

CALIFORNIA PRIVATE ATTORNEYS' GENERAL ACT SETTLEMENT & RELEASE
AGREEMENT

This California Private Attorneys' General Act Settlement & Release Agreement (the "PAGA Agreement") is entered into by Robert Macias-Valladolid ("Plaintiff") and Interstate Truck Center, Inc. ("Defendant") (collectively, the "Parties"), and is made with knowledge of the facts as set forth below:

FACTUAL RECITALS

WHEREAS, on or about April 23, 2020, Plaintiff filed a letter with the Labor and Workforce Development Agency ("LWDA") and provided a copy to Defendant via certified mail alleging (1) overtime and minimum wages violations; (2) meal period violations; (3) rest period violations; (4) timing of payment during employment violations; (5) pay check stub violations; (6) unlawful deduction, withholding, or collection of wages paid; (7) failure to reimburse necessary expenditures; (8) record keeping violations; and (9) timing of final payment upon termination.

WHEREAS, on or about July 1, 2020, Plaintiff filed a Complaint in the California Superior Court for the County of Los Angeles (the "Court") entitled *Robert Macias-Valladolid v. Interstate Truck Center, Inc., et al.*, Case No. 20STCV24766 (the "Action"). The Action was brought on an individual basis as to Plaintiff and as a private attorney general alleging a single cause of action for violation of the Private Attorney General Act, Labor Code Section 2698 Et. Seq.;

WHEREAS, the Parties engaged in informal settlement discussions;

WHEREAS, Defendant provided informal discovery including a sampling of time records, total number of Aggrieved Employees, and total number of pay periods worked by Aggrieved Employees;

WHEREAS, Defendant identified approximately 300 relevant pay periods worked by Aggrieved Employees;

WHEREAS, Defendant provided a declaration under penalty of perjury that eleven Aggrieved Employees worked in California during the relevant time period; six of who worked 10 or fewer pay periods;

WHEREAS, the Parties agree that this PAGA Agreement sets forth the terms and conditions of the resolution of Plaintiff's and Aggrieved Employees' "PAGA Claims," as defined in paragraph 4 below of this PAGA Agreement, the resolution of which shall be referred to as the "PAGA Settlement." All of Plaintiff's claims, other than his PAGA Claims, including a general release of his claims, are expressly excluded from this PAGA Agreement

WHEREAS, the "PAGA Covered Period" is defined to be the period from April 23, 2019 through the date of Court Approval.

WHEREAS, the Parties hereto desire to resolve Plaintiff's and the Aggrieved Employees' PAGA Claims, without the further expenditure of time or expense of litigation and, for that reason, have entered into this PAGA Agreement. This PAGA Agreement is a full release and settlement of all of Plaintiff's and of all Aggrieved Employees' PAGA Claims as asserted by Plaintiff, or which could have been asserted by Plaintiff, as defined in this PAGA Agreement.

WHEREAS, while this PAGA Agreement resolves all PAGA Claims between the Parties and the Aggrieved Employees, as well as any future effects of any acts or omissions regarding Plaintiff's and the Aggrieved Employees' PAGA Claims, it does not constitute an admission by Defendant of any violation of federal, state, or local law, ordinance or regulation or of any violation of Defendant's policies, procedures, or of any liability or wrongdoing whatsoever. Consistent therewith, Defendant has denied, and continues to deny, any allegation made by Plaintiff and Defendant has further denied, and continues to deny, that Plaintiff and the Aggrieved Employees have been damaged in any way or are entitled to any remedy in any form, whether legal or equitable. Neither this PAGA Agreement nor anything in this PAGA Agreement shall be construed to be or shall be admissible in any proceeding as evidence of liability or wrongdoing by Defendant.

AGREED-UPON TERMS AND CONDITIONS OF PAGA SETTLEMENT

Now, therefore, with full knowledge and agreement as to the facts set forth above, the Parties to this PAGA Agreement agree as follows:

1. The Parties will cooperate in obtaining an order from the Court approving the PAGA Settlement described in this PAGA Agreement and dismissing the Action with prejudice (the "Approval Order"). The date that the Court issues its Approval Order shall be referred to as the "Approval Date." The Parties agree to use their best efforts to expedite the preparation and submission of documents to the Court and LWDA within ten business day of the Parties' execution of this PAGA Agreement. Defendant shall not object to the filing of the foregoing papers with the Court as joint stipulation, on an *ex parte* basis, and/or as a regularly noticed motion. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonable necessary to be prepared or filed with the Court, and shall take all steps that may be requested by the Court relating to or that are otherwise necessary to the approval and implementation of this PAGA Agreement.

2. Because the PAGA Settlement requires approval by the Court, the Parties enter into this PAGA Agreement on a conditional basis. This PAGA Agreement is expressly contingent upon the Court's approval of the PAGA Settlement pursuant to the terms and conditions set forth in this PAGA Agreement. If Court approval is not granted of this PAGA Agreement, then this PAGA Agreement shall be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever.

3. Defendant shall pay the Gross Settlement Amount of Twelve Thousand Five Hundred Dollars and No Cents (\$12,500.00) as follows:

a. Within Thirty (30) calendar days after Notice of the Approval, Defendant shall pay Twelve Thousand Five Hundred Dollars and No Cents (\$12,500.00) which shall be allocated as follows:

- i. Seven Thousand One Hundred Twenty-Five Dollars and No Cents (\$7,125.00) (the "PAGA Settlement Sum"), on account of disputed and alleged civil penalties as follows:
1. By check made payable to the "Labor and Workforce Development Agency" in the amount of Five Thousand Three Hundred Forty-Three Dollars and Seventy-Five Cents (\$5,343.75), which amount represents 75% of the total PAGA Settlement Sum, addressed to the Department of Industrial Relations, Accounting Unit, 455 Golden Gate Avenue, 10th Floor, San Francisco, CA 94102; and
 2. The amount of One Thousand Seven Hundred Eighty-One Dollars and Twenty-Five Cents (\$1,781.25), which amount represents 25% of the total PAGA Settlement Sum, which shall be distributed to all Aggrieved Employees on a prorated basis determined by the number of pay periods (whether partial or complete) each such Aggrieved Employee worked for Defendant during the PAGA Covered Period. All checks to Aggrieved Employees will be sent by Defendant to each Aggrieved Employee's last known address on file with Defendant and shall remain valid and negotiable for 180 days from the date of their issuance to Aggrieved Employees. If any checks are returned as undeliverable, Defendant shall make reasonable efforts to obtain an updated address and reissue a check to that Aggrieved Employee. If any checks are not cashed within 180 days of mailing, they will be voided. Uncashed funds will be sent to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code Section 1500, et seq. for the benefit of those Aggrieved Employees who did not cash their checks until such time as they claim their property in the name

of the Aggrieved Employee to whom the uncashed Net Settlement Payment check was addressed.

3. Four Thousand One Hundred Twenty-Five Dollars and No Cents (\$4,125.00) to Plaintiff's Counsel, Payne Nguyen, LLP, for attorneys' fees ("Attorneys' Fees"), which represents thirty-five percent (33%) of the total PAGA Settlement and attorneys' costs ("Plaintiff's Counsel's Costs") in the amount of One Thousand Two Hundred Fifty Dollars and No Cents (\$1,250.00), as final payment for and complete satisfaction of any and all attorneys' fees and costs incurred by and/or owed to Plaintiff's Counsel related to the Action.

4. Upon entry of the Court's Approval Order, Plaintiff, acting on his behalf, acting on behalf of the LWDA, and acting on behalf of all Aggrieved Employees, hereby acknowledges full and complete satisfaction of and release and discharge and covenant not to sue Defendant, as well as its directors, officers, shareholders, partners, members, representatives, assignees, successors, business managers, marital community, agents, contractors, insurers, attorneys, and employees, past and present, and each of them (individually and collectively, "Releasees") from and with respect to Plaintiff's "PAGA Claims." For purpose of this PAGA Settlement, "PAGA Claims" are any and all claims for civil penalties pursuant to PAGA based on the allegations in Plaintiff's Complaint and/or PAGA Notice, broadly construed, including, but not limited to, civil penalties based on or arising from California Labor Code Sections 200, 201, 202, 203, 204, 210, 218.6, 221, 224, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1175, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, 2698 et seq., and the California Wage Orders, whether known or unknown, suspected or unsuspected, concealed or hidden, that were alleged in the Action and/or the PAGA Notice, or that could have been alleged in the Action and/or PAGA Notice, which Plaintiff and any Aggrieved Employee has or had at any time through and including the Approval Date, against any of the Releasees.

5. Upon the Approval Date of this PAGA Agreement, Plaintiff and Aggrieved Employees shall be forever barred and enjoined from instituting or prosecuting, either directly or indirectly, individually, collectively, and/or representatively, any PAGA Claim released by paragraph 5 above of this Agreement against any Releasee. This PAGA Agreement may be pleaded by any Releasee as a full and complete defense to, and may be used as the basis for an injunction against, any action, suit or other proceeding that has been or may be instituted, prosecuted or attempted, asserting any PAGA Claim released by paragraph 5 above of this Agreement.

6. Plaintiff and the Aggrieved Employees shall pay any federal or state taxes that may be required to be paid with respect to this PAGA Agreement and agree to indemnify and hold Defendant and all Releasees harmless for any of their tax liability whatsoever related to the monetary consideration provided herein.

7. If any provision of this PAGA Agreement or its application is held invalid, the invalidity shall not affect other provisions or applications of the PAGA Agreement which can be given effect without the invalid provisions or application and, therefore, the provisions of this PAGA Agreement are declared to be severable. This PAGA Agreement is an integrated agreement and is the entire agreement of the Parties as to the PAGA Claims. This PAGA Agreement supersedes all prior negotiations and all agreements, whether written or oral. This PAGA Agreement may be modified only by a writing signed by all the Parties. This PAGA Agreement may be executed in counterparts. Any copy or facsimile of this PAGA Agreement shall be as effective as an original.

8. The Parties agree that upon the occurrence of the entry of judgment or dismissal pursuant to the terms of this PAGA Agreement, this PAGA Agreement shall be enforceable by the Court pursuant to Code of Civil Procedure Section 664.6 and the Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties to the fullest extent to interpret, enforce, and effectuate the terms, conditions, intents and obligations of the PAGA Agreement.

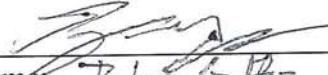
9. The undersigned acknowledge that they have read this PAGA Agreement, that they have had opportunity to consult with an attorney, that they have had a reasonable amount of time to consider this PAGA Agreement, that they fully understand and appreciate its meaning, and that it includes a full and final release and settlement of Plaintiff's, the LWDA's, and the Aggrieved Employees' PAGA Claims, whether such claims are currently known or not, as of the date of signing that such parties they may have against Defendant, and Plaintiff voluntarily signs it in his individual and representative capacities.

Executed on _____, 2020

ROBERT MACIAS-VALLADOLID

Executed on December 23, 2020

By:


Name: Tyler Gaffeo
Title: Ena Vice President
Authorized Agent for Defendant
INTERSTATE TRUCK CENTER, INC.

Approved as to form.

PAYNE NGUYEN, LLP

Executed on _____, 2020

By:

CODY PAYNE
KIM NGUYEN
Attorneys for Plaintiff
ROBERT MACIAS-VALLADOLID

LATHROP GPM LLP

Executed on December 23, 2020

By:


LAURA REATHAFORD
Attorney for Defendant
INTERSTATE TRUCK CENTER, INC.

9. The undersigned acknowledge that they have read this PAGA Agreement, that they have had opportunity to consult with an attorney, that they have had a reasonable amount of time to consider this PAGA Agreement, that they fully understand and appreciate its meaning, and that it includes a full and final release and settlement of Plaintiff's, the LWDA's, and the Aggrieved Employees' PAGA Claims, whether such claims are currently known or not, as of the date of signing that such parties they may have against Defendant, and Plaintiff voluntarily signs it in his individual and representative capacities.

Executed on 12/1/20, 2020



ROBERT MACIAS-VALLADOLID

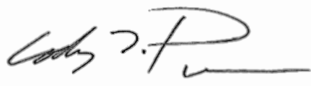
Executed on _____, 2020

By: _____
Name: _____
Title: _____
Authorized Agent for Defendant
INTERSTATE TRUCK CENTER, INC.

Approved as to form.

PAYNE NGUYEN, LLP

Executed on December 23,, 2020

By: 

CODY PAYNE
KIM NGUYEN
Attorneys for Plaintiff
ROBERT MACIAS-VALLADOLID

LATHROP GPM LLP

Executed on _____, 2020

By: _____
LAURA REATHAFORD
Attorney for Defendant
INTERSTATE TRUCK CENTER, INC.