

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement Agreement,” “Settlement,” or “Agreement”) is made and entered by and between Plaintiff Donovan Soto (“Plaintiff”) and Defendants Mid-Valley Disposal, Mid-Valley Disposal, LLC, Mid-Valley Disposal Holdings, LLC, Mid-Valley Recycling, LLC (“Mid-Valley Defendants”) and Real Time Staffing Services, LLC (“Defendant Real Time”) (Mid-Valley Defendants and Defendant Real-Time collectively “Defendants”) to settle the action entitled *Soto v. Mid-Valley Disposal et al.* (Case No. 23CV-00762) (“Lawsuit”). Plaintiff and Defendants are collectively referred to herein as the “Parties”, and each may be individually referred to herein as a “Party”.

RECITALS

This Agreement is made in consideration of the following facts:

A. Plaintiff is a former hourly-paid, non-exempt employee of Defendant Real Time who was assigned to labor at Defendant Mid-Valley Disposal, LLC for approximately six (6) weeks from May 2022 through June 2022.

B. Plaintiff contends he suffered one or more violations of the Labor Code during his employment with Defendant and that he is an “aggrieved employee” under Private Attorneys General Act of 2004 (“PAGA”).

C. Pursuant to PAGA, on December 22, 2022, Plaintiff provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and Mid-Valley Defendants of the specific provisions of the Labor Code he contends were violated and the theories supporting his contentions.

D. On March 2, 2023, Plaintiff filed a representative PAGA action in the Superior Court of California, County of Merced against Mid-Valley Defendants. The Lawsuit is predicated on the alleged: (1) failure to pay for all hours worked; (2) failure to pay minimum and overtime wages; (3) failure to provide meal periods and rest breaks; (4) failure to timely pay wages during employment; (5) failure to timely pay wages upon termination; (6) failure to provide complete and accurate wage statements; (7) failure to pay sick pay; and (8) failure to reimburse business expenses (“PAGA Claims”).

E. After engaging in discovery, investigations, and negotiations, on November 18, 2024, the Parties remotely attended mediation with the mediator Paul Grossman that resulted in the settlement of this Lawsuit via a mediator’s proposal, subject to the Court’s approval.

F. In line with the settlement, on March 25, 2025, Plaintiff provided an amended written notice to the LWDA and Mid-Valley Defendants that added Defendant Real Time as an additional employee (“PAGA Notice”). Plaintiff also filed a First Amended Complaint adding Defendant Real Time as a named defendant.

G. Defendants deny all the allegations in the Lawsuit and any contention that it committed any misconduct, wrongdoing, or any other actionable conduct of any kind, including any violation of the Labor Code.

H. The Parties have each independently analyzed and investigated the facts and law relevant to the Lawsuit. Pursuant to discovery, Defendants produced documents and data, including, but not limited to, information pertaining to the employment policies, practices, and procedures implicated by the PAGA Claims. This included meal and rest breaks, overtime, timekeeping, and payroll policies, sampling of timekeeping and payroll records, wage statements, and summaries of data pertaining to the number of employees allegedly affected by the PAGA Claims. The Parties have had ample opportunity to evaluate their positions on the merits of the claims asserted.

NOW, THEREFORE, in consideration of the promises and agreements contained herein, the Parties agree to, and, pursuant to Labor Code section 2699(l)(2), seek approval of, the following settlement terms.

SETTLEMENT TERMS

1. **Court Approval of the Agreement.** In accordance with Labor Code section 2699(l)(2), the Parties will present this Agreement to the Court for its review and approval via a stipulation or noticed motion. Except as otherwise expressed herein, should the Court not grant approval of this Agreement or should the LWDA object to this Agreement, then the entirety of the Agreement shall be null and void, unless otherwise agreed upon in writing by the Parties. The Court shall retain jurisdiction to enforce the terms and conditions of the judgment. No effort shall be made to enforce the judgment unless Defendants default on their payment obligations under this Agreement. If the Agreement is null and void, and a new trial date is selected, all expert and non-expert discovery and pre-trial deadlines shall be based on the new trial date.

2. **Delivery of Agreement to the LWDA.** As required by Labor Code section 2699(l)(2), Plaintiff will cause this Agreement to be submitted to the LWDA at the same time that this Agreement is submitted to the Court for approval.

3. **Effective Date.** The “Effective Date” shall be the later of the time when: (i) the date of final affirmance of the Judgment on an appeal of the Judgment, the expiration of the time for, or the denial of, a petition to review the Judgment, or if review is granted, the date of final affirmance of the Judgment following review pursuant to that grant; (ii) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding to review the Judgment, provided that the Judgment is affirmed and/or not reversed in any part; (iii) the final resolution (or withdrawal) of any filed appeal in a way that affirms the Approval Order and Judgment in a form substantially identical to the form of the Approval Order entered by the Court, and the time to petition for review with respect to any appellate decision affirming the Approval Order has expired; or (iv) if no appeal is filed, the sixty-first (61st) day after the Court enters the Approval Order and Judgment.

4. **No Admission of Liability.**

(a) The Parties acknowledge and agree that this Agreement is the result of a compromise and settlement of disputed claims in the Lawsuit. Defendants deny and continue to deny all of the allegations made by Plaintiff in the Lawsuit and denies and continue to deny that they are liable or owes any damages, penalties, or other compensation or remedies to anyone with respect to the PAGA Claims. Defendants deny any liability or wrongdoing of any kind in connection with Plaintiff's claims and contends that it complied in all respects with applicable state and federal laws and regulations. Defendants agreed to settle the Lawsuit on the terms and conditions set forth in this Agreement to avoid the burden, expense, and uncertainty of litigation.

(b) The Parties agree that this Agreement is a settlement document and shall be inadmissible for any purpose in any proceeding, except an action or proceeding to approve, interpret, or enforce the terms of this Agreement. The Parties agree that, to the extent permitted by law, this Agreement may be pleaded 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 may be instituted, prosecuted, or attempted in breach of this Agreement.

5. **Amended PAGA Notice and Complaint.** Plaintiff shall provide the LWDA with an updated PAGA Notice naming Defendant Real Time as an additional employer of Plaintiff and the Settlement Group. Plaintiff shall thereafter file a First Amended Complaint adding Defendant Real Time as a named defendant as to Plaintiff's Cause of Action for Violation of PAGA for settlement purposes only. The Parties agree that they will cooperate on submitting any papers needed to effectuate the filing of the First Amended Complaint. The Parties acknowledge and agree that the submission of the Amended PAGA Notice and the filing of a First Amended Complaint adding Defendant Real Time is a material term of the Settlement. The allegations set forth in the First Amended Complaint will be deemed denied by Defendants without the need for Defendants to file a responsive pleading or any other pleading in the action.

6. **Settlement Group and Settlement Period.**

(a) **Settlement Group and Settlement Group Members.** This Agreement shall include all current and former hourly-paid or non-exempt employees of Mid-Valley Defendants within the State of California at any time during the Settlement Period and all current and former hourly-paid or non-exempt employees of Defendant Real Time who were assigned to labor for Mid-Valley Defendants within the State of California at any time during the Settlement Period.

(b) **The Settlement Period.** This Agreement shall cover the period from December 21, 2021, through February 20, 2025 ("Settlement Period").

(i) There will be no right of Settlement Group Members to opt out of or object to the Settlement.

(ii) There will be no reversion to Defendants and no claims process for the Settlement Group Members to receive payment.

(iii) Defendants estimate that from between December 21, 2021 and November 18, 2024 (“Data Period”), there were approximately 848 Settlement Group Members that worked around 31,386 pay periods.

7. **Settlement Administration.**

(a) The Parties will retain CPT Group, Inc. to act as the Settlement Administrator with respect to this Agreement.

(b) The Settlement Administrator shall be responsible for establishing a qualified settlement fund pursuant to 26 U.S.C. section 486B, making all payments required by this Agreement, handling all required tax withholding and reporting related thereto to the extent necessary, and issuing all appropriate tax forms to Plaintiff, Plaintiff’s Counsel, Settlement Group, and LWDA resulting from the settlement payments under this Agreement.

(c) Any disputes concerning the settlement administration that the Parties are unable to resolve by meeting and conferring with one another may be submitted to the mediator who facilitated the negotiations. If the Parties cannot resolve their dispute even with the mediator’s assistance, the dispute may be submitted to and resolved by the Court.

8. **Settlement Payments.**

(a) **Gross Settlement Amount.** In consideration of, and subject to, the promises, terms, and conditions set forth in this Agreement, Defendants shall pay the maximum gross sum of \$310,000 (“Gross Settlement Amount”) in the manner and method set forth in this Agreement. Nothing in this Agreement, aside from the Escalator Clause, shall require Defendants to pay, or make Defendants liable for, more than the Gross Settlement Amount to fully, finally, and completely settle the Lawsuit and all claims alleged therein.

(b) **Allocation of Gross Settlement Amount.** The Gross Settlement Amount shall consist of the following proposed payments: (i) award of attorneys’ fees to Plaintiff’s Counsel (“Attorneys’ Fees Award”); (ii) award of litigation costs and expenses to Plaintiff’s Counsel (“Litigation Costs Award”); (iii) enhancement payment to Plaintiff (“Enhancement Payment”); (iv) payment of settlement administration costs to the Settlement Administrator (“Administration Costs”); and (v) payments of civil penalties to the LWDA and Settlement Group (“PAGA Penalties Fund”).

(i) **Attorneys’ Fees Award.**

(A) Plaintiff’s Counsel may submit an application to the Court for an award of attorneys’ fees not to exceed \$117,800 (38% of the Gross Settlement Amount). Defendants will not oppose or object to this application. Defendants shall have no liability for attorneys’ fees except as provided for in this Agreement.

(B) Any Attorneys' Fees Award approved by the Court will be paid out of the Gross Settlement Amount and shall constitute a full and complete satisfaction of all claims Plaintiff may have for attorneys' fees arising out of the Lawsuit through the Effective Date of this Agreement, including work not yet performed.

(C) This Agreement is not contingent upon the Court approving an Attorneys' Fees Award in the amount set forth herein. This Agreement and its terms shall remain fully effective and enforceable notwithstanding any decision by the Court to approve an Attorneys' Fees Award that is less than the amount set forth herein. The Court's refusal to approve the Attorneys' Fees Award requested by Plaintiff's Counsel does not give Plaintiff, Settlement Group, or Plaintiff's Counsel any basis to abrogate this Settlement.

(D) If any portion of the Attorneys' Fees Award set forth herein is not approved by the Court, only the approved amount shall be paid, and the payment of that amount shall constitute satisfaction of Defendants' obligations with respect to the Attorneys' Fees Award. Any difference between the amount of Attorneys' Fees Award set forth herein and the amount of the Attorneys' Fees Award approved by the Court will become part of the PAGA Penalties Fund.

(ii) **Litigation Costs Award.**

(A) Plaintiff's Counsel may submit an application to the Court for an award for reimbursement of litigation costs and expenses incurred by Plaintiff's Counsel in connection with the Lawsuit not to exceed \$35,000 ("Litigation Costs Award"). Defendants will not oppose or object to this application. Defendants shall have no liability for attorneys' costs except as provided for in this Agreement.

(B) Any Litigation Costs Award approved by the Court will be paid out of the Gross Settlement Amount and shall constitute a full and complete satisfaction of all claims Plaintiff may have for litigation costs and expenses arising out of the Lawsuit through the Effective Date of this Agreement, including litigation costs and expenses not yet incurred.

(C) This Agreement is not contingent upon the Court approving a Litigation Costs Award in the amount set forth herein. This Agreement and its terms shall remain fully effective and enforceable notwithstanding any decision by the Court to approve a Litigation Costs Award that is less than the amount set forth herein. The Court's refusal to approve the Litigation Costs Award requested by Plaintiff's Counsel does not give Plaintiff, Settlement Group, or Plaintiff's Counsel any basis to abrogate this Settlement.

(D) If any portion of the Litigation Costs Award set forth herein is not approved by the Court, only the approved amount shall be paid, and the payment of that amount shall constitute satisfaction of Defendants' obligations with respect to the Litigation Costs Award. Any difference between the amount of Litigation Costs Award set forth herein and the amount of Litigation Costs Award approved by the Court will become part of the PAGA Penalties Fund.

(iii) **Enhancement Payment.**

(A) Plaintiff may submit an application to the Court for an award of an enhancement payment in an amount not to exceed \$10,000 to Plaintiff for the time and effort and for the risk undertaken in bringing and prosecuting the Lawsuit (“Enhancement Payment”) in exchange for a general release and a Civil Code section 1542 release. Defendants shall not oppose any requests by Plaintiff for the Enhancement Payment.

(B) This Agreement is not contingent upon the Court approving the Enhancement Payment in the amount set forth herein. This Agreement and its terms shall remain fully effective and enforceable notwithstanding any decision by the Court to approve the Enhancement Payment in an amount less than the amount set forth herein. The Court’s refusal to approve the Enhancement Payment requested by Plaintiff’s Counsel does not give Plaintiff, Settlement Group, or Plaintiff’s Counsel any basis to abrogate this Settlement.

(C) If any portion of the Enhancement Payment set forth herein is not approved by the Court, no more than the approved amount shall be paid to Plaintiff from the Gross Settlement Amount. Any difference between the amount of Enhancement Payment set forth herein and the amount of Enhancement Payment approved by the Court will become part of the PAGA Penalties Fund.

(iv) **Administration Costs.**

(A) Subject to approval by the Court, an amount currently estimated at \$12,000 will be paid to the Settlement Administrator out of the Gross Settlement Amount to cover the costs of the settlement administration process (“Administration Costs”).

(B) Any Administration Costs approved by the Court will be paid out of the Gross Settlement Amount and shall constitute a full and complete satisfaction of any settlement administration costs.

(C) This Agreement is not contingent upon the Court approving Administration Costs in the amount set forth herein. This Agreement and its terms shall remain fully effective and enforceable notwithstanding any decision by the Court to approve Administration Costs in an amount that is less than the amount set forth herein. The Court’s refusal to approve the Administration Costs requested does not give Plaintiff, Settlement Group, or Plaintiff’s Counsel any basis to abrogate this Settlement.

(D) If any portion of the Administration Costs set forth herein is not approved by the Court, no more than the approved amount shall be paid to the Settlement Administrator out of the Gross Settlement Amount. Any difference between the amount of Administration Costs set forth herein and the amount of Administration Costs approved by the Court will become part of the PAGA Penalties Fund.

(v) **PAGA Penalties Fund.** The portion of the Gross Settlement Amount remaining after the Attorneys' Fees Award, Litigation Costs Award, Enhancement Payment, and Administration Costs are paid shall be designated the PAGA Penalties Fund, from which payments deemed to constitute a full and complete satisfaction of any and all claims in the Lawsuit for civil penalties under PAGA shall be made. Subject to approval by the Court, the PAGA Penalties Fund shall be allocated and paid as follows:

(A) **The LWDA Payment.** Seventy-five percent (75%) of the PAGA Penalties Fund will be paid to the LWDA for enforcement of labor laws, including the administration of PAGA, and for education of employers and employees about their rights and responsibilities under the Labor Code.

(B) **Individual Settlement Awards.** Twenty-five percent (25%) of the PAGA Penalties Fund shall be designated as the Net Settlement Amount and will be paid to the Settlement Group on a pro rata basis. Each Settlement Group Member will receive a pro-rated share of the Net Settlement Amount based on the total number of pay periods the Settlement Group Member worked as an hourly-paid or non-exempt employee of Mid-Valley Defendants within the State of California at any time during the Settlement Period or while assigned to labor for Mid-Valley Defendants by Defendant Real time within the State of California at any time during the Settlement Period.

(C) The maximum amount that each Settlement Group Member is entitled to receive ("Individual Settlement Award") is determined by multiplying the Net Settlement Amount by a ratio that is determined by dividing the total number of pay periods worked by the Settlement Group Member for Defendant within the State of California during the Settlement Period by the total number of pay periods worked by all Settlement Group Members for Defendant within the State of California during the Settlement Period, as expressed in the following formula:

(1) Individual Settlement Award = Net Settlement Amount x (total number of pay periods worked by the Settlement Group Member ÷ total number of pay periods worked by all Settlement Group Members).

(2) If the total value of payments to Settlement Group Members exceeds this amount, then payments to each Settlement Group Member will be adjusted on a pro-rata basis so that the total payout to Settlement Group Members does not exceed the Net Settlement Amount.

(c) **No Effect on Employee Benefits.** The payments made to Settlement Group Members herein shall not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Group Members may be eligible, including, but not limited to, any profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, or other benefit plans available to the Settlement Group.

(d) **Payments to Plaintiff's Counsel.** The Settlement Administrator shall issue an IRS Form 1099 to Justice Law Corporation in connection with its Attorneys' Fees Award and Litigation Costs Award.

(e) **Payments to the LWDA.** The seventy-five percent (75%) of the PAGA Penalties Fund payable to the LWDA shall be deemed to consist entirely of civil penalties recovered under PAGA and subject to treatment as IRS Form 1099 income.

(f) **Payments to the Settlement Group.** An IRS Form 1099 will be issued to each Settlement Group Member in connection with his or her Individual Settlement Award if it is \$600 or more.

(g) **Tax Indemnification.** Plaintiff, Plaintiff's Counsel, Settlement Group, and applicable governmental authorities (including the LWDA) are solely responsible for all tax obligations, including all reporting and payment obligations, attributable to them that may arise as a consequence of this Agreement and the payment of the amounts set forth herein. Neither Defendants nor Defendants' counsel make any express or implied promise, representation, or warranty regarding the tax consequences or tax treatment under federal or state tax laws for any sum paid pursuant to this Agreement.

8. **Distribution of Settlement Payments.**

(a) **List of Settlement Group Members.** No later than the Effective Date, Defendants shall provide to the Settlement Administrator a list of Settlement Group Members that identifies each of their: (i) Social Security numbers; (ii) last known addresses; (iii) telephone numbers; and (iv) number of pay periods worked during the Settlement Period. Defendants agree to consult with the Settlement Administrator as required to provide the list in a format reasonably acceptable for the performance of the duties of the Settlement Administrator. The Settlement Administrator will keep the list confidential, use it only for the purposes described herein, take adequate safeguards to protect confidential or private information and return or certify the destruction of the information upon completion of the Settlement Administration process.

(b) **Funding the Gross Settlement Amount.** No later than fourteen (14) calendar days following the Effective Date, Defendants shall deposit the Gross Settlement Amount into the qualified settlement fund created by the Settlement Administrator.

(c) **Disbursing the Payments.** Within fourteen (14) calendar days of the funding of the Gross Settlement Amount, the Settlement Administrator will disburse the payments set forth herein to the appropriate entities or persons. The Settlement Administrator shall first obtain approval of the calculations from all counsel before disbursing the payments.

(d) **Payment of Individual Settlement Awards.**

(i) Individual Settlement Awards will be paid in the form of a check to be delivered to each Settlement Group Member at their last known address. Each Individual Settlement Award will be accompanied by an explanatory letter in English and Spanish substantially in the form attached hereto as **Exhibit A**.

(ii) Individual Settlement Award checks will remain negotiable for one hundred eighty (180) calendar days after the date of their issuance (“Check Stale Date”). Any Individual Settlement Award checks that are not cashed, deposited, or negotiated after the Check Stale Date will be void, and the amount of those checks will be directed to the California State Controller for deposit in the Unclaimed Property Fund in the name of the employee.

(iii) Any checks to the Settlement Group returned as undeliverable on or before the Check Stale Date will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will attempt to determine the correct address using a skip trace or other reasonable method and will then perform a single remailing.

(iv) Any Settlement Group Member who cannot be located after the above procedures are followed will still continue to be bound by this Agreement. Any funds associated with such Settlement Group Member’s Individual Settlement Award will be directed to the California State Controller for deposit in the Unclaimed Property Fund in their name.

9. **Releases.**

(a) **Released Parties.** The Released Parties include Defendants and their former and present directors, officers, shareholders, owners, attorneys, insurers, parents, subsidiaries, affiliates and related entities, predecessors, successors, and assigns.

(b) **Release of PAGA Claims.** Effective on the date when Defendants fully fund the Gross Settlement Amount, Plaintiff, State of California, and Settlement Group Members will release claims against all Released Parties as follows:

(i) **Release by the State of California with Respect to Settlement Group Members.** The State of California, with respect to the Settlement Group Members, is deemed to release the Released Parties from all claims for PAGA penalties that were alleged, or could have been alleged, based on the facts stated in the operative complaint and PAGA Notice that occurred during the Settlement Period. These claims include Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226(a), 226.3, 226.7, 246, 432.5, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and corresponding provisions of any applicable IWC Wage Order(s). This release does not extend to any claims or actions for vested benefits, unemployment benefits, disability benefits, Social Security benefits, or workers’ compensation benefits that arose at any time during the Settlement Period or based on occurrences outside the Settlement Period.

(ii) **Plaintiff’s Release.** Plaintiff and his former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns release and discharge the Released Parties from all claims for PAGA penalties that were alleged, or could have been alleged, based on the facts stated in the operative complaint and PAGA Notice that occurred during the Settlement Period. These claims include Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226(a), 226.3, 226.7, 246, 432.5, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and corresponding provisions of any applicable IWC Wage Order(s). This release does not extend to any claims or actions to enforce this Agreement.

(iii) Plaintiff's General Release and Waiver of Rights Under Civil Code Section 1542. Plaintiff and his former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns also generally release and discharge the Released Parties from all liabilities, causes of actions, charges, complaints, suits, claims, obligations, costs, losses, damages, liquidated damages, punitive damages, equitable relief, restitution, declaratory relief, interest, rights, judgments, attorneys' fees and costs, expenses, bonds, bills, penalties, fines, and all other legal responsibilities of any form whatsoever whether known or unknown, whether suspected or unsuspected, whether fixed or contingent.

(iv) Plaintiff's General Release includes, but is not limited to, those arising from any acts or omissions of Defendants or the Released Parties occurring from the beginning of time to the date of execution of this Agreement, including those arising under any theory of law, whether common, contractual, constitutional, statutory or other of any jurisdiction, foreign or domestic, whether known or unknown, whether in law or in equity, which Plaintiff had or may claim to have against any of them by reason of any and all matters from the beginning of time to the present. This includes, but is not limited to, those arising out of his past employment with, compensation during, and/or separation from Defendants.

(v) Plaintiff, on behalf of himself and his heirs, executors, administrators, and representatives, shall and does forever release, discharge and agrees to hold harmless the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debt and expenses (including attorney fees and costs), known or unknown, at law or in equity, which they may now have or may have after the signing of this Agreement, arising out of or in any way connected with his employment with Defendant Real Time or assignment at the Mid-Valley Defendants including, claims that were asserted or could have been asserted in the First Amended Complaint, Action, and any and all transactions, occurrences, or matters between the Parties.

(vi) Plaintiff's General Release shall include, but not be limited to, any and all claims under the (1) Americans with Disabilities Act, as amended; (2) Title VII of the Civil Rights Act of 1964, as amended; (3) Civil Rights Act of 1991; (4) 42 U.S.C. section 1981, as amended; (5) Age Discrimination in Employment Act, as amended; (6) Fair Standards Act, as amended; (7) Equal Pay Act; (8) Employee Retirement Income Security Act, as amended; (9) Consolidated Omnibus Budget Reconciliation Act; (10) Rehabilitation Act of 1973; (11) Family and Medical Leave Act; (12) Civil Rights Act of 1966; (13) Fair Employment and Housing Act; (14) California Constitution; (15) Labor Code; (16) Government Code; (17) Civil Code; and (18) any and all other federal, state and local statutes, ordinances, regulations, rules and other laws, and any and all claims based on constitutional, statutory, common law or regulatory grounds as well as any other claims based on the theories of wrongful or constructive discharge, breach of contract or implied contract, fraud, misrepresentation, promissory estoppel or intentional and/or negligent infliction of emotional distress, or damages under any other federal, state or local statutes, ordinances, regulations, rules or laws.

(vii) Plaintiff's General Release is for any and all relief, no matter how denominated, including, but not limited to, overtime, wages, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and attorneys' fees and costs, and Plaintiff hereby forever release, discharge and agree to hold harmless Defendants and the Released Parties from any and all claims for attorney fees and costs arising out of the matters released in this Agreement.

(viii) Plaintiff's General Release also includes, but is not limited to: (1) all claims that were alleged, or could have been alleged, based on the facts contained in the operative complaint; and (2) all PAGA claims that were alleged, or could have been alleged, based on facts contained in the PAGA Notice.

(ix) Plaintiff's General Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time.

(A) Plaintiff acknowledges that he is aware and familiar with the provisions of Civil Code section 1542, or any other similar provision under federal or state law, which provides:

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, being aware of section 1542, hereby expressly waives and relinquishes all rights and benefits he may have under section 1542 as well as any other statutes or common law principles of a similar effect. Plaintiff may hereafter discover facts in addition to or different from those which he now knows or believes to be true with respect to the subject matter of all the claims referenced herein. But Plaintiff stipulates and agrees that, upon the funding of the Gross Settlement Amount, Plaintiff shall and hereby does fully, and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have been asserted upon any theory of law or equity without regard to the subsequent discovery existence of such different or additional facts.

10. **Confidentiality.** Except as provided below to the extent necessary to effectuate the settlement or as required by court or legal process, the Parties and their counsel will keep confidential the facts relating to the existence of this Agreement, negotiations leading to the execution of this Agreement, terms of this Agreement, and alleged factual basis for Plaintiff's claims, if any. Neither the Parties nor their counsel shall issue a press release, hold a press conference, publish information about the settlement on any website or through any social media, or otherwise publicize the settlement or communicate its terms in public or in private, unless ordered by the Court. However, for the limited purpose of establishing adequacy of counsel in future actions, Plaintiff's Counsel may reference the Action only by name and case number in a declaration establishing adequacy as class or representative counsel.

11. **Waiver of Appeal Rights.** By accepting this Settlement and upon the Court granting approval of the settlement, Plaintiff and Plaintiff's Counsel waive any and all rights they may have to appeal any judgment, ruling, or order made by the Court including any order granting approval of this Settlement or dismissing the Lawsuit with prejudice. This includes all rights to any post-judgment proceeding and appellate proceeding, such as, but not limited to, a motion to vacate judgment, a motion for new trial, a motion for relief, and any extraordinary writ. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings, or post-judgment proceedings. If an appeal is taken from the approval, the time for consummation of the Settlement (including making payments under the Settlement) will be suspended until such time as the appeal is finally resolved and the approval becomes final.

12. **Acknowledgement of Fair and Reasonable Settlement.** The Parties have arrived at this Agreement after arm's-length negotiations between experienced counsel. Each of the Parties acknowledges, agrees, and believes that this Agreement is a fair, adequate, and reasonable settlement. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Agreement. Each Party to this Agreement agrees and represents that it has investigated the facts relevant to this Agreement and all matters pertaining thereto to the full extent that each Party deems necessary. The Parties agree that this Agreement reflects their good faith compromise of the claims raised in the Lawsuit based on their assessment of the mutual risks and costs of further litigation and the assessments of their counsel.

13. **Duty to Cooperate.** Each Party agrees that it will abide by this Agreement and that the Parties and their counsel will cooperate with each other to effect the implementation of this Agreement. The Parties pledge that their good faith and fair dealing in supporting the approval of this Agreement by the Court. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties may seek the assistance of the mediator who facilitated the negotiations. If the Parties cannot resolve their dispute with the assistance of the mediator, the Parties may seek the assistance of the Court.

14. **Governing Law and Interpretation.** This Agreement shall be governed in accordance with the laws of the State of California. The Agreement shall be interpreted in accordance with the plain meaning of its terms and shall not be strictly interpreted for or against any of the Parties to this Agreement. Given that all Parties hereto had the opportunity to draft, review, and edit the language of this Agreement, the Parties expressly waive the benefit of any legal principle or rule providing that in cases of uncertainty the language of a contract should be interpreted against the Party who caused the uncertainty to exist.

15. **Defendants' Option to Revoke.** If the settlement, or any terms therein, is modified, vacated, altered, or becomes otherwise subject to challenge by law, including, but not limited to, any law that became effective after the execution of this Agreement, so that this Agreement is not approved by the Court in its entirety and the intent of the Parties cannot be accomplished after jointly taken efforts to enforce it have been exhausted, Defendants shall have the option to revoke this Agreement at its sole discretion.

16. **Discovery of Documents and Information.** Plaintiff and Plaintiffs' Counsel agree that they will destroy all documents and information provided to them by Defendants during this Lawsuit within sixty (60) calendar days after the completion of the administration of the Settlement. Plaintiffs' Counsel agree that none of the documents and information provided to them by Defendants shall be used for any purpose other than Settlement of the Lawsuit.

17. **Authority to Enter the Agreement.** Each Party represents and warrants that it has the right and authority to execute this Agreement. It is agreed that the Settlement Group Members are so numerous that it is impossible or impractical to have each member execute this Agreement. It is agreed that this Agreement may be executed on behalf of the Settlement Group Members by Plaintiff and Plaintiff's Counsel.

18. **Authorization of Counsel.** The Parties' counsel warrant and represent that they are authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms and to execute any other documents required to effectuate its terms.

19. **Severability.** If any clause or provision of this Agreement is declared illegal or unenforceable, it shall be modified as minimally as necessary to be enforceable. If the provision cannot be modified to be enforceable, such provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect.

20. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures sent by facsimile transmission or scanned e-mail transmission have the same force, validity, and effect as original signatures.

21. **Nullification of Agreement.** If the Court fails to grant approval, the Parties shall be returned to their original positions as though this Agreement had never been entered into at all, with the exception that if any settlement administration costs are due and payable, the Parties agree to split those costs.

22. **Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the Parties and their agents, employees, representatives, officers, directors, parents, subsidiaries, assigns, heirs, executors, administrators, insurers, and successors in interest.

23. **Ownership of Claims.** The Parties represent that they have not transferred or assigned, or purported to transfer or assign, to any person or entity any portion of any liability, claim, demand, action, cause of action, or right herein released and discharged.

24. **Continuing Jurisdiction of the Court.** Pursuant to Code of Civil Procedure section 664.6, the Court shall retain continuing jurisdiction over the Lawsuit and Parties to the fullest extent necessary to enforce and effectuate the terms and intent of this Agreement.

25. **Amendment and Modification.** This Agreement may not be modified, altered, or changed, except by a written instrument signed by either the Parties or their successors-in-interest or counsel for all Parties and approved by the Court.

26. **Admissibility of Agreement.** The Parties agree that this Agreement is admissible for the purposes of proving up and or enforcing the terms of the Agreement, as set forth herein, pursuant to Evidence Code section 1123.

27. **No Representations.** The Parties acknowledge that, except as expressly set forth herein, no representation of any kind or character has been made to induce the execution of this Settlement Agreement.

28. **Attorneys' Fees.** Except as set forth in this Agreement, each side shall bear its own costs and attorneys' fees.

29. **Escalator Clause.** If it is determined that the number of pay periods within the Data Period exceeds ten percent (10%) or more of 31,386 (*i.e.*, more than 34,525 pay periods), then the Gross Settlement Amount shall increase proportionally over the ten percent (10%) increase (*i.e.*, if the number of pay periods increases by 12%, the Gross Settlement Amount will increase by 2%).

30. **Dismissal.** Upon the Court's approval of this Agreement and payment of all sums required by this Agreement, Plaintiff shall file a request for dismissal of the Lawsuit in its entirety as to Defendants with prejudice. Pursuant to Code of Civil Procedure section 664.6, the Court shall retain jurisdiction to enforce the terms of this Agreement.

* * *

IN WITNESS WHEREOF, the Parties knowingly and voluntarily accept the terms of this Settlement Agreement and Release by affixing their signatures below.

Dated: 04/19/2025

Donovan Soto

By: 

Dated: 4/21/2025

Justice Law Corporation [Approving as to Form Only]

By: 
Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Christopher Petersen, Esq.
Attorneys for Plaintiff

Dated: 05/09/25

Mid-Valley Disposal



By: _____
On behalf of Mid-Valley Disposal

Dated: 05/09/25

Mid-Valley Disposal, LLC



By: _____
On behalf of Mid-Valley Disposal, LLC

Dated: 05/09/25

Mid-Valley Disposal Holdings, LLC



By: _____
On behalf of Mid-Valley Disposal Holdings, LLC

Dated: 05/09/25

Mid-Valley Recycling, LLC



By: _____
On behalf of Mid-Valley Recycling, LLC

Dated: _____

Real Time Staffing Services, LLC

By: _____
On behalf of Real Time Staffing Services, LLC

Dated: _____

Mid-Valley Disposal

By: _____
On behalf of Mid-Valley Disposal

Dated: _____

Mid-Valley Disposal, LLC

By: _____
On behalf of Mid-Valley Disposal, LLC

Dated: _____

Mid-Valley Disposal Holdings, LLC

By: _____
On behalf of Mid-Valley Disposal Holdings, LLC

Dated: _____

Mid-Valley Recycling, LLC

By: _____
On behalf of Mid-Valley Recycling, LLC

Dated: 5/8/2025

Real Time Staffing Services, LLC

Signed by:
By: Kim Skinner
On behalf of Real Time Staffing Services, LLC

Dated: April 30, 2025

Sutton Hague Law Corporation, P.C. [Approving as to Form Only]

By: _____

S. Brett Sutton, Esq.

Jared Hague, Esq.

Attorneys for Defendants

Mid-Valley Disposal

Mid-Valley Disposal, LLC

Mid-Valley Disposal Holdings, LLC

Mid-Valley Recycling, LLC

Dated: _____

CDF Labor Lawyers, P.C. [Approving as to Form Only]

By: _____

David Hagopian, Esq.

Garrett Jensen, Esq.

Attorneys for Defendant

Real Time Staffing Services, LLC

Dated: _____

Sutton Hague Law Corporation, P.C. [Approving as to Form Only]

By: _____

S. Brett Sutton, Esq.

Jared Hague, Esq.

Attorneys for Defendants

Mid-Valley Disposal

Mid-Valley Disposal, LLC

Mid-Valley Disposal Holdings, LLC

Mid-Valley Recycling, LLC

Dated: 5/8/2025

CDF Labor Lawyers, P.C. [Approving as to Form Only]

By:  _____

David Hagopian, Esq.

Garrett Jensen, Esq.

Attorneys for Defendant

Real Time Staffing Services, LLC

EXHIBIT A

NOTICE OF PAGA SETTLEMENT

Soto v. Mid-Valley Disposal et al.
Superior Court of California, County of Merced
Case No. 23CV-00762

Dear [Settlement Group Member's Name]:

Enclosed with this letter is a settlement check being paid to you pursuant to the settlement of the lawsuit filed in the Superior Court of California, County of Merced, entitled *Soto v. Mid-Valley Disposal et al.*, Case Number 23CV-00762 ("Lawsuit"). The purpose of this letter is to provide you with basic information about the Lawsuit, the reasons why you are receiving the enclosed settlement check, and the effect of the settlement on your legal rights.

I. The Lawsuit

On March 2, 2023, Plaintiff Donovan Soto ("Plaintiff") commenced this Lawsuit by filing a complaint pursuant to Labor Code section 2698 (Private Attorneys General Act of 2004 ("PAGA")) in the Superior Court of California, County of Merced against Defendants Mid-Valley Disposal, Mid-Valley Disposal, LLC, Mid-Valley Disposal Holdings, LLC, Mid-Valley Recycling, LLC ("Mid-Valley Defendants"). The lawsuit was later amended to include Real Time Staffing Services, LLC ("Defendant Real Time") (Mid-Valley Defendants and Defendant Real Time are collectively known as "Defendants").

The Lawsuit was filed on behalf of the State of California and all current and former hourly-paid or non-exempt employees of Mid-Valley Defendants within the State of California at any time during the period from December 21, 2021, through February 20, 2025 and all current and former hourly-paid or non-exempt employees of Defendant Real Time who were assigned to labor for Mid-Valley Defendants within the State of California at any time during the period from December 21, 2021, through February 20, 2025 ("Settlement Group," "Settlement Group Members," and "Settlement Period").

In the Lawsuit, Plaintiff claimed Defendants owed civil penalties under PAGA to Plaintiff and the Settlement Group Members for alleged violations of the Labor Code: (1) failure to pay for all hours worked; (2) failure to pay minimum and overtime wages; (3) failure to provide meal periods and rest breaks; (4) failure to timely pay wages during employment; (5) failure to timely pay wages upon termination; (6) failure to provide complete and accurate wage statements; (7) failure to pay sick pay; and (8) failure to reimburse business expenses. Defendants deny that they violated the Labor Code, deny the allegations in the operative complaint, and deny all liability under PAGA to Plaintiff, Settlement Group Members, and State of California.

The merits of the Lawsuit have not been determined. On [REDACTED], the Superior Court of California, County of Merced, approved a settlement of the Lawsuit that Defendants entered to avoid the costs and disruption of litigation.

II. Why This Settlement Check Is Being Sent to You

The settlement approved by the Superior Court of California, County of Merced, involves a payment of civil penalties. In accordance with PAGA, seventy-five percent (75%) of the civil penalties paid under the settlement goes to the California Labor and Workforce Development Agency ("LWDA"). The remaining twenty-five percent (25%) of the civil penalties paid under the settlement will be distributed to all Settlement Group Members. The enclosed settlement check is being sent to you because you have been identified as a Settlement Group Member.

III. How the Amount of Your Settlement Check Was Determined

The enclosed settlement check was calculated based on the number of pay periods you worked for Defendants during the Settlement Period relative to all other Settlement Group Members.

Your settlement check will remain negotiable for one hundred eighty (180) calendar days after its mailing. If your settlement check is not cashed, deposited, or negotiated within this timeframe, it will be voided and the uncashed amount will be directed to the California State Controller for deposit in the Unclaimed Property Fund in your name.

IV. Consequences of the Settlement

The Lawsuit was filed exclusively as a representative action under PAGA, which functions as a substitute for an enforcement action by the State of California.

As a result of this settlement, the State of California, with respect to the Settlement Group Members, is deemed to release Defendants and their former and present directors, officers, shareholders, owners, attorneys, insurers, parents, subsidiaries, affiliates and related entities, predecessors, successors, and assigns from all claims for PAGA penalties that were alleged, or could have been alleged, based on the facts stated in the operative complaint and PAGA Notice that occurred during the Settlement Period. These claims include Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226(a), 226.3, 226.7, 246, 432.5, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and corresponding provisions of any applicable IWC Wage Order(s). This release does not extend to any claims or actions for vested benefits, unemployment benefits, disability benefits, Social Security benefits, or workers' compensation benefits that arose at any time during the Settlement Period or based on occurrences outside the Settlement Period.

V. Taxation of Your Individual Settlement Award

You will be issued an IRS Form 1099 in connection with the funds paid to you via the enclosed check if your Individual Settlement Award is \$600 or more. However, you are solely responsible for all tax obligations attributable to you that may arise as a result of receiving the settlement check. If you have any tax-related questions regarding your receipt of the enclosed check, you should direct them your own tax advisor.

VI. Where to Get More Information

Do not call or contact the Superior Court of California, County of Merced, about this letter, settlement, settlement check sent to you, or Lawsuit in general. If you have questions about this letter, settlement, settlement check sent to you, or Lawsuit in general, you may contact the Settlement Administrator [REDACTED] at [REDACTED].

Dated: INSERT DATE

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PROOF OF SERVICE
1013A(3) CCP

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101, Pasadena, CA 91103 and my electronic service address is bitty@justicelawcorp.com

On June 3, 2025, I served the foregoing document described as

SETTLEMENT AGREEMENT

for the following case: **Soto v. Mid-Valley Disposal et al.**
LWDA/Court Case No.: **LWDA Case No.: LWDA-CM-925794-22**
Court Case No.: 23CV-00762
Merced Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

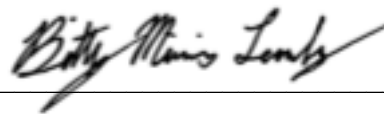
[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE

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

Executed on June 3, 2025, at Pasadena, California.



Bitty Minnis-Lemley