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Attorneys for Plaintiff Joaquin Morales

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SHASTA

JACOB MCCULLOUGH, individually, and on
behalf of other aggrieved employees pursuant
to the California Private Attorneys General
Act;

Plaintiff,

vs.

WRIGHT TREE SERVICE, INC., an Iowa
corporation; WRIGHT TREE SERVICE OF
THE WEST, INC., an Iowa corporation; and
DOES 1 through 100, inclusive,

Defendants.

Case No.: 23CV-0203309

Honorable Stephen H. Baker
Department 64

CLASS ACTION

**DECLARATION OF SELENA
MATAVOSIAN IN SUPPORT OF
PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

[Plaintiffs' Notice of Motion and Motion
for Preliminary Approval of Class Action
and PAGA Settlement; Declaration of
Proposed Class Counsel (Paul K. Haines);
Declarations of Proposed Class
Representatives (Jacob McCullough and
Joaquin Morales); and [Proposed] Order
filed concurrently herewith]

Date: September 15, 2025
Time: 8:30 a.m.
Department: 64

Complaint Filed: September 26, 2023
Trial Date: None Set

DECLARATION OF SELENA MATAVOSIAN

I, Selena Matavosian, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiff Jacob McCullough (“Plaintiff McCullough”). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

PROCEDURAL HISTORY

2. On July 21 2023, Plaintiff McCullough provided written notice by certified mail to the California Labor and Workforce Development Agency (“LWDA”) and Defendants Wright Tree Service, Inc. and Wright Tree Service of the West, Inc. (together, “Defendants”) of the specific provisions of the California Labor Code that were alleged to be violated (“McCullough PAGA Notice”). Marked and attached hereto as “**EXHIBIT A**” is a true and correct copy of Plaintiff McCullough’s PAGA Notice.

3. On July 31, 2023, Plaintiff McCullough filed the Class Action Complaint for Damages (“McCullough Class Complaint”) against Defendants, thereby commencing the lawsuit entitled *Jacob McCullough v. Wright Tree Service, Inc.*, Superior Court for the County of Shasta, Case No. 23CV-0202839 (“McCullough Class Action”).

4. On September 6, 2023, Defendants filed an Answer to the McCullough Class Complaint.

5. On September 8, 2023, Defendants removed the McCullough Class Action to United States District Court for the Eastern District of California, Case No. 2:23-CV-01927-MCE-DMC (“McCullough Federal Action”).

6. On September 26, 2023, Plaintiff McCullough filed the Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. (“McCullough PAGA Complaint”) against Defendants, thereby commencing the above-captioned lawsuit (the “Lead McCullough Action”).

7. On October 24, 2023, Plaintiff Joaquin Morales (“Plaintiff Morales”) (together with Plaintiff McCullough, “Plaintiffs”) provided written notice by certified mail to the LWDA and

1 Defendant Wright Tree Service of the West, Inc. of the specific provisions of the California Labor
2 Code that were alleged to be violated (“Morales PAGA Notice”) (together with the McCullough
3 PAGA Notice, the “PAGA Notices”).

4 8. On October 24, 2023, Plaintiff Morales filed the Class Action Complaint (“Morales
5 Complaint”) against Defendant Wright Tree Service of the West, Inc., thereby commencing the
6 lawsuit entitled *Joaquin Morales v. Wright Tree Service of the West, Inc.*, Superior Court for the
7 County of Marin, Case No. CV0001290 (“Morales Action”) (together with the McCullough Class
8 Action and Lead McCullough Action, the “Actions”).

9 9. On November 21, 2023, Plaintiff Morales filed a Motion to Intervene in the
10 McCullough Federal Action, which was withdrawn on December 4, 2023.

11 10. On December 14, 2023, Defendants filed an Answer to the McCullough PAGA
12 Complaint.

13 11. On December 29, 2023, Plaintiff Morales filed a First Amended Class and
14 Representative Action Complaint (“Morales First Amended Complaint”) against Defendant Wright
15 Tree Service of the West, Inc., in the Morales Action, thereby adding a claim for civil penalties
16 under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”).

17 12. On January 11, 2024, Defendant Wright Tree Service of the West, Inc. removed the
18 Morales Action to United States District Court for the Northern District of California, Case NO.
19 3:24-CV-00216-LB (later changed to 3:24-cv-00216-EMC).

20 THE PROPOSED SETTLEMENT

21 13. Marked and attached hereto as “EXHIBIT B” and “EXHIBIT C,” respectively, is
22 a true and correct copy of the Stipulation of Class and Representative Action Settlement and
23 Release and Amendment No. 1 to Stipulation of Class and Representative Action Settlement and
24 Release (together, “Settlement,” “Agreement,” or “Settlement Agreement”) entered into by and
25 between Plaintiffs, individually and on behalf of all others similarly situated and other aggrieved
26 employees, on the one hand, and Defendants, on the other hand (collectively, the “Parties”). The
27 Parties and their counsel have approved the proposed Notice of Class Action Settlement (“Class
28 Notice”), which is attached to the Settlement Agreement as “EXHIBIT 1” and respectfully request

1 that the Court approve it as well.

2 14. The Settlement provides for a Maximum Settlement Amount of \$3,275,500.00 to be
3 paid in a single payment. The Net Class Settlement Amount is the Maximum Settlement Amount
4 less the following amounts, subject to approval by the Court: attorneys' fees of up to
5 \$1,091,833.33 (if the Maximum Settlement Amount remains \$3,275,500.00) and reimbursement of
6 litigation costs and expenses not to exceed \$30,000.00 (together, "Attorneys' Fees and Costs") to
7 Lawyers *for* Justice, PC and Haines Law Group, APC (together, "Class Counsels"), Enhancement
8 Payments to Plaintiffs of \$12,500.00 each (for a total of \$25,000.00), Settlement Administration
9 Costs to the Settlement Administrator not to exceed \$12,000.00, and the PAGA Payment of
10 \$102,975.00. Assuming that the amounts allocated under the Settlement toward these payments are
11 awarded by the Court, the Net Class Settlement Amount that will be available for distribution to
12 Participating Class Members is currently \$2,013,691.67. Additionally, 25% of the PAGA Payment
13 ("PAGA Member Amount"), which is \$25,743.75.00 out of \$102,975.00, will be distributed to the
14 PAGA Members, for their respective portion of the PAGA Payment. The Maximum Settlement
15 Amount will be fully distributed in accordance with the terms of the Settlement and there is no
16 reversion to Defendants.

17 15. The Settlement Agreement provides for Class Counsels to apply for attorneys' fees
18 in an amount of up to one-third (1/3) of the Maximum Settlement Amount (i.e., \$1,091,833.33, if
19 the Maximum Settlement Amount remains \$3,275,500.00) and expenses and costs of not more
20 than \$30,000.00, which will be paid out of the Maximum Settlement Amount, subject to approval
21 by the Court. It should be noted that Class Counsels have borne all of the risks and costs of
22 litigation and will not receive any compensation until recovery is obtained. A description of the
23 qualifications of Lawyers *for* Justice, PC, the work performed by Lawyers *for* Justice, PC, and the
24 results achieved by Lawyers *for* Justice, PC in this matter can be found in paragraphs 23 through
25 27, *infra*.

26 16. The Settlement Agreement provides for payment of up to \$12,500.00 each to
27 Plaintiffs as Enhancement Payments (for a total of \$25,000.00), to be paid out of the Maximum
28 Settlement Amount subject to approval by the Court. Plaintiffs spent considerable time and effort

1 to produce relevant documents and past employment records and to provide the facts and evidence
2 necessary to attempt to prove the allegations. Plaintiffs were available whenever Class Counsels
3 needed them and actively tried to obtain information that would benefit the Class. Accordingly, it
4 is appropriate and just for Plaintiffs to each receive an Enhancement Payment, in addition to their
5 individual settlement payment, for their services on behalf of the Class, PAGA Members, and the
6 State of California.

7 17. The Parties have agreed to retain ILYM Group, Inc. ("Settlement Administrator") to
8 handle the notice and settlement administration process. The Parties respectfully request that the
9 Court appoint ILYM Group, Inc. to handle these procedures and serve as the Settlement
10 Administrator. Defendants will provide the Settlement Administrator with the Class Data, and the
11 Settlement Administrator will calculate each Class Member's estimated *pro rata* share of the Net
12 Class Settlement Amount ("Individual Settlement Share") and each PAGA Member's estimated
13 *pro rata* share of the PAGA Member Amount ("Individual PAGA Payment"). The Settlement
14 Administrator will be responsible for translating the Class Notice into Spanish, printing,
15 distributing, and tracking Class Notices and other documents for the Settlement, calculating and
16 distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all
17 required tax reporting, filings, withholdings, and remittances, providing necessary reports and
18 declarations, transmitting funds representing uncashed checks after the void date to Court
19 Appointed Special Advocates of Shasta County, and other duties and responsibilities set forth to
20 process the Settlement, and as requested by the Parties. Settlement Administration Costs are
21 currently estimated not to exceed \$12,000.00 and will be paid out of the Maximum Settlement
22 Amount, subject to approval of the Court.

23 18. Under the Settlement Agreement, Defendants are responsible for any employer-side
24 tax obligations associated with the Maximum Settlement Amount and will deposit that amount into
25 the settlement fund in addition to the Maximum Settlement Amount. Each Participating Class
26 Member's Individual Settlement Share will be allocated 20% as disputed wages, 40% as interest,
27 and 40% as penalties. The Settlement Administrator will withhold the employee's share of taxes
28 and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue

1 checks to Participating Class Members for their Individual Settlement Payment (i.e., payment of
2 their Individual Settlement Share net of these taxes and withholdings).

3 **CONDITIONAL CERTIFICATION OF THE PROPOSED CLASS IS APPROPRIATE**

4 19. **Ascertainability:** The proposed Class is defined as all current and former hourly-
5 paid or non-exempt employees who worked for Defendants within the State of California at any
6 time during the Class Period, which is the period from July 31, 2019 through the earlier of either:
7 (i) the date of Preliminary Approval of the Settlement, or (ii) the date on which the Workweeks for
8 the instant Actions and the Pedro Actions reach 143,000 Workweeks, subject to Defendants'
9 option to exercise their option to escalate the Maximum Settlement Amount ("Class Period").

10 20. **Numerosity:** Based on data provided by Defendant on May 15, 2025, the Class is
11 estimated to be approximately one thousand one hundred eighty nine (1,189) individuals who
12 worked an estimated total of 88,642 workweeks.

13 21. **Commonality:** Based on investigation and information discovered, Class Counsels
14 believe that there is sufficient evidence to support the allegations made in the lawsuits, including
15 the allegations that Defendants, with respect to Plaintiffs, Class Members, and PAGA Members,
16 *inter alia*, failed to properly pay overtime and minimum wages and associated premium pay, failed
17 to provide compliant meal and rest periods and to pay associated premium pay, failed to timely pay
18 wages during employment and upon termination of employment, failed to provide compliant wage
19 statements, failed to maintain requisite payroll records, failed to pay reporting time pay, and failed
20 to reimburse necessary business expenses, and thereby engaged in unfair business practices and
21 conduct giving rise to civil penalties recoverable under the Private Attorneys General Act of 2004
22 (California Labor Code sections 2698, et seq.). Plaintiffs also asserted that Class Members were
23 expected to perform similar job duties and were subject to the same or similar operations and
24 employment policies, practices, and procedures. Additionally, Plaintiffs asserted that Defendants'
25 recordkeeping practices with respect to Plaintiffs, Class Members, and PAGA Members were
26 substantially the same during the time period at issue. As a result of said alleged uniform practices,
27 Plaintiffs claim that the Class Members were not paid all of the compensation that was owed to
28 them by Defendants. Thus, in Class Counsels' view, it is clear that the outcome of this litigation

1 would be determined by Defendants’ uniform operations and employment practices, policies, and
2 procedures that Plaintiffs allege applied across its hourly-paid or non-exempt employees in
3 California during the relevant time period.

4 22. **Adequacy and Typicality:** Plaintiffs undertook the responsibilities of representing
5 a class action against their former employer. Plaintiffs spent considerable time and effort to
6 produce relevant documents and past employment records and to provide the facts and evidence
7 necessary to attempt to prove the allegations. Plaintiffs were available whenever Class Counsel
8 needed them and actively tried to obtain information that would benefit the Class. Plaintiffs have
9 no interests that are adverse to the Class. Plaintiffs were employed by Defendants during the Class
10 Period and subject to the same alleged violations and the same policies, practices, and procedures.
11 Plaintiffs took on the challenge and risk of commencing and maintaining this action, and they have
12 not yet received any monetary benefit for their service to date. Plaintiffs put their own interests
13 aside and brought a publicly filed lawsuit against an employer not just for their own benefit, but,
14 instead, on behalf of other hourly-paid or non-exempt employees and the State of California.

15 **EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC**

16 23. For over a decade, Lawyers *for* Justice, PC has almost exclusively focused on the
17 prosecution of consumer and employment class actions, involving wage-and-hour claims, race
18 discrimination, unfair business practices, or consumer fraud. Currently, Lawyers *for* Justice, PC is
19 the attorney of record in well over a dozen employment-related putative class actions in both state
20 and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys
21 who focus on litigating complex wage-and-hour class and Private Attorneys General Act
22 (“PAGA”) representative actions. Lawyers *for* Justice, PC has successfully litigated cases
23 involving the executive, administrative, and other overtime exemptions to the State of California
24 and federal overtime compensation requirements. During a relatively short time, in association
25 with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of
26 thousands of individuals in California. Below is a summary of the experience and qualifications of
27 the attorneys at Lawyers *for* Justice, PC who most recently and primarily have been responsible for
28 the representation of Plaintiff in connection with the resolution of above-captioned matter.

1 Additional attorney and non-attorney staff have also worked on the above-captioned matter.

2 24. Edwin Aiwarzian is the Managing Member and Shareholder of Lawyers *for* Justice,
3 PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and
4 earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has
5 extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute
6 Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has
7 previously served as a pro bono mediator for the Los Angeles County Superior Court. In October
8 of 2000, he obtained a Litigation Paralegal Certificate from the UCLA Extension Program. During
9 the summer of 2000, he studied Legal Writing at Harvard University. From approximately
10 September 2002 to approximately December 2002, he served as a Judicial Extern to the Honorable
11 Kim McLane Wardlaw of the United States Court of Appeals for the Ninth Circuit. From
12 approximately June 2002 to approximately August 2002, he served as a Judicial Extern to the
13 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
14 In December of 2004, he obtained a license to practice law from the California State Bar. Since in
15 or around October of 2008, through his work at Lawyers *for* Justice, PC, he has almost exclusively
16 focused on the prosecution of consumer and employment class actions, involving wage-and-hour
17 claims, race discrimination, unfair business practices, or consumer fraud. While employed by
18 Lawyers *for* Justice PC, he has argued over one hundred (100) motions, taken or defended over
19 one hundred fifty (150) depositions, prepared dozens of expert witnesses for deposition or trial,
20 and attended over one hundred seventy-five (175) mediations. Together with other attorneys at the
21 firm, and in many cases in conjunction with co-counsel, he has successfully litigated cases
22 involving the executive, administrative, and other overtime exemptions to the State of California
23 and federal overtime compensation requirements. Under his supervision, Lawyers *for* Justice, PC
24 has successfully obtained class certification by contested motion practice in approximately sixteen
25 (16) cases in the last decade, and litigated over 1,000 class action or representative action cases.

26 25. Arby Aiwarzian is a Member and Shareholder of Lawyers *for* Justice, PC. He
27 received his Bachelor of Arts degree from University of California, Los Angeles and graduated
28 magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School.

1 From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the
2 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
3 From approximately August 2008 to approximately December 2008, he served as a Judicial Extern
4 to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth
5 Circuit. He was admitted to practice law in California in 2010. He is admitted to practice before
6 all courts of the State of California and all United States District Courts in the State of California.
7 He has worked on many wage-and-hour class action and representative action cases, taking the
8 lead in taking and defending depositions, arguing motions, and attending mediations. He has
9 played an integral role in preparing matters for class certification, including and not limited to,
10 successful certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court
11 Case No. BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court
12 Case No. BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case
13 No. RG13680477). Under his supervision, dozens of class action or representative action cases
14 have resulted in settlements that have been granted court approval. He has handled over one
15 hundred and fifty (150) mediations and has worked on over two hundred and fifty (250) class
16 action or representative action cases which have resulted in settlement.

17 26. Joanna Ghosh is a Managing Member of Lawyers for Justice, PC. She received a
18 Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of
19 Science degree from the London School of Economics in 2007, and a Juris Doctor degree from
20 Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010)
21 and in New York (since 2013) and is admitted to practice in all U.S. District Courts in California,
22 the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme Court. She
23 has taken and defended dozens of depositions and successfully handled motion practice in class
24 action cases regarding discovery (including and not limited to, regarding class contact
25 information), class certification (both contested class certification and stipulated class
26 certification), arbitration agreements, coordination, and intervention. She has successfully handled
27 briefing and oral argument on appeal and obtained notable decisions regarding the Private
28 Attorneys General Act and employer efforts to compel arbitration, e.g., *Roberto Betancourt v.*

1 *Prudential Overall Supply* (Cal. Ct. App., Mar. 7, 2017) 9 Cal.App.5th 439, cert. denied (Cal.,
2 May 24, 2017), cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court* (2019) 8
3 Cal.5th175. She has significant experience with class actions, including and not limited to
4 working on cases to obtain class certification through contested motion practice and working on
5 cases in the post-certification stage (e.g., post-certification discovery, appeal, statistical sampling
6 and pilot study, and trial preparation in conjunction with co-counsel in a case involving a certified
7 class consisting of approximately 2,600 individuals). She also has extensive experience with class
8 action and/or representative action settlements, and has handled this process in over five hundred
9 (500) cases. Under her, Edwin Aiwasian, and Arby Aiwasian's supervision, Lawyers for Justice,
10 PC has handled the class certification and court approval process for hundreds of class action
11 and/or representative action matters that have successfully resolved. She is a member of the
12 California Employment Lawyers Association, and, on several occasions, has been a speaker
13 regarding topics in wage and hour law at the organization's continuing legal education events.

14 27. I am a Member of Lawyers for Justice, PC. I received my Bachelor of Science
15 degree from California State University, Northridge in 2019 and earned a Juris Doctor degree from
16 Southwestern Law School in 2022. I was admitted to practice law in California in 2022. I am
17 admitted to practice before all courts of the State of California and all federal district courts in the
18 State of California. I have worked on many wage-and-hour class action and PAGA representative
19 cases, and my work on these cases has included researching and drafting pleadings and motions,
20 administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and settlement
21 agreements, claims evaluation and analysis, and making court appearances.

22 **THE SETTLEMENT AND SUMMARY OF WORK PERFORMED**

23 28. The effectiveness of Lawyers for Justice, PC and Haines Law Group, APC (i.e.,
24 Class Counsels) in prosecuting this matter has translated into tangible monetary benefits in the
25 following respects: (1) Class Members, PAGA Members, and the State of California recover over
26 a reasonably short period of time as opposed to waiting additional years for the same, or possibly
27 worse, result; (2) a guaranteed result that compares favorably with other similar class action
28 settlements of this type given the strengths and weaknesses of the cases; and (3) significant savings

1 in Class Counsels' fees and/or costs that would have only increased significantly had the cases
2 progressed through certification, trial, and/or appeals.

3 29. Class Counsels have litigated the matter for over one (1) year and were actively
4 preparing the matter for class certification and trial. The Parties have engaged in extensive
5 settlement negotiations and participated in a mediation on December 28, 2023 conducted by
6 Steven Rottman, Esq., a well-respected mediator experienced in mediating complex labor and
7 employment matters. In the course of the litigation and in connection with the mediation and
8 settlement discussions, the Parties exchanged extensive information and engaged in discussions
9 regarding their evaluations of the cases and various aspects of the cases, including but not limited
10 to, the risks and delays of further litigation, the risks to the Parties of proceeding with class
11 certification and/or representative adjudication, the law relating to off-the-clock theory, regular
12 rate of pay, meal and rest periods, PAGA representative actions, and wage-and-hour law and
13 enforcement, as well as the evidence produced and analyzed, and the possibility of appeals, among
14 other things. During all settlement discussions, the Parties conducted their negotiations at arm's
15 length in an adversarial position. Arriving at a settlement that was acceptable to all Parties was not
16 easy. Defendants and their counsel felt strongly about their ability to prevail on the merits and at
17 certification, and Plaintiffs and Class Counsels believed that they would be able to obtain class
18 certification and prevail at trial. After conducting investigations and informal discovery and
19 exchange of information, extensive settlement negotiations, and with the aid of the mediator's
20 evaluation, the Parties have agreed that the matter is well-suited for settlement given the legal
21 issues relating to Plaintiffs' principal claims, as well as the costs and risks to both sides that would
22 attend further litigation. The Settlement is a fair, reasonable, and adequate resolution of the
23 Released Class Claims of Plaintiffs and Participating Class Members, and of the Released PAGA
24 Claims of Plaintiffs, the State of California, and the PAGA Members, against the Released Parties.

25 30. Prior to reaching the Settlement, Class Counsels investigated the veracity, strength,
26 and scope of the claims, and were preparing the Actions for class certification and trial. Plaintiffs
27 conducted significant investigation and informal discovery regarding the facts of the cases,
28 including and not limited to, the exchange, review, and analysis of a large volume of documents

1 and data obtained from Defendants, Plaintiffs, and other sources. The volume of data and
2 documents that Class Counsels reviewed and analyzed included and was not limited to: Plaintiffs'
3 employment records, Plaintiffs' earning statements, Defendants' Employee Handbook, collective
4 bargaining agreements, New Employee Checklist, Application for Employment, company policy
5 acknowledgements (including but not limited to, Acknowledgment of Receipt & Understanding of
6 Employee Handbook, Employee Handbook Receipt and Acknowledgment, PPE Receipt and
7 Agreement, Commercial Driver's License and DOT Medical Card Acknowledgment, Employment
8 Applicant Acknowledgment, Minimum Job Requirements Description Acknowledgment, and
9 Acknowledgment of Receipt & Understanding of California Medical Provider Network), forms
10 (including but not limited to Written Warning, Notice of Discipline, Employee Status and Optional
11 Information, Final Wages Direct Deposit Authorization, and Safety Performance History Record
12 Request), procedures and policies (including but not limited to Disclosure to Consumer and
13 Authorization to Obtain Information), among other information and documents. Class Counsels
14 had the opportunity to interview Plaintiffs and other Class Members to gather facts and to identify
15 potential witnesses. Counsel for the Parties also met and conferred on numerous occasions, e.g., to
16 discuss issues relating to the pleadings, and the production of documents and data prior to the
17 mediation. Class Counsels also drafted pleadings and the mediation brief and prepared for and
18 attended court proceedings, settlement negotiations, and the mediation, among other tasks.

19 31. Counsel for the Parties have also invested time researching and investigating the
20 applicable law, which is constantly evolving as it relates to certification, representative PAGA
21 claims, off-the-clock theory, regular rate of pay, meal and rest periods, wage-and-hour law and
22 enforcement, Plaintiffs' claims and damages, and Defendants' defenses thereto, as well as facts
23 discovered. Based on our analysis, I submit that the result achieved in this litigation is fair,
24 adequate, and reasonable.

25 32. Class Counsels are aware of the defenses and position of Defendants but believe
26 that Plaintiffs could potentially obtain class certification despite many obstacles. Plaintiffs and
27 Class Counsels have also taken into account the uncertainty and risk of the outcome of further
28 litigation, and the difficulties and delays inherent in such litigation, including those involved in

1 class certification and/or representative adjudication. Plaintiffs further recognize the burdens of
2 proof necessary to establish liability for the claims asserted in the lawsuits, Defendants' defenses,
3 and the difficulties in establishing entitlement to monetary recovery. Plaintiffs and Class Counsels
4 have also considered the Parties' settlement discussions, as well as the evaluations of the mediator,
5 who is experienced and well-regarded in complex labor and employment matters.

6 33. Defendants, on the other hand, deny and continue to deny any liability and
7 wrongdoing of any kind associated with the claims alleged in the lawsuits, and further deny that
8 the lawsuits are appropriate for class treatment or representative adjudication for any purpose other
9 than this Settlement. Defendants believe that they would ultimately succeed in the matter. Both
10 sides have also had the opportunity to interview witnesses and review documents and information
11 relating to Plaintiffs', Class Members', and PAGA Members' employment with Defendants, and
12 Defendants' operations and employment policies, practices, and procedures. The Parties also
13 reviewed and analyzed a volume of documents and data to determine the potential value and
14 strength of the claims. The available information enabled Class Counsels to assess and value the
15 class and PAGA claims and prepare violation, damages, and penalties analyses models.
16 Accordingly, counsel for the Parties have conducted adequate investigation and discovery to be
17 sufficiently informed of the nature and extent of the Class Members' claims, and to enable both
18 sides to fully evaluate the Settlement for its fairness, adequacy, and reasonableness. The
19 Settlement takes into account the strengths and weaknesses of each side's position and the
20 uncertainty of how the cases might have concluded at certification, trial, and/or appeals.

21 34. The foregoing discussion confirms that the amount of the Settlement is adequate in
22 light of Plaintiffs' allegations and causes of action, the evidence at issue with respect to those
23 allegations and causes of action, and legal and factual arguments and circumstances which pose
24 challenges to certification, manageability, merits, and monetary recovery. The conclusion to be
25 drawn from the foregoing analysis is that neither class certification, manageability, liability, nor
26 the ability to adjudicate and/or recover monetary relief on a class-wide or representative basis is
27 clear-cut, which is why the Parties elected to settle this matter. Class Counsels also recognized that
28 additional discounts could be made to the risk-adjusted value to account for the costs and expenses

1 associated with further litigation and the present value of obtaining a settlement now as opposed to
2 monetary recovery, if any, that may be obtained in the future after further litigation. Class
3 Counsels recognized the circumstances and realities of the cases, applicable case law and
4 regulations, and risks to recovery and applied appropriate discounts.

5 35. Class Counsels submit that the Settlement is fair, reasonable, and adequate, and is
6 in the best interest of Plaintiffs, the Class, and the State of California. Class Counsels further
7 submit that the Settlement is within an acceptable range of recovery for this type of litigation given
8 the strengths and weaknesses of the cases, the inherent costs and risks of further litigation, and the
9 costs and risks associated with class certification, representative adjudication, trial, and/or appeals.

10 I declare under penalty of perjury under the laws of the State of California that the
11 foregoing is true and correct.

12 Executed on this 25th day of July 2025, at Glendale, California.

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Selena Matavosian

EXHIBIT A



July 21, 2023

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAFilings@dir.ca.gov

**Re: WRIGHT TREE SERVICE, INC.; WRIGHT TREE SERVICE OF THE
 WEST, INC.**

Dear Representative:

We have been retained to represent Jacob Mccullough against Wright Tree Service, Inc., and Wright Tree Service of the West, Inc. (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as “WTS”) for violations of California wage-and-hour laws. Mr. Mccullough seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 (“PAGA”) and all other remedies available under PAGA.

Mr. Mccullough seeks these remedies on behalf of the State of California and “aggrieved employees,” as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

WTS employed Mr. Mccullough as an hourly-paid, non-exempt employee from approximately April 2021 to approximately September 2022, in the State of California.

The “aggrieved employees” that Mr. Mccullough may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California.

Based on the following facts and theories, WTS has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 4-2001, 5-2001, and 16-2001.

WTS required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, responding to work-related inquiries.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Mr. Mccullough and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Mr. Mccullough and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, WTS required Mr. Mccullough and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, WTS failed to pay Mr. Mccullough and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, WTS failed to pay Mr. Mccullough and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, WTS did not provide Mr. Mccullough and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from WTS were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Mr. Mccullough and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Mr. Mccullough and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Mr. Mccullough and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. Mccullough and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Mr. Mccullough and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, WTS failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Mr. Mccullough and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, WTS did not provide Mr. Mccullough and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 4-2001, 5-2001, and 16-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, WTS failed to pay Mr. Mccullough and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Mr. Mccullough and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, WTS failed to pay Mr. Mccullough and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Mr. Mccullough and the other aggrieved employees were

required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Mr. Mccullough and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by WTS. These costs include, but are not limited to, the use of a personal phone for work-related tasks, and the purchasing and maintenance of clothing and footwear in compliance with the dress code.

Therefore, on behalf of all aggrieved employees, Mr. Mccullough seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,



Gabriella Sole, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Wright Tree Service, Inc.
Wright Tree Service of the West, Inc.
c/o C T Corporation System
Agent for Service of Process
330 N. Brand Blvd, Ste 700
Glendale, CA 91203

EXHIBIT B

1 **STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND**
2 **RELEASE**

3 This Stipulation of Class and Representative Action Settlement and Release (“Settlement
4 Agreement,” “Agreement,” or “Settlement”) is made and entered into between (1) Plaintiffs Jacob
5 McCullough (“Plaintiff McCullough”) and Joaquin Morales (“Plaintiff Morales”) (together,
6 “Plaintiffs” or “Class Representatives”), as individuals and on behalf of all others similarly
7 situated, the State of California, and all allegedly aggrieved employees, who are represented by
8 Lawyers *for* Justice, PC and Haines Law Group, APC (together, “Class Counsels”); and (2)
9 Defendants Wright Tree Service, Inc. and Wright Tree Service of the West, Inc. (together,
10 “Defendants”), who are represented by Jackson Lewis P.C. (“Defense Counsel”).

11 This Settlement shall cover and be binding upon (1) Plaintiffs, all Participating Class
12 Members, the State of California (including but not limited to the California Labor Workforce
13 Development Agency (“LWDA”)), and all allegedly aggrieved employees, all of whom
14 Plaintiffs purport to represent in the Actions (defined below); and (2) Defendants and the
15 Released Parties (as defined below), subject to the terms and conditions hereof and the approval
16 of the Court.

17 **RECITALS**

18 1. On July 21, 2023, Plaintiff McCullough submitted written notice of his intent to
19 pursue civil penalties for various alleged California Labor Code violations to the LWDA and
20 Defendants pursuant to the California Labor Code Private Attorneys General Act of 2004
21 (“PAGA”), California Labor Code section 2699, *et seq* (“McCullough PAGA Notice”). Plaintiff
22 McCullough alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a),
23 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and of
24 Industrial Welfare Commission (“IWC”) Wage Order Nos. 4-2001, 5-2001, and 16-2001.
25 Plaintiff McCullough represents that the LWDA elected not to investigate Plaintiff
26 McCullough’s claims within the relevant statutorily provided period.

27 2. On July 31, 2023, Plaintiff McCullough initiated a putative class action by filing
28 a Class Action Complaint for Damages (“McCullough Class Complaint”) against Defendants in

1 the Superior Court of California for the County of Shasta (“Court”), Case No. 23CV-0202839
2 (“McCullough Class Action”), on behalf of himself and all current and former hourly-paid or
3 non-exempt employees who worked for any of the Defendants within the State of California,
4 thereby alleging the following causes of action: (1) failure to pay overtime wages in violation of
5 California Labor Code §§ 510 and 1198; (2) failure to provide meal periods or pay premium pay
6 in lieu thereof in violation of California Labor Code §§ 226.7 and 512(a); (3) failure to provide
7 rest breaks or pay premium pay in lieu thereof in violation of California Labor Code § 226.7; (4)
8 failure to pay minimum wages in violation of California Labor Code §§ 1194, 1197, and 1197.1;
9 (5) failure to pay all wages timely upon termination of employment in violation of California Labor
10 Code §§ 201 and 202; (6) failure to timely pay wages during employment in violation of California
11 Labor Code § 204; (7) failure to provide accurate itemized wage statements in violation of
12 California Labor Code § 226(a); (8) failure to keep requisite payroll records in violation of
13 California Labor Code § 1174(d); (9) failure to reimburse necessary business expenses in violation
14 of California Labor Code §§ 2800 and 2802; and (10) unfair business practices in violation of
15 California Business and Professions Code section 17200, *et seq.* On September 8, 2023,
16 Defendants removed the McCullough Class Action to United States District Court for the Eastern
17 District of California, Case No. 2:23-CV-01927-MCE-DMC (“McCullough Federal Action”).

18 **3.** On September 26, 2023, Plaintiff McCullough initiated a PAGA representative
19 action by filing a Complaint for Enforcement Under the Private Attorneys General Act,
20 California Labor Code § 2698, *Et Seq.* (“McCullough PAGA Complaint”) against Defendants
21 in the Court, Case No. 23CV-0203309 (“Lead McCullough Action”), thereby asserting a single
22 claim for civil penalties pursuant to PAGA based on alleged violations of California Labor Code
23 sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198,
24 2800 and 2802.

25 **4.** On October 24, 2023, Plaintiff Morales submitted written notice of his intent to
26 pursue civil penalties for various alleged California Labor Code violations to the LWDA and
27 Defendant Wright Tree Service of the West, Inc. pursuant to PAGA, California Labor Code
28 section 2699, *et seq.* (“Morales PAGA Notice”). Plaintiff Morales alleged violations of

1 California Labor Code sections 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 516, 558, 1174,
2 1182.12, 1194, 1194.2, 1197, 1198, 1199, 2802 and 2804, and of IWC Wage Order No. 5.
3 Plaintiff Morales represents that the LWDA elected not to investigate Plaintiff Morales' claims
4 within the relevant statutorily provided period.

5 **5.** On October 24, 2023, Plaintiff Morales initiated a putative class action by filing
6 a Class Action Complaint against Defendant Wright Tree Service of the West, Inc. in the
7 Superior Court of California for the County of Marin, Case No. CV0001290 ("Morales Action"),
8 on behalf of himself and all current and former non-exempt employees in California, alleging the
9 following causes of action: (1) failure to pay minimum wages; (2) failure to pay overtime wages;
10 (3) failure to pay reporting time pay; (4) failure to provide meal periods; (5) failure to provide rest
11 breaks; (6) failure to reimburse business expenses; (7) failure to provide accurate itemized wage
12 statements; (8) failure to pay all wages timely upon termination; and (9) unfair business practices
13 in violation of California Business and Professions Code section 17200, *et seq.*

14 **6.** On November 21, 2023, Plaintiff Morales filed a Motion to Intervene in the
15 McCullough Federal Action, which was withdrawn on December 4, 2023.

16 **7.** On December 29, 2023, Plaintiff Morales filed a First Amended Class and
17 Representative Action Complaint ("Morales First Amended Complaint") against Defendant
18 Wright Tree Service of the West, Inc. in the Morales Action, thereby adding a claim for civil
19 penalties under PAGA.

20 **8.** On January 11, 2024, Defendant Wright Tree Service of the West, Inc. removed
21 the Morales Action to United States District Court for the Northern District of California, Case
22 No. 3:24-CV-00216-LB (later changed to 3:24-cv-00216-EMC).

23 **9.** On December 28, 2023, Plaintiffs and Defendants (collectively, "the Parties")
24 participated in a global mediation before Steven Rottman ("Mediator"), a respected mediator for
25 wage and hour class actions, which included the instant Actions and the related Pedro Actions,
26 defined below. Through the Mediator's efforts, the Parties were able to reach a settlement in
27 principle, subject to the Court's approval. The settlement discussions were conducted at arm's-
28 length, and the settlement is the result of an informed and detailed analysis of Defendants'

1 potential liability of total exposure in relation to the costs and risks associated with continued
2 litigation. Further, the Parties engaged in the informal exchange of relevant class data and
3 documents. Based on the documents and information produced, as well as Class Counsels' own
4 independent investigation and evaluation, and the Mediator's efforts, Class Counsels believe that
5 the settlement with Defendants for the consideration and on the terms set forth in this Settlement
6 Agreement is fair, reasonable, and adequate, and is in the best interest of the putative class
7 members, the State of California, and aggrieved employees in light of the facts and
8 circumstances, including the risk of significant delay and uncertainty associated with litigation
9 and various defenses asserted by Defendants.

10 **10.** Defendants deny all material allegations set forth in the PAGA Notices (as
11 defined below) and the Operative Complaints (as defined below) in the Actions and have asserted
12 numerous affirmative defenses and other defenses to each and every claim. Nevertheless, in the
13 interest of avoiding the cost and expense of further litigation, Defendants desire to fully and
14 finally settle all actual or potential claims by the putative class members and State of California
15 with respect to aggrieved employees.

16 **11.** This Settlement Agreement is made and entered into by and between (1)
17 Plaintiffs, individually and on behalf of all others similarly situated, the State of California,
18 including the LWDA, and all allegedly aggrieved employees; and (2) Defendants, and is subject
19 to the terms and conditions hereof and the Court's approval. The Settlement is made and entered
20 into by the Parties for the purpose of resolving all claims asserted in the PAGA Notices and the
21 Actions, as well as all claims that could have been asserted in the Actions based on the facts
22 alleged in the PAGA Notices and Operative Complaints (as defined below) in the Actions. The
23 Parties expressly acknowledge that this Settlement Agreement is entered into solely for the
24 purpose of compromising significantly disputed claims and that nothing herein is an admission
25 of liability or wrongdoing by Defendants. If for any reason the Settlement Agreement is not
26 approved, it will be of no force or effect, and the Parties shall be returned to their original
27 respective positions.

28 ///

12. This Settlement Agreement is intended by Plaintiffs and Defendants to fully, finally, and forever resolve, discharge, and settle the Released Class Claims and Released PAGA Claims (as defined below), upon and subject to the terms and conditions hereof.

DEFINITIONS

13. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

a. **“Actions”** means the following actions: (1) *Jacob McCullough v. Wright Tree Service, Inc., et al.*, United States District Court for the Eastern District of California, Case No. 2:23-CV-01927-MCE-DMC (i.e., McCullough Federal Action)/Shasta County Superior Court, Case No. 23CV-0202839 (i.e., McCullough Class Action); (2) *Jacob McCullough v. Wright Tree Service, Inc., et al.*, Shasta County Superior Court, Case No. 23CV-0203309 (i.e., Lead McCullough Action); (3) *Joaquin Morales v. Wright Tree Service of the West, Inc.*, United States District Court for the Northern District of California, Case No. 3:24-CV-00216-EMC/Marin County Superior Court, Case No. CV0001290 (“Morales Action”).

b. **“Attorneys’ Fees and Costs”** means the attorneys’ fees and costs agreed upon by the Parties and approved by the Court for Class Counsels’ litigation and resolution of these Actions, including, but not limited to, attorneys’ fees and costs associated with documenting the Settlement, securing the Court’s approval of the Settlement, administering the Settlement, obtaining entry of a Judgment (defined below) terminating the Actions, and expenses for any experts, mediation fees, and filing and service fees. Class Counsels will request, and Defendants will not oppose, attorneys’ fees of up to one-third (1/3) of the Maximum Settlement Amount (*i.e.*, up to One Million Ninety-One Thousand Eight Hundred and Thirty-Three Dollars and Thirty-Three Cents (\$1,091,833.33)). Class Counsels will also request, and Defendants will not oppose, the reimbursement of any reasonable costs and expenses associated with Class Counsels’ litigation and settlement of the Actions, in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00), subject to the Court’s approval. Defendants have agreed not to oppose Class Counsels’ fees and cost application up to the above specified amounts. Any portion of the

requested attorneys' fees and costs not awarded to Class Counsels by the Court shall be added to the Net Class Settlement Amount for the benefit of Participating Class Members.

c. **"Class" or "Settlement Class"** means all current and former hourly-paid or non-exempt employees who worked for Defendants within the State of California at any time during the Class Period.

d. **"Class Counsels"** means Arby Aiwasian, Joanna Ghosh, and Selena Matavosian of Lawyers *for* Justice, PC and Paul K. Haines, Sean M. Blakely, and Joel M. Gordon of Haines Law Group, APC, who will seek to be appointed counsel for the Settlement Class.

e. **"Class Data"** means a complete list of all Class Members and PAGA Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator. The Class Data will be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class Member's and PAGA Member's (a) last-known full name; (b) Social Security Number; (c) last-known mailing address; (d) last-known telephone number; (e) start and end dates of employment as an hourly-paid or non-exempt employee who worked for Defendants within the State of California at any time during the Class Period and PAGA Period; (f) the total number of Workweeks during the Class Period; and (f) the total number of Pay Periods during the PAGA Period.

f. **"Class Member"** means any member of the Class.

g. **"Class Notice"** means the Notice of Class Action Settlement, substantially in the form attached hereto as **"EXHIBIT 1,"** and as may be modified by the Court. The Class Notice shall include: (a) information regarding the nature of the Actions; (b) a summary of the Settlement's principal terms; (c) the Class Member and PAGA Member definitions; (d) the total number of Workweeks and Pay Periods each respective Class Member and PAGA Member worked for Defendants during the Class Period and the PAGA Period (as defined below); (e) each Class Member's estimated Individual Settlement Share and the formula for calculating Individual Settlement Shares; (f) each PAGA Member's estimated Individual PAGA Payment and the formula for calculating Individual PAGA Payments; (g) the dates that comprise the Class Period and the PAGA Period; (h) information regarding submitting disputes regarding Workweeks and/or

1 Pay Periods, Objections to the Class Settlement, and/or Requests for Exclusion from the Class
2 Settlement (to the extent permitted by this Settlement Agreement); (i) the deadlines by which
3 disputes of Workweeks and/or Pay Periods, Objections to the Class Settlement, and/or Requests
4 for Exclusion from the Class Settlement (to the extent permitted by this Settlement Agreement)
5 must be postmarked; (j) the claims to be released through this Settlement; and (k) the date for the
6 Final Approval Hearing (defined below). The Class Notice shall be mutually agreed-upon by the
7 Parties and presented to the Court for approval.

8 **h. “Class Period”** means the period from July 31, 2019 through the earlier of
9 either: (i) the date of Preliminary Approval of the Settlement, or (ii) the date on which the
10 Workweeks for the instant Actions and the Pedro Actions reach 143,000 Workweeks, subject to
11 Defendants’ option to exercise their option to escalate the Maximum Settlement Amount as set
12 forth in section 16.j below.

13 **i. “Class Representative”** means Plaintiffs Jacob McCullough and Joaquin
14 Morales who will seek to be appointed as the representatives for the Class.

15 **j. “Class Settlement”** means the settlement and release of the Released Class
16 Claims.

17 **k. “Court”** means the Superior Court of the State of California, County of
18 Shasta.

19 **l. “Defendants”** means Wright Tree Service, Inc. and Wright Tree Service of
20 the West, Inc.

21 **m. “Defense Counsel”** means Mia Farber, Benjamin J. Schnayerson, and
22 Isabella L. Shin of Jackson Lewis P.C.

23 **n. “Effective Date”** means the date when all of the following events have
24 occurred in the Actions: (1) the Settlement has been executed by all Parties, Class Counsels, and
25 Defense Counsel; (2) the Court has given Preliminary Approval to the Settlement; (3) the Class
26 Notice has been given to Class Members and PAGA Members; (4) the Court has held the Final
27 Approval Hearing and entered a Final Approval Order and Judgment certifying the Settlement
28 Class and approving the Settlement; and (5) sixty-six (66) calendar days have passed since the

1 filing and service of the notice of entry of the Final Approval Order and Judgment certifying the
2 Settlement Class and approving the Settlement. If any appeal, review, writ, motion, *ex parte*
3 application, late objection, post judgment/order challenge, and/or other proceeding opposing the
4 Court's Final Approval Order approving the Settlement have been filed, the Effective Date occurs
5 five (5) business days after any appeal, review, writ, motion, *ex parte* application, late objection,
6 post judgment/order challenge, and/or other proceedings opposing the Settlement have been finally
7 and conclusively dismissed with no right to pursue further remedies or relief, including further
8 appeals. The Effective Date will not have occurred until after the same above-listed events and
9 conditions have taken place in the Pedro Actions.

10 **o. "Enhancement Payment(s)"** means the amounts to be paid to Plaintiffs in
11 recognition of their efforts and work in prosecuting the Actions on behalf of the Class and the State
12 of California with respect to the PAGA Members, and their agreement to a full general release of
13 all claims, including a waiver of California Civil Code section 1542 as set forth herein. The Parties
14 agree that Plaintiffs will be paid up to Twelve Thousand Five Hundred Dollars and Zero Cents
15 (\$12,500.00) each (for a total of \$25,000.00) from the Maximum Settlement Amount as their
16 Enhancement Payment, subject to the Court granting Final Approval of this Settlement and subject
17 to the exhaustion of any and all appeals. Any portion of the Enhancement Payments not awarded
18 to Plaintiffs by the Court shall be added to the Net Class Settlement Amount for the benefit of
19 Participating Class Members.

20 **p. "Final Approval"** means the determination by the Court that the
21 Settlement is fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment
22 based thereon.

23 **q. "Final Approval Hearing"** means the hearing at which the Court will
24 consider and determine whether the Settlement should be granted Final Approval and will make
25 a final determination whether the terms of the Settlement Agreement are fair, reasonable, and
26 adequate for the Class and meet all applicable requirements for approval, and, if the Settlement is
27 so approved, whether a Judgment should be entered thereon, whether the Class Representatives'
28 application for Enhancement Payments should be granted, whether the Settlement Administration

1 Costs are reasonable and should be granted, and whether an application by Class Counsels for an
2 award of reasonable Attorneys' Fees and Costs should be granted.

3 **r. "Final Approval Order"** means the final order entered by the Court that,
4 *inter alia*, finally approve(s) the Settlement Agreement following the Final Approval Hearing.

5 **s. "Individual PAGA Payment"** means the *pro rata* share of the PAGA
6 Member Amount that a PAGA Member is eligible to receive under the Settlement Agreement.

7 **t. "Individual Settlement Payment"** means the net payment of each
8 Participating Class Member's Individual Settlement Share, after reduction for the employee's
9 share of taxes and withholdings with respect to the wages portion of the Individual Settlement
10 Share.

11 **u. "Individual Settlement Share"** means the *pro rata* share of the Net Class
12 Settlement Amount that a Class Member may be eligible to receive under the Settlement
13 Agreement.

14 **v. "Judgment"** means the judgment entered by the Court upon approving the
15 Settlement and resolving the Actions with prejudice.

16 **w. "LWDA Payment"** means the amount that the Parties have agreed to pay
17 to the LWDA for its seventy-five (75%) share of the PAGA Payment.

18 **x. "Maximum Settlement Amount"** means the maximum settlement amount
19 that Defendants shall be obligated to pay under this Settlement: Three Million Two Hundred
20 Seventy-Five Thousand Five Hundred Dollars and Zero Cents (\$3,275,500.00). In no event shall
21 Defendants be required to pay more than the Maximum Settlement Amount, except as provided in
22 section 16.j herein. The employer's share of taxes on the wages portion of Individual Settlement
23 Shares will be paid by Defendants separately and in addition to the Maximum Settlement Amount.

24 **y. "Net Class Settlement Amount"** means the portion of the Maximum
25 Settlement Amount that is available for distribution to Participating Class Members, which is the
26 Maximum Settlement Amount less the amounts awarded by the Court for (1) Attorney's Fees and
27 Costs, (2) Settlement Administration Costs, (3) PAGA Payment, and (4) Enhancement Payments,
28 as defined herein.

1 **z. “Objection”** means a Class Member’s written objection to the Class
2 Settlement, which must: (a) be signed by the Class Member; (b) contain the case name and number
3 of the Lead McCullough Action; (c) contain the Class Member’s full name, telephone number,
4 mailing address, and last four digits of their Social Security Number; (d) clearly state the factual
5 and legal basis for objecting to the Class Settlement; (e) contain copies of any papers, briefs, or
6 other documents upon which the objection is based; (f) indicate whether the Class Member is
7 represented by counsel and identify said counsel; and (g) indicate whether the Class Member
8 intends to appear at the Final Approval Hearing and seeks to be heard at the Final Approval
9 Hearing.

10 **aa. “Operative Complaints”** means, collectively, the McCullough Class
11 Complaint, McCullough PAGA Complaint, and Morales First Amended Complaint.

12 **bb. “PAGA Members”** means all current and former hourly-paid or non-
13 exempt employees who worked for Defendants within the State of California at any time during
14 the PAGA Period.

15 **cc. “PAGA Member Amount”** means the twenty-five percent (25%) portion
16 of the PAGA Payment, or Twenty-Five Thousand Seven Hundred Forty-Three Dollars and
17 Seventy-Five Cents (\$25,743.75), to be distributed to PAGA Members on a *pro rata* basis based
18 on their Pay Periods during the PAGA Period.

19 **dd. “PAGA Notices”** means the McCullough PAGA Notice and Morales
20 PAGA Notice that Plaintiffs submitted to the LWDA, regarding Plaintiffs’ intent to pursue civil
21 penalties for Defendants’ alleged violations of various provisions of the California Labor Code.

22 **ee. “PAGA Payment”** means the amount that the Parties have agreed to pay
23 from the Maximum Settlement Amount to the LWDA and PAGA Members in connection with
24 PAGA. The Parties have agreed that One Hundred and Two Thousand Nine Hundred and Seventy-
25 Five Dollars and Zero Cents (\$102,975.00) of the Maximum Settlement Amount will be allocated
26 to civil penalties pursuant to PAGA. Of this amount, and in accordance with PAGA, seventy-five
27 percent (75%) (i.e., Seventy-Seven Thousand Two Hundred Thirty-One Dollars and Twenty-Five
28 Cents (\$77,231.25)) will be paid to the LWDA (i.e., LWDA Payment), and twenty-five percent

(25%) (i.e., Twenty-Five Thousand Seven Hundred Forty-Three Dollars and Seventy-Five Cents (\$25,743.75)) will be distributed to the PAGA Members in accordance with the formula set forth in this Settlement Agreement (i.e., PAGA Member Amount).

ff. “PAGA Period” means the period from July 21, 2022 through earlier of either (i) the date of Preliminary Approval of the Settlement, or (ii) the date on which the Workweeks for the instant Actions and the Pedro Actions reach 143,000 Workweeks, subject to Defendants’ option to exercise its option to escalate the Maximum Settlement Amount as set forth in section 16.j below.

gg. “PAGA Settlement” means the settlement and release of the Released PAGA Claims.

hh. “Participating Class Members” means the Class Members who do not a submit valid and timely Request for Exclusion from the Class Settlement (to the extent permitted by this Settlement Agreement) pursuant to the terms set forth in the Class Notice and approved by the Court.

ii. “Party” or “Parties” means Plaintiffs Jacob McCullough and Joaquin Morales and Defendants Wright Tree Service, Inc., and Wright Tree Service of the West, Inc., individually or collectively.

jj. “Pay Periods” means the number of weeks each PAGA Member worked for Defendants within the State of California during the PAGA Period, which will be calculated by Defendants by counting the number of calendar weeks during the PAGA Period that any PAGA Member worked at least one day.

kk. “Pedro Actions” means the actions entitled *Robert Joseph Pedro II v. CN Utility Consulting, Inc.*, Mendocino County Superior Court, Case No. 21CV00961 and *Robert Joseph Pedro II v. CN Utility Consulting, Inc.*, Mendocino County Superior Court, Case No. 21CV00963.

ll. “Plaintiffs” means Plaintiffs Jacob McCullough and Joaquin Morales.

mm. “Preliminary Approval” means entry of the Court order granting preliminary approval of the Settlement Agreement.

1 **nn. “Preliminary Approval Order”** means the order entered by the Court that
2 preliminarily approves the terms and conditions of this Settlement Agreement, including the
3 content of the Class Notice, and set a Final Approval Hearing.

4 **oo. “Released Class Claims”** means any and all claims under state, federal, or
5 local law, whether statutory or common law, including, *inter alia*, claims under the California
6 Labor Code, applicable Wage Orders, regulations, and/or other provisions of law, alleged in the
7 Operative Complaints or that reasonably could have been alleged based on the factual allegations
8 contained in the Operative Complaints, arising during the Class Period, including but not limited
9 to claims for failure to pay overtime wages, failure to provide meal periods and associated
10 premiums, failure to provide rest periods and associated premiums, failure to pay minimum wages,
11 failure to pay all wages timely upon termination, failure to timely pay wages during employment,
12 failure to provide compliant itemized wage statements, failure to keep requisite payroll records,
13 failure to reimburse necessary business expenses, and failure to pay reporting time pay, in violation
14 of California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 516, 551, 552, 558, 1174,
15 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2804, and Industrial Welfare
16 Commission Wage Orders Nos. 4-2001, 5-2001, and 16-2001, and unfair business practices in
17 violation of California Business and Professions Code section 17200, *et seq.* based on the claims
18 alleged; and any claims for injunctive relief, liquidated damages, penalties, interest, fees, and costs
19 related to the aforementioned claims alleged.

20 **pp. “Released PAGA Claims”** means any and all claims for civil penalties
21 under PAGA, arising out of the facts alleged in the Operative Complaints and PAGA Notices or
22 that reasonably could have been alleged based on the factual allegations contained in the Operative
23 Complaints and PAGA Notices, arising during the PAGA Period, including but not limited to
24 claims for failure to pay overtime wages, failure to provide meal periods and associated premiums,
25 failure to provide rest periods and associated premiums, failure to pay minimum wages, failure to
26 pay all wages timely upon termination, failure to timely pay wages during employment, failure to
27 provide compliant itemized wage statements, failure to keep requisite payroll records, failure to
28 reimburse necessary business expenses, and failure to pay reporting time pay, in violation of

1 California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 516, 551, 552, 558, 1174,
2 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2804, and Industrial Welfare
3 Commission Wage Orders Nos. 4-2001, 5-2001, and 16-2001.

4 **qq. “Released Parties”** means Defendants and all of their present and former
5 parent companies, subsidiaries, divisions, members, joint ventures, related or affiliated companies,
6 and their shareholders, officers, directors, employees, agents, attorneys (including, Defendants’
7 counsel of record in the Actions), insurers, successors and assigns, and any other individual or
8 entity that could be liable for any of the claims released through this Settlement.

9 **rr. “Request for Exclusion”** means a Class Member’s written letter indicating
10 a request to be excluded from the Class Settlement. The Request for Exclusion must: (a) contain
11 the case name and number of the Lead McCullough Action; (b) be signed by the Class Member;
12 (c) contain the full name, address, telephone number, and the last four digits of the Social Security
13 Number of the Class Member requesting exclusion; and (d) clearly state that the Class Member
14 does not wish to be included in the Class Settlement.

15 **ss. “Response Deadline”** means the deadline by which Class Members must
16 submit a Request for Exclusion, Objection, and/or dispute of the Workweeks and/or Pay Periods
17 credited to them, which shall be the date that is forty-five (45) calendar days from the initial
18 mailing of the Class Notice by the Settlement Administrator, unless the 45th day falls on a Sunday
19 or Federal holiday, in which case the Response Deadline will be extended to the next day on which
20 the U.S. Postal Service is open. The Response Deadline may also be extended by express
21 agreement between Class Counsels and Defense Counsel. Under no circumstances, however, will
22 the Settlement Administrator have the authority to extend the Response Deadline. In the event
23 that a Class Notice is re-mailed to a Class Member, the Response Deadline for that Class Member
24 shall be extended by fifteen (15) calendar days from the initial mailing of the Class Notice.

25 **tt. “Settlement Administrator”** means ILYM Group, Inc., an independent
26 third-party class action settlement administrator that will be agreed to by the Parties and approved
27 by the Court for purposes of administering this Settlement.

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uu. **“Settlement Administration Costs”** means the costs payable from the Maximum Settlement Amount, subject to Court approval, to the Settlement Administrator for administering this Settlement.

vv. **“Settlement Agreement” or “Settlement”** means this Stipulation of Class and Representative Action Settlement and Release, including any permitted and executed amendments hereto.

ww. “**Workweeks**” means the number of weeks each Class Member worked for Defendants within the State of California during the Class Period, which will be calculated by Defendants by counting the number of calendar weeks during the Class Period that any Class Member worked at least one day.¹

TERMS OF AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

14. Amended Consolidated Complaint in Lead McCullough Action and Eventual Dismissal of McCullough Class Action and Morales Action. In light of the ongoing judicial emergency in the United States District Court for the Eastern District of California (which is where the first-filed lawsuit that involves the longest statutory time period is pending after removal of the case to federal court by Defendants), the Actions will be consolidated in the Shasta County Superior Court for purposes of settlement. To accomplish this, the Parties agree to file an amended consolidated complaint in the Lead McCullough Action, to consolidate the parties and claims in the Actions. Within ten (10) business days of the Effective Date, Plaintiff McCullough will seek dismissal of the McCullough Class Action without prejudice and Plaintiff Morales will seek dismissal of the Morales Action without prejudice.

15. Class Action Certification.

a. Solely for purposes of settling the Actions, and not for purposes of class action certification should the matter not be settled or for any other reason, the Parties stipulate

¹ Class Members were paid weekly during the Class Period and PAGA Members were paid weekly during the PAGA Period.

1 and agree that the requisites for establishing class action certification under section 382 of the
2 California Code of Civil Procedure with respect to the Settlement Class have been met and are
3 met.

4 b. Should this Settlement not be approved by the Court or be terminated, the
5 stipulations above with respect to class action certification shall be null and void and shall not
6 be admissible for any purpose whatsoever.

7 **16. Distribution of Maximum Settlement Amount and Calculations.**

8 a. Maximum Settlement Amount. Defendants shall pay Three Million Two
9 Hundred Seventy-Five Thousand Five Hundred Dollars and Zero Cents (\$3,275,500.00) in
10 exchange for the release of the Released Class Claims and Released PAGA Claims and the
11 resolution of the Actions and settlement, including (1) Attorney's Fees and Costs to Class
12 Counsels; (2) Enhancement Payments to Plaintiffs; (3) Settlement Administration Costs to the
13 Settlement Administrator; (4) LWDA Payment to the LWDA; (5) Individual PAGA Payments to
14 PAGA Members; and (6) Individual Settlement Payments to Participating Class Members. In no
15 event shall Defendants be required to pay more than the \$3,275,500.00 Maximum Settlement
16 Amount, except as provided in section 16.j herein. The employer's share of payroll taxes and
17 contributions for the wages portion of Individual Settlement Shares will be paid by Defendants
18 separately and in addition to the Maximum Settlement Amount.

19 b. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any
20 application or motion by Class Counsels for Attorneys' Fees and Costs of not more than one-third
21 (1/3) of the Maximum Settlement Amount (*i.e.*, up to One Million, Ninety-One Thousand Eight
22 Hundred and Thirty-Three Dollars and Thirty-Three Cents (\$1,091,833.33), if the Maximum
23 Settlement Amount remains \$3,275,500.00), plus the reimbursement of reasonable costs and
24 expenses associated with Class Counsels' litigation and settlement of the Actions, estimated not
25 to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00). All of the above attorneys' fees
26 and costs will be paid from the Maximum Settlement Amount, subject to Court approval. These
27 amounts will cover any and all work performed and any and all costs incurred by Class Counsels
28 in connection with the Actions, including without limitation all work performed and costs

1 incurred to date, and all work to be performed and all costs to be incurred in connection with
2 obtaining the Court's approval of this Settlement Agreement, including any objections raised
3 and any appeals necessitated by those objections. Class Counsels shall be solely and legally
4 responsible for correctly characterizing this compensation for tax purposes and for paying any
5 taxes on the amounts received. With respect to the Attorneys' Fees and Costs to Class Counsels,
6 the Settlement Administrator may purchase an annuity to utilize United States Treasuries and
7 bonds or other attorney fee deferral vehicles, for Class Counsels. Any additional expenses for
8 the use of attorney fee deferral vehicles by the Settlement Administrator shall be paid separately
9 by Class Counsels and shall not be included within the Settlement Administration Costs. Should
10 the Court approve the Attorneys' Fees and Costs in an amount that is less than that set forth
11 above, the difference between the lesser amount approved by the Court and the amount allocated
12 toward the Attorneys' Fees and Costs shall be a part of the Net Class Settlement Amount for the
13 benefit of the Participating Class Members.

14 c. Enhancement Payments. In exchange for a general release of all claims, and
15 in recognition of their efforts and work in prosecuting the Actions on behalf of the Class Members,
16 the State of California, and the PAGA Members, and negotiating the Settlement, Defendants agree
17 not to oppose or impede any application or motion for Enhancement Payments of up to Twelve
18 Thousand Five Hundred Dollars and Zero Cents (\$12,500.00) to each of the Plaintiffs (for a total
19 of \$25,000.00). The Enhancement Payments, which will be paid from the Maximum Settlement
20 Amount, will be in addition to Plaintiffs' Individual Settlement Payment and/or Individual PAGA
21 Payment that is to be paid pursuant to the Settlement. Plaintiffs agree, by executing this
22 Settlement, to a general release of all claims, including a waiver of California Civil Code section
23 1542. The Settlement Administrator will issue an IRS Form 1099 for the Enhancement Payments
24 to Plaintiffs, and Plaintiffs shall be solely and legally responsible for correctly characterizing this
25 compensation for tax purposes and for paying any taxes on the amounts received. Plaintiffs agree
26 to indemnify and hold Defendants harmless from any claim or liability for taxes, penalties, or
27 interest arising as a result of the Enhancement Payments. Should the Court approve the
28 Enhancement Payments to the Class Representatives in an amount less than that set forth above,

1 the difference between the lesser amount approved by the Court and the amount allocated toward
2 the Enhancement Payments shall be part of to the Net Class Settlement Amount for the benefit of
3 the Participating Class Members.

4 **d. Settlement Administration Costs.** The Settlement Administrator will be
5 paid for the reasonable costs of administration of the Settlement and distribution of payments from
6 the Maximum Settlement Amount, which is currently estimated to be Twelve Thousand Dollars
7 (\$12,000.00). These expenses and costs, which will be paid from the Maximum Settlement
8 Amount, will include, *inter alia*, all required tax reporting, filings, withholdings, and remittances,
9 the issuing of 1099 and W-2 IRS Forms, translating the Class Notice into Spanish, printing,
10 distributing, and tracking the Class Notice and other documents for this settlement, calculating and
11 distributing payments due under the Settlement, providing necessary reports and declarations, and
12 other duties and responsibilities set forth herein to process this settlement, and as requested by the
13 Parties. The Parties acknowledge that Settlement Administration Costs may increase above the
14 current estimate set forth above and that any such additional Settlement Administration Costs will
15 be taken out of the Maximum Settlement Amount, subject to the approval by the Court. Any
16 portion of the estimated, designated, and/or awarded Settlement Administration Costs that are not
17 in fact required to fulfill payment to the Settlement Administrator to undertake the required
18 settlement administration duties will become part of the Net Class Settlement Amount for the
19 benefit of the Participating Class Members.

20 **e. PAGA Payment.** Subject to Court approval, the Parties agree that the
21 amount of One Hundred and Two Thousand Nine Hundred and Seventy-Five Dollars and Zero
22 Cents (\$102,975.00) from the Maximum Settlement Amount will be allocated toward penalties
23 under the Private Attorneys General Act, California Labor Code section 2698, *et seq.* (i.e., PAGA
24 Payment), of which seventy-five percent (75%), or \$77,231.25, will be paid to the LWDA (i.e.,
25 the LWDA Payment) and twenty-five percent (25%) or, \$25,743.75, will be paid to the PAGA
26 Members on a *pro rata* basis (i.e., PAGA Member Amount(s)), based on Pay Periods during the
27 PAGA Period (i.e., Individual PAGA Payment(s)).

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1 **f. Individual Settlement Share Calculations.** Class Members shall not be
2 required to submit a claim in order to receive a share of the Net Class Settlement Amount, and
3 no portion of the Maximum Settlement Amount shall revert to Defendants. Individual Settlement
4 Shares will be calculated based on the number of Workweeks a Class Member worked during
5 the Class Period. Specific calculations of Individual Settlement Shares will be made as follows:

6 **1.** The Settlement Administrator will determine the amount from the
7 Net Class Settlement Amount to be paid per Workweek and the Individual
8 Settlement Shares to be distributed to each Participating Class Member.

9 **2.** Defendants' Workweek data will be presumed to be correct, unless
10 a Class Member proves otherwise to the Settlement Administrator by
11 submitting a Workweeks dispute with credible evidence, in accordance
12 with section 18.e of this Settlement Agreement. Such Workweek disputes
13 will be resolved and decided by the Settlement Administrator, and the
14 Settlement Administrator's decision on such Workweek disputes will be
15 final and non-appealable.

16 **3.** After Preliminary Approval of the Settlement, the Settlement
17 Administrator will divide the Net Class Settlement Amount by the total
18 number of Workweeks for all Class Members during the Class Period
19 (resulting in the "Class Workweek Value"), and then multiply the Class
20 Workweek Value by the number of Workweeks worked by each Class
21 Member during the Class Period.

22 **4.** After Final Approval of the Settlement, the Settlement
23 Administrator will divide the final Net Class Settlement Amount by the
24 Workweeks of all Participating Class Members to yield the "Final
25 Workweek Value," and multiply each Participating Class Member's
26 individual Workweeks by the Final Workweek Value to yield his or her
27 Individual Settlement Share.

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1 **g. Individual PAGA Payment Calculations.** PAGA Members shall not be
2 required to submit a claim in order to receive a share of the PAGA Member Amount, and no
3 portion of the Maximum Settlement Amount shall revert to Defendants. Individual PAGA
4 Payments will be calculated based on the number of Pay Periods a PAGA Member worked
5 during the PAGA Period. Specific calculations of Individual PAGA Payments will be made as
6 follows:

7 **1.** The Settlement Administrator will determine the amount to be paid
8 per Pay Period and the Individual PAGA Payment to be distributed to each
9 PAGA Member.

10 **2.** Defendants' Pay Periods data will be presumed to be correct,
11 unless a PAGA Member proves otherwise to the Settlement Administrator
12 by submitting a Pay Periods dispute with credible evidence, in accordance
13 with section 18.e of this Settlement Agreement. Such Pay Periods disputes
14 will be resolved and decided by the Settlement Administrator, and the
15 Settlement Administrator's decision on such Pay Periods disputes will be
16 final and non-appealable.

17 **3.** The Settlement Administrator will divide 25% of the PAGA
18 Member Amount (\$25,743.75) by the total number of Pay Periods for all
19 PAGA Members during the PAGA Period (resulting in the "PAGA Pay
20 Periods Value"), and then multiply the PAGA Pay Periods Value by the
21 number of Pay Periods worked for each PAGA Member during the PAGA
22 Period to yield his or her Individual PAGA Payment.

23 **h. Settlement Awards Do Not Trigger Additional Benefits.** All payments
24 made under the Settlement to Plaintiffs, Participating Class Members, and PAGA Members shall
25 be deemed to be paid to such payee solely in the year in which such payments actually are issued
26 to the payee. It is expressly understood and agreed that the payments made under this settlement,
27 which represent payments for disputed claims, will not in any way entitle Plaintiff, Participating
28 Class Members, and/or PAGA Members to additional compensation or benefits under any

1 company bonus, contest or other compensation or benefit plan or agreement in place during the
2 periods covered by the Settlement, nor will it entitle any Plaintiffs, Participating Class Member,
3 and/or PAGA Member to any increased retirement, pension, 401K benefits or matching benefits,
4 or deferred compensation benefits. Similarly, the settlement awards will not be considered back
5 wages for work actually performed. It is the intent of this Settlement that the Individual Settlement
6 Payments and Individual PAGA Payments provided for in this Settlement are the sole payments
7 to be made by Defendants to the Participating Class Members and PAGA Members, and that the
8 Participating Class Members and PAGA Members are not entitled to any new or additional
9 compensation or benefits as a result of having received the individual settlement awards
10 (notwithstanding any contrary language or agreement in any benefit or compensation plan
11 document that might have been in effect during the periods covered by this Settlement).

12 **i. Limitation on Fees and Costs.** Except as provided in this Settlement
13 Agreement, Defendants shall not be required to pay any other expenses, costs, damages or fees
14 incurred by Plaintiffs, by any Class Member or PAGA Member, or by any of their attorneys,
15 experts, advisors, agents or representatives. Any award of Attorneys' Fees and Costs payable
16 hereunder to Class Counsels, and the specific allocation of the award of Attorneys' Fees and Costs
17 payable to Class Counsels, shall be in complete satisfaction of any and all claims for such
18 attorneys' fees and costs, under state or federal law, which Plaintiffs, the Class, PAGA Members,
19 Class Counsels, or any other attorneys have or may have against Defendants arising out of or in
20 connection with the Actions and their settlement, including, but not limited to, any claims for
21 attorneys' fees and costs involved in litigating the Actions and in negotiating and implementing
22 this Settlement Agreement, as well as attorneys' fees and costs incurred through and after the final
23 disposition and termination of the Actions and including any and all appeals. Defendants shall not
24 be responsible for distributing or apportioning any award of attorneys' fees and costs among Class
25 Counsels.

26 **j. Escalator Clause.** Defendants represented that the number of Workweeks
27 worked by the Class Members for the period July 31, 2019 to December 28, 2023 is 79,990
28 Workweeks. Defendants represented at the mediation that the global total number of Workweeks

1 for the Class Members in the settlement of the Actions and the Pedro Class Members in the
2 settlement of the Pedro Actions were estimated to be approximately 130,000 Workweeks. If the
3 global total number of Workweeks for the Class Members in the settlement of the Actions and the
4 Pedro Class Members in the settlement of the Pedro Actions reaches 143,000 Workweeks before
5 the respective dates of preliminary approval of the settlements in the Actions and the Pedro
6 Actions, then, Defendants shall have the option to extend the Class Period and PAGA Period for
7 the Actions and the Pedro Actions (i.e., extend all of the end dates for these time periods and not
8 just some of these time periods) beyond the date on which the global total number of Workweeks
9 for the Actions and the Pedro Actions reaches 143,000 Workweeks, and up to the respective dates
10 of preliminary approval of the settlements in the Actions and the Pedro Actions, by exercising the
11 option to increase the Maximum Settlement Amount on a *pro rata* basis for any and all Workweeks
12 in excess of the 143,000 Workweeks threshold (e.g., if the global total number of Workweeks for
13 the Class Members in the Actions and Pedro Class Members in the Pedro Actions would be
14 150,000 Workweeks as of the respective dates of preliminary approval of the settlements in the
15 Actions and Pedro Actions, then Defendants will have the option to increase the Maximum
16 Settlement Amount by 4.90%). In the event the number of Workweeks exceed 143,000
17 Workweeks, the respective amount that the Maximum Settlement Amounts in the Actions and the
18 Pedro Actions will increase will be based on a ratio of the additional Workweeks worked by the
19 Class Members of each entity and their respective average hourly rates (using a \$28.33 hourly rate
20 for the Pedro Actions and a \$35.03 hourly rate for the Actions). For example, if there were 150,000
21 Workweeks (i.e., 7,000 more than the 143,000 Workweeks threshold referenced above, which
22 means the Maximum Settlement Amount will increase by 4.90%, i.e., increase by \$245,000), and
23 the Pedro Class Members worked 2,800 of those additional Workweeks and the Class Members
24 worked the other 4,200 Workweeks, then the additional \$245,000 would be divided as follows:
25 35.03% to the settlement of the Pedro Actions and 64.97% to the settlement of the Actions
26 (calculated as Pedro: 2,800 WW * \$28.33 = \$79,324 & McCullough/Morales: 4,200 WW * \$35.03
27 = \$147,126).

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1 **17. Releases and Judgment.**

2 **a. Release of Released Class Claims.** Upon the Effective Date and the
3 complete funding of the Maximum Settlement Amount, Plaintiffs and all Participating Class
4 Members will be deemed to have fully, finally and forever released, settled, compromised,
5 relinquished, and discharged the Released Parties of all Released Class Claims that accrued during
6 the Class Period.

7 **b. Release of Released PAGA Claims.** Upon the Effective Date and the
8 complete funding of the Maximum Settlement Amount, Plaintiffs and the State of California
9 (including the LWDA) with respect to the PAGA Members will be deemed to have fully, finally
10 and forever released, settled, compromised, relinquished, and discharged the Released Parties of
11 all Released PAGA Claims that accrued during the PAGA Period.

12 **c. General Release of Claims by Plaintiffs.** In exchange for the benefits of this
13 Settlement, including the Enhancement Payments, Plaintiffs will be deemed to have fully, finally
14 and forever released, settled, compromised, relinquished, and discharged the Released Parties of
15 and from any and all claims, demands, rights, liabilities, and/or causes, of any form whatsoever,
16 arising under federal, state or local wage-and-hour laws, rules, or regulations, whether known or
17 unknown, unforeseen, unanticipated, unsuspected or latent, that have been or could have been
18 asserted by Plaintiffs, or the heirs, successors and/or assigns of Plaintiffs, whether directly,
19 indirectly, representatively, derivatively or in any other capacity, against Defendants, and each of
20 them, or any of the other Released Parties, arising at any time prior to entry of the Final Approval
21 Order. Plaintiffs also expressly waive all rights and benefits under the terms of section 1542 of the
22 California Civil Code. Section 1542 reads as follows:

23 “A general release does not extend to claims that the creditor or
24 releasing party does not know or suspect to exist in his or her favor
25 at the time of executing the release and that, if known by him or her,
26 would have materially affected his or her settlement with the debtor
27 or released party.”

28 Notwithstanding the provisions of section 1542, and for the purpose of implementing a full and

1 complete release and discharge of all of their claims, Plaintiffs expressly acknowledge that this
2 Settlement is intended to include in its effect, without limitation, all claims which Plaintiffs do not
3 know or suspect to exist in their favor at the time of execution hereof, and that the Settlement
4 contemplates the extinguishment of all such claims. Specifically excluded from Plaintiffs' release
5 are any claims that cannot be released as a matter of law, such as claims for workers' compensation
6 benefits or unemployment benefits.

7 **d. Judgment.** In exchange for the consideration set forth in this Settlement
8 Agreement, Plaintiffs, individually and on behalf of the Class Members, and the State of California
9 (including the LWDA) with respect to the PAGA Members agree to entry of Judgment with a
10 release of all Released Class Claims and Released PAGA Claims, as set forth herein.

11 **18. Settlement Administration Process – Preliminary Approval.**

12 **a. Duties of the Parties for Preliminary Approval.** Upon execution of this
13 Settlement Agreement, the Parties shall promptly submit this Settlement Agreement to the Court
14 in support of Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement
15 ("Motion for Preliminary Approval") for determination by the Court as to the Settlement's
16 fairness, adequacy, and reasonableness. Defendants agree not to oppose the motion as long as it
17 is consistent with this Settlement Agreement. The Parties shall apply to the Court for the entry
18 of an order (i.e., Preliminary Approval Order), which shall be mutually agreed upon by the
19 Parties, seeking the following:

- 20 (1) Conditionally certifying the Class for settlement purposes only;
- 21 (2) Granting Preliminary Approval of the Settlement;
- 22 (3) Preliminarily appointing Plaintiffs as the representatives of the
23 Class;
- 24 (4) Preliminarily appointing Class Counsels as counsels for the Class;
- 25 (5) Approving, as to form and content, the mutually-agreed upon and
26 proposed Class Notice and directing its mailing to the Class by
27 First Class U.S. mail in English and Spanish;
- 28 (6) Approving the manner and method for Class Members to object to

1 or request exclusion from the Class Settlement as permitted herein
2 and within the Class Notice; and

- 3 (7) Scheduling a Final Approval Hearing at which the Court will
4 determine whether the Settlement should be finally approved as
5 fair, reasonable, and adequate as to Plaintiffs, the Participating
6 Class Members, and the State of California with respect to PAGA
7 Members.

8 Class Counsels shall draft the Motion for Preliminary Approval and all other materials
9 required for Preliminary Approval, including the Class Notice and the proposed order granting
10 preliminary approval. Defendants will be provided five (5) business days to review and
11 comment on the drafts. Unless Defendants agrees otherwise, Class Counsels shall file the
12 Motion for Preliminary Approval within sixty (60) days of signing this Settlement. The Class
13 Notice and proposed order granting preliminary approval must be mutually agreed-upon by the
14 Parties.

15 **b. Delivery of the Class Data.** Within fourteen (14) calendar days of
16 Preliminary Approval, Defendants will provide the Class Data to the Settlement Administrator.

17 **c. Class Notice by First-Class U.S. Mail.** Within twenty-one (21) calendar
18 days of the date on which the Defendants provides the Class Data to the Settlement
19 Administrator, the Settlement Administrator shall mail the Class Notice via regular First-Class
20 U.S. Mail, using the most current, known mailing addresses identified in the Class Data. Prior
21 to mailing the Class Notices, the Settlement Administrator will perform a search based on the
22 National Change of Address Database or any other similar services available, such as provided
23 by Experian, for information to update and correct for any known or identifiable address
24 changes.

25 **d. Time for Workweeks and/or Pay Periods Disputes, Objections, and**
26 **Requests for Exclusions.** Class Members and PAGA Members will have until the Response
27 Deadline to mail Workweeks and/or Pay Periods disputes, Objections to the Class Settlement,
28 and/or Requests for Exclusion from the Class Settlement (to the extent permitted by sections

1 18.e, 18.f, and 18.h of this Settlement Agreement). With respect to Class Notices that are
2 returned as undeliverable on or before the Response Deadline, the Settlement Administrator will
3 perform a skip-trace and re-mail such Class Notices within five (5) calendar days.

4 e. Workweeks and/or Pay Periods Disputes. Class Members and PAGA
5 Members will have an opportunity to dispute the information provided in their Class Notices. In
6 order to dispute Workweeks and/or Pay Periods credited to them, Class Members and PAGA
7 Members may submit a written letter to the Settlement Administrator that: (a) contains the case
8 name and number of the Lead McCullough Action, (b) is signed by the Class Member and/or
9 PAGA Member, (c) contains the full name, address, telephone number, and the last four digits
10 of the Social Security Number of the disputing Class Member and/or PAGA Member, (d) clearly
11 states that the Class Member and/or PAGA Member disputes the number of Workweeks and/or
12 Pay Periods credited to him or her during the Class Period and/or PAGA Period and what he or
13 she contends are the correct number(s) to be credited to him or her, (e) includes information
14 and/or attaches documentation demonstrating that the number of Workweeks and/or Pay Periods
15 that he or she contends should be credited to him or her are correct, and (f) is returned by mail
16 to the Settlement Administrator at the specified address, postmarked on or before the Response
17 Deadline. The date of the postmark on the mailing envelope on the submission will be the
18 exclusive means to determine whether a dispute has been timely submitted. Absent evidence
19 rebutting Defendants' records and data, Defendants' records will be presumed correct and
20 determinative of the dispute. However, if a Class Member and/or PAGA Member produces
21 evidence to the contrary, the Settlement Administrator will evaluate the materials submitted by
22 the Class Member and/or PAGA Member. The Settlement Administrator will consult with the
23 Parties and make the final decision as to the number of eligible Workweeks and/or Pay Periods
24 that should be applied. The Settlement Administrator's decision on such disputes will be final and
25 non-appealable.

26 f. Request for Exclusion Procedures. Any Class Member wishing to be
27 excluded from the Class Settlement must submit a valid and timely Request for Exclusion to the
28 Settlement Administrator, by mail, postmarked no later than the Response Deadline. The date

1 of the postmark on the return mailing envelope will be the exclusive means to determine whether
2 a Request for Exclusion has been timely submitted. All Requests for Exclusion will be submitted
3 to the Settlement Administrator, who will certify jointly to Class Counsels and Defense Counsel
4 the Requests for Exclusion that were timely submitted. Any Class Member who submits a
5 Request for Exclusion is prohibited from making any objection to the Class Settlement. PAGA
6 Members shall be bound to the PAGA Settlement irrespective of whether they exercise their
7 option to opt out of the Class Settlement.

8 **g. Class Settlement Binds All Class Members Who Do Not Request**
9 **Exclusion**. Any Class Member who does not affirmatively request exclusion from the Class
10 Settlement by submitting a timely and valid Request for Exclusion will be bound by the Class
11 Settlement, including and not limited to those pertaining to the Released Class Claims, as well
12 as any Judgment that may be entered by the Court if it grants Final Approval to the Settlement,
13 as it pertains to the Class Settlement. Any Class Member who submits a timely and valid Request
14 for Exclusion is nevertheless bound to the PAGA Settlement if he or she is a PAGA Member, as
15 well as any Judgment that may be entered by the Court if it grants Final Approval to the
16 settlement, as it pertains to the PAGA Settlement. Prior to the Final Approval Hearing, the
17 Settlement Administrator will provide a declaration for filing with the Court that identifies by
18 full name, those individuals who submit timely and valid Requests for Exclusion.

19 **h. Objection Procedures**. To object to the Settlement Agreement,
20 Participating Class Members must submit a valid and timely Objection to the Settlement
21 Administrator, by mail, on or before the Response Deadline. The Objection must be signed by
22 the Participating Class Member and contain all information required by this Settlement
23 Agreement. The postmark date will be deemed the exclusive means for determining that the
24 Objection is timely. The Settlement Administrator shall forward any Objections to the Parties'
25 counsel within three (3) calendar days of receipt and shall attach any Objections that it receives
26 as exhibits to the Settlement Administrator's declaration that Parties will cause to be filed with
27 the Court in advance of the Final Approval Hearing. Participating Class Members may also
28 appear at the Final Approval Hearing to present their objection orally, even if they have not

submitted a written objection. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Participating Class Members to object to the Class Settlement or appeal from the Final Approval Order and Judgment. Class Counsels will not represent any Participating Class Members with respect to any such objections to the Class Settlement.

i. No Right to Object to or Request Exclusion from the PAGA Settlement.

The Parties agree that there is no statutory right for any PAGA Member to opt out of or otherwise exclude himself or herself from the PAGA Settlement. Accordingly, any timely exclusion from the Class Settlement submitted by a Class Member shall be construed as relating only to the putative class action claims and shall have no effect whatsoever on the PAGA Settlement.

j. Certification Reports Regarding Individual Settlement Payment

Calculations. The Settlement Administrator will provide Defense Counsel and Class Counsels a weekly report which certifies: (a) the number of Participating Class Members and PAGA Members who have submitted a Workweeks and/or Pay Periods dispute; (b) the number of Class Members who have submitted valid and timely Requests for Exclusion from the Class Settlement or Objections to the Class Settlement; and (c) the number of undeliverable and re-mailed Class Notices. Additionally, the Settlement Administrator will provide to counsel for the Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested and forward any Objections to the Parties' counsel within three (3) calendar days of receipt.

k. Revocation Option for Defendants. If ten percent (10%) or more of the

Class Members opt out of the Class Settlement, Defendants may, at their election, rescind the Settlement and all actions taken in furtherance of it will thereby be null and void. Defendants must exercise this right of rescission, in writing, to Class Counsels within seven (7) business days after the Settlement Administrator notifies the Parties of a greater than ten percent (10%) opt-out rate. Should Defendants elect to rescind the Settlement pursuant to this provision, they will be responsible for all Settlement Administration Costs incurred up to date of rescission.

19. Settlement Administration Process – Final Approval and Settlement Distribution.

a. Duties of the Parties for Final Approval. After the Response Deadline,

1 and with the Court's permission, a Final Approval Hearing shall be conducted for (a) approving
2 the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing
3 consummation of its terms and provisions; (b) approving Class Counsels' application for an
4 award of Attorneys' Fees and Costs; (c) approving the Enhancement Payments to the Class
5 Representatives; (d) approving the Settlement Administration Costs to the Settlement
6 Administrator; (e) Individual Settlement Payments to the Participating Class Members; (f)
7 Individual PAGA Payments to the PAGA Members; (g) setting a date when the Parties shall
8 report to the Court the total amount that was actually paid to the Participating Class Members
9 and PAGA Members; and (h) entering the Final Approval Order and Judgment in the Actions.
10 Class Counsels shall draft all documents necessary to obtain final approval, including the
11 mutually agreed upon proposed final approval order and judgment. Defendants shall receive at
12 least five (5) business days to review and comment on said drafts. Unless Defendants agree
13 otherwise or the Court orders otherwise, Class Counsels shall file the Motion for Final Approval
14 of the Settlement within sixty (60) days of the Response Deadline.

15 **b. Funding of Settlement Amount.** Within seven (7) business days after the
16 Effective Date, the Settlement Administrator will provide the Parties with: (1) a full accounting
17 of the amounts to be paid by Defendants pursuant to the terms of the Settlement; and (2) all
18 information required for Defendants to cause the wiring of the Maximum Settlement Amount
19 securely to a Qualified Settlement Account established by the Settlement Administrator. Within
20 ten (10) business days of the Effective Date, Defendants will make or otherwise cause a one-
21 time wire deposit of Three Million Two Hundred Seventy-Five Thousand Five Hundred Dollars
22 and Zero Cents (\$3,275,500.00) and the employer's share of payroll taxes and contributions in
23 connection with the wages portion of Individual Settlement Shares for payment of all Court
24 approved and claimed amounts constituting the Maximum Settlement Amount into a Qualified
25 Settlement Account to be established by the Settlement Administrator. Defendants shall have
26 no duty to fund the Maximum Settlement Amount until after the Effective Date has occurred.

27 ///

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1 c. Settlement Distribution. Within seven (7) business days of the funding of
2 Maximum Settlement Amount, the Settlement Administrator will issue payments due under the
3 Settlement and approved by the Court, as follows: (1) Individual Settlement Payments to the
4 Participating Class Members; (2) Individual PAGA Payments to the PAGA Members; (3)
5 LWDA Payment the LWDA; (4) Enhancement Payments to Plaintiffs; (5) Attorneys' Fees and
6 Costs to Class Counsels; and (6) Settlement Administration Costs to the Settlement
7 Administrator.

8 d. Settlement Checks. The Settlement Administrator will be responsible for
9 making appropriate deductions, requiring tax reporting obligations, and issuing the Individual
10 Settlement Payments by way of check to the Participating Class Members and the Individual
11 PAGA Payments by way of check to the PAGA Members, in accordance with this Settlement
12 Agreement. The Settlement Administrator may, at its discretion, distribute the Individual
13 Settlement Payment and Individual PAGA Payment by way of a single check that combines both
14 payments (if applicable). Each Individual Settlement Payment and Individual PAGA Payment
15 check will be valid and negotiable for one hundred and eighty (180) calendar days from the date
16 the checks are issued, and thereafter, shall be canceled.

17 e. Uncashed Checks. All funds associated with such checks that have not
18 been cashed, deposited, or otherwise negotiated and which are canceled after the above-
19 referenced 180-day time period, will be transmitted to the following cy prè recipient: Court
20 Appointed Special Advocates of Shasta County ("CASA" or "Cy Pres Recipient"), in accordance
21 with California Code of Civil Procedure section 384. Pursuant to Code of Civil Procedure section
22 384, the Court shall set a date when Plaintiffs shall report to the Court the total amount that was
23 actually paid to Participating Class Members and PAGA Members. After this report is received,
24 the Court shall amend the judgment and direct the Settlement Administrator to pay the sum of the
25 unpaid residue or unclaimed or abandoned funds associated with canceled checks, plus interest
26 that has accrued on those funds (if any), to the CASA. The Parties and their counsel each represent
27 that they do not have any financial interest in the Cy Pres Recipient or otherwise have a
28 relationship with the Cy Pres Recipient that could create a conflict of interest. The Settlement

1 Administrator shall undertake amended and/or supplemental tax filings and reporting, required
2 under applicable local, state, and federal tax laws, that are necessitated due to the cancelation of
3 any Individual Settlement Payment checks or Individual PAGA Payment checks. All
4 Participating Class Members and PAGA Members shall be bound by the terms and conditions of
5 this Settlement Agreement regardless of whether they cash, deposit, or otherwise negotiate their
6 Individual Settlement Payment check and/or Individual PAGA Payment check or not.

7 **f. Payroll Taxes.** In accordance with this Settlement, the transfer of the
8 Maximum Settlement Amount approved by the Court shall, to the fullest extent possible, resolve,
9 satisfy and completely extinguish all of Defendants' liability with respect to the Settlement Class
10 except that Defendants shall solely be responsible for the employer portion of the payroll taxes
11 and contributions in connection with the wages portion of Individual Settlement Shares. Upon
12 the transfer of the Maximum Settlement Amount and the additional share of employer-side
13 payroll taxes and contributions to the Settlement Administrator, Defendants shall have no further
14 payment or defense obligation whatsoever with respect to any claims covered by this Settlement
15 made or asserted by any person or entity anywhere in the world in connection with the Class
16 Members and PAGA Members.

17 **g. Treatment of Individual Settlement Payments.** Each Individual Settlement
18 Share will be allocated as follows: twenty percent (20%) as disputed wages, forty percent (40%)
19 as interest, and the remaining forty percent (40%) as penalties. Any payment for an Individual
20 PAGA Payment to the PAGA Members will be allocated as one hundred percent (100%)
21 penalties, paid out without reduction for taxes or withholdings, and will be reported on an IRS
22 Form-1099, if necessary. The portion allocated to wages will be reported on an IRS Form W-2
23 and the portions allocated to interest and penalties will be reported on an IRS Form-1099 by the
24 Settlement Administrator. The Settlement Administrator will withhold the employee's share of
25 taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and
26 issue checks to Participating Class Members for their Individual Settlement Payment (i.e.,
27 payment of their Individual Settlement Share net of these taxes and withholdings). The
28

1 employer's share of taxes and contributions on the wages portion of Individual Settlement Shares
2 will be paid separately and in addition to the Maximum Settlement Amount.

3 **h.** Administration of Taxes by Settlement Administrator. The Settlement
4 Administrator will be responsible for issuing to Plaintiffs, Participating Class Members, PAGA
5 Members, itself, and Class Counsels any W-2, 1099, or other tax forms as may be required by
6 law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator
7 will also be responsible for forwarding all payroll taxes, contributions, and penalties to the
8 appropriate government authorities.

9 **i.** Certification of Completion. Upon completion of administration of the
10 Settlement, the Settlement Administrator will provide a written declaration under oath to certify
11 such completion to the Court and counsel for all Parties.

12 **j.** In the event that the Court takes issue with approving the Settlement
13 because of the term requiring that Defendants will only be obligated to fund the Maximum
14 Settlement Amount after the Effective Date (i.e., because funding of each settlement is
15 contingent on the approval of the other settlement), the Parties agree that Defendants will file a
16 declaration explaining why the term is appropriate. If necessary, Defendants will re-engage the
17 Mediator to attempt to find an alternate term regarding the timing of payment of the Maximum
18 Settlement Amount so that the settlements may be approved.

19 **20. Other Terms and Provisions.**

20 **a.** LWDA Submissions for Settlement Approval. The Parties agree that
21 Plaintiffs shall comply with all requirements of PAGA regarding settlement of claims, including
22 timely filing a notice of claim and notice of settlement with the LWDA.

23 **b.** Tax Liability. Defendants, Defense Counsel, Plaintiffs, and Class
24 Counsels make no representation as to the tax treatment or legal effect of the payments called
25 for hereunder, and Plaintiffs, Participating Class Members, and PAGA Members are not relying
26 on any statement, representation, or calculation by Defendants or by the Settlement
27 Administrator in this regard. Plaintiffs, Participating Class Members, and PAGA Members
28 understand and agree that except for Defendants' payment of the employer's portion of any

1 payroll taxes and contributions, Plaintiffs, Participating Class Members, and PAGA Members
2 will be solely responsible for correctly characterizing any compensation received under the
3 Settlement on his/her personal income tax returns and paying any and all taxes and penalties
4 assessed on the payments described herein.

5 c. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
6 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY
7 TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY,
8 AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF
9 THIS SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR
10 DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND
11 OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH
12 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE
13 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
14 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
15 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS
16 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
17 ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT
18 ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE
19 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
20 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
21 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
22 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
23 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
24 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
25 OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF
26 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
27 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
28

TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

d. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

e. Effects of Termination of Settlement. Either Party may terminate this Settlement if the Court declines to enter the Preliminary Approval Order, the Final Approval Order, or Judgment in substantially the form submitted by the Parties, or the Settlement Agreement as agreed does not become final because of appellate court action. The terminating Party shall give to the other Party (through its counsel) written notice of its decision to terminate no later than ten (10) calendar days after receiving notice that one of the enumerated events has occurred. Termination of the Settlement Agreement shall have the following effects, except as otherwise specifically provided herein:

- (1) The Settlement Agreement shall be void and shall have no force or effect, and no Party shall be bound by any of its terms;
- (2) In the event the Settlement Agreement is terminated, Defendants shall have no obligation to make any payments to any Party, the State of California (including the LWDA), any Class Member and PAGA Member or any attorney, except that the terminating Party shall pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is notified that the settlement has been terminated;
- (3) The Preliminary Approval Order, including any order of class action certification, shall be vacated;
- (4) The Settlement Agreement and all negotiations, statements and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective

1 positions in the Actions prior to the execution of the Settlement
2 Agreement;

3 (5) Neither this Settlement Agreement, nor any ancillary documents,
4 actions, statements or filings in furtherance of the Settlement
5 (including all matters associated with the mediation) shall be
6 admissible or offered into evidence in the Actions or any other
7 actions for any purpose whatsoever; and

8 (6) Any documents generated to bring the settlement into effect, will
9 be null and void, and any order or judgment entered by the Court
10 in furtherance of this Settlement Agreement will likewise be
11 treated as void from the beginning.

12 **f. Judgment and Continued Jurisdiction.** After entry of the Judgment, the
13 Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court
14 and section 664.6 of the California Code of Civil Procedure solely for purposes of addressing:
15 (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement
16 administration matters, and (c) such post-Judgment matters as may be appropriate under court
17 rules or as set forth in this Settlement Agreement.

18 **g. Exhibits Incorporated by Reference.** The terms of this Settlement
19 Agreement include the terms set forth in any attached exhibits, which are incorporated by this
20 reference as though fully set forth herein. Any exhibits to this Settlement Agreement are an
21 integral part of the Settlement.

22 **h. Confidentiality.** Plaintiffs and Class Counsels agree they will not make any
23 public disclosure of the Settlement until after this Settlement is preliminarily approved by the
24 Court. Class Counsels will take all steps necessary to ensure the Class Representatives are aware
25 of, and will encourage them to adhere to, the restriction against any public disclosure of this
26 Settlement until after this Settlement is preliminarily approved by the Court. Class Counsels will
27 not include or use the Settlement for any marketing or promotional purposes. In the event that
28 Class Counsels inadvertently violates this provision, it may cure such violation by withdrawing all

1 marketing or promotional materials in violation of this provision within ten (10) calendar days of
2 receipt of notice of the violation from Defendants.

3 Following preliminary approval of the Settlement, the Class Representatives and Class
4 Counsels will not have any communications with any media other than to direct any media
5 inquiries to the public records of the Actions on file with the Court. Class Counsels will not
6 include or use the Settlement for any marketing or promotional purposes. Class Counsels further
7 agree not to use Defendants' names in any statements for marketing purposes. Further, following
8 preliminary approval, Plaintiffs and Plaintiffs' counsel may communicate with Class Members
9 about this settlement and lawsuit, as well as provide any further information as requested by any
10 courts, the LWDA, and other state and/or federal agencies. Nothing herein will restrict Class
11 Counsels from including publicly available information regarding this Settlement in future
12 judicial submissions regarding Class Counsels' qualifications and experience.

13 The Parties agree that violation of this section constitutes a breach of the agreement that
14 cannot practically be cured. Thus, any actions to enforce this provision may be brought on an *ex*
15 *parte* or otherwise expedited basis, and Defendants may seek any and all available remedies,
16 including but not limited to injunctive relief.

17 **i. Entire Agreement.** This Settlement Agreement, including all exhibits
18 annexed hereto, sets forth the entire agreement of the Parties with respect to its subject matter and
19 supersedes any and all other prior agreements and all negotiations leading up to the execution of
20 this Settlement Agreement, whether oral or written and whether by a Party or such Party's legal
21 counsel, regarding the subjects covered herein. This Settlement Agreement contains the entire
22 agreement between the Parties relating to the settlement and transaction contemplated hereby,
23 and all prior or contemporaneous agreements, understandings, representations, and statements,
24 whether oral or written and whether by a party or such party's legal counsel, are merged herein.
25 The Parties acknowledge that no representations, inducements, warranties, promises, or statements
26 relating to the subjects covered herein, oral or otherwise, have been made by any of the Parties or
27 by anyone acting on behalf of the Parties which are not embodied or incorporated by reference
28 herein, and further agree that no other agreement, covenant, representation, inducement, promise

1 or statement relating to the subjects covered herein not set forth in writing in this Settlement
2 Agreement, shall be valid or binding. The Parties expressly recognize California Civil Code §
3 1625 and California Code of Civil Procedure § 1856(a), which provide that a written agreement
4 is to be construed according to its terms and may not be varied or contradicted by extrinsic
5 evidence, and the Parties agree that no such extrinsic oral or written representations or terms will
6 modify, vary or contradict the terms of this Settlement Agreement.

7 **j. Interim Stay of Proceedings.** The Parties agree to hold in abeyance all
8 proceedings in the Actions (including with respect to California Code of Civil Procedure section
9 583.310), except such proceedings necessary to implement and complete the Settlement
10 Agreement, pending the Final Approval Hearing to be conducted by the Court.

11 **k. Amendment or Modification.** This Settlement Agreement may be
12 amended or modified only by a written instrument signed by counsel for all Parties or their
13 successors-in-interest, and subject to any necessary Court approval.

14 **l. Authorization to Enter into Settlement Agreement.** Counsel for all Parties
15 warrant and represent they are expressly authorized by the Parties whom they represent to
16 negotiate this Settlement Agreement and to take all appropriate actions required or permitted to
17 be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to
18 execute any other documents required to effectuate the terms of this Settlement Agreement. The
19 Parties and their counsel will cooperate with each other and use their best efforts to effect the
20 implementation of the Settlement. If the Parties are unable to reach agreement on the form or
21 content of any document needed to implement the Settlement, or on any supplemental provisions
22 that may become necessary to effectuate the terms of this Settlement, the Parties may seek the
23 assistance of the Court to resolve such disagreement.

24 **m. Signatories.** It is agreed that because the members of the Class are so
25 numerous, it is impossible or impractical to have each member of the Class execute this
26 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of
27 the Class Settlement as to the Participating Class Members, and the release shall have the same
28

1 force and effect as if this Settlement Agreement were executed by each Participating Class
2 Member.

3 **n.** Binding on Successors and Assigns. This Settlement Agreement will be
4 binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as
5 previously defined.

6 **o.** California Law Governs. All terms of this Settlement Agreement and
7 attached exhibits hereto will be governed by and interpreted according to the laws of the State
8 of California.

9 **p.** Execution and Counterparts. This Settlement Agreement is subject only to
10 the execution of all Parties. However, the Settlement Agreement may be executed in one or
11 more counterparts, by DocuSign, facsimile, and/or by PDF/email. All executed counterparts and
12 each of them, including facsimile, electronic, and scanned copies of the signature page, will be
13 deemed to be one and the same instrument provided that counsel for the Parties will exchange
14 among themselves original signed counterparts.

15 **q.** Acknowledgement that the Settlement is Fair, Reasonable, and Adequate.
16 The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of
17 the Actions, believe this Settlement Agreement is consistent with and advances the purposes of
18 PAGA, and have arrived at this Settlement after arm's-length negotiations and in the context of
19 adversarial litigation, taking into account all relevant factors, present and potential. The Parties
20 further acknowledge that they are each represented by competent counsel and that they have had
21 an opportunity to consult with their counsel regarding the fairness and reasonableness of this
22 Settlement Agreement. In addition, the Mediator may execute a declaration supporting the
23 Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact
24 the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and
25 reasonable.

26 **r.** Invalidity of Any Provision. Before declaring any provision of this
27 Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to
28 the fullest extent possible consistent with applicable precedents so as to define all provisions of

1 this Settlement Agreement valid and enforceable. In the event that any one or more of the
2 provisions contained in this Settlement Agreement shall for any reason be held invalid, illegal, or
3 unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way affect
4 any other provision if Defense Counsel and Class Counsels, on behalf of the Parties and the Class,
5 mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never
6 been included in this Settlement Agreement. Neither Party shall unreasonably withhold such
7 election.

8 **s. Plaintiffs' Waiver of Right to Be Excluded from the Class Settlement and**
9 **Object.** Plaintiffs agree to sign this Settlement Agreement and, by signing this Settlement
10 Agreement, are hereby bound by the terms herein, including the general release of all claims
11 upon the Effective Date of this Settlement.

12 **t. Waiver of Certain Appeals.** The Parties agree to waive appeals and to
13 stipulate to class action certification for purposes of this Settlement only. Either Party may
14 appeal any court order that materially alters the Settlement Agreement's terms.

15 **u. Non-Admission of Liability.** The Parties enter into this Settlement to
16 resolve the dispute that has arisen between them and to avoid the burden, expense and risk of
17 continued litigation. In entering into this Settlement Agreement, Defendants do not admit, and
18 specifically deny, that they have violated any state, federal, or local law; violated any regulations
19 or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or
20 legal requirements; breached any contract; violated or breached any duty; engaged in any
21 misrepresentation or deception; or engaged in any other unlawful conduct with respect to its
22 employees. Neither this Settlement, nor any of its terms or provisions, nor any of the
23 negotiations connected with it, shall be construed as an admission or concession by Defendants
24 of any such violations or failures to comply with any applicable law. Except as necessary in a
25 proceeding to enforce the terms of this Settlement, this Settlement and its terms and provisions
26 shall not be offered as evidence in any actions or proceeding to establish any liability or
27 admission on the part of Defendants or to establish the existence of any condition constituting a
28 violation of, or a non-compliance with state, federal, local or other applicable law.

1 v. Captions. The captions and section numbers in this Settlement Agreement
2 are inserted for the reader's convenience, and in no way define, limit, construe or describe the
3 scope or intent of the provisions of this Settlement Agreement.

4 w. Waiver. No waiver of any condition or covenant contained in this
5 Settlement or failure to exercise a right or remedy by any of the Parties hereto will be considered
6 to imply or constitute a further waiver by such Party of the same or any other condition, covenant,
7 right or remedy.

8 x. Enforcement Actions. In the event that one or more of the Parties institutes
9 any legal action or other proceeding against any other Party or Parties to enforce the provisions
10 of this Settlement or to declare rights and/or obligations under this Settlement, the successful
11 Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable
12 attorneys' fees and costs, including expert witness fees incurred in connection with any
13 enforcement actions.

14 y. Mutual Preparation. The Parties have had a full opportunity to negotiate
15 the terms and conditions of this Settlement Agreement. Accordingly, this Settlement will not be
16 construed more strictly against one Party than another merely by virtue of the fact that it may
17 have been prepared by counsel for one of the Parties, it being recognized that, because of the
18 arms-length negotiations between the Parties, all Parties have contributed equally to the
19 preparation of this Settlement Agreement.

20 z. Representation by Counsel. The Parties acknowledge that they have been
21 represented by counsel throughout all negotiations that preceded the execution of this Settlement
22 Agreement, and that this Settlement Agreement has been executed with the consent and advice
23 of counsel, and reviewed in full. Further, Plaintiffs and Class Counsels warrant and represent
24 that there are no liens on the Settlement Agreement.

25 aa. All Terms Subject to Final Approval. All amounts and procedures
26 described in this Settlement Agreement herein will be subject to Final Approval.

27 bb. Notices. Unless otherwise specifically provided herein, all notices,
28 demands or other communications given hereunder shall be in writing and shall be deemed to

1 have been duly given as of the third business day after mailing by United States registered or
2 certified mail, return receipt requested, addressed as follows:

3 To Plaintiffs and the Settlement Class:

4 Arby Aiwarzian, Esq.
5 Joanna Ghosh, Esq.
6 Selena Matavosian, Esq.
7 **LAWYERS for JUSTICE, PC**
8 450 North Brand Boulevard, Suite 900
9 Glendale, California 91203

10 Paul K. Haines, Esq.
11 Sean M. Blakely, Esq.
12 Joel M. Gordon, Esq.
13 **HAINES LAW GROUP, APC**
14 2155 Campus Drive, Suite 180
15 El Segundo, California 90245

16 To Defendants:

17 Mia Farber, Esq.
18 Benjamin J. Schnayerson, Esq.
19 Isabella L. Shin, Esq.
20 **JACKSON LEWIS P.C.**
21 725 South Figueroa Street, Suite 2500
22 Los Angeles, CA 90017

23 **cc.** Posting of the Final Approval Order and Judgment. The Parties shall
24 provide the Settlement Administrator with a copy of the Final Approval Order and Judgment
25 once it is entered by the Court, and the Settlement Administrator shall post the Final Approval
26 Order and Judgment on its website within three (3) business days of receipt, and shall maintain
27 the posting for sixty (60) calendar days. No individualized notice of the Final Approval Order
28 and Judgment will be required to be provided to the Class.

dd. Cooperation and Execution of Necessary Documents. All Parties and their
counsel will cooperate in good faith and use their best efforts to implement the settlement,
including and not limited to, executing all documents to the extent reasonably necessary to
effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement
on the form or content of any document needed to implement the Settlement Agreement, or on
any supplemental provisions that may become necessary to effectuate the terms of this

Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

ee. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, Participating Class Members, and the State of California and the LWDA, to the extent provided herein, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under state or federal law. The Parties further agree that this Settlement Agreement is enforceable pursuant to California Code of Civil Procedure section 664.6, and that the Court shall retain jurisdiction to enforce the Settlement upon entering of judgment.

21. IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily execute this Stipulation of Class and Representative Action Settlement and Release between Plaintiffs and Defendants as of the date(s) set forth below:

SIGNATURES

READ CAREFULLY BEFORE SIGNING

IT IS SO AGREED.

Date: 04/04/2025

PLAINTIFF JACOB MCCULLOUGH

Nintex AssureSign® 064ce208-94c4-4d96-b856-42b600057c85

Jacob McCullough
Plaintiff, Class Representative, and
Representative of the State of California

PLAINTIFF JOAQUIN MORALES

Date: _____

Joaquin Morales
Plaintiff, Class Representative, and
Representative of the State of California

Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

ee. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, Participating Class Members, and the State of California and the LWDA, to the extent provided herein, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under state or federal law. The Parties further agree that this Settlement Agreement is enforceable pursuant to California Code of Civil Procedure section 664.6, and that the Court shall retain jurisdiction to enforce the Settlement upon entering of judgment.

21. IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily execute this Stipulation of Class and Representative Action Settlement and Release between Plaintiffs and Defendants as of the date(s) set forth below:

SIGNATURES

READ CAREFULLY BEFORE SIGNING

IT IS SO AGREED.

PLAINTIFF JACOB MCCULLOUGH

Date: _____

Jacob McCullough
Plaintiff, Class Representative, and
Representative of the State of California

PLAINTIFF JOAQUIN MORALES

Date: 03/27/2025

Joaquin morales (Mar 27, 2025 19:00 PDT)
Joaquin Morales
Plaintiff, Class Representative, and
Representative of the State of California

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WRIGHT TREE SERVICE, INC.

Date: 04/18/2025



Full Name: Dan Kresowik
Title: Corporate Counsel
On behalf of Wright Tree Service, Inc.

WRIGHT TREE SERVICE OF THE WEST, INC.

Date: 04/18/2025



Full Name: Dan Kresowik
Title: Corporate Counsel
On behalf of Wright Tree Service of the West, Inc.

APPROVED AS TO FORM AND CONTENT

Date:

LAWYERS *for* JUSTICE, PC

Arby Aiwazian, Esq.
Joanna Ghosh, Esq.
Selena Matavosian, Esq.
Attorneys for Plaintiff JACOB MCCULLOUGH, and Proposed Class Counsel

Date:

HAINES LAW GROUP, APC



Paul K. Haines, Esq.
Sean M. Blakely, Esq.
Joel M. Gordon, Esq.
Attorneys for Plaintiff JOAQUIN MORALES, and Proposed Class Counsel

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WRIGHT TREE SERVICE, INC.

Date: _____

Full Name: _____

Title: _____

On behalf of Wright Tree Service, Inc.

WRIGHT TREE SERVICE OF THE WEST, INC.

Date: _____

Full Name: _____

Title: _____

On behalf of Wright Tree Service of the West, Inc.

APPROVED AS TO FORM AND CONTENT

Date: April 7, 2025

LAWYERS *for* JUSTICE, PC



Arby Aiwarzian, Esq.
Joanna Ghosh, Esq.
Selena Matavosian, Esq.
Attorneys for Plaintiff JACOB MCCULLOUGH, and Proposed Class Counsel

Date: _____

HAINES LAW GROUP, APC

Paul K. Haines, Esq.
Sean M. Blakely, Esq.
Joel M. Gordon, Esq.
Attorneys for Plaintiff JOAQUIN MORALES, and Proposed Class Counsel

///
///

1 Date: 4/18/2025

JACKSON LEWIS P.C.



Mia Farber, Esq.

Benjamin J. Schnayerson, Esq.

Isabella L. Shin, Esq.

Attorneys for Defendants WRIGHT TREE
SERVICE, INC. and WRIGHT TREE
SERVICE OF THE WEST, INC.

EXHIBIT 1

NOTICE OF CLASS ACTION SETTLEMENT

Jacob McCullough, et al. v. Wright Tree Service, Inc., et al.
Superior Court of California for the County of Shasta, Case No. 23CV-0203309

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendants' records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or Pay Periods that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiffs Jacob McCullough ("Plaintiff McCullough") and Joaquin Morales ("Plaintiff Morales") (together, "Plaintiffs") and Defendants Wright Tree Service, Inc. and Wright Tree Service of the West, Inc. (together, "Defendants") (Plaintiffs and Defendants are collectively referred to as the "Parties") in the case entitled *Jacob McCullough, et al. v. Wright Tree Service, Inc., et al.*, Shasta County Superior Court, Case No. 23CV-0203309 ("Lead McCullough Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" means all current and former hourly-paid or non-exempt employees who worked for Defendants within the State of California at any time during the Class Period.

"Class Member" means any member of the Class.

"Class Period" means the period from July 31, 2019 through [the earlier of either: (i) the date of Preliminary Approval of the Settlement, or (ii) the date on which the Workweeks for the instant Actions and the Pedro Actions reach 143,000 Workweeks, subject to Defendant's option to escalate the Maximum Settlement Amount].

"Class Settlement" means the settlement and release of the Released Class Claims.

"PAGA Member(s)" means all current and former hourly-paid or non-exempt employees who worked for Defendants within the State of California at any time during the PAGA Period.

"PAGA Period" means the period from July 21, 2022 through [earlier of either (i) the date of Preliminary Approval of the Settlement, or (ii) the date on which the Workweeks for the instant Actions and the Pedro Actions reach 143,000 Workweeks, subject to Defendant's option to escalate the Maximum Settlement Amount].

"PAGA Settlement" means the settlement and release of the Released PAGA Claims.

"Pedro Actions" means the actions entitled *Robert Joseph Pedro II v. CN Utility Consulting, Inc.*, Mendocino County Superior Court, Case No. 21CV00961 and *Robert Joseph Pedro II v. CN Utility Consulting, Inc.*, Mendocino County Superior Court, Case No. 21CV00963.

II. BACKGROUND OF THE LAWSUIT

On July 21, 2023, Plaintiff McCullough submitted written notice of his intent to pursue civil penalties for various alleged California Labor Code violations to the California Labor and Workforce Development Agency ("LWDA") and Defendants pursuant to the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), California Labor Code section 2699, *et seq.* ("McCullough PAGA Notice"). On July 31, 2023, Plaintiff McCullough initiated a putative class action by filing a Class Action Complaint for Damages ("McCullough Class Complaint") against Defendants in the Superior Court

of California for the County of Shasta (“Court”), Case No. 23CV-0202839 (“McCullough Class Action”), on behalf of himself and all current and former hourly-paid or non-exempt employees who worked for any of the Defendants within the State of California. On September 8, 2023, Defendants removed the McCullough Class Action to United States District Court for the Eastern District of California, Case No. 2:23-CV-01927-MCE-DMC (“McCullough Federal Action”).

On September 26, 2023, Plaintiff McCullough initiated a PAGA representative action by filing a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. (“McCullough PAGA Complaint”) against Defendants in the Court, Case No. 23CV-0203309 (“Lead McCullough Action”), thereby asserting a single claim for civil penalties pursuant to PAGA.

On October 24, 2023, Plaintiff Morales submitted written notice of his intent to pursue civil penalties for various alleged California Labor Code violations to the LWDA and Defendant Wright Tree Service of the West, Inc. pursuant to PAGA, California Labor Code section 2699, *et seq.* (“Morales PAGA Notice”). On October 24, 2023, Plaintiff Morales initiated a putative class action by filing a Class Action Complaint against Defendant Wright Tree Service of the West, Inc. in the Superior Court of California for the County of Marin, Case No. CV0001290 (“Morales Action”), on behalf of himself and all current and former non-exempt employees in California.

The McCullough PAGA Notice and Morales PAGA Notice are together referred to as the “PAGA Notices.” The McCullough Class Action, McCullough Federal Action, Lead McCullough Action, and Morales Action are collectively referred to as the “Actions.”

On November 21, 2023, Plaintiff Morales filed a Motion to Intervene in the McCullough Federal Action, which was withdrawn on December 4, 2023.

On December 29, 2023, Plaintiff Morales filed a First Amended Class and Representative Action Complaint (“Morales First Amended Complaint”) against Defendant Wright Tree Service of the West, Inc. in the Morales Action, thereby adding a claim for civil penalties under PAGA. On January 11, 2024, Defendant Wright Tree Service of the West, Inc. removed the Morales Action to United States District Court for the Northern District of California, Case No. 3:24-CV-00216-LB (later changed to 3:24-cv-00216-EMC).

Plaintiffs allege that Defendants failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, keep complete and accurate payroll records, reimburse necessary business-related expenses, failed to pay reporting time pay, and thereby engaged in unfair business practices in violation of California Business & Professions Code sections 17200, *et seq.*, and conduct that gives rise to penalties under PAGA. Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys’ fees and costs.

Defendants deny that they violated the law in any way and contend that it timely and properly paid all wages owed; provided all required meal and rest breaks; properly issued accurate, itemized wage statements; provided all reimbursements for business expenses; and did not engage in any unfair competition or violations of PAGA. Defendants have denied, and continue to deny, the factual and legal allegations in the Actions and believe that they have valid defenses to Plaintiffs’ claims. Defendants contend that Plaintiffs’ claims do not have merit and do not meet the requirements for class certification..

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Stipulation of Class and Representative Action Settlement and Release (“Settlement” or “Settlement Agreement”).

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed ILYM Group, Inc. as the administrator of the Settlement (“Settlement Administrator”), Plaintiffs Jacob McCullough and Joaquin Morales as representatives of the Class (“Class Representative(s)”), and the following Plaintiffs’ attorneys as counsels for the Class (“Class Counsel”):

Arby Aiwazian
Joanna Ghosh
Selena Matavosian
Lawyers for Justice, PC

450 North Brand Boulevard, Suite 900
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

Paul K. Haines
Sean M. Blakely
Joel M. Gordon
Haines Law Group, APC
2155 Campus Drive, Suite 180
El Segundo, California 90245
Telephone: (424) 292-2350 / Fax: (424) 292-2355

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or Pay Periods credited to you, if you so choose, as explained more fully in Section III below. If you are a PAGA Member, you do not need to take any action to receive an Individual PAGA Payment. All PAGA Members – regardless of whether they request to be excluded from the Class Settlement – will receive an Individual PAGA Payment.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Actions have merit or that Defendants have any liability to Plaintiffs or to Class Members. Plaintiffs and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members. The Court has made no ruling on the merits of the Class Members' claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The maximum settlement amount is Three Million Two Hundred Seventy-Five Thousand Five Hundred Dollars and Zero Cents (\$3,275,500.00) (the "Maximum Settlement Amount") to be paid by Defendants. The portion of the Maximum Settlement Amount that is available for distribution to Participating Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Maximum Settlement Amount less the following payments, which are subject to approval by the Court: (1) Attorney's Fees and Costs, consisting of attorneys' fees in an amount up to one-third (1/3) of the Maximum Settlement Amount (i.e., \$1,091,833.33), and the reimbursement of litigation costs and expenses in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00) to Class Counsel; (2) Settlement Administration Costs in an amount not to exceed Twelve Thousand Dollars and Zero Cents (\$12,000.00) to the Settlement Administrator; (3) PAGA Payment in the amount of One Hundred and Two Thousand Nine Hundred and Seventy-Five Dollars and Zero Cents (\$102,975.00); and (4) Enhancement Payments in an amount up to Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00) to each Plaintiff for their services in prosecuting the Actions. Seventy-five percent (75%) of the PAGA Payment, or \$77,231.25, will be paid to the LWDA ("LWDA Payment") and the remaining twenty-five percent (25%) or, \$25,743.75, will be distributed to PAGA Members on a *pro rata* basis ("PAGA Member Amount").

Class Members may be eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Class Settlement Amount ("Individual Settlement Share") based on the number of calendar weeks each Class Member worked for Defendants within the State of California during the Class Period ("Workweeks"). PAGA Members are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Member Amount ("Individual PAGA Payment") based on the number of calendar weeks each PAGA Member worked for Defendants within the State of California during the PAGA Period ("Pay Periods").

The Settlement Administrator has divided the Net Class Settlement Amount by the total number of Workweeks for all Class Members during the Class Period (resulting in the "Class Workweek Value"), and then multiplied the Class Workweek Value by the number of Workweeks worked by each Participating Class Member during the Class period to yield his, her, or their estimated Individual Settlement Share (which is listed in Section III.C below). Class Members who do not submit a valid and timely Request for Exclusion from the Class Settlement ("Participating Class Members") will be issued payment of their final Individual Settlement Payment.

The Settlement Administrator has divided twenty-five percent (25%) of the PAGA Member Amount (\$25,743.75) by the total number of Pay Periods for all PAGA Members during the PAGA Period (resulting in the “PAGA Pay Periods Value”), and then multiplied the PAGA Pay Periods Value by the number of Pay Periods worked by each PAGA Member during the PAGA Period to yield his, her, or their Individual PAGA Payment (which is listed in Section III.C below).

Each Individual Settlement Share will be allocated as twenty percent (20%) disputed wages, which will be reported on an IRS Form W-2, and forty percent (40%) as penalties and forty percent (40%) as interest, which will be reported on an IRS Form-1099 by the Settlement Administrator. Each Individual Settlement Share will be subject to reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share (the net payment is referred to as “Individual Settlement Payment”). The employer’s share of payroll taxes and contributions with respect to the wages portion of Individual Settlement Shares will be paid by Defendants separately and in addition to the Maximum Settlement Amount. Individual PAGA Payments will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on an IRS Form-1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Participating Class Members and Individual PAGA Payments will be mailed to PAGA Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and/or Pay Periods Based on Defendants’ Records

According to Defendants’ records:

- **From July 31, 2019 through [the earlier of either: (i) the date of Preliminary Approval of the Settlement, or (ii) the date on which the Workweeks for the instant Actions and the Pedro Actions reach 143,000 Workweeks, subject to Defendant’s option to escalate the Maximum Settlement Amount] (i.e., Class Period), you are credited as having worked [] Workweeks.**
- **From July 21, 2022 through [earlier of either (i) the date of Preliminary Approval of the Settlement, or (ii) the date on which the Workweeks for the instant Actions and the Pedro Actions reach 143,000 Workweeks, subject to Defendant’s option to escalate the Maximum Settlement Amount] (i.e., PAGA Period), you are credited as having worked [] Pay Periods.**

If you wish to dispute the Workweeks and/or Pay Periods credited to you, you must submit a written letter to the Settlement Administrator at the address specified in Section IV.B below, by mail, postmarked **no later than [the Response Deadline]**. The dispute to Workweeks and/or Pay Periods must: (a) contain the case name and number of the Lead McCullough Action, (b) be signed by you, (c) contain your full name, address, telephone number, and the last four digits of your Social Security Number, (d) clearly state that you dispute the number of Workweeks and/or Pay Periods credited to you during the Class Period and/or PAGA Period and what you contend is the correct number(s) to be credited to you, and (e) include information and/or attach documentation demonstrating that the number of Workweeks and/or Pay Periods that you contend should be credited to you are correct.

C. Your Estimated Individual Settlement Share and/or Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and/or Individual PAGA Payment (if applicable) is based on the number of Workweeks and Pay Periods credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ []. The Individual Settlement Share is subject to reduction for the employee’s share of taxes and withholding with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [].

The settlement approval process may take multiple months. Your Individual Settlement Share and/or Individual PAGA Payment (if applicable) reflected in this Class Notice are only estimates. Your actual Individual Settlement Share and/or Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and the complete funding of the Maximum Settlement Amount, Plaintiffs and all Participating Class Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims that accrued during the Class Period.

Upon the Effective Date and the complete funding of the Maximum Settlement Amount, Plaintiffs and the State of California (including the LWDA) with respect to the PAGA Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims that accrued during the PAGA Period.

“Released Class Claims” means any and all claims under state, federal, or local law, whether statutory or common law, including, *inter alia*, claims under the California Labor Code, applicable Wage Orders, regulations, and/or other provisions of law, alleged in the Operative Complaints or that reasonably could have been alleged based on the factual allegations contained in the Operative Complaints, arising during the Class Period, including but not limited to claims for failure to pay overtime wages, failure to provide meal periods and associated premiums, failure to provide rest periods and associated premiums, failure to pay minimum wages, failure to pay all wages timely upon termination, failure to timely pay wages during employment, failure to provide compliant itemized wage statements, failure to keep requisite payroll records, failure to reimburse necessary business expenses, and failure to pay reporting time pay, in violation of California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 516, 551, 552, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2804, and Industrial Welfare Commission Wage Orders Nos. 4-2001, 5-2001, and 16-2001, and unfair business practices in violation of California Business and Professions Code section 17200, *et seq.* based on the claims alleged; and any claims for injunctive relief, liquidated damages, penalties, interest, fees, and costs related to the aforementioned claims alleged.

“Released PAGA Claims” means any and all claims for civil penalties under PAGA, arising out of the facts alleged in the Operative Complaints and PAGA Notices or that reasonably could have been alleged based on the factual allegations contained in the Operative Complaints and PAGA Notices, arising during the PAGA Period, including but not limited to claims for failure to pay overtime wages, failure to provide meal periods and associated premiums, failure to provide rest periods and associated premiums, failure to pay minimum wages, failure to pay all wages timely upon termination, failure to timely pay wages during employment, failure to provide compliant itemized wage statements, failure to keep requisite payroll records, failure to reimburse necessary business expenses, and failure to pay reporting time pay, in violation of California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 516, 551, 552, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2804, and Industrial Welfare Commission Wage Orders Nos. 4-2001, 5-2001, and 16-2001.

“Released Parties” means Defendants and all of their present and former parent companies, subsidiaries, divisions, members, joint ventures, related or affiliated companies, and their shareholders, officers, directors, employees, agents, attorneys (including, Defendants’ counsel of record in the Actions), insurers, successors and assigns, and any other individual or entity that could be liable for any of the claims released through this Settlement.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will request attorneys’ fees in an amount of up to one-third (1/3) of the Maximum Settlement Amount (i.e., up to \$1,091,833.33) and reimbursement of litigation costs and expenses in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00) (together, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Maximum Settlement Amount. Class Counsel has been prosecuting the Actions on behalf of Plaintiffs and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payments to Plaintiffs

Plaintiffs will seek the amount of Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00) each in recognition of their services in connection with the Actions (“Enhancement Payments”). The Enhancement Payments will be paid from the Maximum Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiffs in addition to their individual settlement payments that they are entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is currently estimated not to exceed Twelve Thousand Dollars and Zero Cents (\$12,000.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members and PAGA Members of the Settlement, processing Requests for Exclusion, Objections, and disputes to Workweeks and/or Pay Periods, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Maximum Settlement Amount, subject to approval by the Court.

H. When Will I Receive my Settlement Payment(s)?

Defendants shall fund the Maximum Settlement Amount and the employer’s share of payroll taxes and contributions in connection with the wages portion of Individual Settlement Shares within ten (10) business days of the Effective Date. Within seven (7) business days of the funding of Maximum Settlement Amount, the Settlement Administrator will issue payments due under the Settlement and approved by the Court, as follows: (1) Individual Settlement Payments to the Participating Class Members; (2) Individual PAGA Payments to the PAGA Members; (3) LWDA Payment the LWDA; (4) Enhancement Payments to Plaintiffs; (5) Attorneys’ Fees and Costs to Class Counsels; and (6) Settlement Administration Costs to the Settlement Administrator.

“Effective Date” means the date when all of the following events have occurred in the Actions: (1) the Settlement has been executed by all Parties, Class Counsels, and Defense Counsel; (2) the Court has given Preliminary Approval to the Settlement; (3) the Class Notice has been given to Class Members and PAGA Members; (4) the Court has held the Final Approval Hearing and entered a Final Approval Order and Judgment certifying the Settlement Class and approving the Settlement; and (5) sixty-six (66) calendar days have passed since the filing and service of the notice of entry of the Final Approval Order and Judgment certifying the Settlement Class and approving the Settlement. If any appeal, review, writ, motion, *ex parte* application, late objection, post judgment/order challenge, and/or other proceeding opposing the Court’s Final Approval Order approving the Settlement have been filed, the Effective Date occurs five (5) business days after any appeal, review, writ, motion, *ex parte* application, late objection, post judgment/order challenge, and/or other proceedings opposing the Settlement have been finally and conclusively dismissed with no right to pursue further remedies or relief, including further appeals. The Effective Date will not have occurred until after the same above-listed events and conditions have taken place in the Pedro Actions.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims described in Section III.D above.

If you are a PAGA Member, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims described in Section III.D above.

Class Members and PAGA Members will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

B. Request Exclusion from the Class Settlement

If you do not wish to participate in the Class Settlement, you must seek exclusion from the Class Settlement by sending a written letter indicating a request to be excluded (“Request for Exclusion”) to the Settlement Administrator by mail at the specified address below, postmarked **no later than [Response Deadline]**.

[Settlement Administrator]

[Mailing Address]

The Request for Exclusion must: (a) contain the case name and number of the Lead McCullough Action; (b) be signed by you; (c) contain your full name, address, telephone number, and the last four digits of your Social Security Number; and (d) clearly state that you do not wish to be included in the Class Settlement.

If the Court grants final approval of the Settlement, any Class Member who submits a valid and timely Request for Exclusion will not be entitled to receive any payment an Individual Settlement Payment, will not be bound by the Class Settlement (or the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a valid and timely Request for Exclusion will be deemed Participating Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Members will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, regardless of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the terms of the Class Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection (“Objection”) to the Settlement Administrator by mail, postmarked **no later than [Response Deadline]**, or by presenting your objection at the Final Approval Hearing, regardless of whether you have submitted a timely and valid Objection.

The Objection must: (a) be signed by you; (b) contain the case name and number of the Lead McCullough Action; (c) contain your full name, telephone number, mailing address, and last four digits of your Social Security Number; (d) clearly state the factual and legal basis for objecting to the Class Settlement; (e) contain copies of any papers, briefs, or other documents upon which the objection is based; (f) indicate whether you are represented by counsel and identify said counsel; and (g) indicate whether you intend to appear at the Final Approval Hearing and seek to be heard at the Final Approval Hearing.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 64 of the Superior Court of the State of California for the County of Shasta, located at 1515 Court Street, Redding, California 96001, on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys’ Fees and Costs to Class Counsel, Enhancement Payments to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear remotely if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other court records in the Actions for a fee by visiting the public terminals at the Civil Division, located at the 1515 Court Street, Redding, California 96001, during business hours, or by online by visiting the following website: <https://portal.shasta.courts.ca.gov/PortalPROD>.

After arriving at the website, click the “Smart Search” tab at the bottom of the page, then enter the case number in the space provided, and click “Submit.” Click on the case number that appears on the left-hand side, and images of every document

filed in the case may be viewed at a minimal charge. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT C

Arby Aiwazian (SBN 269827)
Joanna Ghosh (SBN 272479)
Selena Matavosian (SBN 348044)
LAWYERS for JUSTICE, PC
450 North Brand Boulevard, Suite 900
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Attorneys for Plaintiff Joaquin Morales

[Additional counsel listed on following page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SHASTA**

JACOB MCCULLOUGH, individually, and
on behalf of other aggrieved employees
pursuant to the California Private Attorneys
General Act;

Plaintiff,

vs.

WRIGHT TREE SERVICE, INC., an Iowa
corporation; WRIGHT TREE SERVICE OF
THE WEST, INC., an Iowa corporation; and
DOES 1 through 100, inclusive,

Defendants.

Case No.: 23CV-0203309

Honorable Stephen H. Baker
Department 64

**AMENDMENT NO. 1 TO STIPULATION
OF CLASS AND REPRESENTATIVE
ACTION SETTLEMENT AND RELEASE**

Complaint Filed: September 26, 2023
Trial Date: None Set

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Attorneys for Defendants Wright Tree Service, Inc. and Wright Tree Service of the West, Inc.

1 Plaintiffs Jacob McCullough and Joaquin Morales (together, “Plaintiffs”) and Defendants
2 Wright Tree Service, Inc. and Wright Tree Service of the West, Inc. (together, “Defendants”)
3 (collectively with Plaintiffs, the “Parties”), pursuant to Section 20.k of the Stipulation of Class and
4 Representative Action Settlement and Release entered into on or around April 18, 2025 (“Original
5 Agreement”), hereby agree to amend the terms of the Original Agreement, as stated herein. Other
6 than as expressly set forth herein, the terms and conditions of the Original Agreement shall remain
7 in full force and effect.

8 **A. Section 10 of the Original Agreement is hereby amended as follows:**

9 Defendants deny all material allegations set forth in the PAGA Notices (as defined below)
10 and the Operative Complaint (as defined below) in the Actions and have asserted numerous
11 affirmative defenses and other defenses to each and every claim. Nevertheless, in the
12 interest of avoiding the cost and expense of further litigation, Defendants desire to fully
13 and finally settle all actual or potential claims by the putative class members and State of
14 California with respect to aggrieved employees.

15 **B. Section 11 of the Original Agreement is hereby amended as follows:**

16 This Settlement Agreement is made and entered into by and between (1) Plaintiffs,
17 individually and on behalf of all others similarly situated, the State of California, including
18 the LWDA, and all allegedly aggrieved employees; and (2) Defendants, and is subject to
19 the terms and conditions hereof and the Court’s approval. The Settlement is made and
20 entered into by the Parties for the purpose of resolving all claims asserted in the PAGA
21 Notices and the Actions, as well as all claims that could have been asserted in the Actions
22 based on the facts alleged in the PAGA Notices and Operative Complaint (as defined
23 below) in the Actions. The Parties expressly acknowledge that this Settlement Agreement
24 is entered into solely for the purpose of compromising significantly disputed claims and
25 that nothing herein is an admission of liability or wrongdoing by Defendants. If for any
26 reason the Settlement Agreement is not approved, it will be of no force or effect, and the
27 Parties shall be returned to their original respective positions.

28 **C. Section 13.aa of the Original Agreement is hereby amended as follows:**

1 **“Operative Complaint”** means the First Amended Class Action Complaint for
2 Damages and Enforcement Under the Private Attorneys General Act, California
3 Labor Code § 2698, Et Seq., to be filed in the Lead McCullough Action pursuant
4 to section 14 of this Agreement.

5 **D. Section 13.00 of the Original Agreement is hereby amended as follows:**

6 **“Released Class Claims”** means any and all claims under state, federal, or local
7 law, whether statutory or common law, including, *inter alia*, claims under the
8 California Labor Code, applicable Wage Orders, regulations, and/or other
9 provisions of law, alleged in the Operative Complaint or that reasonably could have
10 been alleged based on the factual allegations contained in the Operative Complaint,
11 arising during the Class Period, including but not limited to claims for failure to
12 pay overtime wages, failure to provide meal periods and associated premiums,
13 failure to provide rest periods and associated premiums, failure to pay minimum
14 wages, failure to pay all wages timely upon termination, failure to timely pay wages
15 during employment, failure to provide compliant itemized wage statements, failure
16 to keep requisite payroll records, failure to reimburse necessary business expenses,
17 failure to pay sick time pay, and failure to pay reporting time pay, in violation of
18 California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 516, 551,
19 552, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802,
20 2804, and Industrial Welfare Commission Wage Orders Nos. 4-2001, 5-2001, and
21 16-2001, and unfair business practices in violation of California Business and
22 Professions Code section 17200, *et seq.* based on the claims alleged; and any claims
23 for injunctive relief, liquidated damages, penalties, interest, fees, and costs related
24 to the aforementioned claims alleged.

25 **E. Section 13.pp of the Original Agreement is hereby amended as follows:**

26 **“Released PAGA Claims”** means any and all claims for civil penalties under
27 PAGA, arising out of the facts alleged in the Operative Complaint and PAGA
28 Notices or that reasonably could have been alleged based on the factual allegations

1 contained in the Operative Complaint and PAGA Notices, arising during the PAGA
2 Period, including but not limited to claims for failure to pay overtime wages, failure
3 to provide meal periods and associated premiums, failure to provide rest periods
4 and associated premiums, failure to pay minimum wages, failure to pay all wages
5 timely upon termination, failure to timely pay wages during employment, failure to
6 provide compliant itemized wage statements, failure to keep requisite payroll
7 records, failure to reimburse necessary business expenses, failure to pay sick time
8 pay, and failure to pay reporting time pay, in violation of California Labor Code §§
9 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 516, 551, 552, 558, 1174, 1182.12,
10 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2804, and Industrial Welfare
11 Commission Wage Orders Nos. 4-2001, 5-2001, and 16-2001.

12 **F. Section 14 of the Original Agreement is hereby amended as follows:**

13 **Amended Consolidated Complaint in Lead McCullough Action and Eventual**
14 **Dismissal of McCullough Class Action and Morales Action.** In light of the
15 ongoing judicial emergency in the United States District Court for the Eastern
16 District of California (which is where the first-filed lawsuit that involves the longest
17 statutory time period is pending after removal of the case to federal court by
18 Defendants), the Actions will be consolidated in the Shasta County Superior Court
19 for purposes of settlement. To accomplish this, the Parties agree to file an amended
20 consolidated complaint, the First Amended Class Action Complaint for Damages
21 and Enforcement Under the Private Attorneys General Act, California Labor Code
22 § 2698, Et Seq., in the Lead McCullough Action, to consolidate the parties and
23 claims in the Actions. Within ten (10) business days of the Effective Date, Plaintiff
24 McCullough will seek dismissal of the McCullough Class Action without prejudice
25 and Plaintiff Morales will seek dismissal of the Morales Action without prejudice.

26 **G. Exhibit 1.** Exhibit 1 to the Original Agreement, which consisted of the Notice of
27 Class Action Settlement (“Class Notice”), is hereby replaced with the revised Class Notice attached
28 hereto as “**Exhibit 1.**”

1 **IT IS SO AGREED ON BEHALF OF PLAINTIFFS AND APPROVED AS TO FORM**
2 **BY THE UNDERSIGNED COUNSEL OF RECORD:**

3 Dated: July 14, 2025

LAWYERS for JUSTICE, PC

4
5 By: 
6 Joanna Ghosh
7 Selena Matavosian
8 *Attorneys for* Plaintiff Jacob
9 McCullough

10 Dated: July 15, 2025

HAINES LAW GROUP, APC

11 By: 
12 Paul K. Haines
13 Sean M. Blakely
14 Joel M. Gordon
15 *Attorneys for* Plaintiff Joaquin Morales

16 **IT IS SO AGREED ON BEHALF OF DEFENDANTS AND APPROVED AS TO**
17 **FORM BY THE UNDERSIGNED COUNSEL OF RECORD:**

18 Dated: July 22, 2025

JACKSON LEWIS P.C.

19 By: 
20 Mia Farber
21 Benjamin J. Schnayerson
22 Isabella L. Shin
23 *Attorneys for* Defendants
24
25
26
27
28

Exhibit 1

NOTICE OF CLASS ACTION SETTLEMENT

Jacob McCullough, et al. v. Wright Tree Service, Inc., et al.
Superior Court of California for the County of Shasta, Case No. 23CV-0203309

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendants' records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or Pay Periods that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiffs Jacob McCullough ("Plaintiff McCullough") and Joaquin Morales ("Plaintiff Morales") (together, "Plaintiffs") and Defendants Wright Tree Service, Inc. and Wright Tree Service of the West, Inc. (together, "Defendants") (Plaintiffs and Defendants are collectively referred to as the "Parties") in the case entitled *Jacob McCullough, et al. v. Wright Tree Service, Inc., et al.*, Shasta County Superior Court, Case No. 23CV-0203309 ("Lead McCullough Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" means all current and former hourly-paid or non-exempt employees who worked for Defendants within the State of California at any time during the Class Period.

"Class Member" means any member of the Class.

"Class Period" means the period from July 31, 2019 through [the earlier of either: (i) the date of Preliminary Approval of the Settlement, or (ii) the date on which the Workweeks for the instant Actions and the Pedro Actions reach 143,000 Workweeks, subject to Defendant's option to escalate the Maximum Settlement Amount].

"Class Settlement" means the settlement and release of the Released Class Claims.

"PAGA Member(s)" means all current and former hourly-paid or non-exempt employees who worked for Defendants within the State of California at any time during the PAGA Period.

"PAGA Period" means the period from July 21, 2022 through [earlier of either (i) the date of Preliminary Approval of the Settlement, or (ii) the date on which the Workweeks for the instant Actions and the Pedro Actions reach 143,000 Workweeks, subject to Defendant's option to escalate the Maximum Settlement Amount].

"PAGA Settlement" means the settlement and release of the Released PAGA Claims.

"Pedro Actions" means the actions entitled *Robert Joseph Pedro II v. CN Utility Consulting, Inc.*, Mendocino County Superior Court, Case No. 21CV00961 and *Robert Joseph Pedro II v. CN Utility Consulting, Inc.*, Mendocino County Superior Court, Case No. 21CV00963.

II. BACKGROUND OF THE LAWSUIT

On July 21, 2023, Plaintiff McCullough submitted written notice of his intent to pursue civil penalties for various alleged California Labor Code violations to the California Labor and Workforce Development Agency ("LWDA") and Defendants pursuant to the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), California Labor Code section 2699, *et seq.* ("McCullough PAGA Notice"). On July 31, 2023, Plaintiff McCullough initiated a putative class action by filing a Class Action Complaint for Damages against Defendants in the Superior Court of California for the County of

Shasta (“Court”), Case No. 23CV-0202839 (“McCullough Class Action”), on behalf of himself and all current and former hourly-paid or non-exempt employees who worked for any of the Defendants within the State of California. On September 8, 2023, Defendants removed the McCullough Class Action to United States District Court for the Eastern District of California, Case No. 2:23-CV-01927-MCE-DMC (“McCullough Federal Action”).

On September 26, 2023, Plaintiff McCullough initiated a PAGA representative action by filing a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. against Defendants in the Court, Case No. 23CV-0203309 (“Lead McCullough Action”), thereby asserting a single claim for civil penalties pursuant to PAGA.

On October 24, 2023, Plaintiff Morales submitted written notice of his intent to pursue civil penalties for various alleged California Labor Code violations to the LWDA and Defendant Wright Tree Service of the West, Inc. pursuant to PAGA, California Labor Code section 2699, *et seq.* (“Morales PAGA Notice”). On October 24, 2023, Plaintiff Morales initiated a putative class action by filing a Class Action Complaint against Defendant Wright Tree Service of the West, Inc. in the Superior Court of California for the County of Marin, Case No. CV0001290 (“Morales Action”), on behalf of himself and all current and former non-exempt employees in California.

The McCullough PAGA Notice and Morales PAGA Notice are together referred to as the “PAGA Notices.” The McCullough Class Action, McCullough Federal Action, Lead McCullough Action, and Morales Action are collectively referred to as the “Actions.”

On December 29, 2023, Plaintiff Morales filed a First Amended Class and Representative Action Complaint against Defendant Wright Tree Service of the West, Inc. in the Morales Action, thereby adding a claim for civil penalties under PAGA. On January 11, 2024, Defendant Wright Tree Service of the West, Inc. removed the Morales Action to United States District Court for the Northern District of California, Case No. 3:24-CV-00216-LB (later changed to 3:24-cv-00216-EMC).

On [date of filing FAC], Plaintiffs filed a First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. (“Operative Complaint”) against Defendants in the Lead McCullough Action, thereby consolidating the claims and parties in the Actions into a single consolidated complaint.

Plaintiffs allege that Defendants failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, keep complete and accurate payroll records, reimburse necessary business-related expenses, pay sick time wages, pay reporting time pay, and thereby engaged in unfair business practices in violation of California Business & Professions Code sections 17200, *et seq.*, and conduct that gives rise to penalties under PAGA. Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys’ fees and costs.

Defendants deny that they violated the law in any way and contend that they timely and properly paid all wages owed; provided all required meal and rest breaks; properly issued accurate, itemized wage statements; provided all reimbursements for business expenses; and did not engage in any unfair competition or violations of PAGA. Defendants have denied, and continue to deny, the factual and legal allegations in the Actions and believe that they have valid defenses to Plaintiffs’ claims. Defendants contend that Plaintiffs’ claims do not have merit and do not meet the requirements for class certification.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Stipulation of Class and Representative Action Settlement and Release and Amendment No. 1 to Stipulation of Class and Representative Action Settlement and Release (together, “Settlement” or “Settlement Agreement”).

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed ILYM Group, Inc. as the administrator of the Settlement (“Settlement Administrator”), Plaintiffs Jacob McCullough and Joaquin Morales as representatives of the Class (“Class Representative(s)”), and the following Plaintiffs’ attorneys as counsels for the Class (“Class Counsels”):

Arby Aiwarzian
Joanna Ghosh
Selena Matavosian
Lawyers for Justice, PC

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Paul K. Haines
Sean M. Blakely
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2155 Campus Drive, Suite 180
El Segundo, California 90245
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If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or Pay Periods credited to you, if you so choose, as explained more fully in Section III below. If you are a PAGA Member, you do not need to take any action to receive an Individual PAGA Payment. All PAGA Members – regardless of whether they request to be excluded from the Class Settlement – will receive an Individual PAGA Payment.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Actions have merit or that Defendants have any liability to Plaintiffs or to Class Members. Plaintiffs and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members. The Court has made no ruling on the merits of the Class Members' claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The maximum settlement amount is Three Million Two Hundred Seventy-Five Thousand Five Hundred Dollars and Zero Cents (\$3,275,500.00) (the "Maximum Settlement Amount") to be paid by Defendants. The portion of the Maximum Settlement Amount that is available for distribution to Participating Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Maximum Settlement Amount less the following payments, which are subject to approval by the Court: (1) Attorney's Fees and Costs, consisting of attorneys' fees in an amount up to one-third (1/3) of the Maximum Settlement Amount (i.e., \$1,091,833.33), and the reimbursement of litigation costs and expenses in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00) to Class Counsels; (2) Settlement Administration Costs in an amount not to exceed Twelve Thousand Dollars and Zero Cents (\$12,000.00) to the Settlement Administrator; (3) PAGA Payment in the amount of One Hundred and Two Thousand Nine Hundred and Seventy-Five Dollars and Zero Cents (\$102,975.00); and (4) Enhancement Payments in an amount up to Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00) to each Plaintiff for their services in prosecuting the Actions. Seventy-five percent (75%) of the PAGA Payment, or \$77,231.25, will be paid to the LWDA ("LWDA Payment") and the remaining twenty-five percent (25%) or, \$25,743.75, will be distributed to PAGA Members on a *pro rata* basis ("PAGA Member Amount").

Class Members may be eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Class Settlement Amount ("Individual Settlement Share") based on the number of calendar weeks during the Class Period that each Class Member worked at least one day for Defendants within the State of California during the Class Period ("Workweeks"). PAGA Members are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Member Amount ("Individual PAGA Payment") based on the number of calendar weeks during the PAGA Period that each PAGA Member worked at least one day for Defendants within the State of California during the PAGA Period ("Pay Periods").

The Settlement Administrator has divided the Net Class Settlement Amount by the total number of Workweeks for all Class Members during the Class Period (resulting in the "Class Workweek Value"), and then multiplied the Class Workweek Value by the number of Workweeks worked by each Participating Class Member during the Class Period to yield his, her, or their estimated Individual Settlement Share (which is listed in Section III.C below). Class Members who do not submit a valid and timely Request for Exclusion from the Class Settlement ("Participating Class Members") will

be issued payment of their final Individual Settlement Payment.

The Settlement Administrator has divided twenty-five percent (25%) of the PAGA Member Amount (\$25,743.75) by the total number of Pay Periods for all PAGA Members during the PAGA Period (resulting in the “PAGA Pay Periods Value”), and then multiplied the PAGA Pay Periods Value by the number of Pay Periods worked by each PAGA Member during the PAGA Period to yield his, her, or their Individual PAGA Payment (which is listed in Section III.C below).

Each Individual Settlement Share will be allocated as twenty percent (20%) disputed wages, which will be reported on an IRS Form W-2, and forty percent (40%) as penalties and forty percent (40%) as interest, which will be reported on an IRS Form-1099 by the Settlement Administrator. Each Individual Settlement Share will be subject to reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share (the net payment is referred to as “Individual Settlement Payment”). The employer’s share of payroll taxes and contributions with respect to the wages portion of Individual Settlement Shares will be paid by Defendants separately and in addition to the Maximum Settlement Amount. Individual PAGA Payments will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on an IRS Form-1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Participating Class Members and Individual PAGA Payments will be mailed to PAGA Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and/or Pay Periods Based on Defendants’ Records

According to Defendants’ records:

- From July 31, 2019 through [the earlier of either: (i) the date of Preliminary Approval of the Settlement, or (ii) the date on which the Workweeks for the instant Actions and the Pedro Actions reach 143,000 Workweeks, subject to Defendant’s option to escalate the Maximum Settlement Amount] (i.e., Class Period), you are credited as having worked [] Workweeks.
- From July 21, 2022 through [earlier of either (i) the date of Preliminary Approval of the Settlement, or (ii) the date on which the Workweeks for the instant Actions and the Pedro Actions reach 143,000 Workweeks, subject to Defendant’s option to escalate the Maximum Settlement Amount] (i.e., PAGA Period), you are credited as having worked [] Pay Periods.

If you wish to dispute the Workweeks and/or Pay Periods credited to you, you must submit a written letter to the Settlement Administrator at the address specified in Section IV.B below, by mail, postmarked **no later than [the Response Deadline]**. The dispute regarding Workweeks and/or Pay Periods must: (a) contain the case name and number of the Lead McCullough Action, (b) be signed by you, (c) contain your full name, address, telephone number, and the last four digits of your Social Security Number, (d) clearly state that you dispute the number of Workweeks and/or Pay Periods credited to you during the Class Period and/or PAGA Period and what you contend is the correct number(s) to be credited to you, and (e) include information and/or attach documentation demonstrating that the number of Workweeks and/or Pay Periods that you contend should be credited to you are correct.

C. Your Estimated Individual Settlement Share and/or Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and/or Individual PAGA Payment (if applicable) is based on the number of Workweeks and Pay Periods credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ []. The Individual Settlement Share is subject to reduction for the employee’s share of taxes and withholding with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [].

The settlement approval process may take multiple months. Your Individual Settlement Share and/or Individual PAGA Payment (if applicable) reflected in this Class Notice are only estimates. Your actual Individual Settlement Share and/or Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and the complete funding of the Maximum Settlement Amount, Plaintiffs and all Participating Class Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims that accrued during the Class Period.

Upon the Effective Date and the complete funding of the Maximum Settlement Amount, Plaintiffs and the State of California (including the LWDA) with respect to the PAGA Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims that accrued during the PAGA Period.

“Released Class Claims” means any and all claims under state, federal, or local law, whether statutory or common law, including, *inter alia*, claims under the California Labor Code, applicable Wage Orders, regulations, and/or other provisions of law, alleged in the Operative Complaint or that reasonably could have been alleged based on the factual allegations contained in the Operative Complaint, arising during the Class Period, including but not limited to claims for failure to pay overtime wages, failure to provide meal periods and associated premiums, failure to provide rest periods and associated premiums, failure to pay minimum wages, failure to pay all wages timely upon termination, failure to timely pay wages during employment, failure to provide compliant itemized wage statements, failure to keep requisite payroll records, failure to reimburse necessary business expenses, failure to pay sick time pay, and failure to pay reporting time pay, in violation of California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 516, 551, 552, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2804, and Industrial Welfare Commission Wage Orders Nos. 4-2001, 5-2001, and 16-2001, and unfair business practices in violation of California Business and Professions Code section 17200, *et seq.* based on the claims alleged; and any claims for injunctive relief, liquidated damages, penalties, interest, fees, and costs related to the aforementioned claims alleged.

“Released PAGA Claims” means any and all claims for civil penalties under PAGA, arising out of the facts alleged in the Operative Complaint and PAGA Notices or that reasonably could have been alleged based on the factual allegations contained in the Operative Complaint and PAGA Notices, arising during the PAGA Period, including but not limited to claims for failure to pay overtime wages, failure to provide meal periods and associated premiums, failure to provide rest periods and associated premiums, failure to pay minimum wages, failure to pay all wages timely upon termination, failure to timely pay wages during employment, failure to provide compliant itemized wage statements, failure to keep requisite payroll records, failure to reimburse necessary business expenses, failure to pay sick time pay, and failure to pay reporting time pay, in violation of California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 516, 551, 552, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2804, and Industrial Welfare Commission Wage Orders Nos. 4-2001, 5-2001, and 16-2001.

“Released Parties” means Defendants and all of their present and former parent companies, subsidiaries, divisions, members, joint ventures, related or affiliated companies, and their shareholders, officers, directors, employees, agents, attorneys (including, Defendants’ counsel of record in the Actions), insurers, successors and assigns, and any other individual or entity that could be liable for any of the claims released through this Settlement.

E. Attorneys’ Fees and Costs to Class Counsels

Class Counsels will request attorneys’ fees in an amount of up to one-third (1/3) of the Maximum Settlement Amount (i.e., up to \$1,091,833.33) and reimbursement of litigation costs and expenses in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00) (together, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Maximum Settlement Amount. Class Counsels have been prosecuting the Actions on behalf of Plaintiffs and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payments to Plaintiffs

Plaintiffs will seek the amount of Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00) each in recognition of their services in connection with the Actions and in exchange for their broad general release of their individual claims (“Enhancement Payments”). The Enhancement Payments will be paid from the Maximum Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiffs in addition to their individual settlement payments that they are entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is currently estimated not to exceed Twelve Thousand Dollars and Zero Cents (\$12,000.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members and PAGA Members of the Settlement, processing Requests for Exclusion, Objections, and disputes of Workweeks and/or Pay Periods, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Maximum Settlement Amount, subject to approval by the Court.

H. When Will I Receive my Settlement Payment(s)?

Defendants shall fund the Maximum Settlement Amount and the employer’s share of payroll taxes and contributions in connection with the wages portion of Individual Settlement Shares within ten (10) business days of the Effective Date. Within seven (7) business days of the funding of Maximum Settlement Amount, the Settlement Administrator will issue payments due under the Settlement and approved by the Court, as follows: (1) Individual Settlement Payments to the Participating Class Members; (2) Individual PAGA Payments to the PAGA Members; (3) LWDA Payment the LWDA; (4) Enhancement Payments to Plaintiffs; (5) Attorneys’ Fees and Costs to Class Counsels; and (6) Settlement Administration Costs to the Settlement Administrator.

“Effective Date” means the date when all of the following events have occurred in the Actions: (1) the Settlement has been executed by all Parties, Class Counsels, and Defense Counsel; (2) the Court has given Preliminary Approval to the Settlement; (3) the Class Notice has been given to Class Members and PAGA Members; (4) the Court has held the Final Approval Hearing and entered a Final Approval Order and Judgment certifying the Settlement Class and approving the Settlement; and (5) sixty-six (66) calendar days have passed since the filing and service of the notice of entry of the Final Approval Order and Judgment certifying the Settlement Class and approving the Settlement. If any appeal, review, writ, motion, *ex parte* application, late objection, post judgment/order challenge, and/or other proceeding opposing the Court’s Final Approval Order approving the Settlement have been filed, the Effective Date occurs five (5) business days after any appeal, review, writ, motion, *ex parte* application, late objection, post judgment/order challenge, and/or other proceedings opposing the Settlement have been finally and conclusively dismissed with no right to pursue further remedies or relief, including further appeals. The Effective Date will not have occurred until after the same above-listed events and conditions have taken place in the Pedro Actions.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims described in Section III.D above.

If you are a PAGA Member, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims described in Section III.D above.

You will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

B. Request Exclusion from the Class Settlement

If you do not wish to participate in the Class Settlement, you must seek exclusion from the Class Settlement by sending a written letter indicating a request to be excluded (“Request for Exclusion”) to the Settlement Administrator by mail at the specified address below, postmarked **no later than [Response Deadline]**.

[Settlement Administrator]

[Mailing Address]

The Request for Exclusion must: (a) contain the case name and number of the Lead McCullough Action; (b) be signed by you; (c) contain your full name, address, telephone number, and the last four digits of your Social Security Number; and (d) clearly state that you do not wish to be included in the Class Settlement.

If the Court grants final approval of the Settlement, any Class Member who submits a valid and timely Request for Exclusion will not be entitled to receive any payment an Individual Settlement Payment, will not be bound by the Class Settlement (or the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a valid and timely Request for Exclusion will be deemed Participating Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Members will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, regardless of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the terms of the Class Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection (“Objection”) to the Settlement Administrator by mail, postmarked **no later than [Response Deadline]**, or by presenting your objection at the Final Approval Hearing, regardless of whether you have submitted a timely and valid Objection.

The Objection must: (a) be signed by you; (b) contain the case name and number of the Lead McCullough Action; (c) contain your full name, telephone number, mailing address, and last four digits of your Social Security Number; (d) clearly state the factual and legal basis for objecting to the Class Settlement; (e) contain copies of any papers, briefs, or other documents upon which the objection is based; (f) indicate whether you are represented by counsel and identify said counsel; and (g) indicate whether you intend to appear at the Final Approval Hearing and seek to be heard at the Final Approval Hearing.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 64 of the Superior Court of the State of California for the County of Shasta, located at 1515 Court Street, Redding, California 96001, on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys’ Fees and Costs to Class Counsels, Enhancement Payments to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear remotely if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other court records in the Lead McCullough Action for a fee by visiting the public terminals at the Civil Division, located at the 1515 Court Street, Redding, California 96001, during business hours, or by online by visiting the following website: <https://portal.shasta.courts.ca.gov/PortalPROD>.

After arriving at the website, click the “Smart Search” tab at the bottom of the page, then enter the case number in the space provided (23CV-0203309), and click “Submit.” Click on the case number that appears on the left-hand side, and documents

filed in the case that have been imaged may be viewed at a minimal charge. You may also view these documents free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSELS.