SUPERIOR COURT FOR THE STATE OF WASHINGTON IN AND FOR PIERCE COUNTY

Kristine M. Young v. Laboratory Corporation of America, et al Pierce County Superior Court Civil Case No. 23-2-09355-6

— NOTICE OF CLASS ACTION SETTLEMENT —

A court authorized this notice. This is not a solicitation from a lawyer.

TO: All individuals who are or were employed in any Laboratory Corporation of America facility in Washington State, including Pathology Associates Medical Laboratories and Dynacare, Inc., (collectively "Labcorp") in positions paid on an hourly basis at any time between August 30, 2020, and November 30, 2024.

<u>READ THIS NOTICE CAREFULLY</u>. A settlement in a class action lawsuit has been reached and you may be entitled to payment from the settlement. You must submit a valid and timely Claim Form to receive a payment.

- An employee brought claims against Laboratory Corporation of America, Heather D. Bellamy, and Breanne E. Washington alleging that Labcorp failed to provide meal and rest periods in compliance with Washington law. Labcorp strongly denies these claims. The parties have reached a proposed Class Action Settlement.
- Labcorp strongly denies any fault, wrongdoing, or liability. If the Parties had not reached a Settlement, Labcorp would have continued to vigorously defend against Plaintiff's claims, including seeking a denial of class certification and a full defense verdict at trial. Labcorp agreed to this Settlement to avoid the risk, burden, and expense of further litigation, and as a means of making its employees whole for even any arguable claims relating to the lawsuit.
- The Class Action Settlement includes a total maximum settlement payment by Labcorp of Nine Million Dollars (\$9,000,000).
- To qualify for a share of the settlement fund, you must have been employed in a Labcorp facility in Washington state in a position paid on an hourly basis at some time between August 30, 2020, and November 30, 2024.

Your Estimated Gross Settlement Award Before Taxes			
\$< <estamnt>></estamnt>			
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YOU MUST SUBMIT A TIMELY AND VALID CLAIM FORM IN ORDER TO RECEIVE A SETTLEMENT PAYMENT.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT		
SUBMIT A TIMELY CLAIM FORM	The only way to get a Settlement payment.	
ASK TO BE EXCLUDED	Get no payment. This is the only option that allows you to ever be a part of any other lawsuit against Labcorp with respect to the legal claims in this Case.	
OBJECT	Write to the Court if you do not like the settlement and explain why. If the Settlement is approved, you will still receive a payment and you will give up rights relating to the legal claims in this Case.	
DO NOTHING	Get no payment. Give up rights related to the legal claims in this Case	

- These rights and options—and the deadlines to exercise them—are explained in this Notice.
- The Court in charge of this Case still has to decide whether to grant final approval of the Settlement. If the Court approves the Settlement, payments will be made after any appeals are resolved. Please be patient.

1. Why did I get this Notice?

Company records show that you were employed by Labcorp in the State of Washington sometime between August 30, 2020, and November 30, 2024, in a position paid on an hourly basis. The Court has authorized this Notice to be sent to you to inform you about a proposed settlement of a class action lawsuit, and about your options, before the Court decides whether to finally approve the Settlement. If the Court approves the Settlement, and after any appeals are resolved, payments will be made to Settlement Class Members who submit valid and timely claim forms to the Settlement Administrator.

This Notice explains the Case, the Class Action Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

2. What is this Case about?

The Plaintiff, Kristine M. Young claims that Labcorp violated Washington state law by failing to provide legally compliant meal and rest periods. Labcorp has denied Plaintiff's claims.

The Honorable Angelica Williams, of the Superior Court for the State of Washington in and for Pierce County, is overseeing this Class Action. The lawsuit is known as *Kristine M. Young v. Laboratory Corporation of America, et al*, Pierce County Superior Court Civil Case No. 23-2-09355-6 (the "Case").

3. What is a class action and who is involved?

In a class action lawsuit, one or more people called "Class Representatives" sue on behalf of other people whom they believe have similar claims. The people together are a "Class" or "Class Members." The individual who sued, and who represents the Class, is called the Plaintiff. The entity the Plaintiff sues (in this case Laboratory Corporation of America, Heather D. Bellamy, and Breanne E. Washington) are called the Defendants. In a class action, one court resolves the issues for everyone in the Class.

4. Why is there a Settlement?

The Court did not decide in favor of the Plaintiff or Labcorp. Instead, both sides agreed to a Settlement. This allows the parties to avoid the cost of a trial, and the people affected will be entitled to compensation. The Class Representative and her attorneys think the Settlement is best for everyone in the Class.

5. How do I know whether I am part of the Settlement?

As part of the Settlement of the Case, the Pierce County Superior Court has decided that everyone who fits the following description is a Class Member:

All individuals who are or were employed in any Labcorp facility in Washington state in positions paid on an hourly basis at any time from August 30, 2020, through November 30, 2024.

<u>To receive any money pursuant to the Settlement, you must submit a valid and timely Claim Form to the Settlement Administrator by the Notice Deadline.</u>

6. What claims are covered by the Settlement?

The Settlement will resolve all of the claims of Settlement Class Members, whether known or unknown, that were brought or that could have been brought based on any facts alleged in the Case, including, but not limited to any claims arising out of or relating to (1) any alleged missed, interrupted, shortened, untimely, unpaid, and/or non-compliant rest breaks and/or meal periods; and (2) any attendant claims for unpaid wages, overtime payments, premium payments, interest, exemplary damages, and attorneys' fees and costs relating to any of the foregoing.

7. What are the basic terms of the Settlement?

Subject to Court approval, Labcorp will pay a total of \$9,000,000 as part of the Settlement, apportioned as follows:

• Class Fund: At least \$5,918,750, which will be available for payment of Settlement Awards to Settlement Class Members who submit timely and valid Claim Forms.

- **Employer-side Payroll Taxes**: Up to \$318,750 in employer-side payroll taxes on award amounts attributable to wages.
- **Service Award**: Up to \$15,000 to Plaintiff and Class Representative Kristine M. Young as a service award in recognition of her efforts in prosecuting the Case.
- **Settlement Administration Expenses Award**: Up to \$40,000 to the Settlement Administrator for the processing of the Settlement, including the expenses of providing notice to Settlement Class Members, handling the claims administration process, processing payments to Settlement Class Members, and handling tax reporting requirements.
- Attorneys' Fees and Costs Award: Up to \$2,700,000 to Class Counsel and up to \$7,500 for actual litigation costs they have incurred and will incur through final judgment in representing Plaintiff and the Settlement Class.

Monetary Relief: The amount available to the Settlement Class is intended to compensate Settlement Class Members for the wages and other compensation they allegedly lost and damages they are allegedly owed as a result of the practices alleged in the Case.

Distribution of Class Fund: Each Settlement Class Member who submits a valid and timely Claim Form (enclosed with this notice) will receive a settlement payment. Individual Settlement Awards will be allocated from the Class Fund as follows:

Individual Settlement Awards shall be calculated by dividing each Settlement Class Member's total W2 wages paid by Labcorp during the Settlement Class Period by the total aggregate W2 wages paid to all Settlement Class Members and then multiplying the resulting ratio by the remaining amounts in the Class Fund.

The Settlement Agreement is not intended and shall not be interpreted or construed as creating residual funds. Any unclaimed funds will be allocated Twenty Percent (20%) to Settlement Class Members who submit a valid and timely claim form as previously described. Eighty Percent (80%) of unclaimed funds shall be retained by Labcorp.

Tax Treatment of Settlement Awards: Fifty Percent (50%) of each Settlement Class Member's settlement award will be treated as wages and subject to normal tax withholding and shall be reported to the taxing authorities and the Settlement Class Member on an IRS Form W-2. Fifty (50%) of each Settlement Class Member's settlement award will be treated as non-wages (a combination of penalties, enhancements, and prejudgment interest) on which there will be no tax withholding and for which an IRS Form 1099-MISC (marked "Other Income") shall be issued to the taxing authorities and the Settlement Class Member.

Release of Claims: Upon final approval by the Court, each Settlement Class Member will irrevocably release all of the Released Claims against Labcorp relating to the period from August 30, 2020, through and including November 30, 2024. This Release specifically includes any claims arising out of or relating to: (1) any alleged missed, interrupted, shortened, untimely, unpaid, and/or non-compliant rest breaks and/or meal periods; and (2) any attendant claims for unpaid wages, overtime payments, premium payments, interest, exemplary damages, and attorneys' fees and costs relating to any of the foregoing.

This Release requires all Settlement Class Members to waive and precludes them from bringing any released claims for the period of August 30, 2020, through November 30, 2024.

Dismissal of Action: Upon final approval, the Court will enter a judgment of dismissal of the Case with prejudice but shall retain jurisdiction to enforce the terms of the settlement agreement.

8. How can I get a payment?

To receive any money pursuant to the Settlement, you must submit a valid and timely Claim Form to the Settlement Administrator by the Notice Deadline.

9. When would I get my payment?

The Court will hold a hearing on May 30, 2025 to decide whether to finally approve the settlement. If the Pierce County Superior Court approves the settlement, the parties will then have to wait to see whether there is an appeal. This will take at least thirty (30) days and, if there is an appeal, can take up to a year or more to resolve. In the event of an appeal, information regarding the appeal's progress will be made available at www.LabCorpAction.com. If there is no appeal, payments are expected to go out within approximately sixty (60) days of the Court's final approval of the settlement. Please be patient.

10. Do I have a lawyer in this case?

The Court has decided that James B. Pizl from the law firm Entente Law PLLC is qualified to represent you and all Settlement Class Members. This lawyer is called "Class Counsel." You will not be charged for this lawyer. If you want to be represented by your own lawyer, you may hire one at your own expense.

11. How will the lawyer be paid?

As indicated above, Class Counsel will seek payment of their attorneys' fees in the amount of \$2,700,000, and their litigation costs in an amount of up to \$7,500, which must be approved by the Court as part of the final approval of this Settlement. Class Counsel has been working on this case since approximately August of 2023 and has not received any fees or reimbursements for the costs of the lawsuit.

12. How do I exclude myself from the Settlement?

If you fit the definition of a Settlement Class Member and want to exclude yourself from the Settlement, you <u>must</u> request exclusion in writing by May 2, 2025. You may be excluded as a member of the class by submitting a written request stating, "I request that I be excluded from the Class in the case of Kristine M. Young v. Laboratory Corporation of America, et al" The request must include your name, address, and signature. You must mail a copy of the letter to the Settlement Administrator at the following address postmarked no later than May 2, 2025:

Young v. Laboratory Corporation of America c/o CPT Group Inc. 50 Corporate Park Irvine, CA 92606

If you exclude yourself from the Settlement (i.e., opt out), you will not receive any payment from the Settlement. You will also not be entitled to object to the Settlement. If you exclude yourself, you will not be bound by the terms of the Settlement, including the Release described in Sections 6 and 7, above. This means you will retain the right at your own expense to pursue any claims you may have against Labcorp.

13. If I don't like the Settlement, how do I tell the Court?

If you have <u>not</u> excluded yourself from the Class Action, and do not like the Settlement, you can object. You <u>must</u> do so in writing, and you <u>must</u> state the reasons why you think the Court should not approve the Settlement. If you object, be sure to include your name, address, and telephone number, the name of the Case (*Young v. Laboratory Corporation of America, et al*, Pierce County Superior Court Case No. 23-2-09355-6), the reasons you object to the Settlement, and a signature. You <u>must</u> mail a copy of the objection to the following address **postmarked no later than May 2, 2025**:

Class Counsel
James B. Pizl
Entente Law PLLC
315 39th Ave SW Ste 14
Puyallup, WA 98373

14. When and where will the Court decide to approve the Settlement?

The Court will hold a Fairness Hearing at 9:00 a.m. on May 30, 2025, at the Pierce County Superior Court, Department 6, 930 Tacoma Ave S, Tacoma, WA 98402.

If there are objections, the Court will consider them. Judge Williams will listen to people who have asked to speak at the hearing (*see* Section 16). After the hearing, the Court will decide whether to finally approve the Settlement, including Class Counsel's request for attorneys' fees and litigation costs, Settlement Administration Expenses, and Service Award for the named Plaintiff. We do not know how long that decision will take.

15. Do I have to come to the hearing?

No. Class Counsel will answer any questions Judge Williams may have, but you are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but that is not necessary.

16. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you <u>must</u> send a letter saying it is your "Notice of Intention to Appear in *Kristine M. Young v. Laboratory Corporation of America, et al*, Pierce County Superior Court Civil Case No. 23-2-09355-6." Be sure to include your name, address, phone number, and your signature. Your Notice of Intention to Appear <u>must</u> be **postmarked no later than May 2, 2025**, and be sent to the Court, Class Counsel, and Defense Counsel at the three addresses set forth below:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Hon. Angelica Williams Pierce County Superior Court Department 20 930 Tacoma Ave S, Rm 334 Tacoma, WA 98402	James B. Pizl Entente Law PLLC 315 39 th Ave SW, Suite 14 Puyallup, WA 98373	Mark Konkel Kelley Drye & Warren LLP 3 World Trade Center 175 Greenwich St New York NY 10007

17. What happens if I do nothing at all?

<u>If you do nothing, you will get no payment.</u> However, you will be bound by the other terms of the Settlement, including the Release of Claims described in Sections 6 and 7, above.

18. Are there more details about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by visiting the website www.LabCorpAction.com, which has a copy of the Settlement Agreement posted. Plaintiff's motion for final approval of the settlement agreement, including Class Counsel's request for attorneys' fees, costs, Settlement Administration Expenses, and Service Award for the named Plaintiff will be available for you to review on May 27, 2025 at www.LabCorpAction.com