

## SETTLEMENT AGREEMENT

IT IS HEREBY STIPULATED AND AGREED by and between Plaintiff Steve Thoma ("Plaintiff"), for himself and on behalf of the State of California and all Private Attorneys General Act ("PAGA") Settlement Group Members, on the one hand, and Defendant CBRE Group, Inc. and CBRE, Inc. ("Defendants"), on the other (collectively, the "Parties"), subject to the approval of the Court in accordance with California Labor Code section 2699(1)(2), that the Settlement of this Action shall be effectuated upon and subject to the following terms and conditions.

The Parties agree that the Action (as defined in Section I below) against Defendants shall be, upon approval by the Court, ended, settled, resolved, and concluded without any admission of fault or liability, as set forth in this Agreement and for the consideration set forth herein, including but not limited to a release of claims by Plaintiff and the PAGA Settlement Group Members as set forth herein.

### **I. DEFINITIONS**

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

- (a) "Action" means the civil action, including the original complaint and the First Amended Complaint, *Steve Thoma, Plaintiff, v. CBRE Group, Inc.; CBRE, Inc.; J.P. Morgan Chase National Corporate Services, Inc.; J.P. Morgan Chase Bank, NA; and J.P. Morgan Chase & Co.; and DOES 1 through 50, Defendants*, pending in the U.S. District Court for the Central District of California, Case No. 2:16-CV-06040-CBM-AJW.
- (b) "Agreement" means this Settlement Agreement.
- (c) "Approval Date" means the date the Court grants approval of this Agreement by signing and filing the Final Order.
- (d) "Complaint" means the Class Action, Collective Action and Representative Action Complaint filed by Plaintiff on or about August 11, 2016 and the Class Action, Collective Action and Representative Action First Amended Complaint filed by Plaintiff on or about January 12, 2018 in the Action.
- (e) "Court" means the Central District of California, United States District Court.
- (f) "Defendants" means CBRE Group, Inc. and CBRE, Inc.
- (g) "Defense Counsel" or "Counsel for Defendants" means:

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- (h) "Putative Aggrieved Employee" means Plaintiff, and all current and former employees employed by Defendants in the position of Facilities Manager in the state of California at any time from March 7, 2015 through the Approval Date.
- (i) "Putative Aggrieved Employee Penalty Payment" means the portion of the Settlement Sum that shall be paid to each PAGA Settlement Group Member per the terms and conditions of this Agreement.
- (j) "Effective Date" means the date by which all of the following have occurred:
  - (1) The Court has approved the Settlement;
  - (2) The Court has entered the Final Order; and,
  - (3) The longer of (1) 30 days after entry of judgment on the PAGA claims or (2) any date set by the Court for anyone to object, appeal or intervene, without objection, appeal or intervention, or in the event any objection, appeal, or intervention is filed, the date that same is disposed in the Parties' favor and is no longer subject to review by any court, whether by appeal, petition for rehearing or re-argument, petition for review, or otherwise. Defendants contend no third party or administrative agency or official has a right to object to, intervene or otherwise participate in this approval process, other than the LWDA receiving a copy of the proposed agreement. Should any appeal, objection, or intervention not result in approval of the Parties' Settlement as described herein, the Settlement shall be void *ab initio* and of no further force or effect, and the Parties shall be returned in all respects to their respective positions as of June 27, 2018, the day before the mediation in this matter.
- (k) "Final Order" means the final Court order entered in this Action in accordance with the terms herein, the Court adopting and approving this Agreement (and the terms of Settlement described herein), dismissing the PAGA claims with prejudice and the Court retaining jurisdiction over the enforcement, implementation, construction, administration, and interpretation of the Settlement.
- (l) "LWDA" means the State of California Labor and Workforce Development Agency.
- (m) "Named Plaintiff" or "Plaintiff" means Steve Thoma.
- (n) "PAGA" means the Private Attorneys General Act of 2004, California Labor Code section 2698 *et seq.*
- (o) "PAGA Claims" means claims for PAGA penalties, pursuant to Labor Code section 2699 *et seq.* that: (1) arose or may be alleged to have arisen at any time from March 7, 2015 up to and including the Approval Date, and (2) are based on or arise from alleged violations of the following Labor Code provisions: 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510,

512, 558, 1174, 1174.5, 1194, and 1198, which arise from the facts alleged in the Complaint; and the related California Code of Regulations and related sections of the applicable Industrial Welfare Commission Wage Orders, which arise from the facts alleged in the Complaint.

(p) "PAGA Settlement Group Members" means Plaintiff and all current and former employees employed by Defendants in the position of Facilities Manager in the state of California at any time from March 7, 2015 through the Approval Date, who are included in the Putative Aggrieved Employee List. There approximately 156 individuals that compose the PAGA Settlement Group Members.

(q) "Plaintiff's Counsel" means:

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MIKE CURTIS, State Bar No. 252392  
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(r) "Putative Aggrieved Employee List" means a complete list of all Putative Aggrieved Employees that Defendants will diligently and in good faith compile from their records and provide to the Claims Administrator within ten (10) business days after the Approval Date. The Putative Aggrieved Employee List will be formatted in a readable Microsoft Office Excel spreadsheet and will include (if available) each Putative Aggrieved Employee's full name; most recent mailing address and telephone number; Social Security number; the hire and termination dates, Pay Periods, and any other relevant information needed to calculate settlement payments.

(s) "Released Parties" means CBRE Group, Inc. and CBRE, Inc., and any and all subsidiaries of CBRE Group, Inc. and CBRE, Inc., and each of their past, present, and future parents, affiliated companies, subsidiaries, divisions, predecessors, successors, partners, joint venturers, shareholders, consultants, advisors, insurers, reinsurers and assigns, and each of their past, present and future officers, investors, directors, executives, trustees, agents, employees, attorneys, representatives, benefit plans sponsored or administered by the Released Parties, and any other persons or entities acting on behalf of or in concert with any of the foregoing.

(t) "Settlement" means the Parties' agreement, as detailed herein, to dispose of the Action as to Defendants.

(u) "Settlement Sum" means the total gross settlement amount of Seven Hundred Twenty Five Thousand and Zero Cents (\$725,000.00) to be paid by Defendants as provided by this Agreement to fully and finally settle, resolve and conclude this Action as to Defendants, as provided under this Agreement, without any admission of fault or liability. Under no circumstances shall the Settlement Sum exceed \$725,000.00. The

Settlement Sum does not include amounts to be paid to Plaintiff for the dismissal of his individual claims and non-PAGA claims plead in the Complaint.

- (v) "Incentive Payment" means the One Thousand Dollars And Zero Cents (\$1,000.00) Defendants have agreed to pay Plaintiff as an incentive payment as described below in Section V of this Agreement. The Incentive Payment will be deducted from the Settlement Sum.

## II. FACTUAL BACKGROUND

- (a) On March 7, 2016, Plaintiff served a letter to the LWDA and Defendants ("March 2016 Letter"), in accordance with the requirements of Labor Code section 2699.3(a), to notify the LWDA of alleged violations of the California Labor Code by Defendants arising from Plaintiff's employment with Defendants. The March 2016 Letter alleged that Defendants had violated California Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 558, 1174, 1174.5, 1194, and 1198. The March 2016 Letter also indicated that Plaintiff intended to pursue a representative civil action under the PAGA against Defendants pursuant to Labor Code section 2699 *et seq.* The LWDA declined to investigate the alleged violations, permitting Plaintiff to initiate a PAGA action in court.
- (b) On August 11, 2016, Plaintiff initiated an action by filing a complaint in the United States District Court for the Central District of California, entitled *Steve Thoma, Plaintiff, v. CBRE Group, Inc.; CBRE, Inc.; J.P. Morgan Chase National Corporate Services, Inc.; J.P. Morgan Chase Bank, NA; and J.P. Morgan Chase & Co.; and DOES 1 through 50, Defendants*, Case No. 2:16-CV-06040-CBM-AJW (the "Action"). This Action was brought on a putative class and putative collective basis, and on a putative representative basis under PAGA on behalf of the State of California and other allegedly Putative Aggrieved Employees, and alleged violations of the federal Fair Labor Standards Act ("FLSA"), California Labor Code, Business and Professions Code, and IWC Wage Orders. Plaintiff's Complaint alleged the following causes of action: (1) unpaid overtime pursuant to FLSA; (2) unpaid overtime pursuant to California Law; (3) failure to pay wages upon termination; (4) waiting time penalties pursuant to Labor Code § 203; (5) unpaid premium pay for missed meal and rest periods; (6) failure to provide accurate wage statements; (7) unfair business practices; and (8) PAGA (violation of California Labor Code § 2699 *et seq.*). Plaintiff's eighth cause of action under the PAGA was based on alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, and 1198.
- (c) Plaintiff and the Chase entity defendants engaged in mediation on September 16, 2017, shortly after which they reached a settlement in principle resolving Plaintiff's claims against J.P. Morgan Chase National Corporate Services, Inc.; J.P. Morgan Chase Bank, NA; and J.P. Morgan Chase & Co. (collectively "Chase"). On January 12, 2018, Plaintiff filed a First Amended Complaint as a result of settlement with Chase. On April 17, 2018, the Court granted preliminary approval of the Chase class action settlement and release. The Final Approval and Fairness Hearing will occur on October 16, 2018. Nothing in this Settlement is intended to or shall be construed as affecting the Chase settlement. On June 29, 2018, the Court issued an Order granting the Parties' Joint

Stipulation to Dismiss the Class and Collective Claims against Defendants. This June 29, 2018 Order dismissed the first through seventh causes of action on any class or collective action basis and left the eighth cause of action for PAGA and Plaintiff's individual claims against Defendants.

- (d) This Agreement sets forth the terms and conditions of the resolution of PAGA Claims asserted on behalf of the State of California and the PAGA Settlement Group Members.
- (e) The Parties engaged in a substantial exchange of documents and information during discovery. The Parties reached this Settlement only after extensive discovery and investigation were performed.
- (f) On June 28, 2018, the Parties engaged in a one-day mediation session with respected mediator and former judge, Hon. Michelle Rosenblatt. After an arms-length negotiation facilitated by Hon. Rosenblatt, the Parties reached this Settlement, including a settlement of Plaintiff's individual claims against Defendants, based on a mediator's proposal. The terms of the mediator's proposal are incorporated herein by reference, but to the extent any of those terms is inconsistent with this Agreement, it is superseded by this Agreement, and this Agreement controls.
- (g) The Settlement embodied in this Agreement is contingent on (i) issuance by the Court of a Final Order approving the Settlement, dismissing the PAGA Claims with prejudice in their entirety, (ii) entry of the Final Order enforcing the terms of the Settlement, and retaining jurisdiction to ensure compliance with the Court's Final Order only, (iii) discharge of Defendants and the Released Parties from liability for the PAGA Claims released by this Agreement, (iv) release of the PAGA Claims released by this Agreement against the Released Parties by Plaintiff, the State of California and all PAGA Settlement Group Members, (v) submission of the Court's Final Order by Plaintiff's Counsel to the LWDA within ten (10) business days of entry of the order pursuant to California Labor Code § 2699(l)(3), and (vi) all parties bearing their respective fees and costs except as expressly provided in this Agreement.
- (h) Within ten business days of the Court's issuing the Final Order and ruling on Plaintiff's request for fees, costs and enhancement payment, the parties will submit a stipulation, pursuant to FRCP Rule 41, to dismiss the entire case against Defendants, with prejudice, except for the PAGA Claims, which are subject to the separate judgment issued as part of the Final Order and the Court's retaining jurisdiction over the enforcement, implementation, construction, administration, and interpretation of the PAGA Settlement.
- (i) Defendants dispute and deny Plaintiff's allegations and various causes of action asserted in the Complaint, including, without limitation, Plaintiff's individual claims, and the PAGA Claims which are resolved by this Agreement.

### **III. APPROVAL AND IMPLEMENTATION OF SETTLEMENT**

#### **A. Cooperation**

The Parties will cooperate in seeking approval of the Settlement described in this Agreement,

including by drafting and filing the Joint Stipulation and Order. The Parties further agree to fully cooperate in the drafting and filing of any further documents or filings reasonably necessary to be prepared or filed, including responding to challenges by any third parties, and shall take all steps that may be requested by the Court relating to the approval and implementation of the Settlement described in this Agreement.

## **B. Court Approval**

Because this Action includes PAGA claims, this Agreement requires review and approval by the Court. *See* Cal. Lab. Code § 2699(1)(2). Accordingly, the Parties enter into this Agreement on a conditional basis. This Agreement is expressly contingent upon the Court's approval of this Settlement and the terms and material conditions of this Agreement (including, but not limited to, issuance of and entry of the Final Order in accordance therewith). If Court approval is not given and the Final Order is not entered, under the specific material terms requested, this entire Agreement shall automatically be deemed null and void *ab initio*, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever.

The Parties will file by no later than September 10, 2018, a Joint Stipulation for Approval of PAGA Settlement and for an Order approving this Agreement. If the Court does not grant the request for approval and issue the Final Order (including, but not limited to, dismissing the PAGA claims with prejudice in their entirety, and entering the Final Order in accordance with the terms and conditions of this Agreement), under substantially similar material terms the Parties agree to meet and confer to address the Court's concerns and determine whether resolution of the Action can be obtained in a manner consistent with the Court's concerns. But, under no circumstances may a modified settlement be entered by the Court without a written agreement signed by both parties.

Plaintiff will fully cooperate to accomplish the terms of this Settlement Agreement, including but not limited to, executing such documents and taking such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties will jointly defend against any appeal filed with respect to the Final Order.

Plaintiff shall submit a copy of the Final Order in this Action and a copy of any other order providing for or denying an award of civil penalties within 10 days after entry of the Final Order, in compliance with section 2699(1)(3) of the California Labor Code. If Plaintiff fails to satisfy this condition in strict compliance with section 2699(1)(3) of the California Labor Code, the Settlement shall be voidable at Defendants' option and all parties will be returned to their litigation positions as of June 27, 2018.

## **C. Settlement Sum Payment Procedures**

### **(a) Settlement Sum**

In exchange for the releases, obligations, and promises set forth in this Agreement (and subject to the terms and conditions contained in this Agreement), Defendants agree to pay the Settlement Sum, which is the total and all-inclusive amount Defendants will be obligated to pay under the Settlement embodied by this Agreement. Other than payment of that portion of the Settlement Sum specifically allocated to settle the PAGA Claims, there shall be no other PAGA Claims

payments arising out of or related to Putative Aggrieved Employees' allegations for the time period from March 7, 2015 up to and including the date the Court enters the Final Order asserted against Defendants or any of the Released Parties on behalf of Plaintiff, the State of California, any PAGA Settlement Group Member, or any other individual or entity. The Settlement Sum shall be allocated as follows:

- (1) Attorneys' Fees and Costs: Plaintiff's Counsel may apply to the Court for up to thirty-three percent (33%) of the total Settlement Sum ("Fee Amount") as attorneys' fees and will request actual costs, up to a maximum of \$20,000 ("Actual Costs") pursuant to PAGA, which provides for the recovery of attorneys' fees and costs. Any modification of such application by the Court shall not (i) affect the enforceability of the Settlement Agreement, (ii) provide any of the Parties with the right to terminate the Settlement Agreement, or (iii) impose any obligation on the Defendants to increase the consideration paid in connection with the Settlement. Plaintiff's Counsel's entitlement to fees and costs is a material condition of this Settlement, but the Fee Amount awarded is not. Plaintiff can appeal the fee amount awarded by the Court.
- (2) Claims Administration Fees: All Claims Administration expenses shall be paid from the Settlement Sum and shall not exceed Three Thousand Three Hundred Dollars (\$3,300.00). Claims administration expenses paid to an outside Claims Administration service must come out of the Settlement Sum. The Parties agree to retain CAC Services Group, LLC ("Claims Administrator") to serve as the Claims Administrator in this matter. If the Claims Administration Fees are less than the estimated amount of Three Thousand Three Hundred Dollars (\$3,300.00), the remainder will be distributed amongst the PAGA Settlement Group Members pursuant to the allocation formula set forth in Section III(C)(a)(3). In the event that the Settlement is not approved, Plaintiff and Defendants will each pay half of the Settlement Administrator's reasonable fees incurred as of that time.
- (3) Payment of PAGA Penalties: The total sum available for payment of PAGA penalties shall be calculated by deducting the Fee Amount, Actual Costs and Claims Administration Fees from the \$725,000.00 Settlement Sum (this will yield the "Net Settlement Amount"). Of the Net Settlement Amount, for each PAGA Settlement Group Member, seventy-five percent (75%) of his or her allocated share of the Net Settlement Amount shall be distributed to the LWDA ("LWDA Penalty Payment") and the remaining twenty-five percent (25%) shall be distributed to the PAGA Settlement Group Members ("Putative Aggrieved Employee Penalty Payment").

The "Putative Aggrieved Employee Penalty Payment" for each PAGA Settlement Group Member shall be determined based on a formula taking into account the number of each PAGA Settlement Group Member's "Pay Periods." A "Pay Period" shall be defined as any instance when a Putative Aggrieved Employee received a wage statement between March 7, 2015 and the Approval Date, while in the position of Facilities Manager based on Defendants' data.

The amount paid to each PAGA Settlement Group Member will be determined as follows: The Net Settlement Amount will be divided by the total number of Pay Periods for all PAGA Settlement Group Members during the relevant time period (March 7, 2015 up to and including the Approval Date) ("Pay Period Amount"). Each PAGA Settlement Group Member will then be paid an amount equal to the Pay Period Amount multiplied by that PAGA Settlement Group Member's total number of Pay Periods.

(b) Funding and Distribution Process

Within twenty (20) business days after the Effective Date, Defendants will transmit to the Claims Administrator the Settlement Sum and the Incentive Payment. This transmittal wholly satisfies Defendants' obligations with respect to the funding and disbursement process. Within ten (10) business days of receipt of the Settlement Sum, the Claims Administrator will disburse Putative Aggrieved Employee Penalty Payments to each PAGA Settlement Group Member to the last known physical address on file with Defendants in their regularly maintained records. Prior to this disbursement, the Claims Administrator shall run a single skip trace for every separated PAGA Settlement Group Member. PAGA Settlement Group Members who receive their Putative Aggrieved Employee Penalty Payments via U.S. Mail will receive a letter along with their Putative Aggrieved Employee Penalty Payment explaining the reason for the payment, the content of which will be agreed upon by the Parties prior to execution of this Settlement and attached as an Exhibit hereto. Such mailing as described in this paragraph shall be conclusive evidence of payment of the Putative Aggrieved Employee Penalty Payments, and shall satisfy any and all due process requirements. All funds not claimed within 180 days of mailing of payment shall be sent to the California State Controller's Office Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each PAGA Settlement Group Member. If any PAGA Settlement Group Member's check is not cashed within 120 days after mailing, the Settlement Administrator will send the PAGA Settlement Group Member a letter or postcard informing him or her that unless the check is cashed in the next 60 days, it will expire and become non-negotiable. The letter or postcard will also offer to replace the check if it was lost and not cashed.

Within ten (10) business days of receipt of the Settlement Sum, the Claims Administrator shall send a check to the LWDA as and for the LWDA Penalty Payment, in the amount calculated pursuant to the terms of this Settlement, along with a copy of the Final Order, and any other documents required pursuant to California Labor Code section 2699(1).

Within ten (10) business days of the Settlement Sum, the Claims Administrator will disburse from the Settlement Sum an amount sufficient to pay the Attorneys' Fees and Costs described in III(C)(a), in the form of: (1) a check for the Fee Amount made payable to "Baker Curtis & Schwartz, P.C." delivered to Plaintiff's Counsel; and (2) one check for the Incentive Payment to Plaintiff, made payable in his name, delivered to Plaintiff's Counsel.

(c) No Additional Contribution by Defendants

Defendants' monetary obligation under this Agreement is limited to the Settlement Sum. Nor shall Defendants be required to pay more than the Settlement Sum to obtain the relief (including,



but not limited to, the Settlement, releases of claims and, issuance of the Final Order) provided in this Agreement or to fully and finally settle and resolve the PAGA Claims. Defendants have agreed, however, to pay additional amounts to Plaintiff for the dismissal of his individual claims and non-PAGA claims pled in the Complaint.

Notwithstanding the above, in the event that this Agreement is voided or nullified, in whole or in part, however that may occur, or the Settlement of the Action is barred by operation of law, or invalidated, or ordered not to be carried out by a Court of competent jurisdiction, Defendants will cease to have any obligation to pay any portion of the Settlement Sum to anyone under the terms of this Agreement (except for the Settlement Administrator's reasonable fees incurred if the Settlement is not approved, which fees will be split 50/50 between Plaintiff and Defendants). If this Agreement is invalidated through any proceeding within the Action, Plaintiff will return any disbursements from the Settlement Sum under his or his counsel's control to Defendants.

(d) Tax Indemnity

The Incentive Payment to Plaintiff constitutes payment for non-wages, shall be reported on an IRS Form 1099, and shall not be subject to local, state or federal tax withholdings by Defendants. The Putative Aggrieved Employee Penalty Payments are penalties, shall be reported on an IRS Form 1099 (to the extent required by law), and will not be subject to local, state or federal tax withholdings. Plaintiff and each PAGA Settlement Group Member will be responsible for paying all applicable state, local and federal income taxes on their respective amounts received pursuant to this Settlement, and they shall not seek any indemnification from the Released Parties in this regard. Plaintiff and Plaintiff's Counsel shall cooperate with Defendants and provide documentation to the extent possible and as reasonably requested to demonstrate any payment of taxes made by Plaintiff and/or any PAGA Settlement Group Member should any taxing authority challenge the allocation of the Settlement Payments and/or Putative Aggrieved Employee Penalty Payments.

In the event any taxing authority asserts that the characterization of Plaintiff's Settlement Payments hereunder are inappropriate and/or Plaintiff fails to pay any tax liability resulting from the payments made hereunder, and Defendants are made to pay any taxes, settlements, interest, penalties, and/or other sums (hereinafter collectively referred to as "Tax Payments") to a taxing authority as a result of the payments made to Plaintiff, Plaintiff shall fully indemnify and reimburse Defendants for any and all such Tax Payments upon demand and reasonable verification of sums paid.

**IV. LIMITATIONS ON USE OF THIS SETTLEMENT**

**A. No Admission**

Defendants dispute that Plaintiff or any PAGA Settlement Group Member are entitled to any additional wages other than those already paid and/or any penalties, dispute the allegations and each and every cause of action in the Action, and dispute that the Action may be maintained on a class, collective or representative basis. This Agreement is entered into solely for the purpose of compromising highly disputed claims. This Agreement and the payment of the Settlement Sum

and the other considerations recited herein represent the compromise of disputed claims. Nothing in this Agreement is intended as or may be construed as an admission of liability, unlawful conduct, or wrongdoing by Defendants (and any of the Released Parties) in any way, shape or form, and Defendants and the Released Parties deny any such liability or wrongdoing.

#### **B. Non-Evidentiary Use**

Except for purposes of effectuating the Settlement pursuant to this Agreement and for Defendants (and/or a Released Party) to establish that a PAGA Settlement Group Member has resolved any of his/her claims released through this Agreement, and regardless of whether the Final Order occurs, neither this Agreement nor any of its terms (including, but not limited to, the payment of the Settlement Sum) nor the Settlement itself will be construed as, offered, or admitted in evidence as, received as, or deemed to be evidence, in any further proceeding in the Action, or any other civil, criminal, and/or administrative action or proceeding, for any purpose adverse to Defendants or any of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by Defendants or any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage.

#### **C. Nullification**

If (a) the Court should for any reason fail to approve this Settlement consistent with the material specific terms agreed to by the Parties and set forth herein, (b) the Court should for any reason fail to enter the Final Order, or (c) the Final Order is reversed, modified, or declared or rendered void, then this Agreement shall automatically be considered null and void *ab initio*. An example of a material change in the terms includes a change in the economic terms of the settlement.

In that instance, (i) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; and (ii) all Parties to this Agreement and the pleadings in this Action shall stand in the same position they were the day prior to the June 28, 2018 mediation in this Action, without prejudice to either Party; and (iii) Defendants will not have any obligation to pay any portion of the Settlement Sum to anyone under the terms of this Agreement (except for the Settlement Administrator's reasonable fees incurred if the Settlement is not approved, which fees will be split 50/50 between Plaintiff and Defendants). If this Agreement is invalidated through any proceeding within the Action, Plaintiff will return any disbursements from the Settlement Sum under his or his counsel's control to Defendants.

Invalidation of any material portion of this Agreement shall invalidate this Agreement in its entirety, unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

### **V. RELEASE AND WAIVER OF CLAIMS**

#### **A. Incentive Payment and Individual Release**

Defendants have agreed to make an Incentive Payment to Plaintiff in the amount of One Thousand Dollars And Zero Cents (\$1000.00). This Incentive Payment will be deducted from the Settlement Sum.

Defendants have agreed to make an Individual Payment to Plaintiff in exchange for the general release of his claims as described in a separate Individual Settlement Agreement (“Individual Payment”). This Individual Payment will not be deducted from the Settlement Sum and will be separately paid by Defendants to Plaintiff. The Parties agree to disclose this Individual Payment amount in chambers in order for the Court to make a determination that this settlement was reached in good faith in an arms’ length negotiation.

**B. PAGA Settlement Group Member Release**

Upon entry of the Final Order, Plaintiff, all PAGA Settlement Group Members, and the State of California shall be deemed to have fully, finally, and forever waived, released, relinquished, and discharged Defendants and each and all of the Released Parties from any and all PAGA Claims as defined herein that arose or may be alleged to have arisen at any time from March 7, 2015 up to and including the Approval Date. To extent an alleged PAGA violation arises directly from the operative facts pled in the Complaint and implicates the same primary rights and defenses being settled here, those claims are settled and released to the fullest extent permitted under applicable law.

**C. No Additional Attorneys’ Fees or Costs**

The Parties agree to bear their own attorneys’ fees and costs related to this Action except as specifically provided above with respect to the Fee Amount, and Plaintiff’s Counsel waives any and all rights to further attorneys’ fees and costs from Defendants in connection with this Action.

**VI. MISCELLANEOUS PROVISIONS**

**A. LWDA Notice**

The LWDA will be given notice of this Settlement pursuant to the 2016 amendments to the PAGA. Cal. Lab. Code § 2699(l)(2). Plaintiff will serve a copy of the Settlement to the LWDA on the same day the Settlement is filed with the Court.

Additionally, a copy of the Court’s Final Order will be submitted to the LWDA within ten (10) days after entry of the Final Order, pursuant to California Labor Code § 2699(1)(3).

**B. PAGA Settlement Group Member Data**

All data, if any, regarding the number of PAGA Settlement Group Members and total Pay Periods, and other similar settlement metrics will be filed under seal to the extent necessary and permitted under governing legal standards for filing materials under seal.

**C. Voluntariness**

This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any of the Parties, or of any other person, firm or other entity.

**D. Amendments**

The terms and provisions of this Agreement may be amended or modified only by an express written agreement that is signed by the Plaintiff and an authorized representative of Defendants.

**E. Assignment**

None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Plaintiff's Counsel, or Defense Counsel without the express written consent of each Party. Plaintiff expressly warrants that he has not transferred to any person or entity any right or cause of action, or claim released by this Agreement.

**F. Representation and Warranties**

Plaintiff's Counsel and Plaintiff jointly and severally represent and warrant to Defendants that there are no attorneys beyond those named as Plaintiff's Counsel who have claims for fees arising out of the Action or the Settlement contemplated hereby.

**G. Governing Law**

This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, irrespective of the State of California's choice of law principles.

**H. Entire Agreement**

This Agreement contains the entire understanding of the Parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants, or undertakings governing the subject matter of this Agreement other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings among the Parties hereto with respect to the subject matter hereof, including, without limitation, the Mediator's Proposal executed by the Parties, which is incorporated herein by reference, but to the extent any of the terms of the Mediator's Proposal is inconsistent with this Agreement, it is superseded by this Agreement, and this Agreement controls.

**I. Waiver of Compliance**

A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

**J. Counterparts**

This Agreement, and any amendments hereto, may be executed in any number of counterparts and any Party and/or its/their respective counsel hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. A fax or PDF signature on this Agreement shall be as valid as an original signature.

**K. Meet and Confer Regarding Dispute(s)**

Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, Plaintiff's Counsel and Defense Counsel shall meet and confer in an attempt to resolve such disputes and, if necessary, shall then attempt resolution by expedited telephonic mediation with Hon. Michelle R. Rosenblatt, prior to submitting such disputes to the Court.

The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, executing such documents and taking such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court or otherwise to effectuate this Settlement Agreement and the terms set forth herein. The Parties' counsels can agree to non-material changes to this Settlement Agreement and the Parties agree to act in good faith to address any concerns raised by the Court in connection with the approval hearing.

**L. Agreement Binding on Successors**

This Agreement shall bind and inure to the benefit of the Parties hereto and to their respective successors, assigns, legatees, heirs, and personal representatives.

**M. Cooperation in Drafting**

The Parties have cooperated in the negotiation and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party, or the Party's counsel, was the drafter or participated in the drafting of this Agreement.

**N. Fair Settlement**

Plaintiff, Defendants, Plaintiff's Counsel, and Defense Counsel believe that this Agreement reflects a fair, reasonable, and adequate settlement of the Action as to Defendants and have arrived at this Agreement through arms' length negotiation, taking into account all relevant factors, current and potential, and is consistent with public policy, and fully complies with applicable provisions of law.

**O. Headings**

The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement and shall not be considered in interpreting this Agreement.

**P. Continuing Jurisdiction**

The Parties agree that upon the occurrence of the Final Order pursuant to the terms of this Agreement, this 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 and the PAGA Settlement Group Members to the fullest extent to interpret, enforce and effectuate the terms, conditions, intents and obligations of the Agreement.

**Q. No Reliance on Representations**

The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other Parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or with respect to any such matters. No representations, warranties, or inducements have been made to any Party concerning this Agreement.

**R. Confidentiality/Public Statements**

This Settlement and Agreement shall remain confidential in every respect until the Parties' Joint Stipulation is filed with the Court.

Plaintiff and Plaintiff's Counsel will not (a) issue any press or other media release, (b) initiate any contact with the press, other media (including social media), or any third party, (c) respond to any inquiry from the press, or media, or (d) have any communication with the press or other media about the Action, including, but not limited to the fact, amount, and terms of the Settlement, either before or after the Court approves this Agreement.

After the filing of the Joint Stipulation Re Settlement, Plaintiff's counsel agrees to limit any discussion of this case and the Settlement Agreement to reference only information that is contained in the Notice to be sent to the PAGA Settlement Group Member, as well as publicly-available information about the case (and summaries of same) and the settlement to be posted on Plaintiff's counsel's website in order to provide additional information to the PAGA Settlement Group Members. Plaintiff's counsel further agrees to provide Defendants' counsel with a copy of any information specifically referencing this case that will be posted on their website seven days in advance of any such posting, and that such website will be taken down upon conclusion of the case. Class Counsel also has the right to respond to inquiries from PAGA Settlement Group Members. This Section shall not preclude Defendants from sharing the details of this Settlement with opposing counsel in other pending and/or future class and putative class, collective and PAGA actions, as well as mediators and their staff, provided any such disclosure is expressly designated as a "Confidential Settlement Communication."

To the extent additional limited public disclosures are required to effectuate the Settlement or to notify the courts or parties in any pending, related proceeding, such limited and necessary details may be revealed with the consent of all Parties. However, any such disclosures shall not constitute a waiver of confidentiality with respect to any information not publicly disclosed.

**S. No Collateral Attack**

The Parties agree that this Agreement may not be subject to collateral attack by any PAGA Settlement Group Member or the State of California prior to or after entry of the Final Order, to the fullest extent permitted by law.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date set forth below.

**APPROVED AND ACCEPTED.**

Dated: September \_\_\_\_, 2018

\_\_\_\_\_  
STEVE THOMA, Plaintiff and PAGA Representative

Dated: September 7, 2018

CBRE, Inc. and CBRE Group, Inc.

By Elizabeth Atlee  
Elizabeth Atlee, its SUP, Dep. GC

**APPROVED AS TO FORM AND  
ATTORNEY OBLIGATIONS ONLY**

Dated: September \_\_\_\_, 2018

BAKER CURTIS & SCHWARTZ, P.C.

By \_\_\_\_\_  
MIKE CURTIS, Attorneys for Plaintiff  
Steve Thoma

Dated: September 7, 2018

LITTLER MENDELSON, P.C.

By Demery Ryan  
DEMERY RYAN, Attorneys for Defendants  
CBRE, Inc. and CBRE Group, Inc.

Dated: 9/10/2018



STEVE THOMA, Plaintiff and PAGA Representative

Dated: September \_\_\_\_, 2018

CBRE, Inc. and CBRE Group, Inc.

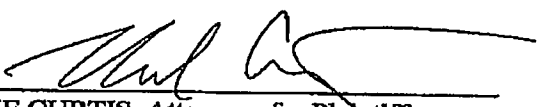
By \_\_\_\_\_

\_\_\_\_\_, its \_\_\_\_\_

APPROVED AS TO FORM AND  
ATTORNEY OBLIGATIONS ONLY

Dated: September 10, 2018

BAKER CURTIS & SCHWARTZ, P.C.

By 

MIKE CURTIS, Attorneys for Plaintiff  
Steve Thoma

Dated: September \_\_\_\_, 2018

LITTLER MENDELSON, P.C.

By \_\_\_\_\_

DEMERY RYAN, Attorneys for Defendants  
CBRE, Inc. and CBRE Group, Inc.

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