

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“**Agreement**”) is made by and between Plaintiff Tim Blackwell (“**Plaintiff**”), on behalf of himself and as a proxy/agent for the State of California and the California Labor and Workforce Development Agency (“**LWDA**”), and Climate Pros, LLC (“**Climate Pros**”). This Agreement refers to Plaintiff and Climate Pros collectively as “**Parties**,” or individually as “**Party**.”

1. DEFINITIONS.

- 1.1 “**Action**” means Plaintiff’s lawsuit filed against Climate Pros captioned as *Blackwell v. Commercial Refrigeration Specialists, Inc. et al.*, and pending in U.S. District Court for the Eastern District of California, Case No. 2:20—cv—01968-DJC-CKD.
- 1.2 “**Administrator**” means Phoenix Settlement Administrators, the neutral, third-party entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “**Administration Expenses Payment**” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “**Aggrieved Employee**” means a person employed by one or both Defendants in California and classified as non-exempt who worked for one or both Defendants during the PAGA Period.
- 1.5 “**Class**” has the same meaning as specified in the Court’s October 5, 2022 class certification order (Docket Entry (“DE”) 52) (“**Class Certification Order**”), and means and refers to all Climate Pros’ and CRS’ current and formerly employed service technicians, service journeymen, service apprentices, and any person performing similar work regardless of job title who worked in California at any time during the Class Period, and who also fielded customer after hours on-call requests to determine immediate need for service.
- 1.6 “**Class Counsel**” means and refers to Kenneth Yoon and Stephanie Yasuda of the law firm Yoon Law, APC, and all other attorneys at such firm, as well as any other attorney or law firm added to or substituted in place of them or any of them in the Action.
- 1.7 “**Class Counsel Fees and Costs Payment**” and “**Class Counsel Litigation Expenses Payment**” mean and refer to the amounts allocated to Class Counsel by the Court for reimbursement of all reasonable attorneys’ fees, costs and expenses, respectively, incurred to prosecute the Action (including, without limitation, any pre-

suit investigation and all attorney's fees and costs incurred in mediation, throughout and after Court approval of the settlement terms and dismissal of the Action), which together shall not exceed \$382,500.00 and which amounts shall be determined by the Court.

- 1.8 “**Class Data**” means and refers to Class Member identifying information in Climate Pros’ possession, including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9 “**Class Member**” means and refers to a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10 “**Class Member Address Search**” means and refers to the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11 “**Class Notice**” means and refers to the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
- 1.12 “**Class Period**” means and refers to the period of time from April 6, 2016 to October 18, 2022.
- 1.13 “**Class Representative**” means and refers to the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as Class Representative.
- 1.14 “**Class Representative Service Payment**” means and refers to the payment to the Class Representative for initiating the Action, providing services in support of the Action.
- 1.15 “**Court**” means and refers to either the Superior Court of California, County of Sacramento or the U.S. District Court for the Eastern District of California, whichever has authority to review and approve the Settlement.
- 1.16 “**Climate Pros**” means and refers to named Defendant Climate Pros, LLC.
- 1.17 “**CRS**” means and refers to named Defendant Commercial Refrigeration Specialists, LLC f/k/a Commercial Refrigeration Specialists, Inc., an entity that no longer exists due to a series of transactions.
- 1.18 “**Defendants**” means and refers to Climate Pros and CRS.

- 1.19 **“Defense Counsel”** means and refers to Angela Lam, Judson Stelter, and Michael Sokolowski of the law firm Michael Best & Friedrich LLP.
- 1.20 **“Effective Date”** means and refers to the date on which the Court enters a Final Judgment. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.21 **“Final Approval”** means and refers to the Court’s order granting final approval of the Settlement.
- 1.22 **“Final Approval Hearing”** means and refers to the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.23 **“Gross Settlement Amount”** means and refers to the maximum settlement amount of \$950,000.00, which Climate Pros agrees to pay pursuant to this Agreement (subject to Paragraph 9 below) and available to pay all amounts provided under this Agreement, including: (a) the Class Representative Service Payment; (b) Class Counsel Fees and Costs Payment; (c) Class Counsel Litigation Expenses Payment; (d) the Administrative Expenses Payment; (e) PAGA Penalties paid to the LWDA and to the Aggrieved Employees; and (f) Settlement Payments Paid to Participating Class Members. In addition, Climate Pros also agrees to pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments.
- 1.24 **“Individual Class Payment”** means and refers to the Participating Class Member’s *pro rata* share of the residual amount of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.25 **“Individual PAGA Payment”** means and refers to the Aggrieved Employee’s *pro rata* share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.26 **“Judgment”** means and refers to the judgment entered by the Court based upon the Final Approval.
- 1.27 **“LWDA”** means the California Labor and Workforce Development Agency, the agency identified in California Labor Code section 2699, subdivision (i).
- 1.28 **“LWDA PAGA Payment”** means the 75% of the PAGA Penalties paid to the LWDA under California Labor Code section 2699, subdivision (i).

- 1.29 **“Net Settlement Amount”** means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: (a) Individual PAGA Payments; (b) LWDA PAGA Payment; (c) Class Representative Service Payment; (d) Class Counsel Fees Payment; (e) Class Counsel Litigation Expenses Payment; and (f) Administration Expenses Payment. The difference between the Gross Settlement Amount and the Net Settlement Amount shall be used to satisfy all Individual Class Payments.
- 1.30 **“Non-Participating Class Member”** means and refers to any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.31 **“PAGA Pay Period”** means and refers to any Pay Period during which an Aggrieved Employee worked for one or both Defendants for at least one day during the PAGA Period.
- 1.32 **“PAGA Period”** means and refers to the period of time from November 26, 2019 to the earlier of December 4, 2023 or date of preliminary approval of the Settlement.
- 1.33 **“PAGA”** means and refers to the California Private Attorneys General Act of 2004, California Labor Code section 2698 *et seq.*
- 1.34 **“PAGA Notice”** means and refers to Plaintiff’s July 21, 2020 letter to CRS and the LWDA providing notice pursuant to California Labor Code section 2699.3, subdivision (a).
- 1.35 **“PAGA Penalties”** means and refers to the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, 25% of which shall be equally allocated to the Aggrieved Employees (\$23,750.00) and the remaining 75% of which shall be allocated and paid directly to the LWDA (\$71,250.00) (mailing address: Department of Industrial Relations, Accounting Unit, 455 Golden Gate Avenue, 10th Floor, San Francisco, California 94012) in settlement of PAGA claim.
- 1.36 **“Participating Class Member”** means and refers to a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.37 **“Plaintiff”** means and refers to Tim Blackwell, the named plaintiff in the Action.
- 1.38 **“Preliminary Approval”** means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.39 **“Released Class Claims”** means and refers to the claims being released as described in Paragraph 5.2 below.

- 1.40 “**Released PAGA Claims**” means and refers to the claims being released as described in Paragraph 5.3 below.
- 1.41 “**Released Parties**” means Climate Pros, its parent, affiliates, subsidiaries, divisions, holding companies, predecessors (including, but not limited to, CRS), successors, assigns, partners, joint ventures and each of their respective current and its and their former employees, officers, directors, shareholders, members, managers, representatives, insurers, attorneys and agents.
- 1.42 “**Request for Exclusion**” means a Class Member’s submission of a proper written request to be excluded from the Settlement and signed by the Class Member.
- 1.43 “**Response Deadline**” means and refers to 45 days after the Administrator mails Class Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email or mail Requests for Exclusion from the Settlement; or (b) fax, email or mail his, her, or their objection to the Settlement. Class Members to whom Class Notice is resent after having been returned “undeliverable” to the Administrator shall have an additional 14 calendar days beyond the Response Deadline in which to submit a Request for Exclusion or objection to the Settlement.
- 1.44 “**Settlement**” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45 “**Workweek**” means any week during which a Class Member worked for one or both of Defendants, for at least one day, during the Class Period.

2. **RECITALS.**

- 2.1 Pursuant to California Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to the LWDA by sending the PAGA Notice.
- 2.2 On July 28, 2020, Plaintiff commenced an action by filing a Complaint against Commercial Refrigeration Specialists, Inc. (later Climate Pros, LLC was added as an additional defendant). On October 1, 2020, Climate Pros removed the Complaint to the U.S. District Court for the Eastern District of California. On September 24, 2020, Plaintiff filed a second Complaint alleging one cause of action against Defendants under the California Private Attorneys General Act of 2004. On November 16, 2020, Climate Pros removed this Complaint to the U.S. District Court for the Eastern District of California.
- 2.3 On June 25, 2021, the Court consolidated both cases into a single action, under Case No. 2:20-cv-01968. The First Amended Complaint filed on July 9, 2021 is the operative complaint in the Action (the “**Operative Complaint**”). Climate Pros

denies most, if not all, the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged therein.

- 2.4 On October 18, 2022, the Court granted class certification in part.
- 2.5 On September 5, 2023, the Parties participated in an all-day mediation presided over by an independent and neutral third-party mediator, Mark Rudy, which led to this Agreement to settle the Action.
- 2.6 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Climate Pros promises to pay \$950,000.00 and no more as the Gross Settlement Amount, and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Climate Pros has no obligation to pay the Gross Settlement Amount (or any payroll taxes thereon): (a) prior to the deadline stated in Paragraph 4.3 below; and (b) unless and until all additional terms and conditions to payment of the Gross Settlement Amount have been satisfied. The Administrator will disburse the entire Gross Settlement Amount pursuant to the provisions described below, and without asking or requiring Participating Class Members or Aggrieved Employees to submit a claim as a condition of payment. None of the Gross Settlement Amount will revert to Climate Pros.
- 3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1 To Plaintiff: A Class Representative Service Payment to the Class Representative of not more than \$20,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). As part of any motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payment no later than 15 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Class Representative Service Payment to taxing authorities on an IRS Form 1099. Plaintiff assumes full responsibility and liability for all taxes owed on the Class Representative Service Payment.

- 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 35%, which is currently estimated to be \$332,500.00, and Class Counsel Litigation Expenses Payment of not more than \$50,000.00. Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 15 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Released Parties shall have no liability to Class Counsel arising from any claim to any portion of the Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will report the Class Counsel Fees Payment and Class Counsel Expenses Payment to taxing authorities on one or more IRS Form 1099 issued to Class Counsel. Class Counsel assumes full responsibility and liability for all taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment. Class Counsel hold Climate Pros harmless, and indemnifies Climate Pros, from any dispute or controversy regarding any division or sharing of Class Counsel Fees Payment or Litigation Expenses Payment.
- 3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$9,100.00 except for a showing of good cause and as approved by the Court. To the extent the Administrator's expenses are less or the Court approves payment less than this amount, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4 To Each Participating Class Member: An Individual Class Payment to each Participating Class Member calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period; and (b) multiplying the result by each Participating Class Member's Workweeks.
- 3.2.4.1 Tax Allocation of Individual Class Payments. One-tenth of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the **"Wage Portion"**). All Wage Portions are subject to tax withholding and will be reported to taxing authorities on an IRS Form W-2. Nine-tenths of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the **"Non-Wage Portion"**). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS Forms 1099, as required by law. Participating Class Members assume full responsibility and liability for any taxes owed on their Individual Class Payment.
- 3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a *pro rata* basis.

3.2.5 To the LWDA and Aggrieved Employees: A PAGA Penalties payment of \$95,000.00. PAGA Penalties are to be paid from the Gross Settlement Amount, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing \$23,750.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees; and (b) multiplying the result by each Aggrieved Employee's total number of PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS Forms 1099, as required.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records, Climate Pros estimates there are 51 Class Members who collectively worked a total of 9,139.71 Workweeks, and 318 Aggrieved Employees who worked a total 33,404.71 PAGA Pay Periods during the period of November 26, 2019 through December 4, 2023.

4.2 Class Data. No later than 15 days after the Court grants Preliminary Approval of the Settlement, Climate Pros will transmit the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in strict confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to perform Administrator's obligations under this Agreement. The Administrator shall provide each such employee a copy of the Stipulated Protective Order entered in this Action (DE 26) and obtain from each employee who receives, or has access to, the Class Data a signed *Acknowledgment and Agreement to Be Bound* in the form attached to the Stipulated Protective Order. Climate Pros has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted any relevant class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Climate Pros must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to resolve any issues related to missing or omitted Class Data.

4.3 Funding of Gross Settlement Amount. Climate Pros shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Climate Pros'

share of payroll taxes by transmitting the funds to the Administrator no later than 21 calendar days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within 14 calendar days after Climate Pros funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1 The Administrator will withhold applicable payroll taxes and issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undeliverable). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undeliverable). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undeliverable without a United States Postal Service ("USPS") forwarding address. Within 7 calendar days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search or failing both, re-mailing to the original address. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undeliverable. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class

Member thereby leaving no “unpaid residue” subject to the requirements of Code of Civil Procedure section 384, subdivision (b).

4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Climate Pros to confer any additional benefits or make any additional payments to Class Members beyond those specified in this Agreement.

4.4.5 The Administrator agrees to execute a separate signature page provided by Class Counsel and Defense Counsel agreeing to be bound by all applicable provisions of this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date that Climate Pros fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff and Class Members will release claims against all Released Parties as follows:

5.1 Plaintiff’s Release. Plaintiff, on behalf of himself and all of his former and present spouses, representatives, agents, attorneys, heirs, executors, administrators, successors and assigns waives, releases and discharges the Released Parties from all claims, causes of action, transactions or occurrences from the beginning of time up to and including the date Plaintiff signs this Agreement. The claims, causes of action, transactions and occurrences Plaintiff is releasing, waiving and discharging include, without limitation, any and all claims and causes of action alleging the Released Parties:

5.1.1 violated any type of written or unwritten contract, labor contract, agreement, understanding, policy, benefit, retirement, welfare or pension plan, equity, phantom stock, long-term incentive or similar deferred compensation plan, promise, covenant of any kind, including, but not limited to, any covenant of good faith and fair dealing or any employment contract between Plaintiff and the Released Parties and/or any Released Party statute, bylaw, handbook or policy.

5.1.2 discriminated against or harassed Plaintiff on the basis of any characteristic or trait protected under any law, including, but not limited to, race, color, national origin, ancestry, ethnicity, sex, disability, religion, marital status, parental status, military status, pregnancy, genetic information, citizenship, age (including, but not limited to, claims under the **Age Discrimination in Employment Act of 1967 (as amended)**), source of income, union activities, sexual orientation, gender identity, transgender status, arrest or conviction record, entitlement to benefits, or retaliated against Plaintiff for engaging in any whistleblowing or other protected activity, in violation of local, state or federal laws, constitutions, regulations, ordinances or executive orders, including without limitation, the California Fair Employment and

Housing Act, the California Business and Professions Code and the California Constitution;

- 5.1.3 violated public policy or common law, including, but not limited to, claims for: personal injury; invasion of privacy; retaliatory or wrongful discharge; negligent hiring, entrustment, training, retention or supervision; wanton and willful conduct; defamation, libel, slander or false light; intentional or negligent infliction of emotional distress and/or mental anguish; intentional interference with contract or business expectancy; negligence; premises liability; detrimental reliance; promissory estoppel; and/or loss of consortium to Plaintiff's or any member of Plaintiff's family;
- 5.1.4 violated the Family Medical Leave Act, or any similar federal, state or local law governing paid or unpaid leave, including, without limitation, the California Family Rights Act;
- 5.1.5 violated the federal Fair Labor Standards Act, or any similar federal, state or local law governing the payment of wages, overtime, misclassification, working conditions or meal and rest breaks, including, without limitation, the California Labor Code and the Industrial Welfare Commission's Wage Orders;
- 5.1.6 violated any other federal, state, local or administrative statute, regulation, ordinance, rule, policy, case law, or any common law theory of any kind; and/or
- 5.1.7 are in any way obligated for any reason to pay Plaintiff any damages, expenses, penalties, interest, litigation costs, attorney's fees, wages, bonuses, commissions, incentive pay, deferred compensation, severance pay, separation pay, termination pay, any type of payments or benefits based on Plaintiff's separation from employment, disability or any other employee benefits, and/or sick pay.
- 5.1.8 General Release. The Parties understand and agree the release of claims in Paragraph 5.1 and each of its subparagraphs includes all claims of every nature and kind whatsoever, whether known or unknown, suspected or unsuspected. It therefore is the intention of the Parties not to limit this release to claims arising out of or in the scope of Plaintiff's employment with Defendants and, instead, to make this release as broad and as general as the law permits.
- 5.1.9 Excluded Claims. For the avoidance of doubt, Plaintiff's release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits or workers' compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or

in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

- 5.1.10 Plaintiff's Waiver of Rights Under Civil Code Section 1542. Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of Section 1542 of the California Civil Code, which reads:

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.

- 5.1.11 ADEA Release. Plaintiff received this Agreement on November 29, 2023. Plaintiff has at least 21 days from that date to consider whether to accept and sign this Agreement. If Plaintiff elects to sign this Agreement before the expiration of the 21-day consideration period, Plaintiff will have waived Plaintiff's right to the full 21-day consideration period. Plaintiff will then have 7 days from the date Plaintiff signs this Agreement to revoke Plaintiff's release of claims under the ADEA. Notice of Plaintiff's intent to revoke his release of claims must be given in accordance with Paragraph 12.19.

- 5.2 Release by Participating Class Members Who Are Not Aggrieved Employees: All Participating Class Members, on behalf of themselves and their respective current and former representatives, agents, attorneys, heirs, executors, administrators, successors and assigns, fully release and discharge the Released Parties from (a) all causes of action certified in the Class Certification Order (DE 52); and (b) all causes of action arising out of the same operative facts, including, without limitation, all wage and hour claims arising under local, state and federal law. The intention of the Parties' is that this Settlement constitutes a complete and final compromise and settlement of any and all suits, administrative actions, causes of action, liabilities, claims, demands, obligations, rights, agreements, promises, or liens against Climate Pros as set forth in the Action. Except as set forth in Paragraph 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the California Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation or claims based on facts occurring outside the Class Period.

- 5.3 Release by Aggrieved Employees: All Aggrieved Employees, including Non-Participating Class Members, are deemed to release, on behalf of themselves and their respective current and former representatives, agents, attorneys, heirs, executors, administrators, successors and assigns, the Released Parties from all claims and causes of action for PAGA penalties that were alleged, or reasonably could have

been alleged, based on the facts pled in the Operative Complaint and the PAGA Notice.

5.4 Preclusive Effect. The doctrines of *res judicata*, claim preclusion, issue preclusion, collateral estoppel and any other similar doctrines shall fully and broadly apply to any claims released under this Agreement to the greatest effect and extent permitted by law.

5.5 Certain Labor Code Sections Do Not Apply to Releases. The Parties agree that California Labor Code secs. 206.5 and 2804 do not invalidate any provision of this Agreement because, among other things, the causes of action and released claims are disputed and contested, and the Settlement was bargained for at arms' length and approved by the Court.

6. **MOTION FOR PRELIMINARY APPROVAL.** Plaintiff shall prepare and file a motion for preliminary approval ("**Motion for Preliminary Approval**") that complies with the Court's current checklist or standing order for preliminary approvals (if any).

6.1 Climate Pros' Declaration in Support of Preliminary Approval. Within 10 days of the full execution of this Agreement, Defense Counsel will prepare and deliver to Class Counsel a signed Declaration from Climate Pros and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and *Cy Pres* Recipient. In their Declarations, Defense Counsel and Climate Pros shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (a) a draft of the notice, and memorandum of points and authorities in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under applicable case law authority and a request for approval of the PAGA portion of the Settlement under California Labor Code section 2699, subdivision (f)(2); (b) a draft Proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (c) a draft proposed Class Notice; (d) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement (including, without limitation, all costs relating to Class notice and claims administration) and attesting to (i) its willingness to serve; (ii) competency; (iii) operative procedures for protecting the security of Class Data; (iv) amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; (v) all facts relevant to any actual or potential conflicts of interest with Class Members; and (vi) the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (e) a signed declaration from Class Counsel attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code, section 2699.3, subdivision (a))), Operative Complaint (Labor Code, section 2699, subdivision (j)(1)), this Agreement (Labor Code, section

2699, subdivision (l)(2), a copy of the Court's Judgment (Labor Code, section 3699, subdivision (l)(3)); (f) a signed declaration from Plaintiff attesting to his services to Class Members and participation in the Action in support of the Class Representative Service Payment; and (g) all facts relevant to any actual or potential conflict of interest with the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.3 Responsibilities of Counsel. Class Counsel is responsible for preparing and filing the Motion for Preliminary Approval; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel also is responsible for promptly delivering the Court's Preliminary Approval to the Administrator.
- 6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns. If Class Counsel and Defense Counsel cannot reach agreement, they shall jointly raise the matter with the Court.
- 6.5 Remand. The Parties agree to stipulate to remand of this action to the Superior Court for purposes of settlement approval.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and have verified that, as a condition of appointment, Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties selected Phoenix Settlement Administrators based on it providing a reasonable fee for the work requested and having a reputation for providing quality service for value, which thus is fair to the Class. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements (if applicable).
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number ("EIN") for purposes of calculating payroll tax withholdings and reporting to local, state and federal tax authorities.

- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“**QSF**”) under U.S. Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
- 7.4.1 No later than 3 business days after receipt of the Class Data, the Administrator shall notify Class Counsel (with a copy to Defense Counsel) that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks and Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 calendar days after receipt of the Class Data, the Administrator will send to all Class Members, via first-class USPS mail, a Class Notice substantially in the form attached to this Agreement as **Exhibit A**. The Parties have agreed to the language of **Exhibit A**. The Class Notice will only be provided in English because the primary language of Class Members is English. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member/Aggrieved Employee, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database. The Parties agree First-Class United States Postal Service mail is the best means available to reach the greatest number of Class Members because at least 35 percent of Class Members no longer are employees of Defendants.
- 7.4.3 No later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undeliverable, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. If the USPS does not provide a forwarding address and the Administrator’s Class Member Address Search does not result in any updated address, the Administrator shall re-mail the Class Notice to the original address. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members’ written objections, challenges to Workweeks and/or Pay Periods and Requests for Exclusion will be extended an additional 14 calendar days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose Class Notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Climate Pros or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 calendar days after receipt of Class Notice, or by the deadlines stated in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (*i.e.*, opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion no later than 45 calendar days after the Administrator mails the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her/their representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's first and last name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can ascertain with a reasonable degree of certainty the identity of the person as a Class Member and the Class Member's desire to be excluded. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. If, pursuant to these procedures, the Administrator accepts a Request for Exclusion that lacks all the information specified in the Class Notice, then the Administrator shall notify both Class Counsel and Defense Counsel who may object to the Class Member's exclusion. The Administrator shall provide Class and Defense Counsel with information sufficient to determine the Class Member's identity. If the Parties cannot reach a resolution on whether the Class Member should be included/excluded, the Parties may raise the issue with the Court at an appropriate time and request that the Court resolve the disagreement.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits applicable to them and bound by all terms and conditions of the Settlement, including the Participating Class Member Release under Paragraphs 5.2 of this Agreement, regardless of whether the

Participating Class Member actually receives the Class Notice or objects to the Settlement.

- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

- 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 calendar days after the Administrator mails the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notice is re-mailed, if applicable) to challenge the number of Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any evidence, the Administrator is entitled to presume that the Workweeks and PAGA Pay Periods (if any) contained in the Class Notice are correct so long as they are consistent with the Class Data. The Parties may appeal the Administrator's determination of each Class Member's allocation of Workweeks and/or PAGA Pay Periods at the Final Approval Hearing. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

- 7.7 Objections to Settlement.

- 7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement and/or the amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.
- 7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court on their behalf) to present oral objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so no later than 45 calendar days after the Administrator's mailing of the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notice was re-mailed, if applicable).
- 7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

- 7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.
- 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish, maintain and use an internet website <https://climatepros.phoenixcases.com/> to post information of interest to Class Members, including the date, time and location for the Final Approval Hearing and copies of this Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.
- 7.8.2 Requests for Exclusion (Opt-Outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. No later than 5 calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing: (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“**Exclusion List**”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion submitted to the Administrator (whether valid or invalid).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: (a) Class Notices mailed or re-mailed; (b) Class Notices returned undeliverable by the USPS; (c) Requests for Exclusion (whether valid or invalid) received; (d) any objections received; (e) any challenges to Workweeks and/or PAGA Pay Periods received and/or resolved; and (f) checks mailed for Individual Class Payments and Individual PAGA Payments (“**Weekly Reports**”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be appealable to the Court at the Final Approval Hearing.
- 7.8.5 Administrator’s Declaration. No later than 14 calendar days before the date by which Plaintiff is required to file his Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel a signed declaration suitable for filing with the Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notices, the Class Notices returned as undeliverable, the re-mailing of Class Notices (where applicable), attempts to locate Class Members, the

total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attaching the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) with the Court.

7.8.6 Final Report by Settlement Administrator. Within 10 calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by Social Security Number of all payments made under this Agreement. At least 15 calendar days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing with the Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration with the Court.

7.8.7 Notice of Final Judgment. The Administrator will provide notice to Class Members of the final Judgment.

8. **CLASS SIZE ESTIMATES.** Climate Pros' estimates are set forth in Section 4.1 of this Agreement.

9. **CLIMATE PROS' RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of all Class Members, Climate Pros may, but is not obligated to, elect to withdraw from all or part of the Settlement. The Parties agree that, if Climate Pros withdraws, the Settlement shall be void *ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Climate Pros will remain responsible for paying all Administration Expenses incurred to that point. Climate Pros must notify Class Counsel and the Court of its election to withdraw no later than 10 court days after the Administrator sends the final Exclusion List to Defense Counsel.

10. **MOTION FOR FINAL APPROVAL.** No later than 15 court days before the calendared Final Approval Hearing, Plaintiff will file with the Court a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subdivision (1)(2), a Proposed Final Approval Order and a Proposed Judgment (collectively, "**Motion for Final Approval**"). Plaintiff shall provide drafts of these documents to Defense Counsel no later than 7 calendar days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents with the Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

- 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Plaintiff and Class Members and/or Aggrieved Employees), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this Paragraph.
- 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of the Judgment, the Court will retain jurisdiction over the Parties, this Action, and the Settlement solely for purposes of: (a) enforcing this Agreement and/or Judgment; (b) addressing Settlement administration matters; and (c) addressing such post-Judgment matters as are permitted by law.
- 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, however specifically excluding the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, the Parties, their respective counsel and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including, without limitation, all rights to post-judgment and appellate proceedings, the right to file motions to vacate the Judgment, motions for new trial, extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5 Appellate Court Orders to Vacate, Reverse or Materially Modify Judgment. If the reviewing Court vacates, reverses or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Plaintiff, Class Members and/or Aggrieved Employees), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of a judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this Paragraph, as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Climate Pros that any of the allegations in the Operative Complaint have merit or that Climate Pros has any liability for any of the causes of action asserted therein; nor should it be intended or construed as an admission by Plaintiff that Climate Pros' defenses in the Action have merit. Further, Climate Pros specifically denies any liability, unlawful conduct or wrongdoing for any of the causes of action in the Operative Complaint, and further denies any violation of any order (including any wage order), law, statute, regulation, rule, duty or contract (including any collective bargaining agreement) on the part of Climate Pros or any Released Party. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Climate Pros reserves the right to contest certification of the Class for any reasons, and Climate Pros reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Climate Pros' defenses. The Settlement, this Agreement and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement, this Agreement and/or to raise a defense based on *res judicata* or collateral estoppel).

12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Climate Pros and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person or entity to disclose, disseminate and/or publicize, any of the terms of the Agreement, directly or indirectly, specifically or generally, to any other person or entity, except: (a) to the Parties' attorneys, accountants, financial advisors or spouses, all of whom will be instructed to keep this Agreement confidential pursuant to this Paragraph; (b) counsel in any related matter; (c) to the extent necessary to report income to appropriate taxing authorities; (d) in response to a court order or subpoena; or (e) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information, so that any Party may object or otherwise respond to the request. Plaintiff, Class Counsel, Climate Pros and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication before the filing of the Motion for Preliminary Approval with any third party regarding this Agreement or the matters giving rise to this Agreement, except

to respond only that “the matter was resolved,” or similar words to that effect. This Paragraph does not restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

- 12.3 No Solicitation. The Parties separately agree that they and their respective counsel will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this Paragraph shall be construed to restrict Class Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.
- 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral or written representations, warranties, covenants, contracts, agreements, demands, offers, discussions, proposals, understandings or inducements made to or by any Party, with the exception of the Parties’ *Memorandum of Settlement*, dated September 7, 2023 (“**Memorandum**”). In the event of any conflict between this Agreement and the Parties’ Memorandum, the terms of this Agreement shall control.
- 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Climate Pros, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement, including any amendments to this Agreement.
- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement (if agreed) and submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Agreement.
- 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Climate Pros nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

- 12.9 Nondisparagement. Plaintiff agrees not to make any statements or take any actions, from the date Plaintiff executes this Agreement, which disparages the Released Parties. Nothing in this Agreement, however, prevents Plaintiff from providing truthful information or communicating with any government agency or from engaging in any other activities protected by law. In accordance with Section 1670.11 of the California Civil Code, nothing in this Agreement prevents Individual from testifying in any administrative, legislative or judicial proceeding concerning alleged criminal misconduct or sexual harassment. Nothing in this Agreement prevents or restricts the Parties from disclosing factual information related to a claim or complaint involving the acts listed in Section 1001(a) of the California Code of Civil Procedure. For purposes of this Agreement, “disparage” means making comments or statements to any person or entity that would adversely affect a Released Party’s reputation.
- 12.10 Neutral Reference. In response to any request directed to Climate Pros’ human resources department regarding Plaintiff’s employment with Defendant(s), Climate Pros agrees to provide only the dates of Plaintiff’s employment with Defendant(s) and his last position held.
- 12.11 Negotiated Settlement Agreement. Plaintiff acknowledges and agrees this Agreement constitutes a “negotiated settlement agreement” under California Government Code section 12964.5(d).
- 12.12 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives and approved by the Court.
- 12.13 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.14 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 12.15 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. Therefore, this Agreement shall not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.16 Confidentiality. To the extent permitted by law, all agreements made and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.17 Use and Return of Class Data. Information provided to Class Counsel pursuant to Federal Rule of Evidence 408 and Evidence Code sections 1152 and 1154, and all copies and summaries of the Class Data provided to Class Counsel in connection

with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, regulation, rule or protective or other Court order. No later than 90 calendar days after the date the Court discharges the Administrator's obligation to provide a Declaration confirming the final payout of all Settlement funds, Plaintiff shall permanently destroy all paper and electronic versions of Class Data unless, prior to the Court's discharge of the Administrator's obligation, Climate Pros makes a written request to Class Counsel for the return, rather than the destruction, of Class Data. For the avoidance of doubt, Class Counsel's compliance with this Paragraph does not relieve Class Counsel of any additional obligations under the Parties' Stipulated Protective Order for the destruction or return of confidential litigation materials.

- 12.18 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.19 Calendar Days. Unless otherwise noted, all references to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federally-recognized holiday, such date or deadline shall be on the first business day thereafter.
- 12.20 Notice. All notices, demands or other communications between the Parties permitted or required by this Agreement shall be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email, addressed as follows:

If to Plaintiff:

Kenneth H. Yoon
Stephanie E. Yasuda
YOON LAW, APC
751 N. Fair Oaks Avenue, Unit 101
Pasadena, California 91103
kyoon@yoonlaw.com
syasuda@yoonlaw.com

If to Climate Pros:

Judson D. Stelter
MICHAEL BEST & FRIEDRICH LLP
170 S. Main Street, Suite 1000
Salt Lake City, Utah 84101
jdstelter@michaelbest.com

Y. Angela Lam
Michael K. Sokolowski
MICHAEL BEST & FRIEDRICH LLP
444 W. Lake Street, Suite 3200
Chicago, Illinois 60606
yalam@michaelbest.com
michael.sokolowski@michaelbest.com

If to the Administrator:

Phoenix Settlement Administrators
<<Street Address>>
<<City, State and Zip Code>>
<<Email Address>>

With a copy to both Class Counsel and Defense Counsel

- 12.21 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*i.e.*, DocuSign), or email, which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 12.22 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement.
- 12.23 Protected Rights. Nothing in this Agreement in any way restricts or impedes Plaintiff from exercising protected rights, including rights under the National Labor Relations Act (“NLRA”).

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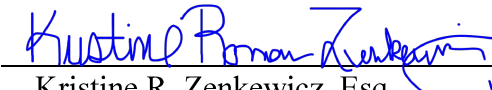
Dated: 15/05/24

TIM BLACKWELL

By: 
Tim Blackwell (May 15, 2024 10:57 PDT)
Tim Blackwell
Class Representative

Dated: 5/21/24

CLIMATE PROS, LLC

By: 
Kristine R. Zenkewicz, Esq.
General Counsel for Climate Pros, LLC

APPROVED AS TO FORM ONLY:

Dated: _____

YOON LAW APC

By: _____
Ken Yoon, Esq.
Class Counsel

Dated: _____

MICHAEL BEST & FRIEDRICH LLP

By: _____
Judson D. Stelter, Esq.
Defense Counsel

SIGNATURE PAGE TO
CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

Dated: _____

TIM BLACKWELL

By: _____

Tim Blackwell
Class Representative

Dated: _____

CLIMATE PROS, LLC

By: _____

Kristine R. Zenkewicz, Esq.
General Counsel for Climate Pros, LLC

APPROVED AS TO FORM ONLY:

Dated: 5/15/24

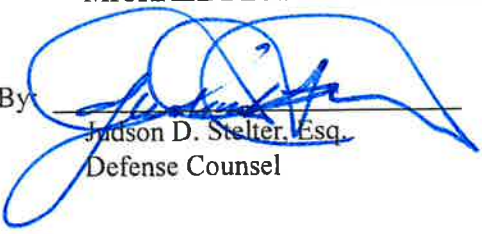
YOON LAW APC

By:  _____

Ken Yoon, Esq.
Class Counsel

Dated: May 16, 2024

MICHAEL BEST & FRIEDRICH LLP

By:  _____

Judson D. Stelter, Esq.
Defense Counsel

SIGNATURE PAGE TO
CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

EXHIBIT A

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Timothy Blackwell v. Commercial Refrigeration Specialists, Inc. et al.

Case No.: 34-2020-00282409-CU-OE-GDS

***The Superior Court for the State of California has authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit (“**Action**”) against Climate Pros, LLC (“**Climate Pros**”) and Commercial Refrigeration Specialists, LLC f/k/a Commercial Refrigeration Specialists, Inc. (“**CRS**”) (Climate Pros and CRS are collectively referred to as “**Defendants**”) for alleged wage and hour violations. The Action was filed by a former Climate Pros employee, Timothy Blackwell (“**Plaintiff**”), and seeks payment of (1) back wages and other relief for a class of current and former service technicians, service journeymen, service apprentices and any other person performing similar work regardless of job title who worked for one or more Defendants in California (“**Class Members**”) during the period of time from April 6, 2016 through October 18, 2022 (“**Class Period**”), and who also fielded customer after hours on-call requests to determine immediate need for service; and (2) penalties under the California Private Attorney General Act of 2004 (“**PAGA**”) for all current and former service technicians, service journeymen, service apprentices and any other person performing similar work regardless of job title who worked for one or more Defendants during the period of time from November 26, 2019 through to the earlier of December 4, 2023 or date of preliminary approval of the Settlement (“**PAGA Period**”) (“**Aggrieved Employees**”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Climate Pros to fund Individual Class Payments; and (2) a PAGA Settlement requiring Climate Pros to fund Individual PAGA Payments and remit penalties to the California Labor and Workforce Development Agency (“**LWDA**”).

Based on Climate Pros’ records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$<<TBD>> (less withholdings) and your Individual PAGA Payment is estimated to be \$<<TBD>>.** The actual amount you may receive likely will be different. The Administrator: (1) will calculate each Individual Class Payment based on the number of workweeks you worked during the Class Period, and (2) will calculate each Individual PAGA Payment based on the number of pay periods you worked during the PAGA Period. (If no amount is stated for your Individual PAGA Payment, then you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on records showing that **you worked <<TBD>> workweeks** during the Class Period and **you worked <<TBD>> pay periods** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court already has preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("**Class Counsel**"). The Court also will decide whether to enter a judgment that requires Climate Pros to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Climate Pros. You may attend the Final Approval Hearing on <<TBD>, 2024 at <<TBD>> a.m. in Courtroom <<TBD> in the <<TBD> Courthouse, located at <<TBD> and be heard by the Court. If you want to attend remotely, you can join via the Court's Zoom link or telephone number:

To join by Zoom link: <https://saccourt-ca-gov.zoomgov.com/my/sscdept23>

To join by phone: (833) 568-8864 / ID: 16108301121

If you worked as a Class Member for Defendants during the Class Period, you have two options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and, if applicable, an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Climate Pros.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. Alternatively, you can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendants, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

Climate Pros will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if applicable). In exchange, you will give up your right to assert the wage claims against Climate Pros that are covered by this Settlement (“ Released Claims ”).
You Can Opt-Out of the Class Settlement But Not the PAGA Settlement The Opt-Out Deadline is <<TBD>>	If you don’t want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Climate Pros must pay Individual PAGA Payments to all Aggrieved Employees and Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement But Not the PAGA Settlement Written Objections Must be Submitted by <<TBD>>	All Class Members who do not opt-out (“ Participating Class Members ”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the <<TBD>> Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on <<TBD>>. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, or you can join via the Court’s Zoom link or telephone number: To join by Zoom link: https://saccourt-ca.gov.zoomgov.com/my/sscdept23 To join by phone: (833) 568-8864 / ID: 16108301121 Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.

You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by <<TBD>>	The amount of your Individual Class Payment and Individual PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period workweeks and number of PAGA Period pay periods you worked according to Climate Pros' records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by <<TBD>>. See Section 4 of this Notice.
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1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendants. The Action accuses Defendants of violating California labor laws by failing to pay Class Members for hours worked when they fielded customer after hours on-call requests by telephone to determine immediate need for service. Based on the same claims, Plaintiff has also asserted a claim for statutory penalties under Labor Code §§ 203 and 226 and civil penalties under the California Private Attorneys General Act of 2004, Labor Code § 2698 *et seq.* (“**PAGA**”). Plaintiff is represented by attorneys in the Action: Kenneth Yoon and Stephanie Yasuda of the law firm Yoon Law, APC (“**Class Counsel**”).

Climate Pros strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendants or Plaintiff is correct on the merits.

In the meantime, Plaintiff and Climate Pros hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (i.e., settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“**Agreement**”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Climate Pros have negotiated a proposed Settlement that is subject to the Court’s final approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Climate Pros does not admit any violations or concede the merit of any claims.

The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine final approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Climate Pros Will Pay \$950,000 as the Gross Settlement Amount (“**Gross Settlement**”). Climate Pros has agreed to deposit the Gross Settlement into an account controlled by the

Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants final approval, Climate Pros will fund the Gross Settlement no more than 21 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$332,500.00 (35% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$50,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$20,000 as a Class Representative Award to Plaintiff for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$9,100.00 to the Administrator for services administering the Settlement.
 - D. Up to \$95,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to Aggrieved Employees based on their PAGA Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "**Net Settlement**") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Climate Pros are asking the Court to approve an allocation of 10% of each Individual Class Payment to taxable wages ("**Wage Portion**") and 90% to penalties and interest ("**Non-Wage Portion**"). The Wage Portion is subject to withholdings and will be reported on IRS Forms W-2 issued to Participating Class Members. Climate Pros will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS Forms 1099.

Although Plaintiff and Climate Pros have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, no later than <<TBD>>, 2024, that you wish to opt-out ("**Response Deadline**"). The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her/their representative setting forth a Class Member's first and last name, home address, email address or telephone number, and a simple statement electing to be excluded from the Settlement. The Request for Exclusion must be postmarked by the Response Deadline to be considered timely. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue the wage and hour claims against Defendants that were the subject to the Action.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendants based on the facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It also is possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Climate Pros have agreed that, in either case, the Settlement will be void: **Climate Pros will not pay any money and neither Class Members nor Aggrieved Employees will release any claims against Defendants.**
8. Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (the "**Administrator**") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member challenges to Workweeks, mail and remail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release. After the Judgment is final and Climate Pros has fully funded the Gross Settlement, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue or be part of any other lawsuit against Defendants or related entities for wages, penalties or other relief based on the facts alleged in the Action and resolved by this Settlement.

All Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective current and former representatives, agents, attorneys, heirs, executors, administrators, successors and assigns, fully release and discharge the Released Parties from (a) all causes of action certified in the Class Certification Order (DE 52); and (b) all causes of action arising out of the same operative facts, including, without limitation, all wage and hour claims arising under local, state and federal law. Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Climate Pros has paid the Gross Settlement, all Aggrieved Employees will be barred from asserting PAGA claims against Defendants, whether or not they exclude themselves from the Class Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue or participate in any other PAGA claim against Defendants or their related entities based on the facts alleged in the Action and resolved by this Settlement.

All Aggrieved Employees, including Non-Participating Class Members, will be bound by the following release:

All Aggrieved Employees, including Non-Participating Class Members, are deemed to release, on behalf of themselves and their respective current and former representatives, agents, attorneys, heirs, executors, administrators, successors, and assigns, the Released Parties, from all claims and causes of action for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts pled in the Operative Complaint and the PAGA Notice.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$23,750.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees, and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Climate Pros' records, are stated in the first page of this Notice. You have until <<TBD>> to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Climate Pros' calculation of Workweeks and/or Pay Periods based on Climate Pros' records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission, input from Class Counsel (who will advocate on behalf of Participating Class Members) and Climate Pros' Counsel. Subject to Section 7.6 of the Settlement Agreement, the Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out), including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and (if applicable) the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your first and last name, home address, email address, telephone number and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Timothy Blackwell v. Commercial Refrigeration Specialists, Inc., et al.*, and include your identifying information (full name, present address, telephone number). You must make the request yourself. If someone else makes the request for you, it will not be valid. **You must send your request to the**

Administrator no later than <<TBD>>, or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Climate Pros are asking the Court to approve. At least <<TBD> days before the <<TBD>, 2024 Final Approval Hearing, Class Counsel and/or Plaintiff will file with the Court: (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You also can view them on the Administrator's website at <<TBD> or the Court's website at <<TBD>.

A Participating Class Member who disagrees with any aspect of the Settlement Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is <<TBD>, 2024.** Be sure to tell the Administrator what you object to, why you object and any facts that support your objection. Make sure you identify the Action as *Timothy Blackwell v. Commercial Refrigeration Specialist, Inc., et al.*, and include your first and last name, current address, telephone number and approximate dates of employment with one or both Defendants and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on <<TBD>, 2024 at <<TBD>> a.m. in Courtroom <<TBD> in the <<TBD> Courthouse, located at <<TBD>. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually, depending on the Court's procedures. If you want to attend remotely, you can join via the Court's Zoom link or telephone number:

To join by Zoom link: <https://saccourt-ca-gov.zoomgov.com/my/sscdept23>

To join by phone: (833) 568-8864 / ID: 16108301121

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website at <<TBD> beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Climate Pros and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to www.yoonlaw.com/climatepros. You also can telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Court website by going to <https://www.saccourt.ca.gov/indexes/new-portal-info.aspx> and entering the case number for the Action, Case No. 34-2020-00282409-CU-OE-GDS. You will need to make an online account. You also can personally review court documents in the Clerk's Office at the Gordon D. Schaber Sacramento County Courthouse, 720 9th Street, Sacramento, CA 95814.

DO NOT TELEPHONE THE COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Name of Attorney: Kenneth Yoon

Email Address: kyoon@yoonlaw.com

Name of Firm: Yoon Law, APC

Mailing Address: 751 North Fair Oaks Avenue, Pasadena, California 91103

Telephone: (213) 612-0988

Settlement Administrator:

Name of Company: Phoenix Settlement Administrators

Email Address: <<TBD>>

Mailing Address: <<TBD>>

Telephone: <<TBD>>

Fax Number: <<TBD>>

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should contact the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

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