024	Mailing	Welcome Pkg	\$1.63
4/1/2024	Filing	PAGA Letter Submission to the LWDA	\$75.00
4/2/2024	Mailing	PAGA Letter to Fulgent Therapeutics	\$8.69
4/2/2024	Mailing	PAGA Letter to CT Corporation System Agent	\$8.69
6/7/2024	Filing	Steno: Complaint Packet	\$647.20
7/26/2024	Filing	Steno: Notice of Acknowledgment of Receipt	\$59.95
11/6/2024	Filing	Steno: Case Management Statement	\$59.95
11/11/2024	Filing	Steno: Plaintiff's Opp to Defendant's MTC	\$59.95
12/23/2024	Mailing	Amended PAGA Letter to Fulgent Therapeutics, LLC	\$9.92
12/23/2024	Mailing	Amended PAGA Letter to CT Corporation System Agent	\$9.92
12/23/2024	Mailing	Amended PAGA Letter to Fulgent Genetics, Inc.	\$9.92
12/23/2024	Mailing	Amended PAGA Letter to Fulgent Genetics, Inc. Agent	\$9.92
12/31/2024	Mailing	Steno: Amendment to Complaint	\$59.95
3/4/2025	Mediation	Check to Ortman Mediation	\$15,000.00
3/4/2025	Mailing	Check to Ortman Mediation	\$5.54
3/12/2025	Filing	Steno: Amended POS	\$59.95
3/12/2025	Filing	Steno: Notice of Continued CMC	\$59.95
5/8/2025	Filing	Steno: Joint Notice of Settlement and Case Management Conference Statement	\$59.95
5/21/2025	Other	Payment to Berger Consulting Group	\$7,930.00
6/12/2025	Filing	Steno: Notice of Settlement of Entire Case	\$59.95
6/13/2025	Filing	Steno: Notice of Settlement of Entire Case	\$59.95
10/2/2025	Filing	Steno: Notice Regarding Case Reassignment	\$59.95
	Filing	Future Cost: Filing of Motion for Approval of PAGA Settlement	\$140.95
Total:			\$24,608.26