

**SUPERIOR COURT OF CALIFORNIA  
IN AND FOR THE COUNTY OF SAN DIEGO**

**DANIEL L. BLOOMQUIST, an individual, and  
MONICA MARTINO SBERNA, an individual, on  
behalf of themselves and all others similarly situated,**

**Plaintiffs,**

**vs.**

**COVANCE, INC., a Delaware corporation; I-SHAN  
CHIANG, an individual; AMY STASTNY, an  
individual; and DOES 1-100, inclusive,**

**Defendants.**

**Case No.:** 37-2016-00026455-CU-OE-  
CTL

**CLASS ACTION SETTLEMENT AGREEMENT**

This Settlement Agreement, including all exhibits attached hereto (collectively, the “Agreement”), is entered into by and between Plaintiff DANIEL L. BLOOMQUIST and Plaintiff MONICA MARTINO SBERNA (collectively, hereinafter the “Named Plaintiffs”), together with the class of individuals that they seek to represent, which is defined as all Clinical Research Associates (“CRA”) in any position, who were employed by Defendant COVANCE INC. (“Covance”) in the state of California at any time commencing on August 3, 2012, Defendant I-SHAN CHIANG (“Chiang”), and Defendant AMY STASTNY (“Stastny”) (collectively, hereinafter “Defendants”).

**RECITALS AND BACKGROUND**

WHEREAS, Plaintiff Daniel L. Bloomquist (“Bloomquist”) commenced this wage and hour class action with the San Diego Superior Court for the County of San Diego on August 3, 2016, captioned *Daniel Bloomquist, et al. v. Covance, Inc., et al.*, No. 37-2016-00026455-CU-OE-CTL (the “Lawsuit”);

WHEREAS, in his initial Class Action Complaint for Damages and Injunctive Relief (“Complaint”), Bloomquist alleged five causes of action against all Defendants for: (1) failure to pay overtime compensation (stating violations of Labor Code § 1194); (2) failure to provide meal periods and rest periods (stating violations of Labor Code § 226.7); (3) failure to properly itemize wage statements (stating violations of Labor Code § 226); (4) failure to pay all wages due owed upon termination (stating violations of Labor Code § 203); and (5) “unlawful” (based upon such Labor Code violations) and “unfair” business practices in violation of Business and Professions Code §§ 17200, *et seq.*;

WHEREAS, Bloomquist filed his First Amended Class Action Complaint for Damages and Injunctive Relief (“FAC”) on August 15, 2017. In his FAC, in addition to the original five causes of action in his initial Complaint, Bloomquist alleged a sixth cause for action against all Defendants for: (1) failure to pay overtime compensation (stating violations of Labor Code § 1194); (2) failure to provide meal periods and rest periods (stating violations of Labor Code § 226.7); (3) failure to properly itemize wage statements (stating violations of Labor Code § 226); (4) failure to pay all wages due owed upon termination (stating violations of Labor Code § 203); (5) “unlawful” (based upon such Labor Code violations) and “unfair” business practices in violation of Business and Professions Code §§ 17200, *et seq.*; and (6) recovery of civil penalties under the Private Attorneys General Act of 2004, as codified in Labor Code §§ 2698, *et seq.* (“PAGA”);

WHEREAS, Plaintiff Monica Martino Sberna (“Sberna”) joined the Lawsuit as an additional named plaintiff by the filing of a Second Amended Class Action Complaint for Damages and Injunctive Relief (“SAC”) on August 30, 2018. In their SAC, the Named Plaintiffs, on behalf of themselves and all others similarly situated, seek damages and restitution, including the unpaid overtime wages, premium wages for missed meal and rest periods, civil penalties under Labor Code §§ 203 and 226, and PAGA;

WHEREAS, the SAC alleges six causes of action against Defendants for: (1) failure to pay overtime compensation (stating violations of Labor Code §§ 510 and 1198) (SAC ¶¶42-55); (2) failure to provide meal periods and rest periods (stating violations of Labor Code §§ 226.7 and 512) (*Id.* ¶¶56-67); (3) failure to properly itemize wage statements (stating violations of Labor Code § 226) (*Id.* ¶¶68-72); (4) failure to pay all wages due owed upon termination (stating violations of Labor Code § 203) (*Id.* ¶¶73-78); (5) “unlawful” (based upon the prior Labor Code violations) and “unfair” business practices in violation of Business and Professions Code § 17200, *et seq.* (“UCL”) (*Id.* ¶¶79-89); and (6) recovery of civil penalties under the Private Attorneys General Act of 2004, as codified in Labor Code §§ 2698, *et seq.* (*Id.* ¶¶90-107);

WHEREAS, Defendants deny and continue to deny all of the allegations made by the Named Plaintiffs in the SAC, and deny any and all liability and damages to anyone with respect to the alleged facts or causes of action asserted in the Lawsuit;

WHEREAS, as a result of formal discovery propounded on Defendants by counsel for the Named Plaintiffs (“Class Counsel”), the Named Plaintiffs obtained written discovery responses and voluminous business records from Covance concerning the Named Plaintiffs and the putative class members. Additionally, in order to facilitate discussions of the possible settlement of the Lawsuit, Covance provided Class Counsel with payroll records relating to the hours worked by and amounts paid to the Named Plaintiffs and putative class members during their employment with Covance;

WHEREAS, on the basis of the aforementioned business and payroll records, and its analysis thereof, Class Counsel is satisfied that they have a sufficient basis to properly evaluate the claims as alleged in the Complaint;

WHEREAS, the Parties participated in a private mediation before Judge Howard Weiner, (Ret.) on October 29, 2018, and subsequently participated in a second private mediation before mediator Martin Scheinman on August 12, 2019, during which a settlement was reached;

WHEREAS, without admitting or conceding any liability or damages whatsoever and without admitting that wages, overtime and/or other amounts were improperly withheld from any employees, Defendants have agreed to settle the Lawsuit on the terms and conditions set forth in this Agreement, to avoid the burden, expense, and uncertainty of continuing the Lawsuit;

WHEREAS, Class Counsel has analyzed and evaluated the merits of the claims made against Covance in the Lawsuit, and the impact of this Agreement on the Named Plaintiffs and putative class members, and based upon Class Counsel's analysis and evaluation of a number of factors, and recognizing the risks of continued litigation, including the possibility that the Lawsuit, if not settled now, might result in a recovery that is less favorable and that would not occur for several years, Class Counsel is satisfied that the terms and conditions of this Agreement are fair, reasonable and adequate and that this Agreement is in the best interest of the Named Plaintiffs and the putative members of the class action as defined below;

NOW, THEREFORE, in exchange for and in accordance with the mutual covenants set forth below, it is hereby agreed as follows:

## 1. DEFINITIONS

- (a) **Agreement.** "Agreement" means this Settlement Agreement and Release.
- (b) **Attorneys' Fees and Costs.** "Attorneys' Fees and Costs" means the amount paid to Class Counsel from the Gross Settlement Fund pursuant to Section 11 of this Agreement.
- (c) **Class Counsel.** "Class Counsel" means Keegan & Baker, LLP, 2292 Faraday Avenue, Suite 100, Carlsbad, California 92008; and The United Employees Law Group, 5500 Bolsa Avenue, Suite 201, Huntington Beach, CA 92649.
- (d) **Class or Class Members.** "Class" and "Class Members" shall mean all persons employed in the state of California by Covance, Inc. as a Clinical Research Associate in any position, including Clinical Research Associate I-MEA, Clinical Research Associate I, Clinical Research Associate II and/or Senior Clinical Research Associate ("Class") at any time commencing during the Class Period, who do not opt-out of the Lawsuit. The Class excludes any person employed as an independent contractor by Covance, Inc. as a Clinical Research Associate in any position in the state of California during the Class Period.
- (e) **Class Period.** "Class Period" shall be defined as the period from August 3, 2012 to October 31, 2019.
- (f) **Court.** "Court" means the San Diego Superior Court for the County of San Diego.
- (g) **Covance's Counsel.** "Covance's Counsel" or "Counsel for Defendants" means Robert Steiner, Esq. and Mark Konkol, Esq. of Kelley Drye & Warren LLP, 101 Park Avenue, New York, New York 10178.

(h) **Covance.** “Covance” means Defendant, Covance Inc.

(i) **Defendants.** “Defendants” means Defendant, Covance Inc., Defendant I-Shan Chiang, and Defendant Amy Stastny.

(j) **Effective Date.** “Effective Date” means the later of (1) thirty-three (33) days after entry of the Final Approval Order, i.e. an order and/or final judgment by the Court granting final approval of this Agreement and dismissing the case in its entirety with prejudice, if no appeal of such final approval is then pending, or (2) if an appeal of such final approval is then pending, the day after the order is affirmed on appeal or the day after any appeal has been dismissed.

(k) **Final Approval Order.** “Final Approval Order” means the order entered by the Court granting final approval of this Agreement.

(l) **Gross Settlement Amount.** “Gross Settlement Amount” means Five Hundred Thousand Dollars and Zero Cents (\$500,000.00), which is the maximum amount that Covance will pay to settle the Lawsuit as set forth in this Agreement, excluding Covance’s obligation to pay the employer-side payroll taxes on any portion that constitutes wages.

(m) **Individual Payments.** “Individual Payments” means payments to Class Members who do not timely opt-out of the Settlement as provided in Section 8 of this Agreement, to be distributed in accordance with Section 9 of this Agreement. The eleven Class Members who are also Opt-In Plaintiffs in the matter *John Sealock, et al. v. Covance, Inc.*, Case No.: 17-cv-5857 (S.D.N.Y.) (“Sealock”) are not precluded by the release in the Sealock settlement agreement (“Sealock Agreement,” which received preliminary approval by the U.S. District Court for the Southern District of New York) from receiving an Individual Payment as provided in Section 9, however, any Individual Payment made to such eleven Class Members who are also Opt-In Plaintiffs in the Sealock case will be reduced by the amounts of their individual settlement payment made to them in the Sealock case. Further, any reduction in the Individual Payment amount will not impact the effect of the release provisions in this Agreement or the Sealock Agreement and these Opt-In Plaintiffs will be bound by the releases in this Agreement and the Sealock Agreement to the fullest extent.

(n) **Lawsuit.** “Lawsuit” means the above-captioned class action lawsuit entitled *Daniel Bloomquist, et al. v. Covance, Inc., et al.*, No. 37-2016-00026455-CU-OE-CTL (San Diego Superior Court August 3, 2012).

(o) **LWDA Payment.** “LWDA Payment” means Eighteen Thousand Seven Hundred and Fifty Dollars and Zero Cents (\$18,750.00) of the Gross Settlement Amount, which shall be submitted to the LWDA, which constitutes a reasonable apportionment (75%) for resolution of the PAGA claims.

(p) **Named Plaintiffs.** “Named Plaintiffs” means Daniel Bloomquist and Monica Sberna.

(q) **Net Settlement Fund.** “Net Settlement Fund” means the remainder of the Gross Settlement Amount after deductions for: (1) the Settlement Claim Administrator’s fees; (2) Court-

approved attorneys' fees and costs for Class Counsel; (3) Court-approved Service Awards to Named Plaintiffs in return for a general release; and (4) the LWDA Payment.

(r) **Opt-Out Statement.** "Opt-Out Statement" means a statement timely submitted by a Class Member requesting to be excluded from the Settlement.

(s) **PAGA.** "PAGA" means the Private Attorney General Act, California Labor Code Sections 2698, *et seq.*

(t) **Parties.** "Parties" shall collectively mean the Named Plaintiffs, Class Members, Covance Inc., I-Shan Chiang and Amy Stastny.

(u) **Preliminary Approval.** "Preliminary Approval" means the date that the Court enters an order preliminarily approving this Agreement, including the procedure for notifying Class Members of their eligibility to participate in the Settlement pursuant to this Agreement.

(v) **Preliminary Approval Order.** "Preliminary Approval Order" means an executed version of the Proposed Preliminary Approval Order attached hereto as Exhibit A, or a version substantially the same in material respects, to be entered by the Court granting, among other things, preliminary approval of the Agreement. Further revisions, if any, to Exhibit A are subject to final approval by the Parties and the Court, if necessary.

(w) **Released Claims.** "Released Claims" means all claims, liabilities, damages, obligations, costs, and causes of action of whatever kind or nature arising during the Class Period that: (1) were asserted, or could have been asserted, whether known or unknown, contingent or accrued, under any state or local statute, ordinance, regulation, order, or common law, arising out of, based upon, or relating to the facts alleged in the Lawsuit; or (2) arising under any state or local wage and hour or compensation-related law during the Class Period, including, without limitation, any claims relating to or arising out of the alleged failure to properly and lawfully classify Class Members under Labor Code § 226.8; failure to properly and lawfully pay all wages owed to Class Members; failure to provide compliant wage statements under Labor Code § 226; failure to timely pay wages pursuant to Labor Code §§ 201-203; violations of California Business and Professions Code § 17200 *et seq.*; Private Attorney General Act penalties under California Labor Code § 2698 *et seq.* related to any allegations, claims, or causes of action encompassed in the Lawsuit; minimum wage; overtime wages; waiting time penalties; meal and rest period premiums or penalties; and any alleged failure to comply, in any respect, with California Labor Code Sections 200, 201, 202, 203, 204, 218, 218.5, 218.6, 226, 226.3, 226.8, 227.3, 247.5, 558, 1175, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198.5, 2604, 2699, 2808, 2810.5; together with any additional claims also included in Section 14 of this Agreement, including any monetary relief or damages flowing from such claims, including penalties, interest, injunctive relief, restitution, disgorgement, and consequential damages. Released Claims shall also include any and all claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest and attorneys' fees and costs (except as provided in this Agreement) arising out of, or related to, the allegations set forth in the Lawsuit, whether known or unknown, or suspected to exist and whether or not specifically or particularly described herein. Specifically, upon the Effective Date, Class Members who do not timely opt out of the Settlement waive in connection with the Released Claims all rights and benefits afforded by California Civil Code Section 1542, 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.**

(x) Released Parties. “Released Parties” means Defendants and their past, present or future direct and indirect parent companies, predecessor entities, successor entities, related companies, direct and indirect subsidiaries, holding entities, affiliates, franchisees, distributors, wholesalers, retailers, advertising and production agencies, and licensors, including all past, present and future officers, directors, managers, members, partners, principals, owners, employees, shareholders, consultants, attorneys, legal representatives, accountants, auditors, consultants, insurers, reinsurers, employee benefit plans, fiduciaries, agents, or other equity interest holders of any of the foregoing, together with any of their heirs, executors, administrators, and assigns, both individually and in their official capacities.

(y) **Settlement Check(s).** “Settlement Check” or “Settlement Checks” refers to the checks issued to Class Members by the Settlement Claim Administrator, ILYM Group, LLC, in accordance with the terms of this Agreement.

## **2. CONDITIONAL NATURE OF AGREEMENT**

(a) This Agreement, including all associated exhibits and attachments, is made for the sole purpose of settling the Lawsuit and all Released Claims on a class-wide and collective basis. This Agreement is made in compromise of disputed claims. Because the Lawsuit was pleaded as a class action and is being settled on a class basis, this Agreement must receive Court approval. Accordingly, the Parties enter into this Agreement on a conditional basis.

(b) The Parties will file a Motion for Preliminary Approval. In the event that the Court does not approve the Settlement in the form set forth in this Agreement, or in the event that the associated judgment does not become a Final Judgment for any reason, this Agreement, except for those provisions relating to the interpretation and termination of the Settlement, the conditional nature of this Settlement, and non-admissibility and non-admission of wrongdoing or liability, shall be deemed null and void *ab initio*, shall be of no force or effect whatsoever, shall not be referred to or utilized for any purpose whatsoever, and the negotiation of the Agreement shall remain confidential and subject to the rules of evidence barring admission of settlement materials.

(c) Defendants deny the allegations asserted in the Lawsuit, and specifically that this matter should proceed on a class basis (other than for settlement purposes). Defendants have agreed to resolve the Lawsuit via this Agreement, but to the extent this Agreement is deemed void or the Effective Date does not occur, Defendants do not waive, but rather expressly reserve, all rights to challenge any and all claims and allegations asserted in the Lawsuit upon all procedural and substantive grounds, including, without limitation, the ability to challenge class action treatment on any grounds, and to assert any and all other potential defenses or privileges.

(d) The Named Plaintiffs and Class Counsel agree that Defendants retain and reserve all of the rights set forth in this Agreement, including in this Section 2. Specifically, the Named Plaintiffs agree that, if the Lawsuit is to proceed, they will not argue or present any argument, and hereby waive any argument that, based on the Settlement or this Agreement or any of the exhibits and attachments hereto, or any act performed or document executed pursuant to or in furtherance of the Settlement or this Agreement, Defendants should be barred from contesting class certification on any grounds, or from asserting any and all other potential defenses and privileges.

(e) If the Lawsuit were to proceed, the Named Plaintiffs and Class Counsel expressly reserve the right to seek class certification, prosecute all the claims in the Complaint as well as the right to raise any additional timely claims and/or challenge any and all defenses and allegations asserted by Defendants in the Lawsuit.

### **3. DENIAL OF WRONGDOING OR LIABILITY**

(a) Defendants specifically and generally deny all of the claims asserted in the Lawsuit and all other Released Claims; deny all allegations and claims as to liability, damages, penalties, interest, fees and all other forms of relief; deny any and all wrongdoing of any kind whatsoever associated with any of the facts or claims alleged in the Lawsuit; and make no concessions or admissions of wrongdoing or liability of any kind whatsoever. Defendants maintain that CRAs have always been properly classified under all state and federal wage-hour laws, and that, for any purpose other than settlement, the Lawsuit is not suitable or appropriate for class or collective action treatment pursuant to any federal or state law rules.

(b) The Parties understand and agree that this Agreement represents a compromise of disputed claims, and have agreed to enter into this Agreement to avoid the risks, costs, and delays associated with further proceedings. Nothing contained in this Agreement, nor the fact of the Settlement or this Agreement itself, nor the exhibits thereto, nor any act performed or document executed pursuant to or in furtherance of this Agreement may be construed or be used as an admission or evidence of the validity of any claim or allegation, or of any act, omission, liability or wrongdoing on the part of Defendants in any action or proceeding of any kind whatsoever, except to enforce this Agreement.

(c) Pursuant to the applicable rules of evidence, this Agreement, and the exhibits and attachments hereto, shall be inadmissible in any proceeding, except as necessary to effectuate or enforce the terms of the Parties' Settlement.

### **4. BENEFITS OF THE SETTLEMENT FOR PLAINTIFFS**

(a) The Named Plaintiffs and Class Counsel believe that the claims asserted in the Lawsuit and all other Released Claims have merit and that evidence developed to date supports the claims. Class Counsel (with the assistance of the Named Plaintiff) have analyzed and evaluated the merits of the claims made against Covance in the Lawsuit.

(b) Based on their work and analysis, and their careful evaluation of a number of factors, including: (i) recognizing and acknowledging the expense and length of time needed to prosecute the Lawsuit through dispositive motions, trial and through appeals; (ii) the uncertain

outcome and the risk of any litigation, including the possibility that the Lawsuit, if not settled now, might not result in any recovery or might result in a recovery less favorable; (iii) the delays inherent in all litigation including that any recovery might not occur for several years; and (iv) the uncertainty that this matter might not be certified on a class basis; the Named Plaintiffs and Class Counsel are satisfied that the terms and conditions of this Agreement are fair, reasonable, and adequate and that this Agreement is in the best interests of the Class Members.

## **5. TOTAL SETTLEMENT AMOUNT**

(a) Covance shall pay a total not to exceed Five Hundred Thousand Dollars and Zero Cents (\$500,000.00) (Gross Settlement Amount), which is the amount that Covance will pay to settle the Lawsuit as set forth in this Agreement, to fully and finally resolve and satisfy on behalf of the Class: (i) any and all claims alleged in the Lawsuit, all other wage-hour, notice, wage statement, and compensation-related claims that were or could have been alleged in the Lawsuit, and any and all Released Claims as defined in section 1(w) of this Agreement; (ii) any and all attorneys' fees, and expenses incurred by Class Counsel; (iii) the cost of a Settlement Claims Administrator; (iv) and any Court-approved Service Award to the Named Plaintiffs.

(b) Covance shall pay any payroll taxes on the wage portion of the payments to be made to Class Members in addition to the Gross Settlement Amount. The Gross Settlement Amount and Covance's share of employer payroll taxes on the wage portion of payments made to Class Members shall be the sole financial obligation of Covance under this Agreement.

(c) Covance shall cause the Gross Settlement Amount less the portion of such amount that is allocated as alleged back wages to be paid to the claims administrator, ILYM Group, LLC for deposit in a Qualified Settlement Fund ("QSF"), as defined by 26 C.F.R. 1.468B-1, (established, maintained, and administered by ILYM Group, LLC for the deposit of the payment of the Gross Settlement Amount for the purpose of effectuating the terms of this settlement), within twenty (20) days after the Effective Date of this Agreement.

## **6. CLAIMS ADMINISTRATOR**

(a) The Settlement Claims Administrator will be ILYM Group, LLC (hereinafter referred to as "ILYM Group"), which was jointly selected by Class Counsel and Defendants' counsel. ILYM Group shall establish, maintain, and administer a Qualified Settlement Fund ("QSF"), as defined by 26 C.F.R. 1.468B-1, for the deposit of the payment of the Gross Settlement Amount, less the portion of such amounts that are allocated as back wages, for the purpose of effectuating the terms of this Settlement, ensuring that all applicable taxes associated with the administration are timely paid to the appropriate tax authorities and all tax filings are timely filed. ILYM Group will be responsible for locating Class Members; mailing the Notices of Settlement to Class Members in accordance with the Court's Preliminary Approval Order; responding to Class Members' inquiries; calculating Class Members' Individual Payment amounts in accordance with this Agreement and the Court's Final Approval Order; reporting on the state of the Settlement to counsel for the Parties; distributing the Individual Payments, the Service Awards, and calculating all payroll tax and withholding each Class Member's share of taxes, as appropriate; remitting such withheld funds to the appropriate taxing authorities, as appropriate; preparing and filing appropriate tax reporting forms for such withheld funds, as appropriate; the claims administration



process; coordinating collection and compilation of the Settlement Checks for filing with the Court; providing copies of the Settlement Checks to Counsel for Defendants; preparing a declaration regarding its due diligence in the claims administration process; and performing such other duties as the Parties may jointly direct, as are specified in this Agreement, or that are ancillary or related to claims administration matters. ILYM Group's fees shall be paid out of the Gross Settlement Fund in accordance with Section 6(b).

(b) ILYM Group will be paid a fee of \$20,000 to perform the claims administration tasks essential to effectuate this settlement as described in Sections 6(a) 8 and 9 of this Agreement.

(c) ILYM Group will provide regular reports to Class Counsel and Counsel for Defendants regarding the status of the mailing of the Notices of Settlement to Class Members, the claims administration process, and distribution of the Settlement Checks.

(d) Defendants agree to cooperate with ILYM Group, provide relevant information to the extent reasonably available and necessary to calculate the Individual Payments, provide ILYM Group with Settlement Checks for the portion of the Individual Payment amounts that are allocated as alleged back wages for ILYM Group's distribution to Class Members, and assist ILYM Group in locating the Class Members.

## **7. MOTION FOR PRELIMINARY APPROVAL OF THIS AGREEMENT**

(a) Promptly after the execution of this Agreement, the Parties will work cooperatively to file a Motion for an Order Preliminarily Approving the Class Action Settlement ("Motion for Preliminary Approval"). Defendants may not oppose the Motion for Preliminary Approval. Class Counsel will be solely responsible for the filing of the Motion for Preliminary Approval, and shall submit a draft version of the Motion for Preliminary Approval to the Covance's Counsel within three (3) calendar days before its filing. If the Parties cannot agree on the papers, the Parties agree to submit any disagreements to Martin Scheinman, Esq. for resolution of any disagreement.

(b) The Parties agree that the Motion for Preliminary Approval will include a proposed "Notice of Class Action Settlement and Final Approval Hearing" in the form attached hereto as Exhibit B ("Notice of Settlement"), and a proposed Order Preliminarily Approving the Class Action Settlement attached hereto as Exhibit A. The Motion for Preliminary Approval, *inter alia*, will seek (i) certification of the Class, for settlement purposes only, pursuant to Code of Civil Procedure § 384, against Defendants, (ii) preliminary approval of the Settlement, this Agreement, and of the Notice of the Settlement to be mailed to the Class Members, and setting the dates by which Class Members may opt-out of or assert objections to the Settlement; and (iii) setting a date for a hearing for the final approval of the Settlement ("Final Approval Hearing").

(c) In accordance with Labor Code Section 2699(1)(2), Class Counsel shall provide notice of this Agreement, including notice of the LWDA Payment, to the LWDA at the time the motion for preliminary approval is filed with the Court in the Action, and shall provide a copy of such notice to Defendants' Counsel. Within ten (10) calendar days after the entry of the Final Approval Order, ILYM Group shall submit a copy of the Final Approval Order to the LWDA. The LWDA Payment shall be payable by ILYM Group to the LWDA within twenty (20) calendar days after the Effective Date.

## **8. NOTICE TO CLASS MEMBERS; OPT-OUTS; OBJECTIONS**

(a) Within ten (10) days following the entry of the Court's order preliminarily approving the Settlement of this Agreement, Covance shall provide to ILYM Group, an Excel spreadsheet in .xlsx electronic format, for all Class Members, the following information: name, Social Security number, last known address, last known personal email address, if any, dates of employment, and other data necessary to calculate the Individual Payments, as that information exists on file with Covance (the "Class Contact List"). The data provided to ILYM Group will also include the employment/payroll data agreed on by the Parties that is needed to calculate each Class Member's settlement payment.

(b) The Class Contact List, the data and information contained in the Class Contact List, and all other data provided by Covance shall not be disclosed to the Named Plaintiffs, or anyone else external to ILYM Group without the written consent of Covance. ILYM Group shall share with Class Counsel at its request the total number and the names, dates of employment, and yearly income of individuals on the Class List, and with prior written notice to Covance's Counsel, the data given to ILYM Group by Covance to calculate the Individual Payments regarding a Class Member who has inquired about his or her own individual participation in the Settlement or objected to the Settlement in order to enable Class Counsel to respond to such inquiry.

(c) Within thirty (30) days following the Court's order preliminarily approving this Agreement (or within an alternate period set by the Court), ILYM Group shall mail, via First Class Mail, postage prepaid, and via email, to each Class Member, the Notice of Settlement, in the form approved by the Court, using the addresses and email addresses set forth in the Class Contact List, as maintained and updated by the ILYM Group. Specifically, ILYM Group will check the address information for each Class Member against the National Change of Address ("NCOA") database maintained by the United States Postal Service ("USPS") for purposes of updating and confirming the mailing addresses of Class Members before the mailing of the service of the Notice. In order to ensure the most accurate mailing possible, addresses will also be certified via the Coding Accuracy Support System ("CASS"), which appends ZIP +4 and postal codes to records, verified through the Delivery Point Validation ("DPV"), which verifies the addresses to the actual point of delivery and can also identify the address location, and verified through the Locatable Address Correction System ("LACS"), which updates business and residential rural route addresses to a street style address. To the extent an updated address for an individual identified as a Class Member is indicated in the NCOA, CASS, DPV, or LACS databases from the list provided by Covance, the updated address will be used for the mailing of the Notice, and the originally provided address (i.e., before it was updated) will not be used. To the extent that no updated address for an individual identified as a Class Member is indicated in the NCOA, CASS, DPV, or LACS databases from the address information provided by Covance, the original address information provided by Covance will be used to effectuate the mailing of the Notice.

(d) The notice of settlement to the Class Members ("Notice of Settlement" or "Notice") shall inform each Class Member of the total number of work weeks worked by that individual Class Member as well as the total number of work weeks worked by all Class Members during the times they were employed by Covance, as calculated by the Settlement Claims Administrator as shown by Covance's records. Upon mailing of the Notice, the Class Members will have sixty (60) days object to the calculation and provide pay records or other documentary evidence

demonstrating that their total number of work days worked during the times they were employed by Covance as calculated by the Claims Administrator is incorrect. The calculation of the work weeks by the Claims Administrator as shown by Covance's records shall be deemed accepted by Class Members who do not object and provide pay records or other documentary evidence during the sixty (60) days objection period. Unless otherwise ordered by the Court, the Notice of Settlement will be in the form attached as Exhibit B.

(e) If any Notice of Settlement is returned as undeliverable, ILYM Group will take reasonable steps to endeavor to ascertain a current address, including running a skip trace with the provided Social Security number, and mail the Notice of Settlement to a current address for each such Class Member. ILYM Group shall maintain an updated Class Contact List, which will be provided to Covance periodically and as reasonably requested by Covance or Covance's counsel.

(f) ILYM Group will mail, along with the Notice of Settlement, a blank IRS Form W-4 and IRS Form W-9, to be completed and returned to ILYM Group. Any such Class Member who fails to provide ILYM Group with a signed IRS Form W-4 shall be deemed to have elected one withholding exemption. Each Class Member will receive an IRS Form W-2 with respect to amounts that constitute alleged back wages of portion of their Individual Payment.

(g) Any Class Member may opt-out of or request to be excluded from the Settlement as set forth in this Agreement. Class Members who choose to opt-out must mail a written, signed statement to ILYM Group that states he or she is opting-out of the Settlement, and include his or her name, job title, address, and telephone number and state, "I opt-out of the Covance wage and hour settlement" ("Opt-Out Statement"). To be effective, such Opt-Out Statement must be sent to ILYM Group via First Class Mail, postage prepaid, and must be postmarked or received by a date certain to be specified on the Notice of Settlement, which date will be sixty (60) days after ILYM Group mails the Notice of Settlement.

(i) Class Members whose first mailing was returned to ILYM Group as undeliverable will be allowed to opt-out or object up to thirty (30) days from the date of the second mailing but no later than sixty (60) days from the Court's order preliminarily approving the Settlement and this Agreement. ILYM Group shall not attempt more than two (2) mailings of the Notice of Settlement to any Class Member, and no mailing shall occur more than thirty (30) days after the first mailing to Class Members.

(h) ILYM Group shall keep accurate records of the dates on which it sends Notice of Settlement to Class Members.

(i) ILYM Group will stamp the postmarked or received date on the original of each Opt-Out Statement that it receives and shall serve copies of each Opt-Out Statement on Class Counsel and Covance's Counsel by email no later than three (3) days after receipt thereof. Class Counsel will, along with the Motion for Final Approval, file with the Clerk of the Court stamped copies of any Opt-Out Statements. ILYM Group will, within five (5) days of the end of the opt-out period, send a final list of all Opt-Out Statements to Class Counsel and Covance's counsel by email. ILYM Group will retain the stamped originals of all Opt-Out Statements and originals of all envelopes accompanying Opt-Out Statements in its files until such time as ILYM Group is relieved of its duties and responsibilities under this Agreement.

(j) Any Class Member who does not properly submit a timely Opt-Out Statement pursuant to this Agreement will be deemed to have accepted the Settlement and the terms of this Agreement and will be eligible for payment hereunder, as provided for herein. Any Class Member who opts out will not participate in the Settlement, will not receive any settlement payment, and will not be bound by the terms of the Settlement Agreement, if it is approved, or by the Final Order and Judgment Entry in this Action.

(k) A Class Member who does not opt-out of the Settlement may object to the proposed settlement at the Final Approval Hearing. The objection must be submitted to ILYM Group in writing and must be postmarked or received by a date certain to be specified on the Notice of Settlement, which date will be sixty (60) days after ILYM Group mails the Notice of Settlement. The written objection must include: (1) the words, "I object to the Covance wage and hour settlement"; (2) all reasons for the objection (any reasons not included in the written objection will not be considered); and (3) the name, job title, address, and telephone number for the Class Member making the objection. An objection will not be valid if it does not specifically comply with all of the requirements listed herein. ILYM Group will stamp the date received on the original and send copies of each written objection to Class Counsel and Covance's Counsel by email and overnight delivery no later than three (3) days after receipt thereof. Class Counsel shall file the date-stamped originals of any and all written objections with the Court along with the Motion for Final Approval. By this provision, the Parties are not waiving and are expressly preserving their right to contest any objection on any grounds, or from asserting any and all other potential defenses and privileges to any such objection.

(l) A Class Member who submits a timely objection also has the right to appear at the Final Approval Hearing either in person or through his or her counsel, if his or her written objection so states. A Class Member who timely objects and who wishes to appear at the Final Approval Hearing must state his or her intention to do so in writing at the time he or she submits his or her written objection. A Class Member who timely objects may withdraw his or her objections at any time. No Class Member may appear at the Final Approval Hearing unless he or she filed a timely written objection that complies with the procedures required under this Agreement. No Class Member may present an objection at the Final Approval Hearing based on a reason not stated in his or her written objection absent the Court's permission to do so. Any Class Member who has submitted an Opt-Out Statement may not submit objections to the Settlement or speak at the Final Approval Hearing. Any Class Member may appear through counsel at the Final Approval Hearing but must state in his or her objection that he or she is represented by counsel, or in the alternative, his or her counsel must file a Notice of Appearance at least fifteen days prior to the Final Approval Hearing. By this provision, the Parties are not waiving and are expressly preserving their right to contest any appearance by an objector on any grounds, or from asserting any and all other potential defenses and privileges to any such appearance.

(m) Class Counsel and/or Counsel for Defendants may file with the Court a written response to any filed written objections filed by a Class Member no later than three (3) calendar days before the Final Approval Hearing.

(n) Sufficiently in advance of the Final Approval Hearing, but not later than thirty (30) days before the Final Approval Hearing, or as Class Counsel and Defendants' Counsel may otherwise agree, Class Counsel will submit to Counsel for Defendants a draft Motion for Judgment

and Final Approval of the Settlement and this Agreement. Class Counsel will allow Counsel for Defendants at least seven (7) days to review and comment on the terms of such papers, and agrees to work cooperatively with Counsel for Defendants to make efforts to ensure the language of such motion is acceptable to Counsel for Defendants. Any amendments to the deadlines in this paragraph only will not constitute a breach of the Agreement.

(o) Unless otherwise ordered by the Court, not later than fourteen (14) days before the Final Approval Hearing, Class Counsel shall file a Motion for Judgment and Final Approval of the Settlement and this Agreement (“Motion for Judgment and Final Approval”) requesting that the Court shall, among other things, (i) finally certify the Class for purposes of settlement, (ii) approve the Settlement as fair, adequate, reasonable, and binding on all Class Members who have not timely opted-out in accordance with this Agreement, (iii) approve and incorporate the terms of the release for all Class Members; (iv) enter an order permanently enjoining all Class Members who have not timely opted-out from pursuing and or seeking to reopen claims that have been released by this Agreement; and (v) enter final judgment in accordance with this Agreement and dismiss the Lawsuit with prejudice, retaining jurisdiction over the Settlement’s enforcement and construction. Defendants shall join the Motion for Judgment and Final Approval and shall not oppose the Motion for Judgment and Final Approval. Class Counsel will be solely responsible for the filing of the Motion for Judgment and Final Approval and shall submit a draft version of the Motion for Judgment and Final Approval to the Counsel for Defendants within three (3) calendar days before its filing. The Parties agree to request that the Court approve a final approval order and judgment as part of the final approval motion drafting process.

(p) At the Final Approval Hearing, the Parties will request that the Court issue all of the relief set forth in the Motion for Judgment and Final Approval.

## **9. ALLOCATION AND DISTRIBUTION OF THE NET TOTAL SETTLEMENT AMOUNT.**

(a) The Parties recognize and agree that the precise value of each Class Member’s individual claim, whether for allegedly unpaid overtime, alleged denial or non-provision of meal and/or rest periods, alleged untimely payment of final wages, or any other claim asserted in the Lawsuit is extremely difficult to determine with any certainty for any given person, year, or at all, and is subject to myriad differing calculations and formulas. The Parties hereby agree that the formula for allocating payments to Class Members as provided herein is reasonable and designed to provide a fair settlement to the Class Members. No claim form will need to be submitted by a Class Member in order to receive a pro rata distribution of the Net Settlement Amount. Each Class Member who does not exclude themselves from the Class will receive an Individual Payment, which shall be determined by ILYM Group pursuant to the following formulas:

(i) For the Class:

(1) Each Class Member shall be assigned one point for each week worked during the Class Period for calendar years in which they were employees of Covance;

(2) The number of points shall be calculated for each Class Member for each calendar year during the Class Period in which they were employees of Covance;

(3) The number of points for all Class Members for each calendar year during the Class Period in which they were employees of Covance shall be added to obtain the “Total Denominator”;

(4) Each Class Member’s points shall be divided by the Total Denominator to obtain each Class Member’s allocated pro rata percentage of the Net Settlement Fund;

(5) Each Class Member’s pro rata percentage shall then be multiplied by the Net Settlement Fund to determine the Individual Payment of each Class Member; and

(6) The total of all possible Individual Payments of Class Members shall not exceed the Net Settlement Amount.

(b) Within twenty (20) days of the Court’s final approval of this Agreement, ILYM Group shall deliver to Class Counsel and Counsel for Defendants a schedule of each Class Member’s Individual Payment. Such information shall also be provided to Class Counsel and Covance’s Counsel prior to Final Approval hearing.

(c) Within fifteen (15) days following the Effective Date (as defined in Section 13 below) Covance shall provide ILYM Group with Settlement Checks for the portion of the Individual Payment amounts that constitute alleged back wages as set forth in Section 12(b). The Settlement Checks shall be distributed by ILYM Group in accordance with Section 9(d) and (e).

(d) Within (20) days following the Effective Date (as defined in Section 13 below) ILYM Group shall: (i) distribute to Class Counsel its Court-approved reimbursement of expenses; (ii) distribute to Class Counsel its Court-approved fee amount; (iii) distribute to Named Plaintiffs their Court-approved Service Award; (iv) distribute to ILYM Group its Court-approved Administrator Fee; (v) send a check to the LWDA as and for the LWDA Payment; and (vi) distribute to each Class Member his or her Individual Payment detailed in Section 9(a), less applicable withholding taxes as appropriate.

(e) Each Individual Payment will be sent by ILYM Group by mailing two Settlement Checks to each Class Member at his or her address as listed on the Class Contact List, as maintained and updated by the ILYM Group. ILYM Group shall provide information related to the amount of each Settlement Check and to whom it is payable and to whom it was mailed and the date of mailing, to Class Counsel and Counsel for Defendants.

(f) If a Settlement Check is returned to ILYM Group by the post office with a forwarding address, ILYM Group shall re-mail the check to the forwarding address within two (2) business days following receipt of such returned check, and provide Class Counsel and Counsel for Defendants with proof of such mailing. If a Settlement Check is returned to ILYM Group without a forwarding address, ILYM Group shall perform a skip trace using at least two different databases, including but not limited to Credit Header, (which identifies information for persons who have ever applied for any credit), and a directory assistance database, to attempt to find a new address, and if a new address is found, ILYM Group shall re-mail the Settlement Check to said

new address identified by such skip trace within three (3) business days following receipt of such returned check.

(g) Class Members will have one hundred and eighty (180) days from the date of the mailing of the Settlement Checks to cash their Settlement Checks. If any Class Member's Settlement Check is not cashed within sixty (60) days after it is mailed or re-mailed, whichever is later, ILYM Group will send the Class Member a letter informing him or her that, unless the check is cashed within one hundred and eighty (180) days after the date on the check, it will expire and become non-negotiable, and ILYM Group will offer to replace the check if it was lost or misplaced, but not cashed. Class Members who lose or do not receive their Settlement Checks must make a request to ILYM Group for a replacement check(s) within one hundred and fifty (150) days of the check's initial issue date. ILYM Group shall notify Covance within five (5) days of any request for a replacement check, including any amounts that are allocated as alleged back wages. All replacement checks shall be valid for the remainder of the 180-day period starting from the initial mailing date, or forty-five (45) days from the date of mailing, whichever period is longer.

(h) Covance shall report to ILYM Group and Class Counsel the total sum of all uncashed Settlement Checks that are allocated as alleged back wages. ILYM Group will then determine its fees for sending a second round of settlement checks ("Second Round Checks") based on the uncashed Settlement Checks to be distributed *pro rata* to those Class Members who cashed their initial checks. If the total amount of all uncashed Settlement Checks, minus the costs to ILYM Group to distribute the Second Round Checks, is greater than or equal to \$0.00 there will be a second round of checks distributed to those Class Members who cashed their Settlement Checks. ILYM Group will issue these Second Round Checks within two-hundred (200) days after the date the Settlement Checks are originally mailed to Class Members by ILYM Group. These Second Round Check payments will be reported to the IRS as 1099-Misc non-wage income representing liquidated damages and interest. If the amount of uncashed checks minus the costs of distribution is less than \$0.00, ILYM Group shall not send the Second Round Checks and that amount instead will be paid to a nonprofit organization providing civil legal services to the indigent, the Legal Aid Society of San Diego, Inc., as agreed upon by Covance and Class Counsel, to be approved by the Court.

(i) If ILYM Group issues Second Round Checks, Class Members must cash their Second Round Checks within (90) days from the date the Second Round Checks are mailed to Class Members by ILYM Group. The total sum of all uncashed Second Round Checks after the ninety (90) day period shall be returned to a nonprofit organization providing civil legal services to the indigent, the Legal Aid Society of San Diego, Inc., as agreed upon by Covance and Class Counsel, to be approved by the Court.

## **10. SERVICE AWARD**

(a) Class Counsel shall seek approval for two incentive payments of Ten Thousand Dollars and Zero Cents (\$10,000.00) each for services rendered by Named Plaintiffs on behalf of the Class Members (the "Service Award"). Defendants shall take no position with respect to, and shall not object to, this request. The Court-approved incentive payment amount will be paid by ILYM Group at the same time as the Class payments.

(b) The substance of the above-referenced Named Plaintiffs' application for the Service Award is to be considered separately from the Court's consideration of the fairness, reasonableness, adequacy, and good faith of the Settlement of the Lawsuit. The outcome of the Court's ruling on the application for the Service Award shall not terminate this Agreement or otherwise affect the Court's ruling on the Motion for Judgment and Final Approval. Any amount of the Service Award not approved by the Court will be allocated to the Net Settlement Fund. The Service Award will not be paid if Defendants void this Agreement as permitted by Section 15 or if this Agreement does not receive final Court approval.

## **11. ATTORNEYS' FEES; LITIGATION EXPENSES.**

(a) Class Counsel shall seek approval for an award of attorneys' fees in an amount of thirty-three (33.33%) percent of the Gross Settlement Amount or \$166,650.00. Class Counsel shall also seek reimbursement of reasonable litigation costs and expenses in the amount not to exceed \$45,000.00 (not including ILYM Group's fees), to be deducted from the Gross Settlement Amount. Defendants shall take no position with respect to, and shall not oppose, such attorneys' fees and costs/expenses applications.

(b) Any attorneys' fees or litigation costs and expenses not approved by the Court become part of the Net Settlement Amount, and Defendants will not have any additional liability for Class Counsel's attorneys' fees and costs beyond that which is approved by the Court. No attorneys' fees or litigation costs and expenses will be paid if Defendants void this Agreement as permitted by Section 15 or if this Agreement does not receive final Court approval.

(c) The substance of Class Counsel's application for attorneys' fees and costs is to be considered separately from the Court's consideration of the fairness, reasonableness, adequacy, and good faith of the Settlement of the Lawsuit. The outcome of any proceeding related to Class Counsel's application for attorneys' fees and costs shall not terminate this Agreement or otherwise affect the Court's ruling on the motion for final approval.

(d) All attorneys' fees and litigation expenses and costs approved by the Court shall be paid from the Qualified Settlement Fund (QSF) without withholding and reported to the IRS on Form 1099 as appropriate and determined by the Settlement Claims Administrator.

## **12. PAYROLL TAXES AND WITHHOLDINGS**

(a) The Individual Payments shall be allocated fifty (50%) percent to alleged back wages and fifty (50%) percent to alleged interest and/or statutory penalties.

(b) All Individual Payments to Class Members shall be paid as follows:

(i) The amounts that are allocable to unpaid wages shall be paid by separate check from Covance and shall be subject to applicable payroll and withholding taxes (including, but not limited to, federal, state, and local income tax withholding and the employee share of FICA tax). Covance shall be responsible for, and shall pay, any and all applicable employer tax contributions associated with the fifty (50%) percent of the Individual Payments allocated to back wage payments, including the employer share of FICA, all of which shall be in addition to, and not be paid out of, the Gross Settlement Amount.



(ii) The amounts that are allocable to interest and/or statutory penalties shall be paid by a separate check from ILYM Group, from which payroll and withholding taxes shall not be deducted.

(c) As appropriate, Covance will issue an IRS Form W-2 to Class Members for the portions of their Individual Payments that constitute back wages, and ILYM Group will issue an IRS Form 1099 to Class Members for the portion of their Individual Payments that represent interest and/or statutory penalties.

(d) The Named Plaintiffs and each Class Member acknowledge and agree that each will be solely responsible for all taxes, interest, and penalties due to be paid with respect to any payment received pursuant to this Agreement (other than the employer's share of FICA tax and any unemployment tax due) and will indemnify, defend, and hold Defendants, the other Releasees (as defined in Paragraph 14(a)), and ILYM Group harmless from and against any and all taxes, interest, penalties, attorneys' fees, and other costs imposed on Defendants, any other Releasee, or ILYM Group as a result of the Named Plaintiffs' and/or a Class Member's failure to timely pay such taxes, if any.

(e) The employee portion of all applicable income and payroll taxes will be the responsibility of the individual Class Member receiving a Settlement Check with respect to the 1099 payments, if any.

### **13. EFFECTIVE DATE**

(a) The Effective Date of this Agreement is the later of (1) thirty-three (33) days after entry of an order and/or final judgment by the Court granting final approval of this Agreement and dismissing the case in its entirety with prejudice, if no appeal of such final approval is then pending, or (2) if an appeal of such final approval is then pending, the day after the order is affirmed on appeal or the day after any appeal has been dismissed.

(b) If the Court does not enter an order granting final approval of the Settlement and this Agreement, or such order does not become final, the Parties shall return to their positions prior to the filing of the motion for preliminary approval of this Agreement unless the Parties jointly agree to (1) seek reconsideration or appellate review of the decision denying entry of the order, or (2) attempt to renegotiate the Settlement and seek Court approval of the renegotiated settlement. In the event any reconsideration and/or appellate review is denied, or a mutually agreed-upon settlement is not reached or not approved:

(i) The Lawsuit will proceed as if no settlement had been attempted. In that event, the class certified for purposes of settlement shall be decertified, and Covance may assert all potentially applicable defenses in connection with the Lawsuit (e.g., contest whether the Lawsuit should be maintained as a class action or collective action, contest the merits of the claims being asserted in the Lawsuit, etc.). In such case, the Parties will negotiate and submit for Court approval a revised case management schedule. Plaintiff does not waive his right to move for class certification and shall not be prohibited from doing so in that event.

(ii) ILYM Group will provide notice to Class Members that the Agreement did not receive final approval and that, as a result, no payments will be made to Class Members under the Agreement. Such notice shall be emailed and mailed by ILYM Group via First Class Mail, postage prepaid, to the addresses used by ILYM Group in mailing the Notice of Settlement.

(iii) If the Class Settlement does not become Effective, with the exception of Covance's exercise of its right to revoke this Agreement as addressed in Section 15 below, the Parties agree to share equally ILYM Group's costs related to the Settlement and the notice to the class that the Settlement was proposed for approval and not approved. If either party unilaterally terminates the Agreement, the terminating party agrees to bear ILYM Group's full costs related to the Settlement and the notice to the class.

#### **14. RELEASE**

By operation of the entry of an order by the Court granting final approval of the settlement and this Agreement and except as to such rights or claims as may be created by this Agreement:

(a) For Class Members:

(i) Upon the Effective Date, all Class Members who did not timely opt-out, on behalf of themselves and their heirs, successors, executors, administrators, and assigns ("Releasers"), fully and finally release and discharge. Released Parties, of and from any and all Released Claims as defined in Section 1(w) of this Agreement which arose or accrued during the Class Period up to the date of the execution of this Agreement.

(b) Except as provided in this Agreement, the Named Plaintiffs, on behalf of the Class Members and each individual Class Member, hereby forever and finally release and discharge any claim that they may have against any Released Parties for attorneys' fees or litigation expenses or costs associated with Class Counsel's representation of the Class Members and the Named Plaintiffs. Class Counsel further understands and agrees that any attorneys' fees and litigation costs approved by the Court will be the full, final, and complete payment of all attorneys' fees and costs associated with Class Counsel's representation in the Lawsuit, except for any fees and expenses, including any expenses associated with collection efforts, that Class Counsel incurs if Defendants breach this Agreement, and Class Counsel must take action to enforce this Agreement.

(c) The Released Claims shall not apply to Class Members who timely opt-out pursuant to this Agreement. The Released Claims and the releases in this Section 14 shall also not apply to compromise any right to workers' compensation benefits, unemployment benefits, disability benefits, or any claim for discrimination. Regardless of the amounts attributed to any particular claim under the allocation formula herein, each individual Class Member is subject to the full release.

(d) In addition to the Released Claims and the foregoing release provisions, the amounts paid to each Class Member shall be deemed full satisfaction of such Class Member's Released Claims, regardless of the amount attributed to any particular claim under the allocation formula set forth herein.

(e) All settlement checks mailed to Class Members shall contain on the back of each such check, the following limited endorsement:

**CONSENT TO JOIN AND FINAL RELEASE OF CLAIMS:**

I understand that I have up to 180 calendar days from the date I was mailed this Settlement Check to sign and cash this Settlement Check. By endorsing this check, I agree to be bound by the Settlement Agreement approved by the Court, affirm I previously consented to join in the case entitled *Bloomquist, et al. v. Covance, Inc., et al.*, No. 37-2016-00026455-CU-OE-CTL *Sealock vs. Covance, Inc.*, No. 17-cv-5857, now pending in San Diego Superior Court, and agree to be bound by the Settlement Agreement negotiated by Class Counsel in that case. I irrevocably and unconditionally waive, release, extinguish, acquit, and forever discharge any claims of any kind whatsoever that I have or might have for unpaid wages or overtime pay, or any other claim for violation of federal, state, local or other applicable laws regulating hours of work, wages (including overtime wages), the timing and/or payment of wages, or recordkeeping of any kind (including, but not limited to, the California Labor Code, IWC Wage Order No. 4-2001, and the Business and Professions Code § 17200, *et seq.*, FLSA, 29 U.S.C. § 201, *et seq.*) or any damages based upon, relating to, or arising out of any such claims (including, but not limited to, back pay, statutory penalties, liquidated damages, or other relief), relating to my employment with Covance up to and including [insert the final Order adjudicating this matter].

Signature: \_\_\_\_\_ Dated: \_\_\_\_\_

(f) Any modification or amendment of the language set forth in Section 14(e) by any Class Member may be rejected by Covance, and if rejected, may void the Settlement Check. Covance has the discretion to accept or reject any such modification or amendment. Covance shall inform and provide a copy to Class Counsel of any redeemed Settlement Check that has been rejected. Moreover, to the extent a Class Member modifies or amends the above language and Covance voids the Settlement Check, ILYM Group will send correspondence to such Class Member explaining that the Settlement Check was voided, informing the Class Member that he or she can speak to Class Counsel, and enclosing a re-issued Settlement Check absent any modification or amendment and present it for payment, and be given 30 days, or the remainder of the 180 calendar day period, whichever is longer, in which to redeem the re-issued Settlement Check. ILYM Group shall provide Covance with a signed copy of each Settlement Check after it has been redeemed.

**15. VOIDABILITY OF SETTLEMENT**

(a) If 30 or more Class Members opt-out of the Class as provided in this Agreement, Defendants may, but are not obligated to, void the Agreement. If Defendants wish to exercise this right, it must do so by e-mail to Class Counsel no later than ten (10) calendar days after the end of the opt-out period. No party will solicit, encourage, or discourage opt-outs. Any attempt to do so by Plaintiffs or Defendants or their respective attorneys will be deemed a breach of this Settlement Agreement. If such breach occurs, the Court has the authority, upon proper motion, to void any

opt-out who was improperly solicited or encouraged. If Defendants exercise their right to revoke this Agreement, the Lawsuit will proceed as if there was no attempt at settlement, except that Defendants will be responsible for ILYM Group's fees set forth in Section 6(b) of this Agreement. If Defendants exercise their right to revoke this Agreement, the classes certified for purposes of settlement shall be decertified, the Parties will be restored to their positions prior to the Settlement negotiations and settlement of the Lawsuit, and Defendants may contest whether this Lawsuit should be maintained as a class action and contest the merits of the claims being asserted by Plaintiffs in the Lawsuit.

## **16. MISCELLANEOUS**

(a) Covance will not retaliate in any manner against any former or current employee of Covance who (i) participated in the Lawsuit, or (ii) participates in the Settlement provided for in this Agreement.

(b) The Parties have negotiated all the terms and conditions of this Agreement at arm's length.

(c) The Parties have jointly drafted this Agreement through their respective counsel and, as such, this Agreement shall not be construed for or against any party by virtue of draftsmanship. The captions or headings of the Sections of this Agreement have been inserted for convenience of reference only and shall have no effect upon the construction or interpretation of any part of this Agreement. All of the terms and conditions of this Agreement in the exact form set forth herein are material to this Agreement and have been relied upon by the Parties in entering into this Agreement.

(d) This is a binding agreement, subject to approval by the Court, and may not be modified except by a writing executed by all of the Parties hereto or as otherwise provided herein. No waiver, modification, or amendment of the terms of this Agreement, whether purportedly made before or after the Court's approval of this Agreement, shall be valid or binding unless in writing and signed by or on behalf of all Parties, and then only to the extent set forth in such written waiver, modification, or amendment, subject to any required Court approval. Any failure by any party to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of future performance of the same provisions or of any of the other provisions of this Agreement, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

(e) The Parties shall cooperate fully with each other and work together diligently and in good faith to obtain preliminary and final approval of this Agreement by the Court. Each of the Parties, upon the request of the other, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions and intent of this Agreement, including acts of complying with the Court's orders regarding the form and method of notice to the Class.

(f) Class Counsel and the Named Plaintiffs represent and warrant that they have not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or any

portion thereof or interest therein, including, but not limited to, any interest in the Lawsuit, or any related action.

(g) This Agreement shall in all respects be interpreted, enforced and governed by and under the laws of the State of California, without regard to choice of law principles.

(h) Following the final approval of this Agreement, the Court shall retain jurisdiction to enforce this Agreement and to resolve any disputes arising thereunder.

(i) This Agreement is a binding agreement and contains all material agreed-upon terms for the Parties to seek a full and final settlement of the Lawsuit. This Agreement shall be binding upon the Parties and, with respect to the Named Plaintiffs and all Class Members, their spouses, children, representatives, heirs, administrators, executors, beneficiaries, conservators, attorneys, and assigns.

(j) This Agreement is valid and binding if signed by Covance's authorized representative and by the Named Plaintiffs and Class Counsel.

## **17. PROCEDURES IN THE EVENT OF BREACH.**

(a) The Parties acknowledge that a breach of any provision of this Agreement can cause damage and injury to the non-breaching party. If a court of competent jurisdiction determines that a party hereto has breached any of the terms of this Agreement, the Parties agree that, in addition to any remedies available to the non-breaching party in law or equity for a breach of this Agreement, the non-breaching party shall be entitled to all of their reasonable costs and expenses, including reasonable attorneys' fees, and any reasonable attorneys' fees incurred in litigating a motion for attorneys' fees, incurred in enforcing the terms of this Agreement, and/or incurred in defending any action(s).

## **18. SEVERABILITY.**

(a) Should any provision of this Agreement be declared illegal or unenforceable by any court of competent jurisdiction, the Parties agree that said court has the full discretion to interpret or modify all such provisions to render them enforceable. If such interpretation or modification is not possible, such provision immediately shall become null and void, leaving the remainder of this Agreement in full force and effect, which then shall be interpreted to bar any and all claims that any Class Member may have against any Releasee.

## **19. NOTICE.**

(a) Unless otherwise provided herein, any notice that must be sent under this Agreement shall be sent either by overnight delivery (such as FedEx) or by certified First Class Mail, return receipt requested, postage prepaid. If notice is given by overnight delivery, it will be deemed effective on the delivery date, as confirmed by the courier. If notice is given by certified First Class Mail, it will be deemed effective three (3) days after it is sent. Notice shall be given to the following:

If to Named Plaintiffs or Class Members:

Patrick Keegan  
Keegan & Baker, LLP  
2292 Faraday Avenue, Suite 100  
Carlsbad, CA 92008  
Tel: 760-929-9329  
Fax: 760-929-9260  
pkeegan@keeganbaker.com

With copy to:

Walter Haines  
THE UNITED EMPLOYEES LAW GROUP  
5500 Bolsa Avenue, Suite 201  
Huntington Beach, CA 92649  
Tel: (310) 234-5678  
Fax: (562) 256-1006  
[walter@whaines.com](mailto:walter@whaines.com)

If to Defendants:

Robert I. Steiner  
Mark A. Konkel  
Kelley Drye & Warren LLP  
101 Park Avenue  
New York, New York 10178  
Tel: (212) 808-7800  
Fax: (212) 808-7897  
rsteiner@kelleydrye.com  
mkonkel@kelleydrye.com

## **20. COUNTERPARTS**

(a) This Settlement may be executed in counterparts, and may be signed electronically via PDF. When each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement which shall be binding upon and effective as to all Parties. Electronic and facsimile transmissions of this Settlement shall be deemed originals.

**[The remainder of this page is left intentionally blank]**

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the date indicated below:

**FOR PLAINTIFFS:**

DANIEL L. BLOOMQUIST

Daniel L. Bloomquist  
Daniel L. Bloomquist

Date: 05 Mar 2020

MONICA MARTINO SBERNA

\_\_\_\_\_  
Monica Martino Sberna

Date: \_\_\_\_\_

**KEEGAN & BAKER, LLP (AS TO FORM)**

\_\_\_\_\_  
Patrick Keegan

Date: \_\_\_\_\_

**THE UNITED EMPLOYEES LAW GROUP (AS TO FORM)**

\_\_\_\_\_  
Walter Haines

Date: \_\_\_\_\_

**FOR DEFENDANTS:**

COVANCE, INC.

\_\_\_\_\_  
Name:  
Title:

Date: \_\_\_\_\_

AMY STASTNY

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the date indicated below:

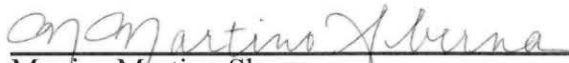
**FOR PLAINTIFFS:**

DANIEL L. BLOOMQUIST

\_\_\_\_\_  
Daniel L. Bloomquist

Date: \_\_\_\_\_

MONICA MARTINO SBERNA

  
\_\_\_\_\_  
Monica Martino Sberna

Date: 27 FEB 2020

**KEEGAN & BAKER, LLP (AS TO FORM)**

\_\_\_\_\_  
Patrick Keegan

Date: \_\_\_\_\_

**THE UNITED EMPLOYEES LAW GROUP (AS TO FORM)**

\_\_\_\_\_  
Walter Haines

Date: \_\_\_\_\_

**FOR DEFENDANTS:**

**COVANCE, INC.**

\_\_\_\_\_  
Name:  
Title:

Date: \_\_\_\_\_

**AMY STASTNY**



IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the date indicated below:

**FOR PLAINTIFFS:**

DANIEL L. BLOOMQUIST

\_\_\_\_\_  
Daniel L. Bloomquist

Date: \_\_\_\_\_

MONICA MARTINO SBERNA

\_\_\_\_\_  
Monica Martino Sberna

Date: \_\_\_\_\_

**KEEGAN & BAKER, LLP (AS TO FORM)**

  
\_\_\_\_\_  
Patrick Keegan

Date: 2/14/2020

**THE UNITED EMPLOYEES LAW GROUP (AS TO FORM)**

\_\_\_\_\_  
Walter Haines

Date: \_\_\_\_\_

**FOR DEFENDANTS:**

COVANCE, INC.

\_\_\_\_\_  
Name:  
Title:

Date: \_\_\_\_\_

AMY STASTNY

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the date indicated below:

**FOR PLAINTIFFS:**

DANIEL L. BLOOMQUIST

\_\_\_\_\_  
Daniel L. Bloomquist

Date: \_\_\_\_\_

MONICA MARTINO SBERNA

\_\_\_\_\_  
Monica Martino Sberna


Date: \_\_\_\_\_

**KEEGAN & BAKER, LLP (AS TO FORM)**

\_\_\_\_\_  
Patrick Keegan

Date: \_\_\_\_\_

**THE UNITED EMPLOYEES LAW GROUP (AS TO FORM)**

  
\_\_\_\_\_  
Walter Haines

Date: Feb 28, 2020

**FOR DEFENDANTS:**

COVANCE, INC.

\_\_\_\_\_  
Name:  
Title:

Date: \_\_\_\_\_

AMY STASTNY

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the date indicated below:

**FOR PLAINTIFFS:**

DANIEL L. BLOOMQUIST

\_\_\_\_\_  
Daniel L. Bloomquist

Date: \_\_\_\_\_

MONICA MARTINO SBERNA

\_\_\_\_\_  
Monica Martino Sberna

Date: \_\_\_\_\_

**KEEGAN & BAKER, LLP (AS TO FORM)**

\_\_\_\_\_  
Patrick Keegan

Date: \_\_\_\_\_

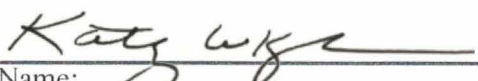
**THE UNITED EMPLOYEES LAW GROUP (AS TO FORM)**

\_\_\_\_\_  
Walter Haines

Date: \_\_\_\_\_

**FOR DEFENDANTS:**

COVANCE, INC.

  
\_\_\_\_\_  
Name: Kathryn W. Kyle  
Title: Assistant Secretary

Date: April 2, 2020

AMY STASTNY

\_\_\_\_\_  
Amy Stastny

Date: \_\_\_\_\_

~~I-SHAN CHANG~~ *Chiang I.C.*

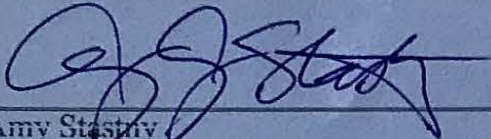
*IS*  
\_\_\_\_\_  
I-Shan ~~Chang~~  
*Chiang I.C.*

Date: 3.31.20

**KELLEY DRYE & WARREN LLP (AS TO FORM)**

\_\_\_\_\_  
Robert I. Steiner

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Amy Stashny

Date: 30-MAR-2020

**I-SHAN CHANG**

\_\_\_\_\_  
I-Shan Chang

Date: \_\_\_\_\_

**KELLEY DRYE & WARREN LLP (AS TO FORM)**

\_\_\_\_\_  
Robert I. Steiner

Date: \_\_\_\_\_

\_\_\_\_\_  
Amy Stastny


Date: \_\_\_\_\_

**I-SHAN CHANG**

\_\_\_\_\_  
I-Shan Chang

Date: \_\_\_\_\_

**KELLEY DRYE & WARREN LLP (AS TO FORM)**



\_\_\_\_\_  
Robert I. Steiner

Date: 4-9-2020  
\_\_\_\_\_