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ISAIAH MORALES, on behalf
of himself and others similarly situated

Additional Counsel Listed on Next Page

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

ISAIAH MORALES, an individual, JOSE
SMITH, an individual, on behalf of themselves
and others similarly situated,

Plaintiff,

v.

CERTUS PEST, INC., a Delaware stock
corporation; GOPHER PATROL, a California
business entity form unknown; and DOES 1
through 50, inclusive,

Defendants.

CASE NO.: 24STCV11212

ASSIGNED FOR ALL PURPOSES TO
JUDGE STUART M. RICE IN DEPT. 1

**JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT
AGREEMENT AND RELEASE**

Complaint Filed: May 3, 2024

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26 Attorneys for Defendant
27 CERTUS PEST, INC.

1 This Class Action Settlement Agreement and Stipulation is entered into between CERTUS
2 PEST, INC. ("Defendant") and Plaintiff ISIAIAH MORALES ("Named Plaintiff") in the Action (as
3 defined below).

4 DEFINITIONS

5 1. Action. The "Action" means the class action lawsuits entitled, *Isaiah Morales*
6 *v. Certus Pest, Inc., et al.*, Los Angeles Superior Court Case No. 24STCV11212 and *Jose Smith v.*
7 *Certus Pest, Inc., et al.*, Riverside County Superior Court Case No. CVR12402328. This stipulation
8 may reference both lawsuits as "Actions" in the singular, or in the plural.

9 2. Agreement. "Agreement" shall refer to the instant Joint Stipulation of Class
10 Action and PAGA Settlement Agreement and Release.

11 3. Class Counsel. "Class Counsel" shall mean Mehrdad Bokhour, Esq. of
12 Bokhour Law Group, P.C., Joshua S. Falakassa, Esq. of Falakassa Law, P.C., and Emil Davtyan, Esq.,
13 David Yeremian, Esq., Alvin B. Lindsay, Esq., Enoch J. Kim, Esq., and Marta Manus, Esq. of D.Law,
14 Inc. and/or any successor(s) thereof.

15 4. Class Members, the Class, and Settlement Class Members. "Class Members"
16 shall mean all current and former non-exempt employees who worked for Defendant in California at
17 any time during the Class Period. The Class Period is defined below. The "Settlement Class" or
18 "Settlement Class Members" means all Class Members other than those who opt out (see paragraphs
19 20 and 57.d), as well as PAGA Members (see paragraph 23).

20 5. Class Notice. "Class Notice" means the document mutually agreed upon by the
21 Parties and approved by the Court to be sent to the Class and PAGA Members in English and Spanish
22 following preliminary approval that includes the scope of release language for Settled Claims and
23 Settled PAGA Claims, notifies Class Members and PAGA Members of the Settlement, explains the
24 Settlement and Class Members' options, including how Class Members may opt out or object to the
25 Settlement, and explains the facts and methods based on which the Class Members' and PAGA
26 Members' estimated settlement payments are calculated, substantially in the form attached hereto as
27 "Exhibit A".
28

1 6. Class Period. “Class Period” means the period from October 23, 2019 to
2 May 13, 2025 (“Class Period”).

3 7. The Court. The “Court” refers to the Los Angeles County Superior Court or
4 other court or courts that will approve the Action, whether individually or together.

5 8. Day. “Day” or “days” refers to a calendar day(s) unless otherwise stated. If any
6 designated date or deadline falls on a weekend or holiday, the designated date or deadline will occur
7 on the next business day.

8 9. Defendant. “Defendant” means Defendant Certus Pest, Inc.

9 10. Effective Date. “Effective Date” of this Agreement means the first business
10 day following the last of the following occurrences: (i) if no Class Member timely and properly
11 intervenes, files a timely motion to vacate the Judgment under, or objects or otherwise challenges the
12 Settlement, then the date the Court enters an Order Granting Final Approval of the Settlement; (ii) if
13 a Class Member timely intervenes or files a timely motion to vacate the judgment or objects or
14 otherwise challenges the Settlement, then sixty-one (61) days following the date the Court enters an
15 Order Granting Final Approval, assuming no appeal is filed; or (iii) if a Class Member timely
16 intervenes or files a motion to vacate the Judgment, or objects or otherwise challenges the Settlement,
17 and files a timely appeal, then the date of final resolution of that appeal (including any requests for
18 rehearing and/or petitions for *certiorari*), resulting in final and complete judicial approval of the
19 Settlement in its entirety, with no further challenge to the Settlement being possible. Defendant shall
20 deposit all sums necessary to fund the Settlement after the Effective Date based on the schedule
21 explained in paragraph 68 of this Agreement. In the event an appeal, writ, motion challenging the
22 judgment or other collateral attack is made after the Effective Date, the funds shall not be distributed
23 until all challenges are resolved in a manner that upholds the Settlement in its entirety and shall be
24 returned if the Agreement is not finally and completely approved in all respects.

25 11. Exclusion Period. The “Exclusion Period” means the time period commencing
26 on the date the Class Notice is mailed to Class Members via First Class U.S. and ending forty-five
27 (45) days later on the deadline to submit an Opt Out Request or Objection or a challenge to the number
28

1 of Workweeks Worked. The Exclusion Period shall be extended by fifteen (15) days for those Class
2 Members to whom Class Notices are remailed.

3 12. Final Judgment. "Final Judgment" means the judgment entered and filed by
4 the Court that: (1) finally approves this Agreement and the Settlement and disposes all class issues
5 raised in this Action, bars through collateral estoppel and/or res judicata Settlement Class Members
6 from reasserting Settled Claims against Released Parties; (2) finally approves this Agreement and the
7 Settlement and disposes all PAGA issues and claims raised in this Action, bars through collateral
8 estoppel and/or res judicata PAGA Members from reasserting Settled PAGA Claims against Released
9 Parties; and (3) awards and orders the payment of all required amounts pursuant to the terms of this
10 Agreement (approved Class Counsel's attorneys' fees and costs, Settlement Payments to Class
11 Members and PAGA Payments to PAGA Members, *etc.*). The Final Judgment will constitute a binding
12 and final resolution of any and all claims by the Named Plaintiffs and all Settlement Class Members
13 as to all Settled Claims and all PAGA Members as to all Settled PAGA Claims as set forth in this
14 Agreement.

15 13. Final Settlement Approval Hearing. "Final Settlement Approval Hearing"
16 means the hearing at which the Court shall consider the motion for final approval of this Settlement
17 and determine whether to fully and finally approve the fairness and reasonableness of this Settlement
18 and Agreement, and enter an order barring through collateral estoppel and/or res judicata Settlement
19 Class Members from asserting Settled Claims against Released Parties and all PAGA Members from
20 pursuing Settled PAGA Claims against Released Parties.

21 14. Funding Payments. "Funding Payments" means the payment(s) remitted to the
22 Settlement Administrator ("SA") by Defendant following Final Judgment and the Effective Date in
23 full and complete discharge of the entire monetary obligation of Defendant in an amount equal to the
24 GSA plus employer-side payroll taxes, which, as set forth herein, shall satisfy all outstanding and
25 awarded Settlement Payments, PAGA Payments, attorneys' fees and costs awarded to Class Counsel,
26 the Named Plaintiffs' enhancement awards as awarded by the Court, outstanding payments to the SA
27 as approved by the Court for settlement administration costs, and the payment to the Labor Workforce
28 Development Agency ("LWDA"), minus any amounts already paid under the Agreement.

1 15. Gross Settlement Amount or GSA. “Gross Settlement Amount” or “GSA”
2 means a maximum total payment of \$850,000.00, payable by Defendant under this Agreement.

3 16. Last Known Address. “Last Known Address” means the most recently
4 recorded mailing address for a Class Member and/or PAGA Member contained in Defendant’s
5 records.

6 17. Named Plaintiffs. “Named Plaintiffs” individually and collectively means
7 Isaiah Morales and Jose Smith.

8 18. Net Settlement Amount or “NSA.” “Net Settlement Amount” or “NSA” means
9 the Gross Settlement Amount less the amounts deducted pursuant to paragraphs 51a through 51e of
10 this Agreement, including deductions of the amounts awarded to Class Counsel, the enhancement
11 award to the Named Plaintiffs, the payment to the LWDA to resolve claims under the PAGA, and the
12 costs awarded for settlement administration owed pursuant to this Agreement.

13 19. Objection. “Objection” means a written request, which a Class Member may
14 submit no later than the last day of the Exclusion Period and in the form specified in paragraph 58 in
15 order to object to the Settlement, or a personal appearance, or other appearance permitted by the Court,
16 at the final approval hearing to object.

17 20. Opt Out Request. “Opt Out Request” must (1) contain the name, address, and
18 telephone number of the person requesting exclusion; (2) be signed by the Class Member; (3) be
19 postmarked or fax stamped within the Exclusion Period [45 days after mailing date] and returned to
20 the Settlement Administrator at the specified address or fax number. (See paragraph 57.d and see
21 **Exhibit “B”**)

22 21. Order of Final Approval or Order Granting Final Approval of Settlement.
23 “Order of Final Approval” or “Order Granting Final Approval of Settlement” or “Final Approval”
24 means the order issued in conjunction with the entry of the Final Judgment to be submitted by the
25 Named Plaintiffs together with the Motion for Final Approval of the Settlement for entry and filing
26 by the Court as specified in this Settlement.

27 22. PAGA Period. “PAGA Period” shall mean the period from April 23, 2023
28 through May 13, 2025.

1 23. PAGA Members. “PAGA Members” means current and former non-exempt
2 employees who worked for Defendant in California at any time during the PAGA Period.

3 24. PAGA Payment and PAGA Allocation. Of the Total Settlement Amount,
4 \$40,000.00 shall be paid for the PAGA claims. “PAGA Allocation” is the \$10,000.00 (*i.e.*, the
5 remainder after subtracting the \$30,000.00 allocated to the LWDA from the \$40,000.00 total amount
6 allocated to the PAGA settlement) divided by the total number of PAGA Workweeks Worked credited
7 to all PAGA Members. Each PAGA Member’s PAGA Payment is equal to the PAGA Workweek Rate
8 (defined below) multiplied by his or her individual PAGA Workweeks Worked pursuant to the records
9 of Defendant.

10 25. PAGA Workweeks Worked. “PAGA Workweeks Worked” means the number
11 of workweeks credited to a PAGA Member during the PAGA Period (for the Settled PAGA Claims),
12 as determined by Defendant’s records and as only subject to revision pursuant to this Agreement.

13 26. Parties. “Parties” shall mean Named Plaintiffs and Defendant.

14 27. Preliminary Approval Order. “Preliminary Approval Order” is the Order
15 entered and filed by the Court that preliminarily approves the terms and conditions of this Agreement,
16 including approval of the Parties’ Agreement that specifies the content of notice and manner in which
17 notice will be provided to the Class and responded to by the Class, substantially in the form attached
18 hereto as “**Exhibit C**”.

19 28. Released Parties. “Released Parties” means Defendant and its affiliated
20 companies, parents, members, subsidiaries, related companies and business concerns, past and present,
21 including their predecessors and successors, and each of them, as well as each of their insurers,
22 partners, trustees, directors, owners, shareholders, officers, agents, attorneys, servants, joint employers
23 and employees, past and present, and each of them and anyone acting in concert with foregoing. The
24 Parties agree that Gopher Patrol and Purcor Pest Control, entities named in the Action, are brands only
25 of Defendant and were therefore erroneously named non-entities.

26 29. Settlement. “Settlement” shall refer to the agreement of the Parties to settle the
27 claims as set forth and embodied in this Agreement.

1 30. Settlement Administrator. “Settlement Administrator” or “SA” shall mean
2 Phoenix Class Action Administration Solutions (“Phoenix”) or such other neutral administrator as
3 chosen by the Parties and approved by the Court (see paragraph 56a).

4 31. Settled Claims. “Settled Claims” means all causes of action and claims,
5 charges, complaints, liens, demands, that were alleged or reasonably could have been alleged based
6 on the allegations, the facts, statutory citation and/or legal theories contained in the operative
7 complaint which occurred during the Class Period, including all of the following claims for relief: (a)
8 failure to pay minimum wages, regular wages and/or overtime pay (including any theory of failure to
9 pay any and all wages for all time worked); (b) failure to provide or pay premium payments for meal
10 periods; (c) failure to provide or pay premium payments for rest periods; (d) failure to reimburse
11 business expenses; (e) failure to provide complete and accurate wage statements; (f) failure to pay
12 wages upon termination; (g) failure to maintain records; (h) paid sick leave and/or supplemental paid
13 sick leave; (i) violations of the California Business & Professions Code §§ 17200 et seq. These claims
14 include California Labor Code sections 201, 202, 203, 204, 210, 218, 218.5, 218.6, 221, 226, 226.3,
15 226.4, 226.7, 246, 248.1, 248.2, 248.5, 510, 511, 512, 516, 558, 558.1, 1174, 1174.4, 1174.5, 1182.12,
16 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2810.5, and all related provisions of the
17 California Code of Regulations, the California Industrial Wage Orders, the California Business &
18 Professions Code sections 17200, et seq. The release of the foregoing claims, extends to all theories
19 of relief regardless of whether the claim is, was or could have been alleged as separate claims, causes
20 of action, or lawsuits whether under federal law, state law or common law (including, without
21 limitation, as violations of the California Labor Code, the Wage Orders, applicable regulations, and
22 California Business and Professions Code section 17200). “Settled Claims” includes all types of relief
23 available for the above-referenced claims, including any claims for damages, restitution, losses,
24 penalties, fines, liens, attorneys’ fees, costs, expenses, debts, interest, injunctive relief, declaratory
25 relief, or liquidated damages. “Settled Claims” expressly excludes all claims for wrongful
26 termination, unemployment insurance, disability, social security, and workers’ compensation.

27 32. Settled PAGA Claims. “Settled PAGA Claims” means any and all claims for
28 civil penalties and any other available relief under the California’s Private Attorney General Act or

PAGA (California Labor Code §§ 2698 *et seq.*) that were alleged or reasonably could have been alleged based on the allegations, facts, statutory citations, and legal theories in the operative complaint and Plaintiffs' PAGA Notices to the LWDA which occurred during the PAGA Period.

33. Settlement Class/Settlement Class Member(s). "Settlement Class Member" means all Class Members other than those who have timely and validly submitted Opt Out Requests and thereby excluded themselves from releasing Settled Claims from the Settlement.

34. Settlement Payment. "Settlement Payment" means a payment pursuant to a Settlement Class Member's pro rata allocation of the NSA as specified in paragraph 51.

35. Settlement Proceeds Distribution Deadline. "Settlement Proceeds Distribution Deadline" means a date that is fourteen (14) days after the Funding Payment has been made by Defendant to the SA based on the schedule explained in paragraph 61 of this Agreement.

36. Updated Address. "Updated Address" means a mailing address that was updated by a reasonable address verification measure of the SA or by an updated mailing address provided by the United States Postal Service for a Class Member or PAGA Member.

37. Workweek Rate. "Workweek Rate" for the Settled Claims shall mean the amount yielded from dividing the Net Settlement Amount by the total of all Workweeks Worked credited to all Settlement Class Members during the Class Period.

Each Settlement Class Member's settlement payment is equal to his or her individual Workweeks Worked during the Class Period multiplied by the Workweek Rate. Therefore, the amount of each Settlement Class Member's Individual Settlement Payment is tied to the number of Workweeks Worked that each Settlement Class Member worked for Defendant in the State of California in comparison to all Workweeks Worked by all Settlement Class Members in the State of California during the Class Period. Similarly, for the Settled PAGA Claims, "PAGA Workweek Rate" shall mean the amount yielded from dividing the PAGA Allocation by the total of all Workweeks Worked credited to all PAGA Members during the PAGA Settlement Period.

38. Workweeks Worked. A "Workweek Worked" means the number of calendar workweeks credited to a Class Member during the Class Period or PAGA Member during the PAGA

1 Settlement Period (for the Settled PAGA Claims), as determined by Defendant's records and as only
2 subject to revision pursuant to this Agreement.

3 **RECITALS**

4 39. On April 23, 2024, Named Plaintiff Jose Smith filed a class action complaint in
5 Riverside County Superior Court against named defendants Certus Pest, Inc. and Purcor Pest Control,
6 Case No. CVRI2402328, with seven causes of action entitled: (1) failure to pay all overtime wages;
7 (2) meal period violations; (3) rest period violations; (4) failure to pay all sick time; (5) wage statement
8 violations; (6) waiting time penalties; and (7) unfair competition. On May 3, 2024, Named Plaintiff
9 Isaiah Morales filed a class action complaint against named defendants Certus Pest, Inc. and Gopher
10 Patrol in Los Angeles Superior Court, Case No. 24STCV11212, with eleven causes of action: (1)
11 failure to pay minimum wages; (2) failure to pay wages and overtime; (3) meal period liability; (4)
12 rest break liability; (5) violation of Labor Code § 226; (6) violation of Labor Code § 221; (7) violation
13 of Labor Code § 204; (8) violations of Labor Code § 203; (9) failure to maintain records; (10) failure
14 to reimburse necessary business expenses; and (11) unfair competition. On July 9, 2024, Named
15 Plaintiff Morales filed a First Amended Class Action Complaint, adding a twelfth cause of action
16 under PAGA. On June 19, 2025, Plaintiff Smith obtained a court order dismissing his Complaint
17 without prejudice. On May 21, 2025, Plaintiff Morales filed a Second Amended Complaint, adding
18 Plaintiff Smith as a named plaintiff, in Los Angeles Superior Court, Case No. 24STCV11212, and
19 including the following causes of action: (1) failure to pay all minimum wages; (2) failure to pay
20 overtime wages; (3) meal period violations; (4) rest period violations; (5) wage statement violations;
21 (6) violation of Labor Code § 221; (7) violation of Labor Code § 204; (8) violation of Labor Code §
22 203; (9) failure to maintain accurate records; (10) failure to reimburse business expenses; (11) failure
23 to pay all sick time; (12) violation of the Unfair Competition Law; and (13) violation of the Private
24 Attorneys General Act ("PAGA"). The Second Amended Complaint is the operative complaint in the
25 Action.

26 40. Named Plaintiff Smith submitted the LWDA letter on April 23, 2024, in case
27 number LWDA-CM-1024087-24, alleging the same claims as his Complaint. Named Plaintiff
28

1 Morales submitted the LWDA letter on May 3, 2024, in case number LWDA-CM-1026154-24,
2 alleging the same claims as his Complaint.

3 41. Defendant filed an Answer to each Named Plaintiff's complaint and denied all
4 allegations and claims asserted therein. Defendant denies that it engaged in any misconduct in
5 connection with its wage-and-hour practices and denies that it has any liability or engaged in
6 wrongdoing of any kind associated with the claims alleged in the Action, including any Settled PAGA
7 Claims. Defendant further contends that it has complied at all times with federal, state, and local wage-
8 and-hour laws, and all other laws regulating the employer-employee relationship that relate to the
9 employment of Named Plaintiffs and the Class and PAGA Members.

10 42. The Parties attended mediation with Kelly A. Knight, Esq. regarding the Action.
11 The Parties hereto agree that the terms and conditions of this Agreement are the result of lengthy,
12 intensive arms-length negotiations between the Parties supervised by an experienced employment law
13 mediator. The Parties agree that the Agreement is entered into in good faith as to each Class Member
14 and PAGA Member and that the Settlement is fair, reasonable and adequate as to each Class Member
15 and PAGA Member.

16 43. Class Counsel is of the opinion that this Settlement is fair, reasonable, and
17 adequate, and in the best interest of the Class and PAGA Members and other relevant interests in light
18 of all known facts and circumstances, including the benefits conferred by the Settlement, the risk of
19 significant delay, the uncertainty and risk of the outcome of further litigation, the burdens of proof
20 necessary to establish liability, defenses asserted to the merits, including but not limited to the
21 affirmative defenses asserted as to Settlement Class Members, the risks of proceeding on any class
22 claims and PAGA claims, including class certification, the difficulties in establishing damages and
23 penalties, and the numerous potential appellate issues. While Defendant specifically denies any
24 liability or wrongdoing in the Action, Defendant has agreed to enter into this Settlement to avoid the
25 cost and business disruption associated with defending the Action. Defendant has claimed and
26 continues to claim that the Settled Claims and Settled PAGA Claims have no merit and do not give
27 rise to liability. This Agreement is a compromise of disputed claims. This Agreement, made and
28 entered into by and between the Named Plaintiffs (on behalf of themselves and on behalf of the Class

1 Members and PAGA Members and interests of the LWDA) and Defendant, each with the assistance
2 of their respective counsel or attorneys of record, is intended to fully, finally, and forever settle,
3 compromise and discharge the Settled Claims and Settled PAGA Claims against the Released Parties,
4 subject to the terms and conditions set forth herein.

5 44. Because the Action is pled as a class action, this Settlement must receive
6 preliminary and final approval by the Court. Because the Action is also pled as a PAGA action, this
7 Settlement is subject to approval by the Court. Accordingly, the Parties enter into this Agreement on
8 a conditional basis.

9 **TERMS AND CONDITIONS OF SETTLEMENT**

10 NOW THEREFORE, in consideration of the recitals listed above and the promises and
11 warranties set forth below, and intending to be legally bound and acknowledging the sufficiency of
12 the consideration and undertakings set forth herein, the Named Plaintiffs, individually on behalf of
13 themselves and on behalf of the Class Members and PAGA Members and LWDA interests, on the one
14 hand, and Defendant, on the other hand, agree that the Action shall be, and is finally and fully
15 compromised and settled on the following terms and conditions.

16 45. Non-Admission of Liability. The Parties enter into this Agreement to resolve
17 the dispute that has arisen between them and to avoid the burden, expense and risk of continued
18 litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, that it
19 has: violated any federal, state, or local law; violated any regulations or guidelines promulgated
20 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any
21 contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in
22 any other unlawful conduct with respect to its employees or any other person or entity. Neither this
23 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it or
24 proceedings, payouts or other events associated with it, shall be construed as an admission or
25 concession by Defendant of any such violation(s) or failure(s) to comply with any applicable law by
26 Defendant or any Released Parties. Except as necessary in a proceeding to approve, interpret or enforce
27 the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or
28 received as evidence in any action or proceeding to establish any liability or admission on the part of

1 Defendant or to establish the existence of any condition constituting a violation of, or noncompliance
2 with, federal, state, local or other applicable law. In addition, as set forth in paragraph 69, the Parties
3 intend this Settlement to be contingent upon the preliminary and Final Approval of this Agreement;
4 and in the event Final Approval of this Agreement is not obtained the Parties do not waive, and instead
5 expressly reserve, their respective rights to prosecute and defend this Action as if this Agreement never
6 existed in the event the Settlement is not fully and finally approved as set forth herein. In the event
7 that this Agreement is not approved by the Court, fails to become effective, or is reversed, withdrawn
8 or modified by the Court or any other court with jurisdiction over the Action, the Agreement shall
9 become null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection
10 with, further proceedings in this Action, except that the Court may award less than the amounts listed
11 in paragraph 51a through 51e without impacting the validity and enforceability of this Agreement and
12 the Parties will be returned to their respective positions prior to entering this Agreement.

13 46. Amendment of Complaints. Solely for purposes of settling this matter, Named
14 Plaintiffs have filed an amended complaint with the approving Court in the Morales case, which shall
15 be the operative complaint in this Action. Named Plaintiff Smith has dismissed his Complaint and
16 lawsuit in its entirety without prejudice and the Morales Complaint as amended has added the
17 substantive claims that had been pled in both the Smith and Morales cases on a Class and PAGA basis.
18 Solely for purposes of implementing the settlement, the Parties have stipulated that the amendments
19 of the claims shall relate back to the filing of the original and shall cover the Class Period; the Parties
20 further agree the proposed preliminary approval order and Final Judgment shall request that should
21 the Settlement not be fully and finally approved, the amendments will be withdrawn, the original
22 complaints of the Named Plaintiffs shall be deemed the operative complaints, any preliminary
23 certification of a class for settlement purposes shall be deemed void, and the Parties shall revert to
24 their positions prior to entering the Settlement in all respects.

25 47. Stipulation for Class Certification. The Parties stipulate to the certification of
26 this Settlement Class for purposes of this Settlement only. If, however, the Settlement does not become
27 final for any reason, the Parties' Agreement shall become null and void *ab initio* and shall have no
28

bearing on, and shall not be admissible in connection with, whether class certification would be appropriate in any other context in this Action.

48. Release of Settled Claims. As of the date upon which Defendant deposits the Funding Payments, Named Plaintiffs and all Settlement Class Members shall release the Settled Claims against the Released Parties. The Settlement includes a release of all Settled Claims during the Class Period by Settlement Class Members employed at any time during the Class Period.

a. The Parties agree for settlement purposes only that, because the Class Members are so numerous, it is impossible or impracticable to have each Class Member execute this Agreement. Accordingly, the Class Notice will advise all Class Members of the binding nature of the release and such notice shall have the same force and effect as if the Agreement were executed by each Class Member.

b. Named Plaintiffs 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 rights herein released and discharged, except as set forth herein.

c. The Parties agree that this is a settlement of disputed claims not involving undisputed wages, and that Labor Code Section 206.5 is therefore inapplicable.

49. Release of Settled PAGA Claims. As of the date upon which Defendant deposits the Funding Payments, Named Plaintiffs and all PAGA Members shall release the Settled PAGA Claims against the Released Parties. The Settlement includes a release of all Settled PAGA Claims during the PAGA Period by PAGA Members employed at any time during the PAGA Period.

50. Individual Releases of Claims. In addition to the releases made by the Settlement Class Members and PAGA Members set forth in this Agreement, Named Plaintiffs release, as individuals and in addition to the Settled Claims described above, all claims, whether known or unknown, under federal, state, or local law against the Released Parties up to the date of Plaintiffs' execution of this Agreement. The Parties understand and agree that Plaintiffs are not, by way of this release, releasing any claims which cannot be released as a matter of law. Notwithstanding the foregoing, Named Plaintiffs understand that this release includes unknown claims and that Named

1 Plaintiffs are, as a result, waiving all rights and benefits afforded by Section 1542 of the California
2 Civil Code, which provides:

3 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
4 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO**
5 **EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**
6 **RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**
7 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**
8 **DEBTOR OR RELEASED PARTY.**

9 51. Settlement Payments and Calculation of Claims. Subject to final Court
10 approval and the conditions specified in this Agreement, and in consideration of the mutual covenants
11 and promises set forth herein, Defendant agree to make a payment or payments as set forth herein
12 totaling an amount of, but not to exceed, \$850,000.00 (the "GSA"). The GSA shall fully satisfy
13 Defendant's obligations for any and all payments, fees and costs identified in the Agreement,
14 including, but not limited to, any payments to be made to the Named Plaintiffs, Settlement Class
15 Members, PAGA Members, the LWDA, Class Counsel's attorneys' fees and out-of-pocket litigation
16 expenses and costs, and settlement administration costs. Other than employer-side payroll taxes, in no
17 event shall Defendant be required to pay any amounts above the GSA under this Settlement and this
18 Agreement. The Parties agree that, subject to Court approval, the GSA shall be apportioned as follows:

19 a. Attorneys' Fees. Class Counsel will apply to the Court for an award of
20 attorneys' fees of no more than 1/3 of the GSA or \$283,333.33. The attorneys' fees shall come from
21 and be deducted from the GSA and paid out as set forth herein. Defendant will not oppose such
22 application.

23 b. Attorneys' Costs. Named Plaintiffs and Class Counsel shall request
24 approval of payment of up to but not to exceed \$50,000.00 in attorneys' costs, including any litigation
25 costs, which will be deducted from the GSA and paid out as set forth herein. Defendant will not oppose
26 such application. Attorneys' fees as specified in the preceding paragraph and costs as specified in this
27 paragraph shall cover all claimed and unclaimed attorneys' fees, attorneys' costs and other amounts
28 payable or awardable against Defendant for Class Counsel's work, effort or involvement in the Actions
and in carrying out the Agreement and includes any and all work, effort or involvement to carry out

1 the terms of the Agreement and as may be potentially or actually necessary or advisable to defend the
2 Agreement and/or Settlement through appeal, or collateral attack or in any other forum or proceeding.
3 These specified Attorneys' Fees and Costs shall be the sole payment for attorneys' fees and costs and,
4 otherwise, the Parties and Class Members and their counsel shall bear their own fees and costs in
5 connection with the Actions.

6 c. Administration Fees and Costs. Class Counsel will also apply to the
7 Court for approval of Settlement Administration costs in an amount estimated to be up to \$7,950.00,
8 which will be deducted from the GSA. Defendant will not oppose such application. Class Counsel will
9 specify the amount sought for such costs, up to the foregoing maximum, in Named Plaintiffs' motions
10 for preliminary and Final Approval of the Settlement.

11 d. Named Plaintiffs' Enhancements and General Release Payments. Class
12 Counsel will apply to the Court for approval of an enhancement award in an amount not to exceed
13 \$10,000.00, per Named Plaintiff, to be paid to each of the two Named Plaintiffs, from which 50% shall
14 be deemed consideration for a general release and from which 50% shall be for serving as a class
15 representative and assuming the risks associated with this litigation (including for assuming the risks
16 in the PAGA case). Defendant will not oppose such applications. The enhancement awards are
17 included in, and shall be deducted from, the GSA.

18 e. PAGA Allocation and Payments. Pursuant to California Labor Code
19 Section 2698, *et seq.*, the Parties designate \$40,000.00 of the GSA to resolve any PAGA claims
20 (including payment for Named Plaintiffs' claims on their own behalf and on behalf of all PAGA
21 Members for penalties under the PAGA and payment to the LWDA).

22 i. Defendant shall pay seventy-five percent (75%) of that amount,
23 or \$30,000.00, to the LWDA and the remainder to PAGA Members. In the event the LWDA refuses
24 to accept the above amount in full for all civil penalties to PAGA Members in connection with the
25 civil penalty claims alleged in this Action, or in the event the LWDA or anyone on its behalf otherwise
26 challenges the above allocation or the Settlement, the Parties shall work in good faith to revise the
27 allocation so that it is accepted.

1 ii. The remaining \$10,000.00 shall be paid to PAGA Members by
2 multiplying the PAGA Workweek Rate by each individual PAGA Member's PAGA Workweeks
3 Worked.

4 f. NSA. The NSA will be the amount remaining after deducting the
5 amounts specified in paragraphs 51a through 51e above (but not deducting the amount in 52e.ii).

6 g. Increase of Workweeks/Class Members: For purposes of this
7 settlement, Defendant estimated that there were 20,718 workweeks worked by Class Members in
8 California from the beginning of the Class Period through March 13, 2025 (the "Mediation Date").
9 Should the actual number of workweeks for Settlement Class Members during the Class Period
10 through the Mediation Date exceed 20,718 by more than ten percent (10%), the GSA shall be increased
11 by the actual percentage of increased workweeks above the 10% cushion. For example, if the
12 Settlement Class Member workweeks through the Mediation Date exceed 20,718 by 16%, Defendant
13 shall owe an additional amount equal to 6% of the GSA to proportionately increase the workweek rate
14 of each Settlement Class Member due to the increase in Workweeks Worked. Any additional payment
15 contemplated by this paragraph will not impact enhancement payments or the amount of the PAGA
16 payment. Rather, any additional amounts paid pursuant to this paragraph will be used to increase
17 payments to Settlement Class Members. Alternatively, Defendant shall have the option of ending the
18 Class Period and PAGA Period on the date on which the number of class workweeks equals or does
19 not exceed 22,789 workweeks (20,718 + 10%).

20 h. Settlement Payments to Settlement Class Members. Only the following
21 individuals will receive Settlement Payments under the Settlement Agreement: (1) the Named
22 Plaintiffs and (2) Settlement Class Members. Settlement Payments will be calculated as follows:

23 i. The NSA will be divided by the total Workweeks Worked by all
24 Settlement Class Members during the Class Period as reflected in Defendant's records. All Settlement
25 Class Members shall be paid an amount equal to their individual Workweeks Worked during the Class
26 Period, multiplied by the Workweek Rate. Workweeks Worked shall be determined by the SA based
27 on data to be provided by Defendant, as may be modified by the resolution of any challenges.

1 ii. The Parties agree that under no circumstances shall Defendant
2 be obligated to pay any amount under this Agreement to any Class Member other than Settlement
3 Class Members and PAGA Members. In addition, the Parties agree that in no event shall Defendant
4 be obligated to pay more than the GSA, except for the separate payment of employer-side taxes, as
5 provided above.

6 iii. The Parties acknowledge and agree that the formula used to
7 calculate Workweeks Worked, individual Settlement Payments, PAGA Workweeks Worked and
8 PAGA Payments does not imply that all of the elements of damages covered by the release are not
9 being taken into account. The above formulas were devised as practical and logistical tools to simplify
10 the payment process.

11 52. No Credit Toward Benefit Plans. The Settlement Payments made to Settlement
12 Class Members and PAGA Payments made to PAGA Members under this Agreement shall not be
13 utilized to calculate any additional benefits under any benefit plans to which any Settlement Class
14 Members or Class Members or PAGA Members may be eligible, including, but not limited to: profit-
15 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO
16 plans, and any other benefit plan. Rather, it is the Parties' intention that this Agreement will not affect
17 any rights, contributions, or amounts to which any Settlement Class Members, Class Members and
18 PAGA Members may be entitled under any benefit plans.

19 53. Taxation of Settlement Proceeds. All Settlement Payments shall be paid in a
20 net amount after applicable employee state and federal tax withholdings, including payroll taxes, if
21 any, have been deducted.

22 a. The Parties agree that 20% will be allocated to wages and IRS Form
23 W-2s shall be issued, 40% of the amount distributed to each Settlement Class Member will be
24 considered penalties, and 40% shall be allocated to interest and any other non-wage related amount, if
25 any, and will be reported as such to each Settlement Class Member on an IRS Form 1099. The PAGA
26 Payments to PAGA Members will be designated as payments for alleged penalties and other non-wage
27 amounts.
28

1 b. The SA shall calculate, withhold from the Settlement Payments, and
2 remit to applicable governmental agencies sufficient amounts, if any, as may be owed by Settlement
3 Class Members for applicable employee taxes. The SA will issue appropriate tax forms, if required,
4 to each such Settlement Class Member consistent with the foregoing breakdown. The SA shall also
5 calculate and obtain from Defendant and remit to applicable governmental agencies sufficient
6 amounts, if any, as may be owed by employers for the wage portion of the Settlement Payments.

7 c. All Parties represent that they have not received, and shall not rely on,
8 advice or representations from other parties or their agents, including Class Members and PAGA
9 Members, regarding the tax treatment of payments under federal, state, or local law. In this regard,
10 Defendant makes no representations regarding the taxability of the Settlement Payments and PAGA
11 Payments.

12 d. Class Counsel will be issued an IRS Form 1099 for any fees and costs
13 awarded by the Court pursuant to Paragraph 51. Except as provided in Paragraph 51, each Party shall
14 bear his, her, or its own attorneys' fees, costs, and expenses incurred in the prosecution, defense, or
15 settlement of the Actions. Class Counsel agrees that any allocation of fees between or among each of
16 the Class Counsel or among the Class Counsel and any other attorney that may be representing Named
17 Plaintiffs or the Class, if any, shall be the sole responsibility of Class Counsel. Each Party to this
18 Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement
19 other than the acknowledging party, an "other party") acknowledges and agrees that no provision of
20 this Agreement, and no written or oral communication or disclosure or other representation by
21 Defendant and/or Released Parties is or was intended to be, nor shall be construed or be relied upon
22 as, tax advice, and Named Plaintiffs, Class Members and PAGA Members shall not rely on Defendant
23 and/or Released Parties for any tax advice with respect to the Settlement of this Actions.

24 e. The Named Plaintiffs will be issued IRS Form 1099s for any
25 enhancement awards approved by the Court pursuant to Paragraph 51. The enhancement awards
26 payable to the Named Plaintiffs shall be in addition to the Settlement Payments and PAGA Payments
27 that they, as applicable, will receive.

1 54. Provisional Approval of Settlement. Named Plaintiffs shall file a motion in the
2 Action and take all other action to request that the Court enter the Preliminary Approval Order based
3 on an agreed-upon Settlement schedule, subject to Court approval:

4 a. Seeking class certification on the terms set forth in this Agreement
5 solely for purposes of class settlement;

6 b. Preliminarily approving the proposed Settlement and this Agreement,
7 including the payments to the Settlement Class Members, Class Counsel, the Named Plaintiffs, PAGA
8 Members, the SA, and the LWDA;

9 c. Preliminarily approving the appointment of the Named Plaintiffs as
10 representatives of the Class for settlement purposes, if not otherwise accomplished by class
11 certification;

12 d. Preliminarily approving the appointment of counsel for Named
13 Plaintiffs as Class Counsel;

14 e. Appointing and approving a SA as chosen by the Parties and approved
15 by the Court, to administer the notice, opt-out requests, objections and Settlement Payment and PAGA
16 Payment procedures required by this Agreement;

17 f. Approving the form of the Class Notice mutually agreed by the Parties;

18 g. Scheduling the Final Settlement Approval Hearing for consideration of
19 Final Approval of this Agreement;

20 h. Requiring that any Class Members who object to the Settlement
21 Agreement submit any objection to the SA postmarked by the end of the Exclusion Period or appear
22 in person or by other Court approved means at the Final Approval Hearing, and that the Parties be
23 given an opportunity to file written responses to any objection(s) with the Court;

24 i. Approving the procedure for Class Members to submit Opt Out
25 Requests, and setting a date after which no Class Members shall be allowed to submit Opt Out
26 Requests; and

27 j. Approving the procedure for Settlement Class Members to object to the
28 Settlement.

1 Defendant shall not oppose Class Counsel's motions for preliminary approval and Final
2 Approval of the Settlement so long as the motions and supporting papers are consistent with the terms
3 of this Agreement. Class Counsel shall provide Defendant with an opportunity of no less than 5 court
4 days to review and provide comments on the motions for preliminary and Final Approval of the
5 Settlement before the motion and supporting papers are filed with the Court. The Parties will meet and
6 confer and agree upon the wording of the settlement packages to be sent to Class Members, as well as
7 the proposed orders for preliminary and Final Approval before filing. Failure of the Court to grant the
8 Preliminary Approval Order will be grounds for the Parties to terminate the Settlement and the terms
9 of the Agreement, except that the Parties must work in good faith to comply with any changes to the
10 Settlement proposed by the Court to the extent the changes are acceptable by both Parties, and the
11 Court may award less than the amounts listed in paragraph subparts 52a through 52d without impacting
12 the validity and enforceability of this Agreement.

13 55. Notice Procedure.

14 a. Settlement Administrator. The Parties have selected Phoenix Class
15 Action Administration Solutions or a mutually agreeable third-party Settlement Administrator (or
16 "SA") to distribute the Class Notice and the Settlement Payments and PAGA Payments and handle
17 the tax reporting and field questions with a hotline. The SA (along with any of its agents) shall
18 represent and warrant that it will: (a) provide reasonable and appropriate administrative, physical and
19 technical safeguards for any personally identifiable information ("PII"), which it receives from
20 Defendant; (b) not disclose the PII to Class Counsel, Named Plaintiffs, any party or third parties,
21 including agents or subcontractors, without Defendant's consent; (c) not disclose or otherwise use the
22 PII other than to carry out its duties as set forth herein; (d) promptly provide Defendant with notice if
23 PII is subject to unauthorized access, use, disclosure, modification, or destruction; and (e) continue to
24 protect the PII upon termination of its services.

25 b. Class Member Data. Within thirty (30) days after filing of the
26 Preliminary Approval Order, Defendant shall provide to the SA a list of Class Members and PAGA
27 Members that identifies for each Class Member/PAGA Member, his/her Social Security number, last-
28 known address, class Workweeks Worked, and PAGA Workweeks Worked. Defendant agrees to

1 consult with the SA as required to provide the list in a format reasonably acceptable for the duties of
2 the SA. The SA will keep the list confidential, use it only for the purposes described herein, take
3 adequate safeguards to protect confidential or private information and return or certify the destruction
4 of the information upon completion of the Settlement Administration process.

5 56. Class Notice. The SA will send to each Class Member and PAGA Members by
6 First-Class U.S. Mail the Class Notice, which includes information on how Class Members may opt
7 out of or Object to the Settlement and a procedure by which a Class Member may challenge the number
8 of Workweeks Worked identified on his/her Class Notice. The Named Plaintiffs will seek approval of
9 language in the Class Notice in the motion for preliminary approval and will seek permission for the
10 Parties in conjunction with the SA to be able to correct immaterial errors on these forms or other
11 mailed materials without approval from the Court, provided the changes do not alter the preliminary
12 approval by the Court.

13 a. Settlement Administrator Duties. Prior to mailing the Class Notice, the
14 SA will update the addresses for the Class Members and PAGA Members using the National Change
15 of Address database and other available resources deemed suitable by the SA. To the extent this
16 process yields a different address from the one supplied by Defendant ("Updated Address"), that
17 Updated Address shall replace the address supplied by Defendant ("Last Known Address") and be
18 treated as the new Last Known Address for purposes of this Agreement and for subsequent mailings.
19 The Settlement Administrator shall be permitted to provide notices and communicate to the Class and
20 PAGA Members in a format and statement to be provided to the Court, which Named Plaintiffs will
21 submit in conjunction with the motion for preliminary approval and/or motion for Final Approval.

22 b. Notice Procedure. Within seven (7) days after receipt of the above
23 information from Defendant, the SA shall send the Class Notice to each Class Member's and PAGA
24 Member's Last Known Address or Updated Address (if applicable) via First-Class U.S. mail.

25 c. Exclusion Period. Class Members will have forty-five (45) days from
26 the postmark of the initial mailing of the Class Notice by the SA to submit by U.S. mail their Opt Out
27 Requests, with proof of date of submission to be the postmark date of the completed Opt Out Request.
28 Class Members will also have forty-five (45) days to object to the Settlement by submitting a written

1 objection with the SA that sets forth the basis of the objection pursuant to paragraph 58, which the SA
2 shall submit to the Parties within 10 days after the end of the Exclusion Period, and Class Counsel
3 shall submit to the Court. Opt Out Requests do not apply to the Settled PAGA Claims and will not
4 exclude PAGA Members from the release of Settled PAGA Claims.

5 d. SA Follow-up efforts.

6 i. The SA shall re-mail by First-Class U.S. mail the Class Notice
7 returned by the Post Office with a forwarding address and shall re-mail by First-Class U.S. mail the
8 Class Notice to any Class Member/PAGA Member who personally provides an updated address to the
9 SA.

10 ii. In the event that the first mailing of the Class Notice to any Class
11 Member/PAGA Member is returned without a forwarding address, the SA will immediately perform
12 skip trace(s) if necessary using social security numbers provided by Defendant and National Change
13 of Address searches, as needed, to verify the accuracy of the addresses provided and will conduct a
14 second round of mailings of the Class Notice by First-Class U.S. mail within an agreed number of
15 days for those forms returned to sender. If no new information is ascertained by means of a skip trace,
16 or if the Class Notice is returned to SA after using an address obtained from a standard skip trace, the
17 SA will immediately perform a manual "in-depth skip trace" to locate a more recent or accurate
18 address. If an Updated Address is identified by this method, the SA will resend the Class Notice to the
19 Updated Address within three (3) days of identifying the Updated Address.

20 e. Documenting Communications. The SA shall date stamp documents it
21 receives, including Opt Out Requests, Objections and any correspondences and documents from Class
22 Members/PAGA Member.

23 f. Settlement Administrator Declaration. At least ten (10) days prior to
24 the filing of the motion for final approval, the SA shall prepare, subject to Class Counsel's/PAGA
25 Member's and Defendant's input and approval, a declaration setting forth the due diligence and proof
26 of mailing of the Class Notices, the results of the SA's mailings, including tracing and re-mailing
27 efforts, and the Class Members' and PAGA Member's responses to those mailing and provide
28 additional information deemed necessary to approve the settlement.

1 g. SA Written Reports. Each week during the Exclusion Period, the SA
2 shall provide the Parties with a report listing the number of Class Members that submitted Opt Out
3 Requests and Objections. Within seven (7) days of the close of the Exclusion Period, the SA will
4 provide a final report listing the number of Class Members who submitted Opt Out Requests or
5 Objections.

6 h. SA Calculations of Settlement Payments. Within seven (7) days after
7 resolving all challenges made by Settlement Class Members, and following the Final Approval Order,
8 the SA shall provide to the Parties a report showing its calculation of all Settlement Payments to be
9 made to Settlement Class Members and PAGA Members. After receiving the SA's report, Class
10 Counsel and Defendant's counsel shall review the same to determine if the calculation of payments to
11 Settlement Class Members/PAGA Members is consistent with this Agreement and shall notify the SA
12 if either counsel does not believe the calculation is consistent with the Agreement. After receipt of
13 comments from counsel, the SA shall finalize its calculation of Settlement Payments and PAGA
14 Payments, at least five (5) days prior to the distribution of such payments, and shall provide Class
15 Counsel and Defendant's Counsel with a final report listing the amount of all payments to be made to
16 each Settlement Class Member from the NSA and listing the amount of all payments to be made to
17 each PAGA Member from the amount allocated for PAGA Payments. The SA will also provide
18 information that is requested and approved by both Parties regarding its duties and other aspects of the
19 Settlement and that is necessary to carry out the terms of the Settlement.

20 57. Requirements for Recovery of Settlement Payments.

21 a. Class Members. No claim form is necessary to participate in the
22 Settlement. Unless a Class Member submits a valid and timely Opt Out Request (as described in
23 paragraphs 20 and 57d and **Exhibit B**), a Class Member who takes no action will be a Settlement Class
24 Member, bound by the Judgment, and will receive a payment from the NSA. All Class Members
25 except for those who timely and validly opt out of the Settlement shall be bound by the release of
26 Settled Claims in this Agreement. All PAGA Members shall be bound by the release of Settled PAGA
27 Claims in this Agreement.

1 b. Late Submissions. The SA shall not accept as valid any Opt Out
2 Request postmarked after the end of the Exclusion Period, absent agreement from both Parties or order
3 of the Court. It shall be presumed that, if an Opt Out Request is not postmarked on or before the last
4 day of the Exclusion Period, the Class Member did not return the Opt Out Request in a timely manner.

5 c. Challenges. Class Members will have the right to challenge the number
6 of Workweeks Worked allocated to them. The following challenge procedure will be established for
7 the Class Member to dispute information on which his/her payment amount is based: Challenges to
8 the number of Workweeks Worked shall be sent directly to the SA at the address indicated on the
9 Class Notice. A Class Member challenging the number of Workweeks Worked identified may also
10 submit documentary evidence in order to prove the number of Workweeks Worked during the Class
11 Period. Defendant shall have the right to respond to the challenge by any Settlement Class Member.
12 No challenge to the number of Workweeks Worked will be accepted unless sent by U.S. mail within
13 forty-five (45) days from the initial mailing of the Class Notice by the SA, with proof of date of
14 submission to be the postmark date unless ordered by the Court. Additional time may be provided to
15 a Class Member only upon a showing of good cause and within an amount of time determined by the
16 SA that will not delay the distribution of Settlement Payments to other Class Members/PAGA
17 Members and in no event beyond the date of filing of the motion for final approval. The SA will inform
18 Class Counsel and Defendant's Counsel in writing of any timely filed challenges and will determine
19 all such disputes after consulting with the Parties regarding the number of Workweeks Worked.
20 Challenges will be resolved without hearing by the SA, who will make a decision based on
21 Defendant's records and any documents or other information presented by the Class Member making
22 the challenge, Class Counsel or Defendant. However, the Court retains the authority to review
23 challenges and its determination, if any, is final and binding.

24 d. Opt-Out Procedure. Unless a Class Member timely opts out of the
25 Settlement described in this Agreement (**see Exhibit A**), he/she shall be bound by the terms and
26 conditions of this Agreement and shall also be bound by the Final Judgment. A Class Member will
27 not be entitled to opt out of the Settlement established by this Agreement unless he or she submits to
28 the SA a request or notice of opting out via U.S. mail postmarked on or before the expiration of the

1 Exclusion Period. The request must be in writing on an Opt Out Request and include the Class
2 Member's name, address, date, signature, to the notice that indicates he or she "opts out" of the
3 Settlement. Opt Out Requests do not apply to the Settled PAGA Claims and will not exclude PAGA
4 Members from the release of Settled PAGA Claims.

5 i. Upon receipt of any Opt Out Request within the Exclusion
6 Period, the SA shall review the request to verify the information contained therein and confirm that
7 the request complies with the requirements of this Agreement.

8 ii. Any Class Member who fails to submit via U.S. mail a timely,
9 complete and valid Opt Out Request shall be barred from opting out of this Agreement or the
10 Settlement. The SA shall not have the authority to extend the deadline for Class Members to file a
11 request to opt out of the Settlement absent agreement by both Parties.

12 iii. Class Members shall be permitted to rescind in writing their Opt
13 Out Request by submitting a written rescission statement to the SA no later than the Effective Date
14 and provided individual Settlement Payments can be recalculated to reflect the rescission.

15 iv. If more than 5% of the Class Members timely opt out of the
16 Settlement, Defendant shall have the sole and absolute discretion to withdraw from this Agreement
17 within ten (10) days after both expiration of the Exclusion Period and written notice from the SA of
18 the final opt out rate. Defendant shall provide written notice of such withdrawal to Class Counsel. In
19 the event that Defendant elect to so withdraw, the withdrawal shall have the same effect as a
20 termination of this Agreement for failure to satisfy a condition of Settlement, and the Agreement shall
21 become null and void and have no further force or effect. In the event that Defendant exercise this
22 option, it will be solely responsible for the Settlement Administrator's costs through the date of its
23 election of the option.

24 58. Objections to Settlement. Any Settlement Class Member may object to the
25 Settlement. Any such objection may be submitted to the SA in writing on or before the close of the
26 Exclusion Period. Any such written Objection shall include: (1) the full name of the Settlement Class
27 Member; (2) address of the Settlement Class Member; (3) the basis for the objection; and (4) if the
28 Settlement Class Member intends to appear at the Final Approval Hearing. The Parties shall be

permitted to file responses to the Objection in addition to any motion for final approval documents. Settlement Class Members may also appear at the Final Approval Hearing to object. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to submit written objections to the Settlement or appeal from the Order granting final approval and/or Final Judgment. Class Counsel shall not represent any Settlement Class Members with respect to any such objections.

59. Final Fairness Hearing, Final Approval and Final Judgment.

a. Entry of Final Judgment. At the Final Approval Hearing, Named Plaintiffs will request, and Defendant will concur in said request, that the Court enter a Final Judgment.

b. Motion. Named Plaintiffs will draft and file a motion for final approval and for approval of any attorneys' fees and costs and enhancement award in conformity with any requirements from the Court and will take other action to request the entry of Final Judgment in accordance with this Agreement. The motion for final approval and corresponding paperwork will be subject to input and approval from Defendant and the proposed judgment finally approving the Settlement shall be subject to the input from and approval by Defendant, provided that Defendant shall have 7 days from receipt to provide such input. Defendant will concur in or not object to said request that the Court enter Final Judgment finally approving this Agreement. In conjunction with the motion for final approval, Class Counsel shall file a declaration from the SA confirming that the Class Notice and related forms were mailed to all Class Members as required by this Agreement, as well as any additional information Class Counsel, with the input and approval of Defendant, deems appropriate to provide to the Court.

c. Objections. Before and/or at the Final Fairness Hearing, Named Plaintiffs and Defendant, through their counsel of record, may address any written objections from Class Members or any concerns from Class Members who attend the hearing as well as any concerns of the Court.

d. Order. Named Plaintiffs will also draft and submit a proposed Order of Final Approval and Final Judgment in the form that is consistent with this Agreement and subject to prior review, revision and approval by Defendant. The Parties shall take all reasonable efforts to secure

1 entry of the Order of Final Approval and Final Judgment. If the Court rejects the Agreement, fails to
2 enter the Order of Final Approval, or fails to enter the Final Judgment, even after good faith efforts by
3 the Parties to meet and confer and remedy where agreement can be reached any perceived deficiencies
4 in the Settlement, this Agreement shall be void *ab initio*, and Defendant shall have no obligation to
5 make any payments under the Agreement, except for payments to the SA for services performed up to
6 that time. The Named Plaintiffs will submit a proposed Order of Final Approval subject to the review
7 and approval of Defendant that will contain provisions:

8 i. Wherein the Court enters Final Judgment, finding that this
9 Agreement and Settlement is fair, just, equitable, reasonable, adequate and in the best interests of the
10 Class and was reached as a result of intensive, serious, and non-collusive arms-length negotiations and
11 was achieved with the aid of an experienced mediator and in good faith as to each Class Member;

12 ii. Affirms that each side will bear its own costs and fees (including
13 attorneys' fees), except as provided by the Agreement, and that Defendant shall not be required to pay
14 any amounts other than as set forth in the Agreement and the Order of Final Approval, and in no event
15 any amount above the GSA, except for employer-side taxes;

16 iii. That confirms the certification of the Class for purposes of
17 Settlement;

18 iv. That finds that the Settlement Administration process as carried
19 out afforded adequate protections to Class Members, provided the best notice practicable, and satisfied
20 the requirements of law and due process;

21 v. That rejects any Objections to the Settlement;

22 vi. That approves the settlement of PAGA Claims consistent with
23 the Settlement;

24 vii. That retains Court jurisdiction after entry of judgment to oversee
25 administration and enforcement of the terms of the Agreement; and

26 viii. That requires the Parties to carry out the provisions of this
27 Agreement.

28

1 60. Post-Final Approval Requirements and Procedures. Following entry of the
2 Court's Order Granting Final Approval of Settlement and Final Judgment, the Parties will act to assure
3 the timely execution and fulfillment of all its provisions, including, but not limited to, the following:

4 a. Should an appeal be taken from the Final Approval of the Settlement,
5 all Parties will support the Order of Final Approval and Final Judgment on appeal;

6 b. The Parties will assist the SA as needed or requested in the process of
7 identifying and locating Settlement Class Members entitled to Settlement Payments from the NSA and
8 PAGA Members entitled to PAGA Payments and assuring delivery of such payments;

9 c. Class Counsel will assist the SA as needed or requested in completing
10 the distribution of any uncashed checks as directed by the Court; and

11 d. Class Counsel will certify to the Court completion of all payments
12 required to be made by this Settlement Agreement.

13 61. Payment of Settlement. Defendant will deposit the Funding Payment into an
14 account established by the SA within 30 days of the Effective Date. In the event an appeal, writ, motion
15 challenging the judgment or other collateral attack is made, the funds shall not be distributed until the
16 challenge or other collateral attack is resolved in a manner that upholds the settlement in its entirety.
17 The remittance of the Funding Payment to the SA shall constitute full and complete discharge of the
18 entire monetary obligation of Defendant under this Agreement. No Released Party shall have any
19 further monetary obligation or liability to Class Counsel, Named Plaintiffs, or Settlement Class
20 Members under this Agreement after receipt by the SA of the Funding Payment.

21 a. The Parties agree that the Funding Payment will qualify as a settlement
22 fund pursuant to the requirements of Section 468(B)(g) of the Internal Revenue Code of 1986, as
23 amended, and Section 1.468B-1, *et seq.* of the income tax regulations. Furthermore, the SA is hereby
24 designated as the "Administrator" of the qualified Settlement funds for purposes of Section 1.468B-
25 2(k) of the income tax regulations. As such, all employee taxes imposed on the gross income of that
26 settlement fund and any tax-related expenses arising from any income tax returns or other reporting
27 documents that may be required by the Internal Revenue Service, or any state or local taxing body will
28 be paid from the Funding Payment by the SA.

1 b. The distribution of Settlement Payments to Settlement Class Members
2 shall occur no later than the Settlement Proceeds Distribution Deadline. The SA shall be deemed to
3 have timely distributed Settlement Payments if it places said payment in the mail (First-Class U.S.).
4 When the SA receives notice from Settlement Class Members that they have not received such
5 Settlement Payments due to changes of address or other circumstances, the SA shall be deemed to
6 have timely distributed those Settlement Payments if (after satisfying itself that the amounts have not
7 been received or negotiated) it re-mails the payments to the updated addresses or provides for delivery
8 by other reasonable methods requested by such Settlement Class Members, provided that any and all
9 requests for re-mailing shall be actually received and acknowledged by the SA before the 150-day
10 deadline referenced in paragraphs 62 and 63 or will be deemed ineffective, and have no effect and the
11 original mailed amount shall be deemed timely distribution of the Settlement Payment. The SA shall
12 mail all Settlement Payments by the Settlement Proceeds Distribution Deadline. To comply with
13 California Rules of Court, rule 3.771, settlement checks shall include the following language on the
14 check: "A Court has approved settlement of the class action and PAGA representative actions and
15 entered judgment for claims asserted in *Isaiah Morales v. Certus Pest, Inc. et al.*, Los Angeles County
16 Superior Court Case No. 24STCV11212." No person shall have any claim against the SA, Defendant,
17 Class Counsel, Defendant's counsel, or any other agent designated by Named Plaintiffs or Defendant
18 based upon the distribution of Settlement Payments made substantially in accordance with this
19 Agreement or further orders of the Court.

20 c. The distribution of attorneys' fees, costs, and the Named Plaintiffs'
21 enhancement/general release awards shall occur no later than the payment date of the payment under
22 the Settlement Proceeds Distribution Deadline. Under no circumstances shall the foregoing payments
23 be made prior to the distribution of Settlement Payments to Settlement Class Members.

24 d. Upon Defendant's transfer of the Funding Payment and employer-side
25 taxes to the SA, Defendant, the Released Parties, and Defendant's counsel shall have no further
26 monetary liability or financial responsibility to Class Counsel or to any vendors or third parties
27 employed by the Named Plaintiffs or Class Counsel in connection with the Actions.
28

1 e. Defendant shall not be obligated to make any payments contemplated
2 by this Agreement unless and until the Court enters the Final Approval Order and Final Judgment, and
3 after the Effective Date of the Agreement, and no amounts will be owed or payable until all appeals if
4 taken or other collateral attacks have lapsed or have been favorably resolved in favor of the Settlement
5 and no further challenge to the Settlement is possible.

6 62. Settlement Class Members who are sent Settlement Payments shall have one
7 hundred eighty (180) days after mailing by the SA to cash their settlement checks.

8 63. If such Settlement Class Members do not cash their checks within that one
9 hundred eighty (180) day period set forth in paragraph 62, those checks will become void, and a stop
10 payment will be placed on the uncashed checks. Settlement checks that are not cashed within one
11 hundred and eighty (180) days of mailing shall, subject to Court approval, be distributed pursuant to
12 the State Controller Unclaimed Property Fund, or as otherwise directed by California Code of Civil
13 Procedure section 384 and as ordered by the Court. The Parties agree that, if the remaining funds are
14 not able to be distributed to the State Controller Unclaimed Property Fund and if a *cy pres* fund is
15 required, subject to Court instruction, that the SA shall forward the entire amount of any amounts
16 remaining from uncashed checks, plus any interest that has accrued thereon, to CASA – Court
17 Appointed Special Advocates, an entity in which the Parties all acknowledge that they have no
18 financial interest. In such event, those Settlement Class Members will be deemed to have waived
19 irrevocably any right in or claim to a Settlement Payment subject to their rights, if any, to recover the
20 Settlement Payments from the Unclaimed Property Fund if ordered or otherwise will be extinguished.
21 Settlement Class Members who fail to negotiate their check(s) in a timely fashion shall, like all
22 Settlement Class Members who did not validly opt out of the Settlement, remain subject to the terms
23 of the Settlement and the Final Judgment.

24 64. The SA shall keep Class Counsel and Defendant's counsel apprised of all
25 distributions from the GSA. Upon completion of administration of the Settlement, the SA shall provide
26 written certification of such completion to the Court, Class Counsel and Defendant's Counsel.

27 65. Binding Effect of Agreement on Settlement Class Members and PAGA
28 Members. Subject to final Court approval, all Settlement Class Members and PAGA Members shall

1 be bound by this Agreement, and Final Judgment shall be entered in the Action. In addition, unless
2 the Class Member opts out of the Settlement described in this Agreement, he/she shall be bound by
3 the Court's Order of Final Approval and Final Judgment. As set forth more fully in paragraph 69, if
4 the Court does not enter an Order of Final Approval and Final Judgment granting Final Approval of
5 the Settlement, which becomes final, the Settlement shall become null and void, and its terms and all
6 documents setting out its terms shall be inadmissible in further litigation of this Actions or any other
7 case.

8 66. Non-Interference with Opt Out Procedure. The Parties and their counsel agree
9 that they shall not seek to solicit or otherwise encourage Class Members to submit Opt Out Requests
10 or objections to the Settlement or to appeal from the Final Judgment.

11 67. Waiver of Appeal. Subject to preliminary and Final Approval of this
12 Settlement, all Class Members, except those Class Members who make timely and valid objections
13 pursuant to the terms of this Agreement, expressly waive the right to appeal.

14 68. Preliminary Timeline for Completion of Settlement. The preliminary schedule
15 for notice, approval, and payment procedures carrying out this Settlement is set forth in the subsections
16 below. This schedule may be modified depending on whether and when the Court grants necessary
17 approvals and orders notice to the Class and PAGA Members and sets further hearings. In the event
18 of such modification, the Parties shall cooperate in order to complete the Settlement procedures as
19 expeditiously as reasonably practicable.

- 20 a. Preliminary Approval Hearing as permitted by the Court;
- 21 b. Defendant to provide information described in paragraph 56 b (name,
22 address, dates of employment, etc.) no later than thirty (30) days after filing of the Preliminary
23 Approval Order;
- 24 c. The SA to mail the Class Notice by U.S. First Class mail to Class
25 Members and PAGA Members by approximately fourteen (14) days after receipt from Defendant of
26 the information described in the preceding subparagraph;
- 27
- 28

1 d. The SA to conduct trace/search efforts and send a follow up mailing, no
2 later than ten (10) days after initial mailing, to individuals whose Class Notice was returned as
3 undeliverable or whose listed address is found to be inaccurate or outdated;

4 e. Opt Out Requests and Objections to the Settlement must be postmarked
5 no later than forty-five (45) days after the date of initial mailing of the Class Notice;

6 f. The SA will provide to the Parties, and to the Court as directed by the
7 Parties, information regarding Opt Out Requests and written objections or statements of intention to
8 object to the Settlement received from Class Members within seven (7) days of the close of the
9 Exclusion Period;

10 g. Class Counsel will file a timely motion for final approval of the
11 Settlement and a separate application for award of attorneys' fees and costs and an enhancement award
12 to the Named Plaintiffs by the date set by the Court, or if no date is set, at least sixteen (16) court days
13 prior to the scheduled Final Approval Hearing date;

14 h. The Parties will request a Final Approval Hearing before the Court
15 within a reasonable time after the close of the Exclusion Period, or as soon thereafter as the Court will
16 hear the Motion for Final Approval. After entry of the Final Approval Order and Judgment Defendant
17 shall remit the Funding Payment to the SA.

18 i. Settlement Payments to Settlement Class Members, including the
19 Named Plaintiffs, and payments to Class Counsel for litigation costs and expenses and awarded
20 attorneys' fees, and the enhancement award to Named Plaintiffs, and payment to the LWDA shall be
21 made by the Settlement Proceeds Distribution Deadlines by mailing of checks by First Class U.S. mail
22 or by wire (as to Class Counsel's payments only).

23 69. Automatic Voiding of Agreement if Settlement Not Finalized. If for any reason
24 the Effective Date does not occur, the Settlement shall be null and void and the orders, judgment, and
25 dismissal to be entered pursuant to this Agreement shall be vacated; and the Parties will be returned
26 to the status quo prior to entering this Agreement with respect to the Actions, as if the Parties had
27 never entered into this Agreement. In addition, in such event, the Agreement and all negotiations, court
28 orders and proceedings relating thereto shall be without prejudice to the rights of any and all Parties

1 hereto, and evidence relating to the Agreement and all negotiations shall not be admissible or
2 discoverable in the Actions or otherwise in any other proceeding.

3 70. No Injunctive Relief. The Parties agree that the Settlement does not include
4 injunctive relief against Defendant or the Released Parties.

5 71. Confidentiality and Non-Disparagement.

6 a. Parties and their counsel will keep the Settlement confidential, through
7 the filing of Plaintiffs' Motion for Preliminary Approval, but the Parties will be able to disclose to the
8 Court, when and as necessary before preliminary approval, that they have reached an agreement in
9 principle, subject to completion of a final Agreement and Court approval.

10 b. Following the Court's order granting the Parties' Motion for
11 Preliminary Approval, the Parties and their counsel agree to make no comments to the media or
12 otherwise publicize the terms of the settlement on any social media or websites, except that Class
13 Counsel may post on its firm website: "The Firm settled a class action and PAGA case with a pest
14 control company for \$850,000.00." This provision shall not restrict Class Counsel from responding to
15 inquiries posed by Class Members. Further, Class Counsel may include the case name, number, and
16 settlement information in declarations in other cases to set forth their qualifications as class counsel.

17 c. Named Plaintiffs and Class Counsel agree to maintain the
18 confidentiality of any documents produced, formally or informally, during the course of the Actions.
19 Named Plaintiffs and Class Counsel agree to return to Defendant's counsel or destroy, at their option,
20 any information designated as confidential during the course of the Actions, including but not limited
21 to any information and/or documents provided to Class Counsel for purposes of mediation.

22 d. Defendant shall direct all inquiries by the Class to the SA, which shall
23 provide general information about the lawsuit, including responding to questions about the lawsuit, by
24 providing neutral information about the agreement consistent with the Agreement.

25 e. Defendant agrees that it will adopt a neutral reporting policy regarding
26 any future employment inquiries related to Named Plaintiffs. Thus, in the event that any potential or
27 future employers should inquire regarding Defendant's employment of Named Plaintiffs, they will be
28

1 informed only of the relevant Named Plaintiff's dates of employment with Defendant, job title(s)
2 during their employment with Defendant, and starting and final rates of pay.

3 72. Invalidation of Agreement for Failure to Satisfy Conditions. The terms and
4 provisions in this Agreement are not mere recitals but are deemed to constitute contractual terms. The
5 Court may allocate less to the Named Plaintiffs, Class Counsel, and/or the LWDA than indicated in
6 paragraph 51 without impacting the validity and enforceability of the Agreement. The Court may
7 allocate less to the SA than indicated in paragraph 51 provided the actual amount spent by the SA is
8 less than the maximum set forth in that Paragraph. Without limiting the generality of the foregoing, if
9 this Agreement is terminated for failure to satisfy any material terms or material conditions of this
10 Agreement:

11 a. Defendant shall not be obligated to create or maintain any type of
12 settlement fund, and shall not be obligated to make any Settlement Payment to any Class Member,
13 PAGA Member and/or any payment to Class Counsel or to the Named Plaintiffs.

14 b. The Agreement and all negotiations, Court orders and proceedings
15 relating thereto shall be without prejudice to the rights of the Named Plaintiffs, PAGA Members, Class
16 Members, and Defendant, each of whom shall be restored to their respective positions existing prior
17 to the execution of this Agreement, and evidence relating to the Agreement and all negotiations shall
18 not be discoverable or admissible in the Actions or any other litigation;

19 c. Defendant will not have waived, and instead expressly reserves, its right
20 to challenge the continuing propriety of class certification for any purpose; and

21 d. To the extent one exists, the Preliminary Approval Order shall be
22 vacated in its entirety and neither this Agreement, the Preliminary Approval Order, nor any other
23 document in any way relating to any of the foregoing, shall be relied upon, referred to or used in any
24 way for any purpose in connection with any further proceedings in this Action or any related action,
25 including class certification proceedings.

26 73. Notices. All notices, requests, demands and other communications required or
27 permitted to be given pursuant to this Agreement shall be in writing, and shall be delivered by First-
28

1 Class U.S. mail to the attorneys listed in the caption above and the SA, with additional copies to be
2 sent via electronic mail.

3 74. Modification in Writing. This Agreement may be altered, amended, modified
4 or waived, in whole or in part, only in a writing signed by counsel for the Parties and approved by the
5 Court, and supersedes any memorandum of understandings or prior agreement(s). This Agreement
6 may not be amended, altered, modified or waived, in whole or in part, orally. Any waiver of any
7 provision of this Agreement shall not constitute a waiver of any other provision of this Agreement
8 unless expressly so indicated.

9 75. Ongoing Cooperation. Named Plaintiffs and Defendant, and each of their
10 respective counsel, shall cooperate in good faith to execute all documents and perform all acts
11 necessary and proper to effectuate and implement the terms of this Agreement, including but not
12 limited to drafting and submitting the Motions for Preliminary and Final Approval, and defending the
13 Agreement and Final Judgment against objections and appeals. Plaintiffs shall, as necessary, properly
14 and completely take all steps, including but not limited to submitting any required documents to the
15 Labor Workforce Development Agency and take any other actions necessary to resolve the Released
16 PAGA Claims pursuant to this Agreement. The Parties to this Agreement shall use their best efforts,
17 including all efforts contemplated by this Agreement and any other efforts that may become necessary
18 by order of the Court or otherwise, to effectuate this Agreement and the terms set forth herein.

19 76. No Prior Assignments. The Parties hereto represent, covenant, and warrant that
20 they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer,
21 or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action
22 or rights herein released and discharged except as set forth herein.

23 77. Binding on Successors. This Agreement shall be binding and shall inure to the
24 benefit of the Parties and their respective successors, assigns, executors, administrators, heirs and legal
25 representatives, including the Released Parties.

26 78. Entire Agreement. This Agreement constitutes the full, complete and entire
27 understanding, agreement and arrangement between Named Plaintiffs and the Class Members/PAGA
28 Members on the one hand, and Defendant and Released Parties on the other hand, with respect to the

1 Settlement of the Actions and the Settled Claims against the Released Parties, including Defendant.
2 This Agreement supersedes any and all prior oral or written understandings, agreements and
3 arrangements between the Parties with respect to the Settlement of the Actions and the Settled Claims
4 against the Released Parties. Except those set forth and included expressly in this Agreement, there
5 are no other agreements, covenants, promises, representations or arrangements between the Parties
6 with respect to the Settlement of the Actions and the Settled Claims/Settled PAGA Claims against the
7 Released Parties. The Parties explicitly recognize California Civil Code Section 1625 and California
8 Code of Civil Procedure Section 1856(a), which provide that a written agreement is to be construed
9 according to its terms, and may not be varied or contradicted by extrinsic evidence, and agree that no
10 such extrinsic oral or written representations or terms shall modify, vary, or contradict the terms of
11 this Agreement.

12 79. Execution in Counterparts. This Agreement may be signed in one or more
13 counterparts. A scanned facsimile shall be treated as an original signature for all purposes. All
14 executed copies of this Agreement, and photocopies thereof (including facsimile or email copies of
15 the signature pages), shall have the same force and effect and shall be as legally binding and
16 enforceable as the original.

17 80. Captions. The captions and section numbers in this Agreement are inserted for
18 the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the
19 provisions of this Agreement.

20 81. Governing Law. This Agreement shall be interpreted, construed, enforced, and
21 administered in accordance with the laws of the State of California, without regard to conflict of law
22 rules.

23 82. Reservation of Jurisdiction. Notwithstanding the entry and filing of Final
24 Judgment, the Court shall retain jurisdiction under Section 664.6 of the Code of Civil Procedure and
25 Rule 3.769, Cal. Rules of Court, for purposes of interpreting and enforcing the terms of this
26 Agreement.

27 83. Mutual Preparation. The Parties have had a full opportunity to negotiate the
28 terms and conditions of this Agreement. Accordingly, this Agreement shall not be construed more

strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

84. Warranties and Representations. With respect to themselves, each of the Parties to this Agreement and/or their agents or counsel represent, covenant and warrant that (a) they have full power and authority to enter into and consummate all transactions contemplated by this Agreement and have duly authorized the execution, delivery and performance of this Agreement, and (b) the person executing this Agreement has the full right, power and authority to enter into this Agreement on behalf of the Party for whom he/she has executed this Agreement, and the full right, power and authority to execute any and all necessary instruments in connection herewith, and to fully bind such Party to the terms and obligations of this Agreement, except that the Parties understand that the Named Plaintiffs and Class Counsel only have the power to bind Class Members to the extent this Agreement is approved by the Court.

85. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel. Further, the Named Plaintiffs and Class Counsel warrant and represent that there are no liens on the Agreement, and that after entry by the Court of the Final Judgment, Defendant, through the SA, may distribute funds to Settlement Class Members, PAGA Members, Class Counsel, and the Named Plaintiffs as provided by this Agreement.

86. Authorization by Named Plaintiffs. Named Plaintiffs agree not to request to be excluded from the Class and not to object to any terms of this Agreement. Any such Opt Out Request or objection shall therefore be void and of no force or effect.

IT IS SO AGREED:

Dated: 0915, 2025

Signed by:

Isaiah Morales

Plaintiff Isaiah Morales
Named Plaintiff/Class and PAGA Representative

1 Dated: 9/15/2025, 2025

DocuSigned by:

865F0091C1EE4E0

Plaintiff Jose Smith

Named Plaintiff/Class and PAGA Representative

5 Dated: 9/12/2025, 2025

Certus Pest, Inc.

D. Bradford

By: Dave Bradford

Chief Executive Officer

Settlement Agreement (Morales v Certus) - FINAL

Final Audit Report

2025-09-12

Created:	2025-09-12
By:	Dawn Hammond (dawn.hammond@certuspest.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAApkuPe-ZpVuRvlyy0UFcwLjVm9yJv2VXZ

"Settlement Agreement (Morales v Certus) - FINAL" History

-  Document created by Dawn Hammond (dawn.hammond@certuspest.com)
2025-09-12 - 1:17:10 PM GMT
-  Document emailed to Dave Bradford (dave.bradford@certuspest.com) for signature
2025-09-12 - 1:20:33 PM GMT
-  Email viewed by Dave Bradford (dave.bradford@certuspest.com)
2025-09-12 - 1:20:42 PM GMT
-  Document e-signed by Dave Bradford (dave.bradford@certuspest.com)
Signature Date: 2025-09-12 - 7:28:12 PM GMT - Time Source: server
-  Agreement completed.
2025-09-12 - 7:28:12 PM GMT



Adobe Acrobat Sign

EXHIBIT A

Isaiah Morales and Jose Smith v. Certus Pest, Inc. et al., Los Angeles County Superior Court Case No. 24STCV11212

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

To: ALL CURRENT AND FORMER NON-EXEMPT EMPLOYEES WHO WORKED FOR DEFENDANT CERTUS PEST, INC. IN CALIFORNIA AT ANY TIME FROM OCTOBER 23, 2019, TO MAY 13, 2025.

PLEASE READ THIS NOTICE CAREFULLY, AS IT MAY AFFECT YOUR LEGAL RIGHTS

WHY DID I GET THIS NOTICE?

You have received this Notice because the records of Defendant Certus Pest, Inc. (“Defendant”) reflect that you are or may be a class member in a pending class action entitled: *Isaiah Morales and Jose Smith v. Certus Pest, Inc. et al.*, Los Angeles County Superior Court Case No. 24STCV11212 (the “Action”), and you may be entitled to money from the settlement of that Action.

This Notice is court approved and informs you of the terms of the agreement of the Parties to settle the claims as set forth and embodied in a Class Action Settlement Agreement (“Settlement”). This Notice explains what steps you may take to participate in, object to, or exclude yourself from the Settlement.

WHAT IS THIS ACTION ABOUT?

The Action was filed on May 3, 2024, on behalf of Plaintiff Isaiah Morales, who was subsequently joined by Plaintiff Jose Smith (“Named Plaintiffs”), and other similarly situated current and former employees of Defendant. The Action, as amended, pleads class allegation claims against Defendant for: (1) failure to pay all minimum wages; (2) failure to pay overtime wages; (3) meal period violations; (4) rest period violations; (5) wage statement violations; (6) violation of labor code § 221; (7) violation of labor code § 204; (8) violation of labor code § 203; (9) failure to maintain accurate records; (10) failure to reimburse business expenses; (11) failure to pay all sick time; (12) violation of the unfair competition law; and (13) violation of the Private Attorneys General Act (“PAGA”). Named Plaintiffs seek to recover various damages and costs and penalties, including unpaid wages, restitution (including under California Business and Professions Code section 17200 *et seq.*), interest, penalties (including under PAGA), and attorneys’ fees and costs. A copy of the operative complaint is on file with the Court.

Defendant denies each and all of the claims and contentions alleged by Named Plaintiffs. Defendant believes strongly that it has multiple valid defenses to the claims and that its employees have been properly paid and treated in accordance with the law. Absent the Settlement, Defendant would contest

the lawsuit vigorously. By agreeing to this Settlement, Defendant is not admitting that it has any liability. Conversely, Named Plaintiffs believe they would prevail on the claims that are subject to the Settlement.

After engaging in formal and informal discovery and an all-day mediation before an experienced mediator, Kelly A. Knight, Esq., and follow up negotiations, the Parties agreed to the Settlement, which was preliminarily approved by the trial court in the Action (“Court”) on [REDACTED]. Named Plaintiffs and Class Counsel support the Settlement.

Neither the Court nor any other fact finder has decided whether the claims brought by Named Plaintiffs or Defendant’s defenses are meritorious. By approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial. Rather, the Court has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate, and reasonable and any final determination of those issues will be made at the final hearing. Defendant reserves the right, if for any reason the Settlement fails, to contest any factual or legal allegations in the Action and whether this Action should proceed as a class action.

WHAT IS A CLASS ACTION?

In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. Plaintiff Isaiah Morales and Plaintiff Jose Smith are the Class Representatives or Named Plaintiffs in the Action, and have asserted claims on behalf of themselves and the class. Defendant Certus Pest, Inc. is the Defendant. A class action allows one court to resolve all of the issues in a lawsuit for all class members who do not choose to exclude themselves from the class.

A class member is bound by the determination or judgment entered in the case, whether the class wins or loses, and may not file his or her own lawsuit on the same claims that were decided in the class action.

WHO IS INCLUDED IN THE SETTLEMENT CLASS?

The settlement class includes all current and former non-exempt employees who worked for Defendant in California at any time during the Class Period, other than those who opt out (as discussed below). The “Class Period” is defined as the period from October 23, 2019 to May 13, 2025. This group individually and collectively will be referred to as “Class Members.”

WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?

Defendant will pay a maximum “Gross Settlement Amount” in the amount of \$850,000.00 in exchange for: the release by Settlement Class Members of Settled Claims (defined below) against it and Released Parties (defined below); final judgment on the Action; and the other terms set forth in the Settlement. Subject to Court approval, the Gross Settlement Amount will be allocated as follows:

- Individual Settlement Allocation: \$ [REDACTED] shall be allocated to Settlement Class Members and referred to in this notice as the “Net Settlement Amount” or “NSA.” Settlement Class Members who do not request to be excluded from the Settlement will receive a pro-rata share of the Net Settlement Amount automatically, which will be referred to in this notice as the “Individual Settlement Allocation.” The Individual Settlement Allocation will be calculated by dividing the

number of workweeks reflected in the company's records for you during the Class Period by the total workweeks worked by all Settlement Class Members during the Class Period as reflected in company records. Workweeks worked shall be determined by the Settlement Administrator based on data to be provided by Defendant, as may be modified by the Settlement Administrator's or Court's resolution of any challenges.

- PAGA Payment and PAGA Allocation: Of the Total Settlement Amount, \$40,000.00 shall be paid for the PAGA claims. "PAGA Allocation" is the \$10,000.00 (*i.e.*, the remainder after subtracting the \$30,000.00 allocated to the LWDA from the \$40,000.00 total amount allocated to the PAGA settlement) divided by the total number of PAGA Workweeks Worked credited to all PAGA Members. Each PAGA Member's PAGA Payment is equal to the PAGA Workweek Rate (the amount yielded from dividing the PAGA Allocation by the total of all Workweeks Worked credited to all PAGA Members during the PAGA Settlement Period) multiplied by his or her individual PAGA Workweeks Worked pursuant to the records of Defendant.
 - Your estimated individual payment is:
 - Your total estimated Workweeks is [XXXXX]. Based on that, your anticipated approximate Individual Settlement Payment is \$ [REDACTED].
 - Your total estimated PAGA Workweeks is [XXXX]. Based on that, your anticipated approximate Individual PAGA Payment \$ [REDACTED].

Settlement Class Members who do not request to be excluded from the Settlement will be forever barred from pursuing the Settled Claims against Defendant or any other Released Parties.

- Enhancement Payment: Named Plaintiffs will request an award not to exceed \$10,000.00 each in recognition of their work in this Action on behalf of the Class and general releases of all of their individual claims.
- Attorney's Fees and Expenses Payment: Class Counsel (listed below) will seek a total amount of money not to exceed \$283,333.33, to be paid in accordance with the Settlement for any and all attorney's fees, as well as a total amount not to exceed \$50,000.00 in litigation costs and expenses relating to the Action.
- Settlement Administration: The cost of settlement administration will not exceed \$7,950.00, which pays for tasks such as translating and mailing this Notice, mailing checks and tax forms, reporting to the parties and the Court, and tracking submitted requests for exclusions.
- PAGA Penalty Payment: Pursuant to California Labor Code Section 2698, *et seq.*, known as the Private Attorney General Act or "PAGA", the Parties designate \$40,000.00 of the Gross Settlement Amount as payment for Named Plaintiffs' claims on their own behalf, on behalf of the State of California, and on behalf of all employees for penalties under the PAGA. Defendant shall pay seventy-five percent (75%) of that amount, or \$30,000.00, to California's Labor & Workforce Development Agency ("LWDA"). The remainder shall be divided among aggrieved employees, and you will not be able to opt out or exclude yourself from this portion of the settlement.

WHAT AM I RELEASING UNDER THE SETTLEMENT?

Unless you timely exclude yourself from the class (as discussed below), you on behalf of yourself and your respective heirs, executors, administrators, personal representatives, successors and assigns irrevocably and unconditionally forever and fully release (and covenant not to sue or otherwise pursue claims, whether known or unknown, against) any and all Released Parties from any and all Settled Claims.

“Released Parties” means Defendant and its past, present, and future parents, affiliates, subsidiaries, divisions, predecessors, successors, partners, joint venturers, affiliated organizations, shareholders, insurers, reinsurers and assigns, and each of its past, present and future officers, directors, trustees, agents, employees, attorneys, contractors, representatives, benefits plans sponsored or administered by Defendant, divisions, units, and branches, and any other persons or entities acting on behalf of or in concert with any of the foregoing.

“Settled Claims” means all causes of action and claims, charges, complaints, liens, demands, that were alleged or reasonably could have been alleged based on the allegations, the facts, statutory citation and/or legal theories contained in the operative complaint which occurred during the Class Period, including all of the following claims for relief: (a) failure to pay minimum wages, regular wages and/or overtime pay (including any theory of failure to pay any and all wages for all time worked); (b) failure to provide or pay premium payments for meal periods; (c) failure to provide or pay premium payments for rest periods; (d) failure to reimburse business expenses; (e) failure to provide complete and accurate wage statements; (f) failure to pay wages upon termination; (g) failure to maintain records; (h) paid sick leave and/or supplemental paid sick leave; (i) violations of the California Business & Professions Code §§ 17200 et seq. These claims include California Labor Code sections 201, 202, 203, 204, 210, 218, 218.5, 218.6, 221, 226, 226.3, 226.4, 226.7, 246, 248.1, 248.2, 248.5, 510, 511, 512, 516, 558, 558.1, 1174, 1174.4, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2810.5, and all related provisions of the California Code of Regulations, the California Industrial Wage Orders, the California Business & Professions Code sections 17200, et seq. The release of the foregoing claims, extends to all theories of relief regardless of whether the claim is, was or could have been alleged as separate claims, causes of action, or lawsuits whether under federal law, state law or common law (including, without limitation, as violations of the California Labor Code, the Wage Orders, applicable regulations, and California Business and Professions Code section 17200). “Settled Claims” includes all types of relief available for the above-referenced claims, including any claims for damages, restitution, losses, penalties, fines, liens, attorneys’ fees, costs, expenses, debts, interest, injunctive relief, declaratory relief, or liquidated damages. “Settled Claims” expressly excludes all claims for wrongful termination, unemployment insurance, disability, social security, and workers’ compensation.

“Settled PAGA Claims” means any and all claims for civil penalties and any other available relief under the California’s Private Attorney General Act or PAGA (California Labor Code §§ 2698 *et seq.*) that were alleged or reasonably could have been alleged based on the allegations, facts, statutory citations, and legal theories in the operative complaint and Plaintiffs’ PAGA Notices to the LWDA which occurred during the PAGA Period.

WHAT DO I NEED TO DO TO RECEIVE AN INDIVIDUAL SETTLEMENT ALLOCATION?

To receive your Individual Settlement Allocation, you do not need to do anything. You must, however, notify the Settlement Administrator of any change in your name, mailing address and/or telephone number. It is your responsibility to keep the Settlement Administrator informed of any such change, as your Individual Settlement Allocation will be mailed to the address on file.

Once you receive your Individual Settlement Allocation, you shall have One Hundred and Eighty (180) calendar days after mailing by the Settlement Administrator to cash your Settlement checks. If you do not cash your check within that period, your check will become void and a stop payment will be placed on the uncashed checks. Settlement checks that are not cashed within One Hundred and Eighty (180) days of mailing shall be delivered to the State Controller's Office Unclaimed Wage Fund or as otherwise directed by the Court.

Neither Defendant, nor any Released Party, offers tax advice regarding this Settlement. You may want to consider contacting an accountant and/or tax attorney to determine the appropriate amount of taxes that should be paid on your Individual Settlement Allocation. Payments awarded to you will not form the basis for additional contributions to or benefits under any benefit plans, policies or bonus programs that may exist and/or be offered to you through, by or in conjunction with Defendant or any other Released Party.

WHAT IF I DON'T WANT TO PARTICIPATE IN THIS SETTLEMENT?

You have the right to request exclusion from the Settlement other than the release of PAGA claims. To do so, you must fill out and submit the Opt Out Form included in this packet to the Settlement Administrator at the following address: [REDACTED]. To be valid, the opt out form must be: (1) filled out by you; (2) signed by you; and (3) postmarked or fax stamped by [45 days after mailing date] and returned to the Settlement Administrator at the specified address or fax number. Unless you timely request to be excluded from the Settlement, you will be bound by the judgment upon final approval of the Settlement, and you will be barred from pursuing the Settled Claims. The opt out form will not impact your inclusion in the settlement and release of claims under the PAGA.

If you timely request to be excluded from the Settlement, you will not be entitled to receive any payment under the Settlement other than related to the PAGA. Class Counsel will not represent your interests if you request to be excluded.

WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Settlement Class Member (that is, Class Member who has not asked to be excluded from the Settlement) may object to the Settlement. If you object to the Settlement, you may, but you are not required to, appear at the hearing where the Court will make a final decision whether or not to approve the Settlement ("Final Approval Hearing"). Your objection will be considered so long as you submit a written objection as set forth below or appear at the Final Approval Hearing. The Final Approval Hearing is scheduled to take place on [REDACTED], 2025, at [REDACTED] a.m. in Department [DEPT] of the [COURT],

located at the address below. The hearing may be continued (moved to another date) without further notice to you.

If you wish to object, you may a written objection to the Settlement Administrator at the following address: [REDACTED]. To be valid, the written objection must be signed by the Class Member and state: (1) the full name of the Class Member; (2) the dates of employment of the Settlement Class Member; (3) the basis for the objection; and (4) if the Class Member intends to appear at the Final Approval Hearing. A Class Member who wishes to object in writing must submit his or her objection to the Settlement Administrator no later than [45 days after mailing date]. The Parties shall be permitted to file responses to the objection in addition to any motion for final approval documents.

CLASS COUNSEL For Plaintiff Jose Smith BOKHOUR LAW GROUP, P.C. Mehrddad Bokhour, Esq. 1901 Avenue of the Stars, Suite 450 Los Angeles, California 90067 Tel: (310) 975-1493 FALAKASSA LAW, P.C. Joshua S. Falakassa 1901 Avenue of the Stars, Suite 450 Los Angeles, California 90067 Tel: (818) 456-6168 For Plaintiff Isaiah Morales D.LAW, INC. Emil Davtyan, Esq. David Yeremian, Esq. Enoch J. Kim, Esq. Marta Manus, Esq. 450 N Brand Blvd., Ste 840 Glendale, CA 91203 Telephone: (818) 962-6465	DEFENDANT’S COUNSEL LITTLER MENDELSON, P.C. Jon M. Miller, Esq. Ian G. Robertson, Esq. 18565 Jamboree Road, Suite 800 Irvine, CA 92612 THE COURT Los Angeles County Superior Court Spring Street Courthouse Dept. 1, Hon. Stuart M. Rice 312 North Spring Street Los Angeles, CA 90012
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The Court has decided that the law firms listed above under “CLASS COUNSEL” are qualified to represent the Settlement Class Members. However, you have the right to retain your own attorney, at your own expense, to submit an objection or appear on your behalf at the Final Approval Hearing.

Submitting an objection will *not* exclude you from the Settlement. If the Court grants final approval of the Settlement, you will still have the right to receive an Individual Settlement Allocation and will be barred from pursuing the Settled Claims. Do not submit both an objection and request for exclusion. If you submit both a request for exclusion and an objection, you will be excluded from the class and the objection will not be considered, and you will remain part of the PAGA settlement.

WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?

The Settlement, if finally approved by the Court, will bind all Settlement Class Members who do not request to be excluded from the Settlement and PAGA members whether or not they receive or timely cash their Individual Settlement Allocations. Final approval of the Settlement will bar any Settlement Class Member who does not request to be excluded from the Settlement from hereafter initiating a lawsuit or proceeding regarding any Settled Claims and PAGA Members from pursuing released PAGA claims. The Class Action Settlement Agreement and Stipulation on file with the Court contains additional details about the scope of the release.

FURTHER INFORMATION

The foregoing is only a summary of the Settlement. The Settlement, pleadings and all other records of this litigation may be examined and copied any time during regular office hours in the Clerk's Office of the Los Angeles County Superior Court listed above as "THE COURT." In addition, you may obtain these records on the Los Angeles County Superior Court's website at <https://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil> by entering case number "24STCV11212" into the "CASE NUMBER" box and click "SEARCH."

If you have any questions about the Settlement, you can contact Class Counsel, whose contact information is listed above in "CLASS COUNSEL" or the Settlement Administrator at:

[List claims administrator information].

You may seek the advice and guidance of your own attorney at your own expense.

You may also obtain information about the Settlement at [website [URL](#)].

***PLEASE DO NOT TELEPHONE OR CONTACT THE COURT FOR INFORMATION
REGARDING THIS SETTLEMENT.***

EXHIBIT B

*Isaiah Morales v. Certus Pest, Inc. et al., Los Angeles County Superior Court Case
No. 24STCV11212*

OPT-OUT FORM

**ONLY USE THIS FORM IF YOU DO NOT WANT TO BE
PART OF THE SETTLEMENT CLASS**

Note: IF YOU REQUEST TO BE EXCLUDED (I.E. “OPT OUT” OF) THE SETTLEMENT, YOU WILL NOT RECEIVE ANY CLASS ACTION MONEY FROM THE PROPOSED SETTLEMENT.

You may Opt Out of the proposed Settlement by signing, completing and mailing this Opt Out Form to the address below.

I, (Type or Print Name)

_____, hereby elect to be excluded from the settlement class in the above-referenced case. I understand that by requesting to be excluded, I will not receive any benefit from the Settlement for the class action claims, but that this will not exclude me or otherwise impact my inclusion in the PAGA Settlement, as explained in the class notice I received.

Signature: _____

Dated: _____

Any Other Names Used While Employed by Certus Pest, Inc.: _____

Address: _____

City, State and ZIP Code: _____

Telephone No.: _____

Please mail this Opt-Out Form to the Claims Administrator at the address listed below. The address of the Claims Administrator is:

[List claims administrator information]

Deadline: Your completed Opt Out Form must be postmarked by [INSERT DATE] in order for you to be excluded from the settlement class.

EXHIBIT C

D. LAW, INC.

Emil Davtyan (SBN 299363)

Emil@d.law

David Yeremian (SBN 226337)

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Telephone: (818) 962-6465

Facsimile: (818) 962-6469

Attorneys for Plaintiff

ISAIAH MORALES, on behalf
of himself and others similarly situated

Additional Counsel Listed on Next Page

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

ISAIAH MORALES, an individual, JOSE
SMITH, an individual, on behalf of themselves
and others similarly situated,

Plaintiff,

v.

CERTUS PEST, INC., a Delaware stock
corporation; GOPHER PATROL, a California
business entity form unknown; and DOES 1
through 50, inclusive,

Defendants.

CASE NO.: 24STCV11212

ASSIGNED FOR ALL PURPOSES TO
JUDGE THERESA M. TRABER IN DEPT. 1

**[PROPOSED] ORDER GRANTING
MOTION FOR PRELIMINARY
APPROVAL OF STIPULATION OF
CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT AND
RELEASE**

Complaint Filed: May 3, 2024

1 **BOKHOUR LAW GROUP, P.C.**

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3 mehrdad@bokhourlaw.com

4 1901 Avenue of the Stars, Ste. 920

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6 Telephone: (310) 975-1493

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8 **FALAKASSA LAW**

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11 1901 Avenue of the Stars, Ste. 920

12 Los Angeles, CA 90067-6011

13 Telephone: (818) 456-6168

14 Attorneys for Plaintiffs Jose Smith,
15 on behalf of himself and others similarly situated
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1 Having considered the Parties' Class Action Settlement Agreement and Stipulation (the
2 "Stipulation of Settlement"), the Memorandum of Points and Authorities in Support of the Unopposed
3 Motion for Preliminary Approval of Class Action Settlement, the documents submitted in support of
4 the motion, and all supporting legal authorities and documents,

5 IT IS HEREBY ORDERED:

6 1. The Court grants preliminary approval of the Settlement based upon the terms set forth
7 in the Stipulation of Settlement. The settlement appears to be fair, adequate and reasonable to the
8 Class. Based on a review of the papers submitted by Plaintiffs ISAIAH MORALES and JOSE SMITH
9 ("Named Plaintiffs"), the Court finds that the Settlement is the result of arms-length negotiations
10 conducted after Class Counsel had adequately investigated the claims and become familiar with the
11 strengths and weaknesses of the claims. For purposes of this Order, the Court adopts and incorporates
12 all definitions set forth in the Settlement Agreement. The assistance of an experienced mediator in the
13 Settlement process supports the Court's conclusion that the Settlement is non-collusive.

14 2. For settlement purposes only, the Court conditionally certifies the following class:

15 All current and former non-exempt employees who worked for
16 Defendant in California at any time during the Class Period. The Class
17 Period is defined as the period from October 23, 2019 to May 13, 2025.
18 ("Class Members") ("Class Period").

19 3. The settlement of class-action related claims and settlement of claims under the Private
20 Attorney General Act ("PAGA") set forth in the Stipulation of Settlement between Named Plaintiffs
21 and Defendant CERTUS PEST, INC. ("Defendant") is preliminarily approved as it appears to be
22 proper, to fall within the range of a fair, reasonable and adequate settlement, and to be presumptively
23 valid, subject only to any objections that may be raised at the Final Approval Hearing.

24 4. For settlement purposes only, the Court appoints Named Plaintiffs as Class
25 Representatives and Named Plaintiffs' counsel, Mehrdad Bokhour, Esq. of Bokhour Law Group, P.C.,
26 Joshua S. Falakassa, Esq. of Falakassa Law, P.C., and Emil Davtyan, Esq., David Yeremian, Esq.,
27 Alvin B. Lindsay, Esq., Enoch J. Kim, Esq., and Marta Manus, Esq. of D.Law, Inc., as Class Counsel.

28 5. The Court approves Phoenix Class Action Administration Solutions to act as the
Settlement Administrator.

1 6. The Court approves, as to form and content, the Notice of Proposed Class Action
2 Settlement (the “Class Notice”) attached as **Exhibit “A”** to the Stipulation of Settlement and finds
3 that the Class Notice satisfies the requirements of California Rule of Court, rules 3.766 and 3.769,
4 subd. (f), and fairly apprises the Class Members of the terms of the final approval hearing date, the
5 proposed settlement terms and of their options, including: (a) the nature of the action, the definition
6 of the Class, the identity of Class Counsel, and the essential terms of the Settlement; (b) Named
7 Plaintiffs’ and Class Counsel’s applications for the class representatives’ enhancement award, and
8 Class Counsel’s request for attorneys’ fees and litigation costs; (c) a formula used to determine the
9 Class Member’s estimated payment; (d) Settlement Class Members’ rights to appear through counsel
10 if they desire; (e) how to object to the Settlement or submit an opt-out request if a Class Member
11 wishes to do so; and (f) how to obtain additional information regarding the action and the Settlement.
12 Counsel for the Parties are authorized to correct any typographical errors in the Class Notice and make
13 clarifications, to the extent the same are found or needed, so long as such corrections do not materially
14 alter the substance of the documents.

15 7. The Court approves the procedure for Class Members to participate in, request
16 exclusion from, or object to, and preserve appeal rights as set forth in the Stipulation of Settlement
17 and the Class Notice.

18 8. The Court finds that the deadlines and method set forth in the Stipulation of Settlement
19 for the mailing of the Notice meet the requirements of due process, provide the best notice practicable
20 under the circumstances, constitute due and sufficient notice to all persons entitled to notice, and
21 otherwise satisfy the requirements of California law and due process.

22 9. Defendant is directed to provide the Settlement Administrator, not later than thirty (30)
23 days after the Preliminary Approval Date, an electronic database containing Class Member Data, as
24 set forth in the Stipulation of Settlement.

25 10. The Court directs the Settlement Administrator obtain from Defendant the number of
26 workweeks credited for each Class Member and PAGA Member and other information as necessary,
27 perform address verification measures and mail the Class Notice by first class mail to the Settlement
28 Class Members, and to otherwise carry out the Settlement according to the terms of the Settlement

1 Agreement and in conformity with this Order. The Parties are also ordered to carry out the Settlement
2 according to the terms of the Settlement Agreement.

3 11. All Class Members shall be deemed to participate in the Settlement, although any Class
4 Member who wishes to comment on or object to the Settlement or who elects not to participate in the
5 Settlement has until forty-five (45) days after the mailing of the Class Notice to submit his or her
6 written objection or Request to be Excluded, pursuant to the procedures set forth in the Class Notice.

7 12. The Court preliminarily approves the handling of unclaimed funds set forth in the
8 Stipulation of Settlement as set forth in the Agreement.

9 13. In light of the binding nature of a PAGA judgment or settlement on non-party
10 employees pursuant to *Arias v. Superior Ct. (Dairy)*, 46 Cal. 4th 969, 985-986 (2009), and *Cardenas*
11 *v. McLane Foodservice, Inc.*, 2011 WL 379413 at *3 (C.D. Cal. Jan. 31, 6 2011), PAGA Members
12 (whether or not they are settlement Class Members) shall receive their pro rata portion of the 25% of
13 the PAGA Payment and will have been deemed to have fully released the PAGA Settled Claims. Even
14 if the PAGA Member opts out of the Settlement, PAGA Members cannot opt out of receiving their
15 pro rata portion of the 25% of the PAGA Payment.

16 14. A final approval hearing shall be held in this Court on _____ at
17 _____ am/pm to determine (1) whether the proposed settlement is fair, reasonable, and
18 adequate and should be finally approved by the Court; (2) the amount of attorneys' fees and costs to
19 award to Class Counsel; and (3) the amount of service awards to the Class Representatives. The Court
20 may continue or adjourn the final approval hearing without further notice to the Class Notice.

21 15. Neither this Order, the Stipulation of Settlement, nor any document referred to therein,
22 nor any action taken to carry out the settlement embodied in the Stipulation of Settlement may be
23 construed as, or may be used as an admission by or against Defendant or any of the other Released
24 Parties (as that term is defined in the Stipulation of Settlement) of any fault, wrongdoing or liability
25 whatsoever. The entering into or carrying out of the Stipulation of Settlement, and any negotiations or
26 proceedings related thereto, shall not in any event be construed as, or deemed to be evidence of, an
27 admission or concession with regard to the denials or defenses by Defendant or any of the other
28 Released Parties and shall not be offered in evidence in any action or proceeding against Defendant or
any of the Released Parties in any court, administrative agency or other tribunal for any purpose

1 whatsoever other than to enforce the provisions of this Order, the Stipulation of Settlement, or any
2 related agreement or release.

3 16. The Court may, for good cause shown, extend any of the deadlines set forth in this
4 Order.

5 17. Pending further order of this Court, all proceedings in this matter except those
6 contemplated herein and in the Settlement Agreement are stayed and suspended until further order of
7 this Court. Pending the Final Fairness and Approval Hearing, Named Plaintiffs and the Class Members
8 are hereby enjoined from prosecuting the Released Claims against Defendant or the Released Parties.

9 18. The Court recognizes that certification under this Order is for settlement purposes only
10 and shall not constitute or be construed as a finding by the Court, or an admission on the part of
11 Defendant or any of the Released Parties, of any fault or commission with respect to any claim or that
12 this action is appropriate for class treatment for litigation purposes. Entry of this Order is without
13 prejudice to the rights of Defendant or any of the Released Parties to oppose class certification in this
14 action, should the proposed Settlement not be granted final approval.

15 19. In the event that the Stipulation of Settlement does not receive final approval or the
16 Effective Date of the Settlement does not occur, this Order shall be rendered null and void and shall
17 be vacated.

18 Date: _____

19 _____
20 HON. THERESA M. TRABER
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