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9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

10 **COUNTY OF KERN**

11
12 MARCHE MEEKS, an individual,

13 Plaintiff,

14 v.

15 NATURE & LIFE FARMS, LLC, *et al.*

16 Defendants.

CASE NUMBER: BCV-22-100306

[Assigned for all purposes to Hon. David R. Zulfa – Div. J]

**JOINT STIPULATION FOR APPROVAL
OF PAGA SETTLEMENT**

***[Filed concurrently with the [Proposed] Final
Order and Judgment Approving the PAGA
Settlement Agreement]***

Trial Date: None

Complaint filed: February 4, 2022

FAC filed: May 10, 2022

SAC filed: September 12, 2022

22
23 **TO THE HONORABLE COURT:**

24 Plaintiff Marche Meeks, as Private Attorney General (“Plaintiff”), and Defendants Nature
25 & Life Farms, LLC, JCM Ag Management, LLC, Cana Rose Realty Holdings, LLC, and 420
26 Kingdom, LLC (“Defendants”) (collectively, the “Parties”), by and through their respective
27 counsel of record, hereby enter into the following stipulation for Court approval of the settlement of
28 Plaintiff’s claim filed pursuant to the California Labor Code Private Attorneys General Act, Labor

Code §§ 2698, *et seq.* (“PAGA”), as follows:

Whereas, Nature & Life Farms, LLC is engaged in the business of cannabis growth, cultivation, and sale in the Kern County.

Whereas, Plaintiff is a former hourly, non-exempt employee of Nature & Life Farms, LLC, and, during his employment from approximately December 29, 2020 to February 5, 2021, worked as a cannabis delivery driver for Nature & Life Farms, LLC.

Whereas, on February 5, 2021, Plaintiff was terminated from his employment with Nature & Life Farms, LLC.

Whereas, on January 5, 2022, by and through his counsel of record, Plaintiff sent a written PAGA notice pursuant to California Labor Code §§ 2698 *et seq.* to the LWDA and Nature & Life Farms, LLC asserting claims for civil penalties under the California Labor Code Private Attorneys General Act, California Labor Code §§ 2698, *et seq.* (“PAGA”), stemming from alleged violations of the California Labor Code arising during his employment with Nature & Life Farms, LLC.

Whereas, on February 4, 2022, Plaintiff filed a Complaint in the above-entitled action against, in part, the Defendants named under the action and the PAGA Settlement Agreement in the Kern County Superior Court, alleging, *inter alia*, individual and representative PAGA putative claims; specifically, with respect to the PAGA putative claims, for alleged violations of, but not limited to, Labor Code §§ 201-203, 204 226, 226.7, 232.5, 510, 512, 1102.5, 1182.12, 1194, 1194.2, 1197, and 6310, Labor Code §§ 2699, *et seq.*, Business & Professions Code §§ 17200, *et seq.*, and derivative claims and penalties stemming therefrom.

Whereas, following meet and confer efforts prior to a Demurrer and/or Motion to Strike, on May 10, 2022, Plaintiff filed a First Amended Complaint based on the foregoing claims and causes of action for purposes of placing Plaintiff’s PAGA putative claims and allegations at issue, as well as naming additional parties to the action. Named defendants to the First Amended Complaint, in relevant part to this PAGA Settlement, are as follows: Nature & Life Farms, LLC; JCM Ag Management, LLC; Cana Rose Realty Holdings, LLC; and 420Kingdom, LLC;. Plaintiff’s claims and allegations, aside from putting the PAGA putative claims at issue,

1 remained unchanged and/or unaltered from the above.

2 Whereas, on May 25, 2022, Plaintiff transmitted an amended PAGA notice pursuant to
3 Labor Code §§ 2698, *et seq.*, to the LWDA and Defendants asserting claims for civil penalties
4 pursuant to the PAGA stemming from alleged violations under the PAGA. This is the final
5 amended and operative PAGA notice and letter at issue in this action.

6 Whereas, on or about September 12, 2022, Plaintiff filed a Second Amended Complaint
7 based on the foregoing claims and causes of action for purposes of placing Plaintiff's PAGA
8 putative claims and allegations at issue against the Defendants named herein. Plaintiff's claims
9 and allegations, aside from putting Plaintiff's PAGA putative claims at issue against Defendants
10 named under the amended PAGA Notice, remained unchanged and/or unaltered from the above.
11 Plaintiff's Second Amended Complaint is the operative complaint at issue herein.

12 Whereas, on October 14, 2022, upon further resolution with respect to the pleadings,
13 Defendants filed Answers to Plaintiff's Second Amended Complaint.

14 Whereas, the Defendants identified under this Settlement Agreement are the Defendants
15 currently named to and at issue in this Action.

16 Whereas, throughout the pendency of this Action, each Party has readily disputed all
17 claims and defenses asserted by the other Party.

18 Whereas, throughout the pendency of this Action, each Party engaged in substantial
19 discovery related efforts, including, but not limited to, the informal exchange of interrogatories
20 and requests for production, the production and exchange of documents and information alleged
21 in support of claims and defenses, and claim dispute, negotiation, and meet and confer related
22 exchanges.

23 Whereas, Defendants have and continue to deny each, every, and all of Plaintiff's claims,
24 allegations, and causes of action set forth under the Second Amended Complaint, and
25 specifically disclaim any alleged liability, culpability and/or wrongdoing.

26 Whereas, neither the existence of this PAGA Settlement Agreement nor anything
27 contained thereunder or herein this approval shall be construed or deemed as an admission or
28 concession of liability, culpability, negligence, and/or wrongdoing. Additionally, the Court has

not made any findings, rulings, and/or determinations as to the merits of Plaintiff's claims, allegations, and/or causes of action set forth under Plaintiff's Second Amended Complaint.

Whereas, on June 6, 2023, the Parties participated in a full-day mediation before mediator Kelly Knight, Esq., who has substantial experience mediating employment-related matters. Pursuant to Mr. Knight's mediator's proposal issued in conjunction therewith, the Parties have agreed to settle and resolve all claims asserted in the Lawsuit, in particular with respect hereto Plaintiff's PAGA claims and cause of action, based on the terms, provisions, and conditions of this PAGA Settlement Agreement. A copy of the final, signed PAGA Settlement Agreement is attached hereto as **Exhibit 1** ("PAGA Settlement" or "Settlement"), and, by and through this Approval, all terms, provisions, and conditions set forth under the PAGA Settlement Agreement are incorporated herein by this reference.

Whereas, pursuant to the PAGA Settlement, "Aggrieved Employees" means all persons employed by N&L as non-exempt, hourly employees and who, at some point during the operative Settlement Period, operated or worked as cannabis delivery drivers in the State of California. The Settlement Period means and includes the time period from January 5, 2021 through the date the Court enters Final Order and Judgment approving this PAGA Settlement.

Whereas, the Effective Date of the Settlement shall mean the date of entry of Final Order and Judgment by the Court approving the Settlement.

Whereas, Final shall mean the latest of: (i) if there are objections and no appeal is filed, thirty (30) days after the Final Approval Order and Judgment are entered; (ii) if there are objections and an appeal is filed, the day after appeal is dismissed or withdrawn, or appeal is decided upholding the propriety of the Settlement; and/or (iii) if no objections are filed, the day the Final Approval Order and Judgment are entered.

Whereas, in consideration of the Settlement reached by and between the Parties, the PAGA Settlement provides for a release of Plaintiff's PAGA claims, cause of action, and associated damages and penalties (as further described in the Settlement) asserted on behalf of himself, all Aggrieved Employees, and the State of California against the Defendants, as well as the Released Parties, in exchange for the payment by Defendants of Sixty Thousand Dollars and

1 Zero Cents (\$60,000.00) ["Gross Settlement Amount" or "GSA"] into a Gross Settlement Fund
2 "GSF"). In no event shall Defendants be required or obligated to remit payment for more than
3 the GSA to resolve Plaintiff's PAGA claims and cause of action, and the GSA is the total
4 maximum sum that Defendants have agreed to pay to settle the PAGA claims . The GSF shall
5 not be subject to payment by Defendants prior to Final Order and Judgment approving the
6 PAGA Settlement issued by the Court, and shall be subject the payment schedule set forth under
7 the PAGA Settlement.

8 Whereas, all amounts paid as part of this Settlement shall be paid out of the Gross
9 Settlement Fund, as follows:

10 (a) \$20,000.00 (one-third of the Gross Settlement Fund) for attorneys' fees to be paid to
11 Plaintiff's Counsel (or such other amount as the Court approves);

12 (b) Up to \$10,000.00 as reimbursement for litigation costs incurred to be paid to
13 Plaintiff's Counsel (or such other amount as the Court approves);

14 (c) \$3,000.00 for the Enhancement Award to be paid to Plaintiff (or such other amount as
15 the Court approves);

16 (d) Up to \$6,000 for costs of settlement administration to be paid to the Settlement
17 Administrator (or such other amount as the Court approves); and

18 (e) the Net Settlement Amount (\$60,000.00 less approved attorneys' fees, litigation costs,
19 Plaintiff's Enhancement Award, and final administration costs), of which 75% shall be paid to
20 the LWDA and 25% shall be paid to the Aggrieved Employees.

21 (f) the Parties agree that the Settlement shall not be contingent upon the Court awarding
22 Plaintiff's Counsel any particular amount for attorneys' fees or costs and/or on awarding Plaintiff
23 any particular amount as an Enhancement Award.

24 Whereas, Defendants shall pay the GSA to the GSF pursuant to the following payment
25 schedule:

26 (a) Monthly installments of Five Thousand Dollars and Zero Cents (\$5,000.00) to
27 commence no later than two hundred fifty (250) days or approximately eight (8)
28 months after the Effective Date and to continue for four (4) months;

1 (b) The first PAGA installment payment shall be due thirty (30) days after day two
2 hundred fifty (250) following the Effective Date of this PAGA Settlement, and
3 successive monthly installment shall be paid upon every thirty (30) day anniversary
4 thereafter; and

5 (c) A final installment of Forty Thousand Dollars and Zero Cents (\$40,000.00) to be
6 made not later than thirty (30) days following the last of the foregoing monthly
7 installments.

8 Whereas, the Settlement Administrator shall not distribute any amounts from the QSF
9 until all installments.

10 Whereas, under the Settlement, each of the Aggrieved Employees shall be allocated a
11 portion of the 25% share of Net Settlement Amount to be paid to the Aggrieved Employees on a
12 pro-rata basis (the "Aggrieved Employees PAGA Payment"). Each Aggrieved Employee's
13 Individual PAGA Payment shall be calculated, by multiplying the Aggrieved Employees PAGA
14 Payment by a fraction, the numerator of which is the total number of pay periods in which an
15 Aggrieved Employee received wages for hours worked during the Settlement Period, and the
16 denominator of which is the total aggregate number of pay periods in which all Aggrieved
17 Employees received wages for hours worked during the Settlement Period.

18 Whereas, the PAGA Settlement provides that Plaintiff, the State of California, and all
19 Aggrieved Employees shall fully and finally release Defendants and the Released Parties (as
20 defined in the PAGA Settlement) from and with respect to any and all claims, rights, demands,
21 penalties, liabilities, charges, complaints, causes of action, guarantees, interest, costs and
22 expenses (including attorneys' fees), damages, obligations, and for any and all other such
23 damages, penalties, wages, remedies, obligations or liabilities of any and every kind available
24 under the Labor Code and Private Attorneys General Act (PAGA), Labor Code § 2698, *et seq.*,
25 whether known or unknown, patent or latent, contingent or accrued, and that are, were, or could
26 have been pled, alleged, or asserted based upon the facts and/or theories alleged under the
27 Complaint with respect to Plaintiffs PAGA claim, the foregoing release also including, but not
28 limited to, all available remedies under PAGA for any claims, rights, demands, penalties,

1 liabilities, complaints, and causes of action under Labor Code §§ 201-203, 204,226,226.7, 232.5,
2 510, 512, 1102.5, 1182.12, 1194, 1194.2, 1197, and 6310 that actually or could have occurred,
3 arose, or accrued at any time during the Settlement Period, as well as including any and all
4 tethered and/or related claims arising out of and/or with respect to the foregoing and any and all
5 costs and expenses (including reasonable attorneys' fees), penalties, declaratory relief,
6 restitution, and/or interest resulting therefrom that are available under PAGA.

7 Whereas, in the event that any checks mailed to Aggrieved Employees remain uncashed
8 after the expiration of one hundred eighty (180) days, or an envelope mailed to an Aggrieved
9 Employee is returned and no forwarding address can be located for the Aggrieved Employee
10 after reasonable efforts have been made, then any such funds shall be transmitted by the
11 settlement Administrator pursuant to governing California law to the State of California
12 Unclaimed Property Fund, to be held there in the name of and for the benefit of such Aggrieved
13 Employees. The release and discharge of the Released Claims is not contingent upon any
14 Aggrieved Employee having received or negotiated their respective settlement check.

15 Whereas, pursuant to Labor Code §2699(1)(2), "the superior court shall review and
16 approve any settlement of any civil action filed pursuant to this part. The proposed settlement
17 shall be submitted to the agency at the same time that it is submitted to the Court." As required,
18 the Parties confirm that prior to filing this Stipulation, Plaintiff submitted this Joint Stipulation
19 for Approval of PAGA Settlement, including the PAGA Settlement and Proposed Order and
20 Judgment Approving the PAGA Settlement (submitted concurrently herewith as **Exhibit 1**), to
21 the LWDA on August 17, 2023.

22 Whereas, the Parties recognize that "California courts have not determined the standards
23 by which a trial court reviews and approves a proposed [PAGA] settlement." (*Starks v. Vortex*
24 *Indus., Inc.* (2020) 53 Cal.App.5th 1113, 1124.) Nonetheless, courts have broad discretion and
25 wide latitude to approve the penalties proposed as a part of a PAGA settlement, except penalties
26 cannot be "unjust, arbitrary and oppressive, or confiscatory," such that there is a focus on the
27 effect the penalties may have on the defendant/employer rather than the LWDA or the aggrieved
28 employees who will receive the penalties. (*See Amaral v. Cintas Corp. No. 2* (2008) 163

1 Cal.App.4th 1157, 1213.)

2 Whereas, while the Parties do not agree regarding the issues of liability or damages in this
3 case, the Parties do agree, based on their own independent investigations and evaluations, that
4 both the terms of the PAGA Settlement are fair, reasonable, adequate, and advance the primary
5 purpose of the PAGA, namely, to encourage compliance with the Labor Code, and in the best
6 interests of the Parties, the Aggrieved Employees, and the State of California. Moreover, the
7 Parties and their respective counsel of record deem the PAGA Agreement to be fair and
8 reasonable as a result of having arrived after extensive arm's-length negotiations taking into
9 account all relevant factors, present and potential. Furthermore, the Parties have entered into the
10 PAGA Agreement based on their mutual wish and desire to avoid the cost and expense of further
11 proceedings, risk associated therewith, and to resolve and reach a full and final settlement of
12 Plaintiff's PAGA claim.

13 Whereas, although Plaintiff steadfastly maintains that his claims are meritorious, he
14 acknowledges that there were substantial risks and uncertainty in proceeding with litigation.
15 Defendants have maintained and continue to believe that each and every defense that it has set
16 forth or advanced is with merit and addresses and/or negates Plaintiff's claims and causes of
17 action. Notwithstanding, the Parties recognize that, absent the Settlement, the issues presented in
18 this case are likely to be resolved only with extensive and costly pretrial and trial proceedings, and
19 that further litigation will cause inconvenience, distraction, disruption, delay and expense
20 disproportionate to the potential benefits of litigation. The Parties have taken into account the
21 risk and uncertainty of the outcome inherent in litigation. Further, Plaintiff's counsel considered
22 issues relating to Defendants' financial condition and ability to pay any judgment ultimately
23 obtained as a factor militating in favor of settlement.

24 Whereas, as stated above, on June 6, 2023, the Parties participated in a day-long
25 mediation with Kelly Knight, Esq., a well-regarded mediator who has mediated many PAGA
26 actions. Negotiations were hard fought and subject to extensive dispute. The PAGA Settlement
27 is the product of an adversarial, non-collusive settlement process in which the Parties were
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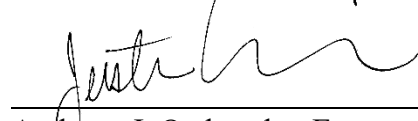
1 forced to make significant compromises in the interest of reaching a full and complete settlement
2 of the action.

3 THEREFORE, the Parties believe that the PAGA Settlement attached hereto as **Exhibit 1** is
4 fair and reasonable and should be approved in its entirety as adequate and sufficient to deter and
5 punish alleged but unproven Labor Code violations. The Parties respectfully request that this
6 Court enter the [Proposed] Final Order and Judgment Approving the PAGA Settlement filed and
7 submitted concurrently herewith.

8 **IT IS SO STIPULATED.**

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10
11 **DATED:** 8/16/23

COUNSELONE, P.C.



Anthony J. Orshansky, Esq.
Justin Kachadoorian, Esq.
Alexandria Kachadoorian, Esq.

Attorneys for Plaintiff, Marche Meeks

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17 **DATED:** 8/16/2023

BELDEN BLAINE RAYTIS, LLP



T. Scott Belden
Daniel M. Root

Attorney for Defendants Nature & Life
Farms, LLC; JCM Ag Management, LLC;
Cana Rose Realty Holdings, LLC; and
420Kingdom, LLC

EXHIBIT 1

PAGA SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

This Private Attorneys General Act (“PAGA”) Settlement Agreement and Release of Claims (“Agreement” or “Settlement”) is entered into between Plaintiff MARCHE MEEKS (“Plaintiff”), on his own behalf and as a proxy on behalf of the California Labor and Workforce Development Agency (the “LWDA”) and as a representative of the “Aggrieved Employees” described herein, on the one hand, and Defendants NATURE & LIFE FARMS, LLC (“N&L”); JCM AG MANAGEMENT, LLC (“JCM”); CANA ROSE REALTY HOLDINGS, LLC (“Cana Rose”); and 420 KINGDOM, LLC (“420 Kingdom”) (collectively “Defendant”), on the other hand. Plaintiff and Defendants are referred to herein collectively as the “Parties.”

DEFINITIONS

A. Definition of “Aggrieved Employees” and “Settlement Period”

1. “Aggrieved Employees” shall mean all persons employed by N&L as non-exempt, hourly employees and who, at some point during the operative Settlement Period defined hereunder, operated or worked as cannabis delivery drivers in the State of California from January 5, 2021 through the date the Court grants final approval of this Settlement.

2. “Settlement Period” or “PAGA Period” means and includes the time period from January 5, 2021 through the date the Court enters Final Order and Judgment approving this Settlement.

B. Additional Definitions

When used in this Agreement, along with the specified terms set forth above and elsewhere in this Agreement, the following terms have the meanings specified below:

3. “Complaint” means the operative complaint on file, at issue, and pending in this action as follows: Plaintiff Marche Meeks’ Second Amended Complaint filed on or about September 12, 2022 in the Court (defined below) entitled *Marche Meeks, an individual v. Nature & Life Farms, LLC, et al.*, Case No. BCV-22-100306.

4. “Court” means the Superior Court of the State of California for the County of Kern.

5. “Defendant” or “Defendants” mean Nature & Life Farms, LLC, JCM Ag

Management, LLC, Cana Rose Realty Holdings, LLC, and 420 Kingdom, LLC.

6. “Defendant’s Counsel” means T. Scott Belden and Daniel M. Root of Belden Blaine Raytis, LLP.

7. The “Effective Date” of the Settlement means the date of entry of Final Order and Judgment by the Court approving this Settlement.

8. “Enhancement Award” means the \$3,000.00 payment to Plaintiff from the Gross Settlement Fund. The Enhancement Award is in addition to Plaintiff’s respective share of the Net Settlement Amount as an Aggrieved Employee under the terms of this Agreement.

9. “Final” means the latest of: (i) if there are objections and no appeal is filed, thirty days after the Final Approval Order and Judgment are entered; (ii) if there are objections and an appeal is filed, the day after appeal is dismissed or withdrawn, or appeal is decided upholding the propriety of the Settlement; and/or (iii) if no objections are filed, the day the Final Approval Order and Judgment are entered.

10. “Gross Settlement Fund” means Sixty Thousand Dollars and Zero Cents (\$60,000.00), which is the total maximum sum that Defendants have agreed to pay to settle the PAGA claims alleged in the Lawsuit in accordance with the terms of this Agreement. In no event will Defendants be required to pay more than this amount to resolve the PAGA claims asserted in the Lawsuit, including, but not limited to, Plaintiff’s Enhancement Award, all claims under the PAGA at issue in this Action and to be released under this Agreement, payment in exchange for and in consideration of releases of claims by Plaintiff, the State, and all Aggrieved Employees, payments to all Aggrieved Employees, payment to the LWDA, governmental and other penalties payments (including to the LWDA as set forth below), if any, settlement administration fees and costs, and attorneys’ fees and costs associated with the PAGA award. None of the Gross Settlement Fund will be payable by Defendants prior to approval by the Court of the settlement and shall be subject to any payment schedule set forth hereunder.

11. “Labor Code” shall mean the California Labor Code.

12. “Lawsuit” shall mean the civil action, styled as *MARCHE MEEKS v. NATURE &*

LIFE FARMS, LLC, et al., filed on February 4, 2022, in Kern County Superior Court, Case No. BCV-22-100306. See “Complaint” defined above concerning the definition of the operative complaint at issue.

13. “Net Settlement Amount” means \$60,000.00, less Court-approved attorneys’ fees and litigation costs, final costs of settlement administration, and any approved Enhancement Award to Plaintiff paid out of the Gross Settlement Fund (as defined below), 75% of which will be distributed to the LWDA and 25% of which will be distributed to the Aggrieved Employees pursuant to the methodology described below.

14. “PAGA” shall mean the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

15. “Parties” means Plaintiff and Defendants, collectively.

16. “Plaintiff” or “Named Plaintiff” shall refer to Plaintiff Marche Meeks.

17. “Plaintiff’s Counsel” means Anthony Orshansky, Alexandria R. Kachadoorian and Justin Kachadoorian of CounselOne, PC. As set forth below, Plaintiff’s Counsel may apply to the Court for an award to be paid only from the Gross Settlement Fund with respect to attorneys’ fees and costs and expenses incurred in connection with the prosecution of this matter, and all of the work remaining to be performed by Plaintiff’s Counsel in documenting the Settlement, securing Court approval of the Settlement (including all related appellate work, if any), carrying out their duties to see that the Settlement is fairly administered and implemented, and obtaining dismissal of the action.

18. The “Released Claims” means as follows: Plaintiff, the State of California, and all Aggrieved Employees shall, will, and do, by and through this PAGA Settlement Agreement, fully and finally release Defendants and the Released Parties as defined herein from and with respect to any and all claims, rights, demands, penalties, liabilities, charges, complaints, causes of action, guarantees, interest, costs and expenses (including attorneys’ fees), damages, obligations, and for any and all other such damages, penalties, wages, remedies, obligations or liabilities of any and every kind available under the Labor Code and Private Attorneys General Act (“PAGA”), Labor

Code § 2698, et seq., whether known or unknown, patent or latent, contingent or accrued, and that are, were, or could have been pled, alleged, or asserted based upon the facts and/or theories alleged under the Complaint with respect to Plaintiff's PAGA claim, the foregoing release also including, but not limited to, all available remedies under PAGA for any claims, rights, demands, penalties, liabilities, complaints, and causes of action under Labor Code §§ 201-203, 204, 226, 226.7, 232.5, 510, 512, 1102.5, 1182.12, 1194, 1194.2, 1197, and 6310 that actually or could have occurred, arose, or accrued at any time during the Settlement Period, as well as including any and all tethered and/or related claims arising out of and/or with respect to the foregoing and any and all costs and expenses (including reasonable attorneys' fees), penalties, declaratory relief, restitution, and/or interest resulting therefrom that are available under PAGA.

19. "Released Parties" means Defendants, individually and collectively, and all of their respective former, present, and future owners, parents, subsidiaries, and affiliates, and all of their respective current, former, and future officers, directors, members, managers, principals, former and current employees, consultants, partners, shareholders, joint venturers, joint enterprises, co-employers, agents, predecessors, successors, assigns, accountants, insurers, legal representatives, and/or all persons and/or entities acting by, through, under, and/or in concert with Defendants.

20. "Settlement Administrator" means CPT Group, Inc., which is a qualified third-party settlement administrator retained by the Plaintiff's Counsel to issue checks, handle all tax reporting, issue appropriate tax forms to Plaintiff, Plaintiff's Counsel, and all Aggrieved Employees, and such other related tasks as the Parties may request. The Settlement Administrator's duties of administration shall include, without limitation, receiving and updating through normal and customary procedures the list of Aggrieved Employees to be produced by Defendants, so that it is updated prior to the Notice being mailed, printing and mailing the Court approved Notice of Settlement, performing necessary additional skip traces on Notices and/or checks returned as undeliverable, calculating Aggrieved Employees' shares of the Settlement Amount, preparing and mailing of settlement checks, responding to Aggrieved Employees' inquiries as appropriate, preparing any appropriate tax forms in connection with the settlement

payments and remitting those forms and any required payments to the appropriate governmental agencies, and generally performing all normal and customary duties associated with the administration of such settlements. All administration fees for the Settlement Administrator's services will be paid out of the Gross Settlement Fund.

BACKGROUND AND RECITALS

21. Plaintiff is a former hourly, non-exempt employee of Nature & Life Farms, LLC, and, during his employment from approximately December 29, 2020 to February 5, 2021, worked as a cannabis delivery driver for Nature & Life Farms, LLC.

22. On January 5, 2022, by and through his counsel of record, Plaintiff sent a written PAGA notice pursuant to California Labor Code §§ 2698 *et seq.* to the LWDA and Nature & Life Farms, LLC asserting claims for civil penalties under the California Labor Code Private Attorneys General Act, California Labor Code §§ 2698, *et seq.* ("PAGA"), stemming from alleged violations of the California Labor Code arising during his employment with Nature & Life Farms, LLC.

23. On February 4, 2022, Plaintiff filed a Complaint against, in part, the Defendants named under this Settlement Agreement, in the Kern County Superior Court, alleging, *inter alia*, individual and representative PAGA claims for alleged violations of Labor Code §§ 201-203, 204, 226, 226.7, 232.5, 510, 512, 1102.5, 1182.12, 1194, 1194.2, 1197, and 6310.

24. Following meet and confer efforts prior to a Demurrer and/or Motion to Strike, on May 10, 2022, Plaintiff filed a First Amended Complaint based on the foregoing claims and causes of action for purposes of placing Plaintiff's PAGA putative claims and allegations at issue, as well as naming additional parties to the action. Named defendants to the First Amended Complaint were/are as follows: Nature & Life Farms, LLC; JCM Ag Management, LLC; Cana Rose Realty Holdings, LLC; 420Kingdom, LLC; Jeffrey Thorn; Mario Delis; Chuck Shakta; and the 420 Kingdom, partnership. Plaintiff's claims and allegations, aside from putting the PAGA putative claims at issue, remained unchanged and/or unaltered from the above.

25. On May 25, 2022, Plaintiff transmitted an amended PAGA notice pursuant to Labor Code §§ 2698, *et seq.*, to the LWDA and Defendants asserting claims for civil penalties pursuant

to the PAGA stemming from alleged violations under the PAGA. This is the final amended and operative PAGA notice and letter at issue in this action.

26. On June 13, 2022, Defendants, in part, filed a Demurrer and Motion to Strike to Plaintiff's First Amended Complaint.

27. On July 18, 2022, the Parties entered into a Joint Stipulation and the Court Ordered, in part, the dismissal of Jeffrey Thorn and Chuck Shakta without prejudice.

28. On July 21, 2022, the above stated Demurrer and Motion to Strike were withdrawn by Defendants, and on July 28, 2022, Defendants filed Answers to Plaintiff's First Amended Complaint.

29. On or about September 12, 2022, Plaintiff filed a Second Amended Complaint based on the foregoing claims and causes of action for purposes of placing Plaintiff's PAGA putative claims and allegations at issue against the Defendants named herein. Plaintiff's claims and allegations, aside from putting Plaintiff's PAGA putative claims at issue against Defendants named under the amended PAGA Notice, remained unchanged and/or unaltered from the above. Plaintiff's Second Amended Complaint (as defined and set forth above) is the operative Complaint at issue herein.

30. On September 16, 2022, Plaintiff again dismissed Jeffrey Thorn and Chuck Shakta without prejudice from the Second Amended Complaint, as well as dismissed Mario Delis and the 420 Kingdom partnership without prejudice.

31. On October 14, 2022, Defendants filed Answers to Plaintiff's Second Amended Complaint.

32. Defendants deny each, every, and all of Plaintiff's claims, allegations, and causes of action set forth under Plaintiff's Complaint including, but not limited to, (i) that Plaintiff is entitled to any of the relief that he seeks by way of this Lawsuit, whether individually, collectively, or on a representative basis; (ii) that Plaintiff suffered, sustained, or incurred any injury(ies), damage(s), and/or harm, whether minimal or substantial, arising out of or as a result of his employment; (iii) that any damages, wages, penalties, interest, and/or other amounts are due or

owed to Plaintiff in any manner and with respect to any claim, cause of action, or allegation alleged; (iv) that Plaintiff was subjected to any unlawful employment or adverse action, practice, procedure, policy during his employment, at the time of separation, or at any time thereafter; and (v) any wrongful or unlawful conduct, claim, damage, or liability on a class, putative, collective, or representative basis of any kind including, but not limited to, with respect to the State of California, Plaintiff, and all other Aggrieved Employees (both former and current) or in any other manner and to any extent.

33. Defendants specifically disclaim any alleged liability and/or wrongdoing, and neither the existence of this Settlement Agreement nor anything contained herein shall be construed or deemed as an admission or concession of liability, culpability, negligence, and/or wrongdoing on the part of Defendants.

34. On June 6, 2023, the Parties participated in a full-day mediation before mediator Kelly Knight, Esq., who has substantial experience mediating employment-related matters. Pursuant to Mr. Knight's mediator's proposal issued in conjunction therewith, the Parties have agreed to settle and resolve the PAGA claim asserted in the Lawsuit based on the terms, provisions, and conditions of this Agreement and for the Released Claims set forth and defined hereunder this Agreement.

35. The Court has not made any findings, rulings, and/or determinations as to the merits of Plaintiff's claims, allegations, and/or causes of action set forth under Complaint at this time.

36. Notwithstanding Defendants' disclaimer and denial set forth above, as well as the Court having not made any findings, rulings, and/or determinations as to the merits of Plaintiff's claims, allegations, and causes of action set forth under the Complaint, the Parties mutually wish to avoid the cost and expense of further proceedings and desire to resolve and reach a full and final settlement of Plaintiff's PAGA claim.

37. The Parties and their respective counsel of record deem the Agreement to be fair and reasonable and have arrived at the Agreement in arm's-length negotiations taking into account all relevant factors, present or potential.

COURT APPROVAL OF THE AGREEMENT

38. The Parties and their respective counsel shall, in good faith, take all necessary steps to implement this Agreement, any steps that may be requested by the Court relating to the approval of this Agreement as quickly as possible, and shall otherwise use their respective best efforts to obtain Court approval of this Agreement and implement this Agreement. The procedure for obtaining Court approval of this Agreement and implementing this Agreement shall be as set forth below.

39. As soon as practicable after this Agreement has been signed by all parties and their counsel, the Parties shall submit a stipulation and proposed order to the Court for approval of this Agreement pursuant to Labor Code § 2699(1) approving the Settlement and entering judgment in accordance with the terms of this Agreement. In lieu of stipulation, Plaintiff may move the Court for a similar order, in which case neither Defendants nor their counsel shall oppose Plaintiff's Motion and Plaintiff's Counsel's Request for Attorneys' Fees and Costs, so long as any Motion made by Plaintiff is advanced in accordance with this Agreement. In the event a Motion for Approval is to be filed, Plaintiff's counsel shall notify Defendants' counsel regarding its intent to bring the Motion for Approval, and Plaintiff's counsel shall be solely responsible for the drafting of all documents necessary to obtain approval, subject to reasonable approval and cooperation by Defendants' counsel. At least five (5) calendar day prior to filing of the Motion for Approval, Plaintiff's Counsel shall provide a draft copy of the Motion to Defendants' Counsel for review and comment. The Proposed Order and Judgment Approving PAGA Settlement shall be substantially in the form attached hereto as Exhibit B.

40. Plaintiff's Counsel shall be responsible for ensuring that all required submittals and notifications to the LWDA under PAGA regarding this Settlement are made by Plaintiff.

SETTLEMENT CALCULATIONS AND PAYMENTS

41. All amounts paid as part of this Settlement shall be paid out of the Gross Settlement Fund. The Gross Settlement Fund shall be the total amount payable by Defendants in resolution and satisfaction of this Agreement. These amounts shall be, subject to adjustment as set forth in

this Agreement, as follows:

- a. \$20,000.00 (one-third of the Gross Settlement Fund) for attorneys' fees to be paid to Plaintiff's Counsel (or such other amount as the Court approves);
 - b. Up to, but not exceeding, \$10,000.00 as reimbursement for litigation costs incurred to be paid to Plaintiff's Counsel (or such other amount as the Court approves);
 - c. \$3,000.00 for the Enhancement Award to be paid to Plaintiff (or such other amount as the Court approves);
 - d. Up to \$6,000 for costs of settlement administration to be paid to the Settlement Administrator (or such other amount as the Court approves);
 - e. The Net Settlement Amount (\$60,000.00 less approved attorneys' fees, litigation costs, Plaintiff's Enhancement Award, and final administration costs) of which 75% shall be paid to the LWDA and 25% shall be paid to the Aggrieved Employees.
 - f. The Parties agree that the Settlement shall not be contingent upon the Court awarding Plaintiff's Counsel any particular amount for attorneys' fees or costs and/or on awarding Plaintiff any particular amount as an Enhancement Award.
42. Defendants shall pay the Gross Settlement Fund Amount into a Qualified Settlement Fund ("QSF") established by the Settlement Administrator according to the following payment schedule:
- a. Monthly installments of Five Thousand Dollars and Zero Cents (\$5,000.00) to commence no later than two hundred fifty (250) days or approximately eight (8) months after the Effective Date and to continue for four (4) months;
 - b. The first PAGA installment payment shall be due thirty (30) days after day two hundred fifty (250) following the Effective Date of this PAGA Settlement Agreement, and successive monthly installment shall be paid upon every thirty (30) day anniversary thereafter; and
 - c. A final installment of Forty Thousand Dollars and Zero Cents (\$40,000.00) to be made not later than thirty (30) days following the last of the foregoing

monthly installments.

43. The Settlement Administrator shall not distribute any amounts from the QSF until all installments set forth in the preceding Paragraph 42 are made.

44. In the event that a lesser sum is awarded for the attorneys' fees and costs referenced above in Paragraph 41(a)-(b), or for the Enhancement Award referenced above in Paragraph 41(c), the approval by the Court of any such lesser sum(s) shall not be grounds for Plaintiff's Counsel and/or Plaintiff to terminate the settlement, but such an order shall be appealable by them. In the event that such an appeal is filed, administration of the settlement shall be stayed pending resolution of the appeal. Thereafter, if after the exhaustion of such appellate review, any additional amounts remain which are distributable to the Aggrieved Employees, the cost of administration of such additional payments will be paid out of such additional amounts, and will not be chargeable to or payable by Defendants. Any amount not awarded in fees and/or costs, or as an Enhancement Award, but which is not challenged via appeal by Plaintiff and/or Plaintiff's Counsel, shall be added to the Net Settlement Amount and distributed to the LWDA and the Aggrieved Employees in accordance with the terms of this Settlement Agreement.

45. Each of the Aggrieved Employees shall be allocated a portion of the 25% share of Net Settlement Amount to be paid to the Aggrieved Employees on a pro-rata basis (the "Aggrieved Employees PAGA Payment"). Each Aggrieved Employee's Individual PAGA Payment shall be calculated, by multiplying the Aggrieved Employees PAGA Payment by a fraction, the numerator of which is the total number of pay periods in which an Aggrieved Employee received wages for hours worked during the Settlement Period, and the denominator of which is the total aggregate number of pay periods in which all Aggrieved Employees received wages for hours worked during the Settlement Period.

46. The Parties are mindful that the total consideration payable hereunder is comprised of a number of separate and distinct claims by Plaintiff, the Aggrieved Employees, and the LWDA under the Labor Code and the PAGA. Accordingly, having considered the matter in detail, having performed their own separate and independent computations and estimation of the amounts

potentially awardable to Plaintiff, the Aggrieved Employees, and the LWDA at trial, and having done the foregoing with complete and satisfactory access to, and advice from, accounting and legal advisors, the Parties mutually consent and agree that the Gross Settlement Fund be apportioned among the various claims in this action as set forth above, as it is a reasonable and arm's length determination of the character of the distribution for all purposes.

47. At the time of Defendants' initial installment payment as set forth in Paragraph 42 above, Defendants shall provide to the Settlement Administrator an Excel spreadsheet including the following information for each Aggrieved Employee. Defendants shall provide for each Aggrieved Employee, his/her: (1) name; (2) last known address, (3) phone number, (4) hire date(s) of record with Defendants, (5) termination date(s) of record with N&L, if any, (6) Social Security Number, and (7) the number of pay periods in which the employee received wages for hours worked from N&L during the Settlement Period. This data shall be collectively referred to as the "Database." The Database provided to the Settlement Administrator shall be used only by the Settlement Administrator and only for purposes of administering the settlement as provided for in this Agreement, and the Settlement Administrator shall not disclose the contents thereof except as expressly permitted under this Agreement. The restrictions on the use and disclosure of the Database set forth in this Agreement shall be deemed, upon entry of the Court's Order granting approval of this Settlement, to be a protective order entered by the Court subject to full enforcement by the Parties to this Agreement and the Court, and by taking on the administration of the Settlement, the Settlement Administrator agrees that it and its employees, agents and representatives are bound by such protective order.

48. After the payment of the final installment as set forth in Paragraph 42 above, the Settlement Administrator shall disburse the Gross Settlement Fund by (a) sending to the Aggrieved Employees, by first class mail, a check representing their pro-rata share of the 25% of the Net Settlement Amount, based on the formula set forth above in Paragraph 45, along with a copy of the Notice of Settlement Payment (a copy of which is attached hereto as **Exhibit A**); (b) issuing payment to Plaintiff's Counsel for Plaintiff's attorneys' fees as approved by the Court up to

\$20,000 and up to, but not exceeding, \$10,000 for Plaintiff's litigation costs as approved by the Court; (c) issuing payment to the LWDA for 75% of the Net Settlement Amount; (d) issuing payment of the Enhancement Award as approved by the Court up to \$3,000.00 to Plaintiff; and (e) issuing payment to the Settlement Administrator for its costs as approved by the Court, estimated to be \$6,000.00.

49. In the event that any checks mailed to Aggrieved Employees remain uncashed after the expiration of one hundred eighty (180) days, or an envelope mailed to an Aggrieved Employee is returned and no forwarding address can be located for the Aggrieved Employee after reasonable efforts have been made, then any such funds shall be transmitted by the Settlement Administrator pursuant to governing California law to the State of California Unclaimed Property Fund, to be held there in the name of and for the benefit of such Aggrieved Employees.

50. All costs for administration of the settlement, whether foreseen or unforeseen, including, but not limited to, issuing and mailing settlement checks, printing and mailing of a notice to Aggrieved Employees, responding to inquiries from Aggrieved Employees, reasonable efforts to locate Aggrieved Employees, and preparing any required tax returns and tax reports, will be paid from the Gross Settlement Fund. The Settlement Administrator shall submit one invoice to Plaintiff's Counsel and Defendants' counsel and, if within the amount approved by the Court, such invoice shall be deemed approved and paid out of the Gross Settlement Fund.

51. Defendants shall cooperate with and assist the approved Settlement Administrator as may be reasonably necessary in conjunction with the Settlement Administrator's calculations, issuance, distribution, and reporting of settlement award checks and related taxes, if necessary. The Settlement Administrator and Defendants will cooperate and coordinate with each other with respect to the calculation, reporting and payment of the settlement, in accordance with all applicable laws and requirements of government taxing authorities.

52. Any unused portion of the amount allocated in Paragraph 48 to settlement administration costs shall be reallocated to the Net Settlement Amount.

ALLOCATION AND TAX TREATMENT

53. The portion of the Net Settlement Amount distributed to each of the Aggrieved Employees will be considered penalties and interest and will be reported by the Settlement Administrator as such to each of the Aggrieved Employees on an IRS Form 1099 or as otherwise required by applicable law.

54. The Parties represent that they have not received, and shall not rely on, advice or representations from the other party or their agents regarding the tax treatment of payments pursuant to this Settlement Agreement under federal, state, or local law. The Settlement Administrator must coordinate the calculation and remittance of all payroll taxes, if any, with Defendants to ensure compliance with the requirements of all taxing authorities related to payments made by qualified settlement funds.

55. No amount of any of the Aggrieved Employees' payments made under this Settlement Agreement will constitute wages with regard to any employment-related benefit or incentive compensation plan or program previously, now or hereafter offered by or on behalf of Defendants to any of the Aggrieved Employees.

56. Plaintiff's Counsel will provide a completed IRS Form W-9 and a completed California Form 590 (using the most recent versions of the Form W-9 and the Form 590) and will be issued an IRS Form 1099 by the Settlement Administrator for their attorneys' fees and costs. Plaintiff will provide an IRS Form W-9 to the Settlement Administrator if necessary.

57. Plaintiff's Enhancement Award will be treated as a non-wage payment and reported as such by the Settlement Administrator to the appropriate government taxing authorities, with Plaintiff being solely responsible for paying any and all taxes due on any Enhancement Award. Plaintiff will provide a completed IRS Form W-9 (using the most recent version of the Form W-9) and will be issued an IRS Form 1099 by the Settlement Administrator in connection with his Enhancement Award.

RELEASE OF CLAIMS

58. Effective upon payment of the Gross Settlement Fund Amount into the QSF

established by the Settlement Administrator in accordance with its wire transfer instructions provided to Defendants, Plaintiff, the LWDA, and all Aggrieved Employees shall, for the entire Settlement Period, be deemed to have fully released and discharged the Released Parties from any and all Released Claims. The release and discharge of the Released Claims is not contingent upon any Aggrieved Employees receiving or negotiating their settlement checks.

59. As part of the Court's approval of this Settlement, Plaintiff, Aggrieved Employees and the LWDA shall be enjoined from filing, initiating or continuing to prosecute any actions, claims, complaints, or proceedings in court, arbitration, with the California Division of Labor Standards Enforcement ("DLSE"), with the LWDA, or with any other entity, with respect to the Released Claims. This settlement is conditioned upon the release by Aggrieved Employees, Plaintiff, and the LWDA as described in Paragraph 58 above, and upon covenants by Plaintiff, Aggrieved Employees and the LWDA that they will not and cannot participate, unless required by law, in any actions, lawsuits, proceedings, complaints, or charges brought individually, by the DLSE, the LWDA, or by any other agency, persons, or entity in any court, arbitration or before any administrative body with respect to the claims released as described in Paragraph 58 above, nor will such Aggrieved Employees, Plaintiff, or the LWDA contest or interfere with efforts by Defendants or by any other Released Parties to oppose any attempt to bring such released claims against any of them.

NO ADMISSION AND PURPOSE

60. Nothing in this Settlement shall be construed to be an admission or concession by Defendants of any liability or wrongdoing as to Plaintiff, Aggrieved Employees, the State of California, or any other person or entity, and Defendant specifically disclaims any such liability or wrongdoing. Neither the existence of this Settlement nor anything herein shall be construed or deemed as an admission of liability or culpability or negligent, reckless, intentional, wanton, or willful wrongdoing on the part of Defendants. The Settlement and any related court documents or orders are not and may not be cited or admitted as evidence of liability or culpability.

61. The Parties have entered into this Settlement with the intention to avoid further

dispute and litigation with the attendant inconvenience, expenses, costs, fees, and risks associated thereto. The Parties recognize that absent Settlement, the issues presented in this Action are likely to be resolved only with further extensive and costly pretrial and trial proceedings, and that further litigation will cause inconvenience, distraction, disruption, delay, and expense disproportionate to the potential benefits. The Parties have taken into account the risk and uncertainty of the outcome inherent hereto. The Parties have at all times diligently pursued investigation and matters relevant and material to this Action. The purpose of this Settlement is to settle and compromise all the Released Claims during the PAGA Period for the benefit of Plaintiff, the State of California, and all Aggrieved Employees that they have or may have against Defendants and any of the Released Parties.

NO RIGHT TO OPT-OUT

62. The Parties agree and acknowledge that there is no statutory right for any Aggrieved Employee to opt-out or otherwise exclude himself or herself from the Settlement. Neither Plaintiff nor Defendants, nor their respective counsel of record, will directly or indirectly solicit or otherwise encourage any Aggrieved Employee to object to the Settlement or appeal from the judgment in this Action. The Parties further agree that there is no right for any Aggrieved Employee to appeal the approval of the Settlement by the Court. The Parties will jointly defend against any objection, attempted opt-out, or any appeal filed with respect to Final Order and Judgment approving this Settlement.

COVENANTS AND REPRESENTATIONS BY PLAINTIFF AND PLAINTIFF'S COUNSEL

63. Plaintiff represents and warrants that he has not assigned or transferred, or purported or caused to assign or transfer, to any person or entity any claim or portion thereof, or interest therein and herein, with respect to this Action and which is or may be subject to this Settlement.

64. Plaintiff acknowledges that he has reviewed and considered this Settlement, that he fully understands all rights, privileges, and duties hereunder, and enters into this Settlement freely

and voluntarily, without duress or coercion. Plaintiff further acknowledges that he had a full and fair opportunity to consult with his attorneys for purposes of understanding and explaining the terms of this Settlement and the consequences of execution, and, through such opportunity, freely and on his own volition enters into this Agreement.

NO FUNDING RESPONSIBILITY BEYOND GROSS SETTLEMENT AMOUNT

65. Defendants' monetary obligation under this Agreement is limited to the Gross Settlement Amount. Defendants shall not be called upon or required in any manner to contribute or pay any additional monies above the Gross Settlement Amount under the terms of this Agreement.

VOIDING THE AGREEMENT

66. In the event: (i) the Court does not enter an order approving this Agreement as provided herein; (ii) the Court does not enter judgment as provided herein; (iii) the Effective Date does not occur; or (iv) the settlement set forth in this Agreement does not become final for any other reason, the Parties shall utilize their best efforts to obtain approval, including, but not limited to, negotiating and working together to amend and/or modify the material terms of this Agreement. If after expending best efforts to amend and/or modify this Agreement, the Parties failing to reach mutual resolution to amend and/or modify, and/or the Court not entering or approving this Agreement after negotiation, amendment, and/or modification, this Agreement shall be considered null and void *ab initio* and any order, dismissal, judgment or pleading filed with or entered by the Court in furtherance of the Settlement set forth herein shall be treated as withdrawn or vacated by stipulation of the Parties. In such case, the Parties shall be returned to their respective statuses as of the date immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had not been executed.

MUTUAL FULL COOPERATION

67. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to execution of such documents and to take such other actions as may reasonably be necessary to implement the terms of this Settlement Agreement.

The Parties shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, Plaintiff's Counsel shall, with the assistance and cooperation of Defendants and their counsel, take all necessary steps to secure the Court's approval of this Settlement Agreement.

MISCELLANEOUS PROVISIONS

68. Each Party to Bear Own Costs. Except as specifically provided herein, the Parties hereto will bear responsibility for their own attorneys' fees, expenses, and costs, taxable or otherwise, incurred by them or arising out of or related to this Lawsuit, and will not seek reimbursement thereof from any Party to this Agreement. However, if an action is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to his/its reasonable attorneys' fees and costs.

69. Continuing Jurisdiction. The Court shall continue to retain jurisdiction to enforce the terms and conditions of this Agreement pursuant to Code of Civil Procedure section 664.6.

70. Severability. If any of the above provisions are found null, void, or inoperative, for any reason, the defective provision shall be severed from this Agreement and the remaining terms, provisions, and conditions will remain in full force and effect. Notwithstanding, the invalidation in whole or in part of any material term of this Agreement, including but not limited to all the terms and provisions specified in the Released Claims or provisions related thereto, will invalidate this Agreement in its entirety unless the Parties subsequently agree in writing that the remaining provisions will remain in force and effect.

71. Headings. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute any part of this Agreement.

72. No Admission of Liability by the Defendants. Defendants, on behalf of themselves and each and all of their respective, parents, subsidiaries and affiliates, and their respective

employees and agents, deny any liability or wrongdoing of any kind associated with the claims being released herein. Defendants contend, among other things, that they have at all times with all applicable laws regarding, but not limited to, the payment of wages at all applicable rates for all hours worked and wages earned, the providing of and authorization to take all compliant, duty-free meal and rest periods, the payment of all meal and rest period premium pay, wage statement requirements, pay timing and final pay requirements, and appropriate and compliant wage deductions, and asserts that the Aggrieved Employees were properly treated, permitted to take meal and rest periods, and remitted wages for all time worked at all times in compliance with applicable laws. Neither this Settlement Agreement nor any exhibit thereto, nor any other document pertaining to the settlement contemplated herein, may be offered in any other case or proceeding as evidence of any admission by Defendants of any liability on any claims for damages or other relief. Any stipulation or admission by Defendants contained herein is made for settlement purposes only.

73. Agreement Jointly Prepared. The Parties and their attorneys have reviewed this Agreement. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, the Parties expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement, and agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

74. Non-Evidentiary Use. Neither the fact of this Agreement, the existence of this Agreement, the terms of this Agreement, nor any order or action pursuant thereto may be referred to, relied upon, cited, or used as evidence of liability by any of the Parties, Aggrieved Employees, or their respective counsel in the Lawsuit or in any other action or proceeding; provided, however, that nothing contained in this section shall prevent this Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Agreement.

75. Amendment or Modification. Unless otherwise provided herein, this Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their

successors-in-interest.

76. Authorization to Enter Into Agreement. Each individual signing this Agreement warrants that he or she has the authority and is expressly authorized to enter into this Agreement on behalf of the party for which that individual signs.

77. Advice of Counsel. The Parties to this Agreement are represented by competent counsel, and they have had an opportunity to consult with counsel. The Parties to this Agreement agree that it reflects their good faith compromise of the claims raised in this action, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel.

78. Assignment. None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Plaintiff's Counsel, or Defendants' Counsel without the express written consent of each Party and their respective counsel hereto. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement, the LWDA, and the Aggrieved Employees, and shall not be construed to confer any right or to avail any remedy to any other person.

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

80. Counterparts. This Agreement, and any amendments hereto, may be executed in any number of counterparts (and by facsimile, DocuSign or electronically-transmitted signatures, which shall be deemed to be originals) and any Party and/or their respective counsel hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.

81. Successors. This Settlement shall be binding upon and inure to the benefits of the Parties hereto and their respective heirs, assigns, trustees, executors, beneficiaries, administrators,

and successors-in-interest.

82. Complete Agreement. The Parties each acknowledge and represent that no promise or representation not contained in this Settlement has been made to them, and acknowledge and represent that this Settlement contains the entire understanding between the Parties, containing all terms and conditions pertaining to the compromise and settlement of the PAGA Released Claims in this Action.

83. Cooperation. The Parties shall cooperate fully with one another and to use their best efforts to consummate the Agreement and cause the Court to enter an order and judgment as described herein. No Party to this Agreement shall seek to evade his, her, or its good faith obligations to seek approval and implementation of the Agreement by virtue of any ruling, order, or other development, whether in the Lawsuit, in any other litigation or otherwise that hereafter might occur and might be deemed to alter the relative strengths of the Parties with respect to any claims or defenses of their relative bargaining power with respect to negotiating.

* * *

[SIGNATURES ON NEXT PAGE]

EACH OF THE UNDERSIGNED ACKNOWLEDGE THAT EACH HAS READ THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO THE PROVISIONS CONTAINED THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.

IT IS SO STIPULATED AND AGREED:

DATED: _____, 2023

7/31/2023

DATED: _____, 2023

Marche Meeks ("Plaintiff")

DocuSigned by:



Nature & Life Farms, LLC; JCM Ag Management, LLC; Cana Rose Realty Holdings, LLC; and 420Kingdom, LLC ("Defendants")

APPROVED AS TO FORM:

COUNSELONE, P.C.

DATED: _____, 2023

Justin Kachadoorian, Esq.
Alexandria Kachadoorian, Esq.

Attorneys for Plaintiff, March Meeks

BELDEN BLAINE RAYTIS, LLP

DocuSigned by:



DATED: July 31 _____, 2023

T. Scott Belden
Daniel M. Root

Attorney for Defendants Nature & Life Farms, LLC; JCM Ag Management, LLC; Cana Rose Realty Holdings, LLC; and 420Kingdom, LLC

EACH OF THE UNDERSIGNED ACKNOWLEDGE THAT EACH HAS READ THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO THE PROVISIONS CONTAINED THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.

IT IS SO STIPULATED AND AGREED:

DATED: 07/31/2023, 2023

DocuSigned by:

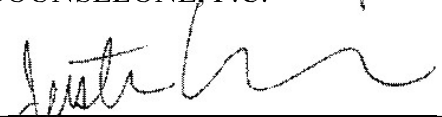
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Marche Meeks ("Plaintiff")

DATED: _____, 2023

Nature & Life Farms, LLC; JCM Ag Management, LLC; Cana Rose Realty Holdings, LLC; and 420Kingdom, LLC ("Defendants")

APPROVED AS TO FORM:

DATED: July 31, _____, 2023

COUNSELONE/P.C.


Justin Kachadoorian, Esq.
Alexandria Kachadoorian, Esq.

Attorneys for Plaintiff, March Meeks

BELDEN BLAINE RAYTIS, LLP

DATED: _____, 2023

T. Scott Belden
Daniel M. Root

Attorney for Defendants Nature & Life Farms, LLC; JCM Ag Management, LLC; Cana Rose Realty Holdings, LLC; and 420Kingdom, LLC

EXHIBIT A

NOTICE OF SETTLEMENT PAYMENT

Meeks v. Nature & Life Farms, LLC
(Kern County Superior Court, Case No. BCV-22-100306)

[Address Line 1]
[Address Line 2]
[Address Line 3]

[Dear Mr./Ms. _____]:

You are receiving this letter and the accompanying check made payable to you pursuant to a court-approved settlement in the matter of *Meeks v. Nature & Life Farms, LLC*. The check is in the amount of \$_____ and is for your share of the “Net Settlement Amount” under the approved settlement agreement in the above-referenced lawsuit. This check is valid for 180 days from the date of issuance, and for tax purposes, an IRS Form 1099 will be issued to you for this payment.

Please read this letter carefully. It explains the matter and how the settlement affects you.

A. Why Am I Receiving This Notice And This Check?

On February 4, 2022, Marche Meeks (“Plaintiff”) filed an action against Nature & Life Farms, LLC, JCM Ag Management, LLC, and Cana Rose Realty Holdings, LLC, which was subsequently amended to allege claims under the California Labor and the California Private Attorneys General Act (“PAGA”), Labor Code section 2698, et seq., based on alleged violations of Labor Code section 201-203, 204, 226, 226.7, 232.5, 510, 512, 1102.5, 1182.12, 1194, 1194.2, 1197, and 6310 and to add 420Kingdom, LLC as an additional defendant (collectively “Defendants”) [the “Lawsuit”]. Plaintiff and Defendants have reached a settlement, and, as a result of the Settlement, you are eligible to receive a payment from this Settlement because you worked or performed work on behalf of Nature & Life Farms, LLC as a hourly, non-exempt cannabis delivery driver during one or more pay periods within the defined Settlement Period (as defined below).

Plaintiff alleges that Defendants violated the California Labor Code by failing to provide wages to employees for all hours worked at appropriate rates of pay, failing to provide meal and rest periods or meal and rest-related premium pay or wages, failing to provide accurate wage statements, failing to timely pay all wages owed, due, and payable, including final wages, and solely as to Plaintiff, retaliation for disclosing information about Defendants’ working conditions and whistleblowing. By statute, the amounts recovered under PAGA must be paid 75% to the state and 25% to the impacted employees.

As stated above, individuals impacted by and included in this Settlement are all individuals who are or were employed by N&L as non-exempt, hourly employees operating or working as cannabis delivery drivers (“Aggrieved Employees”) from January 5, 2021 to the Final Order and Judgment Approval Date, _____, (“Settlement Period”). According to Defendants’ records, you fall within this definition, and you are therefore receiving this notice and the enclosed check.

Defendants deny any and all of Plaintiff’s claims, allegations, and causes of action. Defendants do not admit or concede liability in any manner. Moreover, the Court has not made any findings, rulings, and/or determinations as to the merits of Plaintiff’s claims, allegations, and/or causes of action set forth

under his Operative Complaint at this time. Defendants maintain that they have complied with all applicable laws in connection with respect to the payment of all wages at applicable and appropriate rates, wage deductions, the provision of meal and rest periods and payment of associated premiums, that it has provided employees with accurate wage statements, that it has timely paid all wages, including final wages, that it has not engaged in any retaliation against Plaintiff, and that it has otherwise complied with applicable laws, codes, and regulations. Defendants therefore dispute that any amounts are owed, due, and payable. **The settlement – and the amount you are receiving – represents a compromise and resolution of disputed claims by and between the Parties.**

B. How Has The Court Ruled?

The Court has not ruled on the merits of any of Plaintiff's claims, Defendants' defenses, or any of the contentions of the parties with respect to the PAGA claim being settled. No inferences regarding the merits of the lawsuit should, are, or may be drawn from the fact there is a settlement.

Instead, the Parties agreed to a settlement, which entails a compromise by both sides. That way, each side avoids the costs, risks and uncertainty of a trial.

C. What Rights Am I Giving Up?

By operation of the court-approved Settlement, the Aggrieved Employees are deemed to have fully released and discharged the "Released Parties" from any and all "Released Claims" during the "Settlement Period," which means the inclusive time period from January 5, 2021 to date of Final Order and Judgment entered by the Court, _____.

"Released Parties" means Defendants, individually and collectively, and all of their respective former, present, and future owners, parents, subsidiaries, and affiliates, and all of their respective current, former, and future officers, directors, members, managers, principals, former and current employees, consultants, partners, shareholders, joint venturers, joint enterprises, co-employers, agents, predecessors, successors, assigns, accountants, insurers, legal representatives, and/or all persons and/or entities acting by, through, under, and/or in concert with Defendants.

"Released Claims" means as follows: Plaintiff, the State of California, and all Aggrieved Employees shall, will, and do, by and through this PAGA Settlement Agreement, fully and finally release Defendants and the Released Parties as defined herein from and with respect to any and all claims, rights, demands, penalties, liabilities, charges, complaints, causes of action, guarantees, interest, costs and expenses (including attorneys' fees), damages, obligations, and for any and all other such damages, penalties, wages, remedies, obligations or liabilities of any and every kind available under the Labor Code and Private Attorneys General Act ("PAGA"), Labor Code § 2698, et seq., whether known or unknown, patent or latent, contingent or accrued, and that are, were, or could have been pled, alleged, or asserted based upon the facts and/or theories alleged under the Complaint with respect to Plaintiff's PAGA claim, the foregoing release also including, but not limited to, all available remedies under PAGA for any claims, rights, demands, penalties, liabilities, complaints, and causes of action under Labor Code §§ 201-203, 204, 226, 226.7, 232.5, 510, 512, 1102.5, 1182.12, 1194, 1194.2, 1197, and 6310 that actually or could have occurred, arose, or accrued at any time during the Settlement Period, as well as including any and all tethered and/or related claims arising out of and/or with respect to the foregoing and any and all costs and expenses (including reasonable attorneys' fees), penalties, declaratory relief, restitution, and/or interest resulting therefrom that are available under PAGA.

If you have any questions, you can contact the Settlement Administrator (whose contact information is at the top of this letter).

EXHIBIT B

PROPOSED ORDER AND JUDGMENT APPROVING PAGA SETTLEMENT

ANTHONY J. ORSHANSKY, Cal. Bar No. 199364
anthony@counselonegroup.com
ALEXANDRIA KACHADOORIAN, Cal. Bar No. 240601
alexandria@counselonegroup.com
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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF KERN**

MARCHE MEEKS, an individual,

Plaintiff,

v.

NATURE & LIFE FARMS, LLC, *et al.*

Defendants.

CASE NO.: BCV-22-100306

**[PROPOSED] FINAL ORDER AND
JUDGMENT APPROVING PAGA
SETTLEMENT**

1 **[PROPOSED] FINAL ORDER AND JUDGMENT APPROVING PAGA SETTLEMENT**

2 Having considered the Stipulation for Approval of the PAGA Settlement (“Stipulation Re:
3 PAGA Settlement”) entered into by and between the Parties herein, together with the PAGA
4 Settlement and Release of Claims (“PAGA Settlement”), attached to the Stipulation as Exhibit 1,
5 the arguments of counsel, all facts and evidence submitted by the Parties, and other matters before
6 the Court in this action, and finding good cause,

7 **IT IS HEREBY ORDERED, ADJUDGED, and DECREED** that the Parties’ Stipulation
8 is approved, subject to the following findings and orders:

9 1. This Final Order and Judgment incorporates by reference all terms, conditions,
10 releases, and definitions set forth under the PAGA Settlement as though fully set forth herein, and
11 all capitalized terms used herein shall have the same meaning as set forth in the PAGA Settlement.

12 2. The PAGA Settlement represents a reasonable and adequate settlement of disputed
13 claims, satisfies the purposes of the Labor Code Private Attorneys General Act of 2004 to benefit
14 the public, and is hereby approved in accordance with Labor Code section 2699(l)(2).

15 3. The Court approves that “Aggrieved Employees” shall include all persons employed
16 by Defendant Nature & Life Farms, LLC as non-exempt, hourly employees and who, at some point
17 during the operative Settlement Period, operated or worked as cannabis delivery drivers in the State
18 of California from January 5, 2021 through the date of the Courts grant of Final Approval of the
19 PAGA Settlement.

20 4. The Court approves the “Settlement Period” or “PAGA Period” attributable to this
21 action as being the time period from January 5, 2021 through the date the Court enters Final Order
22 and Judgment approving the PAGA Settlement.

23 5. The Court approves the terms “Final” as meaning the latest of: (i) if there are
24 objections and no appeal is filed, thirty (30) days after the Final Approval Order and Judgment are
25 entered; (ii) if there are objections and an appeal is filed, the day after the appeal is dismissed or
26 withdrawn, or the appeal is decided upholding the propriety of the PAGA Settlement; and/or (iii) if
27 no objections are filed, the day the Final Approval Order and Judgment are entered.

14 7. Defendants shall pay the Gross Settlement Fund Amount into a Qualified Settlement
15 Fund (“QSF”) established by the Settlement Administrator according to the following payment
16 schedule:

17 a. Monthly installments of Five Thousand Dollars and Zero Cents (\$5,000.00)
18 to commence no later than two hundred fifty (250) days or approximately eight (8)
19 months after the Effective Date of the PAGA Settlement and to continue for four (4)
20 months);

b. The first PAGA installment payment shall be due thirty (30) days after day two hundred fifty (250) following the Effective Date of the PAGA Settlement, and successive monthly installment shall be paid upon every thirty (30) day anniversary thereafter; and

c. A final installment of Forty Thousand Dollars and Zero Cents (\$40,000.00) shall be made not later than thirty (30) days following the last of the foregoing monthly installments.

1 8. The Settlement Administrator shall not distribute any amounts from the QSF until all
2 installments set forth under Section 7 of this Final Order and Judgment are made.

3 9. The Court appoints CPT Group, Inc., as the Settlement Administrator, and approves
4 up to \$6,000 for the cost of settlement administration, the exact amount to be set forth in a
5 declaration of the Settlement Administrator regarding the final disbursement of the settlement
6 funds, to be paid from the Gross Settlement Fund Amount.

7 10. The Parties and the Settlement Administrator are ordered to carry out the Settlement
8 according to the terms of the PAGA Settlement.

9 11. The Court approves, as to form and content, the Notice of Settlement Payment,
10 attached as Exhibit A to the PAGA Settlement.

11 12. The Court finds that the allocation of the settlement funds set forth in the Settlement
12 is fair, just, reasonable, adequate, and equitable to all concerned, and is approved.

13 13. Pursuant to the Settlement, Defendant shall pay the Gross Settlement Fund Amount
14 into a Qualified Settlement Fund established by the Settlement Administrator, and the Settlement
15 Administrator shall distribute the Net Settlement Amount to Aggrieved Employees and the LWDA
16 as required under the Settlement.

17 14. The Court approves the Enhancement Award of \$3,000.00 to Plaintiff to be paid from
18 the Gross Settlement Fund Amount.

19 15. The Court finds Plaintiff's Counsel's attorneys' fees and costs request to be
20 reasonable under the circumstances, and approves the award of \$20,000.00 in attorneys' fees and
21 \$10,000.00 in costs [the exact number subject to change], to be paid from the Gross Settlement
22 Fund Amount.

23 16. The PAGA Settlement shall not be contingent upon the Court awarding Plaintiff's
24 Counsel any particular amount for attorneys' fees or costs or upon awarding Plaintiff any particular
25 amount as an Enhancement Award.

26 17. The Net Settlement Amount (\$60,000.00 less approved attorneys' fees, litigation
27 costs, Plaintiff's Enhancement Award, and final administration costs) shall be allocated and paid as
28 follows: 75% to the LWDA and 25% to the Aggrieved Employees, pursuant to the terms,

1 conditions, and, with respect to Aggrieved Employees, pursuant to the pay period allocation
2 formula set forth under the PAGA Settlement.

3 18. Checks delivered and/or mailed to Aggrieved Employees shall remain cashable,
4 payable, and negotiable for a period of one hundred eighty (180) days. In the event that any checks
5 delivered and/or mailed to Aggrieved Employees remain uncashed or unnegotiated after the
6 expiration of the one hundred eight (180) days, or an envelope mailed to an Aggrieved Employee
7 is returned and no forwarding address can be located for the aggrieved Employee after reasonable
8 efforts have been made, then any such funds shall be transmitted by the Settlement Administrator
9 pursuant to governing California law to the State of California Unclaimed Property Fund, to be held
10 there in the name of and for the benefit of such Aggrieved Employees.

11 19. The Court further orders, adjudges, and decrees that the State of California, Plaintiff,
12 and the Aggrieved Employees shall release and forever discharge all Released Parties from all
13 Released Claims as set forth under the PAGA Settlement for the Settlement Period advanced
14 thereunder. All Released Parties and Released Claims set forth under the PAGA Settlement,
15 including all terms, conditions, associated rights, promises, and covenants, are incorporated
16 hereunder this Section as if fully set forth at length herein.

17 20. The PAGA Settlement, as well as this Final Order and Judgment, shall not
18 constitute in any manner an admission or concession by Defendants or by any of the other Released
19 Parties of any wrongdoing or liability as to Plaintiff, Aggrieved Employees, the State of California,
20 or any other person or entity, with such wrongdoing and/or liability expressly denied and disclaimed
21 by Defendants and the Released Parties. This Order and Judgment is not intended to and shall not
22 be construed as any finding or ruling of the validity of any allegations or of any wrongdoing or
23 liability by Defendants or any of other Released Parties. Neither this Order and Judgment, the
24 Settlement, nor any document referred to herein, nor any action taken to carry out the PAGA
25 Settlement, may be construed as, or may be used as, an admission of any fault, wrongdoing,
26 omission, concession, or liability whatsoever by or against Defendants, collectively or individually,
27 or any of the Released Parties, and shall not and may not be cited or admitted as evidence of liability
28 or culpability.

11 23. The Settlement Administrator shall submit a declaration upon the final disbursement
12 of the settlement funds reporting its compliance with this Order and the terms of the Settlement.

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