

SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS AND RIGHTS

Parties. This Settlement Agreement and Release of Claims and Rights (the “Agreement” or the “Settlement”), is entered into as of the 27th day of July, 2020, by and between: (a) plaintiffs Richard Winters (“Winters”) and Jake Gruber (“Gruber”) (collectively “Plaintiffs”), on behalf of themselves and as class representatives acting on behalf of the Class Members defined below; and (b) Forbidden Fruit Ciderhouse, LLC, doing business as 2 Towns Ciderhouse, erroneously sued and named as defendant in the Winters Action (defined below) as “Two Towns Ciderhouse Inc.” (“2 Towns” or “Defendant”). Plaintiffs and 2 Towns are each referred to herein as a “Party” and collectively as the “Parties.” This Agreement is intended by the Parties to finally and fully compromise, settle and forever resolve all claims specified below, subject to the terms and conditions herein.

Recitals.

WHEREAS, on March 12, 2020, Winters filed a Class Action Complaint in the United States District Court, Southern District of California (the “Court”), captioned as *Richard Winters v. Two Towns Ciderhouse Inc.*, Case No. 3:20-cv-00468-BAS-BGS, alleging violations of California’s False Advertising Act (Cal. Bus. & Prof. Code §§ 17500, *et seq.*) and Unfair Business Practices Act (Cal. Bus. & Prof. Code §§ 17200 *et seq.*) (the “Winters Action”).

WHEREAS, on May 26, 2020, Winters filed a First Amended Class Action Complaint, alleging violations of California’s False Advertising Act (Cal. Bus. & Prof. Code §§ 17500, *et seq.*), Unfair Business Practices Act (Cal. Bus. & Prof. Code §§ 17200, *et seq.*) and Consumer Legal Remedies Act (Cal. Civ. Code § 1750, *et seq.*).

WHEREAS, on July 16, 2020, Winters and Gruber filed a Second Amended Class Action Complaint, adding Gruber as a plaintiff and class representative, alleging violations

of California's False Advertising Act (Cal. Bus. & Prof. Code §§ 17500, *et seq.*), Unfair Business Practices Act (Cal. Bus. & Prof. Code §§ 17200, *et seq.*) and Consumer Legal Remedies Act (Cal. Civ. Code § 1750, *et seq.*). (The Second Amended Complaint, as filed, shall be referred to herein as the "Complaint.")

WHEREAS, Plaintiffs seek to represent a national class of individuals, as defined in section 1.7, who purchased 2 Towns' Products as consumers within four years prior to the filing of the original Complaint until the Class Notice Date.

WHEREAS, 2 Towns denies the allegations in the Complaint and denies that it committed or has threatened to commit any violations of law or has engaged in wrongful conduct with respect to Plaintiffs, and further denies that the Winters Action was appropriately asserted as a putative class action, and denies that 2 Towns has committed or threatened to commit any violation of law or has engaged in wrongdoing with respect to the putative class and sub-class alleged in the Complaint. In addition, 2 Towns maintains that it has meritorious defenses to the claims alleged in the Complaint and was prepared to vigorously defend the Winters Action. Nonetheless, 2 Towns has agreed, despite its belief that it is not liable for any claim asserted against it, and that it has good defenses thereto, to enter into this Agreement in order to avoid further expense, inconvenience, and the distraction of litigation, and to be free of further participation in, and any further controversy with respect to, the Released Claims and the Winters Action. Accordingly, the provisions contained in this Agreement shall not be deemed a presumption, concession or admission by 2 Towns of any fault, liability, or wrongdoing, nor used as evidence against 2 Towns in any other action or proceeding, whether civil, criminal or administrative.

WHEREAS, Plaintiffs believe that the claims asserted in the Complaint have merit. Nonetheless, Plaintiffs and Class Counsel recognize and acknowledge the uncertainty, risks and delays associated with complex litigation and the substantial risk, delay and

expense in continuing to prosecute the Winters Action against 2 Towns through dispositive motions, class certification, trial and any subsequent appeals.

WHEREAS, following the filing of the Winters Action, counsel for 2 Towns and counsel for Plaintiffs engaged in informal discovery exchanges, including exchange of sales data, product data, accounting records, packaging samples, and other documents and records.

WHEREAS, after engaging in substantial information exchanges and informal discovery, Plaintiffs and 2 Towns engaged in arms-length negotiations at a private mediation held on June 5, 2020, with the assistance of the Hon. Andrew J. Guilford (Ret.) of Judicate West. The mediation lasted the entire day. At the mediation, the Parties and the mediator analyzed the relevant legal issues in regard to the claims and defenses asserted in the Winters Action, but were unable to reach agreement. Subsequent to the mediation, the Parties provided additional points and authorities and information, and the mediator thereafter issued a Mediator's Proposal, which both Parties accepted, thus resolving the claims raised in the Winters Action, subject to Court approval.

WHEREAS, based upon extensive analysis of facts and law applicable to the claims in the Winters Action, and taking into account the burdens and expense of such litigation – including the risks and uncertainties associated with protracted trial and appeals – as well as the fair, cost-effective and assured method of resolving the claims of the Class Members, Plaintiffs and Class Counsel have concluded that the terms and conditions of this Agreement are fair, reasonable, and adequate to the Class Members, and that it is in the best interests of the Class Members to settle the claims raised in the Winters Action pursuant to the terms and provisions of this Agreement, as it will promptly provide them with their requested injunctive relief and other relief.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Plaintiffs and 2 Towns have settled because

they consider it to be in their best interests to settle and dispose of, fully and completely, any and all claims, demands and causes of action between them up to and including the date of this Agreement, as well as all claims, demands, and causes of action heretofore or hereafter arising out of, connected with, or incidental to, the Winters Action, to the extent such claims, demands, and causes of action are held by Class Members (as defined below) for the Class Period (as defined below), including, without limitation on the generality of the foregoing, any and all claims, demands and causes of action reflected in the Winters Action, and any and all of the facts and circumstances giving rise to the Winters Action.

1. Definitions.

1.1 “Agreement” means this Settlement Agreement and Release of Claims and Rights.

1.2 “CAFA Notice Date” means 14 days after the Preliminary Approval Date.

1.3 “Claims Administrator” means Postlethwaite & Netterville, APAC (“P&N”).

1.4 “Claims Deadline” means 90 calendar days after the beginning of the Class Notice Date.

1.5 “Claim Form” means the form to be completed and returned to the Claims Administrator by the Claims Deadline.

1.6 “Class Counsel” means the Law Offices of Todd M. Friedman, P.C.

1.7 “Class Members” means all persons within the United States who purchased the following 2 Towns Products as consumers within four years prior to the filing of the original Complaint until the Class Notice Date: Bright Cider, Easy Squeezy, Pacific Pineapple, Made Marion, Ginja Ninja, or Outcider, Bad Apple, Cherried Away, Cot in the

Act, Sun's Out Saison, Nice & Naughty, Rhubarbarian, Pearadise, Prickly Pearadise, Serious Scrump, and Imperial Hop & Stalk. Excluded from the class are 2 Towns and its employees and agents.

1.8 "Class Notices" means the Class Notice publication plan disseminated and overseen by the Claims Administrator, which shall be published via radio advertisements, online internet banner ads, newspaper ads, and press release as well as via the creation of a class website with a long-form class notice. Copies of notice documents are attached hereto as Exhibits A-D.

1.9 "Class Notice Date" means twenty (20) days after the Preliminary Approval Date.

1.10 "Class Notice Period" means the period from the Class Notice Date until 60 days thereafter.

1.11 "Class Period" means the period commencing on March 12, 2016 through the Class Notice Date.

1.12 "Class Representatives" means Richard Winters and Jake Gruber.

1.13 "Court" means the United States District Court for the Southern District of California.

1.14 "Defense Counsel" means the law firm of "Coblentz Patch Duffy & Bass LLP".

1.15 "Effective Date" means the first date after which *all* of the following events and conditions have been met or have occurred or have been mutually waived by written agreement of the Parties:

1.15.1 All Parties have executed this Agreement;

1.15.2 The Court has entered the Preliminary Approval Order (which shall be substantially the same as the form of Exhibit E attached hereto);

1.15.3 The Court has entered in the Winters Action the Final Judgment (which shall be substantially the same as the form of Exhibit F attached hereto);
and

1.15.4 There has occurred: (i) the passage of five (5) days following the entry of the Final Judgment and no formal objections to its entry were filed; (ii) in the event that one or more formal objections to entry of the Final Judgment are timely filed, the expiration of the time to appeal from the Final Judgment without the filing or notice of an appeal; (iii) the final non-appealable dismissal of any appeal from the Final Judgment; (iv) if a ruling or decision has been entered by an appellate court affirming the Final Judgment in a form substantially identical to the original, the time to petition for rehearing by the Court of Appeals or for review by the United States Supreme Court with respect to such ruling or decision has expired without the filing of a petition for rehearing by the Court of Appeals or for review by the United State Supreme Court; and (v) if a petition for rehearing by the Court of Appeals and/or for review by the United States Supreme Court with respect to the Final Judgment has been filed, each such petition has been denied or, if granted, has resulted in affirmance of the Final Judgment in a form substantially the same as the form of the Final Judgment entered by the Court.

1.16 “Final Judgment” means a judgment issued by the United States District Court for the Southern District of California, substantially in the form of Exhibit F, giving final approval to the Agreement without material change.

1.17 “Final Fairness Hearing” means a hearing before the Court for final approval of this Agreement.

1.18 “Objection and Opt-Out Date” means seventy-five (75) calendar days after the Class Notice Date.

1.19 “Preliminary Approval Date” means the date on which the Court enters an order preliminarily approving this Agreement, or the date the tentative decision is confirmed by the Court (including the date and time for the final approval hearing), whichever is earlier, preliminarily approving the proposed settlement of the Winters Action in accordance with the terms of this Agreement, conditionally certifying the Settlement Class, and approving the manner and method of Class Notice.

1.20 “Preliminary Approval Order” shall mean the Court’s entry of an order substantially in the form of Exhibit E, preliminarily approving the timing, content, and manner of the Class Notice, conditionally certifying the Settlement Class, preliminarily approving this Agreement and the terms of settlement contained herein, and enjoining the commencement or continued prosecution by any Releasing Parties of any Released Claim against any Released Parties.

1.21 “Products” means the following 2 Towns products: Bright Cider, Easy Squeezy, Pacific Pineapple, Made Marion, Ginja Ninja, Outcider, Bad Apple, Cherried Away, Cot in the Act, Sun’s Out Saison, Nice & Naughty, Rhubarbarian, Pearadise, Prickly Pearadise, Serious Scrump, and Imperial Hop & Stalk.

1.22 “Released Claims” means any and all claims, rights, demands, causes of action, suits, debts, liens, contracts, liabilities, agreements, costs, expenses, or losses, of whatever nature, and damages, restitution, or injunctive or other legal or equitable relief, whether asserted or unasserted, whether known or unknown, in connection with or that arise out of or relate in any manner whatsoever, in whole or in part, to any claim or legal arguments asserted, or that could have been asserted, in the Winters Action, including any claim based on any alleged false or misleading advertising in connection with the Products by any Released Party from March 12, 2016 through the Class Notice Date.

1.23 “Releasing Parties” means Plaintiffs, Settlement Class Members, and all persons purporting to act on their behalf or purporting to assert a claim under or through them, including, but not limited to, heirs and assigns, children, spouses, significant others and companions, attorneys, agents, administrators, devisees, assignees, executors, successors, predecessors, or other representatives, whether individual, class, representative, legal, equitable, direct or indirect, or any other type or in any other capacity.

1.24 “Released Parties” means 2 Towns and its past and present affiliates, parent companies, subsidiaries, divisions, predecessors, successors and assigns, as well as past and present officers, directors, shareholders, employees, partners, agents, attorneys, auditors, accountants, experts, stockholders, heirs, executors, licensees, and other representatives.

1.25 “Settlement Class Members” means Class Members who did not request to be excluded from the settlement and are bound by this Agreement and the Court’s Final Judgment.

1.26 “Settlement Fund” has the meaning set forth in Section 2.2.1.

1.27 “Settlement Website” has the meaning set forth in Section 4.3.

1.28 “Total Distributable Settlement Fund” means the net distributable funds available to be distributed to Class Members after all deductions, and calculated as follows:
Total Distributable Settlement Fund = Settlement Fund – Attorneys’ Fees – Litigation Costs – Administration and Notice Costs – Incentive Awards.

2. Settlement Relief. In consideration of the terms, conditions, and provisions of this Agreement the Parties agree that:

2.1 Injunctive Relief.

2.1.1 Adjustment of Malic Acid In The Products. No later than the Preliminary Approval Date, 2 Towns shall cease using DL-malic acid in the Products and shall use L-malic acid in the Products.

2.1.2 Relabeling of Packaging for the Products. Within 30 days after the Effective Date, 2 Towns shall cause the statement “Nothing Artificial” to be removed from packaging for Products not already introduced into the stream of commerce. Additionally, within 30 days after the Effective Date, 2 Towns shall cause the statement “Nothing Artificial” to be removed from its website statements regarding the Products.

2.2 Monetary Relief.

2.2.1 Creation of Common Settlement Fund. The Parties have accepted the mediator’s proposal and agreed that 2 Towns shall pay \$985,000 to create a common settlement fund. Within thirty (30) days after the Effective Date, provided that 2 Towns has been provided with a Form W-9 and payment instructions, 2 Towns shall tender Nine Hundred and Eighty-Five Thousand and 00/100 Dollars (\$985,000) to the Claims Administrator for deposit into a settlement fund (the “Settlement Fund”) to be held by the Claims Administrator and used to pay/reimburse, as approved by the Court: (i) the costs and expense of notice and administration, as set forth in sections 4-5; (ii) any Service Award to the Class Representatives, as set forth in section 2.2.3; (iii) attorneys’ fees and costs, as set forth in section 2.2.2; and (iv) a pro rata distribution of the remainder to Class Members who submit timely and valid claims to the Claims Administrator, as set forth in section 5.1. Payment of any and all fees and costs are subject to Court approval, but in no event shall Defendant be required to pay more than \$985,000 into the Settlement Fund.

2.2.2 Fee Award to Class Counsel. Class Counsel shall move the Court for an award of attorneys’ fees and costs incurred in connection with the Winters

Action to be paid to Class Counsel from the Settlement Fund. 2 Towns shall not object to such a motion so long as the attorneys' fees requested are not more than 25% of the Settlement Fund and the litigation costs do not exceed \$20,000, exclusive of the cost of notice separately being advanced by Class Counsel and also subject to reimbursement. Any attorneys' fees and costs approved by the Court shall be paid to Class Counsel from the Settlement Fund. This Settlement Agreement is not conditioned on the Court's approval of any attorneys' fees and costs sought by Class Counsel. No interest will accrue on any attorneys' fees or costs awarded by the Court to Class Counsel. The Claims Administrator shall tender to Class Counsel in the form of a check payable to Todd M. Friedman, P.C., the Fee Award, provided that Class Counsel provides an executed Form W-9 to the Claims Administrator within 14 days of the Effective Date.

2.2.3 Service Award to Class Representatives. The Court will determine any service award to the Class Representatives for their time, effort and diligence in prosecuting the case (the "Service Award"). If the Court approves a Service Award, it will be paid from the Settlement Fund. 2 Towns agrees not to oppose (or solicit others to oppose) an application by the Class Representatives for a Service Award not to exceed \$7,500 for Plaintiff Winters, and \$5,000 for Plaintiff Gruber. Class Counsel shall provide to the Claims Administrator a Form W-9 completed by Plaintiffs by 14 days after the Effective Date. In the event the Court approves a Service Award, the Claims Administrator shall make any such payment in the form of two checks, made payable, respectively, to "Richard Winters" and "Jake Gruber", and delivered to Class Counsel within 21 days after the Effective Date and after Plaintiffs have provided the Claims Administrator with a complete and valid Form W-9.

2.3 Fees, Costs and Expenses of Plaintiffs and the Class Members. Other than the Fee Award and other expenses explicitly provided for in this Settlement Agreement, Plaintiffs and the Class Members shall bear their own attorneys' fees, costs, and expenses associated with the Winters Action and/or this Agreement, including in connection with

finalizing this Agreement. No Person who objects to this settlement shall be entitled to reimbursement from any Party of any associated attorneys' fees, costs or expenses. Other than the payments paid out of the Settlement Fund, as approved by the Court, the Class Members shall not be responsible for paying any part of the agreed fees, costs or expenses described in this Agreement, including, without limitation, the Service Award and the Fee Award.

2.4 Defendants' Attorneys' Fees and Costs. 2 Towns will pay its own attorneys' fees and costs, including any costs incurred by 2 Towns in implementing internal procedures to comply with the terms and conditions of the Settlement Relief described in Section 2.1.

2.5 Conditions for Dissolution of Injunction. 2 Towns shall be bound by the terms and conditions of the injunction described in Section 2 for a period of two (2) years following the Effective Date.

2.6 No Tax Liability. Under no circumstances whatsoever will 2 Towns or Defense Counsel have any liability for taxes or tax expenses that Plaintiffs or Class Counsel may incur in connection with the Fee Award or the Service Award.

3. Conditional Certification of the Class. For the purposes of this Settlement and the proceedings contemplated herein only, the Parties stipulate and agree that the Class shall be conditionally certified in accordance with the definition contained in Section 1.7, that Plaintiffs shall be conditionally appointed Class Representatives for the Class, and that Plaintiff's Counsel shall be conditionally appointed as counsel for the Class.

4. Notice To Class of Settlement. In the event of the granting of Preliminary Approval, the Administrator shall run a media campaign consisting of print, Internet, and radio publication notice. Class Counsel have determined this method of providing notice to be the best means practicable, given the prohibitively high cost of providing direct mail notice

to Class Members. The Claims Administrator shall provide an estimate of the amount of costs required to provide notice, establish the settlement website, and establish a toll-free telephone number, as well as any other initial administration costs to the Parties. Class Counsel shall advance the estimated amount to the Claims Administrator and be reimbursed from the Settlement Fund. The forms of Notice are described in turn.

4.1 Radio Notice. In order to reach Class Members, given that current address information is unknown, notice will be provided by publication of radio advertisements through Spotify, including both in app banner advertisements and audio advertisements run on a thirty second duration. The radio advertisement campaign shall run for a period of no less than two weeks, and shall begin twenty (20) days after the granting of Preliminary Approval. 2 Towns has provided sales data and other data and information to Plaintiffs and the Claims Administrator in order to provide targeted notice aimed at directly reaching individuals who are likely to be Class Members. The Claims Administrator will treat the information in a confidential manner pursuant to the protective order entered in the Action. The Radio Notice will be in the same or similar form as the language attached hereto as **Exhibit A**. The costs of Radio Notice will be paid from the Settlement Fund.

4.2 Internet Publication Notice. In the event of the granting of Preliminary Approval, in order to further reach Class Members for whom current address information is unknown, notice will be provided by publication by sponsored link and banner advertising on display and social media channels for a duration of one month no later than 30 days after the granting of Preliminary Approval of at least Eleven Million (11) total impressions (“Internet Publication Notice”). The Internet Publication Notice will be geographically targeted to the states and regions in which Defendant’s products were sold, and will further be targeted to adults 21 years or older, and who are likely to be consumers within the general population of alcoholic cider drinkers. The Internet Publication Notice will be substantially in the form of **Exhibit B** attached hereto. The Claims Administrator shall be responsible for completing the publication of Internet Publication Notice no later

than sixty (60) days after the date of the Court’s Order granting Preliminary Approval of this settlement. The costs of Internet Publication Notice will be paid from the Settlement Fund.

4.3 Settlement Website Notice.

4.3.1 The Claims Administrator shall create an Internet website for this Action, where settlement information and claim submission will be made available (“Settlement Website”). The Settlement Website will: (a) inform Class Members of the basis of the claims raised in the Winters Action and the payment under this settlement; (b) advise Class Members about how to submit opt out/exclusion notices from the settlement and the deadlines for Class Members to submit requests for exclusion/opt-out or objections to the proposed settlement (“Opt-Out and Objection Deadline”); (c) instruct that Class Members should direct questions about the Winters Action or proposed settlement to the Claims Administrator’s toll free number and email inbox; and (d) inform Class Members to their right to appear in the Action through their own attorney. This notice will be in a question and answer format and will contain a full copy of the release (the “Q & A Notice”) and will be substantially in the form of **Exhibit C** attached hereto.

4.3.2 In addition, the Settlement Website will provide access to copies of the Q & A Notice, Claim Form, the Settlement Agreement, the Preliminary Approval Order, Plaintiffs’ fee brief, and any other materials the Parties agree to include. The Settlement Website shall also provide for online submission of Claim Forms. These documents shall be available on the Settlement Website no later than the Class Notice Date and will remain so at least until Final Approval. The Claims Administrator shall secure a URL for the Settlement Website selected by Class Counsel and approved by 2 Towns. The Parties are proposing www.CiderSettlement.com. The content and format of the website will be agreed upon by the Parties. Ownership of the Settlement Website URL shall be transferred to 2 Towns within ten (10) days of the date on which operation of the Settlement

Website ceases. The Settlement Website shall be maintained for at least one hundred and eighty (180) days, and shall be fully operational on the day the Class Notice Date. The costs of creating and maintaining the Settlement Website will be paid from the Settlement Fund.

4.4 Print Publication Notice. To satisfy California’s Consumers Legal Remedies Act (“CLRA”) requirements, notice will be provided by publication by four weekly insertions of the Publication Notice in USA Today-Los Angeles region in an advertisement size of at least 1/4 of a page no later than 30 days after the Court grants Preliminary Approval (collectively “Print Notice”). The Print Notice will be substantially in the form of **Exhibit D** attached hereto. The Print Notice, when combined with the Settlement Website Notice, Internet Publication Notice, and Radio Notice shall be sufficient to obtain an opinion of sufficient notice from the Claims Administrator’s notice expert. The costs of Print Publication Notice will be paid from the Settlement Fund.

4.5 Settlement Call Center. The Claims Administrator shall designate a toll-free number for receiving calls related to the settlement (“Settlement Call Center”). Anyone may call the Settlement Call Center from anywhere in the United States to ask questions of the Claims Administrator about the settlement. The Parties shall jointly resolve any dispute that may arise regarding the operation of the Settlement Call Center. The Print Publication Notice and Website Notice shall include the toll-free number for the Settlement Call Center. The Settlement Call Center shall be maintained from the Class Notice Date through at least the next ninety (90) days. Once this time period has expired, for a period of at least thirty (30) days, either a live person or a recording will advise any caller to the Settlement Call Center that the details regarding the settlement may be reviewed on the Settlement Website. The costs of the Settlement Call Center will be paid from the Settlement Fund.

4.6 Cost and Expenses of Class Notices. Subject to Court approval, costs and expenses associated with preparing and publishing the Class Notice

and maintaining the Settlement Website and Settlement Call Center in the manner described above shall be advanced by Class Counsel and reimbursed from the Settlement Fund following Final Approval.

4.7 CAFA Notice. 2 Towns shall provide notice to the appropriate federal and state officials as may be required under the Class Action Fairness Act (“CAFA”). Notice shall be sent within 14 days of the date upon which preliminary approval is granted.

5. Claims Procedures. The Claims Administrator shall issue and process claims for settlement relief by the Class Members in accordance with the requirements of the Preliminary Approval Order and the Final Judgment, as follows:

5.1 Claim Procedures for Class Members.

Class Members will be permitted to make claims, either by mail or via the Class Settlement Website. Class Members will be able to select the number of each Class Product they purchased during the Class Period and will receive a weighted pro rata distribution of the Total Distributable Settlement Fund, depending on the number of claims made and the total number and distribution of Class Products claimed. There will be a cap of 10 Class Products per Class Member for those Class Members who do not have proof of purchase. If any Class Member wishes to make a claim for more than 10 Class Products, proof of purchase will be required and must be provided to the Claims Administrator. Each Class Member who does not timely and validly request exclusion from the settlement as required in this Settlement Agreement shall be a Class Member bound by this Settlement Agreement and Final Judgment to be entered following the hearing for final approval of the settlement.

In order to receive a settlement payment pursuant to Section 4, a Class Member must submit a valid and timely Claim Form, through the Settlement Website. Any Claims made must be submitted online by no later than 90 days after the Class Notice Date, which will be one hundred and ten (110) days following entry of the Preliminary Approval Order).

A written Claim Form can also be downloaded from the Settlement Website and mailed to the Claims Administrator.

Class Members who submit a valid and timely Claim Form will receive a weighted pro rata share of the Total Distributable Settlement Fund in the form of a check or electronic payment. The weighted pro rata share will be calculated based on the purchase prices of the products claimed, the number of products claimed, and the total number and distribution of products claimed by all participating Class Members. The formula for the weight of each product is set forth in the following table:

BRAND/FLAVOR	FORMAT/SIZE	WEIGHTED VALUE
Brightcider, Ginja Ninja, Made Marion, Outcider, Pacific Pineapple, Cherried Away, Cot in the Act, Sun's Out Saison, Rhubarbarian, Prickly Pearadise	6 Pack Cans	1
Brightcider, Ginja Ninja, Made Marion, Outcider, Pacific Pineapple, Cherried Away, Cot in the Act, Sun's Out Saison, Rhubarbarian, Prickly Pearadise	500ml Bottle	0.4
Serious Scrump, Imp. Hop * Stalk, Bad Apple, Nice & Naughty, Pearadise	500ml Bottle	0.6

Each Class Member who makes a claim will be assigned a Weighted Value based on the sum of all Products claimed, up to 10 Products ("Specific Weighted Value"). If more than 10 Products are claimed by a Class Member without proof of purchase, the

Specific Weighted Value for that claim will be determined by the average of their Weighted Values times ten. The sum of all Specific Weighted Values for all claims made by all Class Members will be added up and referred to as the “Total Weighted Value.” Class Member claims will be assigned a monetary value based on the following formula:

$$\frac{\textit{Specific Weighted Value}}{\textit{Total Weighted Value}} \times \textit{Total Distributable Settlement Fund}$$

5.2 Claim Deadline. Class Members shall have ninety (90) days from the Class Notice Date to file valid and timely Claim Forms.

5.3 Procedures for Objections to the Settlement.

Any Class Member who intends to object to this Settlement Agreement must mail his or her objection(s) (the “Objection”) in writing to the Claims Administrator at an address to be specified by the Claims Administrator. To be considered timely, an Objection must be postmarked on or before the Opt-Out and Objection Deadline specified on the Settlement Website, which is seventy-five (75) days from the Class Notice Date. Any Objection must set forth the name and case number of this matter, the objecting Class Member’s name, address, telephone number and all arguments, citations and evidence supporting the Objection, and a statement concerning whether the objecting Class Member intends to appear at the hearing for final approval of the class action settlement, and whether the objecting Class Member intends to appear at the hearing with or without counsel. The Objection must also provide proof of purchase of Class Products during the Class Period. Additionally, the Objection shall include the name and case number for all other cases in which the Class Member has submitted an objection to a proposed class action settlement, whether any such objection to a proposed class action settlement was submitted on the Class Member’s own behalf or on behalf of a represented third party. The Claims Administrator will provide to Class Counsel and Two Towns’ Counsel all copies

of any objections mailed or otherwise transmitted to the Claims Administrator. Any Class Member who fails to submit a timely Objection pursuant to this Section and as detailed on the Settlement Website shall have waived any right to object to the Settlement Agreement and shall not be permitted to object to this Settlement Agreement at the Final Approval Hearing, and shall be foreclosed from seeking any review of this Settlement Agreement by appeal or other means.

5.4 Procedures for Opting Out of the Settlement. Class Members have the right to opt out and exclude themselves from the settlement by mailing a valid exclusion request (“Valid Exclusion Request”) to the Claims Administrator. The Valid Exclusion Request must be postmarked on or before the Opt-Out and Objection Deadline, which is seventy-five (75) days from the date the Court grants the Motion for Preliminary Approval. The Claims Administrator will provide copies of such exclusion requests to Class Counsel and counsel for 2 Towns promptly upon receipt. The Valid Exclusion Request shall: (1) be in writing; (2) include the name and number of this case, as well as the Class Member’s name, address, and telephone number; and (3) be signed by the Class Member. Except for those Class Members who have properly and timely mailed a Valid Exclusion Request, all Class Members will be bound by this Settlement Agreement and the Final Judgment to be entered following the hearing for final approval of the Settlement Agreement.

5.4 Payment to Claims Administrator. As compensation for its services set forth herein, and pursuant to Section 4, the Claims Administrator shall be reimbursed for its costs and expenses in connection with its services, and Class Counsel will be reimbursed for any costs that are advanced to the Administrator. Within 14 days after monetary relief set forth in Section 2.2.1 has been paid, the Claims Administrator shall provide to Class Counsel an itemization of its costs and expenses in connection with these services. Unless objected to by Class Counsel and/or modified by the Court, the Claims Administrator may draw the requested amounts out of the Settlement Fund within 30 days following payment of the

monetary relief set forth in Section 2.2.1. Absent approval from Class Counsel and for good cause, Administration costs shall not exceed \$250,000.

5.5 **Uncashed Checks.** Any uncashed checks from Class Members who make valid and timely claims shall expire after a period of one hundred and eighty (180) days. Any residual funds shall be distributed to Public Justice as a *cy pres* recipient.

6. Conclusion Of the Winters Action and General Release.

6.1 Resolution of Winters Action. As soon as practicable following the execution of this Agreement, Class Counsel will take all necessary steps to secure the Court's approval of this Agreement and the entry of the Final Judgment substantially in the form of Exhibit F attached hereto. Promptly following execution of this Agreement, Class Counsel shall submit this Agreement to the Court and, with the support of 2 Towns, shall move the Court for approval of the settlement set forth in this Agreement and entry of a Preliminary Approval Order substantially in the form of Exhibit E hereto. Plaintiffs will also request that the Court set a Final Fairness Hearing, and that such hearing take place at the earliest opportunity after both of the following conditions have been met: 1) seventy-five (75) calendar days following the CAFA Notice Date, as set forth in Section 4.3, and 2) at least forty-five (45) days following the Claims Deadline. At least twenty eight (28) days before the Final Fairness Hearing, Plaintiffs shall move for Court approval of a proposed Judgment and Final Approval Order. As part of this settlement, the Parties agree to cooperate in following the procedures set forth in this Agreement and in obtaining preliminary approval of the settlement from the Court, including notifying the Class Members, responding to objectors, intervenors or other persons or entities seeking to preclude the final approval of this Agreement, and promptly agreeing upon and executing all such other documentation as may be reasonably required to obtain approval of this Agreement.

6.2 Release by Plaintiffs and Class. Excepting only the obligations imposed and contemplated by this Agreement, as of the Effective Date, the Plaintiffs/Class Representatives and the Class Members, as the Releasing Parties, release the Released Parties from all Released Claims.

6.3 General Release by Plaintiffs. Excepting only the obligations imposed and contemplated by this Agreement, as of the Effective Date, the Class Representatives generally release the Released Parties from any and all claims, known and unknown, asserted or unasserted, arising, or that could arise in the future, out of any conduct or omissions occurring prior to the date of this Agreement that might be attributable to 2 Towns, and expressly waive and relinquish, to the fullest extent permitted by law, the provisions, rights and benefits of California Civil Code section 1542, or any other similar provision under federal or state law, which provides:

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

The Class Representatives expressly waive and release any right or benefit which they have or may have under Section 1542 of the Civil Code of the State of California, or other comparable authority in other jurisdictions, to the full extent that they may waive all such rights and benefits pertaining to the matters released herein. In connection with such waiver and relinquishment, the Class Representatives acknowledge that they are aware that they may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those which they now know or believe to be true, with respect to the matters released herein. Nevertheless, it is the intention of the Class Representatives by this Agreement, and with the advice of counsel, fully, finally, and forever to settle and release all such matters, and all claims relative thereto, which do now exist, may exist, or

heretofore have existed between the Parties, to the extent set forth within this Agreement. In furtherance of such intention, the release herein given shall be and remain in effect as a full and complete release of such matters notwithstanding the discovery or existence of any such additional different claims or facts relative to the matters released. This is an essential term of this Agreement without which there would have been no settlement.

6.4 Excepting only the obligations imposed and contemplated by this Agreement, as of the Effective Date, 2 Towns and its officers, directors, employees and agents hereby release the Class Representatives and Class Counsel from any claims of abuse of process, malicious prosecution, or any other claims arising out of the institution, prosecution, assertion, or resolution of the Winters Action, including, but not limited to, claims for attorneys' fees, costs of suit, or sanctions of any kind.

7. Court Approval of Settlement. Preliminary Approval and Final Judgment approving this Agreement are contemplated by the Parties and are express conditions precedent to this Agreement. If such approvals are not given, this Agreement, including conditional certification of the Class, shall be null and void. If such approvals are not given, the Parties shall return to their respective positions in the Winters Action as those positions existed immediately before the Parties executed this Agreement, and the Parties shall coordinate with the Court to establish a new case scheduling order with revised case deadlines and a new trial date for the Winters Action. This Agreement, including its exhibits, and any and all negotiations, drafts of settlement documents and discussions associated with it, will be without prejudice to the rights of any Party, will be inadmissible in evidence against any Party, and further will not be deemed or construed to be an admission or evidence of any violation of any statute or law or of any liability or wrongdoing by 2 Towns, or of the truth of any of the claims or allegations contained in any complaint or any other pleading filed in the Winters Action or any other action, and evidence thereof will not be discoverable or used directly or indirectly in any way, whether in the Winters Action or in any other action or proceeding.

8. Representations, Warranties, and Miscellaneous Provisions. The Class Representatives, on behalf of themselves and the Class Members, on the one hand, and 2 Towns, on the other hand, and each of them, represent and warrant to, and agree with, each other as follows:

8.1 Parties Represented by Counsel. All Parties have each received independent legal advice from attorneys of their choice with respect to the advisability of making the settlement and release provided herein, and with respect to the advisability of executing this Agreement, and prior to the execution of this Agreement by each Party, that Party's attorney reviewed this Agreement at length, made negotiated changes, and signed this Agreement to indicate that the attorney approved this Agreement as to form and substance. Each Party is fully aware of the Agreement's terms and conditions and its legal effect.

8.2 Entire Agreement. This Agreement and attached exhibits constitute the complete and final agreement and understanding between the Parties concerning the Winters Action and supersedes and replaces all prior negotiations, proposed agreements, written, oral, or implied, regarding the subject matter hereof made or existing before the execution of this Agreement. Except as expressly stated in this Agreement, no Party has made any statement or representation to any other Party regarding any fact relied upon by any other Party in entering into this Agreement, and each Party specifically does not rely upon any statement, representation, or promise of any other Party in executing this Agreement, or in making the settlement provided for herein, except as expressly stated in this Agreement. There have been no other agreements or understandings between the Parties hereto, or any of them, relating to the disputes referred to in this Agreement, except as expressly stated in this Agreement. Each Party has made such investigation of the facts pertaining to this settlement and this Agreement, and all of the matters pertaining thereto, as it deems necessary. Each Party relies on the finality of this Agreement as a material factor inducing that Party's execution of this Agreement.

8.3 2 Towns' Denial of Wrongdoing. This Agreement reflects the Parties' compromise and settlement of the disputed claims. Its provisions, and all related drafts, communications and discussions, cannot be construed as or deemed to be evidence of an admission or concession by 2 Towns of any wrongdoing or matters respecting class certification, by any person or entity and cannot be offered or received into evidence or requested in discovery in the Winters Action, or any other action or proceeding as evidence of an admission, concession or presumption regarding such matters.

8.4 Settlement In Best Interest Of Class Members. Class Counsel recognize the expense and duration of continued proceedings necessary to continue the litigation against 2 Towns through trial and possible appeals. Class Counsel also have considered the uncertainty and risk of the outcome of the litigation and the difficulties and delays inherent in such litigation. Class Counsel are aware of the burden of proof necessary to establish liability for the alleged claims and of 2 Towns' defenses thereto. Class Counsel also have considered the arms-length settlement negotiations conducted by the Parties. Based upon their investigation, their understanding of the law, and an analysis of the benefits which this Agreement affords to the Class Members, Class Counsel have determined that the settlement set forth in this Agreement is in the best interest of the Class Members.

8.5 Authorization. Each person executing this Agreement in a representative capacity warrants that he or she is fully authorized and empowered to do so. This Agreement has been carefully read by, the contents hereof are known and understood by, and it is signed freely and voluntarily by each Party without threat, force, fraud, duress, undue influence or coercion of any kind.

8.6 Non-Interference. Each Party hereto agrees that such Party will not take any action which would interfere with the performance of this Agreement by any of the Parties hereto or which would adversely affect any of the rights provided for herein.

8.7 Covenant Not To Sue. The Parties hereto covenant and agree not to bring any claim, action, suit, or proceeding against any Party hereto, directly or indirectly, regarding or related in any manner to the matters released hereby, and they further covenant and agree that this Agreement is a bar to any such claim, action, suit, or proceeding.

8.8 Confidentiality. Neither Party shall issue press releases, contact the media, or make any public announcements concerning this settlement with the exception of the Class Notices required under this Agreement. The Parties agree that they shall not disparage either Party publicly or in the media regarding any issue related to this case.

8.9 Nonassignment of Claims. Plaintiffs and the Class Members represent and warrant that they are the sole and lawful owners of all right, title and interest in and to every claim and other matter which they purport to release herein, and that they have not heretofore assigned or transferred, or purported to assign or transfer to any person or entity any claim or other matters herein released.

8.10 Successors And Assigns. This Agreement shall inure to the benefit of and shall be binding upon the successors and assigns of Plaintiffs and all Class Members, and 2 Towns, and each of them.

8.11 Construction of Agreement. This Agreement is the product of negotiation and preparation by and among each Party and the Parties' respective attorneys. In the event any court should find any provision of this Agreement to be ambiguous, such terms shall not be construed against any Party. Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

8.12 Severability. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect

any other provision hereof, which shall continue in full force and effect without being impaired or invalidated in any way, and such invalid, illegal, or unenforceable provision shall be restated by a court of competent jurisdiction to reflect as nearly as possible the original intentions of the Parties in accordance with applicable law.

8.13 Modifications and Amendments. This Agreement may not be changed, altered or modified, except in a writing signed by all of the Parties hereto, and approved by the Court. This Agreement may not be discharged except by performance in accordance with its terms and conditions or by a writing signed by all of the Parties hereto, and approved by the Court.

8.14 Governing Law. This Agreement shall be construed in accordance with, and be governed by, the laws of the State of California.

8.15 Execution In Counterparts and By Electronic Copy, PDF, or Facsimile. This Agreement may be executed and delivered in counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts together shall constitute but one and the same instrument and Agreement. An electronic copy, PDF, or facsimile of an original signed counterpart shall be deemed an original for all purposes.

8.16 Enforcement of Settlement Agreement. In the event that one or more of the Parties to this Agreement institutes any legal action, arbitration, or other proceeding against any other Party to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, the successful Party or Parties shall 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.

8.17 Survival of Warranties And Representations. The warranties and representations of this Agreement are deemed to survive the closing hereof.

8.18 Signatures Necessary. This Agreement and the terms and conditions hereof shall not become effective and shall have no force or effect whatever until executed by the Parties and their attorneys and exchanged by and between all Parties.

IN WITNESS WHEREOF, the Parties hereto and their respective attorneys have executed this Agreement on the dates set forth opposite their respective signatures.

Dated: 7/28/2020



Richard Winters

Dated: 7/27/2020



Jake Gruber

Dated: _____

FORBIDDEN FRUIT CIDERHOUSE, LLC (doing business as 2 TOWNS CIDERHOUSE)

By: _____

Name: _____

Title: _____

8.18 Signatures Necessary. This Agreement and the terms and conditions hereof shall not become effective and shall have no force or effect whatever until executed by the Parties and their attorneys and exchanged by and between all Parties.

IN WITNESS WHEREOF, the Parties hereto and their respective attorneys have executed this Agreement on the dates set forth opposite their respective signatures.

Dated: _____

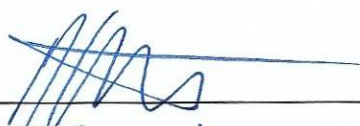
Richard Winters

Dated: _____

Jake Gruber

Dated: July 27, 2020

FORBIDDEN FRUIT CIDERHOUSE, LLC (doing business as 2 TOWNS CIDERHOUSE)

By:  _____
Name: Lee Larsen
Title: CEO