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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT

SERGIO AVALOS, individually, and on behalf of
all others similarly situated,

Plaintiff,

vs.

WAREHOUSE GOODS, LLC, a limited liability
company dba GREENLANE HOLDINGS; and
DOES 1 through 10, inclusive,

Defendants.

Case No. 20STCV22332

[Assigned for all purposes to the Honorable Ann
I. Jones - Dept. SS11]

**JOINT STIPULATION OF CLASS AND
PAGA RELEASE BETWEEN PLAINTIFF
SERGIO AVALOS, ON BEHALF OF
HIMSELF AND ALL OTHERS
SIMILARLY SITUATED, AND
DEFENDANT WAREHOUSE GOODS
LLC dba GREENLANE**

Date Action Filed: June 9, 2020
Trial Date: None set

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20 dba GREENLANE (sued herein as WAREHOUSE

21 GOODS, LLC dba GREENLANE HOLDINGS)

1 **JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE**

2 This Joint Stipulation of Class and PAGA Settlement and Release (“Agreement” or
3 “Settlement Agreement”) is made and entered into by and between Plaintiff SERGIO AVALOS,
4 (“Plaintiff” or “Class Representative”), as an individual and on behalf of all others similarly situated,
5 and Defendant WAREHOUSE GOODS LLC dba GREENLANE, sued herein as Warehouse Goods,
6 LLC dba Greenlane Holdings (“Defendant”) (collectively, the “Parties”). In consideration of the
7 promises and mutual covenants and agreements herein contained, the Parties hereby covenant and agree
8 as follows:

9 **RECITALS**

10 1. On June 9, 2020, Plaintiff initiated this putative class action by filing a Complaint in
11 the California Superior Court for the County of Los Angeles, Case No. 20STCV22332, on behalf of
12 himself and all current and former non-exempt employees who worked in California from June 9,
13 2016 to present. The action is currently proceeding on Plaintiff’s First Amended Complaint, which
14 asserts the following causes of action: (1) failure to pay minimum wages; (2) failure to pay overtime
15 wages; (3) failure to provide compliant meal periods and pay meal period premiums; (4) failure to
16 provide compliant rest periods and pay rest period premiums; (5) failure to reimburse necessary
17 business expenses; (6) failure to timely pay all wages upon termination; (7) failure to provide accurate
18 wage statements; (8) unfair business practices; and (9) civil penalties under the Labor Code Private
19 Attorneys General Act of 2004 (“PAGA”), Lab. Code, § 2698, et seq. (the “operative Complaint”).

20 2. Defendant denies all material allegations set forth in the operative Complaint and this
21 Action and has asserted numerous affirmative defenses.

22 3. The Parties have investigated the facts and analyzed the relevant legal issues with regard
23 to the claims and defenses in the Action. Plaintiff’s Counsel’s investigation included, *inter alia*, the
24 exchange of information pursuant to informal discovery methods and review of numerous corporate
25 policies and practices. Based on their investigation and analysis, Plaintiffs believe the Action has merit,
26 while Defendant believes the Action has no merit.

27 4. On April 12, 2021, the Parties participated in mediation before Jeffrey Krivis, Esq. (the
28 “Mediator”), a respected mediator for wage and hour class actions. The settlement discussions were

conducted at arm's-length, and the settlement is the result of an informed and detailed analysis of Defendant's potential liability of total exposure in relation to the costs and risks associated with continued litigation. Based on the documents produced, as well as Plaintiff's Counsel's own independent investigation and evaluation, and the Mediator's efforts, Plaintiff's Counsel believe that the settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate, and is in the best interest of the putative Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation and various defenses asserted by Defendant.

5. In the interest of avoiding further litigation, the Parties agree to fully and finally and forever settle and dispose of all actual or potential claims by the putative Class Members. This Settlement Agreement is made and entered into by and between Plaintiff, individually and on behalf of all others similarly situated, and Defendant, and is subject to the terms and conditions hereof, and to the Court's approval. The Parties expressly acknowledge that this Settlement Agreement is entered into solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendant. If for any reason the Settlement Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

6. The Settlement Class includes all current and former hourly non-exempt persons employed by Defendant in the State of California between June 9, 2016 through July 1, 2021, or the date of preliminary approval of the settlement, whichever is sooner. Defendant represents the number of putative Class Members to be approximately 56 as of the date such information was provided to Plaintiff's Counsel.

DEFINITIONS

7. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

8. “Action” means *Sergio Avalos v. Warehouse Goods, LLC dba Greenlane Holdings*, filed on June 9, 2020 in Los Angeles County Superior Court, Case No. 20STCV22332.

1 9. “Attorneys’ Fees and Costs” means such award of attorneys’ fees as may be approved
2 by the Court for Class Counsel’s litigation and resolution of this Action, and all costs incurred and to
3 be incurred by Class Counsel in the Action, including, but not limited to, costs associated with
4 documenting the Settlement, securing the Court’s approval of the Settlement, administering the
5 Settlement, obtaining entry of a Judgment terminating this Action, and expenses for any experts.

6 10. “Class Counsel” means Moon & Yang, APC, which will seek to be appointed counsel
7 for the Settlement Class.

8 11. “Class List” means a complete list of all putative Class Members that Defendant will
9 diligently and in good faith compile from its records and provide to the Settlement Administrator
10 within ten (10) business days after the Court’s Preliminary Approval of this Settlement. The Class
11 List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each putative
12 Class Member’s full name; last known address; Social Security Number; and dates of employment.

13 12. “Class Member(s)” or “Settlement Class” means all current and former hourly non-
14 exempt persons employed by Defendant in the State of California between June 9, 2016 through
15 July 1, 2021, or the date of preliminary approval of the settlement, whichever is sooner.

16 13. “Class Period” means the period from June 9, 2016 through July 1, 2021, or the date of
17 preliminary approval of the settlement, whichever is sooner.

18 14. “Class Representative” means Plaintiff Sergio Avalos (“Avalos”), who will seek to be
19 appointed as the representative for the Settlement Class.

20 15. “Class Representative Enhancement Payment” means the amount to be paid to Plaintiff
21 in recognition of his effort and work in prosecuting the Action on behalf of the putative Class
22 Members and negotiating the Settlement, at no additional cost to Defendant and subject to Court
23 approval, provided Avalos signs a general release that includes a release of claims pursuant to
24 California Civil Code section 1542.

25 16. “Court” means the Superior Court of the State of California for the County of Los
26 Angeles.

27 17. “Defendant” means Warehouse Goods LLC dba Greenlane, sued herein as Warehouse
28 Goods, LLC dba Greenlane Holdings.

1 18. “Effective Date” means either (a) the date sixty (60) calendar days after the entry of
2 Final Judgment and Order Approving Settlement, if no motions for reconsideration and no appeals or
3 other efforts to obtain review have been filed, or (b) in the event a motion for reconsideration, an
4 appeal or other effort to obtain review of the Final Judgment and Order Approving Settlement, the date
5 sixty (60) calendar days after such reconsideration, appeal or review has been finally concluded and is
6 no longer subject to review, whether by appeal, petition for rehearing, petition for review or otherwise.

7 19. “Individual Settlement Payment” means each Participating Class Member’s share of the
8 Net Settlement Amount, to be distributed to the Participating Class Members.

9 20. “Gross Settlement Amount” means the maximum settlement amount of One Hundred
10 Sixty-Five Thousand Dollars (\$165,000.00) to be paid by Defendant in full satisfaction of all claims
11 arising from the Action, which includes all attorneys’ fees, costs, the enhancement award, payments
12 pursuant to PAGA, and claims administration expenses. In no event will Defendant be liable for more
13 than the Gross Settlement Amount, unless the escalator clause, described in Paragraph 47, is triggered.
14 No portion of the Gross Settlement Amount shall revert to Defendant. Defendant’s share of any
15 employer payroll taxes to be paid in connection with the settlement (e.g. FICA, FUTA, payroll taxes,
16 and/or any similar tax or charge – collectively “Employer Taxes”) shall be paid in addition to the
17 Gross Settlement Amount. The Settlement Administrator will then be responsible for making
18 appropriate deductions, reporting obligations, and issuing the individual settlement awards.

19 21. “LWDA Payment” means the amount that the Parties have agreed to pay to the
20 California Labor and Workforce Development Agency (“LWDA”) for resolution of the claims for
21 civil penalties alleged pursuant to PAGA, and which are included in the Released Claims.

22 22. “Net Settlement Amount” means the portion of the Gross Settlement Amount remaining
23 after deduction of all attorneys’ fees, costs, enhancement award, the amount attributable to payments
24 pursuant to PAGA, and claims administration expenses. The Net Settlement Amount will be
25 distributed to Participating Class Members.

26 23. “Notice of Objection” means a Participating Class Member’s valid and timely written
27 objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (a)
28 the case name and number; (b) the objector’s full name, signature, address, telephone number and the

1 last four digits of the objector's Social Security number; (c) a written statement of all grounds for the
2 objection accompanied by any legal support for such objection; (d) copies of any papers, briefs, or
3 other documents upon which the objection is based; (e) the identity of the objector's counsel, if the
4 objector is represented by counsel; and (f) whether the objector wishes to be heard at the Final
5 Approval Hearing.

6 24. "Notice Packet" means the Notice of Class Action Settlement and Mailing Envelope.

7 25. "Parties" means Plaintiff and Defendant, collectively, and "Party" means either
8 Plaintiff or Defendant.

9 26. "Participating Class Members" means all Class Members who do not submit a Request
10 for Exclusion.

11 27. "Plaintiff" means Sergio Avalos, who may also be referred to herein as the Class
12 Representative.

13 28. "Preliminary Approval" means the Court order granting preliminary approval of the
14 Settlement Agreement.

15 29. "Qualified Settlement Account" means a qualified settlement fund account established
16 by the Settlement Administrator into which Defendant will make a one-time deposit of One Hundred
17 Sixty-Five Thousand Dollars (\$165,000.00) for payment of all Court-approved and claimed amounts
18 from the Gross Settlement Amount.

19 30. "Released Claims" include all claims, debts, liabilities, demands, obligations, damages,
20 and actions or causes of action of any kind, arising under state, federal or local law, whether statutory,
21 common law, or administrative law, at any time during the Class Period, that were or could have been
22 asserted based on the factual allegations in the Action, or based on any facts discovered in the course of
23 the Action, including (without limitation), claims for failure to failure to pay minimum, straight-time, or
24 overtime wages, failure to provide meal and rest periods or to pay meal and rest period premiums,
25 failure to indemnify necessary business expenses, failure to pay all wages due to discharged or quitting
26 employees, failure to reimburse necessary business expenses, failure to provide accurate itemized wage
27 statements; claims under California Labor Code sections 201 to 204, 210, 218.5, 218.6, 226, 226.3,
28 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698 et seq., 2802, and the Wage

1 Orders promulgated thereunder, California Business and Professions Code section 17200, et seq., and
2 the federal Fair Labor Standards Act (“FLSA,” 29 U.S.C. § 201 et seq.); and claims for injunctive relief,
3 punitive damages, penalties of any nature (including PAGA civil penalties and statutory penalties),
4 interest, fees, and costs). As to federal claims arising under the FLSA that could have been pleaded
5 based on the facts pleaded in the Action, such claims shall not be released unless and until a
6 Participating Class Member signs their settlement check, which will constitute consent to opt into the
7 release of all FLSA claims that could have been pleaded based on the facts pleaded in the Action.

8 31. “Released Claims Period” means the period from June 9, 2016 through July 1, 2021, or
9 to the date where the Court preliminarily approves the settlement, whichever is sooner.

10 32. “Released Parties” means Defendant Warehouse Goods LLC dba Greenlane and its
11 past, present, and future parents, subsidiaries, divisions, affiliates, predecessors, successors, and
12 assigns, and each of their past, present, and future shareholders, owners, officers, directors,
13 employees, agents, trustees, attorneys, representatives, administrators, fiduciaries, beneficiaries,
14 subrogees, executors, partners, privies, and any other individual or entity which could be liable for any
15 of the Released Claims.

16 33. “Request for Exclusion” means a timely letter submitted by a Class Member indicating
17 a request to be excluded from the settlement. The Request for Exclusion must: (a) include the case
18 name and number; (b) contain the full name, address, telephone number, and the last four digits of the
19 Social Security Number of the Class Member requesting exclusion; (c) clearly state that the Class
20 Member does not wish to be included in the settlement; (d) be signed by the Class Member; (e) be
21 returned by fax or mail to the Settlement Administrator at the specified address and/or facsimile
22 number; and (f) be postmarked or faxed on or before the Response Deadline. The date of the fax or
23 postmark on the return mailing envelope will be the exclusive means to determine whether a Request
24 for Exclusion has been timely submitted. A Class Member who does not request exclusion from the
25 settlement will be deemed a Participating Class Member and will be bound by all terms of the
26 settlement, if the settlement is granted final approval by the Court.

27 34. “Response Deadline” means the deadline by which Class Members must postmark to
28 the Settlement Administrator a valid Request for Exclusion or Notice of Objection. The Response

1 Deadline will be sixty (60) calendar days from the initial mailing of the Notice Packet by the
2 Settlement Administrator, unless the 60th falls on a Sunday or Federal holiday, in which case the
3 Response Deadline will be extended to the next day on which the U.S. Postal Service is open. Under
4 no circumstances will the Settlement Administrator have the authority to extend the deadline for Class
5 Members to submit a Request for Exclusion or Notice of Objection to the Settlement.

6 35. "Settlement Administrator" means Simpluris Class Action Settlement Administration
7 or any other third-party class action settlement administrator agreed to by the Parties and approved by
8 the Court for purposes of administering this Settlement pursuant to the terms of this Agreement, the
9 Class Notice, the Preliminary Approval Order, and the Judgment, including, without limitation,
10 printing, distributing, and tracking documents for this Settlement, calculating estimated amounts per
11 Class Member, tax reporting, distributing the appropriate settlement amounts, and providing necessary
12 reports and declarations, and other duties and responsibilities set forth herein to process this Settlement,
13 and as requested by the Parties. The Settlement Administrator shall agree to confidentiality terms as
14 may be required by Defendant regarding personnel and payroll data provided to the Settlement
15 Administrator and shall work with Class Counsel and Counsel for Defendant to implement and
16 administer appropriate fraud-prevention policies. The Parties each represent that they do not have any
17 financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement
18 Administrator that could create a conflict of interest.

19 36. "Settlement Administration Costs" means the costs approved by the Court to be paid to
20 the Settlement Administrator for administering this Settlement. The Settlement Administration Costs
21 will be paid from the Gross Settlement Amount, including, if necessary, any such costs in excess of the
22 amount represented by the Settlement Administrator as being the maximum costs necessary to
23 administer the settlement. The Settlement Administration Costs are currently estimated to be Five
24 Thousand and Twenty Dollars (\$5,020.00).

25 37. "Work Weeks" means the number of weeks worked by Class Members in California
26 during the Class Period, which shall be calculated by the Settlement Administrator based on the start
27 and end dates of each individual's employment during the Class Period as maintained by Defendant.
28 If a Class Member was employed for only part of a Work Week, he or she will be credited with a

fraction of the week, rounded up or down to the nearest two-digit decimal. For example, if a Class Member was employed for only one work day during a week, he or she would be credited with 0.14 of that week. If a Class Member was employed for two days during a week, he or she would be credited 0.29 of that week. Class Members may dispute the number of Work Weeks they worked during the Class Period by submitting a written Work Weeks dispute to the Settlement Administrator, which should include the Class Member's (a) full name, signature, address, telephone number, and the last four digits of the Class Member's Social Security number; (b) the number of Work Weeks the Class Member contends is correct; and (c) any evidence supporting the Class Member's contention.

38. "Work Week Value" means the value of each compensable Work Week, as determined by the formula set forth herein.

STIPULATION OF CLASS CERTIFICATION

39. The Parties stipulate to the certification of this Settlement Class for settlement purposes only. This Agreement is contingent upon preliminary and final approval by the Court, and certification of the Settlement Class is only for purposes of Settlement. If, for any reason, the Settlement does not become final, any certification of any Settlement Class will be vacated and the Parties will be returned to their positions with respect to the Action as if the Agreement had not been entered into. Should the Settlement not become final, for whatever reason, the fact that the Parties were willing to stipulate provisionally to class certification as part of the Settlement shall have no bearing on, and shall not be admissible in connection with, the issue of whether a class should be certified in a non-settlement context. Defendant expressly reserves the right to oppose class certification and/or proactively move to deny certification should this Settlement be reversed on appeal or otherwise not become final. Defendant does not consent to certification of the Settlement Class or any class for any purpose other than to effectuate the Settlement of this Action.

TERMS OF AGREEMENT

40. NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

41. Funding of the Settlement Amount. Within five (5) business days after the Effective Date, the Settlement Administrator will provide the Parties with an accounting of the amounts to be

1 paid by Defendant pursuant to the terms of the Settlement. Within ten (10) business days of the
2 Effective Date, Defendant will make a one-time deposit of One Hundred Sixty-Five Thousand Dollars
3 (\$165,000.00) for payment of all Court-approved and claimed amounts from the Gross Settlement
4 Amount into a Qualified Settlement Account to be established by the Settlement Administrator. Within
5 five (5) business days of the funding of Gross Settlement Amount, the Settlement Administrator will
6 issue payments to (a) Participating Class Members; (b) the Labor and Workforce Development
7 Agency ("LWDA"); (c) Plaintiff; and (d) Class Counsel. The Settlement Administrator will also issue
8 a payment to itself for Court-approved services performed in connection with the settlement.

9 42. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application
10 or motion by Class Counsel for Attorneys' Fees up to 33.33% of the Gross Settlement Amount, and
11 reasonable Costs and expenses not to exceed Fifteen Thousand Dollars (\$15,000.00), subject to Court
12 approval. The Attorneys' Fees and Costs Award shall represent payment for all claims for Class
13 Counsel's attorneys' fees and costs, past and future, incurred in the Action. The Attorneys' Fees and
14 Costs Award shall be paid from the Gross Settlement Amount, and Defendant shall not otherwise be
15 required to pay for any portion of Plaintiff's or the Class Members' attorneys' fees, costs, or expenses.
16 The Attorneys' Fees and Costs Award shall be paid to Class Counsel following the Effective Date, in
17 accordance with Paragraph 41 above. Any amounts of attorneys' fees and costs applied for but not
18 awarded by the Court to Class Counsel shall revert back into the Net Settlement Amount. An award
19 by the Court of attorneys' fees or costs that is less than the amounts applied for will not be grounds for
20 Plaintiff or Class Counsel to challenge or withdraw from the Settlement.

21 43. Class Representative Enhancement Payment. In exchange for a general release of all
22 claims, and in recognition of his effort and work in prosecuting the Action on behalf of Class
23 Members and negotiating the Settlement, Defendant agrees not to oppose or impede any application or
24 motion by Plaintiff for a Class Representative Enhancement Payment up to Seven Thousand Five
25 Hundred Dollars (\$7,500.00), subject to Court approval. The Class Representative Enhancement
26 Payment will be in addition to Plaintiff's Individual Settlement Payment as a Participating Class
27 Member paid pursuant to the Settlement.

1 **Plaintiff's General Release.** Plaintiff hereby fully and finally releases and discharges the
2 Released Parties from any and all of the Released Claims and from any and all claims, charges,
3 complaints, liens, demands, causes of action, obligations, damages and liabilities, known or unknown,
4 suspected or unsuspected, that Plaintiff had, now has, or may hereafter claim to have against the
5 Released Parties arising out of, or relating in any way to, the Plaintiff's hiring by, employment with,
6 separation of employment with, or otherwise relating to the Released Parties (collectively with
7 Released Claims, "Plaintiff's Released Claims"), arising or accruing through the Released Claims
8 Period. The Plaintiff's Released Claims include, but are not limited to, claims arising from or
9 dependent on the California Labor Code; the Wage Orders of the California Industrial Welfare
10 Commission; California Business and Professions Code § 17200 et seq.; the California Fair
11 Employment and Housing Act, Cal. Gov't Code § 12900 et seq.; the California common law of
12 contract and tort; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act, 42
13 U.S.C. § 12101 et seq.; the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et
14 seq.; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq. and the Portal to Portal Act, 29 U.S.C. §
15 251 et seq.

16 To effect a full and complete general release as described above, Plaintiff expressly waives and
17 relinquishes all rights and benefits of section 1542 of the Civil Code of the State of California, and
18 does so understanding and acknowledging the significance and consequence of specifically waiving
19 section 1542. Section 1542 of the Civil Code of the State of California states as follows:

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

25 Thus, notwithstanding the provisions of section 1542, and to implement a full and complete
26 release and discharge of the Released Parties, Plaintiff expressly acknowledges this Settlement
27 Agreement is intended to include in its effect, without limitation, all claims Plaintiff does not know or
28 suspect to exist in Plaintiff's favor at the time of signing this Settlement Agreement, and that this

Settlement Agreement contemplates the extinguishment of any such claims.

The Settlement Administrator will issue an IRS Form 1099 for the Class Representative Enhancement Payment to the Plaintiff, and Plaintiff shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. The Plaintiff agrees to indemnify and hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Enhancement Payment. No benefit, including but not limited to 401K benefits, shall increase or accrue as a result of any payment as a result of this Settlement. Any portion of the Class Representative Enhancement Payment applied for but not awarded by the Court to Plaintiff shall be added to the Net Settlement Amount for the benefit of Participating Class Members. An award by the Court of a Class Representative Enhancement Payment that is less than the amount applied for will not be grounds for Plaintiff or Class Counsel to challenge or withdraw from the Settlement.

44. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount, which is currently estimated to be Five Thousand and Twenty Dollars (\$5,020.00). These costs, which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing the Notice Packet, calculating and distributing the Gross Settlement Amount and Attorneys' Fees and Costs, and providing necessary reports and declarations. To the extent actual Settlement Administration Costs are less than \$5,020.00, such excess amount shall revert back into the Net Settlement Amount.

45. Labor and Workforce Development Agency Payment. Subject to Court approval, the Parties agree that the amount of Ten Thousand Dollars (\$10,000.00) from the Gross Settlement Amount will be designated for satisfaction of Plaintiff's and Class Members' PAGA claims. Pursuant to PAGA, 75%, *i.e.*, Seven Thousand Five Hundred Dollars (\$7,500.00), of this sum will be paid to the LWDA and 25%, *i.e.*, Two Thousand Five Hundred Dollars (\$2,500.00), will be distributed to Participating Class Members as part of the Net Settlement Amount. For purposes of this Settlement Agreement only, and not as an admission of liability otherwise, the Parties stipulate that all

1 Participating Class Members are “aggrieved employees” for purposes of distributing the \$2,500.00.

2 46. Net Settlement Amount. The Net Settlement Amount will be used to satisfy Individual
3 Settlement Payments to Participating Class Members from the Settlement Class in accordance with the
4 terms of this Agreement.

5 47. Escalator Clause. If it is later determined that the number of workweeks is more than
6 5% greater than the 3,430 estimated by Defendant at the time of the Parties’ informal pre-mediation
7 exchange of information, the Gross Settlement Amount shall increase by one percent for each
8 percentage point over the 5% threshold that the actual number of workweeks exceeds the estimated
9 number on the date of settlement. If Defendant declines to increase the Gross Settlement Amount,
10 Plaintiff has the option of rescinding the agreement by notifying Defendant’s counsel in writing of the
11 election. The Gross Settlement Amount will not be reduced due to Defendant’s estimate.

12 48. Non-reversionary Settlement. No portion of the Gross Settlement Amount will revert
13 to Defendant.

14 49. Individual Settlement Payment Calculations. Individual Settlement Payments will be
15 calculated and apportioned from the Net Settlement Amount based on the number of Work Weeks a
16 Participating Class Member worked during the Class Period. Specific calculations of Individual
17 Settlement Payments will be made as follows:

18 a. The Settlement Administrator will calculate the number of Work Weeks worked
19 by each Participating Class Member (“Individual Work Weeks”) during the Class Period, the amount
20 to be paid per Work Week, and the individual settlement awards to eligible Participating Class
21 Members.

22 b. Defendant’s employee data will be presumed to be correct, unless a particular
23 Class Member proves otherwise to the Settlement Administrator by credible evidence. All Work
24 Week disputes will be resolved and decided by the Settlement Administrator, and the Settlement
25 Administrator’s decision on all Work Week disputes will be final and non-appealable.

26 c. The individual settlement awards will be determined by dividing the Net
27 Settlement Amount by the total number of Work Weeks for all Participating Class Members, resulting
28 in the Work Week Value, and then multiplying the Work Week Value by the number of Work Weeks

1 worked by each Participating Class Member.

2 d. A Participating Class Member shall receive, at a minimum, a pro rata share of the
3 \$2,500 PAGA payment (or any different amount as required by the Court). The estimated \$2,500
4 PAGA allocation is already accounted for in the estimated Net Settlement Amount.

5 50. Settlement Awards Do Not Trigger Additional Benefits. Defendant shall fully
6 discharge its obligations to Plaintiff and the Participating Class Members through the remittance of the
7 Gross Settlement Amount to the Settlement Administrator, regardless of whether the checks
8 representing individual settlement awards are actually received and/or negotiated by Participating
9 Class Members. Once Defendant has remitted the Gross Settlement Amount in accordance with this
10 Settlement Agreement, it will be deemed to have satisfied all terms and conditions under this
11 Agreement, shall be entitled to all protections afforded to it under this Settlement Agreement, and
12 shall have no further obligations under the terms of the Agreement, regardless of what occurs with
13 respect to the further administration of the Settlement. It is expressly understood and agreed that the
14 receipt of such individual settlement awards will not entitle any Participating Class Member to
15 additional compensation or benefits under any company bonus, contest or other compensation or
16 benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any
17 Participating Class Member to any increased retirement, 401K benefits or matching benefits, or
18 deferred compensation benefits. It is the intent of this Settlement that the individual settlement awards
19 provided for in this Settlement are the sole payments to be made by Defendant to the Participating
20 Class Members, and that the Participating Class Members are not entitled to any new or additional
21 compensation or benefits as a result of having received the individual settlement awards
22 (notwithstanding any contrary language or agreement in any benefit or compensation plan document
23 that might have been in effect during the period covered by this Settlement).

24 51. Settlement Administration Process. The Parties agree to cooperate in the
25 administration of the settlement and to make all reasonable efforts to control and minimize the costs
26 and expenses incurred in administration of the Settlement. Without prejudice to any other remedies,
27 the Settlement Administrator shall hold Defendant harmless from and against all liabilities, claims,
28 causes of action, costs, and expenses (including legal fees and expenses) arising out of any failure to

1 timely or properly compensate Participating Class Members as provided for in this Agreement. No
2 person shall have any claim against any of the Released Parties, Counsel for Defendant, Plaintiff, the
3 Class Members, Class Counsel, or the Settlement Administrator based on mailings, distributions, and
4 payments made in accordance with or pursuant to this Agreement.

5 52. Delivery of the Class List. Within ten (10) business days of Preliminary Approval,
6 Defendant will provide the Class List to the Settlement Administrator. The information Defendant
7 provides to the Settlement Administrator shall be used solely to administer the terms of the Agreement
8 as described herein, shall remain confidential, and shall not be disclosed to anyone, except pursuant to
9 the express written authorization of Defendant or the individual in question, by order of the Court, or
10 to the extent necessary to fulfill the Settlement Administrator's reporting obligations hereunder.

11 53. Notice by First-Class U.S. Mail. Within twenty-eight (28) calendar days of Preliminary
12 Approval, the Settlement Administrator will perform an NCOA check and shall mail a Notice Packet
13 in Spanish and English to all Class Members via regular First-Class U.S. Mail, using the most current,
14 known mailing addresses identified in the Class List. There will not be a claim process requirement
15 and, as such, Class Members will not receive nor will they be required to submit a claim form to
16 receive their individual settlements.

17 54. Confirmation of Contact Information in the Class List. Prior to mailing, the Settlement
18 Administrator will perform a search based on the National Change of Address Database or any other
19 similar services available, such as provided by Experian, for information to update and correct for any
20 known or identifiable address changes.

21 55. Time for Objections. The Class Members will then have sixty (60) days in which they
22 must postmark and send written notice to the Settlement Administrator of their decision to object in
23 writing to the Settlement.

24 56. Notice Packets. All Class Members will be mailed a Notice Packet in English and
25 Spanish, which shall be translated into Spanish by the Settlement Administrator. Each Notice Packet
26 will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's
27 principal terms; (c) the Settlement Class definition; (d) the total number of Work Weeks each
28 respective Class Member worked for Defendant during the Class Period; (e) each Class Member's

1 estimated Individual Settlement Payment and the formula for calculating Individual Settlement
2 Payments; (f) the dates which comprise the Class Period; (g) information regarding disputing Work
3 Weeks, Requests for Exclusion, or Notice of Objections; (h) the deadlines by which the Class Member
4 must fax or postmark dispute of Work Weeks, Requests for Exclusions, or Notice of Objections to the
5 Settlement; (i) the claims to be released, as set forth herein; and (j) the date for the Final Approval
6 Hearing. For every Class Member where the Notice Packet is returned after mailing with a
7 forwarding address, the Settlement Administrator shall re-mail the Notice Packet to the forwarding
8 address. For every Class Members where the Notice Packet is returned after mailing without a
9 forwarding address, the Settlement Administrator shall perform one “skip trace” search in a consumer
10 information database comparable to Accurint in an effort to locate a current address. It shall be
11 presumed that each Class Member whose Notice Packet is not returned to the Settlement
12 Administrator as undeliverable within the 45-day notice period has actually received the Notice
13 Packet.

14 57. Disputed Information on Notice Packets. Class Members will have an opportunity to
15 dispute the information provided in their Notice Packets. To the extent Class Members dispute the
16 number of Work Weeks to which they have been credited or the amount of their Individual Settlement
17 Payment, Class Members may produce evidence to the Settlement Administrator showing that such
18 information is inaccurate. Absent evidence rebutting Defendant’s records, Defendant’s records will
19 be presumed determinative. However, if a Class Member produces evidence to the contrary, the
20 Parties will evaluate the evidence submitted by the Class Member and the Settlement Administrator
21 will make the final decision as to the number of eligible Work Weeks that should be applied and/or
22 the Individual Settlement Payment to which the Class Member may be entitled. Class Members shall
23 have until the Response Deadline to provide evidence to the Settlement Administrator demonstrating
24 that the number of Work Weeks to which they have been credited is incorrect.

25 58. Settlement Checks. The expiration date on the settlement checks will be one hundred
26 and eighty (180) calendar days from the date the settlement checks are issued. Funds represented by
27 uncashed settlement check(s) will be cancelled, and the monies represented by such checks will be
28 directed to the California State Controller’s Office pursuant to California’s unclaimed property laws in

the name of the Participating Class Members whose checks were not cashed. Each settlement check shall contain, on the back of the check, the following endorsement:

My endorsement or cashing of this check constitutes a full and complete release of Warehouse Goods LLC dba Greenlane and all of its current, past, or future subsidiary or affiliated entities, for any and all claims asserted or that could have been asserted based on the facts alleged in the lawsuit entitled *Sergio Avalos v. Warehouse Goods, LLC, et al.*, Los Angeles Superior Court, Case No. 20STCV22332 (“the Action”), including all claims under federal, state, and local law expressly pleaded in the Action, and all claims under federal, state, and local law that could have been pleaded based on the facts alleged in the Action, including but not limited to wage and hour claims (e.g., claims for alleged unpaid minimum wage or overtime) under the California Labor Code, the California Labor Code Private Attorneys General Act, the Fair Labor Standards Act, and California Business and Professions Code Section 17200, arising during my employment at any time between June 9, 2016 through the date the Court enters a Preliminary Approval Order, or July 1, 2021, whichever is earlier.

59. Request for Exclusion Procedures. Any Class Member wishing to be excluded from the Settlement Agreement must sign and postmark or fax a written Request for Exclusion to the Settlement Administrator within the Response Deadline. The date of fax or the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. All Requests for Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class Counsel and Defendant’s Counsel the Requests for Exclusion that were timely submitted. Any Class Member who submits a Request for Exclusion is prohibited from making any objection to the Settlement Agreement.

60. Settlement Terms Bind All Class Members Who Do Not Request Exclusion. Any Class Member who does not affirmatively Request Exclusion of the Settlement Agreement by submitting a timely and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the Settlement. The entry of a final order approving settlement of this Action and Judgment which discharges Defendant and Released Parties from liability for any and all of the Released Claims shall have a *res judicata* effect and bar Plaintiff and Class Members who did not submit a timely and valid Request for Exclusion from bringing any actions or claims asserting the Released Claims.

1 61. Written Objection Procedures. To object to the Settlement Agreement in writing, a
2 Class Member must postmark a valid Notice of Objection to the Settlement Administrator on or before
3 the Response Deadline. The Notice of Objection must be signed by the Class Member and contain all
4 information required by this Settlement Agreement. The postmark date will be deemed the exclusive
5 means for determining that the Notice of Objection is timely. Class Members who fail to object in
6 writing in the specific and technical manner specified above will be deemed to have waived all written
7 objections to the Settlement, and will be foreclosed from making written objections and seeking any
8 adjudication or review of such written objections, whether by appeal or otherwise, to the Settlement
9 Agreement. Aside from these procedures governing written objections, the Court will otherwise
10 control the acceptance of objections prior to or at the final approval hearing. At no time will any of
11 the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written
12 objections to the Settlement Agreement or appeal from the Order and Judgment. Class Counsel will
13 not represent any Class Members with respect to any such objections to this Settlement.

14 62. Certification Reports Regarding Individual Settlement Payment Calculations. The
15 Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report which
16 certifies: (a) the number of Participating Class Members from the Settlement Class who have
17 submitted a dispute of Work Weeks; (b) the number of Class Members who have submitted valid
18 Requests for Exclusion or Notice of Objections; and (c) whether any Class Member has submitted a
19 challenge to any information contained in their Notice Packet. Additionally, the Settlement
20 Administrator will provide to counsel for both Parties any updated reports regarding the
21 administration of the Settlement Agreement as needed or requested.

22 63. Payroll Taxes. In accordance with this Settlement, the transfer of the Gross Settlement
23 approved by the Court shall, to the fullest extent possible, resolve, satisfy and completely extinguish
24 all of Defendant's liability with respect to the Settlement Class except that Defendant shall solely be
25 responsible for the employer portion of the payroll taxes. Upon the transfer of funds to the Settlement
26 Administrator, Defendant shall have no further payment or defense obligation whatsoever with respect
27 to any claims covered by this Settlement made or asserted by any person or entity anywhere in the
28 world in connection with the Settlement Class Members.

1 64. Certification of Completion. Upon completion of administration of the Settlement, the
2 Settlement Administrator will provide a written declaration under oath to certify such completion to
3 the Court and counsel for all Parties. Plaintiff and Class Counsel will file a Satisfaction of Judgment
4 within ten (10) calendar days of the submission of said declaration.

5 65. Treatment of Individual Settlement Payments. All Individual Settlement Payments will
6 be allocated as follows: 20% of each Individual Settlement Payment will be allocated as alleged
7 unpaid wages, 40% will be allocated as alleged unpaid interest, and the remaining 40% will be
8 allocated as alleged unpaid penalties. The portion allocated to wages will be reported on an IRS Form
9 W-2 and the portions allocated to interest and penalties will be reported on an IRS Form-1099 by the
10 Settlement Administrator.

11 66. Administration of Taxes by the Settlement Administrator. The Settlement
12 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class
13 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to
14 this Agreement. The Settlement Administrator will also be responsible for forwarding all payroll
15 taxes and penalties to the appropriate government authorities.

16 67. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect
17 of the payments called for hereunder, and Plaintiff and Participating Class Members are not relying on
18 any statement, representation, or calculation by Defendant or by the Administrator in this regard.
19 Plaintiff and Participating Class Members understand and agree that except for Defendant's payment
20 of the employer's portion of any payroll taxes, they will be solely responsible for the payment of any
21 taxes and penalties assessed on the payments described herein.

22 68. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
23 OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS
24 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY")
25 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO
26 WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR
27 THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY
28 SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE

1 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY
2 DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING
3 PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT
4 LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION
5 WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON
6 THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
7 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION
8 OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID
9 ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND
10 (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION
11 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S
12 TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING)
13 UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
14 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED
15 BY THIS AGREEMENT.

16 69. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
17 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
18 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
19 of action or right herein released and discharged.

20 70. Release of Claims by Class Members. Upon the date upon which Defendant transfers
21 the Gross Settlement Amount to the Settlement Administrator, Plaintiff and all Class Members who do
22 not Request Exclusion will be deemed to have fully, finally and forever released, settled,
23 compromised, relinquished, and discharged with respect to all of the Released Parties for any and all
24 Released Claims that accrued during the Released Claims Period. The release of Released Claims will
25 have a *res judicata* effect against any Class Members who make a claim against any of the Released
26 Parties for any of the Released claims, file any actions, claims, complaints or proceedings regarding
27 the Released Claims with the California Division of Labor Standards Enforcement, initiate any other
28 proceedings against any of the Released Parties regarding any of the Released Claims, or seek to

participate in any judgment or settlement of claims that are the subject of the Released Claims in any other class, collective, or representative action against any of the Released Parties.

71. Inability to Object / Opt Out of PAGA. The Parties agree that there is no statutory right for any Class Member to object to, opt out of, or otherwise exclude himself or herself from the settlement of the PAGA claims. Accordingly, any timely objection or exclusion from the Settlement submitted by a Class Member shall be construed as relating only to the putative class action claims and shall have no effect whatsoever on the settlement of the PAGA claims.

72. Duties of the Parties Prior to Court Approval. The Parties shall promptly submit this Settlement Agreement to the Court in support of Plaintiff's Motion for Preliminary Approval and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon execution of this Settlement Agreement, the Parties shall apply to the Court for the entry of an order:

- a. Scheduling a fairness hearing on the question of whether the proposed settlement, including payment of attorneys' fees and costs, and the Class Representative's enhancement payment, should be finally approved as fair, reasonable and adequate as to the members of the Settlement Class;
- b. Conditionally certifying the Settlement Class for settlement purposes only;
- c. Approving, as to form and content, the proposed Notice of Pendency of Class Action and Proposed Settlement;
- d. Approving as to form and content the proposed Notice Packet;
- e. Approving the manner and method for Class Members to request exclusion from the Settlement as contained herein and within the Notice of Pendency of Class Action and Proposed Settlement;
- f. Directing the mailing of the Notice of Pendency of Class Action and Proposed Settlement and Class Action Settlement, by first class mail to the Class Members; and
- g. Preliminarily approving the Settlement subject only to the objections of Class Members and final review by the Court.

1 73. Duties of the Parties Following Final Court Approval. Following final approval by the
2 Court of the Settlement provided for in this Settlement Agreement, Class Counsel will submit a
3 proposed final order of approval and judgment:

4 a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable and
5 adequate, and directing consummation of its terms and provisions;

6 b. Approving Class Counsel's application for an award of attorneys' fees and
7 costs;

8 c. Approving the Class Representative Enhancement Payment to the Class
9 Representative;

10 d. Setting a date when the Parties shall report to the court the total amount that was
11 actually paid to the Class Members; and

12 e. Entering judgment in this Action encompassing Defendant and all members of
13 the Settlement Class, with a reservation of continuing jurisdiction by the Court over the Settlement
14 Agreement and its implementation.

15 f. Posting the judgment on the Settlement Administrator's website for at least 90
16 days after entry by the Court.

17 74. Nullification of Settlement Agreement. In the event that the Settlement is barred by
18 operation of law, or invalidated, or ordered not to be carried out by a court of competent jurisdiction,
19 this Settlement Agreement, and any documents generated to bring it into effect, will be null and void.
20 Any order of judgment entered by the Court in furtherance of this Settlement Agreement will likewise
21 be treated as void from the beginning, and all Parties to this Agreement shall stand in the same
22 position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court.
23 Defendant will cease to have any obligation to pay any portion of the Gross Settlement Amount to the
24 Qualified Settlement Account, or any other party under the terms of this Agreement and all previous
25 disbursements made from Defendant to the Qualified Settlement Account will immediately revert
26 back to Defendant. Any Settlement Administration Costs incurred will be split equally between the
27 Parties.
28

1 75. Preliminary Approval Hearing. Pursuant to the Court’s April 14, 2021 minute order,
2 Plaintiff will file his Motion for Preliminary Approval of the Settlement Agreement with the Court
3 and shall designate the hearing date on the motion as “TBD,” with the understanding that the Court
4 will review the pleadings and thereafter set the date for the hearing on the motion. The motion will
5 include a request for entry of a Preliminary Approval Order for: (a) conditional class certification of
6 the Settlement Class for settlement purposes only, (b) Preliminary Approval of the proposed
7 Settlement Agreement, and (c) setting a date for a Final Approval/Settlement Fairness Hearing. The
8 Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as
9 specified herein. In conjunction with his Motion for Preliminary Approval, Plaintiff will submit this
10 Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed
11 Notice Packet; i.e., the proposed Notice of Class Action Settlement document. At the same time,
12 Plaintiff will submit a copy of this Settlement Agreement to the LWDA. Class Counsel will be
13 responsible for drafting all documents necessary to obtain preliminary approval. Defendant agrees not
14 to oppose the Motion for Preliminary Approval.

15 76. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
16 deadlines to postmark Notice Forms, Requests for Exclusion, or objections to the Settlement
17 Agreement, and with the Court’s permission, a Final Approval/Settlement Fairness Hearing will be
18 conducted to determine the Final Approval of the Settlement Agreement along with the amounts
19 properly payable for (a) Individual Settlement Payments; (b) the LWDA Payment; (c) the Attorneys’
20 Fees and Costs; (d) the Class Representative Enhancement Payment; and (e) all Claims
21 Administration Costs. The Final Approval/Settlement Fairness Hearing will not be held earlier than
22 thirty (30) calendar days after the Response Deadline. Class Counsel will be responsible for drafting
23 all documents necessary to obtain final approval. Class Counsel will also be responsible for drafting
24 the attorneys’ fees and costs application to be heard at the final approval hearing. Class Counsel shall
25 provide counsel for Defendant with copies of all documents to be submitted in support of their Motion
26 for Final Approval and Application for Attorneys’ Fees and Costs for review at least three (3) court days
27 before such documents are filed with the Court.

1 77. Rescission of Settlement Agreement (by Defendant). If more than ten percent (10%) of
2 the Class Members opt out of the Settlement, Defendant may, at its election, rescind the Settlement and
3 all actions taken in furtherance of it will thereby be null and void. Defendant must exercise this right of
4 rescission, in writing, to Class Counsel and with a copy to the Settlement Administrator within ten (10)
5 business days after the Settlement Administrator notifies the Parties of a greater than ten percent (10%)
6 opt-out rate. If the option to rescind is exercised, then Defendant shall be solely responsible for all costs
7 of the claims administration accrued to that point, not to exceed the amount approved by the Court in the
8 Preliminary Approval Order. If Defendant exercises this option, the Parties shall return to their
9 respective positions that existed before the execution of this Agreement, and no term of this Agreement
10 or any draft thereof, or the negotiation, documentation, or other part or aspect of the Parties' settlement
11 discussions, shall have any effect or be admissible as evidence for any purpose in the Action, or in any
12 other proceeding.

13 78. Termination of Settlement. Either Party may terminate this Settlement if the Court
14 declines to enter the Preliminary Approval Order, the Final Approval Order or final judgment in
15 substantially the form submitted by the Parties, or the Settlement Agreement as agreed does not
16 become final because of appellate court action. The terminating Party shall give to the other Party
17 (through its counsel) written notice of its decision to terminate no later than ten (10) calendar days
18 after receiving notice that one of the enumerated events has occurred. Termination shall have the
19 following effects:

- 20 a. The Settlement Agreement shall be terminated and shall have no force or effect,
21 and no Party shall be bound by any of its terms;
- 22 b. In the event the Settlement is terminated, Defendant shall have no obligation to
23 make any payments to any party, Class Member or attorney, except that the
24 terminating Party shall pay the Settlement Administrator for services rendered up
25 to the date the Settlement Administrator is notified that the settlement has been
26 terminated;
- 27 c. The Preliminary Approval Order, Final Approval Order and Judgment, including
28 any order of class certification, shall be vacated;

1 d. The Settlement Agreement and all negotiations, statements and proceedings
2 relating thereto shall be without prejudice to the rights of any of the Parties, all of
3 whom shall be restored to their respective positions in the Action prior to the
4 settlement;

5 e. Neither this Stipulated Settlement, nor any ancillary documents, actions,
6 statements or filings in furtherance of settlement (including all matters associated
7 with the mediation) shall be admissible or offered into evidence in the Action or
8 any other action for any purpose whatsoever.

9 79. Public Statements. Plaintiff and Class Counsel shall not hold any press conferences or
10 issue any press releases with respect to this Settlement at any time. Until the Parties submit a request
11 for preliminary approval from the Court, Plaintiff and Class Counsel will keep the terms of this
12 Agreement confidential. Prior to final approval of this Settlement, Plaintiff and Class Counsel will
13 not discuss this Action or the Settlement or otherwise disclose the terms of this Agreement with third
14 parties other than Class Members and the Settlement Administrator, except (1) as required by the
15 PAGA statute, (2) as necessary to effectuate this Agreement, and (3) to the Parties' tax advisors.
16 After final approval of this Settlement, Plaintiff, Defendant, and their respective counsel shall not
17 issue any public statements with respect to the Action or Settlement, except as required by law. The
18 Parties and their counsel shall not engage in any publicity, including website or social media postings,
19 of any type related to the Action, Settlement, or litigation against Defendant. Notwithstanding the
20 specific limitations to public disclosure identified herein, Class Counsel shall not be precluded from
21 disclosing the Parties to the lawsuit and the fact that the matter settled to a Court or other tribunal.
22 Furthermore, nothing herein limits Plaintiff's or any Class Member's ability to communicate with any
23 government agency or otherwise cooperate in any investigation or proceeding that may be conducted
24 by any government agency.

25 80. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
26 Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment to
27 the Court for its approval, pursuant to Rule 3.770 of the California Rules of Court. After entry of the
28 Judgment, the Court will have continuing jurisdiction under California Code of Civil Procedure

1 section 664.6.

2 81. Exhibits Incorporated by Reference. The terms of this Agreement include the terms set
3 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
4 herein. Any Exhibits to this Agreement are an integral part of the Settlement.

5 82. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
6 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
7 agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil
8 Code section 1625 and California Code of Civil Procedure section 1856(a), which provide that a
9 written agreement is to be construed according to its terms and may not be varied or contradicted by
10 extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms
11 will modify, vary or contradict the terms of this Agreement.

12 83. Amendment or Modification. This Settlement Agreement may be amended or modified
13 only by a written instrument signed by the named Parties and counsel for all Parties or their
14 successors-in-interest.

15 84. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
16 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
17 Agreement and to take all appropriate action required or permitted to be taken by such Parties
18 pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents
19 required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will
20 cooperate with each other and use their best efforts to effect the implementation of the Settlement. If
21 the Parties are unable to reach agreement on the form or content of any document needed to
22 implement the Settlement, or on any supplemental provisions that may become necessary to effectuate
23 the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such
24 disagreement.

25 85. Signatories. It is agreed that because the members of the Class are so numerous, it is
26 impossible or impractical to have each member of the Class execute this Settlement Agreement. The
27 Notice of Pendency of Class Action and Proposed Settlement, attached hereto as Exhibit "A," will
28 advise all Class Members of the binding nature of the release, and the release shall have the same

force and effect as if this Settlement Agreement were executed by each member of the Class.

86. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

87. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

88. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

89. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. 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. In addition, the Mediator may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

90. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

91. Plaintiff's Waiver of Right to Be Excluded and Object. Plaintiff agrees to sign this Settlement Agreement and, by signing this Settlement Agreement, is hereby bound by the terms herein.

92. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; and either party may appeal any court order that

1 materially alters the Settlement Agreement's terms.

2 93. Non-Admission of Liability. The Parties enter into this Agreement to resolve the
3 dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation.
4 In entering into this Agreement, Defendant does not admit, and specifically denies, it has violated any
5 state, federal, or local law; violated any regulations or guidelines promulgated pursuant to any statute
6 or any other applicable laws, regulations or legal requirements; breached any contract; violated or
7 breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful
8 conduct with respect to its employees. Neither this Agreement, nor any of its terms or provisions, nor
9 any of the negotiations connected with it, shall be construed as an admission or concession by
10 Defendant of any such violations or failures to comply with any applicable law. Except as necessary
11 in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions
12 shall not be offered or received as evidence in any action or proceeding to establish any liability or
13 admission on the part of Defendant or to establish the existence of any condition constituting a
14 violation of, or a non-compliance with state, federal, local or other applicable law.

15 94. Captions. The captions and section numbers in this Agreement are inserted for the
16 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
17 provisions of this Agreement.

18 95. Waiver. No waiver of any condition or covenant contained in this Agreement or failure
19 to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a
20 further waiver by such party of the same or any other condition, covenant, right or remedy.

21 96. Enforcement Actions. In the event that one or more of the Parties institutes any legal
22 action or other proceeding against any other Party or Parties to enforce the provisions of this
23 Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties
24 will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs,
25 including expert witness fees incurred in connection with any enforcement actions.

26 97. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
27 conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against
28 one party than another merely by virtue of the fact that it may have been prepared by counsel for one

of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed equally to the preparation of this Agreement.

98. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel, and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

99. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

100. Notices. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed as follows:

To Plaintiff and the Settlement Class:

Kane Moon, Esq.
Lilit Ter-Astvatsatryan, Esq.
MOON & YANG, APC
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

To Defendant:

Tritia M. Murata, Esq.
Wendy J. Ray, Esq.
Alison Frost, Esq.
Morrison & Foerster LLP
707 Wilshire Boulevard
Los Angeles, California 90017-3543
Telephone: 213.892.5200
Facsimile: 213.892.5454

101. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

102. Integration Clause. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or

contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

103. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Agreement, and further intend that this Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under state or federal law.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Settlement and Release between Plaintiff and Defendant as of the date(s) set forth below:

SIGNATURES - READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: _____

PLAINTIFF SERGIO AVALOS

DEFENDANT

Warehouse Goods LLC dba Greenlane

Dated: 5/19/2021 | 10:49:58 AM PDT

DocuSigned by:

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BY: Douglas Fischer
ITS: General Counsel

contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

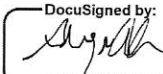
103. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Agreement, and further intend that this Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under state or federal law.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Settlement and Release between Plaintiff and Defendant as of the date(s) set forth below:

SIGNATURES - READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 5/19/2021 _____

DocuSigned by:

FC48F5F504C2412...
PLAINTIFF SERGIO AVALOS

DEFENDANT

Dated: _____ Warehouse Goods LLC dba Greenlane

BY: _____
ITS: _____

1 **APPROVED AS TO FORM**

2 Dated: 05/19/2021

MOON & YANG, APC

3
4 BY: 
5 KANE MOON
6 LILIT TER-ASTVATSATRYAN

7 Attorneys for Plaintiff
8 Sergio Avalos

9 Dated: _____

MORRISON & FOERSTER LLP

10 BY: _____
11 TRITIA M. MURATA

12 Attorneys for Defendant
13 Warehouse Goods LLC dba Greenlane (sued herein as
14 Warehouse Goods, LLC dba Greenlane Holdings)

1 **APPROVED AS TO FORM**

2 Dated: _____

MOON & YANG, APC

3
4 BY: _____

5 KANE MOON
6 LILIT TER-ASTVATSATRYAN

7 Attorneys for Plaintiff
8 Sergio Avalos

9 Dated: May 19, 2021

MORRISON & FOERSTER LLP

10 BY: Litita M. Murata
11 TRITIA M. MURATA

12 Attorneys for Defendant
13 Warehouse Goods LLC dba Greenlane (sued herein as
14 Warehouse Goods, LLC dba Greenlane Holdings)