

**SETTLEMENT AGREEMENT**

**AND**

**MUTUAL RELEASE OF ALL CLAIMS**

This Settlement Agreement and Release of All Claims (“Agreement”) is made and entered into by and between Carla Gatlin in her individual capacity, and as successor in interest of decedent Baylee Ybarra Gatlin and Susan Ybarra Telias in her individual capacity and as successor in interest of decedent (hereinafter “Plaintiffs”) on the one hand, and Defendants Do Lab Inc., and Richard Gottlieb, individually and d.b.a RGX Medical, (hereinafter Defendants) on the other hand, (collectively, “the Parties”) based upon the following recital of facts:

**RECITAL OF FACTS**

A. On or about May 21, 2018, Plaintiffs filed an original complaint, followed by three amended complaints, against Defendants Do Lab Inc., and Richard Gottlieb individually and d.b.a RGX Medical, in addition to other defendants. The lawsuit now venued in the Superior Court of Monterey County, *Carla Gatlin, et.al. v. Do Lab, Inc., et al. Case No. 20CV002753*, (“the Action”), is based on certain alleged acts and/or omissions by the Defendants, relating to the death of Baylee Ybarra Gatlin.

B. The Defendants deny and dispute all of Plaintiffs’ claims and allegations.

C. The Parties desire to settle all of Plaintiffs’ claims against the Defendants identified in this Release arising out of the Action, as well as any and all claims, known or unknown, which Plaintiffs have or may have against the Defendants Do Lab Inc., and Richard Gottlieb individually and d.b.a RGX Medical, and which Defendants Do Lab Inc., and Richard Gottlieb individually and d.b.a RGX Medical, may have against Plaintiffs as of the date of this Agreement.

**AGREEMENT**

In consideration of the mutual promises, conditions and covenants contained herein, it is

agreed by and between the Parties hereto as follows:

1. The foregoing recital of facts is incorporated herein and made a part hereof by this reference.

2. Monetary Payment. In exchange for the promises and warranties of Plaintiffs Carla Gatlin and Susan Ybarra Telias in their capacities as contained herein, Defendants Do Lab Inc., and Richard Gottlieb individually and d.b.a RGX Medical, and their insurers, contingent upon court approval of a good faith settlement to be obtained by defendants, shall pay the one-time total lump sum of FOUR MILLION DOLLARS (**\$4,000,000**) by checks made payable as follows:

(a) **\$2,000,000.00** to Plaintiff Susan Ybarra Telias' attorneys, "Pachowicz Goldenring – Client Trust Account" (Federal Tax Identification Number 52-2446963);

(b) **\$2,000,000.00** to Plaintiff Carla Gatlin's attorneys, "Lowthorp Richards McMillan Miller and Templeman – Client Trust Account" (Federal Tax Identification Number 95-2704923).

3. Fees and Costs. Each of the Parties shall pay all of their own attorneys' fees and costs incurred in this Action.

4. Dismissal of Defendants Do Lab Inc., and Richard Gottlieb individually and d.b.a RGX Medical, with Prejudice. Following delivery of the settlement payments by Defendants, Plaintiffs' attorneys shall file a duly executed dismissal, with prejudice, of the Defendants Do Lab Inc., and Richard Gottlieb individually and d.b.a RGX Medical.

5. Release. Except as otherwise provided in this Agreement and as separate consideration for the agreements contained herein, Plaintiffs, on their own behalf and on behalf of their dependents, heirs, executors, administrators, assigns and successors-in-interest ("the Releasers"), do hereby covenant not to sue and acknowledge complete satisfaction of and hereby release, absolve, and discharge the Defendants Do Lab Inc., and Richard Gottlieb individually and d.b.a RGX Medical, and each of their heirs, successors and assigns, predecessors, subsidiaries, representatives, partners, managers, insurers, divisions and affiliated corporations, trustees,

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directors, officers, shareholders, agents, attorneys, insurers, and employees, past and present, (hereinafter collectively referred to as “Releasees”), from and with respect to any and all claims, demands, liens, agreements, contracts, covenants, actions, suits, causes of action, wages, obligations, debts, expenses, damages, judgments, orders and liabilities of whatever kind of nature in law, equity or otherwise, whether now known or unknown, suspected or unsuspected, and whether or not concealed or hidden, which Plaintiffs now own or hold or have at any time heretofore owned or held as against said Releasees, or any of them, including, but not limited to, those alleged or set forth in the pleadings in the Action, concerning the death of Baylee Ybarra Gatlin.

6. Mutual Release of Unknown Claims. Plaintiffs acknowledge their intention that this Agreement shall be effective as a full and final accord and satisfaction and settlement of and as a bar to any and all Claims. In connection with such waiver and relinquishment, Plaintiffs acknowledge that they are aware that their attorneys may have or hereafter discover facts different from or in addition to the facts that their attorneys now know or believe to be true with respect to the subject matter of this Agreement, but that it is Plaintiffs’ intention hereby to fully, finally, absolutely, and forever settle the Claims, and that in furtherance of such intention the releases herein given by the Releasors to Defendants Do Lab Inc., and Richard Gottlieb individually and d.b.a RGX Medical, and the Releasees shall be and remain in effect as full and complete releases notwithstanding the discovery of any such different or additional facts. Therefore, Plaintiffs acknowledge that they have been informed by their attorneys, or otherwise have been informed of, and that Plaintiffs are familiar with, Section 1542 of the Civil Code of the State of California, which provides as follows:

**“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR 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.”**

Plaintiffs and the Defendants Do Lab Inc., and Richard Gottlieb individually and d.b.a RGX Medical, hereby waive and relinquish all rights and benefits that they have or may have under Section 1542 of the Civil Code of the State of California, to the fullest extent that they may lawfully waive all such rights and benefits pertaining to the subject matter of this Agreement. This release is intended as a mutual release in exchange for the consideration given as outlined in this Agreement.

7. The Parties acknowledge that at the time of settlement, Plaintiffs were pursuing certain claims against the Defendants on theories of vicarious responsibility for the acts and omissions of other defendants who are not parties to this settlement.

8. Parties Covered by Release. Nothing set forth in any of the releases provided in any section herein is intended to cover the other defendants in the Action, MULTIDISCIPLINARY ASSOCIATION FOR PSYCHEDELIC STUDIES, INC., a.k.a. MAPS, INC.; or any of its agents, employees, officers, directors or shareholders. The releases given by Plaintiffs under this Agreement cover only the Defendants Do Lab Inc., and Richard Gottlieb d.b.a RGX Medical. The releases do not cover or extend to any other parties or entities, including third parties with whom Defendants may have or have had a contractual relationship.

9. Covenant Not to Sue. Plaintiffs agree, to the fullest extent permitted by law, that they will not initiate or file a lawsuit or other proceeding to assert any Released Claim against any released party, other than to enforce this Agreement. The Parties agree that the settlement would be enforceable pursuant to *California Code of Civil Procedure* §664.6.

10. Advice of Counsel. In entering into this Agreement, Plaintiffs represent that they have relied upon the advice of their attorneys, who are the attorneys of their own choice. Plaintiffs represent they have relied exclusively on and upon tax professionals, concerning the income tax consequences of this Agreement, prior to signing this Agreement, the terms of which are fully understood and voluntarily accepted by Plaintiffs.

11. Warranty of Capacity to Execute Agreement. Plaintiffs represent and warrant that no other person(s) or entity has, or has had, any interest in the claims, demands, obligations, or causes of action referred to in this Agreement, except as otherwise set forth herein; that Plaintiffs have the sole right and exclusive authority to execute this Agreement; and that Plaintiffs have not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Agreement.

12. Interpretation of Agreement. This Agreement has been negotiated at arm's length between persons knowledgeable in the matters dealt with herein. In addition, each Party has been represented by experienced and knowledgeable legal counsel. Accordingly, any rule of law, including but not limited to, Section 1654 of the Civil Code of the State of California, or any legal decision that would require interpretation of any ambiguities in this Agreement against the parties who drafted it, is of no application and is hereby expressly waived. The provisions of this Agreement shall be interpreted in a reasonable manner to affect the intentions of the Parties and of this Agreement.

13. Hold Harmless – Liens. Except as provided for in this Agreement, Plaintiffs agree to defend, hold harmless and indemnify the Defendants Do Lab Inc., and Richard Gottlieb d.b.a. RGX Medical from any claims constituting valid statutory liens.

14. Disputed Claims. This Agreement is intended by the Parties to accomplish the settlement of claims and causes of action which are disputed. This Agreement shall not in any way be construed as an admission by any of the Parties hereto of any liability or responsibility to the other, or of the omission of any unlawful or wrongful act whatsoever or that any debt is owed.

15. Miscellaneous.

(a) No Warranties or Representations. Plaintiffs agree that they have read this Agreement, have had an opportunity to have it fully examined by Individual Plaintiffs' attorneys, and understand the terms of this Agreement. Plaintiffs represent and acknowledge that in executing this Agreement, they have not relied upon any representation or statement by the Defendants or any Defendants' agents, representatives or attorneys in any regard including,

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without limitation, the subject matter, basis or effect of this Agreement.

(b) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A facsimile or photographic copy of a signature shall have the same force and effect as an original signature.

(c) California Law. This Agreement shall be interpreted under and pursuant to the laws of the State of California.

(d) Successors and Assigns. All of the terms and provisions contained herein shall inure to the benefit of and shall be binding upon the Parties hereto and their respective heirs, legal representatives, successors, and assigns.

(e) Parties in Interest. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the Parties and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, nor shall any provision give any third person any right of subrogation or action over or against any party to this Agreement.

(f) Modifications or Amendments. No amendment, change, or modification of this Agreement shall be valid, unless in writing and signed by all of the Parties hereto.

(g) Entire Agreement. This Agreement constitutes the entire understanding and agreement of the Parties with respect to its subject matter. It is intended by the Parties as a complete and exclusive statement of the terms of the agreement. It supersedes and replaces all prior negotiations and all agreements proposed or otherwise, whether written or oral, concerning the subject matter hereof. Any representation, promise, or agreement not specifically included in this Agreement shall not be binding upon or enforceable against the Parties. This is a fully integrated agreement.

(h) Captions. The captions appearing at the commencement of the sections hereof are descriptive only and for convenience in reference. The sections, and not the captions,

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shall control and govern in the construction of this Agreement.

(i) Severability. If any part of this Agreement shall be deemed invalid, unenforceable, illegal, or in violation of any State or Federal law, that portion of the Agreement shall be severable and the remaining portion or portions of the Agreement shall remain in full force and effect. To this end, the provisions of this Agreement or the application thereof is held invalid, the effected provision(s) shall be curtailed and limited only to the extent necessary to render it (them) enforceable such that it (they) may be enforced to the fullest extent permitted by law.

(j) Expenses. Each of the Parties shall pay all of their own fees and costs and any other expenses incurred or to be incurred by them in negotiating and preparing this Agreement, and closing and carrying out the transactions contemplated by this Agreement.

(k) No Waiver. No waiver of any breach of any term or provision of this Agreement shall be construed to be, or shall be, a waiver of any other breach of this Agreement. No waiver shall be binding unless in writing and signed by the Party waiving the breach.

I HAVE READ THE ENTIRETY OF THE FOREGOING AGREEMENT CONTAINED WITHIN PAGES 1-8, CONSULTED WITH MY LEGAL COUNSEL, AND ACCEPT AND AGREE TO THE PROVISIONS IT CONTAINS AND HEREBY EXECUTE IT KNOWINGLY AND VOLUNTARILY .

Dated: \_\_\_\_\_, 2021

By:

\_\_\_\_\_  
Susan Ybarra Telias, Individually and as  
Successor

at \_\_\_\_\_, California

Dated: \_\_\_\_\_, 2021

By:

\_\_\_\_\_  
Carla Gatlin, Individually and as  
Successor

at \_\_\_\_\_, California

**APPROVED AS TO FORM AND SUBSTANCE:**

The undersigned hereby also certifies that the content of this Agreement and its legal implications have been communicated and explained to the aforementioned Plaintiffs.

Pachowicz | Goldenring, a PLC

Dated: \_\_\_\_\_, 2021

By: \_\_\_\_\_

at \_\_\_\_\_, California

Mark R. Pachowicz  
Attorneys for Plaintiff  
SUSAN YBARRA TELIAS

Lowthorp Richards, et.al.

Dated: \_\_\_\_\_, 2021

By: \_\_\_\_\_

at \_\_\_\_\_, California

John Howard  
Attorneys for Plaintiff  
CARLA GATLIN

ON BEHALF OF DEFENDANT DO LAB INC.

Dated: \_\_\_\_\_, 2021

By: \_\_\_\_\_

at \_\_\_\_\_, California

Dede Fleming  
Chief Executive Officer, Do Lab Inc.

ON BEHALF OF DEFENDANT RICHARD GOTTLIEB INDIVIDUALLY AND DBA RGX MEDICAL

Dated: \_\_\_\_\_, 2021

By: \_\_\_\_\_

at \_\_\_\_\_, California

Richard Gottlieb  
For himself and his sole proprietorship RGX Medical

APPROVED AS TO FORM

Dated: \_\_\_\_\_

\_\_\_\_\_  
James Farinaro, Esq. for Gottlieb individually  
and dba RGX Medical

Dated: \_\_\_\_\_

\_\_\_\_\_  
Keith Bremer, Esq. for Do Lab Inc.