



NEWS RELEASE

# CareDx Provides Notice of Proposed Derivative Settlement

2025-12-18

BRISBANE, Calif.--(BUSINESS WIRE)-- CareDx, Inc. (Nasdaq: CDNA) today provided notice of proposed settlement of derivative actions and settlement hearing.

## UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA

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JEFFREY EDELMAN, JAYSEN STEVENSON, and CHRISTIAN JACOBSEN, Derivatively on Behalf of CareDx, Inc.,

Plaintiffs,  
v.  
GEORGE BICKERSTAFF, FRED COHEN, CHRISTINE COURNOYER, GRACE E. COLON, ANKUR DHINGRA, MICHAEL D. GOLDBERG, WILLIAM HAGSTROM, PETER MAAG, REGINALD SEETO, RALPH SNYDERMAN, ARTHUR A. TORRÉS, and HANNAH VALANTINE,  
Individual Defendants,  
-and-  
CAREDx, INC.,  
Nominal Defendant.

Case No. 3:25-cv-02036-TLT  
(Shareholder Derivative Action)

### SUMMARY NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF SHAREHOLDER DERIVATIVE ACTION

TO: ALL OWNERS OF THE COMMON STOCK OF CAREDX, INC. ("CAREDx" OR THE "COMPANY") CURRENTLY AND AS OF SEPTEMBER 26, 2025, EXCLUDING DEFENDANTS AND ANY ENTITY IN WHICH THEY HAVE A CONTROLLING INTEREST AND OFFICERS AND DIRECTORS OF THE COMPANY AND THEIR LEGAL REPRESENTATIVES, HEIRS, SUCCESSORS, OR ASSIGNS ("CURRENT CAREDX SHAREHOLDERS")

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. This notice relates to the pendency and proposed settlement (the "Settlement") of shareholder derivative litigation captioned Edelman et al. v. Bickerstaff et al., Case No. 3:25-cv-02036-TLT (N.D. Cal.) (the "Derivative Action"), and the derivative action captioned Edward W. Burns IRA v. Goldberg, et al., Case No. 2024-0282-NAC (Del. Ch.) (the "Burns Action"). If the court approves the Settlement, you will be forever barred from contesting the approval of the Settlement and from pursuing the released claims.

All capitalized terms in this notice (the "Summary Notice") that are not otherwise defined herein have the same meanings provided in the Stipulation and Agreement of Compromise, Settlement, and Release filed in the Derivative Action on September 26, 2025 (the "Stipulation"), by and among plaintiffs Jeffrey Edelman, Jaysen Stevenson, and Christian Jacobsen (the "Derivative Plaintiffs"), defendants George Bickerstaff, Fred Cohen, Christine Cournoyer, Grace E. Colón, Ankur Dhingra, Michael D. Goldberg, William Hagstrom, Peter Maag, Reginald Seeto, Ralph Snyderman, Arthur A. Torres, and Hannah Valentine (the "Individual Defendants"), nominal defendant CareDx, Inc. ("CareDx" or the "Company" and together with Individual Defendants, the "Defendants"), and Plaintiff Edward W. Burns IRA (the "Burns Plaintiff" and together with the Derivative Plaintiffs the "Plaintiffs" and collectively with the Defendants, the "Parties").

THIS SUMMARY NOTICE PROVIDES ONLY A SUMMARY OF THE MATERIALS TERMS OF THE SETTLEMENT AND RELEASES. For the full terms and conditions of the settlement, please review the Stipulation, which, together with its exhibits and the complete notice, is available on CareDx's investor relations website at <https://investors.caredx.com/investor-relations>, by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the Office of the Clerk of the Court for the United States District Court for the Northern District of California, San Francisco Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays. Because the Settlement involves the resolution of derivative actions, which were brought on behalf of and for the benefit of the Company, and not individual or class actions on behalf of CareDx stockholders, the benefits from the Settlement will go to CareDx. Individual CareDx stockholders will not receive any direct payment from the Settlement. ACCORDINGLY, THERE IS NO PROOF OF CLAIM FORM FOR STOCKHOLDERS TO SUBMIT IN CONNECTION WITH THIS SETTLEMENT. STOCKHOLDERS ARE NOT REQUIRED TO TAKE ANY ACTION IN RESPONSE TO THIS SUMMARY NOTICE.

This Summary Notice describes the legal rights you may have in the Derivative Action and pursuant to the Stipulation and what steps you may take, but are not required to take, in relation to the Settlement.

In consideration of the Settlement and the releases provided therein, and subject to the terms and conditions of

the Stipulation, the Parties have agreed to the following settlement consideration for CareDx:

1. CareDx will implement the Corporate Governance Reforms described below and reflected in Exhibit A to the Stipulation, which shall remain in effect for a period of not less than four (4) years; provided, however, that the Corporate Governance Reforms shall not be binding upon any successor or acquirer of CareDx in the event of a change in control or upon any divested business.

**Audit Committee Enhancement:** The Audit Committee shall conduct executive sessions on no less frequently than a quarterly basis with the auditor, SOX lead, and CFO to discuss any topics relevant to fulfilling its responsibilities, including, as applicable: (i) operations, enterprise risks, and compliance matters that may have a material impact on the Company's operational performance, financial health, balance of risk, stability, or liquidity; and (ii) any other matter required to be disclosed under state and federal securities laws and regulations, soliciting input, as needed, from the Disclosure Committee (defined below).

**Disclosure Committee:** The Company shall create a management-level disclosure committee (the "Disclosure Committee") consisting of the CEO, CFO, GC, Chief Medical Officer, and VP of Corporate Communications, to provide strategic oversight of the Company's external communications, including, earnings transcripts, SEC filings, press releases, investor presentations, scientific publications, and corporate communications, to ensure alignment to strategic objectives and compliance with applicable law. The Disclosure Committee shall also meet with functional leaders that are not members of the Committee, as necessary, to establish clear communications of strategic objectives and assess strategic communications planning with respect to public reporting on matters that have a potential impact on customers, investors, media, and the general public. The Disclosure Committee shall meet not less than quarterly, and the chairman of the Disclosure Committee (or designee thereof) shall report to the full Board not less than quarterly.

**Compliance Review:** The Company shall engage outside counsel by no later than the end of the first fiscal quarter of 2026 to provide an independent compliance assessment, focusing, in particular, on the Company's compliance with applicable health care laws, including the False Claims Act, Stark Law, and Anti-Kick Back Statute. As part of this assessment, counsel shall recommend any compliance-related reforms and enhancements. The Company shall provide a budget of \$250,000 for this assessment. Following this assessment, the Company shall use its reasonable best efforts to implement these enhancements and provide for an annual budget for the fiscal years 2027 and 2028 of not less than \$250,000 per year in connection with the implementation and monitoring of the enhancements and related compliance and risk mitigation initiatives. The Company shall update the full Board concerning the status of the compliance review as part of the General Counsel's Quarterly Compliance Report (discussed below).

**Annual Risk Assessment:** The Company, with the participation of the General Counsel or his or her designee, shall, on an annual basis, conduct a risk assessment and report to the Board of Directors any material risks to the Company, including any material risks related to compliance with applicable laws and regulations, and identify actual and potential steps to mitigate material known risks.

**Executive Training:** The Company shall require annual training for officers and directors on risk assessment, compliance with laws and regulations concerning public disclosures regarding the company, legal and regulatory updates pertinent to their responsibilities, and healthcare compliance matters (including relevant healthcare laws and regulations and best practices for sales, marketing, and billing).

**Quarterly Compliance Report:** The General Counsel shall, on a quarterly basis, provide updates to the Board of Directors on the continued development and work of CareDx's compliance program.

2. Plaintiffs' Counsel intends to request approval of an award of attorneys' fees, reimbursement of expenses, and service awards, if any, for Plaintiffs and Plaintiffs' Counsel in an amount not to exceed \$1.2 million, subject to the Court's approval (the "Fee and Expense Application"). Defendants intend to oppose Plaintiffs' Counsel's Fee and Expense Application. The amount of attorneys' fees and expenses awarded will be within the sole discretion of the Court.
3. Plaintiffs' Counsel may apply to the Court for a service award of up to \$2,500 for each of the Plaintiffs, to be paid from any award of fees and expenses to Plaintiffs' Counsel approved by the Court.
4. CareDx stockholders are not personally liable for any such fees or expenses approved by the Court. Neither the Company nor any of the Individual Defendants shall be liable for any portion of any service award.
5. Upon final approval of the Settlement, Plaintiff Releasing Parties, by operation of the Settlement and to the fullest extent permitted by law, shall completely, fully, finally and forever release, relinquish, settle and discharge each and all of the Released Defendants from any and all of Plaintiffs' Released Claims.
6. Upon final approval of the Settlement, Defendant Releasing Parties, by operation of the Settlement and to the fullest extent permitted by law, shall completely, fully, finally, and forever release, relinquish, settle and discharge each and all of the Released Plaintiffs from any and all of Defendants' Released Claims.

The Court has scheduled a Final Approval Hearing, to be held on June 30, 2026, at 2:00 p.m. at the United States District Court for the Northern District of California, San Francisco Courthouse, Courtroom 9, 19<sup>th</sup> Floor, 450 Golden Gate Avenue, California, CA 94102 (the "Settlement Hearing"). At the Settlement Hearing, the Court will: (a) determine whether Plaintiffs and Plaintiffs' Counsel have adequately represented the interests of CareDx and its

stockholders; (b) determine whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable, adequate, and in the best interests of CareDx and its stockholders; (c) determine whether the notice provided fully satisfies the requirements of Rule 23.1 and due process; (d) determine whether a judgment substantially in the form attached as Exhibit D to the Stipulation should be entered dismissing the Action with prejudice against Defendants; (e) determine whether Plaintiffs' Counsel's Fee and Expense Application should be approved; (f) hear and determine any objections to the Settlement or Plaintiffs' Counsel's Fee and Expense Application; and (g) consider any other matters that may properly be brought before the Court in connection with the Settlement. The Court has the right to change the hearing date or time without further notice or to hold it telephonically or via another remote process. Thus, if you are planning to attend the Settlement Hearing, you should confirm the date and time before going to the Court.

Any current CareDx stockholder may, but is not required to, appear in person at the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below, even if you do not attend the Settlement Hearing.

**PLEASE NOTE:** The date and time of the Settlement Hearing may change without further written notice to CareDx stockholders, or the Court may decide to conduct the Settlement Hearing by video or telephonic conference, or otherwise allow CareDx stockholders to appear at the hearing by telephone or video, without further written notice to CareDx stockholders. Before making any plans to attend the Settlement Hearing, and in order to determine whether the date and time of the Settlement Hearing have changed, or whether CareDx stockholders must or may participate by telephone or video, it is important to monitor the Court's docket and the following website:

<https://investors.caredx.com/investor-relations>. Any updates regarding the Settlement Hearing, including any changes to the date or time of the hearing or updates regarding in-person or telephonic appearances at the hearing, will be posted at

<https://investors.caredx.com/investor-relations>. Also, if the Court requires or allows CareDx stockholders to participate in the Settlement Hearing by telephone or videoconference, the information needed to access the conference will be posted at

<https://investors.caredx.com/investor-relations>.

Any current CareDx stockholder may appear and show cause, if he, she or it has any reason why the Settlement should not be approved as fair, reasonable, and adequate, or why a judgment should not be entered thereon, or why the separately negotiated attorneys' fees and expenses should not be approved. You must object in writing, and you may request to be heard at the Settlement Hearing. If you choose to object, then you must follow these procedures. Any objections must be presented in writing and must contain the following information: (i) your name, legal address, e-mail address, and telephone number; (ii) the case name and number; (iii) proof of current

ownership of CareDx common stock, including the number of shares and documentary evidence of when such stock ownership was acquired, with such ownership having existed on or before September 26, 2025; (iv) the date(s) you acquired your CareDx shares; (v) a written detailed statement of each objection being made that states with specificity the grounds for the objection, including any legal and evidentiary support you wish to bring to the Court's attention; (vi) notice of whether you intend to appear at the Settlement Hearing (you are not required to appear); and (vii) copies of any papers you intend to submit to the Court, along with the names of any witness(es) you intend to call to testify at the Settlement Hearing and the subject(s) of their testimony. Unless the Court orders otherwise, your objection will not be considered unless it is timely filed with the Court. If you intend to appear by counsel or on your own behalf, you must file a Notice of Intention to Appear by no later than June 9, 2026. All written objections and supporting papers must be submitted to the Court either by mailing them to:

Office of the Clerk  
UNITED STATES DISTRICT COURT  
450 Golden Gate Avenue  
San Francisco, CA 94102

OR by filing them in person at any location of the United States District Court for the Northern District of California.

**YOUR WRITTEN OBJECTIONS MUST BE POSTMARKED OR ON FILE WITH THE CLERK OF THE COURT NO LATER THAN June 9, 2026.**

Your written objection and notice of appearance must also be mailed and e-mailed to the following individuals and received no later than twenty-one (21) calendar days prior to the Settlement Hearing:

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Unless the Court orders otherwise, any person or entity who fails to object or otherwise request to be heard in the manner prescribed above will be deemed to have waived the right to object to any aspect of the Settlement as incorporated in the Stipulation or otherwise to be heard (including the right to appeal) and will be forever barred from raising such objection or request to be heard in this or any other action or proceeding, and shall be bound by the Final Judgment to be entered and the releases to be given.

This Summary Notice summarizes the Stipulation. It is not a complete statement of the events of the derivative litigation or the Settlement contained in the Stipulation. If you have any questions about matters in this Summary Notice you may contact:

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Dated: December 18, 2025

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

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Source: CareDx, Inc.