

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Settlement”) is made and entered into between Plaintiff Cassandra Hall-LePrevost (“Plaintiff”), acting in her capacity as private attorney general, and Defendants Cannaco Research Corporation, Ann Lawrence-Athey and VFARM1509, Inc. (“Defendants”).

I. DEFINITIONS

The following terms, when used in this Settlement, shall have the following meanings:

1. “*Hall-LePrevost Action*” means the matter entitled *Hall-LePrevost v. Cannaco Research Corporation et. al*, Los Angeles Superior Court, Case No. 23STCV00756 and set forth in Plaintiff’s correspondence to the LWDA, dated October 27, 2022 and the Complaint.

2. “Complaint” means the operative complaint filed in the *Hall-LePrevost Action*.

3. “Court” means the Superior Court of California for the County of Los Angeles.

4. “Defendants” means Cannaco Research Corporation, Ann Lawrence-Athey and VFARM1509.

5. “Effective Date” means the date upon which the Court enters an Order approving the Settlement. If the Effective Date falls on a non-court day (weekend or holiday), the Effective Date will be designated as the next court day.

6. “Individual Settlement Payment” means the amount to be paid to each PAGA Group Member based on the formula described herein.

7. “LWDA” means the California Labor and Workforce Development Agency.

8. “Gross Settlement Amount” is the non-reversionary sum of Twenty-Five Thousand Dollars (\$25,000), which represents the total amount payable under this Settlement by Defendants, including, without limitation, payments to all PAGA Group Members, payment to the LWDA, payment of Plaintiff’s attorneys’ fees and costs, payment of Plaintiff’s enhancement awards, and payment to the Settlement Administrator for administration costs.

9. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and PAGA Group Members after the following amounts (subject to Court approval) are subtracted from the Gross Settlement Amount: (a) Plaintiff’s attorneys’ fees of Five Thousand Dollars (\$5,000.00) (b) representative incentive award of Three Thousand Dollars (\$3,000.00) to Plaintiff; and (d) reasonable third-party administration costs up to \$3,832.00).

10. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code section 2698, *et seq.*

11. “PAGA Group Members” consist of all non-exempt California employees who worked for Cannaco Research Corporation at any time from October 27, 2021, through the date of the Court Order granting approval of the Settlement.

12. “PAGA Released Claims” mean all claims that were or could have been alleged under the PAGA based on the facts alleged in the Complaint, including, but not limited to any PAGA claim for violation of California Labor Code sections 201-203, 204, 210, 226, 226(a), 226.3, 226.7, 351, 510, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197.1, 1198, 2802 and 2804, Cal. Code Regs., Title 8 § 11040, the IWC Wage Orders and all claims that were or could have been alleged based on the facts alleged in the Complaint and any similar claims and any related state statutory and/or civil penalties, which were alleged or could have been alleged based on the facts of the Complaint, for the Settlement Period, including but not limited to failure to pay minimum wage; failure to pay for all time worked, including pre and post shift activities; failure to pay employees on a timely basis; failure to pay overtime; failure to provide compliant off-duty meal and/or rest breaks; failure to pay premiums for non-compliant meal and/or rest breaks; unlawful auto-deductions for meal breaks; unlawful rounding; failure to provide suitable seating as required under California law; failure to provide all gratuities received; failure to reimburse for all reasonable and necessary business expenses; and failure to provide employees with complaint wage statements.

13. “Plaintiff’s Counsel” means David Greifinger and Calvin Marshall of Law Offices of David Greifinger and Mark Ozzello of The Ozzello Practice, PC.

14. “Settlement Administrator” means Simpluris.

15. “Settlement Period” means the time period from October 27, 2021, through the date of the Court Order granting approval of the Settlement.

16. “Released Parties” means Defendants and all entities affiliated with them, including Defendants, and all officers, directors, representatives, owners, partners, subsidiaries, parent companies, joint venturers, clients, customers, joint employers, predecessors, managers, servants, successors-in-interest, assigns, current and former employees of the Defendants, agents, insurers, attorneys and all persons or entities acting in concert with or affiliated with any of them.

II. RECITALS

1. Plaintiff alleges in the Complaint that Defendants: (i) failed to pay minimum wages for all hours worked, including but not limited to pre and post shift activities; (ii) failed to pay employees on a timely basis; (iii) failed to pay gratuities received (iv) failed to pay overtime; (v) failed to provide compliant off-duty meal and rest breaks and to pay premiums for failure to provide compliant breaks; (vi) failed to provide suitable seating as required under California law; (vii) failed to reimburse for all reasonable and necessary business expenses; and (viii) failed to provide employees with complaint wage statements, and is therefore liable for civil penalties under PAGA. Defendants deny these allegations and, in making this Settlement, Defendants do not admit the sufficiency of any claims, allegations, assertions, or contentions made against it in the *Hall-LePrevost* Action. Plaintiff also alleges these same Labor Code claims only on her individual behalf.

2. On January 13, 2023, Plaintiff filed a PAGA Complaint titled *Hall-LePrevost v. Cannaco Research Corporation et. al*, Los Angeles Superior Court, Case No. 23STCV00756 against Defendants Cannaco Research Corporation and Ann Lawrence Athey. On March 17, 2023, Plaintiff amended the Complaint to add Defendant VFARM1509, Inc.

3. In response to Plaintiff's Counsel's informal discovery requests made pursuant to mediation, Defendant provided Plaintiff's Counsel with information and documents pertaining to Plaintiff and other PAGA Group Members in order for Plaintiff's Counsel to investigate Plaintiff's allegations and value the PAGA claim. This was in addition to the formal discovery which was conducted.

4. On November 6, 2023, the Parties participated in a full-day mediation with Kevin Barnes. With the assistance of Mr. Barnes, the Parties agreed to resolve the PAGA Released Claims fully and finally as to Plaintiff and the PAGA Group Members.

III. OPERATIVE TERMS OF SETTLEMENT

The Parties agree as follows:

1. **Non-Admission.** Nothing in this Settlement shall be construed to be an admission by Plaintiff that her claims do not have merit or by Defendants of any liability or wrongdoing as to Plaintiff, PAGA Group members, or any other person, and Defendants specifically disclaim any such liability or wrongdoing. The Parties have entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses and risks. This Settlement and any related court documents or orders are not evidence of liability, and may not be, cited or admitted as such.

2. **Gross Settlement Amount.** Defendants shall pay Twenty-Five Thousand Dollars (\$25,000.00) as the non-reversionary Gross Settlement Amount. The Gross Settlement Amount shall be used to satisfy all Defendants' liabilities arising from the settlement, including (a) the payment of PAGA Penalties, 75% of which shall be paid to the Labor and Workforce Development Agency ("LWDA") and 25% of which shall be distributed to the PAGA Group Members, (b) interest, (c) administrator costs, (d) Plaintiff's attorneys' fees and costs, and (e) the incentive award for Plaintiff. Defendants will not pay more than the Gross Settlement Amount. Defendant shall deposit the Gross Settlement Amount with the Settlement Administrator Fifteen (15) calendar days after the Effective Date.

3. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the Gross Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to distribute to the LWDA and PAGA Group Members:

a. **Plaintiff's Attorneys' Fees and Costs.** Defendants will not oppose Plaintiff's request for attorneys' fees in the amount of \$5,000.00. In the event the Court approves a payment of less than these amounts, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report these payments on IRS Form 1099 issued to Plaintiff's Counsel.

b. **Plaintiff's Incentive Awards.** Defendants will not oppose Plaintiff's request for an incentive award in the amount of \$3,000.00 for her service to the State of California and the PAGA Group Members, and the risk Plaintiff undertook by attaching her names to this Action. In the event the Court approves a payment of less than the requested amount, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report this payment on IRS Form 1099 issued to Plaintiff.

c. Administration Costs. Defendants will not oppose the Settlement Administrator's costs in the amount up to \$3,832.00 for administering the Settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report this payment on IRS Form 1099 issued to the Settlement Administrator.

4. Allocation of Net Settlement Amount. The Net Settlement Amount shall be distributed 75 percent to the LWDA and 25 percent in individual settlement payments to the PAGA Group Members, pursuant to Labor Code section 2699(i). The 25% portion to be paid to PAGA Group Members shall be paid to all PAGA Group Members.

Individual Settlement Payments to PAGA Group Members shall be calculated and distributed based on their proportionate number of pay periods during the Settlement Period, by multiplying 25 percent of the Net Settlement Amount by a fraction, the numerator of which is the PAGA Group Members' total pay periods during the Settlement Period, and the denominator of which is the total number of pay periods by all PAGA Group Members during the Settlement Period.

5. PAGA Released Claims. Plaintiff agrees that upon entry of an Order approving the Settlement and full funding of the Gross Settlement Amount (whichever is later), Plaintiff and the PAGA Group Members will release any and all PAGA Released Claims against the Released Parties that arose during the Settlement Period. Upon entry of the Order approving the Settlement and judgment entered thereon, Plaintiff and the PAGA Group Members will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the Settlement Period against the Released Parties. This release will become effective upon the Effective Date and full funding of the Gross Settlement Amount (whichever is later).

6. Covenants and Representations by Plaintiff.

a. Plaintiff represents and warrants that she has not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement.

b. Plaintiff acknowledges that she has read this Settlement, that she fully understands her rights, privileges and duties under the Settlement, and enters into this Settlement freely and voluntarily. Plaintiff further acknowledges that she had the opportunity to consult with her attorneys to explain the terms of this Settlement and the consequences of signing this Settlement.

7. Confidentiality. Except as provided below, to the extent necessary to effectuate the Settlement or as required by court or legal process, Plaintiff and her counsel warrant that prior to the filing of the motion for approval of this Settlement by the Court she will not disclose, disseminate and/or publicize, cause or permit to be disclosed, disseminated or publicized, any of the terms of this Settlement directly or indirectly, specifically or generally, to any person, corporation, association, governmental agency, or other entity except: (1) to her attorneys, accountants, or spouses, all of whom will also be instructed to keep this Settlement confidential; (2) to the extent necessary to report income to appropriate taxing authorities; (3) in response to an order of a court of competent jurisdiction or a subpoena issued under the authority thereof; or (4)

in response to an inquiry or subpoena issued by a state or federal governmental agency. It is understood and agreed that notice of receipt by Plaintiff of any such judicial or agency order, inquiry or subpoena shall immediately be communicated by the recipient to counsel for Defendants telephonically or by email, and then confirmed immediately thereafter in writing, so that Defendants will have an opportunity to intervene to assert what rights they may have to non-disclosure prior to responses to said order, inquiry or subpoena. Plaintiff specifically warrants that she will not directly or indirectly initiate any conversation or other communication with any person regarding this Settlement, or the matters giving rise to this Settlement prior to the filing of the motion for approval of this Settlement by the Court. If asked about this Settlement or the matters giving rise to this Settlement, Plaintiff shall respond by stating only that “the matter was resolved,” or words to that effect.

To permit judicial review and approval of the Settlement, as required by Labor Code section 2698, *et seq.*, Plaintiff’s Counsel will file the Settlement with the Court and submit the Settlement to the LWDA as part of the Parties’ seeking Court approval of the Settlement, per Labor Code section 2699(1)(2).

8. **Publicity.** Neither side shall publicize the settlement, including but not limited to communications through any social media, unless so ordered by the Court.

9. **Judgment.** As part of the Motion to approve the Settlement, Plaintiff shall submit a proposed order and judgment which enters judgment in the *Hall-LePrevost* Action in accordance with the terms of the Settlement and which retains jurisdiction of the Court over the Action for the purpose of enforcing the terms of the Settlement following approval of the Settlement. This Settlement is expressly conditioned upon the Court entering an order as set forth herein and full funding of the Gross Settlement Amount by Defendants. The order will not release or bar any claims other than the PAGA Released Claims as to Plaintiff and PAGA Group Members. The Parties agree to reasonably cooperate in preparing any other filings required by the Court for the approval of this Settlement.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties agree to use Simpluris to handle the administration of this Settlement.

2. **Provision of Information for PAGA Group Members.** Within 15 calendar days after the Effective Date, Defendants shall provide the Settlement Administrator with information for PAGA Group Members. Defendants will, in good faith, compile from its records a list of PAGA Group Members that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and shall include each PAGA Group Member’s full name, last known mailing address, last known telephone number, start date(s) of employment, end date(s) of employment, number of pay periods during the Settlement Period, and Social Security numbers. Because Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement.

Within fifteen (15) business days of receiving the PAGA Group Members’ information from Defendants, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the Individual Settlement Payments to each PAGA Group

Member and the data used to calculate said payments. The Settlement Administrator shall obtain approval from all counsel for the Parties of the calculations before mailing Individual Settlement Payments.

3. **Explanatory Letter and Individual Settlement Payments.** Upon receipt of the information for PAGA Group Members, the Settlement Administrator will perform a search on the National Change of Address database to update the PAGA Group Members' addresses.

Within fifteen (15) business days after the Gross Settlement Amount is deposited, the Settlement Administrator shall mail copies of the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, along with the Payments to all PAGA Group Members via First-Class U.S. Mail.

The Parties agree that there is no statutory right for any PAGA Group Member to opt out or otherwise exclude himself or herself from the Settlement.

Each Individual Settlement Payment shall be deemed penalties and reported using IRS Form 1099. Checks will remain negotiable for one hundred eighty (180) days from the date they are mailed by the Settlement Administrator. Any check that is not negotiated within one hundred eighty (180) days of mailing to a PAGA Group Member shall be cancelled.

4. **Undeliverable Letters.** Any Explanatory Letters returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Explanatory Letter. If an updated mailing address is identified, the Settlement Administrator shall resend the Explanatory Letter to the PAGA Group Member immediately, and in any event within five (5) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each PAGA Group Member.

Defendants fully discharge their obligations to those PAGA Group Members to whom they will pay an Individual Settlement Payment through the Settlement Administrator's initial mailing of a check, regardless of whether such checks are actually received and/or negotiated by PAGA Group Members.

5. **Payment of Remainder.** Within (10) business days after the Gross Settlement Amount is deposited, the Settlement Administrator will mail the following payments: (1) the 75% share of the Net Settlement Fund to the LWDA; (2) Court-approved attorneys' fees and costs to Plaintiff's Counsel; (3) Court-approved incentive payment to Plaintiff; and (4) Court-approved administration costs to the Settlement Administrator.

6. **Uncashed Checks.** The total amount from any settlement checks remaining uncashed after one hundred and eighty (180) days shall be transmitted to the LWDA.

7. **Tax Consequences.** Individual Settlement Payments made under this Settlement will be attributed 100% as penalties and interest. IRS Form 1099 shall be only be issued to a PAGA Group Member if their Individual Settlement Payment meets or exceeds the IRS reporting

requirement. The PAGA Group Members shall be responsible for paying all applicable state, local and federal income taxes on amounts received pursuant to this settlement and they shall not seek indemnification from Defendants in this regard. In the event any taxing authority asserts that the characterization of the settlement payments hereunder are inappropriate and/or any Neither Plaintiff nor Defendants, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement.

V. MISCELLANEOUS PROVISIONS

1. **Successors.** This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, and successors.

2. **Governing Law.** This Settlement shall be construed under and governed by the laws of the State of California, without regard to choice of law principles. All questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement, it shall be brought in the State of California, County of Los Angeles.

3. **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 them and contains all terms and conditions pertaining to the compromise and settlement of the Action. This Settlement cannot be amended or modified except by a writing signed by the Parties hereto.

4. **Nullification of Settlement.** In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions.

5. **Judgment and Continued Jurisdiction.** After approval of this Settlement, the Court will have continuing jurisdiction per California Code of Civil Procedure section 664.6 solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement; (ii) settlement administration matters; and (iii) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement.

6. **Amendment or Modification.** This Settlement may be amended or modified only by a written instrument, signed by the Parties or their successors-in-interest or counsel for the Parties.

7. **Authorization to Enter into Settlement.** Counsel for the Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. If they are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of Kevin Barnes to resolve such disagreement.

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

9. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Settlement is a fair, adequate and reasonable settlement of the Action, and have arrived at this Settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

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

11. **Severability.** If any term or provision of this Settlement is held to be invalid or unenforceable, the remaining portions of this Settlement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Settlement, to the extent necessary to permit the Gross enforceability or validation of the term or provision.

12. **Waiver.** No waiver of any condition or covenant contained in this Settlement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

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

14. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. Accordingly, this Settlement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement.

15. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and this Settlement has been executed with the consent and advice of counsel and reviewed in full.

16. **Cooperation and Execution of Necessary Documents.** The Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement. The Parties agree to work cooperatively, diligently and in good faith to ensure

that all documents necessary to seek the Court's approval of this Settlement are timely filed. Plaintiff agrees to provide Defendants with a draft of her approval motion and supporting documents five court days prior to filing for Defendants' review.

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

18. **Denial of Liability.** The Parties expressly recognize that this Settlement does not in any way constitute an admission or concession of wrongdoing on the part of Defendants. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of the *Hall Le-Prevost* Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement may be used in any Court proceeding that has as its purpose the interpretation, implementation or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

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[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS THEREOF, the Parties to this Settlement each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

CASSANDRA HALL-LEPREVOST

Date: January____, 2024

By: 
Cassandra Hall-LePrevost (Jan 24, 2024 08:48 PST)
Cassandra Hall-LePrevost
Plaintiff

CANNACO RESEARCH CORPORATION

Date: January____, 2024

By: _____
Name: _____
Title: _____
Cannaco Research Corporation
Defendant

ANN LAWRENCE ATHEY

Date: January____, 2024

By: _____
Ann Lawrence Athey
Defendant

VFARM1509, INC.

Date: January____, 2024

By: _____
Name: _____
Title: _____
VFARM1509, Inc.
Defendant

IN WITNESS THEREOF, the Parties to this Settlement each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

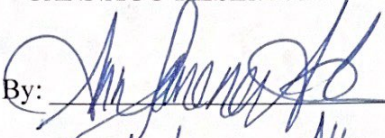
CASSANDRA HALL-LEPREVOST

Date: January _____, 2024

By: _____
Cassandra Hall-LePrevost
Plaintiff

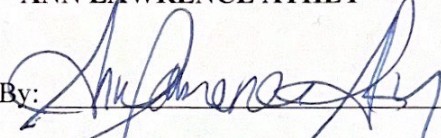
CANNACO RESEARCH CORPORATION

Date: January 30, 2024

By:  _____
Name: Ann Lawrence Athey
Title: CEO
Cannaco Research Corporation
Defendant

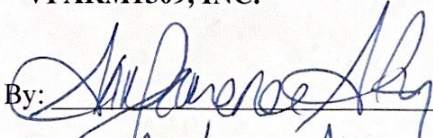
ANN LAWRENCE ATHEY

Date: January 30, 2024

By:  _____
Ann Lawrence Athey
Defendant

VFARM1509, INC.

Date: January 30, 2024

By:  _____
Name: Ann Lawrence Athey
Title: CEO
VFARM1509, Inc.
Defendant

APPROVED AS TO FORM AND CONTENT:

Date: January 24, 2024

By: 
The Law Offices of David R. Greifinger
Attorney for Plaintiff Cassandra Hall-
LePrevost and PAGA Group Members

**CONSTANGY, BROOKS, SMITH &
PROPHETE, LLP**

February
Date: ~~January~~ 1, 2024

By: 
Regina A. Musolino
Attorney for Defendants
Cannaco Research Corporation, Ann
Lawrence-Athey and VFARM1509, Inc.

EXHIBIT A

<<MailingDate>>

<<EmployeeName>>

<<Address1>> <<Address2>>

<<City>>, <<State>> <<Zip>>

**Re: Payment From *Cassandra Hall-Leprovost, v. Cannaco Research Corporation, et. al.*,
Los Angeles County Superior Court Case No. 23STCV00756**

Dear <<EmployeeName>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Cassandra Hall-Leprovost v. Cannaco Research Corporation, et. al.*, Los Angeles County Superior Court Case No. 23STCV00756 (the “Action”).

The Action was filed against Defendants Cannaco Research Corporation, Ann Lawrence-Athey, and VFARM1509 (“Defendants”), under the California Private Attorneys General Act of 2004, California Labor Code section 2698 et seq. (called “PAGA”). The Action was brought by a former employee of Cannaco on behalf of the State of California and all allegedly “aggrieved employees” of Defendants. You have been identified as one of the employees on whose behalf the case was brought.

The Plaintiff in the Action claimed that Defendants owed civil penalties recoverable under PAGA for alleged violations of the California Labor Code and California Wage Orders.

Defendants deny that they violated the Labor Code or California Wage Orders. The Court has not made a determination about the merits of Plaintiff’s claims. This Notice is not to be understood as an expression of any opinion by the Court as to the merits of Plaintiff’s claims. Moreover, in agreeing to this settlement, Defendants do not admit that they are liable in any way for any penalties.

The Court has not ruled on the merits of the Action, but it has approved the settlement of PAGA civil penalties, of which 75 percent will be paid to the California Labor and Workforce Development Agency, and the remaining 25 percent will be paid to aggrieved employees. Under the settlement, enclosed is a check for your share of a portion of the civil penalties. Because this calculation was approved by the Court, the amount of your payment is final and cannot change. The settlement is non-wage penalties and, if applicable, is reported on an IRS Form 1099 (enclosed). Checks will remain valid for one hundred eighty (180) days from the date they are mailed by the Settlement Administrator. Any check that is not cashed within one hundred eighty (180) days of mailing to a PAGA Group Member shall be cancelled and the amount of your check will be remitted to California’s Labor Workforce & Development Agency.

As part of this settlement, the PAGA Group Members release all claims that were or could have been alleged under the PAGA based on the facts alleged in the Complaint, including, but not limited to any PAGA claim for violation of California Labor Code sections 201-203, 204, 210, 226, 226(a), 226.3, 226.7, 351, 510, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197.1, 1198, 2802 and 2804, Cal. Code Regs., Title 8 § 11040, the IWC Wage Orders and all claims that were or could have been alleged based on the facts alleged in the Complaint and any similar claims and any related state statutory and/or civil penalties, which were alleged or could have been alleged based on the facts of the Complaint, for the Settlement Period. The Settlement Period for this lawsuit is defined as October 27, 2021 through the date of the Court Order granting approval of the Settlement. **You are bound by the settlement and release of PAGA claims based on the Court’s final judgment, regardless of**

whether you cash or deposit the enclosed check. This means that you are not able to pursue or recover under a PAGA lawsuit against Defendants based on such claims for the time period covered by this settlement.

Aggrieved employees, other than Plaintiff, will not be deemed to have released any individual wage and hour claims based on alleged violations of the Labor Code or of a California Wage Order, for which they have a private right of action, by virtue of the Settlement.

You are not a party to this lawsuit, but you and the State of California will be bound by the settlement in this matter as to civil penalties. If you have any questions, you can contact the settlement administrator (whose contact information is at the top of this letter). You may also contact Plaintiff's Counsel, The Law Offices of David R. Greifinger at (424) 330-0193 or Defendants' Counsel, Constangy, Brooks, Smith & Prophete LLP at (310) 909-7775

Very Truly Yours,

Claims Administrator.