

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

This Confidential Settlement Agreement and General Release of All Claims ("Agreement") is made by and between San Diego Metropolitan Transit System ("MTS"), Jeffrey Stumbo ("Stumbo"), Gary Dexter ("Dexter"), and Sandra Bobek ("Bobek") (together, "Defendants") on one hand, and Ivan Augustino ("Plaintiff") on the other, (collectively "the Parties"), with respect to the following facts:

A. Plaintiff was employed by MTS as a Senior Application Developer from August 24, 2015 until his separation in March 2017.

B. On or about February 26, 2018, Plaintiff filed an action against Defendants in the Superior Court of the State of California, County of San Diego; Case No. 37-2018-00009620-CU-OE-CTL (the "Action"). On or about April 23, 2018, Plaintiff filed a First Amended Complaint in the Action, and, following Defendants' demurrer, filed a Second Amended Complaint in the Action on or about November 13, 2018 alleging the following causes of action: 1) Retaliation against MTS; 2) Hostile Work Environment against all Defendants; 3) Harassment against all Defendants; 4) Failure to Prevent Discrimination, Retaliation and Harassment against MTS; 5) Gender Discrimination against MTS; and 6) Marital Status Discrimination against MTS.

C. On or about May 29, 2018, MTS filed a Cross-Complaint against Plaintiff in the Action. Following Plaintiff's demurrer, MTS filed a First Amended Cross-Complaint on or about November 8, 2018 alleging the following causes of action: 1) Conversion; 2) Misappropriation of Trade Secrets; 3) Violation of Penal Code § 496(c); 4) Comprehensive Computer Data Access and Fraud Act – Penal Code § 502(c); and 5) Unfair Business Practices – Business & Professions Code §§ 17200 et seq.

D. On or about November 5, 2019, Defendants served Plaintiff with an Offer of Compromise pursuant to California Code of Civil Procedure section 998 in the amount of \$200,000. Defendants agreed to extend the deadline for Plaintiff to accept the offer, from its original expiration date to at least December 20, 2019. On or about December 16, 2019, Plaintiff accepted Defendants' Offer of Compromise and delivered to Defendants a fully executed statement of acceptance.

E. Pursuant to the Offer of Compromise accepted by Plaintiff, the Parties now desire to formalize their resolution of all claims asserted by each of them in the Action, or that could have been asserted by each of them in any action arising out of or in any way related to any acts, transactions or events that have occurred between Plaintiff and Defendants to date, including but not limited to any claims that may have arisen before, during or after Plaintiff's employment with MTS, and all claims brought in the Action.

THEREFORE, in consideration of the promises and mutual agreements hereinafter set forth, it is agreed by and between the undersigned as follows:

1. Payment.

1.1 MTS agrees to pay Plaintiff the total sum of Two Hundred Thousand Dollars (\$200,000) ("Settlement Payment"), a sum to which he is not otherwise entitled. Payment of the Settlement Payment will be satisfied by MTS providing four checks as follows: Check number one will be in the amount of Forty-Three Thousand Nine Hundred Two Dollars and 57/100 cents (\$43,992.57) made payable to "The Law Office of Daniel Goularte – Client Trust Account" and represents a portion of Plaintiff's attorney's fees and costs incurred in connection with the Action. Check number two will be in the amount of Sixty-Four Thousand Eight Hundred Five Dollars and 17/100 cents (\$64,805.17) made payable to "The Law Office of Zachary Schumacher – Client Trust Account" and represents another portion of Plaintiff's attorney's fees and costs incurred in connection with the Action. Check number three will be in the amount of Sixty-Three Thousand Eight Hundred Eighty-Five Dollars and 26/100 cents (\$63,885.26) made payable to "Ivan Augustino" and represents Plaintiff's alleged emotional distress damages arising from alleged discrimination, harassment and retaliation claims as asserted in the Action. Check number four will be in the amount of Twenty-Seven Thousand Three Hundred Seventeen Dollars (\$27,317) made payable to "Ivan Augustino," and represents wages allegedly lost by Plaintiff following his departure from MTS and until he found new employment. Check number one will be mailed to "The Law Office of Daniel Goularte, 7853 El Cajon Blvd, La Mesa, CA 91942," within ten (10) business days after the "Effective Date" of this Agreement as defined in paragraph 1.3 below. Check numbers two, three and four will be mailed to "The Law Office of Zachary Schumacher, 1350 Columbia St #503, San Diego, CA 92101," within ten (10) business days after the "Effective Date" of this Agreement as defined in paragraph 1.3 below. Plaintiff's attorneys agree to provide completed W-9 Forms for the two law firms and Plaintiff to defense counsel before MTS is obligated to pay any portion of the Settlement Payment. MTS will issue Forms 1099 as required by law in connection with check numbers one, two and three, and will issue a W-2 Form for check number four. Plaintiff acknowledges and agrees that the payment of this Settlement Payment and the other agreements made herein by Defendants constitute adequate legal consideration for the promises and representations made by him in this Agreement.

1.2 Plaintiff shall be solely responsible for the payment of any taxes owed as a result of his receipt of the Settlement Payment. In the event MTS is required by any federal or state taxing agency to pay any tax, penalty, or interest, including, but not limited to, for failure to pay any employer or employment taxes or for failure to properly withhold taxes on the Settlement Payment described in paragraph 1.1 above, Plaintiff agrees to indemnify, defend, save, and hold MTS free and harmless from and against any and all such taxes, penalties, and interest, including reasonable attorneys' fees and costs that arise from, or relate to, all withholding taxes, penalties, and interest asserted against it or required to be paid by it as a result of the Settlement Payment described in paragraph 1.1 above.

1.3 The Effective Date of this Agreement shall be the date that all of the following has occurred: (a) a fully executed copy of this Agreement has been distributed to counsel for all Parties; and (b) Plaintiff's attorneys have provided executed form W-9 for their respective firms.

2. General Releases.

2.1 Plaintiff unconditionally, irrevocably and absolutely releases and discharges Defendants, and any parent and subsidiary corporations, divisions and other affiliated or related entities of Defendants, past and present, including, but not limited to San Diego Transit Corporation ("SDTC") and San Diego Trolley, Inc. ("SDTI"), as well as the employees, officers, directors, agents, attorneys, successors and assigns of Defendants, SDTC and SDTI (collectively, "Released Parties"), from all claims related in any way to the transactions or occurrences between them to date, to the fullest extent permitted by law, including, but not limited to, all losses, liabilities, claims, charges, demands and causes of action, known or unknown, suspected or unsuspected, arising directly or indirectly out of or in any way connected with Plaintiff's employment with MTS and his separation from MTS. This release also includes any claim that Plaintiff is asserting, or could have asserted, against the Released Parties in the Action. This release is intended to have the broadest possible application and includes, but is not limited to, any tort, contract, common law, constitutional or other statutory claims, including, but not limited to alleged violations of the California Labor Code or the federal Fair Labor Standards Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the California Fair Employment and Housing Act, the Americans with Disabilities Act, wrongful termination, and all claims for attorneys' fees, costs and expenses. This release unconditionally, irrevocably and absolutely releases and discharges the Released Parties from all of the claims asserted by Plaintiff in the Action, and/or any other claims that he could have maintained in the Action. Nothing in this release requires Plaintiff to waive (1) any currently pending claims by Plaintiff for workers' compensation, (2) unemployment insurance benefits, or (3) anything incapable of being waived as a matter of law. Plaintiff represents that as of the Effective Date, he had no pending work injuries which could have given rise to a claim for workers' compensation benefits.

2.2 In exchange for Plaintiff's promises set forth in this Agreement, Defendants unconditionally, irrevocably and absolutely release and discharge all claims or potential claims against Plaintiff, including but not limited to all claims related in any way to the transactions and occurrences between them to date, including all claims, charges, demands and causes of action, known or unknown, suspected or unsuspected, arising directly or indirectly out of or in any way connected with Plaintiff's employment with MTS, including but not limited to, all allegations set forth by MTS in its First Amended Cross-Complaint. This release unconditionally, irrevocably and absolutely releases and discharges Plaintiff from all claims asserted by Defendants in the Action and/or the First Amended Cross-Complaint, and/or any other claims that Defendants could have asserted in the Action and/or the First Amended Cross-Complaint.

2.3 The Parties acknowledge that they may discover facts or law different from, or in addition to, the facts or law that they know or believe to be true with respect to the claims released in this Agreement and they agree, nonetheless, that this Agreement and the releases contained in it shall be and remain effective in all respects notwithstanding such different or additional facts or the discovery of them.

2.4 The Parties declare and represent that they intend this Agreement to be complete. In addition, the releases herein express full and complete releases, and the Parties intend that the releases herein shall be final and complete. The Parties execute these releases with the full knowledge that these releases cover all possible claims against each other, to the fullest extent permitted by law.

2.5 This Agreement does not limit Plaintiff's ability to bring an administrative charge with the Equal Employment Opportunity Commission or with the California Department of Fair Housing and Employment, but Plaintiff expressly waives his right to recovery of any type, including damages or reinstatement, in any administrative or court action, whether state or federal, and whether brought by Plaintiff or on Plaintiff's behalf, related in any way to the matters released herein.

3. California Civil Code section 1542 Waiver. Both Parties expressly acknowledge and agree that all rights under Section 1542 of the California Civil Code are expressly waived. That section 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.

4. Dismissal of the Action. The Parties agree to obtain the dismissal of the Action in its entirety, with prejudice, by taking all necessary steps to secure such dismissal, including authorizing each Party's attorney to execute appropriate forms of dismissal of the Action with prejudice. Plaintiff shall serve on counsel for Defendants a request for dismissal (Form CIV-110) of the Action with prejudice within five (5) business days after receiving the Settlement Payment described in paragraph 1 above. Within five (5) business days after receipt of the request for dismissal from Plaintiff, Defendants shall sign the request for dismissal where indicated to consent to dismissal of the First Amended Cross-Complaint with prejudice and file and serve on counsel for Plaintiff the request for dismissal such that the entire Action will be dismissed with prejudice. The Court's dismissal of the entire Action with prejudice is a material term of this Agreement.

5. Promise Not to Prosecute. The Parties agree that they will not prosecute, or allow to be prosecuted on their behalf, in any court or administrative agency, whether state or federal, any claim or demand of any type against the Released Parties related

to the matters released above, it being the intention of the parties that with the execution of this release, the Released Parties will be absolutely, unconditionally and forever discharged of and from all obligations to each other related in any way to the matters discharged herein.

6. No Admissions. By entering into this Agreement, the Parties make no admission that they have engaged, or are now engaging, in any unlawful conduct. The Parties understand and acknowledge that this Agreement is not an admission of liability and shall not be used or construed as such in any legal or administrative proceeding.

7. Mutual Confidentiality of Agreement. Subject to the provisions of this paragraph 7 and paragraphs 9 and 11, Plaintiff, Stumbo, Dexter, and Bobek shall keep the terms of this Agreement strictly confidential. In addition, MTS agrees that CEO Paul Jablonski, CFO Larry Marinesi and General Counsel Karen Landers will keep the terms of this Agreement strictly confidential. Accordingly, except as set forth in this paragraph 7 and paragraphs 9 and 11, Plaintiff, Stumbo, Dexter, Bobek, Mr. Jablonski, Mr. Marinesi and Ms. Landers shall not disclose to any third party the contents or terms of this Agreement, including but not limited to, any current or former employee of the Released Parties. Plaintiff may disclose this Agreement to his attorney(s), tax preparer(s) or taxing authority, or immediate family members, or in response to a validly-issued subpoena from a court of competent jurisdiction. In conjunction with any permitted communication, Plaintiff agrees to specifically advise such individuals or entities to keep the existence and terms of this Agreement confidential, and Plaintiff agrees to bear all responsibility for disclosure of and compliance with the terms of this Agreement by such individuals. Furthermore, this clause shall not preclude any MTS employee from disclosing the terms of this Agreement as necessary for legitimate business reasons including, but not limited to, in relation to financial audits, reports to the Board of Directors, and communications with insurance brokers and/or insurance companies. The Parties acknowledge that this confidentiality requirement is a material term of this Agreement. Notwithstanding the foregoing, the Parties acknowledge that MTS is subject to the provisions of the California Public Records Act ("CPRA"). As such, a third party may make a request of MTS for a copy of this Agreement, pursuant to the CPRA. If such a request is made, MTS shall be allowed to provide a copy of this Agreement to the requesting party.

8. No Future Employment with MTS. Plaintiff represents that he does not desire employment with MTS, SDTC, SDTI, or any other entity owned or operated by these entities, and he expressly waives any and all rights, if any, that he may have to employment or consideration for employment with these entities. Further, Plaintiff agrees to never again seek or accept employment with the foregoing entities.

9. Mutual Non-Disparagement/Employment References. As of the date of his execution of this Agreement, Plaintiff agrees not to disparage, defame or otherwise detrimentally comment upon the Released Parties, including their business practices, in any manner. As of the date each executes this Agreement, Stumbo, Dexter and Bobek agree not to disparage, defame or otherwise detrimentally comment upon Plaintiff, including with respect to the allegations in the First Amended Cross-Complaint. Nothing

in this Agreement shall prohibit any MTS employee (including Stumbo or Dexter) from discussing internal procedures to safeguard computer systems, provided that Augustino shall not be mentioned by Stumbo or Dexter in such discussions. The Parties acknowledge that this Agreement includes public statements made to any external parties in any forum, including official statements or press releases, and any statements made in person, online, or via electronic communications, as well as communications made to industry professionals. The Parties acknowledge that such comments shall cause serious damage to the other Party. Nothing in this Agreement shall be construed to prevent Plaintiff, Stumbo, Dexter or Bobek from responding truthfully and completely to any lawfully issued court order or subpoena, or from communicating with an official government regulatory enforcement agency inquiry concerning the opposing Party or their practices, or any other issue related to law enforcement. In addition, nothing in this Agreement is intended to suppress or limit any Party's obligation to testify in any administrative, legislative or judicial forum pursuant to a subpoena or other court process about alleged criminal conduct or sexual harassment, or to prevent the disclosure of factual information related to claims filed in a civil or administrative action regarding sexual assault, sexual harassment or other forms of sex-based workplace harassment, discrimination or retaliation, to the extent such communications are expressly protected under California law. Plaintiff shall direct any request for an employment reference relating to Plaintiff's employment with MTS to the Chief Human Resources Officer or General Counsel of MTS. If contacted for a reference, and unless required to provide a more complete response by applicable law, MTS' Chief Human Resources Officer or General Counsel shall provide only Plaintiff's dates of employment and position held with MTS and shall state that as a matter of company policy, no other information will be provided.

10. Severability. In the event that any provision of this Agreement shall be found unenforceable by a court of competent jurisdiction, the provision shall be deemed modified to the extent necessary to allow enforceability of the provision as so limited, it being intended that the Released Parties shall receive the benefits contemplated herein to the fullest extent permitted by law. If a deemed modification is not satisfactory in the judgment of such court, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

11. No Voluntary Participation in Claims Against Released Parties. Plaintiff agrees that he will not voluntarily participate in any other individual's litigation, grievance or administrative claim against Defendants and/or any Released Party, nor encourage any other individual to pursue any litigation, grievance or administrative claim against Defendants and/or any Released Party. Nothing in this Agreement is intended to preclude Plaintiff from disclosing information in response to a subpoena duly issued by a court of law, arbitrator, or a government agency having jurisdiction or power to compel such disclosure or from giving full, complete, truthful and cooperative answers in response to a duly issued subpoena. Should Plaintiff be served with a subpoena relating to Defendants or any Released Party, he agrees to promptly notify Defendants in writing (through counsel) of the subpoena, and to provide Defendants with a copy of the subpoena no later than five (5) business days prior to providing testimony or producing any documents in compliance with the subpoena.

12. Return of MTS Property. Plaintiff agrees to return any and all documents, information or other tangible property that belongs to MTS (through counsel) within five (5) business days of the Effective Date of this Agreement, along with a verified letter from Plaintiff attesting that he is not in possession, custody or control of any additional MTS property. If Plaintiff is not in possession, custody or control of any MTS property, Plaintiff's signature on this Agreement shall constitute his warranty that he is not in possession, custody or control of any MTS property. The Parties agree that Plaintiff's return of property and/or warranty that he is not in possession of MTS property is a material term of this Agreement.

13. Attorneys' Fees and Costs. All Parties agree that they will bear their own attorneys' fees, costs and all other expenses in connection with the Action and the preparation of this Agreement.

14. No Assignment. Plaintiff warrants and represents that he has not assigned or transferred to any person not a party to this Agreement any released matter or any right to any of the payments or other consideration provided by Defendants pursuant to this Agreement. Plaintiff agrees to defend, indemnify and hold Defendants harmless from any and all claims based on or in connection with or arising out of any such assignment or transfer made, purported or claimed.

15. Joint Drafters. Counsel for the Parties have been involved in the drafting and negotiation of this Agreement. Thus, no rule of law that ambiguity in an Agreement will be construed against the drafter shall be applied in interpreting this Agreement.

16. Applicable Law. The validity, interpretation and performance of this Agreement shall be construed and interpreted according to the laws of the State of California.

17. Full Defense. This Agreement may be pled as a full and complete defense to, and may be used as a basis for an injunction against, any action, suit or other proceeding that may be prosecuted, instituted or attempted by any party in breach hereof. The Parties agree that in any action at law or equity between the Parties seeking enforcement of any of the terms and provisions of this Agreement, the prevailing party in such action shall be awarded, in addition to damages or other relief, its reasonable costs and expenses, including, but not limited to, reasonable attorneys' fees.

18. Good Faith. The Parties agree to do all things necessary and to execute all further documents necessary and appropriate to carry out and effectuate the terms and purposes of this Agreement.

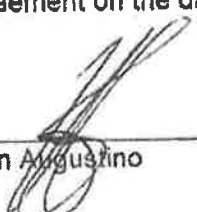
19. Entire Agreement; Modification. This Agreement is intended to be the entire agreement between the Parties and supersedes and cancels any and all other and prior agreements, written or oral, between the Parties regarding this subject matter. It is agreed that there are no collateral agreements or representations, written or oral, regarding the settlement of all claims between the Parties other than those set forth in

this Agreement. This Agreement may be amended only by a written instrument executed by all parties hereto.

The Parties to this Agreement, with the benefit of representation and advice of counsel, have read the foregoing Agreement and fully understand each and every provision contained herein, and intend to be fully bound by its provisions.

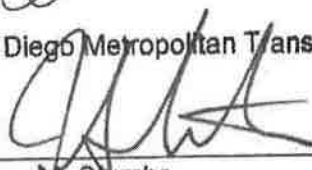
WHEREFORE, the Parties have executed this Agreement on the dates shown below.

Dated: 12/31/2019

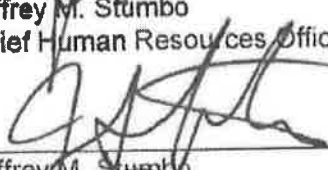
By: 
Ivan Augustino

San Diego Metropolitan Transit System

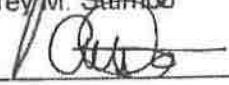
Dated: 1/7/2020

By: 
Jeffrey M. Stumbo
Chief Human Resources Officer

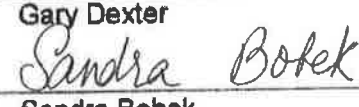
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By: 
Jeffrey M. Stumbo

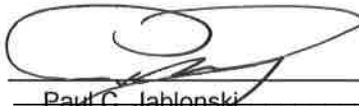
Dated: 1/7/20

By: 
Gary Dexter

Dated: 1/7/2020

By: 
Sandra Bobek

Dated: 1/10/20
Dated: _____

By: 
By: Paul C. Jablonski
Chief Executive Officer

Approved as to Form and Content:

The Law Office of Daniel Goularte

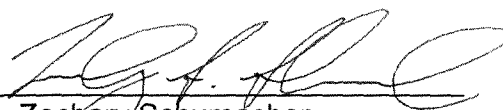
Dated: 12/31/2019

By: 
Daniel Goularte
Attorney for Plaintiff Ivan Augustino

The Law Office of Zachary Schumacher

Dated: 12/31/2019

By:



Zachary Schumacher

Attorney for Plaintiff Ivan Augustino

Paul, Plevin, Sullivan &
Connaughton, LLP

Dated:

1/9/2020

By:



J. Rod Betts

Phillip Simpler

Attorney for Defendants

San Diego Metropolitan Transit System,

Jeffrey Stumbo, Gary Dexter, and

Sandra Bobek