SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN MATEO — CENTRAL DISTRICT

Civil Action No. CIV-2025-08472

Hon. Margaret S. Ellison, Department 14

COMPLAINT FOR BREACH OF CONTRACT AND DECLARATORY RELIEF

NEXA BIOMEDICAL, INC., a Delaware corporation,

Plaintiff,

vs.

MERIDIAN HEALTH SYSTEMS, LLC, a Nevada limited liability company; and

THOMAS R. CALDWELL, an individual,

Defendants.

COMPLAINT

Plaintiff Nexa Biomedical, Inc. ("Nexa") alleges as follows against Meridian Health Systems, LLC ("Meridian") and Thomas R. Caldwell ("Caldwell") (collectively, "Defendants"):

I. JURISDICTION AND VENUE

1. This Court has jurisdiction under California Code of Civil Procedure § 410.10. The amount in controversy exceeds $25,000 and the claims arise from Defendants' business activities within this State. Venue is proper under § 395(a) because Defendants maintain their principal place of business in San Mateo County and Section 15.4 of the Agreement designates the state courts of this County as the exclusive venue for disputes.

2. Personal jurisdiction exists because each Defendant is domiciled in California and conducts substantial business here. Caldwell, Meridian's CEO, personally guaranteed

Meridian's payment obligations and consented to this forum in the guaranty.

II. THE PARTIES

3. Nexa is a Delaware corporation with its principal place of business at 4200 Bayshore Parkway, Mountain View, California 94043. Nexa designs and manufactures molecular diagnostic platforms and consumable assay cartridges used in clinical laboratory settings.

4. On information and belief, Meridian is a Nevada limited liability company at 1550 El Camino Real, Suite 300, San Carlos, California 94070. Meridian operates regional clinical reference laboratories serving hospitals and healthcare systems in California, Oregon, Washington, Arizona, and Nevada.

5. On information and belief, Caldwell resides in Atherton, California and served as Meridian's CEO at all relevant times. Caldwell controlled the conduct giving rise to this action and executed a personal guaranty of Meridian's payment obligations, attached as Exhibit B.

III. FACTUAL ALLEGATIONS

6. On March 12, 2024, Nexa and Meridian entered into a Master Supply Agreement (the "Agreement"), attached as Exhibit A, following extensive arms-length negotiation. Nexa agreed to manufacture proprietary "NX-Detect" multiplex assay cartridges in three configurations: respiratory (22 pathogens), oncology (47 mutations), and pharmacogenomics (31 variants). The initial term was thirty-six months with automatic one-year renewals absent 180-day written notice of non-renewal.

7. Section 4.2 established tiered pricing: minimum 20,000 cartridges per calendar quarter at $48.50 per unit, with volume discounts at 30,000 ($43.75) and 45,000 units ($39.00). Section 6.1 required payment of undisputed invoices within 45 days. Section 6.3 provided for 1.5% monthly interest, compounded monthly, on overdue amounts. Section 8.3 granted Meridian exclusivity within its five-state territory for distribution to hospital-based laboratories with annual test volumes below 150,000 assays — the

scope of which forms the basis of Nexa's declaratory relief claim.

8. From the effective date through filing, Nexa delivered 247,832 cartridges (aggregate invoiced value $11,888,542). Every cartridge conformed to the specifications in Appendix A. Nexa maintained ISO 13485:2016 certification and transmitted Certificates of Analysis contemporaneously with each shipment. To meet Meridian's escalating demand, Nexa invested approximately $4.3 million in additional manufacturing capacity, including two automated filling lines and 47 new personnel, and provided $340,000 in technical support services at no charge.

9. Meridian paid all invoices through October 31, 2024 without objection. Beginning with Invoice # NX-2024-1103 (November 3, 2024, $827,340), Meridian failed to make timely payment. On November 22, 2024, Caldwell emailed Nexa's CFO stating Meridian was "reviewing quality concerns" and would "withhold payment pending resolution," identifying no specific quality issue or lot number.

10. Nexa's quality assurance team conducted an exhaustive review of all production records and QC data, confirming 100% of cartridges met or exceeded every specification in Appendix A. The investigation file was transmitted to Meridian on January 15, 2025. Meridian did not respond. Instead, on February 4, 2025, its outside counsel sent a letter purporting to terminate the Agreement for cause under Section 12.2, alleging unspecified "material quality failures" with no specific lot or test data.

11. As of the date of this Complaint, the following invoices remain unpaid:

Invoice #	**Date**	**Cartridges**	**Amount**
NX-2024-1103	Nov 3, 2024	17,200	$827,340
NX-2024-1117	Nov 17, 2024	14,800	$712,340
NX-2024-1201	Dec 1, 2024	15,100	$726,810
NX-2024-1215	Dec 15, 2024	12,000	$582,510
		Total:	**$2,849,000**

12. Despite its claimed quality concerns — which Nexa denies — Meridian continued

to order and accept cartridges through February 2025. Upon information and belief, Meridian has not quarantined, returned, or destroyed a single cartridge, conduct fundamentally inconsistent with any genuine quality concern and demonstrating that termination is a pretext to escape payment obligations. Caldwell's personal guaranty unconditionally obligates him to pay all amounts due. Nexa made written demand on February 18, 2025. Caldwell has not responded.

IV. CLAIMS FOR RELIEF

COUNT I — Breach of Contract (Against Meridian)

13. Nexa incorporates Paragraphs 1–12 by reference. The Agreement is a valid and enforceable contract. Nexa has performed all conditions required of it, except those excused by Meridian's material breach.

14. Meridian breached the Agreement by failing to pay at least $2,849,000 in invoices within the time required by Section 6.1, purporting to terminate for cause without valid basis under Section 12.2, and continuing to use Nexa's cartridges while refusing payment — violating the implied covenant of good faith and fair dealing.

15. As a direct and proximate result, Nexa has suffered damages of not less than $4,500,000, comprising unpaid invoices, contractual interest at 1.5% per month compounded monthly, reliance investments of $4.3 million, and technical support services valued at $340,000.

COUNT II — Breach of Guaranty (Against Caldwell)

16. Nexa incorporates Paragraphs 1–15 by reference. Caldwell's guaranty is valid and enforceable; Nexa relied on it in extending credit and making capacity investments. By reason of Meridian's defaults, Caldwell is obligated to pay all amounts due. Despite written demand, Caldwell has failed to honor his obligations, causing Nexa damage to be proven at trial.

COUNT III — Declaratory Relief (Against All Defendants)

17. Nexa incorporates Paragraphs 1–16 by reference. An actual controversy exists

regarding Section 8.3 of the Agreement. Nexa contends the exclusivity extends only to hospital-based laboratories and does not cover independent reference laboratories, including those operated by Apex Diagnostic Services — a competitor interested in purchasing Nexa cartridges. Meridian contends Section 8.3 bars Nexa from supplying any laboratory within the five-state territory regardless of affiliation. A judicial declaration is necessary so the parties may ascertain their rights and duties. Nexa seeks a declaration that Section 8.3 limits exclusivity to hospital-based laboratories and does not preclude supplying independent reference laboratories.

V. PRAYER FOR RELIEF

WHEREFORE, Nexa respectfully requests judgment against Defendants, jointly and severally:

1. For compensatory damages of not less than $4,500,000;
2. For pre-judgment interest at 1.5% per month compounded monthly on each unpaid invoice;
3. For a declaration that Section 8.3 limits exclusivity to hospital-based laboratories and does not restrict Nexa from supplying independent reference laboratories;
4. For costs of suit including reasonable attorneys' fees under Section 15.2 and Civil Code § 1717;
5. For post-judgment interest at the maximum lawful rate;
6. For such other relief as the Court deems just and proper.

Dated: July 15, 2026

Elena M. Vasquez

VASQUEZ & CHEN LLP

555 Marshall Street, Suite 1200

Redwood City, CA 94063

evasquez@vasquezchen.com

State Bar No. 248731

James D. Park

VASQUEZ & CHEN LLP

555 Marshall Street, Suite 1200

Redwood City, CA 94063

jpark@vasquezchen.com

State Bar No. 261409

Attorneys for Plaintiff Nexa Biomedical, Inc.

JURY DEMAND Plaintiff demands a trial by jury on all claims pursuant to California Code of Civil Procedure § 631 and the Seventh Amendment to the United States Constitution.

CERTIFICATE OF SERVICE

I certify that on July 15, 2026, a true copy of the foregoing Complaint was served via electronic mail and overnight delivery upon:

Harold T. Bremner, Esq.

Bremner & Strauss LLP

750 Battery Street, Suite 700

San Francisco, California 94111

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Elena M. Vasquez