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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF MONTEREY

PERLA FELICIANO, individually, and on
behalf of all others similarly situated,

Plaintiff,

vs.

TRUE ORGANIC PRODUCTS, INC., a
California corporation; and DOES 1 through
10, inclusive,

Defendants

Case No.: 22CV003076

**SETTLEMENT AGREEMENT AND
RELEASE OF PAGA CLAIMS**

Complaint filed: October 11, 2022
Trial date: Not Set

1 **SETTLEMENT AGREEMENT AND RELEASE OF PAGA CLAIMS**

2 Plaintiff PERLA FELICIANO, ("Plaintiff"), individually and in her capacity as a representative
3 of the State of California on behalf of other allegedly aggrieved employees, and Defendant TRUE
4 ORGANIC PRODUCTS, INC. ("Defendant"), hereby enter into this Settlement Agreement and
5 Release of Private Attorneys General Act of 2004 Claims ("Settlement") as follows:

6 **DEFINITIONS**

7 1. **"Action"** means and refers to *Feliciano v. True Organic Products, Inc., et al.* Case
8 No. 22CV003076, which is currently pending in the Monterey County Superior Court of the State
9 of California.

10 2. **"PAGA Settlement Members"** The PAGA Settlement Members (also referred to
11 herein as the "aggrieved employees") included in the Settlement shall be all past and present non-
12 exempt hourly employees of Defendant in California at any time from October 7, 2021 through
13 April 11, 2023.

14 3. **"Settled Claims"** This Settlement is a settlement of all PAGA Claims identified in
15 Plaintiff's PAGA notice letter, dated October 7, 2022 and Plaintiff's operative complaint in
16 Plaintiff's Action, including all PAGA Claims that could have been alleged based on the facts as
17 alleged in the PAGA notice letter and Plaintiff's Action ("Settled Claims").

18 4. The terms **"Agreement," "Settlement,"** and **"Settlement Agreement"** mean this
19 Agreement for PAGA Representative Action Settlement, which the Parties acknowledge sets forth
20 all material terms and conditions of the Settlement between them, and which is subject to Court
21 approval pursuant to Section 2699(1) of the California Labor Code Private Attorneys General Act
22 of 2004, Labor Code §§ 2698, *et seq.*

23 5. **"Court"** means the California Superior Court, County of Monterey.

24 6. **"Defendant"** means TRUE ORGANIC PRODUCTS, INC.

25 7. **"Effective Date"** refers to the date upon which both of the following have occurred:
26 (i) approval of the Settlement is granted by the Superior Court of California for the County of
27 Monterey, or other court assuming jurisdiction of this matter, and (ii) the Court's Judgment
28

1 approving the Settlement becomes Final. The Court's Judgment approving the Settlement becomes
2 Final on the later: (1) the day after the last day by which a notice of appeal of the Approval Order
3 and/or of an order rejecting any motion to intervene may be timely filed, and none "Final" shall
4 mean the latest of: (i) if there is an appeal of the Court's Judgment, the date the Judgment is affirmed
5 on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ
6 of certiorari to the United States Supreme Court or California Supreme Court; (ii) if a petition for
7 writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or the date the
8 Judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the expiration date of
9 the time for filing or noticing any appeal of the Judgment; *i.e.*, sixty-one (61) calendar days have
10 passed from entry of the Judgment.

11 8. **"PAGA Period"** shall mean October 7, 2021 through April 11, 2023.

12 9. **"Gross Settlement Amount"** means a maximum total of \$174,340.00, which
13 includes all payments owing as a result of this Agreement and includes: the Net Settlement Amount;
14 Settlement Administration Costs; Plaintiff's service payment; and PAGA Counsel Attorneys' Fees
15 and Costs as awarded by the Court.

16 10. **"Covered Pay Periods"** all pay periods PAGA Settlement Member worked during
17 the PAGA Period.

18 11. **"LWDA Payment"** means a payment to the California Labor Workforce and
19 Development Agency in an amount equal to 75% of the Net Settlement Amount.

20 12. **"Net Settlement Amount"** is the Gross Settlement Amount less (1) PAGA
21 Counsel's Attorneys' Fees and Costs and (2) Settlement Administration Costs.

22 13. **"PAGA Aggrieved Employee Payment"** means a payment of 25% of the Net
23 Settlement Amount, which the Parties have agreed to pay the Aggrieved Employees in connection
24 with the settlement of the PAGA Claim.

25 14. **"PAGA Claim or PAGA Claims"** means the claim for civil penalties under the
26 California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code sections 2698 *et seq.*,
27 "PAGA") alleged in the Action and stated in Plaintiff's October 7, 2022 notice letter to the LWDA.

28 15. **"PAGA Counsel"** means Moon & Yang, APC.

16. **“Released Claims”** means all claims for relief under PAGA, of whatever kind or nature, that were or could have been asserted based on the facts alleged by Plaintiff in her October 7, 2022 notice letter to the LWDA including, but not limited to, Labor Code sections 201, 202, 203, 204, 210, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197.1, 1197.1, 1198, 2802, 2699(f)(2), and the applicable IWC Wage Orders, and any resulting claim for attorneys’ fees and costs under PAGA.

17. **“Released Parties”** shall mean Defendant, and each of its respective current and former, direct and indirect owners, parents, subsidiaries, brother-sister companies, and all other affiliates and related entities, and their current and former partners, officers, directors, employees, attorneys, agents, and other related parties.

18. **“Representative Plaintiff”** means Plaintiff Perla Feliciano.

19. **"Settlement Administrator"** shall mean Phoenix Settlement Administrators., a neutral third-party administrator chosen by the Parties, subject to approval by the Court.

RECITALS

20. On October 7, 2022, Plaintiff sent a PAGA Notice to the Labor Workforce and Development Agency (“LWDA”), with a copy to Defendant. On October 11, 2022, Plaintiff filed a class action complaint in the Superior Court of the State of California, County of Monterey in a case styled *Feliciano v. True Organic Products, Inc., et al.* Case No. 22CV003076.

21. On January 4, 2023, Plaintiff filed a first amended complaint in the Action adding the PAGA cause of action.

22. The PAGA Claims seek civil penalties and an award of reasonable attorneys' fees and costs.

23. The Parties have conducted a thorough investigation into the facts of the Action. This included exchanging data and information as well as documents relating to the underlying alleged violations. After attending a mediation with Tripper Ortman, Esq. on April 11, 2023, the Parties entered into an agreement, formalized herein, which they believe is fair, reasonable, and adequate. The Parties understand, acknowledge, and agree that this Settlement Agreement constitutes a compromise of Plaintiff's representative PAGA Claim and the Aggrieved Employees'

1 PAGA Claim, including all PAGA Claims that could have been alleged based on the facts as alleged
2 in the PAGA letter and Plaintiff's Action, and that it is the desire and intention of the Parties to
3 effect a final and complete resolution of the PAGA Claims that the Representative Plaintiff and the
4 Aggrieved Employees have against Defendant or any persons or companies affiliated with
5 Defendant.

6 24. The Parties enter into this Settlement Agreement on a conditional basis. In the event
7 the Court does not enter a Final Order and Judgment as defined in this Settlement Agreement, this
8 Settlement Agreement will be deemed null and void *ab initio* and will be of no force or effect
9 whatsoever, and will not be referred to or utilized for any purpose whatsoever.

10 25. Defendant denies all of the claims in the Action, and does not waive, but rather
11 expressly reserves, all rights to challenge all such claims and allegations upon all legal, procedural
12 and factual grounds should this Settlement Agreement not become final. This Settlement
13 Agreement reflects a compromise reached to end litigation.

14 26. The Parties stipulate and agree to the following terms of this Settlement Agreement
15 with the intent that this Agreement finally disposes of the Action with prejudice.

16 **TERMS AND CONDITIONS**

17 27. **Dismissal of Class Claims.** By this Settlement Agreement, Parties are entering into
18 a settlement of the PAGA Claims and are making no settlement for the class causes of action asserted
19 in Plaintiff's Action. Prior to the filing of the motion for PAGA settlement approval, Plaintiff will
20 dismiss all class claims and causes of action, without prejudice.

21 28. **Settlement Payments and Calculation of Claims.** The following table summarizes
22 the allocation of the Gross Settlement Amount:

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Gross Settlement Amount of \$174,340.00 Is Broken Down As Follows:

- PAGA Counsel Attorneys' Fees not to exceed 33 1/3% (or \$58,113.33).
- PAGA Counsel Costs not to exceed \$19,000.00.
- Payment for Plaintiff in exchange for a release under CCP section 1542: \$7,500
- Settlement Administration Costs not to exceed \$4,000.00.
- Approximately \$85,726.67 for the Net Settlement Amount:
 - 25% of the Net Settlement Amount for the PAGA Aggrieved Employee Payment
 - 75% of the Net Settlement Amount for the LWDA Payment

29. Subject to final Court approval and the conditions specified in this Agreement, and in consideration of the mutual covenants and promises set forth in this Agreement, Defendant agrees to pay the Gross Settlement Amount of \$174,340.00. The Gross Settlement Amount includes payments to be made to PAGA Counsel's attorneys' fees and costs, LWDA Payment, Payment to Plaintiff for the resolution of her individual claims, and Settlement Administration Costs.

30. Escalator Clause: The Parties agree that as of March 17, 2023, the number of pay periods worked by PAGA Settlement Members is approximately 8,717. If the actual number of pay periods during the PAGA Period is more than 10% greater than this number (i.e., if there are more than 9,589 pay periods in the PAGA Period), Defendant shall increase the settlement payment in proportion to the increase in pay periods beyond 9,589 (e.g., if the number of pay periods is higher by 11% the Gross Settlement Amount will increase by one percent (1%)).

31. The Parties agree, subject to Court approval, that the Gross Settlement Amount shall be apportioned as follows:

a. Settlement Administration Fees And Costs: The fees and costs associated with settlement administration (e.g., preparing and mailing payments to the Aggrieved Employees, tax documentation, etc.) (the "**Settlement Administration Costs**") will be paid from the Gross Settlement Amount and are estimated not to exceed \$4,000.00. The Parties agree to use Phoenix Settlement Administrators as the Settlement Administrators. Any unused portion of the settlement administration fees shall be distributed to the aggrieved employees and LWDA on a pro-rata basis.

b. PAGA Counsel's Attorneys' Fees and Costs: The Parties agree that, subject

1 to the Court's review and approval, PAGA Counsel will be paid from the Gross Settlement Amount
2 an amount that is up to 33 1/3% of the Gross Settlement Amount for attorneys' fees (\$58,113.33),
3 plus actual litigation costs), not to exceed \$19,000.00. Any unused portion of the attorneys' costs
4 shall be distributed to the aggrieved employees and LWDA on a pro-rata basis.

5 c. Service Award To Named Plaintiff: Subject to Court approval, Defendant
6 agrees to pay Plaintiff a Service Award of Seven Thousand and Five Hundred Dollars (\$7,500.00)
7 to be paid from the Gross Settlement Amount, for the release of her individual claims. Upon receipt
8 of the service award, Plaintiff will be deemed to have fully released and discharged Defendant and
9 the Released Parties from any and all claims, demands, obligations, causes of action, rights, or
10 liabilities of any kind which have been or could have been asserted against Defendant and the
11 Released Parties arising out of, or relating to, Plaintiff's employment with Defendant or termination
12 thereof. This release is intended to have the broadest possible effect under the law, and specifically
13 includes any and all claims, demands, obligations and/or causes of action for wages, damages,
14 liquidated damages, benefits, fringes, equitable relief, restitution, penalties, interest, and attorneys'
15 fees and costs (except provided by the Settlement) relating to or in any way connected with the
16 matters referred to herein, whether or not known or suspected to exist, and whether or not
17 specifically or particularly described herein. Specifically, Plaintiff will be deemed to have waived
18 all rights and benefits afforded by California Civil Code Section 1542, which provides:

19 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
20 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO**
21 **EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**
22 **RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**
23 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**
24 **DEBTOR OR RELEASED PARTY.**

25 Defendant will not oppose Plaintiff's request for the Service Award. Plaintiff will be
26 responsible for correctly characterizing this compensation for tax purposes and for paying any taxes
27 owing on said amount. The Parties agree that a reduction by the Court of the requested Service
28 Award is not a basis for rendering the entire Settlement voidable or unenforceable.

1 d. Net Settlement Amount: After deducting PAGA Counsel's Attorneys' Fees
2 and Costs, Plaintiff's Service Award, and Settlement Administration Costs from the Gross
3 Settlement Amount, the remaining amount will comprise the Net Settlement Amount. The Net
4 Settlement Amount is comprised of the LWDA Payment and the PAGA Aggrieved Employee
5 Payment. The Net Settlement Amount of approximately \$85,726.67, shall be allocated 75% to the
6 LWDA Payment, which is estimated to total \$64,295.00. The remaining 25% of the Net Settlement
7 Amount, estimated to total \$21,431.66, shall be allocated to the PAGA Aggrieved Employee
8 Payment to be paid to the Aggrieved Employees on a *pro rata* basis as noted below, which shall be
9 referred to as the Aggrieved Employee's "**Individual PAGA Payment.**"

10 e. Calculation of Individual PAGA Payments: Each PAGA Settlement Member
11 will be paid a pro-rata share of the PAGA Aggrieved Employee Payment, as calculated by the
12 Settlement Administrator. The pro-rata share will be determined by comparing the individual
13 PAGA Settlement Member's Covered Pay Periods during the PAGA Period to the total pay periods
14 of all the PAGA Settlement Members during the PAGA Period as follows: [Covered Pay Periods
15 worked by a PAGA Settlement Member] ÷ [Sum of all Pay Periods worked by all PAGA Settlement
16 Members] × [PAGA Aggrieved Employee Payment] = Individual PAGA Payment. Individual
17 PAGA Payments to PAGA Settlement Members in the appropriate amounts will be distributed by
18 the Settlement Administrator by mail as set forth below.

19 f. Taxes and Reporting: The Individual PAGA Payments will be treated as non-
20 wage income to the Aggrieved Employees and reported by the Settlement Administrator on IRS
21 Form 1099.

22 32. **Release By PAGA Members**

23 a. PAGA Members Limited Release. Each PAGA Member (including Plaintiff)
24 fully releases and forever discharges Defendant and all Released Parties from any and all claims for
25 PAGA penalties that were asserted pursuant to Labor Code Section 2699 for civil penalties
26 (excluding wages) in Plaintiff's PAGA Notice, submitted on October 7, 2022 or Plaintiff's operative
27 complaint in Plaintiff's Action, including all PAGA Claims that could have been alleged based on
28 the facts as alleged in the PAGA notice letter and Plaintiff's Action.

1 b. No Claims Based On Agreement. No Aggrieved Employee will have any
2 claim against any of the Released Parties, Defendant's counsel, the Representative Plaintiff, or
3 PAGA Counsel, based on errors in administering claims or performing the mailing and skip-tracing
4 requirements of the Settlement Administrator under this Agreement.

5 33. Settlement Funding

6 The Settlement Administrator shall establish a Qualified Settlement Fund pursuant to
7 Section 468B(g) of the Internal Revenue Code for purposes of administering the Settlement. The
8 Settlement Administrator shall furnish the Qualified Settlement Fund with its own Employer ID
9 Number and calculate all settlement checks and withholdings required under law based on
10 information that will be confidentially furnished by Defendants. There are no payroll deductions to
11 be calculated under this Settlement, since no part of the Settlement will be classified as wages.

12 Subject to Court approval of the Settlement, payment shall be made to the administrator
13 within 14 days of the Court's Order approving the settlement (assuming that the LWDA has not
14 intervened or indicated in anyway that it intends to intervene in the settlement). If the LWDA has
15 intervened, or indicated that it may intervene, payment will be due 14 days after any such
16 intervention is resolved, or the LWDA indicates that it is no longer going to intervene in the Action.

17 34. PAGA List.

18 Within 10 days after the Effective Date, Defendant will compile a PAGA Member list
19 containing: (1) name; (2) last known home address and telephone number; (3) number of pay periods
20 as a PAGA Member during the Covered Period; and (4) social security number. The PAGA
21 Members shall receive a pro rata share of the 25 percent of the PAGA Penalties Payment allocated
22 to PAGA Members, which will be calculated using a ratio of (a) the number of pay periods worked
23 by the PAGA Member during the Covered Period to (b) the total number of pay periods worked by
24 all PAGA Members during the Covered Period.

25 35. List Of Individual Settlement Amounts.

26 Within 10 days after the Settlement Administrator receives the PAGA List, the Settlement
27 Administrator will provide to PAGA Counsel and Defendant's counsel a Proceeds List reflecting
28 the Individual PAGA Payment for each Aggrieved Employee ("**Proceeds List**"). The Proceeds List

1 provided to PAGA Counsel will not include the Aggrieved Employees' names, social security
2 numbers or contact information.

3 36. **PAGA Payments to Aggrieved Employees.**

4 a. On the Payment Date, the Settlement Administrator will mail to each
5 Aggrieved Employee, via first-class United States Mail, the following: (a) the PAGA Settlement
6 Notice in English and Spanish, attached as Exhibit B to this Agreement and (b) their Individual
7 PAGA Payment (collectively, the "PAGA Packet").

8 b. Prior to mailing, the Settlement Administrator will update all addresses using
9 the National Change of Address System (NCOA). In the event that a PAGA Packet is returned to
10 the Settlement Administrator with a forwarding address, the Settlement Administrator will re-send
11 the PAGA Packet to the forwarding address identified. If no forwarding address is provided, then
12 the Settlement Administrator will promptly conduct a "standard search," sometimes called, "Skip
13 Trace" or "Credit Header" searches, to locate a better address. If a better address is found, the
14 Settlement Administrator will promptly re-send the PAGA Packet. If a better address is not found
15 or the PAGA Packet is ultimately returned without a forwarding address, neither the Settlement
16 Administrator, Defendant, or PAGA Counsel shall be required to take further action.

17 c. Aggrieved Employees shall have 180 calendar days after the date the PAGA
18 Packet is mailed to them to cash their settlement payment checks. If any Aggrieved Employee's
19 check is not cashed within that period, the settlement payment check will be voided and a stop-
20 payment will be issued. Neither Defendant, Defendant's counsel, Plaintiff, nor PAGA Counsel will
21 have any liability for lost or stolen settlement payment checks, forged signatures on settlement
22 payment checks, unauthorized negotiation of settlement payment checks or failure to timely cash a
23 settlement payment check within the 180 day period.

24 d. Any unpaid cash residue or unclaimed Aggrieved Employee funds, plus any
25 accrued interest that has not otherwise been distributed pursuant to order of the Court, shall be
26 transmitted to California State Controller's Office for Unclaimed Property in the name of each
27 Aggrieved Employee who failed to cash their Individual PAGA Payment prior to the void date.

28 37. **Payments Of Attorneys' Fees And Costs, and the LWDA Settlement Payment.**

1 a. On the Payment Date, the Settlement Administrator will pay from the Gross
2 Settlement Amount to PAGA Counsel its Court-approved Attorneys' Fees and Costs.

3 b. On the Payment Date, the Settlement Administrator will pay the LWDA
4 Payment from the Net Settlement Amount by issuing a check payable to "California Labor
5 Workforce and Development Agency."

6 38. **Deadlines.**

7 If any deadline specified in this Agreement falls on a Saturday, Sunday, or Court holiday,
8 the deadline will be automatically extended to the next regular business day. Unless specified
9 otherwise, all references to "days" shall mean calendar days.

10 39. **Enforcement and Continuing Jurisdiction of the Court.**

11 Pursuant to the Parties agreement, this Settlement Agreement will be approved by the Court
12 and will be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6.
13 Even after the entry of the Final Order and Judgment, this Court will have and retain continuing
14 jurisdiction over the Action and over all Parties and the Aggrieved Employees, to the fullest extent
15 necessary or convenient to enforce and effectuate the terms and intent of this Settlement Agreement
16 and all matters provided for in it, and to interpret it.

17 40. **Mutual Full Cooperation.**

18 The Parties will fully cooperate with each other to accomplish the terms of this Settlement
19 Agreement, including, but not limited to, execution of such documents and taking such other action
20 as may be reasonably necessary or convenient to implement it.

21 41. **Non-Admission Of Liability.**

22 The Parties enter into this Agreement to resolve the dispute that has arisen between them
23 and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement,
24 Defendant does not admit, and specifically denies, that it has violated any federal, state, or local
25 law; violated any regulations or guidelines promulgated pursuant to any statute or any other
26 applicable laws, regulations or legal requirements; violated or breached any duty; engaged in any
27 misrepresentation or deception; or engaged in any other unlawful conduct with respect to the Action.
28 Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected

1 with it, shall be construed as an admission or concession by Defendant of any such violations or
2 failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms
3 of this Agreement, this Agreement and its terms and provisions shall not be offered or received as
4 evidence in any action or proceeding to establish any liability or admission on the part of Defendant
5 or to establish the existence of any condition constituting a violation of, or a non-compliance with,
6 federal, state, local or other applicable law.

7 42. **Effective Date Of Defendant's Obligations Under This Agreement.**

8 Defendant's obligations under this Settlement Agreement will become final and effective
9 only upon the occurrence of the Effective Date. In the event that any of the conditions specified in
10 this Settlement Agreement are not satisfied, or in the event that this Settlement does not obtain
11 approval of the Court for any reason, all matters covered by this Agreement will be null and void.
12 In such event, neither this Agreement nor any negotiations leading to this Settlement will be used
13 or construed by or against any Party as a determination, admission, or concession of any issue of
14 law or fact in the litigation; and the Parties do not waive, and instead expressly reserve, their
15 respective rights regarding the prosecution and defense of the Action, including all available
16 defenses and affirmative defenses, and to challenge any claim, as if this Settlement Agreement never
17 existed.

18 43. **Nullification.**

19 If: (1) the Court should for any reason fail to enter the Final Order and Judgment; or (2) the
20 Court's Final Order and Judgment is reversed or modified as to any material term as defined above,
21 or declared or rendered void as to any material term as defined above, then (a) the Settlement
22 Agreement shall become null and void; (b) the Parties will revert to their respective positions
23 immediately prior to reaching the settlement; and (c) Defendant will be responsible for any
24 Settlement Administration Costs.

25 44. **Invalidation.**

26 Invalidation of any material term of this Settlement Agreement will invalidate this
27 Agreement in its entirety unless the Parties subsequently agree in writing that the remaining
28 provisions will remain in full force and effect.

1 45. **Entire Agreement.**

2 This Settlement Agreement constitutes the entire integrated agreement between the Parties
3 relating to the Action, and no oral representations, warranties, or inducements have been made to
4 any party concerning this Settlement Agreement other than the representations, warranties, and
5 covenants contained and memorialized in this Settlement Agreement.

6 46. **Authorization To Act.**

7 PAGA Counsel warrants and represents that they are authorized by the Representative
8 Plaintiff, and counsel of record for Defendant warrants that it is authorized by Defendant, to take all
9 appropriate action required or permitted to be taken by such Parties pursuant to this Settlement
10 Agreement to effectuate its terms, and to execute any other documents required to effectuate the
11 terms of this Settlement Agreement, except for any documents, including but not limited to this
12 Settlement Agreement, that are required to be executed by the Parties.

13 47. **Modification Only In Writing.**

14 This Settlement Agreement may be amended or modified only by a written instrument signed
15 by all Parties or their successors in interest.

16 48. **Binding On Successors.**

17 This Settlement Agreement is binding upon and will inure to the benefit of the Parties to this
18 Agreement, as well as their respective attorneys, past, present, and future predecessors, successors,
19 shareholders, officers, directors, employees, agents, trustees, representatives, administrators,
20 fiduciaries, assigns, insurers, executors, partners, parent corporations, subsidiaries, and related or
21 affiliated entities.

22 49. **No Prior Assignments.**

23 The Aggrieved Employees are deemed by operation of the Final Order and Judgment to
24 represent, covenant, and warrant that they have not directly or indirectly assigned, transferred,
25 encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any
26 liability, claim, demand, cause of action, or rights released and discharged by this Agreement.

27 50. **Governing Law.**

28 All terms of this Settlement Agreement will be governed by and interpreted according to the

1 laws of the State of California, without giving effect to conflicts of laws principles.

2 51. **Counterparts.**

3 This Settlement Agreement may be executed in one or more counterparts. All executed
4 counterparts and each of them will be deemed to be one and the same instrument. Counsel for the
5 Parties will exchange among themselves signed counterparts.

6 52. **Headings For Convenience Only.**

7 The descriptive headings of any paragraphs or sections of this Settlement Agreement are
8 inserted for convenience of reference only and do not constitute a part of this Settlement Agreement.

9 53. **Construction Of This Agreement.**

10 The Parties agree that the terms and conditions of this Settlement Agreement are the result
11 of arms-length negotiations between the Parties and that this Settlement Agreement will not be
12 construed in favor of or against any Party by reason of the extent to which any Party, or his or its
13 counsel participated in the drafting of this Agreement. This Settlement Agreement constitutes the
14 entire agreement between the Parties. Except as expressly provided in this Agreement, this
15 Settlement Agreement has not been executed in reliance upon any other oral or written
16 representations or terms and no such extrinsic oral or written representations or terms will modify,
17 vary or contradict the terms of this Settlement Agreement. In entering this Settlement Agreement,
18 the Parties explicitly recognize California Civil Code section 1625 and California Code of Civil
19 Procedure section 1856(a), which provide that a written agreement is to be construed according to
20 its terms and may not be varied or contradicted by extrinsic evidence. The Representative Plaintiff
21 and Defendant had available to it the advice and assistance of independent counsel. As such, neither
22 Representative Plaintiff nor Defendant may claim that any ambiguity in this Settlement Agreement
23 should be construed against the other.

24 //

25 54. **Corporate Signatories.**

26 Any person executing this Settlement Agreement or any related document on behalf of a
27 corporate signatory warrants and promises for the benefit of all Parties that such person has been
28 duly authorized by such corporation to execute this Settlement Agreement or any related document.

1 55. **Representation By Counsel.**

2 All of the Parties hereto acknowledge that they have been represented by counsel throughout
3 all negotiations which preceded the execution of this Settlement Agreement and that this Agreement
4 has been executed with the consent and advice of counsel.

5 56. **Attorneys' Fees And Costs.**

6 Except as otherwise provided in this Agreement, the Parties will bear responsibility for their
7 own attorneys' fees and costs, taxable or otherwise, incurred by them or arising out of this Action
8 and will not seek reimbursement thereof from any Party to this Settlement Agreement. In the event
9 of a proven breach of this Agreement, the breaching party will be required to pay the prevailing
10 Party's reasonable attorneys' fees and costs incurred in enforcing this Agreement.

11 **IT IS SO AGREED:**

12 Dated: _____ PLAINTIFF PERLA FELICIANO

13
14 _____
15

16
17 Dated: April 25, 2023 TRUE ORGANIC PRODUCTS, INC.

18
19
20 By: Ana Carreno
21 Its: Ana Carreno, VP HR

22 APPROVED AS TO FORM ONLY:

23 Dated: _____ MOON & YANG, APC

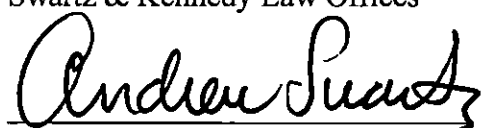
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27 Kane Moon
28 Enzo Nabiev
Attorneys for Plaintiff

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APPROVED AS TO FORM ONLY:

Dated: April 25, 2023

Swartz & Kennedy Law Offices



Andy Swartz

Attorneys for Defendant
True Organic Products, Inc.

55. **Representation By Counsel.**

All of the Parties hereto acknowledge that they have been represented by counsel throughout all negotiations which preceded the execution of this Settlement Agreement and that this Agreement has been executed with the consent and advice of counsel.

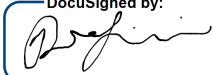
56. **Attorneys' Fees And Costs.**

Except as otherwise provided in this Agreement, the Parties will bear responsibility for their own attorneys' fees and costs, taxable or otherwise, incurred by them or arising out of this Action and will not seek reimbursement thereof from any Party to this Settlement Agreement. In the event of a proven breach of this Agreement, the breaching party will be required to pay the prevailing Party's reasonable attorneys' fees and costs incurred in enforcing this Agreement.

IT IS SO AGREED:

Dated: 4/26/2023

PLAINTIFF PERLA FELICIANO

DocuSigned by:

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Dated: _____

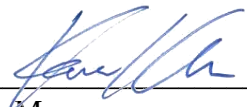
TRUE ORGANIC PRODUCTS, INC.

By: _____
 Its: _____

APPROVED AS TO FORM ONLY:

Dated: 04/26/2023

MOON & YANG, APC


 Kane Moon
 Enzo Nabiev
 Attorneys for Plaintiff

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Dated: _____

Swartz & Kennedy Law Offices

Andy Swartz

Attorneys for Defendant
True Organic Products, Inc.

EXHIBIT A

[CLAIMS ADMINISTRATOR LETTERHEAD]

Mailing Date

NOTICE OF SETTLEMENT

Re: *Feliciano v. True Organic Products, Inc., et al.* Case No. 22CV003076, filed on October 11, 2022, (the “Lawsuit”)

[claims admin info]

You have received the enclosed check because you have been identified as a member of the PAGA Group in connection with the Settlement of the above-referenced lawsuit brought by a former employee Perla Feliciano (“Plaintiff”) against True Organic Products, Inc. (“Defendant”) for civil penalties pursuant to the Private Attorneys General Act, Labor Code § 2698 et seq. (“PAGA”).

Plaintiff claimed he and other non-exempt employees of Defendant employed anytime from October 7, 2021 through April 11, 2023, (“PAGA Group”) were subjected to various Labor Code violations. Defendant denies all allegations and liability, but to avoid further time and expense of protracted and uncertain litigation, Defendant and Plaintiff have agreed to settle the lawsuit for civil penalties. The settlement, approved by the Court on [DATE], resolves the claims brought on behalf of the PAGA Group.

Pursuant to the Court’s Order, a payment of \$174,340.00 was approved in settlement of this lawsuit. Upon the date of entry of such Order, and payment of all funds due under this Settlement, the LWDA and PAGA Settlement Members, including Plaintiff, fully release and forever discharge Defendant and the Released Parties from any and all Released Claims defined as any and all claims for PAGA penalties that were asserted in Plaintiff’s PAGA Notice, submitted on October 7, 2022 or Plaintiff’s operative complaint in Plaintiff’s Action, and all PAGA Claims that could have been alleged based on the facts as alleged in the PAGA Notice and Plaintiff’s Action. The released claims include, but are not limited to PAGA claims for alleged violations of Labor Code sections 201, 202, 203, 204, 210, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197.1, 1197.1, 1198, 2802, 2699(f)(2), and the applicable IWC Wage Orders, and any resulting claim for attorneys’ fees and costs under PAGA. The Released Parties include Defendant, and each of its respective current and former, direct and indirect owners, parents, subsidiaries, brother-sister companies, and all other affiliates and related entities, and their current and former partners, officers, directors, employees, attorneys, agents, and other related parties. This release does not extend to any individual claims.

After accounting for Plaintiff’s Counsel’s attorneys’ fees of \$58,113.33 and reimbursement of litigation costs of \$[REDACTED], and settlement administration costs of \$[REDACTED], the remaining sum (“PAGA Payment”) will be divided pursuant to California law as follows: \$[REDACTED] (75%) to the State of California Labor Workforce Development Agency and \$[REDACTED] (25%) to all PAGA Group employees to be shared on a proportionate basis. The enclosed check represents your share based upon the number of Pay Periods you worked any time during the period from October 7, 2021, and April 11, 2023 (“PAGA Period”). An IRS 1099 form is enclosed. You will be solely responsible for paying federal, state, or local taxes, if any, on the amount of your check.

Regardless of whether you negotiate the enclosed check, each PAGA Settlement Employee shall fully release Defendant the Released Claims.

Nothing in the settlement agreement releases any claims for wages that an employee might have against the employer.

Your enclosed check is valid for 180 days from the date of its issuance. ***It is strongly recommended that you cash or deposit this check immediately.*** After that date, you cannot cash the check and it will be null and void and the amount forwarded to the State of California Controller's Office Unclaimed Property Division for further handling. **Even if you fail to cash the enclosed check, you will still be deemed to have waived all claims arising from the Lawsuit, including all claims set forth in the release of claims described above.**

If the check is lost or misplaced, please contact the Administrator immediately, [xxx-xxx-xxxx] to have it reissued. If you have any questions about your check, please contact the [insert administrator information].

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE