

1 ROB BONTA
Attorney General of California
2 TANIA M. IBANEZ
Senior Assistant Attorney General
3 ELIZABETH S. KIM
Supervising Deputy Attorney General
4 BRIAN ARMSTRONG
Deputy Attorney General
5 State Bar No. 203534
455 Golden Gate Avenue, Suite 11000
6 San Francisco, CA 94102-7004
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7 Fax: (415) 703-5480
E-mail: Brian.Armstrong@doj.ca.gov
8 *Attorneys for the People of the State of California*

**Exempt from Filing and Reporter
Fees—Gov. Code, § 6103**

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 COUNTY OF SAN FRANCISCO

11
12 **THE PEOPLE OF THE STATE OF CALIFORNIA,**
13
14 Plaintiff,
15
16 **v.**
17 **ZERODIVIDE; TESSIE GUILLERMO; DAVID**
18 **VENEZIANO; CARLADENISE EDWARDS; LINDA**
19 **MIYA IWATAKI; JULIE MURCHINSON;**
20 **KELVIN QUAN; AND DOES 1 THROUGH 25,**
21 **INCLUSIVE,**
22 Defendants.

Case No. CGC-22-599020

**STIPULATION FOR ENTRY OF FINAL
JUDGMENT (Code Civ. Proc., § 664.6)**

Dept: 206
Judge: Honorable Samuel K. Feng

21 Plaintiff, the People of the State of California (“People”), hereby files this stipulation with
22 the Defendants requesting that the Court enter the proposed Final Judgment (“Judgment”),
23 attached as Exhibit A, pursuant to Code of Civil Procedure section 664.6 as follows:

24 1. When parties to a lawsuit enter into a written settlement agreement to settle a case, Code
25 of Civil Procedure section 664.6 empowers courts to “enter judgment pursuant to the terms of the
26 settlement.”

27 2. Plaintiff filed a complaint on April 5, 2022, commencing this lawsuit against Defendants
28 ZeroDivide, a California nonprofit public benefit corporation, and ZeroDivide’s directors and

1 officers, Tessie Guillermo, David Veneziano, Carladenise Edwards, Linda Miya Iwataki, Julie
2 Murchinson, and Kelvin Quan. The People’s Complaint alleged violation of California’s
3 charitable trusts laws, including the Supervision of Trustees and Fundraisers for Charitable
4 Purposes Act (Gov. Code, § 12580 et seq.), the Nonprofit Public Benefit Corporation Law (Corp.
5 Code, § 5000 et seq.), and the Charitable Solicitations Law (Bus. & Prof. Code, § 17510 et seq.).

6 3. The parties entered into a written settlement agreement (“settlement”) on April 6, 2022
7 pursuant to Code of Civil Procedure section 664.6 to resolve this lawsuit. The settlement is
8 attached to this stipulation as Exhibit B, which incorporated the proposed Judgment. The
9 proposed Judgment provides that this Court has jurisdiction over this matter; Defendants deny the
10 allegations in the Complaint (except that Defendant admit the facts necessary to establish
11 jurisdiction); the settlement resolves all matters in this lawsuit without trial or adjudication of any
12 issue or law or fact; the Judgment does not constitute evidence of an admission of fault or liability
13 by the Defendants; and Defendants waive all rights to appeal, challenge, or contest the validity of
14 the Judgment. (Ex. A, unnumbered ¶ 2, numbered ¶¶ 1-3.) The settlement also provides that
15 Defendants waive any right to personal service of the Complaint; agree to service of the
16 Complaint by electronic mail; that Defendants shall fully cooperate with the People in obtaining
17 entry of the proposed Judgment; and that the Court may enter the proposed Judgment without a
18 hearing on the matter. (Ex. B, ¶¶ 1, 2.)

19 4. The parties request the Court to retain jurisdiction to enforce the settlement until
20 performance in full of the settlement’s terms occurs, pursuant to Code of Civil Procedure section
21 664.6. This request is consistent with the proposed Judgment’s terms. (Ex. A, ¶ 11.) Performance
22 from the Defendants includes payment of monetary relief, and injunctive relief, including
23 dissolution of Defendant ZeroDivide. (Ex. A, ¶ 4-9.)

24 5. Accordingly, the parties request the Court to enter the proposed Judgment pursuant to
25 Code of Civil Procedure section 664.6.

26 IT IS SO STIPULATED.
27
28

1 Dated: April 6, 2022

Respectfully submitted,

2 ROB BONTA
3 Attorney General of California
4 ELIZABETH S. KIM
5 Supervising Deputy Attorney General

6 

7 BRIAN ARMSTRONG
8 Deputy Attorney General
9 *Attorneys for the People of the State of*
10 *California*

11 Dated: April _____, 2022

12 _____
13 Robert Bodzin
14 Attorney for ZeroDivide
15 Gordon Rees Scully Mansukhani, LLP

16 Dated: April _____, 2022

17 _____
18 Raja Sekaran
19 Attorney for Tessie Guillermo
20 Nossaman LLP


21 Dated: April _____, 2022

22 _____
23 Stefan R. Chacon
24 Attorney for David Veneziano
25 Hanson Bridgett LLP

26 Dated: April _____, 2022

27 _____
28 Karin Sweigart
Attorney for Carladenise Edwards
Dhillon Law Group Inc.

29 Dated: April 7, 2022

30  for Michael
31 Artan
32 Michael Artan
33 Attorney for Linda Miya Iwataki

1 Dated: April ____, 2022

Respectfully submitted,

2 ROB BONTA
3 Attorney General of California
4 ELIZABETH S. KIM
5 Supervising Deputy Attorney General

6 BRIAN ARMSTRONG
7 Deputy Attorney General
8 *Attorneys for the People of the State of*
9 *California*

10 Dated: April 7, 2022


11 Robert Bodzin
12 Attorney for ZeroDivide
13 Gordon Rees Scully Mansukhani, LLP

14 Dated: April ____, 2022

15 Raja Sekaran
16 Attorney for Tessie Guillermo
17 Nossaman LLP

18 Dated: April ____, 2022

19 Stefan R. Chacon
20 Attorney for David Veneziano
21 Hanson Bridgett LLP

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23 Karin Sweigart
24 Attorney for Carladenise Edwards
25 Dhillon Law Group Inc.

26 Dated: April ____, 2022

27 Michael Artan
28 Attorney for Linda Miya Iwataki

1 Dated: April 6, 2022

Respectfully submitted,

2 ROB BONTA
3 Attorney General of California
4 ELIZABETH S. KIM
5 Supervising Deputy Attorney General

6 

7 BRIAN ARMSTRONG
8 Deputy Attorney General
9 *Attorneys for the People of the State of*
10 *California*

11 Dated: April ____, 2022

12

Robert Bodzin
13 Attorney for ZeroDivide
14 Gordon Rees Scully Mansukhani, LLP

15 Dated: April 6, 2022

16 

17

Raja Sekaran
18 Attorney for Tessie Guillermo
19 Nossaman LLP

20 Dated: April ____, 2022

21

Stefan R. Chacon
22 Attorney for David Veneziano
23 Hanson Bridgett LLP

24 Dated: April ____, 2022

25

Karin Sweigart
26 Attorney for Carladenise Edwards
27 Dhillon Law Group Inc.

28 Dated: April ____, 2022

Michael Artan
Attorney for Linda Miya Iwataki

1 Dated: April 6, 2022

Respectfully submitted,

2 ROB BONTA
3 Attorney General of California
4 ELIZABETH S. KIM
5 Supervising Deputy Attorney General



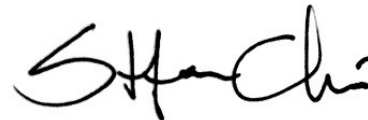
6 BRIAN ARMSTRONG
7 Deputy Attorney General
8 *Attorneys for the People of the State of*
9 *California*

10 Dated: April _____, 2022

11 _____
12 Robert Bodzin
13 Attorney for ZeroDivide
14 Gordon Rees Scully Mansukhani, LLP

15 Dated: April _____, 2022

16 _____
17 Raja Sekaran
18 Attorney for Tessie Guillermo
19 Nossaman LLP



20 Dated: April 7, 2022

21 _____
22 Stefan R. Chacon
23 Attorney for David Veneziano
24 Hanson Bridgett LLP

25 Dated: April _____, 2022

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27 Karin Sweigart
28 Attorney for Carladenise Edwards
Dhillon Law Group Inc.

Dated: April _____, 2022

Michael Artan
Attorney for Linda Miya Iwataki

1 Dated: April ____, 2022

Respectfully submitted,

2 ROB BONTA
3 Attorney General of California
4 ELIZABETH S. KIM
5 Supervising Deputy Attorney General

6 BRIAN ARMSTRONG
7 Deputy Attorney General
8 *Attorneys for the People of the State of*
9 *California*

10 Dated: April ____, 2022

11 _____
12 Robert Bodzin
13 Attorney for ZeroDivide
14 Gordon Rees Scully Mansukhani, LLP

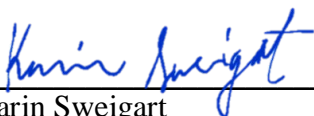
15 Dated: April ____, 2022

16 _____
17 Raja Sekaran
18 Attorney for Tessie Guillermo
19 Nossaman LLP

20 Dated: April ____, 2022

21 _____
22 Stefan R. Chacon
23 Attorney for David Veneziano
24 Hanson Bridgett LLP

25 Dated: April 6, 2022

26 
27 _____
28 Karin Sweigart
Attorney for Carladenise Edwards
Dhillon Law Group Inc.

29 Dated: April ____, 2022

30 _____
31 Michael Artan
32 Attorney for Linda Miya Iwataki

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Dated: April 7, 2022



David P. Nemecek, Jr.
Attorney for Julie Murchinson
The Fortress Law Firm, Inc.

Dated: April 6, 2022



Adam Slote
Attorney for Kelvin Quan
Slote, Links & Boreman, PC

SF2016202367
43162435

Exhibit A

1 ROB BONTA
Attorney General of California
2 TANIA M. IBANEZ
Senior Assistant Attorney General
3 ELIZABETH S. KIM
Supervising Deputy Attorney General
4 BRIAN ARMSTRONG
Deputy Attorney General
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8 *Attorneys for the People of the State of California*

**Exempt from Filing and Reporter
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9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 COUNTY OF SAN FRANCISCO

11
12 **THE PEOPLE OF THE STATE OF CALIFORNIA,**

Case No.

13 Plaintiff,

[PROPOSED] FINAL JUDGMENT

14 **v.**

15 **ZERODIVIDE; TESSIE GUILLERMO; DAVID**
16 **VENEZIANO; CARLADENISE EDWARDS;**
17 **LINDA MIYA IWATAKI; JULIE MURCHINSON;**
KELVIN QUAN; AND DOES 1 THROUGH 25,
INCLUSIVE,

18 Defendants.
19
20

21 Plaintiff, the People of the State of California (“People”), by and through Rob Bonta, the
22 Attorney General of the State of California, filed their Complaint against Defendants ZeroDivide,
23 a California nonprofit public benefit corporation, and ZeroDivide’s directors and officers, Tessie
24 Guillermo (“Guillermo”), David Veneziano (“Veneziano”), Carladenise Edwards (“Edwards”),
25 Linda Miya Iwataki (“Iwataki”), Julie Murchinson (“Murchinson”), and Kelvin Quan (“Quan”).
26 The People’s Complaint alleged violations of California’s charitable trusts laws, including the
27 Supervision of Trustees and Fundraisers for Charitable Purposes Act (Gov. Code, § 12580 et
28

1 seq.), the Nonprofit Public Benefit Corporation Law (Corp. Code, § 5000, et seq.), and the
2 Charitable Solicitations Law (Bus. & Prof. Code, § 17510 et seq.).

3 The parties have settled their dispute and stipulated in writing to the entry of this Final
4 Judgment (“Judgment”) pursuant to Code of Civil Procedure section 664.6, to resolve all matters
5 in this action without trial or adjudication of any issue or law or fact.

6 Good cause therefore appearing, **IT IS HEREBY ORDERED, ADJUDGED, AND**
7 **DECREED:**

8 **FINDINGS**

- 9 1. This Court has jurisdiction over this matter.
- 10 2. Defendants deny the allegations in the Complaint, except that Defendants admit the
11 facts necessary to establish jurisdiction. This Judgment does not constitute evidence of an
12 admission of fault or liability by the Defendants.
- 13 3. Defendants waive all rights to appeal or otherwise challenge or contest the validity of
14 this Judgment, or any of its terms.

15 **MONETARY TERMS**

16 4. Defendants are jointly and severally liable for the total amount of \$326,008. Payment
17 shall be made to Community Initiatives, the fiscal sponsor of ZeroDivide’s former program, the
18 Renaissance Journalism Center. Payment to Community Initiative is restricted for use solely for
19 the Renaissance Journalism Center. Payment shall be made by certified check payable to
20 “Community Initiatives for Renaissance Journalism” in one lump sum within sixty (60) days of
21 the Court entering this Judgment. If payment is not made by then, interest shall begin to accrue at
22 the legal rate until the payment is made. The check shall be delivered to Community Initiatives at
23 1000 Broadway, Suite 480, Oakland, California 94607, with a carbon copy to the People.

24 5. Defendants are liable for \$30,000 as penalties, \$8,525 for late filing fees, and \$100,000
25 for reimbursement of attorney’s fees. The total amount of \$138,525 shall be made by certified
26 check payable to “the California Department of Justice” in one lump sum within sixty (60) days
27 of the Court entering this Judgment.

28

INJUNCTIVE TERMS

6. Defendants Guillermo, Edwards, Murchinson, Iwataki, and Quan shall wind up and dissolve ZeroDivide. They shall initiate the process no later than sixty (60) days of the Court entering this Judgment in accordance with California Corporations Code sections 6610, et seq. and 6710, et seq. Upon the winding up and dissolution of ZeroDivide, any assets remaining after provision for payment of proper claims and expenses of administration, if any, shall be distributed to Community Initiatives for the restricted purpose of solely funding the Renaissance Journalism Center. Payment shall be made in the same manner as described in paragraph 4. Proper claims and expenses of administration include payment of attorney's fees, accountant fees, and known debts and liabilities shall not include reimbursement in any form to Defendants. Any reimbursement to Defendants will be deemed an improper distribution as defined in Corporations Code section 6719. Once obtained, Defendants shall promptly provide a copy of ZeroDivide's dissolution certificate to the People.

7. From the date the Court enters this Judgment, Guillermo and Veneziano are permanently restrained and enjoined from violating any California statute, regulation, or rule related to operating a charitable nonprofit organization or trust, soliciting charitable contributions, and/or managing or controlling charitable assets.

8. For three years, Guillermo is restrained and enjoined from:

- a. Acting as a director, officer, trustee, manager, supervisor, founder, incorporator, or other fiduciary for any California nonprofit corporation, unincorporated charitable organization, or charitable trust, or other nonprofit corporation or organization doing business in California;
- b. Acting as a director, officer, trustee, manager, supervisor, founder, incorporator, other fiduciary, employee, agent, independent contractor, or volunteer of any for-profit entity in the business of charitable fundraising in California;
- c. Soliciting or assisting others to solicit funds or assets, by any means, for a charitable purpose in California or from Californians;
- d. Holding, managing, directing, or controlling funds or assets for a charitable purpose in California or from Californians; and

1 e. Doing business in California as a commercial fundraiser for charitable purposes,
2 fundraising counsel for charitable purposes, commercial coventurer, or trustee, as those terms are
3 defined in California Government Code sections 12599, 12599.1, 12599.2, and 12582.

4 The date for commencing this injunction is October 1, 2022. If the Court does not enter this
5 Judgment before October 1, 2022, then it shall commence from the date the Court enters this
6 Judgment. Also, this injunction shall not prevent Guillermo from winding up and dissolving
7 ZeroDivide.

8 9. For three years from the date the Court enters this Judgment, Veneziano is restrained
9 and enjoined from:

10 a. Acting as a director, officer, trustee, manager, supervisor, founder, incorporator, or
11 other fiduciary for any California nonprofit corporation, unincorporated charitable organization,
12 or charitable trust, or other nonprofit corporation or organization doing business in California;

13 b. Acting as a director, officer, trustee, manager, supervisor, founder, incorporator,
14 other fiduciary, employee, agent, independent contractor, or volunteer of any for-profit entity in
15 the business of charitable fundraising in California;

16 c. Soliciting or assisting others to solicit funds or assets, by any means, for a charitable
17 purpose in California or from Californians;

18 d. Holding, managing, directing, or controlling funds or assets for a charitable purpose
19 in California or from Californians; and

20 e. Doing business in California as a commercial fundraiser for charitable purposes,
21 fundraising counsel for charitable purposes, commercial coventurer, or trustee, as those terms are
22 defined in California Government Code sections 12599, 12599.1, 12599.2, and 12582.

23 **ADDITIONAL TERMS**

24 10. Any notices or communications required to be transmitted between the parties pursuant
25 to this Judgment shall be sent to the below persons, or to their successors, in writing by first class
26 mail, overnight delivery, or electronic mail:

27 a. To the People: Brian Armstrong, Deputy Attorney General; California Department
28 of Justice, Office of the Attorney General; 455 Golden Gate Avenue, Suite 11000; San Francisco,

1 CA 94102-7004; (415) 510-3758; brian.armstrong@doj.ca.gov.

2 b. To Defendants: Raja Sekaran; Nossaman LLP; 50 California St., 34th Flr.; San
3 Francisco, CA 94111; (415) 438-7205; rsekaran@nossaman.com.

4 Any notices provided pursuant to this Judgment shall be deemed given five (5) days after
5 mailing by first class mail or one (1) business day after electronic mail transmission, overnight
6 delivery, or personal service.

7 11. As requested by the parties, this Court shall retain jurisdiction of this matter for the
8 purpose of enabling any party to this Judgment to apply to the Court at any time for orders and
9 direction as are necessary or appropriate for the construction and carrying out of this Judgment,
10 including for the enforcement of any terms, punishment for any violation of its terms, or
11 modification of any terms pursuant to Code of Civil Procedure section 664.6. The terms and
12 enforcement of this Judgment shall be governed by the laws of the State of California, and venue
13 shall be in the Superior Court of California, County of San Francisco.

14 12. In any action or motion brought by the People to enforce this Judgment in which the
15 Attorney General obtains any or all of the relief sought, the People shall be entitled to attorney's
16 fees and costs in addition to any other remedies provided by law.

17 13. This Judgment shall be binding and effective immediately upon entry by the clerk of
18 this Court, and the Clerk is ordered to enter this Final Judgment.

19
20 Dated: _____

Judge of the Superior Court

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Exhibit B

ZeroDivide Settlement Agreement

I. Parties

This Settlement Agreement (“Agreement”) is entered into between the following parties: the People of the State of California (“People”), by and through Rob Bonta, the Attorney General of the State of California (“Attorney General”), ZeroDivide, Tessie Guillermo (“Guillermo”), David Veneziano (“Veneziano”), Carladenise Edwards (“Edwards”), Linda Miya Iwataki (“Iwataki”), Julie Murchinson (“Murchinson”), and Kelvin Quan (“Quan”). Collectively, Guillermo, Veneziano, Edwards, Iwataki, Murchinson, and Quan are referred to as “Directors and Officers.” ZeroDivide and the Directors and Officers are collectively referred to as “Defendants.” The People and Defendants are collectively referred to as the “Parties.”

II. Recitals

- A. ZeroDivide is a California nonprofit public benefit corporation that is registered with the Attorney General’s Registry of Charitable Trusts (Registration No. 111824). ZeroDivide’s assets are, and always have been, impressed with a charitable trust.
- B. The Attorney General is responsible for supervising charitable organizations and charitable trusts, and protecting charitable assets and donations for the People. As part of this duty, the Attorney General initiated an audit of ZeroDivide, which revealed the Directors and Officers oversaw and were responsible for ZeroDivide’s activities for the time periods when they served as directors and/or officers. The audit resulted in a Complaint filed in an action against Defendants in California Superior Court alleging violations of California’s charitable trusts laws, including the Supervision of Trustees and Fundraisers for Charitable Purposes Act (Gov. Code, § 12580 et seq.), the Nonprofit Public Benefit Corporation Law (Corp. Code, § 5000, et seq.), and the Charitable Solicitations Law (Bus. & Prof. Code, § 17510 et seq.).
- C. The Parties, each of whom desires to avoid the expense, uncertainty, and inconvenience of litigation or other administrative action, agree to resolve this matter upon the terms and conditions stated herein.

III. Agreement

In consideration of the mutual covenants and promises set forth in this Agreement, the Parties stipulate and agree as follows:

- 1. The Parties agree to all of the provisions of the Judgment attached as Exhibit 1 and incorporated into this Agreement by this reference. The Court may enter the Judgment, which will resolve the Complaint. Defendants shall fully cooperate with the People in obtaining entry of the Judgment, including but not limited to not opposing and fully cooperating with the People’s filing of a motion or stipulation for entry of the Judgment, agreeing that the Court may enter the Judgment without a hearing on the matter, and agreeing to pay any appearance or other fees if requested by the Clerk of the Court. If requested to pay an appearance fee, Defendants agree to request the Clerk to accept one appearance and fee from counsel for Guillermo on behalf of all Defendants. If the Clerk

ZeroDivide Settlement Agreement

requires an appearance fee from all Defendants, the Defendants agree that each appearance fee shall be paid by them.

2. The Court may retain jurisdiction over the Parties to enforce this Agreement, including the Judgment, pursuant to Code of Civil Procedure section 664.6.
3. Defendants waive any right to personal service of the Complaint and agree to accept service of the Complaint by overnight delivery or electronic mail as specified in paragraph 10 of the Judgment.
4. Defendants deny the allegations in the Complaint, except that they admit the facts necessary to establish that the Court has jurisdiction over this matter.
5. Defendants waive all rights to appeal or otherwise challenge or contest the validity of the Judgment, or any of its terms.
6. ZeroDivide will not be required to file any past due reports with the Attorney General's Registry of Charitable Trusts. The Parties hereby waive all rights to appeal or otherwise challenge or contest the revocation of ZeroDivide's registration with the Registry of Charitable Trusts.
7. Release: For consideration of the agreements set forth herein, the receipt and sufficiency of which are hereby expressly acknowledged, the People waive, satisfy, release, acquit, and forever discharge Defendants and former directors and/or officers of ZeroDivide from and against any and all claims, counterclaims, actions, defenses, affirmative defenses, suits, rights, causes of action, the People have or may have against Defendants and former directors and/or officers of ZeroDivide for any claim or issue which was or could have been brought, known or unknown, in the People's Complaint described in the Recitals above. Because the release provided by the People is a specific release, Civil Code section 1542 which pertains to general releases does not apply. This release and discharge shall not be construed to limit or prevent any Party's ability to enforce the terms of this Agreement.
8. Additional Provisions:
 - a. Any notices required under this Agreement shall be made pursuant to paragraph 10 of the Judgment. Raja Sekaran, counsel for Guillermo, is authorized to receive any notices sent to each or all Defendants.
 - b. This Agreement shall be construed and enforced in accordance with the laws of the State of California.
 - c. The Parties have carefully read this Agreement and all of its terms.
 - d. The Parties represent and warrant that each has the full legal right and authority to execute this Agreement. The Parties have voluntarily signed this Agreement.
 - e. This Agreement contains the entire agreement regarding the matters set forth herein, and it supersedes all oral agreements, promises, warranties, representations, explanations, or understandings, if any, between the parties relating to this Agreement. The Parties further acknowledge that any legal citations within this Agreement are incorporated herein, so that such cited laws do not need to be expressly reflected in this Agreement to be included within it.
 - f. Any modification or revision to this Agreement must be in writing and signed by all parties to be enforceable. However, if ZeroDivide has wound up and dissolved,

ZeroDivide Settlement Agreement


a signature from ZeroDivide is not needed to modify or revise this Agreement. Upon written request (including via electronic mail), the Parties shall promptly cooperate and execute any additional documents necessary to effectuate the intent of the parties as set forth herein.

- g. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. Any such provision found to be invalid is severable from the remaining provisions of this Agreement.
- h. This Agreement may be executed in counterparts, each of which shall constitute an original agreement. Electronic signatures shall constitute an original signature, including signatures sent via fax or electronic mail.
- i. The effective date of this Agreement shall be the date when the Attorney General executes this agreement.


IT IS SO STIPULATED AND AGREED.

ROB BONTA
Attorney General of California
ELIZABETH S. KIM
Supervising Deputy Attorney General

DATED: April 6, 2022


BRIAN ARMSTRONG
Deputy Attorney General
Attorneys for People of the State of California

DATED: 3/9/2022


Carladenise Edwards, Acting Chair for
ZeroDivide

DATED: _____

Tessie Guillermo

ZeroDivide Settlement Agreement

a signature from ZeroDivide is not needed to modify or revise this Agreement. Upon written request (including via electronic mail), the Parties shall promptly cooperate and execute any additional documents necessary to effectuate the intent of the parties as set forth herein.

- g. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. Any such provision found to be invalid is severable from the remaining provisions of this Agreement.
- h. This Agreement may be executed in counterparts, each of which shall constitute an original agreement. Electronic signatures shall constitute an original signature, including signatures sent via fax or electronic mail.
- i. The effective date of this Agreement shall be the date when the Attorney General executes this agreement.

IT IS SO STIPULATED AND AGREED.

ROB BONTA
Attorney General of California
ELIZABETH S. KIM
Supervising Deputy Attorney General

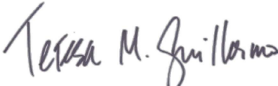
DATED: _____

BRIAN ARMSTRONG
Deputy Attorney General
Attorneys for People of the State of California

DATED: _____

Carladenise Edwards, Acting Chair for
ZeroDivide

DATED: March 29 2022 _____

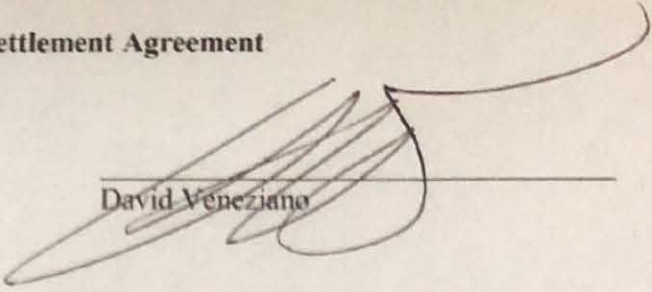


Tessie Guillermo

ZeroDivide Settlement Agreement

DATED:

3/9/22


David Veneziano

DATED: _____

Carladenise Edwards

DATED: _____

Linda Miya Iwataki

DATED: _____

Julie Murchinson

DATED: _____

Kelvin Quan

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ZeroDivide Settlement Agreement

DATED: _____

David Veneziano

DATED: 3/9/2022 _____

Carladenise Edwards

Carladenise Edwards

DATED: _____

Linda Miya Iwataki

DATED: _____

Julie Murchinson

DATED: _____

Kelvin Quan

SF2016202367
43089205_2

ZeroDivide Settlement Agreement

DATED: _____

David Veneziano

DATED: _____

Carladenise Edwards

DATED: 3/9/2022

Linda Miya Iwataki

Linda Miya Iwataki

DATED: _____

Julie Murchinson

DATED: _____

Kelvin Quan

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ZeroDivide Settlement Agreement

DATED: _____

David Veneziano

DATED: _____

Carladenise Edwards

DATED: _____

Linda Miya Iwataki

DATED: 3/14/22

Julie Murchinson
Julie Murchinson

DATED: _____

Kelvin Quan

SF2016202367
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ZeroDivide Settlement Agreement

DATED: _____

David Veneziano

DATED: _____

Carladenise Edwards

DATED: _____

Linda Miya Iwataki

DATED: _____

Julie Murchinson

DATED: March 9, 2022



Kelvin Quan

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43089205_2

Exhibit 1

Final Judgment

1 ROB BONTA
Attorney General of California
2 TANIA M. IBANEZ
Senior Assistant Attorney General
3 ELIZABETH S. KIM
Supervising Deputy Attorney General
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8 *Attorneys for the People of the State of California*

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Fees—Gov. Code, § 6103**

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 COUNTY OF SAN FRANCISCO

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12 **THE PEOPLE OF THE STATE OF CALIFORNIA,**

Case No.

13 Plaintiff,

[PROPOSED] FINAL JUDGMENT

14 v.

15 **ZERODIVIDE; TESSIE GUILLERMO; DAVID**
16 **VENEZIANO; CARLADENISE EDWARDS;**
17 **LINDA MIYA IWATAKI; JULIE MURCHINSON;**
KELVIN QUAN; AND DOES 1 THROUGH 25,
INCLUSIVE,

18 Defendants.
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20

21 Plaintiff, the People of the State of California (“People”), by and through Rob Bonta, the
22 Attorney General of the State of California, filed their Complaint against Defendants ZeroDivide,
23 a California nonprofit public benefit corporation, and ZeroDivide’s directors and officers, Tessie
24 Guillermo (“Guillermo”), David Veneziano (“Veneziano”), Carladenise Edwards (“Edwards”),
25 Linda Miya Iwataki (“Iwataki”), Julie Murchinson (“Murchinson”), and Kelvin Quan (“Quan”).
26 The People’s Complaint alleged violations of California’s charitable trusts laws, including the
27 Supervision of Trustees and Fundraisers for Charitable Purposes Act (Gov. Code, § 12580 et
28

1 seq.), the Nonprofit Public Benefit Corporation Law (Corp. Code, § 5000, et seq.), and the
2 Charitable Solicitations Law (Bus. & Prof. Code, § 17510 et seq.).

3 The parties have settled their dispute and stipulated in writing to the entry of this Final
4 Judgment (“Judgment”) pursuant to Code of Civil Procedure section 664.6, to resolve all matters
5 in this action without trial or adjudication of any issue or law or fact.

6 Good cause therefore appearing, **IT IS HEREBY ORDERED, ADJUDGED, AND**
7 **DECREED:**

8 **FINDINGS**

9 1. This Court has jurisdiction over this matter.

10 2. Defendants deny the allegations in the Complaint, except that Defendants admit the
11 facts necessary to establish jurisdiction. This Judgment does not constitute evidence of an
12 admission of fault or liability by the Defendants.

13 3. Defendants waive all rights to appeal or otherwise challenge or contest the validity of
14 this Judgment, or any of its terms.

15 **MONETARY TERMS**

16 ~~April 5, 2022~~ Defendants are jointly and severally liable for the total amount of \$326,008. Payment
17 shall be made to Community Initiatives, the fiscal sponsor of ZeroDivide’s former program, the
18 Renaissance Journalism Center. Payment to Community Initiative is restricted for use solely for
19 the Renaissance Journalism Center. Payment shall be made by certified check payable to
20 “Community Initiatives for Renaissance Journalism” in one lump sum within sixty (60) days of
21 the Court entering this Judgment. If payment is not made by then, interest shall begin to accrue at
22 the legal rate until the payment is made. The check shall be delivered to Community Initiatives at
23 1000 Broadway, Suite 480, Oakland, California 94607, with a carbon copy to the People.

24 5. Defendants are liable for \$30,000 as penalties, \$8,525 for late filing fees, and \$100,000
25 for reimbursement of attorney’s fees. The total amount of \$138,525 shall be made by certified
26 check payable to “the California Department of Justice” in one lump sum within sixty (60) days
27 of the Court entering this Judgment.
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INJUNCTIVE TERMS

6. Defendants Guillermo, Edwards, Murchinson, Iwataki, and Quan shall wind up and dissolve ZeroDivide. They shall initiate the process no later than sixty (60) days of the Court entering this Judgment in accordance with California Corporations Code sections 6610, et seq. and 6710, et seq. Upon the winding up and dissolution of ZeroDivide, any assets remaining after provision for payment of proper claims and expenses of administration, if any, shall be distributed to Community Initiatives for the restricted purpose of solely funding the Renaissance Journalism Center. Payment shall be made in the same manner as described in paragraph 4. Proper claims and expenses of administration include payment of attorney's fees, accountant fees, and known debts and liabilities shall not include reimbursement in any form to Defendants. Any reimbursement to Defendants will be deemed an improper distribution as defined in Corporations Code section 6719. Once obtained, Defendants shall promptly provide a copy of ZeroDivide's dissolution certificate to the People.

7. From the date the Court enters this Judgment, Guillermo and Veneziano are permanently restrained and enjoined from violating any California statute, regulation, or rule related to operating a charitable nonprofit organization or trust, soliciting charitable contributions, and/or managing or controlling charitable assets.

8. For three years, Guillermo is restrained and enjoined from:

- a. Acting as a director, officer, trustee, manager, supervisor, founder, incorporator, or other fiduciary for any California nonprofit corporation, unincorporated charitable organization, or charitable trust, or other nonprofit corporation or organization doing business in California;
- b. Acting as a director, officer, trustee, manager, supervisor, founder, incorporator, other fiduciary, employee, agent, independent contractor, or volunteer of any for-profit entity in the business of charitable fundraising in California;
- c. Soliciting or assisting others to solicit funds or assets, by any means, for a charitable purpose in California or from Californians;
- d. Holding, managing, directing, or controlling funds or assets for a charitable purpose in California or from Californians; and

1 e. Doing business in California as a commercial fundraiser for charitable purposes,
2 fundraising counsel for charitable purposes, commercial coventurer, or trustee, as those terms are
3 defined in California Government Code sections 12599, 12599.1, 12599.2, and 12582.

4 The date for commencing this injunction is October 1, 2022. If the Court does not enter this
5 Judgment before October 1, 2022, then it shall commence from the date the Court enters this
6 Judgment. Also, this injunction shall not prevent Guillermo from winding up and dissolving
7 ZeroDivide.

8 9. For three years from the date the Court enters this Judgment, Veneziano is restrained
9 and enjoined from:

10 a. Acting as a director, officer, trustee, manager, supervisor, founder, incorporator, or
11 other fiduciary for any California nonprofit corporation, unincorporated charitable organization,
12 or charitable trust, or other nonprofit corporation or organization doing business in California;

13 b. Acting as a director, officer, trustee, manager, supervisor, founder, incorporator,
14 other fiduciary, employee, agent, independent contractor, or volunteer of any for-profit entity in
15 the business of charitable fundraising in California;

16 c. Soliciting or assisting others to solicit funds or assets, by any means, for a charitable
17 purpose in California or from Californians;

18 d. Holding, managing, directing, or controlling funds or assets for a charitable purpose
19 in California or from Californians; and

20 e. Doing business in California as a commercial fundraiser for charitable purposes,
21 fundraising counsel for charitable purposes, commercial coventurer, or trustee, as those terms are
22 defined in California Government Code sections 12599, 12599.1, 12599.2, and 12582.

23 **ADDITIONAL TERMS**

24 10. Any notices or communications required to be transmitted between the parties pursuant
25 to this Judgment shall be sent to the below persons, or to their successors, in writing by first class
26 mail, overnight delivery, or electronic mail:

27 a. To the People: Brian Armstrong, Deputy Attorney General; California Department
28 of Justice, Office of the Attorney General; 455 Golden Gate Avenue, Suite 11000; San Francisco,

1 CA 94102-7004; (415) 510-3758; brian.armstrong@doj.ca.gov.

2 b. To Defendants: Raja Sekaran; Nossaman LLP; 50 California St., 34th Flr.; San
3 Francisco, CA 94111; (415) 438-7205; rsekaran@nossaman.com.

4 Any notices provided pursuant to this Judgment shall be deemed given five (5) days after
5 mailing by first class mail or one (1) business day after electronic mail transmission, overnight
6 delivery, or personal service.

7 11. As requested by the parties, this Court shall retain jurisdiction of this matter for the
8 purpose of enabling any party to this Judgment to apply to the Court at any time for orders and
9 direction as are necessary or appropriate for the construction and carrying out of this Judgment,
10 including for the enforcement of any terms, punishment for any violation of its terms, or
11 modification of any terms pursuant to Code of Civil Procedure section 664.6. The terms and
12 enforcement of this Judgment shall be governed by the laws of the State of California, and venue
13 shall be in the Superior Court of California, County of San Francisco.

14 12. In any action or motion brought by the People to enforce this Judgment in which the
15 Attorney General obtains any or all of the relief sought, the People shall be entitled to attorney's
16 fees and costs in addition to any other remedies provided by law.

17 13. This Judgment shall be binding and effective immediately upon entry by the clerk of
18 this Court, and the Clerk is ordered to enter this Final Judgment.

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20 Dated: _____

Judge of the Superior Court

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