

SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

This Settlement Agreement and Release of All Claims ("**Agreement**") is made and entered into by and between Jacob Luhr ("**Luhr**"), on the one hand, and Sierra Nevada Cheese Company, Inc. ("**SNCC**" or the "**Company**"), on the other hand. Luhr and SNCC are sometimes collectively referred to herein as the "**Parties**," or individually as a "**Party**." This Agreement is made with reference to the following facts:

RECITALS

A. Luhr was employed by SNCC as an hourly-paid non-exempt employee from on or around May 2017 through January 2021, when his employment ended.

B. On February 1, 2021, Luhr filed a class action complaint in Glenn County Superior Court of the State of California, Case Number 21CV02543, on behalf of himself and all other similarly situated employees at SNCC, alleging that SNCC (1) failed to pay all minimum wages due; (2) failed to pay all overtime wages due; (3) failed to provide rest periods and pay missed rest period premiums; (4) failed to provide meal periods and pay missed meal period premiums; (5) failed to maintain accurate employment records; (6) failed to pay wages timely during employment; (7) failed to pay all wages earned and unpaid at separation; (8) failed to indemnify all necessary business expenditures; (9) failed to furnish accurate itemized wage statements; and (10) violated California's Unfair Competition Law (Bus. & Prof. Cod §§ 17200-17210). Luhr also filed a Private Attorney General Act ("**PAGA**") noticed online with the Labor Workforce Development Agency ("**LWDA**") setting forth facts and theories of alleged violations against Defendants, as prescribed by PAGA. On or around April 16, 2021, Luhr filed a First Amended Complaint which included a claim against SNCC seeking penalties under the PAGA. SNCC denies each and every one of these allegations. The Complaint, First Amended Complaint and PAGA claim with the LWDA are hereafter referred to as the "**Complaint**."

C. The Parties hereto desire to enter into a compromise on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the covenants and promises contained herein, the Parties agree as follows:

1. Non-Admission of Liability. The Parties acknowledge and understand that each of them denies any wrongdoing whatsoever in connection with one another, and this Agreement is made solely for the purpose of compromising disputed claims and avoiding the time, expense, and uncertainty of litigation. It is expressly understood and agreed that nothing contained in this Agreement shall constitute or be deemed an admission of any wrongdoing or liability on the part of SNCC.

2. Settlement Payment. SNCC shall pay to Luhr the total sum of **\$25,000 (Twenty-Five Thousand Dollars)** (the "**Settlement Payment**"). The Settlement Payment shall be paid as follows:

(a) A check in the amount of **\$3,095.25 (Three Thousand Ninety-Five Dollars and Twenty-Five Cents)**, made payable to “Jacob Luhr,” less applicable withholdings, attributable to lost wages. Such amount shall be recorded and reported on an IRS Form W-2.

(b) A check in the amount of **\$12,381 (Twelve Thousand Three Hundred Eighty-One Dollars)**, made payable to “Jacob Luhr.” Such amount shall be recorded and reported on an IRS Form 1099.

(c) A check in the amount of **\$9,523.75 (Nine Thousand Five Hundred Twenty-Three Dollars and Seventy-Five Cents)**, made payable to “Melmed Law Group P.C.” which shall represent Luhr’s attorney fees and litigation costs.

(d) The payments described above will be sent by Certified Mail to Melmed Law Group P.C., 1801 Century Park East, Suite 850, Los Angeles, California 90067.

(e) Luhr acknowledges and agrees that SNCC and its counsel have made no representations to Luhr regarding the tax consequences of any amounts paid and received under this Agreement, or if any portion of the Settlement Payment he receives is likely to be considered taxable income and subject to disclosure to the appropriate taxing authorities, and Luhr assumes responsibility for any such tax consequences.

(f) As this Agreement will render Luhr an inadequate class or PAGA representative, within five (5) days following receipt of the consideration described above, Luhr promises to file a **Request for Dismissal** with the Glenn County Superior Court, of Case Number 21CV02543 referenced in Recitals B, with prejudice as to himself and without prejudice as to the putative class and PAGA claims. Luhr will also file a letter with the LWDA notifying it of the dismissal of his court case. Luhr promises to do all that is reasonably necessary to effectuate the dismissal and/or withdrawal of the Complaint and PAGA claim. Luhr will be responsible for the fees or costs, if any, associated with the filing and dismissal of the Complaint. SNCC agrees to not seek to recovery any of its fees associated with the filing and dismissal of the Complaint.

(g) The Parties understand and acknowledge that none of the Settlement Payment is consideration for settlement of any precertification class claims or PAGA allegations.

3. Compromise of Disputed Claim. The Parties agree that the Settlement Payment is made as a compromise of a disputed claim. It is expressly understood that SNCC disputes all of the claims Luhr has asserted and that SNCC denies any and all liability. Therefore, California Labor Code sections 206 and/or 206.5 are not applicable to the parties. Section 206.5 provides in pertinent part as follows:

No employer shall require the execution of any release of any claim or right on account of wage due or to become due, or made as an advance on wages to be earned, unless payment of such wages has been made.

As a material term of this Agreement, Luhr promises he will not assert any additional rights to wages, will not challenge the Agreement pursuant to California Labor Code sections 206 or 206.5, and will not take a position that California Labor Code sections 206 and/or 206.5 bar or otherwise affect the enforceability of this Agreement.

4. No Filing of Claims. Other than the Complaint referenced in Recitals B, Luhr represents and warrants that, he does not presently have on file, and further represents that except as may be necessary to enforce this Agreement, he will not hereafter file, any claims, charges, grievances, actions, appeals or complaints against SNCC in or with any administrative, state, federal or governmental entity, agency, board or court, or before any other tribunal or panel of arbitrators, public or private, or on behalf of any such agency, or to report any further complaints to any third party, including any governmental agency, based upon any actions occurring prior to the date of this Agreement. He further promises to request any administrative agency or other body assuming jurisdiction of any such lawsuit, complaint, or charge, to withdraw from the matter or dismiss the matter with prejudice as to his individual claims.

5. Release of All Claims. Luhr—in his individual capacity and not in his capacity as a class representative or private attorney general—on behalf of himself and his successors, representatives, attorneys, agents, representatives, executors, administrators, and assigns (“**Releasing Parties**”), hereby releases, acquits, and forever discharges SNCC, its parents and all of its subsidiaries, related, and affiliated entities and each of their respective past and present employees, officers, directors, administrators, staff, attorneys, owners, shareholders, members, partners, insurers, benefit plan fiduciaries and agents, and all of their respective successors and assigns (“**Released Parties**”), of and from any lawsuits, arbitrations, causes of action, complaints, obligations, demands, liabilities, or claims of any kind, whether in law or in equity, known or unknown, direct or indirect, asserted or unasserted, liquidated or unliquidated (hereinafter “**Claims**”) and obligations, duties, liabilities, agreements, promises, damages, costs, penalties, interest, fees (including without limitation attorney’s fees), losses, expenses, and debts of any kind or nature whatsoever, whether known or unknown, direct or indirect, asserted or unasserted, liquidated or unliquidated (hereinafter “**Obligations**”) that the Releasing Parties ever had or now have against the Released Parties arising out of or relating to all matters whatsoever, including, without limitation the following: (1) all Claims and Obligations related to Luhr’s claims and allegations in Recitals A-C, above; (2) all Claims and Obligations (including but not limited to those under federal, state, or local statute, rule or regulation) that the Releasing Parties allege or could have alleged or pled based on the factual allegations or predicate in the Complaint; (3) all such Claims and Obligations directly or indirectly arising out of or in any way related to Luhr’s services to and employment with SNCC, or the termination of those services/employment; (4) Claims and Obligations relating to wages and benefits including, without limitation, compensation, salary, commissions, incentive pay, overtime, regular rate of pay, meal and rest breaks, pay reimbursement, payroll periods, pay cycles, pay dates, final paychecks, use of personal cell phones for business purposes, time reporting, rounding of time clock entries, off-the clock work, wage recapture, classification as exempt or non-exempt employees, health and welfare benefits, relocation, separation pay, severance pay, notice pay, wage statements, paid time off, sick pay, bonuses, and/or compensation and benefits of any kind; (5) Claims or Obligations pursuant to any federal, state or local law, statute, or cause of action including, but not limited to, the federal Civil Rights Act of 1964, as amended; the federal Americans with Disabilities Act of 1990; the federal Employee Retirement Income Security Act of 1974, as amended; the federal Family and Medical Leave Act, as amended (the “FMLA”); the California Fair Employment and Housing Act, as amended; the California Family Rights Act, as amended; tort law; contract law; wrongful discharge; discrimination; harassment; retaliation; fraud; defamation; emotional distress; and breach of the implied covenant of good faith and fair dealing. This Agreement does not prohibit Luhr from participating in an Equal Employment Opportunity Commission (“EEOC”) or a federal,

state or local administrative agency investigation or proceeding. Luhr agrees to waive his right to monetary or other recovery should any claim be pursued with the EEOC or similar administrative agency on his behalf arising out of or related to his services to SNCC, and/or termination of those services. In addition, this Agreement shall not be construed in any way to waive any rights or benefits that may not be waived pursuant to applicable law.

6. Waiver of California Civil Code § 1542. The Parties understand and expressly agree that this Agreement extends to all claims of every nature and kind whatsoever, known or unknown, suspected or unsuspected, past or present. The Parties acknowledge that there is a risk that, subsequent to the execution of this Agreement, they may discover, incur or suffer from claims which are currently unknown or unanticipated and which, if known, would have materially affected their decision to execute this Agreement. The Parties acknowledge that they are assuming the risk of such unknown and unanticipated claims and expressly waive the benefits of Section 1542 of the California Civil Code, which provides as follows:

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

This Agreement releases SNCC and all its officers, owners, directors, partners, employees, and/or agents. The Parties and their agents and assigns, jointly and severally, agree to refrain from initiating, prosecuting or maintaining (or causing or assisting in the initiation, prosecution or maintenance of) any action, suit, or proceeding against any other Party to this Agreement.

7. Confidentiality of Settlement Information—Liquidated Damages. Luhr represents and agrees that he shall keep the circumstances surrounding Luhr’s Claims, Recitals (A)-(B), as well as the terms and amounts of this Agreement completely confidential, and that he will not hereafter disclose any information concerning this Agreement to anyone other than the following: (a) Luhr’s spouse; (b) legal counsel retained by Luhr; (c) Luhr’s personal certified public accountants, financial advisors or financial consultants; and (d) as required or compelled by federal or state tax or other regulatory authority. Violation of this provision shall constitute a material breach of this Agreement and shall afford SNCC the right to pursue any and all legal remedies upon proof of breach. The confidentiality provision set forth in this Section of the Agreement shall be subject to liquidated damages of \$2,000.00 for each breach that is proven.

8. Advice of Counsel. Each of the Parties has obtained or had the ability to obtain advice of legal counsel prior to and for the execution of this Agreement and understands fully the contents hereof. Each of the Parties warrants and represents that the Party executing this Agreement on its behalf is duly authorized and empowered to execute this Agreement.

9. Non-Disparagement/Non-Interference. Luhr agrees that he will not make statements or representations to any person, entity or firm which may cast SNCC in an unfavorable light or which could adversely affect the name or reputation of SNCC unless required by order of court or in providing sworn testimony.

10. Voluntary Agreement. Luhr understands, represents, and agrees as follows:

- a. In exchange for executing this Separation Agreement, Luhr has received separate consideration beyond that which he was otherwise entitled to under the Company's policy or applicable law.
- b. Luhr has carefully read and fully understand all of the provisions of this Separation Agreement, including the legal and binding effect of the Separation Agreement, and the exchange of benefits and promises herein.
- c. Luhr is entering into this Separation Agreement knowingly and of his own free will and voluntarily intend to be legally bound by this Agreement.
- d. Luhr has at least five (5) business days to consider this Agreement and has consulted with his attorney.

11. Notices. All notices, demands, payments, accounting or other communication that any Party to this Agreement desires or is required to give the others shall be given in writing by email and overnight delivery. Luhr agrees that he will cease all further contact and communication with SNCC. All such communications shall be sent to the individuals below, or to such other individual as such Party may designate in writing from time to time.

If to SNCC:

Ryan Abernethy, Esq.
WEINTRAUB TOBIN
400 Capital Mall, 11th Floor
Sacramento, CA 95814

If to Luhr:

Kyle Smith, Esq.
MELMED LAW GROUP P.C.
1801 Century Park East, Suite 850
Los Angeles, CA 90067

12. Defense to Further Action. This Agreement constitutes a full and complete defense to, and may be used as a basis for an injunction against, any action, suit, or other proceeding which may be instituted, prosecuted or attempted by Luhr or SNCC in breach of this Agreement. Luhr shall indemnify and hold SNCC harmless from and against any and all loss, cost, damage, or expense, including, attorney's fees, incurred by any SNCC arising out of any such action, suit or other proceeding prosecuted or attempted by Luhr in breach of this Agreement.

13. Cooperation. The Parties and their attorneys, agents, and representatives agree to execute such further documents or instruments and to take such other actions as are necessary to carry out the transactions contemplated by this Agreement.

14. California Law Applies. This Agreement shall be interpreted, enforced and governed by and under, in all respects, the laws of the State of California, with venue set in Glenn County Superior Court.

15. Successors and Assigns. It is expressly understood and agreed by the Parties that this Agreement and all of its terms shall be binding upon each Parties' representatives, heirs, executors, administrators, successors, and assigns.

16. **Headings.** The headings in each paragraph herein are for convenience of reference only and shall be of no legal effect in the interpretation of the terms hereof.

17. **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement which can be given effect without the invalid provision shall continue in full force and effect and shall in no way be impaired or invalidated.

18. **Amendment.** No provision of this Agreement may be modified except through a writing signed by all Parties.

19. **Integration.** This Agreement constitutes a single, integrated, written contract, expressing the entire agreement between the Parties. This Agreement supersedes all prior agreements between the Parties. The Parties represent and warrant that they are not relying on any promises or representations which do not appear written herein.

20. **Attorneys' Fees.** The Parties shall each be responsible for bearing their own costs, expenses and attorneys' fees incurred in connection with the completion of this Agreement. If any action, suit, or other proceeding is instituted to remedy, prevent or obtain relief from a default in the performance by any Party of its obligation under this Agreement, the prevailing Party shall recover from the losing Party all of such Party's fees, costs and expenses incurred in each and every such action, suit, or other proceeding, including any and all appeals or petitions therefrom, including but not limited to, fees and costs of attorneys, accountants, and consultants for services provided to such prevailing Party, in addition to any other relief which such party may be entitled.

21. **Counterparts.** This Agreement may be executed in separate counterparts and by facsimile signature, and each such counterpart shall be deemed an original with the same effect as if all Parties had signed the same document.

22. **Electronic Signing.** The Parties agree where practicable to permit the use DocuSign, an electronic signature technology, to expedite the execution of this Agreement, pursuant to California Civil Code Section 1633.7.

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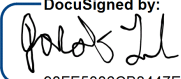
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IN WITNESS WHEREOF, the Parties hereto have executed this Settlement Agreement and Release of All Claims on the dates indicated below.

Dated: 2/8/2022, 2022

DocuSigned by:

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Jacob Luhr

Dated: _____, 2022

Sierra Nevada Cheese Company, Inc.

IN WITNESS WHEREOF, the Parties hereto have executed this Settlement Agreement and Release of All Claims on the dates indicated below.

Dated: _____, 2022

Jacob Luhr

Dated: February 9th, 2022



Sierra Nevada Cheese Company, Inc.