

**SETTLEMENT AGREEMENT AND
GENERAL RELEASE OF ALL PAGA CLAIMS**

This Settlement Agreement and General Release of All PAGA Claims (hereinafter referred to as the “Agreement”) is by and between Laura Cota Olivas (hereafter “Plaintiff”), on their own behalves, on behalf of all current or former Aggrieved Employees (as defined below), and on behalf of the State of California and its agencies, on the one hand, and PeopLease, LLC, (“PeopLease”), on the other hand, and is entered into and effective this 20th day of December, 2019.

Plaintiff and PeopLease are hereinafter referred to collectively as the “Settling Parties” or each individually as a “Settling Party.”

RECITALS

This Agreement is made with reference to the following facts:

A. On December 22, 2015, Plaintiff filed a Complaint against PeopLease, LLC and Sky Trucking LLC in the Los Angeles County Superior Court, Case No. BC605055 (hereinafter the “Action”). Plaintiff alleged in the operative Complaint that the defendants had violated provisions of the California Labor Code and the applicable IWC Wage Order. Plaintiff asserted claims for failure to pay for all time worked, failure to authorize and provide meal and rest breaks, failure to maintain accurate records of hours worked, rates of pay, wages paid, net wages paid, minimum wages, regular time wages and final wages, failure to pay final wages within the time required by statute, failure to provide accurate itemized wage statements, and improper deductions from wages. Plaintiff asserted the claims on behalf of herself, as an individual, and on behalf of similarly aggrieved employees, including claims for civil penalties under the California Private Attorneys General Act of 2004 (“PAGA”) (such claims referred to herein as Plaintiff’s “PAGA Claims”).

B. PeopLease has at all times denied – and continues to deny – all of Plaintiff’s claims and contentions set forth in the Action.

C. On October 2, 2015, Plaintiff, through her counsel, sent a letter to the California Labor and Workforce Development Agency (“LWDA”) regarding her intent to seek to recover penalties pursuant to PAGA (“LWDA Letter”).

D. There has been no determination on the merits of Plaintiff’s individual claims or the PAGA claims asserted by Plaintiff in the Action or the LWDA Letter.

E. The Settling Parties enter into this Agreement in order to completely resolve and discharge any and all PAGA Claims by Plaintiff (on her own behalf, on behalf of all current or former Aggrieved Employees (as defined below), and on behalf of the State of California and its agencies) against PeopLease, that exist or may exist, subject to the scope, terms, conditions and/or limitations, as set forth in this Agreement. In making this Agreement, no Settling Party is admitting the sufficiency or adequacy of any claims, allegations, assertions, contentions or positions of any other Settling Party. The Settling Parties have agreed to enter into this Agreement in order to avoid the uncertainties, further expense, inconvenience, and distraction of claims and/or litigation, and to be free of further liability from any and all PAGA Claims by Plaintiff (on her own behalf, on behalf of all current or former Aggrieved Employees (as defined below), and on behalf of the State of California and its agencies), whether or not asserted at this

time.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises, and warranties set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed among the Settling Parties hereto as follows:

1. **Recitals.** The recitals set forth above are incorporated herein by reference and are made a part of this Agreement.

2. **Agreement Contingent on Court Approval.** Attached hereto as Exhibit “A” is a “Stipulation for Approval Regarding PAGA Penalty.” Exhibit “A” shall be executed by PeopLease’s counsel and provided to Plaintiff’s counsel with a copy of this Agreement executed by PeopLease. Within ten (10) days of Plaintiff’s counsel receiving a copy of this Agreement executed by PeopLease and a copy of Exhibit “A” executed by PeopLease’s counsel, Plaintiff’s counsel shall execute Exhibit “A” and cause it to be filed in the Action along with a proposed Order approving all terms of this Agreement. Plaintiff’s counsel will provide any notice of the settlement of the PAGA claims that is required to the State of California and/or LWDA in conjunction with seeking such Court approval. Plaintiff’s counsel shall prepare and submit any other Court filings as necessary to seek approval of this Agreement. The validity and enforceability of this Agreement is contingent on approval of this Agreement – in its entirety – by the Court presiding over the Action. If the Court denies any application for approval of this Agreement, this Agreement shall be deemed null and void in its entirety.

3. **Agreement Contingent on Concurrent Settlement Agreement Between Laura Cota Olivas and PeopLease.** Concurrently with the execution of this Agreement, Plaintiff has agreed to completely, fully, finally and forever resolve any and all individual claims she may have against PeopLease, whether or not asserted in the Action. Resolution of Plaintiff’s individual claims has been documented in a Confidential Settlement Agreement and General Release of All Claims (“Confidential Settlement”). The validity and enforceability of this Agreement is contingent upon the execution and performance of the Confidential Settlement by Plaintiff and PeopLease.

4. **Release and Discharge.**

a. It is hereby agreed by Plaintiff, in consideration for the execution of this Agreement and performance of the promises contained herein, that any and all alleged PAGA Claims by Plaintiff (on her own behalf, on behalf of all current or former Aggrieved Employees (as defined below), and on behalf of the State of California and its agencies) against PeopLease, in the Action or otherwise, are settled and compromised.

b. **Release by Plaintiff.** In consideration of the payments set forth in Section 5, and in recognition of the benefits to be derived therefrom, Plaintiff does hereby and for herself, her past, present and future assigns, agents, heirs, executors, administrators, brokers, representatives, employees, partners, successors, predecessors, affiliates, attorneys, business entities, insurers, and all persons or entities acting by, through, under or in concert with Plaintiff (including Laura Cota Olivas, all current or former Aggrieved Employees, and the State of California and its agencies), completely release, acquit, and fully, finally and forever discharge PeopLease and its current and former assigns, agents, representatives, current and

former officers, employees, directors, shareholders, members, partners, successors, predecessors, principals, owners, affiliates, attorneys, business entities, insurers, and all persons acting by, through, under or in concert with any of them (collectively all the "Released Parties"), from any and all claims, actions, rights, attorneys' fees, penalties, obligations, costs, liens, judgments, demands, damages, liabilities, expenses, compensations and causes of action of any and every kind, nature and character whatsoever, known or unknown, which Plaintiff may now have, have ever had, or may have in the future against the Released Parties related to PAGA relating to the allegations in the operative complaint in the Action.

c. The releases set forth in paragraph 4(b) of this Agreement do not serve as releases of any claims created by a breach of this Agreement.

d. Government Agencies. Nothing in this Agreement prohibits or prevents Plaintiff from filing a charge with or participating, testifying or assisting in any investigation, hearing, action or other proceeding before any federal, state or local government agency (*e.g.*, EEOC, DFEH, NLRD, SEC, *etc.*), nor does anything in this Agreement preclude, prohibit or otherwise limit, in any way, Plaintiff's rights and abilities to contact, communicate with, report matters to or otherwise participate in any program administered by such agencies. Moreover, nothing in this Agreement prohibits or prevents Plaintiff from testifying in any administrative, legislative, or judicial proceeding concerning alleged criminal conduct or sexual harassment on the part of PeopLease or any agents or employees of PeopLease, when the Plaintiff has been required or requested to attend the proceeding pursuant to a court order, subpoena, or written request from an administrative agency or the Legislature. However, to the maximum extent permitted by law and expressly excluding Plaintiff's participation in any federal whistleblower programs, Plaintiff agrees that if such an administrative claim is made, Plaintiff shall not be entitled to recover any individual monetary relief or other individual remedies.

e. Waiver of Civil Code Section 1542.

Plaintiff further acknowledges that Plaintiff may hereafter discover facts different from or in addition to those which Plaintiff now knows or believes to be true with respect to any release herein made, and agrees that every release herein made is now and will remain effective, notwithstanding such different or additional facts or the discovery thereof. Plaintiff hereto expressly waives and relinquishes any and all rights and benefits conferred upon Plaintiff by the provisions of section 1542 of the California Civil Code, which are as follows:

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

Plaintiff acknowledges that the foregoing waiver of the provisions of Section 1542 of the California Civil Code is part of the consideration hereunder. Plaintiff expressly consents that the general release set forth herein shall be given full force and effect in accordance with each and all of its express terms and provisions, including those terms and provisions relating to unknown and unsuspected claims, demands, and causes of action, if any, to the same effect as those terms and provisions relating to any other claims, demands, and causes of action hereinabove specified.

Plaintiff further agrees and covenants that if the facts with respect to which this

Agreement is executed are found to be different from the facts now believed to be true, Plaintiff expressly accepts and assumes the risk of such possible difference in facts and agrees that this document shall be and remain fully effective notwithstanding such difference in facts.

5. Payments.

In consideration of this Agreement and the releases and dismissals set forth in this Agreement, PeopLease agrees to fund a settlement sum in the total amount of Three Million Nine Hundred Eighty Thousand Dollars (\$3,980,000.00) (the “PAGA Settlement Sum”) over four years, with quarterly installments payable on January 15, April 15, July 15, and October 15, each year. Such payment shall be made payable to the account that the settlement administrator, CPT Group, will establish.

The PAGA Settlement Sum shall be allocated as follows:

- a. The payments in 2020 will be \$345,000 each quarter, starting on January 15, 2020. During 2021, 2022, and 2023, the quarterly payments will be \$216,667.67.
 - (i) Plaintiff’s counsel shall engage CPT Group, Inc., to oversee and manage the distribution of the funds and a PAGA Penalty Fund to the LWDA and the Aggrieved Employees. All costs for administering the distribution of the PAGA Penalty Fund, including CPT Group, Inc.’s fees and costs, shall be paid by Plaintiff’s counsel out of the PAGA Cost Fund set forth in Section 5(c) below.
 - (ii) The “Aggrieved Employees” are all individuals to whom PeopLease issued wage statements, in the State of California, from October 2, 2014 to November 8, 2019, which total 11,143 individuals. A listing of the names, last known address and phone number, and the date ranges each individual had a relationship with PeopLease for the 11,143 Aggrieved Employees shall be provided by PeopLease to CPT Group, Inc., within five (5) days of notice of approval of this Agreement by the Court presiding over the Action.
- b. One Million Three Hundred Twenty-Six Thousand Five Hundred Thirty-Four Dollars (\$1,326,534.00) of the total PAGA Settlement Sum shall be allocated to attorneys’ fees incurred in prosecuting the PAGA Claims;
- c. Two Hundred Seventeen Thousand Nine Hundred Fifty-four Dollars (\$217,954.00) of the PAGA Settlement Sum shall be allocated to litigation costs incurred in prosecuting the PAGA claims, including costs (\$43,000.00) associated with Plaintiff retaining CPT Group, Inc., to oversee and manage the distribution of the PAGA Penalty Sum;
- d. Fifteen thousand dollars (\$15,000) shall be paid as an Incentive Award to Plaintiff Laura Cota Olivas for her work in pursuing this case for the State of California and including litigation work that involved responding to written discovery, having her deposition taken, and preparing for trial on three occasions;

- e. The remainder of the PAGA Penalty Sum (\$2,420,512.00) shall be distributed, per statute, to the State of California and to the Aggrieved Employees, with 75% (\$1,815,384.00) going to the LWDA and 25% (\$605,128.00) being disbursed to the Aggrieved Employees.
- f. Paragraph 2 of the Memorandum of Understanding, effectively signed by the parties hereto, on November 13, 2019, shall apply to PeopLease's payment obligations and, as set forth therein, PeopLease agrees that if it defaults on any payment, the entire remaining balance may be accelerated, and entered as a Stipulated Judgment. However, PeopLease will be given written notice of any default via email to PeopLease's counsel of any default and shall have 10 days from transmission of the email to cure any default before any judgment is entered. PeopLease agrees to pay interest at 10% per annum on any amount that it is required to pay if notice of default is given and the opportunity to cure is exercised, which interest will accrue from the date of the default until the default is cured.
- g. PeopLease agrees to sign the Stipulated Judgment referenced in the preceding subparagraph, concurrently with execution of this agreement. Plaintiff's counsel will hold the executed Stipulated Judgment in abeyance unless and until the conditions described in the preceding subparagraph arise.

Plaintiff and her counsel agree to make their own provisions regarding taxes on the sums received and agree that they have not relied upon any representation by PeopLease or any of PeopLease's attorneys or representatives as to the tax consequences of this Agreement. Plaintiff and her counsel agree to indemnify and hold PeopLease and the other Released Parties harmless for the amount of any taxes, penalties, interest, claims, losses or other damages that may be caused to PeopLease and any other of the Released Parties that may be in connection with any governmental authority's determination resulting from the failure to pay taxes or penalties on the monies paid pursuant to this Agreement or that PeopLease or any of the other Released Parties was required to, but failed to, withhold or report the correct amount of income or employment taxes from the payments made pursuant to this Agreement.

6. Distribution of the PAGA Settlement Sum.

The settlement administrator, CPT Group, will be instructed to disburse the PAGA Settlement Sum as follows:

- a. Upon receipt of the first payment in 2020, CPT Group will pay Plaintiff's counsels' litigation costs (\$174,954.00) and costs of administration (\$43,000.00, for a combined total of \$217,954.00) and the incentive award to Plaintiff (\$15,000.00).
- b. CPT will retain the remaining funds and continue to accept periodic payments from PeopLease. With the third payment, on July 15, 2020, CPT will have sufficient funds available to disburse settlement shares to the aggrieved employees, totaling \$605,128.00 (based on workweek data provided by PeopLease), and will do so by July 31, 2020.
- c. CPT will then pay the remaining funds and the funds from successive periodic payments, when received, to Plaintiffs' counsel, until it has paid out the full amount of attorneys' fees (\$1,326,534.00).

- d. After the attorneys' fees have been fully paid, all funds received from the remainder of the periodic payments will be accumulated for the benefit of the State of California and paid to the LWDA, once all funds have been accrued (\$1,815,384.00). Additionally, any remaining funds from uncashed checks sent to Aggrieved Employees shall also be disbursed to the LWDA along with the final payment.

7. Acknowledgements and Affirmations.

(a) With the exceptions of the LWDA Letter and the private claims being resolved in the litigation referenced *ante* in Paragraph 3, Plaintiff affirms that she has not filed or caused to be filed any claim, complaint or action against PeopLease or any of the other Released Parties in any forum or form, other than the Action and that she presently is not a party to any claim, complaint or action against PeopLease or any of the other Released Parties in any forum or form, other than the Action.

(b) Plaintiff further affirms that she has been paid or has received all compensation, wages, bonuses, commissions and benefits which are due and payable as of the date of execution of this Agreement, except as alleged in the Action and which claims are expressly released in this Agreement.

(c) Plaintiff also affirms that she has no known workplace injuries or occupational diseases and that she has been granted or has not been denied any leave to which she was entitled under the Family and Medical Leave Act, the California Family Rights Act or disability accommodation laws.

(d) Plaintiff affirms that all decisions regarding Plaintiff's pay and benefits through the date of execution of this Agreement were not discriminatory based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, mental or physical disability, medical condition, age, pregnancy, denial of medical and family care leave, pregnancy disability leave or any other classification protected by law.

(e) Plaintiff affirms that, as of the date on which she signs this Agreement, she is not Medicare eligible (*i.e.*, are not 65 years of age or older; are not suffering from end-stage renal failure; have not received Social Security Disability Insurance benefits for 24 months or longer, *etc.*). Nonetheless, if the Centers for Medicare & Medicaid Services (the "CMS") (this term includes any related agency representing Medicare's interests) determines that Medicare has an interest in the payment to Plaintiff under this Agreement, Plaintiff agrees to indemnify, defend and hold the Released Parties harmless from any action by the CMS relating to their medical expenses. Plaintiff agrees to reasonably cooperate with the Released Parties upon request with respect to (i) any information needed to satisfy the reporting requirements under Section 111 of the Medicare, Medicaid, and SCRIP Extension Act of 2007, if applicable, and (ii) any claim the CMS may make and for which Plaintiff are required to indemnify the Released Parties under this Section. Further, Plaintiff agrees to waive any and all future actions against the Released Parties for any private cause of action for damages pursuant to 42 U.S.C. Section 1395y(b)(3)(A).

8. Attorneys' Fees.

Other than as set forth in this Agreement, each Settling Party shall bear its own attorneys' or other professional fees and associated costs incurred in, or in any way related to, asserting or defending the claims asserted by and between the Settling Parties, and the negotiation, preparation and closing of this Agreement, if any. If, however, any Settling Party breaches any obligation

under this Agreement, the non-breaching party shall be entitled to reasonable expenses, attorneys' fees, and costs incurred in any action taken to enforce the terms of the Agreement, or to remedy or compensate for such breach.

Plaintiff acknowledges that she is solely responsible for any liens made in connection with any services performed on her behalf, including but not necessarily limited to by any attorney, consultants or expert witnesses. Despite the fact a portion of the gross sum set forth in Section 5 above is being paid to Plaintiff's counsel, Plaintiff acknowledges that none of the Released Parties are responsible for the payment of any fees incurred on behalf of Plaintiff in connection with the prosecution of the LWDA Letter or Action including, but not limited to, Plaintiff-side fees charged by the mediator of this dispute. Plaintiff acknowledges and agrees that she will indemnify and hold harmless the Released Parties for any and all costs any of them incur as a result of any claims made by any attorneys, consultants, expert witnesses, or other third parties to recover monies from the amounts payable to Plaintiff or Plaintiff's counsel under this Agreement.

9. **Representations and Warranties.** Other than with respect to the litigation referred to *ante* in Paragraph 3, Plaintiff represents and warrants to PeopLease that Plaintiff has the full power, capacity, and authority to enter into this Agreement, that Plaintiff has not sold, assigned or in any manner transferred any claims set forth in the operative complaint, which Plaintiff ever had against PeopLease or any of the Released Parties, to any third party, and that no other releases or settlements are necessary from any other person or entity to release and discharge completely PeopLease and the other Released Parties from the claims specified in the Action.

In return for payment of the above-described consideration, Plaintiff agrees to indemnify and hold harmless PeopLease and the other Released Parties from all claims, including claims for contribution or indemnity, brought by or on behalf of the Plaintiff or by anyone claiming by or on behalf of the Plaintiff or by anyone claiming through Plaintiff, in any way related to the Action.

10. **Execution Not an Admission.** This Agreement is the result of a settlement and compromise of disputed matters as herein set forth. By entering into this Agreement, PeopLease does not admit that the claims of Plaintiff are valid or meritorious, and Plaintiff hereto agrees that the terms of this Agreement shall never be used, referred to, or considered, as an admission of liability of such claims.

11. **Legal Representation; Construction.** Plaintiff acknowledges that Plaintiff has had the opportunity to receive an explanation from legal counsel regarding the legal nature and effect of the Agreement, and that Plaintiff understands the terms and provisions of this Agreement and its nature and effect. Plaintiff further represents that Plaintiff is entering into this Agreement freely and voluntarily, relying solely upon the advice of Plaintiff's own counsel and not relying on the representations of PeopLease or of the counsel of PeopLease, except as expressly stated in this Agreement. Each Settling Party expressly agrees that this Agreement shall not be construed or interpreted for or against the party drafting the Agreement. The headings in this Agreement are solely for organization and reference and shall not affect their interpretation.

12. **Waiver.** No breach of any provision hereof can be waived except in writing by the Settling Party making the waiver. Waiver of one breach of any provision hereof shall not be deemed to be a waiver of any other breach of the same or any other provision hereof. Failure on the part of any Settling Party hereto to complain of any act or failure to act of any other

Settling Party or to declare any other Settling Party in default hereunder, irrespective of how long such failure continues, shall not constitute a waiver of the rights of such Settling Party hereunder. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar; nor shall any waiver constitute a continuing waiver unless executed in writing by the Settling Party making the waiver.

13. **Counterparts.** This Agreement may be executed in counterparts in original or by way of facsimile or e-mail signature. When each Settling Party has signed and delivered such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute an agreement which shall be binding upon and effective as to all parties. No counterpart shall be effective until all Settling Parties hereto have executed and exchanged an executed counterpart hereof.

14. **Successors and Assigns.** This Agreement may not be assigned by any Settling Party without the prior written consent of all other Settling Parties. Subject to the foregoing provisions, this Agreement shall be binding on and inure to the benefit of the heirs, descendants, legatees, devisees, executors, administrators, legal representatives, successors, assigns, assignors, insurers, owners, guarantors, sureties, partners, members, servants, employees, employers, agents, officers, directors, shareholders, beneficiaries, predecessors, and affiliates of the Settling Parties.

15. **Applicable Law and Venue.** This Agreement is made, executed and entered into under and shall be governed by the laws of the State of California. Any proceeding involving this Agreement shall be brought in the Superior Court of California, Los Angeles County, and shall be adjudicated without a jury. If either party to this Agreement brings an action at law for its breach, only the provisions of the Agreement alleged to have been breached shall be disclosed unless otherwise ordered by the Court. The Settling Parties hereby irrevocably waive any right that either may otherwise have to a trial by jury with respect to any dispute, controversy, claim, suit, proceeding, or cause of action between or among them, arising out of or relating to this Agreement or Plaintiff's alleged employment with PeopLease. The Settling Parties understand and agree that, as a result of this waiver, any lawsuit between the parties will be decided by a judge rather than a jury.

16. **Integration.** This Agreement contains the entire agreement and understanding concerning the subject matter herein and supersedes and replaces any prior negotiations and agreements between the Settling Parties hereto, whether written or oral.

17. **Severability.** In the event that any one or more of the provisions of this Agreement shall be declared invalid, illegal, or unenforceable by a court of competent jurisdiction in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be in any way affected or impaired thereby.

18. **Modifications.** Any alterations, changes or modifications of or to this Agreement, in order to be effective, shall be made by written instrument or interlineation hereon, and in each such instance shall be duly signed on behalf of each Settling Party hereto. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by all Settling Parties.

19. **Materiality.** Each provision of this Agreement shall be considered material for the purpose of establishing a breach of this Agreement.

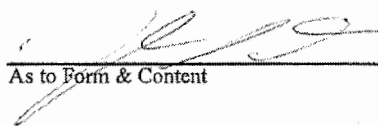
20. **Fax/E-Mail Validity.** The Settling Parties agree that in the event that this Agreement is executed or delivered via fax or e-mail attachment that the fax copy or printout of such e-mail attachment shall have the same validity as an original for all purposes including but not limited to utilization of the procedures for settling a dispute.

21. **Acknowledgements.** The Settling Parties, and each of them, acknowledge, represent and warrant that: (a) this Agreement and its reduction to final written form is the result of extensive good faith negotiations between the Settling Parties through their respective counsel; that they have carefully reviewed and fully understand all of the terms and provisions of this Agreement, and that they executed said Agreement after having sufficient opportunity to read and understand said Agreement and after conferring with their counsel; (c) said counsel have carefully reviewed and examined this Agreement before execution by said Settling Parties; (d) the Settling Parties have executed this Agreement relying wholly upon their own judgment and advice of counsel of their independent selection, if any; (e) the Settling Parties do not rely and have not relied upon any representation or statement made by any other Settling Party or by any person affiliated with or representing any of the other Settling Party with respect to any of the facts involved in the disputes compromised or with regard to the claims or asserted claims of either in that connection; (f) each Settling Party assumes the risk of any mistake of fact in connection with the true facts involved in such disputes or in connection with any facts which are unknown to either Settling Party; (g) each Settling Party has willingly and knowingly entered into this Agreement following careful analysis of the law and the facts at issue in this dispute and after determining that this Agreement represents a fair and reasonable resolution of those disputes; (h) each Settling Party acknowledges that this Agreement is not the result of fraud, duress or overreaching; (i) any statute or rule of construction stating that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement; and (j) the tax consequences, if any, of this settlement shall be borne solely by the party incurring such tax consequences, and neither Settling Party has relied upon any representation or statement made by any other Settling Party with regard to any potential tax consequences of this settlement.

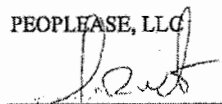
[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Settling Parties have executed this Agreement as of the day and year first written above if not otherwise indicated below.

JACKSON LEWIS P.C.


As to Form & Content

PEOPLEASE, LLC


DEFENDANT'S President & CEO

Printed Name: Jerry Duhite

MARLIN & SALTZMAN LLP

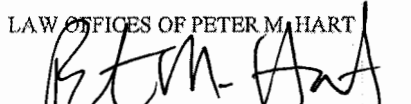

As to Form & Content

*By 

Laura Cota Olivas, PLAINTIFF

* Per telephonic authority from Laura Cota Olivas. Original signature to be lodged when received.

LAW OFFICES OF PETER M. HART


As to Form & Content

[EXHIBIT "A" FOLLOWS]

**EXHIBIT “A” TO PAGA SETTLEMENT AGREEMENT
(Stipulation and [Proposed] Order and Judgment)**

Stanley D. Saltzman (SBN: 90058)
Stephen P. O'Dell (SBN: 132279)
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29800 Agoura Road, Suite 210
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LAW OFFICES OF PETER M. HART
12121 Wilshire Blvd., Suite 725
Los Angeles, CA 90025
310-207-0109; Fax 310-561-6441

Attorneys for Plaintiff,
Laura Cota Olivas, for herself and for all
other current and former aggrieved employees

SUPERIOR COURT OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

LAURA COTA OLIVAS, for herself and for all
other current and for all other aggrieved
employees,

Plaintiff,

vs.

PEOPLEASE, LLC, a South Carolina limited
liability company; SKY TRUCKING LLC, as
California limited liability company; and DOES
1 through 100, inclusive,

Defendants.

Case No.: BC605055

Assigned For All Purposes to:
Hon. Michael L. Stern, Judge, Dept. 62

JOINT STIPULATION RE PAGA
PENALTY SETTLEMENT; [PROPOSED]
ORDER APPROVING PAGA PENALTIES
AND JUDGMENT

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WHEREAS Plaintiff filed this action against Defendant in the Los Angeles Superior Court on December 22, 2015, Case No. BC605055 (the “Action”), for violations of the California Labor Code and Wage Orders, seeking civil penalties pursuant to Labor Code sections 2698, *et seq.* (“PAGA”);

WHEREAS the Parties have memorialized their settlement of the PAGA claims in the “PAGA Settlement” attached hereto as Exhibit “1”, the key terms of which are as follows:

- Total Settlement Amount - \$3,980,000.00 (“PAGA Settlement Sum”)
- Number of Aggrieved Employees Covered, with the “Aggrieved Employees” group consisting of all individuals to whom PeopLease issued wage statements, in the State of California, from October 2, 2014 to November 8, 2019 – 11,143
- Attorneys’ Fees - \$1,326,534.00
- Fifteen thousand dollars (\$15,000) shall be paid as an Incentive Award to Plaintiff Laura Cota Olivas for her work in pursuing this case for the State of California and including litigation work that involved responding to written discovery, having her deposition taken, and preparing for trial on three occasions
- Litigation Costs - \$217,954 (including administrative costs of \$43,000.00 to be paid to CPT Group, Inc., to effect the distribution of funds and the Aggrieved Employees’ shares of the fund)
- Distribution of the remaining funds, totaling \$2,420,512.00: to the State of California (LWDA) - \$1,815,384.00 (75%); and the Aggrieved Employees - \$605,128.00 (25%).

- Paragraph 2 of the Memorandum of Understanding, effectively signed by the parties hereto, on November 13, 2019, shall apply to PeopLease's payment obligations and, as set forth therein, PeopLease agrees that if it defaults on any payment, the entire remaining balance may be accelerated, and entered as a Stipulated Judgment. However, PeopLease will be given written notice of any default via email to PeopLease's counsel of any default and shall have 10 days from transmission of the email to cure any default before any judgment is entered. PeopLease agrees to pay interest at 10% per annum on any amount that it is required to pay if notice of default is given and the opportunity to cure is exercised, which interest will accrue from the date of the default until the default is cured.
- PeopLease agrees to sign the Stipulated Judgment referenced in the preceding subparagraph, concurrently with execution of the PAGA settlement agreement. Plaintiff's counsel will hold the executed Stipulated Judgment in abeyance unless and until the conditions described in the preceding subparagraph arise.
- The settlement administrator, CPT Group, will be instructed to disburse the PAGA Settlement Sum as follows:
 - a. Upon receipt of the first payment in January 2020, CPT Group will pay Plaintiff's counsels' litigation costs (\$174,954.00) and costs of administration (\$43,000.00, for a combined total of \$217,954.00) and the incentive award to Plaintiff (\$15,000.00).
 - b. CPT will retain the remaining funds and continue to accept periodic payments from PeopLease. With the third payment on July 15, 2020, CPT will have sufficient funds available to disburse settlement shares to the aggrieved employees, totaling \$605,128.00 (based on workweek data provided by PeopLease), and will do so by July 31, 2020.

1 c. CPT will then pay the remaining funds and the funds from successive periodic
2 payments, when received, to Plaintiffs' counsel, until it has paid out the full amount of
3 attorneys' fees (\$1,326,534.00).

4 d. After the attorneys' fees have been fully paid, all funds received from the
5 remainder of the periodic payments will be accumulated for the benefit of the State of
6 California and paid to the LWDA, once all funds have been accrued (\$1,815,384.00).
7 Additionally, any remaining funds from uncashed checks sent to Aggrieved Employees
8 shall also be disbursed to the LWDA along with the final payment.

9
10 WHEREAS the Private Attorneys General Act provides that "the superior court shall
11 review and approve any penalties sought as part of a proposed settlement agreement pursuant to
12 this part." (Lab. Code, §2699(l)(2).) No other duties are conferred on the Court by PAGA, and
13 thus the Court is to review the settlement in light of the specific policy goals and stated
14 objectives of PAGA, as well as California's policy of encouraging settlements;¹

15 WHEREAS the PAGA settlement was negotiated at arm's-length by experienced counsel
16 well versed in the intricacies of PAGA litigation, with the assistance of an experienced mediator;
17 Plaintiff's and Defendant's counsel conducted formal and informal investigation and discovery
18 into the claims at issue, have thrice prepared to commence trial in this matter, and both sides
19 have assessed both the strengths and weaknesses of the claims and risks of continued litigation;

20 WHEREAS, pursuant to Labor Code section 2699(l)(2), Plaintiff's counsel has
21

22 ¹ See *McClure v. McClure* (1893) 100 Cal. 339, 343 (settlements "are highly favored as
23 productive of peace and goodwill in the community, and reducing the expense and persistency of
24 litigation"); *Lamb v Herndon* (1929) 97 Cal.App. 193, 203 ("it is the fixed policy of the law to
25 encourage the settlement of disputes and the prevention of litigation"); *Hamilton v. Oakland*
26 *School Dist.* (1933) 219 Cal. 322, 329 ("[It] is the policy of the law to discourage litigation and
27 to favor compromises of doubtful rights and controversies, made either in or out of court");
28 *Potter v. Pacific Coast Lumber Co.* (1951) 37 Cal.2d 397, 440 ("the law favors settlement of
legal controversies"); *Brown v. Guarantee Ins. Co.* (1957) 155 Cal.App.2d 679, 696 ("it is
fundamental that the law favors settlements"); and *Central Basin etc. Wat. Dist. v. Fossette*
(1965) 235 Cal.App.2d 689, 705 ("It is the policy of the law to discourage litigation and to favor
compromise and voluntary settlements of doubtful rights and controversies, made either in or out
of court").

1 concurrently herewith submitted the “proposed settlement ... to the [Labor and Workforce
2 Development Agency (“LWDA”)] at the same time that it is submitted to the court”;

3 WHEREAS Plaintiff’s counsel is required to give notice of the Court’s Judgment
4 approving the PAGA Settlement to the LWDA, as required by Labor Code section 2699(1)(3)²
5 and, thus, must first obtain the Court’s approval, in order to consummate the settlement;

6 NOW THEREFORE, the Parties stipulate to settle this matter according to the terms and
7 conditions set forth in the attached PAGA Settlement.

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9 IT IS SO STIPULATED:

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11 *(Signatures On Next Page)*
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26 ² “A copy of the superior court’s judgment in any civil action filed pursuant to this part ... that
27 either provides for or denies an award of civil penalties under this code shall be submitted to the
28 agency within 10 days after entry of the judgment or order.” (Lab. Code, §2699(1)(3).)

1
2 Dated: December ¹⁹, 2019

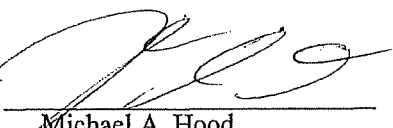
MARLIN & SALTZMAN, LLP
LAW OFFICES OF PETER M. HART

3
4 By: 

5 Stanley D. Siltzman
6 Stephen P. O'Dell of
7 Marlin & Saltzman, LLP
8 Attorneys for Plaintiff

9
10 Dated: December/9, 2019

JACKSON LEWIS, P.C.

11 By: 

12 Michael A. Hood
13 Nathan C. Yu
14 Jonathan P. Schmidt
15 Attorneys for Defendant,
16 PEOPLEASE, LLC

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28 [(Proposed) Order Follows]

(Proposed)

ORDER

APPROVING PAGA SETTLEMENT AND JUDGMENT THEREON

1. GOOD CAUSE having been shown, the Court hereby grants the Parties' stipulation to settle Plaintiff's claims for PAGA penalties, and orders that Judgment be entered upon the attached PAGA Settlement.

2. The Court approves and incorporates by reference the terms and conditions of the attached PAGA Settlement, attached to the Parties' Stipulation as Exhibit 1, and directs the implementation of all remaining terms, conditions, and provisions of the PAGA Settlement.

3. The PAGA Settlement is not an admission by the Defendant, PeopLease, LLC, nor is this Order a finding of the validity of any allegations or any wrongdoing by Defendant. Neither this Order, the PAGA Settlement, nor any document referred to herein, nor any action taken to carry out the PAGA Settlement, may be construed as, or may be used as, an admission of any fault, wrongdoing, omission, concession, or liability whatsoever against Defendant.

4. This Judgment shall be binding on all Aggrieved Employees covered by the PAGA Settlement (as defined therein) and the State of California, who are hereby barred by the doctrine of res judicata from re-litigating the claims therein settled. (See *Arias v. Superior Court* (2009) 46 Cal.4th 696, 986) (holding that a judgment in a representative action brought by an aggrieved employee under PAGA is binding not only on the named employee plaintiff, but also on state labor law enforcement agencies and any aggrieved employee not a party to the proceeding).

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1 5. The Court shall retain exclusive and continuing jurisdiction over the above-
2 captioned action and the Parties for purposes of enforcing the terms of the PAGA Settlement.

3
4 IT IS SO ORDERED, ADJUDGED, AND DECREED:

5
6 Dated: _____

HON. MICHAEL L. STERN, JUDGE
OF THE SUPERIOR COURT FOR
THE COUNTY OF LOS ANGELES