Private Attorneys General Act Settlement Agreement

IT IS HEREBY AGREED by and among the undersigned Parties, subject to the approval of the Court, that the Action and Released Claims shall be settled and resolved pursuant to the following terms and conditions set forth in this Private Attorneys General Act Settlement Agreement ("Agreement"), entered by and between Plaintiff Jovita Telles, on behalf of herself and as a representative aggrieved employee pursuant to California Labor Code Private Attorneys General Act, Labor Code Section 2698 et seq., and Defendant Diagnostic Laboratory Science, Inc.. ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties" and individually as "Party."

This Agreement shall be effective upon the date the Court has entered an order approving of a joint stipulation of settlement or motion seeking approval of the Settlement (the "Effective Date").

I. DEFINITIONS

Unless otherwise defined herein, the following terms, when used in this Agreement, shall have the following meanings:

1. "Action" means Plaintiff's PAGA lawsuit alleging wage and hour violations against Defendant captioned Jovita Telles v. Diagnostic Laboratory Science, Inc., Orange County Superior Court Case No. 30-2025-01494479-CU-OE-CXC, filed on June 30, 2025 and pending in the Superior Court of the State of California, County of Orange, as well as all claims and allegations made in Plaintiff's PAGA Notice dated December 31, 2024.

2. "Administrator" means Phoenix Class Action Administration Solutions, a neutral third-party administrator that the Parties have agreed to appoint to administer the Settlement, subject to approval by the Court, in accordance with the terms of this Agreement.

3. "Administration Costs" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

4. "Aggrieved Employee" means all individuals in California who worked for Defendant as non-exempt employees during the PAGA Period.

5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendant's possession including the Aggrieved Employee's name, last-known-mailing address, Social Security number, and number of Pay Periods.

6. "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

7. "Approval Order" means the proposed Court Order Granting Approval of Settlement.

8. "Complaint" means the claims and allegations set forth in Plaintiff's Representative Action Complaint for Violation of the Private Attorneys General Act of 2004, filed with the Court on June 30, 2025, in the Action.

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

10. "Defense Counsel" means Michael Hammad, Esq. of Hammad Law.

11. "Employee Payment" refers to the Aggrieved Employees' pro rata share of 35% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

12. "Gross Settlement Amount" is the sum of Two Hundred and Twenty-Five Thousand Dollars and Zero Cents ($225,000.00), which represents the total amount payable under this Agreement by Defendant, and will be used to pay the Employee Payments, LWDA PAGA Payment, Plaintiff's Counsel Fees Payment, Plaintiff's Counsel Litigation Expenses Payment, Representative Service Payment and the Administration Costs.

13. "Judgment" means the judgment entered by the Court based upon Final Approval.

14. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

15. "LWDA PAGA Payment" means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

16. "Plaintiff's Counsel" means David Alami and Daniel J. Hyun, of Torus LLP, the attorneys representing Plaintiff in the Action.

17. "Net Settlement Amount" is the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Plaintiff's Counsel Fees Payment, Plaintiff's Counsel Litigation Expenses, Representative Service Payment and Administration Costs. The remainder is to be paid: 35% to Aggrieved Employees as Employee Payments; and 65% to the LWDA as the LWDA PAGA Payment.

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

19. "Plaintiff's Counsel Fees Payment" and "Plaintiff's Counsel Litigation Expenses Payment" mean the amounts allocated to Plaintiff's Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

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

21. "PAGA Notice" means Plaintiff's December 31, 2024, letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).

22. "PAGA Period" means the time period from December 31, 2023 through June 1, 2026.

23. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 35% to the Aggrieved Employees and 65% to the LWDA in settlement of PAGA claims.

24. "Plaintiff" means Jovita Telles, the named plaintiff in the Action.

25. "Released Claims" means any and all claims under the PAGA alleged in the Complaint, PAGA Notice, or that could have been alleged, including, but not limited to, PAGA claims predicated on alleged violations of the California Labor Code sections 96, 201, 202, 203, 204, 206, 210, 221, 223, 226, 226.2, 226.3, 226.7, 227.3, 232, 232.5, 233, 234, 246, 510, 512, 558, 558.1, 1171, 1174, 1174.5, 1811, 1815, 1194, 1194.2, 1197, 1197.5(k), 1198, 1199, 2800 and 2802, and the applicable California Industrial Welfare Commission Wage Orders, during the PAGA Period.

26. "Released Parties" means Defendant and each and all of its past, present, and future parents, affiliates, subsidiaries, divisions, predecessors, successors, managing members, divisions, affiliated entities, related entities, and assigns; the past, present, and future shareholders, owners, officers, directors, board members, employees, agents, trustees, attorneys or legal representatives, insurers, representatives, administrators, fiduciaries, beneficiaries, subrogees, partners, and members of the foregoing; and/or any other entity or individual which could be liable for the acts or omissions of the Defendant based on or arising out of the Released Claims.

27. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

II. **RECITALS**

1. On December 31, 2024, in her PAGA Notice, Plaintiff provided written notice to the LWDA and Defendant asserting claims for civil penalties pursuant to PAGA.

2. Plaintiff filed her Complaint against Defendant on June 30, 2025. Plaintiff's Complaint alleged civil penalties pursuant to the PAGA predicated on alleged violations of Labor Code 96, 201, 202, 203, 204, 206, 210, 221, 223, 226, 226.2, 226.3, 226.7, 227.3, 232, 232.5, 233, 234, 246, 510, 512, 558, 558.1, 1171, 1174, 1174.5, 1811, 1815, 1194, 1194.2, 1197, 1197.5(k), 1198, 1199, 2800 and 2802.

3. Defendant denied, and continues to deny, all of the allegations in the Complaint and PAGA Notice and any contention that Defendant committed any misconduct, wrongdoing, or any other actionable conduct of any kind, including any violation of the California Labor Code.

4. On May 29, 2026, the Parties participated in a mediation before mediator Will Klatte, Esq., after undertaking an investigation and exchange of information and documents

pertaining to Plaintiff and the Aggrieved Employees. Thereafter, the Parties agreed to fully and finally resolve the Action and the Released Claims as to Plaintiff, the State of California, and the Aggrieved Employees during the PAGA Period.

III. OPERATIVE TERMS OF THE AGREEMENT

The Parties agree as follows:

1. **Non-Admission**. The Parties acknowledge and agree that this Agreement is a compromise and settlement of disputed claims in the Action and that this Agreement is made and entered into without any admission of liability or wrongdoing of any kind whatsoever by Defendant, who expressly denies and disclaims any liability or wrongdoing whatsoever. Accordingly, neither the execution of this Agreement, its creation, the payment of any sum or consideration hereunder, nor the performance of any obligation required by this Agreement is, or shall be construed as, an admission of wrongdoing or liability on the part of Defendant. Additionally, neither the execution of this Agreement, its creation, the payment of any sum or consideration hereunder, nor the performance of any obligation required by this Agreement is, or shall be construed as an admission of the truth or accuracy of any allegations made by Plaintiff or Plaintiff's counsel in the Action or PAGA Notice.

2. **Gross Settlement Amount**. In consideration of, and subject to, the promises, terms, and conditions set forth in this Agreement – including the releases set forth in Sections 8, 9, and 10 of this Agreement – Defendant agrees to pay $225,000 and no more as the Gross Settlement Amount, in the manner and method set forth in this Agreement, to fully, finally, and completely settle the Action and the claims alleged therein on behalf of the Aggrieved Employees, including any and all associated claims for civil penalties, attorneys' fees, and litigation costs and expenses. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant. Other than the terms outlined in Section III.7 of this Agreement, nothing in this Agreement shall require Defendant to pay, or make Defendant liable for, more than the Gross Settlement Amount to fully, finally, and completely settle the Action and all claims alleged therein.

3. **Net Settlement Amount.** Subject to Court approval, the Parties agree that the Net Settlement Amount shall be distributed to the LWDA and Aggrieved Employees as follows: PAGA Penalties (which is the Net Settlement Amount) to be paid from the Gross Settlement Amount, with 65% allocated to the LWDA PAGA Payment and 35% allocated to the Employee Payments.

   a. The Administrator will calculate each Employee Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Employee Payment.

   b. If the Court approves PAGA Penalties of less than the amount requested,

the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Employee Payments on IRS 1099 Forms.

4. **Attorneys' Fees Payment and Litigation Costs Payment**. Defendant will not oppose Plaintiff's request for an award of attorneys' fees in the amount up to $90,000.00 ("Plaintiff's Counsel Fees Payment") and litigation costs and expenses in the amount up to $20,000 incurred in prosecuting this Action ("Plaintiff's Counsel Litigation Expenses Payment"), to Plaintiff's Counsel, provided they do not exceed these amounts. In the event the Court approves a payment of less than $90,000.00 for Plaintiff's Counsel Fees Payment and/or less than $20,000 for Plaintiff's Counsel Litigation Expenses Payment, the difference will be a part of the Net Settlement Amount.

Released Parties shall have no liability to Plaintiff's Counsel or any other plaintiff's counsel arising from any claim to any portion of Plaintiff's Counsel Fee Payment and/or Plaintiff's Counsel Litigation Expenses Payment. The Administrator will pay the Plaintiff's Counsel Fees Payment and Plaintiff's Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Plaintiff's Counsel assumes full responsibility and liability for taxes owed on the Plaintiff's Counsel Fees Payment and the Plaintiff's Counsel Litigation Expenses Payment and holds Released Parties harmless, and indemnifies Released Parties, from any dispute or controversy regarding any division or sharing of any of these Payments.

5. **Representative Service Payment**. Defendant will not oppose Plaintiff's request for a Representative Service Payment to Plaintiff of not more than $10,000 (in addition to any Employee Payment Plaintiff is entitled to receive as an Aggrieved Employee). If the Court approves a Representative Service payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Representative Service Payment.

6. **Administration Costs.** Defendant will not oppose Plaintiff's request for payment in the amount up to (and not to exceed) $4,750.00 to the Administrator for administering the settlement. In the event the Court approves a payment of less than $4,750.00 for Administration Costs, the difference will be a part of the Net Settlement Amount. Administration Costs will be reported on an IRS Form 1099 issued to the Administrator.

7. **Pay Period Size Estimates and Escalator Clause.** Based on its records, Defendant estimates that, as of the date of mediation, the alleged Aggrieved Employees worked 5,124 Pay Periods during the PAGA Period. The Parties agree that if as of the end of the PAGA Period the actual number of Pay Periods is more than 10% larger than the estimated number of 5,124 Pay Periods (i.e., more than 512 pay periods), then, at Defendant's option, the Gross Settlement shall either increase by one percent (1%) for each one percent (1%) that the actual number of Pay Periods exceeds the ten percent (10%) threshold, or the Defendant may shorten the PAGA Period by adjusting the end date so that the total number of Pay Periods does not exceed 5,636. However, Defendant may, at its sole discretion, adjust the length of the PAGA Period by moving the end date so as to keep the number of Pay Periods less than 5,636 and avoid triggering the escalation clause as long as it does so before the notices of settlement are sent to the Aggrieved Employees.

8. **Released Claims.** Upon the Effective Date, this settlement forever bars Plaintiff, Aggrieved Employees, the LWDA, the State of California, and any other representative, proxy, or agent thereof for the PAGA Period from pursuing any and all Released Claims against the Released Parties. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remains effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

9. **Mutual Release of Unknown Claims.** For the purpose of implementing a full and complete release of claims, Plaintiff and Defendant expressly acknowledge and agree that the Release is intended to, and does, include any and all claims that they did not know or suspect to exist at the time of their execution of this Agreement, regardless of whether the knowledge of such claims, or the facts upon which they might be based, would have materially affected the settlement of this matter or the terms of this Agreement. Accordingly, upon the Effective Date, Plaintiff and Defendant expressly, knowingly, and voluntarily waives any and all rights and benefits conferred by California Civil Code section 1542, which states:

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

As a result, the Release shall be effective as a bar to each and every claim that Plaintiff and Defendant may have against each other, whether or not they are currently known, unknown, suspected, or unsuspected, upon any theory of law or equity now existing or coming into existence in the future and without regard to any subsequent discovery or existence of different or additional facts by the Plaintiff and Defendant. For avoidance of doubt, this Release does not apply to any workers compensation claims that Plaintiff may have against the Released Parties.

10. **Release by PAGA Counsel**. Upon Court approval of the Settlement and execution of all conditions set forth in this Agreement, Plaintiff's Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for attorneys' fees and costs incurred in connection with the Action stated in the Complaint and the PAGA Notice.

11. **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 portion of any claim, demand, action, cause of action, or right herein released and discharged.

b. Plaintiff acknowledges that she has read this Agreement, that she fully understands her rights, privileges, and duties under the Agreement, and enters into this Agreement freely and voluntarily. Plaintiff further acknowledges that she has had the opportunity to consult with her attorneys to explain the terms of this Agreement and the

consequences of signing this Agreement.

11. **Limited Disclosure and No Publicity.** In order to facilitate the Court's approval of this Agreement, prior to the Effective Date, neither Plaintiff nor Plaintiff's Counsel will publicize the terms of this Agreement or issue a press release, hold a press conference, publish information about the settlement, respond to any press inquiry or have any communication with the press about this Agreement except to state that this Agreement has been entered into and submitted to the Court for approval, or otherwise publicize the settlement or communicate its terms in public or in private, unless ordered by the Court. Plaintiff's Counsel will not engage in any advertising or marketing (including, but not limited to, any postings on any websites maintained by Plaintiff's Counsel) specifying any material terms relating to the Action or this Agreement.

12. **Filing of Stipulation for Approval of Settlement by the Parties**. The Parties shall, as soon as practicable but no more than 5 court days after full execution of this Agreement, execute a Stipulation for Approval of this Settlement to be filed with the Court. Plaintiff's Counsel shall be responsible for preparing the Stipulation for Approval of the Settlement. Plaintiff's Counsel will file the Stipulation for Approval within the above time frame. Plaintiff's Counsel will submit the Stipulation for Approval to the LWDA within 5 court days of the date this Agreement is fully executed by all Parties. Pursuant to California Labor Code section 2698, *et seq*., Plaintiff's Counsel shall undertake all required submissions and disclosures to the LWDA and the Court to obtain approval of the settlement.

In the event the Court does not approve, for any reason, this Settlement by way of the Parties' Stipulation for Approval, Plaintiff's Counsel shall be responsible for preparing a Motion for Approval of the Settlement ("Approval Motion"). Plaintiff's Counsel will file the Approval Motion as soon as practicable and serve the Approval Motion on Defense Counsel

Pursuant to the PAGA, Plaintiff's Counsel shall undertake all required submissions and disclosures to the LWDA and the Court to obtain approval of the Settlement.

13. **Dismissal**. The Administrator will provide the Parties with a declaration confirming that distribution of payments has been completed in accordance with the Agreement and the Court's orders. Within ten (10) calendar days of Defendant providing to the Administrator the Gross Settlement Amount, unless otherwise ordered by the Court, Plaintiff's Counsel will file the declaration with the Court and required dismissal papers (i.e., a Request for Dismissal of the Action with prejudice (all parties, all causes of action)).

IV. ADMINISTRATION OF SETTLEMENT

1. **Administrator**. The Parties have mutually selected Phoenix Class Action Administration Solutions to handle the administration of this settlement, subject to approval by the Court, and verified that, as a condition of appointment, Phoenix Class Action Administration Solutions agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Costs. The Parties and their respective counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

a. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

b. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

c. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

2. **Deposit and Distribution of Gross Settlement Amount.**

a. Aggrieved Employees. As of the date of the mediation of this matter, Defendant estimated there were 239 Aggrieved Employees.

b. Aggrieved Employee Data. Within ten (10) calendar days from the Effective Date, Defendant will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Plaintiff's Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data to the Administrator as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their respective counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

c. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 12 months from the date of the settlement (i.e., June 1, 2027), for administration and distribution in accordance with this Settlement Agreement and the Court's orders.

d. Payments from the Gross Settlement Amount. Within 10 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Employee Payments, the LWDA PAGA Payment, Plaintiff's Representative Service Payment, the Administration Costs, and the Plaintiff's Counsel Fees Payment and Plaintiff's Counsel Litigation Expenses Payment.

i. The Administrator will issue checks for the Employee Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid under the cover letter in English, substantially in the form attached hereto as "Exhibit 1" ("Cover Letter"), to each of the Aggrieved Employees identified in the Aggrieved Employee Data. The face of each check shall prominently state the date

(not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

ii. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost, misplaced, or requested by the Aggrieved Employee prior to the void date.

iii. For any Aggrieved Employee whose Employee Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

iv. The payment of Employee Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

V. MISCELLANEOUS PROVISIONS

1. **No Impact on Employee Benefits**. The payments made by Defendant pursuant to this Agreement shall not be utilized to calculate any additional benefits under any benefit plans to which any Aggrieved Employee may be eligible, including, but not limited to, any profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, or other benefit plans that may be available to the Aggrieved Employees. It is the Parties' intention that this Agreement will not affect any rights, contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

2. **Tax Consequences**. Neither Plaintiff, Plaintiff's Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

3. **Tax Indemnification.** Plaintiff, Plaintiff's Counsel, Aggrieved Employees, and applicable governmental authorities (including the LWDA) are solely responsible for all tax obligations, including all reporting and payment obligations, attributable to them that may arise as a consequence of this Agreement and the payment of the amounts set forth herein. Neither Defendant nor Defense Counsel make any express or implied promise, representation, or warranty regarding the tax consequences or tax treatment under federal or state tax laws for any sum paid

pursuant to this Agreement.

4. **Attorney Authorization**. Plaintiff's Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

5. **Cooperation**. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of mediator Will Klatte and/or the Court for resolution.

6. **No Prior Assignments**. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

7. **Governing Law**. All terms and conditions of this Agreement and its exhibits shall be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.

8. **Entire Agreement**. Upon execution, this Agreement and any and all exhibits attached hereto, constitutes the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

9. **Judgment and Continued Jurisdiction**. The Parties agree that this Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6, and the Court, after entry of Judgment and to the fullest extent of the law, shall retain jurisdiction over this Action, the Parties, the Settlement and the Aggrieved Employees solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters that are permitted by law.

a. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, including the Plaintiff's Counsel Fees Payment and Plaintiff's Counsel Litigation Expenses Payment, the Parties and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to

matters that do not affect the amount of the Net Settlement Amount.

10. **Amendment or Modification**. This Agreement, and all parts of it, including any and all exhibits attached to same, may be amended or modified, changed, or waived only by an express written instrument, signed by all Parties or their representatives, subject to approval by the Court.

11. **Authorization to Enter into Binding Agreement**. Defendant represents and warrants that the undersigned has the authority to act on behalf of Defendant and to bind Defendant to the terms of this Agreement. Plaintiff represents and warrants that she has the capacity to act on her own behalf and on behalf of all who might claim through her to bind her to the terms and conditions of this Agreement. Counsel for all Parties represent and warrant that they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties warrant that they understand and have full authority to enter into this settlement, and further intend that this Agreement 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, notwithstanding any settlement and/or mediation privileges and/or confidentiality provisions that otherwise might apply under federal or state law.

12. **Nullification of Agreement.** In the event that the Court does not approve the Agreement or the Agreement does not become final for any other reason, this Agreement and any documents generated to bring it into effect will become null and void and the Parties will be returned to their original respective positions as though this Agreement had never been entered into at all.

13. **Confidentiality**. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

14. **Use and Return of Aggrieved Employee Data**. Information provided to Plaintiff's Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all settlement funds, Plaintiff and Plaintiff's counsel shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all settlement funds, Defendant make a written request to Plaintiff's Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

15. **Binding on Successors and Assigns**. This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of each of the Parties.

16. **Headings**. The descriptive heading of any section or paragraph of this Agreement

is inserted for convenience of reference only and does not constitute a part of this Agreement.

17. **Calendar Days**. Unless otherwise noted, all references to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal or state legal holiday, such date or deadline shall be on the first business day thereafter.

18. **Notice**. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

David Alami
Daniel J. Hyun
Torus LLP
2030 Main Street, Suite 1300
Irvine, CA 92614
with a copy to david@torusllp.com and daniel@torusllp.com

To Defendant:
Michael Hammad
Hammad Law
2042 Goldeneye Pl
Costa Mesa, CA 92626
with a copy to hammadlaw@yahoo.com

19. **Execution and Counterparts**. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts, and each of them, will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement

20. **Invalidity of Any Provision**. Before declaring any provision of this Agreement 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 Agreement valid and enforceable.

21. **Severability**. If any term or provision of this Agreement is held to be invalid or unenforceable, provided that the essential terms and conditions of this Agreement for each Party remain valid, binding and enforceable, the remaining portions of this Agreement 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.

22. **No Waiver**. No waiver of any condition or covenant contained in this Agreement 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.

23. **Cooperation and Execution of Necessary Documents**. The Parties have cooperated in the drafting and preparing of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to implement 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 mediator Will Klatte and/or the Court to resolve such disagreement.

24. **Stay of Litigation**. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to California Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under California Code of Civil Procedure section 583.310 for the entire period of this settlement process.

IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Agreement, accepts and agrees to the provisions contained in this Agreement, and hereby executes it voluntarily and with full understanding of its consequences.

PLAINTIFF:

Dated: 08/05/2026

Jovita Telles (Aug 5, 2026 12:13:53 PDT)

JOVITA TELLES

DEFENDANT:

DIAGNOSTIC LABORATORY SCIENCE, INC.

Dated: _____

By:
Its:

22. **No Waiver**. No waiver of any condition or covenant contained in this Agreement 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.

23. **Cooperation and Execution of Necessary Documents**. The Parties have cooperated in the drafting and preparing of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to implement 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 mediator Will Klatte and/or the Court to resolve such disagreement.

24. **Stay of Litigation**. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to California Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under California Code of Civil Procedure section 583.310 for the entire period of this settlement process.

IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Agreement, accepts and agrees to the provisions contained in this Agreement, and hereby executes it voluntarily and with full understanding of its consequences.

PLAINTIFF:

Dated: _____

_____
JOVITA TELLES

DEFENDANT:

DIAGNOSTIC LABORATORY SCIENCE, INC.

Dated: 7/8/2026.

By: _____
Its: CEO