

EXHIBIT D

David Delgado, et al. v. Elite Rooter Inc., et al.
Los Angeles County Superior Court Case No. 23STCV25139
Memorandum of Understanding - Settlement Terms

On November 21, 2024, Plaintiffs David Delgado and Brett Constant and Defendants Elite Rooter, Inc., Elite Rooter Orange, Inc., Elite Rooter SDN, Inc., Elite Rooter Peninsula, Inc., Elite Rooter Phoenix, Inc., Elite Rooter San Jose, Inc., Elite Rooter SFV, Inc., Elite Rooter South Bay, Inc., and Elite Rooter Fresno, Inc. (“Defendants”) mediated the proceeding entitled *Delgado, et al. v. Elite Rooter, Inc., et al.*, Los Angeles County Superior Court, Case No. 23STCV25139 (the “*Delgado Action*”). The *Delgado Action* did not settle at mediation.

Plaintiff Luis Romero has a pending class action against Defendants in the Ventura County Superior Court, Case No. 2023CUOE016726 and a pending wrongful termination action in the Ventura County Superior Court, Case No. 2024CUWT024077 (the “*Romero Actions*”) (Plaintiffs Delgado, Constant, and Romero shall be referred to as “Plaintiffs”) (collectively, Plaintiffs and Defendants shall be referred to as the “Parties”).

The Parties engaged in further negotiations regarding a proposed global resolution of the *Delgado* and *Romero* Actions (collectively, the “Actions”). Ultimately, on August 27, 2025, the Parties reached the following settlement of the representative PAGA claims pled in the Actions (the “PAGA Settlement”), which is intended to be a full and final resolution of the Actions. Following the Parties’ agreement to settle the Actions, the Parties also agreed to settle separate individual claims for Plaintiffs and Claimant Aaron Schiebel (the “Individual Settlements”).

This Memorandum of Understanding (the “Agreement”) is intended to confirm the essential terms of both the PAGA Settlement and Individual Settlements and assist in the preparation of full and comprehensive settlement agreements, whose terms shall not be inconsistent with the terms below.

THE PAGA SETTLEMENT

1. Key Definitions:

- a. “Aggrieved Employees” means all current and former nonexempt employees employed by Defendants in California during the PAGA Period.
- b. “Complaint” means the operative First Amended Complaint on file in the *Delgado* Action and, once filed, the Second Amended Complaint, which Plaintiffs shall file to consolidate the Actions.
- c. “Effective Date” means the date of the Court’s Order granting approval of the PAGA Settlement.
- d. “PAGA Period” is the period from August 2, 2022, through November 30, 2025.
- e. “Released PAGA Claims” means the PAGA claims that Plaintiffs alleged against the Released Parties, based on the facts stated in the relevant LWDA notice letters and only to the extent that they are alleged in the Complaint, including all PAGA claims seeking civil penalties premised upon: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure to reimburse business expenses, (6) failure to pay vested vacation, (7) failure to timely pay wages each period, (8) failure to timely pay wages upon separation of employment, (9) failure to provide accurate

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itemized wage statements, and (10) all other claims for civil penalties recoverable under the Private Attorneys General Act, Labor Code §§ 2698 et seq. based on the facts or claims alleged in the LWDA notice letters and Complaint. The time period governing the Released PAGA Claims shall be the PAGA Period. The Released PAGA Claims do not release any Aggrieved Employees' claims for wages or damages.

- f. "Released Parties" means Defendants, together with their respective officers, directors, employees, and agents.

2. **Gross Settlement Amount:** The Gross Settlement Amount is **\$200,000**, which is the total amount Defendants agrees to pay under the Settlement (subject to the Escalator Clause), and this amount is inclusive of all amounts payable for Individual PAGA Payments, the LWDA PAGA Payment, Attorneys' Fees, Litigation Expenses, Service Awards to the Plaintiffs, and the Administrator's Expenses. The Gross Settlement Amount shall be all-in with no reversion to Defendants.

3. **Consolidation of the Actions.** To carry out the terms of this PAGA Settlement, the Parties agree that they will stipulate to Plaintiffs filing a Second Amended Complaint ("SAC") in the *Delgado* Action to add Plaintiff Romero as a Plaintiff and PAGA Representative. The Parties agree that the Second Amended Complaint shall be filed, via stipulation and after Defendants' review and approval, before the execution of the long-form agreement. No later than 5 days after this Agreement is fully signed, Plaintiffs' counsel shall send Defendants' counsel: (1) a draft of the proposed SAC, and (2) a draft of the Stipulation to Allow Plaintiff to file the SAC. Upon the funding of the Gross Settlement Amount, the Parties shall take the necessary steps to dismiss the *Romero* Action without prejudice.

4. **Pay Period Information and Escalator Clause.** It is estimated that there are 250 Aggrieved Employees who worked approximately 7,000 Pay Periods during the PAGA Period. As such, the Parties agree that, should the total number of Pay Periods exceed 7,700 (which is 10% more than Defendants' representation), then Defendants can, at its option, choose to: (1) set the end date for the PAGA Period as the date on which the number of total Pay Periods does not exceed 7,700, or (2) increase the Gross Settlement Amount by \$28.57 (GSA divided by 7,000) for each additional Pay Period above 7,700. However, in no circumstance shall the PAGA Period end prior to August 27, 2025 (the date of settlement).

5. **Net Settlement Amount:** The following amounts, if approved by the Court, will be subtracted from the Gross Settlement Amount to derive the Net Settlement Amount:

- a. **Attorneys' Fees:** Defendants will not oppose Plaintiffs' request for attorneys' fees of up to 1/3 of the Gross Settlement Amount.
- b. **Attorneys' Costs:** Defendants will not oppose Plaintiffs' request for reimbursement of actual litigation costs, subject to proof and as approved by the Court, which will be paid from the Gross Settlement Amount.
- c. **Service Awards:** Defendants will not oppose Plaintiffs' requests for service awards of up to \$5,000 each (\$15,000 total), subject to Court approval. Any portion of the service award(s) not approved by the Court will revert to Net Settlement Amount.

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- d. **Administration Costs:** Plaintiffs will obtain bids from several Settlement Administrators. The selected administrator shall provide a fixed (not to exceed) bid, which will be the amount that the Parties seek in costs for the Administrator, subject to Court Approval.

6. **Distribution of Net Settlement Amount and Tax Allocations:**

- a. The Net Settlement Amount shall be paid as follows: (1) 75% to the LWDA (the "LWDA PAGA Payment"), and (2) 25% paid to Aggrieved Employees (the "Individual PAGA Payments").
- b. Individual PAGA Payments shall be paid on a pro rata basis based on the number of Pay Periods worked by each Aggrieved Employee during the PAGA Period.
- c. Aggrieved Employees will have 180 days to cash settlement checks. Any uncashed checks will be sent to the following *cy pres*: St. Jude Children's Research Hospital, Inc., subject to Court approval.

7. **PAGA Release:** Upon the Effective Date occurring and Defendants fully funding the Gross Settlement Amount, Plaintiffs – in their individual capacities and on behalf of the State of California and the LWDA – shall completely release and discharge the Released Parties of the Released PAGA Claims. Aggrieved Employees may not opt-out of the PAGA Settlement and Released PAGA Claims.

8. **Funding:** Defendants shall fund the Gross Settlement Amount within 30 days of the Effective Date.

9. **No Admissions:** Defendants' signatures on this Agreement are not, and shall not be construed as, an admission of liability and the signed Agreement shall be inadmissible in any proceeding other than as necessary to enforce it.

10. **Next Steps:** The Parties will work together expeditiously to obtain approval of this PAGA Settlement. Plaintiffs will prepare the first draft of the long-form settlement agreement based on the Los Angeles Model Agreement and deliver it to counsel for Defendants within 30 calendar days after the date on which this Agreement is fully signed. Defendants will provide any changes within two weeks of receipt. Plaintiffs will then promptly seek approval of the PAGA settlement. Upon full execution of this Agreement, Defendants will dismiss the pending appeals in the Romero Actions.

11. **Enforceability as to PAGA Settlement:** Any provisions of California Evidence Code §§ 1115-1128 notwithstanding, this Agreement is binding and, if the parties fail to prepare and/or execute a long-form settlement agreement, a court, upon motion, may enter judgment pursuant to this Agreement and California Code of Civil Procedure section 664.6, and this Agreement is admissible in evidence for purposes of enforcement pursuant to California Evidence Code § 1123.

-- Individual Settlements Continue on Next Page --

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THE INDIVIDUAL SETTLEMENTS

12. Following the agreement to settle the Action via the PAGA Settlement, the Parties also discussed and reached settlement of separate individual claims for Plaintiffs and Claimant Aaron Schiebel (“Claimant”) (the “Individual Settlements”). The Individual Settlements are in addition to the Gross Settlement Amount referenced above.

13. Defendants have agreed to pay Plaintiff Delgado separately, in full and complete resolution of any and all individual claims, the total sum of \$15,000, which shall be allocated as follows:

- a. \$2,000, less lawful deductions, shall be paid to Plaintiff Delgado as compensation for alleged lost wages, said amount to be reported by Defendants on an IRS Form W-2 as appropriate, with Defendants responsible for separately paying its share of employer-side taxes, and
- b. \$8,000 shall be paid to Plaintiff Delgado as compensation for alleged other damages, statutory penalties and interest, which will be reported by Defendants on an IRS Form 1099 as appropriate.
- c. \$5,000 to Plaintiffs’ counsel as attorneys’ fees and costs.

14. Defendants have agreed to pay Plaintiff Romero separately, in full and complete resolution of any and all individual claims, the total sum of \$15,000, which shall be allocated as follows:

- a. \$2,000, less lawful deductions, shall be paid to Plaintiff Romero as compensation for alleged lost wages, said amount to be reported by Defendants on an IRS Form W-2 as appropriate, with Defendants responsible for separately paying its share of employer-side taxes, and
- b. \$8,000 shall be paid to Plaintiff Romero as compensation for alleged other damages, statutory penalties and interest, which will be reported by Defendants on an IRS Form 1099 as appropriate.
- c. \$5,000 to Plaintiffs’ counsel as attorneys’ fees and costs.

15. Defendants have agreed to pay Plaintiff Constant separately, in full and complete resolution of any and all individual claims, the total sum of \$12,000, which shall be allocated as follows:

- a. \$2,000, less lawful deductions, shall be paid to Plaintiff Constant as compensation for alleged lost wages, said amount to be reported by Defendants on an IRS Form W-2 as appropriate, with Defendants responsible for separately paying its share of employer-side taxes, and
- b. \$6,000 shall be paid to Plaintiff Constant as compensation for alleged other damages, statutory penalties and interest, which will be reported by Defendants on an IRS Form 1099 as appropriate.
- c. \$4,000 to Plaintiffs’ counsel as attorneys’ fees and costs.

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16. Defendants have agreed to pay Claimant Schiebel separately, in full and complete resolution of any and all individual claims, the total sum of \$8,000, which shall be allocated as follows:

- a. \$1,333.33, less lawful deductions, shall be paid to Claimant Schiebel as compensation for alleged lost wages, said amount to be reported by Defendants on an IRS Form W-2 as appropriate, with Defendants responsible for separately paying its share of employer-side taxes, and
- b. \$4,000 shall be paid to Claimant Schiebel as compensation for alleged other damages, statutory penalties and interest, which will be reported by Defendants on an IRS Form 1099 as appropriate.
- c. \$2,666.66 to Plaintiffs' counsel as attorneys' fees and costs.

17. As consideration for the Individual Settlements, Plaintiffs and Claimant agree to a complete and general release of all claims against Defendants, including a waiver of California Civil Code § 1542. Plaintiffs' general releases and Civil Code § 1542 waivers shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

18. The Individual Settlements shall have no effect on Plaintiffs' ongoing ability or standing to seek approval of the PAGA Settlement or prosecute the Actions.

19. **Funding of the Individual Settlement Amounts.** Defendants shall send, via overnight mail, the amounts specified above as the Individual Settlement to Plaintiffs' counsel no later than 30 days after the Effective Date for the PAGA Settlement, defined above.

20. Plaintiffs, Claimant Aaron Schiebel, and Plaintiffs' counsel shall provide Defendants with the necessary IRS Forms (W4 and W9 where appropriate) on or before five (5) days after the Effective Date.

21. **Enforceability as to Individual Settlements:** Any provisions of California Evidence Code §§ 1115-1128 notwithstanding, this Agreement is binding and, if the parties fail to prepare and/or execute a long-form settlement agreement, a court, upon motion, may enter judgment pursuant to this Agreement and California Code of Civil Procedure § 664.6, and this Agreement is admissible in evidence for purposes of enforcement pursuant to California Evidence Code § 1123.

Dated: Oct 7, 2025



David Ray Delgado (Oct 7, 2025 13:35:24 PDT)

Plaintiff David Delgado

Dated: _____

Plaintiff Brett Constant

Dated: _____

Plaintiff Luis Romero

Dated: _____

Claimant Aaron Schiebel

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- b. \$4,000 shall be paid to Claimant Schiebel as compensation for alleged other damages, statutory penalties and interest, which will be reported by Defendants on an IRS Form 1099 as appropriate.
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Dated: _____

Dated: Oct 2, 2025

Dated: 10/10/2025

Dated: _____

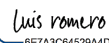
Plaintiff David Delgado



Brett constant (Oct 2, 2025 16:11:08 PDT)

Plaintiff Brett Constant

DocuSigned by:


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Plaintiff Luis Romero

Claimant Aaron Schiebel

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- b. \$4,000 shall be paid to Claimant Schiebel as compensation for alleged other damages, statutory penalties and interest, which will be reported by Defendants on an IRS Form 1099 as appropriate.
- c. \$2,666.66 to Plaintiffs' counsel as attorneys' fees and costs.

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Dated: _____

Plaintiff David Delgado

Dated: _____

Plaintiff Brett Constant

Dated: _____

Plaintiff Luis Romero

Dated: Oct 2, 2025

Aaron Schiebel
Aaron Schiebel (Oct 2, 2025 12:34:34 PDT)

Claimant Aaron Schiebel

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Dated: 10/15/25



Defendant Elite Rooter, Inc.

By: Patrick Patu (name)

CEO (title)

Dated: 10/15/25

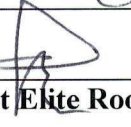


Defendant Elite Rooter Orange, Inc.

By: Patrick Patu (name)

CEO (title)

Dated: 10/15/25

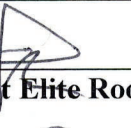


Defendant Elite Rooter SDN, Inc.

By: Patrick Patu (name)

CEO (title)

Dated: 10/15/25



Defendant Elite Rooter Peninsula, Inc.

By: Patrick Patu (name)

CEO (title)

Dated: 10/15/25



Defendant Elite Rooter Phoenix, Inc.

By: Patrick Patu (name)

CEO (title)

Dated: 10/15/25



Defendant Elite Rooter San Jose, Inc.

By: Patrick Patu (name)

CEO (title)

Dated: 10/15/25



Defendant Elite Rooter SFV, Inc.

By: Patrick Patu (name)

Proprietor (title)

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Dated: 10/15/25


Defendant Elite Rooter South Bay, Inc.

By: Patricia Prou (name)
CEO (title)

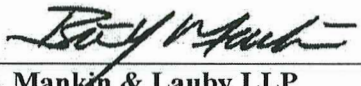
Dated: 10/13/25


Defendant Elite Rooter Fresno, Inc.

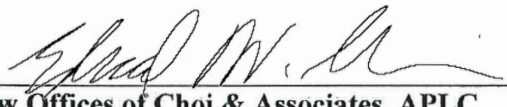
By: Patricia Prou (name)
CEO (title)

APPROVED AS TO FORM:

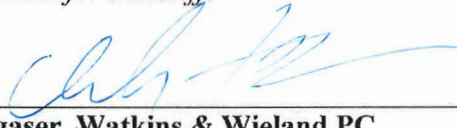
Dated: 10/7/25


Lauby, Mankin & Lauby LLP
Counsel for Plaintiffs

Dated: 10/7/2025


Law Offices of Choi & Associates, APLC
Counsel for Plaintiffs

Dated: 11/7/25


Sagaser, Watkins & Wieland PC
Counsel for Defendants