UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **April 14, 2020**

SONOMA PHARMACEUTICALS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**001-33216**	**68-0423298**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1129 N. McDowell Blvd.
Petaluma, CA 94954
(Address of principal executive offices)
(Zip Code)

(707) 283-0550
(Registrant's telephone number, including area code)

Not applicable.
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock	SNOA	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02 Departure of Directors of Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

As previously announced, at the beginning of 2019 we began to carefully evaluate our business with the goal of achieving and sustaining profitability. As part of this process, we reviewed all aspects of our Company to find opportunities to cut costs responsibly. We currently manufacture in two facilities. At our Petaluma, CA facility we primarily manufacture our U.S. dermatology line. At our other Guadalajara, Mexico, facility we primarily manufacture products for our international business. Our facility in Mexico is a large, modern state-of-the-art plant that has recently manufactured approximately 400,000 units per month with capacity to expand as needed. By closing one of our manufacturing facilities and consolidating manufacturing, we expect to realize, after one-time closing costs, significant savings that we expect will strengthen the Company as a whole. Thus, we have made the decision to close our Petaluma offices and manufacturing in the summer of 2020. We are in the process of relocating manufacturing from California to Mexico. Additionally, we plan to migrate some U.S. corporate functions to our existing office in Woodstock, Georgia.

As part of this migration, effective on April 14, 2020, our Board of Directors appointed Grant Edwards as our new Chief Financial Officer. Mr. Edwards, age 42, is a Partner with TechCXO, LLC. He has over 15 years of experience with SEC reporting and has held financial leadership positions at Harbinger Group Inc. and Sciele Pharma, Inc. Mr. Edwards gained CPA firm experience at Deloitte & Touche LLP and Arthur Anderson LLP. He is a licensed Certified Public Accountant in Georgia and North Carolina. He holds a Masters in Accountancy from East Carolina University. Mr. Edwards is also an adjunct professor for accounting at Georgia State University.

We agreed to compensate Mr. Edwards $225 per hour. We will also grant him $25,000 in common stock in two tranches. The first tranche will be issued as soon as practicable after signing of his agreement, with the closing stock price on the grant date as measure for the number of shares, and the second tranche will be issued on or after October 14, 2020, with the closing stock price on the grant date as measure for the number of shares. The grant, regardless of issue date, will vest in three years, with the first third vesting on April 14, 2021, second third will vest on April 14, 2022 and remaining third will vest on April 14, 2023. If we terminate him prior to April 14, 2021, all stock will vest immediately on the termination date. If we terminate him on or after April 14, 2021, including by not renewing this agreement, all unvested stock will be forfeited. If Mr. Edwards terminates his agreement, all unvested stock will be forfeited.

As part of the transition to Georgia, on April 15, 2020, Mr. John Dal Poggetto was released as our Chief Financial Officer effective on April 24, 2020. We thank Mr. Dal Poggetto for all of his services over the last 17 years and wish him the best in his future endeavors.

In connection with Mr. Dal Poggetto's termination we entered into a mutual separation and release agreement. Pursuant to the agreement Mr. Dal Poggetto will receive $50,000 in cash as a separation payment, plus $31,400 for accrued paid time off, and 3,086 shares of our common stock. We will continue to reimburse Mr. Dal Poggetto for his health care expenses for him and his dependents for six months. He waives his rights to any further payments as well as to the grant of $100,000 signing bonus in equity that was promised to him in his employment agreement. The bonus options granted to Mr. Dal Poggetto on December 31, 2019 will expire on his termination date according to their terms. All other vested equity grants will be exercisable for a period of three months.

This report contains forward-looking statements. Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements related to our future activities or future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performances and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors, including those risks discussed in our Annual Report on Form 10-K and in other documents that we file from time to time with the SEC. Any forward-looking statements speak only as of the date on which they are made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this report, except as required by law.

Item 9.01. Financial Statements and Exhibits.

Exhibit No.	Description
10.1	Consulting Agreement between the Company and TechCXO, LLC effective April 14, 2020
10.2	Mutual Separation and Release Agreement between the Company and John Dal Poggetto, dated April 14, 2020

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sonoma Pharmaceuticals, Inc.
(Registrant)

Date: April 20, 2020

By: /s/ Amy Trombly
Name: Amy Trombly
Title: Chief Executive Officer

Exhibit 10.1

TechCXO Accelerate the Vision.

Consulting Services Proposal For Sonoma Pharmaceuticals

Objectives

Sonoma Pharmaceuticals seeks an experienced CFO to support the company's rapid growth. TechCXO can provide flexible assistance throughout this process. I can act as your CFO and as a member of your management team.

Below are several areas where I can provide financial leadership:

1. Assess and make recommendations to improve the company's processes and controls.
2. Lead and drive the budgeting, forecasting and review process. Make adjustments based on variance analyses with the team.
3. Manage the company's reporting requirements for its collaborations and grants.
4. Manage board relations for all finance-related items.
5. Lead the SEC reporting and financial audit.
6. Will Sign and Accept Responsibility as defined by the Securities & Exchange Commission as the "Principal Financial Officer" and "Principal Accounting Officer" of Sonoma Pharmaceuticals (NASDAQ: SNOA)
7. Support the team's fundraising efforts as needed.
8. Help develop a comprehensive set of key performance indicators and ensure they are produced in a timely and accurate manner.
9. Provide assistance with operational/administrative tasks which might include: legal, IT, facilities, general admin, as well as human resource functions.

Timing, Scope and Staffing

TechCXO's services are provided on an hourly basis. My rate structure for this engagement is:

CFO consulting services	$225 per hr.
Additional Equity	$25,000 in common stock, to be issued in two equal tranches. The first tranche will be issued as soon as practicable after signing of this Agreement (with the closing stock price on the grant date as measure for the number of shares) and the second tranche will be issued on or after 10/14/2020 (with the closing stock price on the grant date as measure for the number of shares). The grant (regardless of issue date) will vest in three years, with the first third vesting on 4/14/2021, second third will vest on 4/14/2022 and remaining third will vest on 4/14/2023. If Client terminates Consultant prior to 4/14/2021, all stock shall vest immediately on the termination date. If Client terminates Consultant on or after 4/14/2021, including by not renewing this Agreement, all unvested stock shall be forfeited. If Consultant terminates all unvested stock shall be forfeited.
Support Staff – if requested	TBD
Expenses*	Billed as incurred

Once I take on a project, I give 110% and make myself available in person and via email and phone to ensure continuity in our efforts.

Consulting Services Agreement

The below designated Client ("Client") acknowledges and agrees that the services performed by TechCXO, LLC are governed by the Terms and Conditions (FY 2019) attached hereto and incorporated as part of this Consulting Services Agreement ("Agreement"). The terms of the accompanying Consulting Services Proposal are hereby incorporated by reference and made a part hereof, to the extent not inconsistent with or contrary to any provision herein. In the event of any conflict, the terms of this Agreement shall prevail.

Agreement to the terms and conditions is indicated by specification of the required information below and signature of authorized agents for both TechCXO, LLC, and Client.

Effective Date of this Agreement: April 14, 2020

Executed by Client:		**Executed by TechCXO, LLC:**	
Signature:	/s/ Amy Trombly	Signature:	/s/ R. Grant Edwards
Date:	4/20/2020	Date:	4/16/2020
Printed Name:	Amy Trombly	Printed Name:	R. Grant Edwards
Title:	CEO	Title:	Partner

Terms and Conditions

1. ***Consulting Services***

TechCXO, LLC ("TechCXO") will provide consulting services and executive talent pursuant to the scope of services provided in the accompanying proposal or work order, and under the terms and conditions of this Consulting Services Agreement ("Agreement"). Any changes to the Agreement shall be documented and approved by TechCXO and Client in writing and attached to the Agreement. Scheduled service dates will be agreed upon mutually, subject to availability of TechCXO personnel.

2. ***Status of Parties***

TechCXO and its principals, employees, agents and subcontractors (collectively, "Consultants") shall be, and at all times during this Agreement shall remain, an independent contractor in relationship to the Client. Consultants shall not have any rights to the Client's usual employee fringe benefits, including, but not limited to, worker's compensation benefits, and in no event is any contract of agency or employment intended by this Agreement. Except to the extent authorized by the Client's Board of Directors in writing, and consistent with the scope of the services under this Agreement, Consultants shall have no authority to bind, obligate, or commit the Client by any agreement, promise, or representation in any manner whatsoever.

3. ***Incidental Expenses***

Client shall reimburse TechCXO for actual, reasonable travel, lodging, and out-of-pocket expenses incurred with Client's prior written approval. Mileage rates will conform to the IRS standard rate schedule.

4. ***Fees, Invoicing, and Payment***

TechCXO's fees (hourly and fixed) and payment terms are stated in the accompanying proposal or work order, and are subject to periodic adjustment (but in the case of hourly rates, not more often than once every twelve (12) months). Invoices will normally be issued on a semi-monthly basis, unless otherwise provided. Fees for services shall be payable when invoiced, and shall be deemed overdue if they remain unpaid 31 days after the date of invoice. Overdue fees shall be subject to a late payment of one and one half percent (1.5%) per month for each month where payment is not received. Client's failure to make timely payments under this Agreement may be considered by TechCXO a material breach of this Agreement, which may result in suspension of consulting services to Client.

If Client's procedures require that an invoice be submitted against a purchase order before payment can be made, Client will be responsible for issuing such purchase order 30 days before the payment due date. If TechCXO has to collect past due sums under this agreement, then it shall also be entitled to collect its reasonable collection costs, interest and attorney's fees. Payments are due regardless of any third party action or responsibilities of Client.

Remit to Address: TechCXO, LLC
1911 Grayson Highway, Suite 8/122
Grayson, GA 30017

5. ***Term of Agreement***

The initial term of this Agreement shall be one (1) year from the date executed, unless specifically stated otherwise in writing. The parties may terminate the engagement as outlined in Section 12.

6. ***Client Obligations***

As part of the engagement under this Agreement, Client will furnish or make available any company plans, product information, financial information, and other relevant resources, and provide access to necessary personnel, as requested by TechCXO to enable the performance of the consulting services. TechCXO fees are based on anticipated cooperation from Client personnel and the assumption that unexpected circumstances will not be encountered during the engagement. Other resources, such as Internet access while present on Client premises and adequate work space facilities, shall be as agreed with Client. If significant unexpected circumstances occur, the parties will discuss a new fee estimate before TechCXO incurs additional costs.

7. ***Changes in Scope***

The scope of the engagement is stated in the accompanying proposal or work order, and shall be the only services provided under this Agreement. In the event that Client seeks to change the scope of the engagement, Client shall discuss such proposed changes with TechCXO. If TechCXO elects to perform such changes to the engagement, the parties shall work together in good faith to come to new terms on the scope of the engagement. Any changes in scope shall be mutually agreed upon in writing prior to commencement of the change. This includes any required changes in engagement responsibilities, fees and schedule. TechCXO shall not be obligated to perform any differing or additional consulting services unless the parties have mutually agreed upon and executed a written change order or amendment to this Agreement. TechCXO shall be entitled to an adjustment in fees based on the change in scope of the engagement. TechCXO will provide an estimate for the change in a timely manner and the Client shall approve or disapprove this change in a timely manner.

8. ***Taxes***

The fees quoted in the accompanying proposal or work order do not include taxes. TechCXO and Consultant shall be responsible for any federal, state, or local taxes based on the services provided under this Agreement.

9. ***Rights to Work Product***

All deliverables under this Agreement shall be considered works-made-for-hire ("Deliverables") and all ownership rights relating to the Deliverables shall vest in Client. Nothing herein shall be construed to grant TechCXO any right or license to use the confidential, proprietary information of Client. Notwithstanding the provisions of this section, any intellectual or other property, including but not limited to tools, business processes, work products, methodologies, techniques, trade secrets, works of authorship, standard training material, courseware, third party or open source software, or content which (i) is not customized specifically for Client; (ii) does not contain any Client confidential or proprietary information; and (iii) was developed by TechCXO prior to the execution of this Agreement, and used in the performance of its obligations in creating the Deliverables pursuant to this Agreement ("TechCXO Property"), belongs to and remains the property of TechCXO. TechCXO hereby grants to Client a worldwide, nonexclusive, irrevocable, perpetual, royalty-free license to use, copy, distribute, display, modify and make derivative works of all such TechCXO Property in accordance with this Agreement.

10. ***Warranty and Disclaimers***

TechCXO warrants that its services provided pursuant to this Agreement will be performed in a timely and professional manner consistent with generally-accepted industry standards. Any modifications made to work products or services provided by TechCXO that are not authorized and executed by TechCXO shall void the warranty.

EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION, TECHCXO EXPRESSLY DISCLAIMS AND CLIENT EXPRESSLY WAIVES ANY AND ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION, ALL SERVICES AND DELIVERABLES ARE PROVIDED "AS IS." TECHCXO IS PROVIDING SERVICES TO ASSIST CLIENT. CLIENT IS RESPONSIBLE FOR REVIEWING THE DELIVERABLES TO ENSURE THEIR ACCURACY AND COMPLETENESS AND FOR THE RESULTS OBTAINED FROM ITS USE OF THE DELIVERABLES.

11. ***Limitation of Remedies***

Client's sole and exclusive remedy for any claim against TechCXO and its Consultants with respect to the quality of the services provided by TechCXO under this Agreement shall be, at TechCXO's option, re-performance of the consulting services or termination of the engagement and return of the portion of the fees paid to TechCXO by Client for the nonconforming portion of the consulting services
In order to receive warranty remedies, deficiencies in the services must be reported to TechCXO in writing within 60 days of completion of that portion of the services. In the absence of any such notice, the services shall be deemed satisfactory to and accepted by Client.

12. ***Termination of Agreement***

Unless stated otherwise in the proposal or work order applicable to the services under this Agreement, either party can terminate this Agreement without cause upon thirty (30) days written notice to the other party prior to the expiration of the then-current term. Either party can terminate this Agreement for cause if either party considers the other party is not performing its obligations in accordance with the terms of this Agreement, and provides written notice to the other party of such non-performance. The party receiving such written notice will have fifteen (15) days from the date of notice receipt to correct the situation. If the situation is not corrected, the Agreement can be terminated immediately upon written notice. Upon termination of this Agreement, TechCXO will immediately cease performing any consulting services, and Client will pay TechCXO for all services provided and expenses incurred through the date of termination.

13. ***TechCXO Consultants***

In the event Client believes that any TechCXO Consultant is failing to perform the services in a satisfactory manner or believes that the Consultant is not technically qualified, Client shall notify TechCXO as to the reasons for such failure. Upon receipt of notice or as soon as reasonably practical thereafter, Client and TechCXO shall mutually determine the best course of action to take to resolve such failure, which action may include replacing such Consultant at no cost to Client. Should Client request that a TechCXO Consultant be replaced for any reason other than job performance or technical qualification, an additional cost may be assessed to Client. This cost will be mutually agreed to in writing prior to replacement of the Consultant.
Due to the limited nature of TechCXO's engagement, unless expressly stated in the accompanying proposal or work order, TechCXO and its Consultants shall not be solely responsible for the financial and accounting functions of Client even if acting in a "CFO" or similar executive role. TechCXO and its Consultants are acting solely in a consulting capacity, and the scope of the engagement is expressly limited to the responsibilities set forth in the accompanying proposal or work order.

14. ***Force Majeure***

Neither party shall be responsible for any failure to perform or delay in performing any of its obligations under this Agreement where and to the extent that such failure or delay results from causes outside the reasonable control of the party. Such causes shall include, without limitation, Acts of God or of the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, freight embargoes, civil commotions, or the like; however, the parties are aware of the current COVID-19 pandemic and consider this pandemic not to be a force majeure event. Notwithstanding the above, strikes and labor disputes shall not constitute an excusable delay for either party under this Agreement.

15. ***Non-Solicitation of Employees***

Each party agrees not to solicit, offer, or promise employment or employ the other party's employees (full-time employees, Consultants or contractors) during the term of the Agreement and for a period of one (1) year following termination of this Agreement for any reason, unless prior written consent is received from the non-hiring party. In the event an employee is solicited, offered employment or hired in violation of this Agreement, the breaching party shall pay to the other party as liquidated damages a fee equal to 50% of the employee's yearly compensation within 30 days of written notice of such violation.

16. ***Limitation of Liability***

UNDER NO CIRCUMSTANCES AND UNDER NO LEGAL THEORY (WHETHER IN CONTRACT, TORT, NEGLIGENCE OR OTHERWISE) WILL EITHER PARTY TO THIS AGREEMENT, OR THEIR AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR CONSULTANTS BE LIABLE TO THE OTHER PARTY OR ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, CONSEQUENTIAL, PUNITIVE OR OTHER SIMILAR DAMAGES, INCLUDING LOST PROFITS, LOST SALES, LOST FUNDING OR INVESTMENT, LOST BUSINESS, LOST DATA, BUSINESS INTERRUPTION OR ANY OTHER LOSS INCURRED BY THE OTHER PARTY OR SUCH THIRD PARTY IN CONNECTION WITH THIS AGREEMENT OR THE CONSULTING SERVICES, REGARDLESS OF WHETHER A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF OR COULD HAVE FORESEEN SUCH DAMAGES.

CLIENT AGREES THAT TECHCXO'S TOTAL LIABILITY ARISING OUT OF THIS AGREEMENT OR OTHERWISE IN CONNECTION WITH ANY CONSULTING SERVICES, SHALL IN NO EVENT EXCEED THE FEES PAID BY CLIENT TO TECHCXO PRIOR TO THE FIRST EVENT OR OCCURRENCE GIVING RISE TO SUCH LIABILITY, AND SHALL IN NO EVENT EXCEED THE TOTAL AMOUNT OF FEES PAID BY CLIENT TO TECHCXO UNDER THIS AGREEMENT. EACH PARTY ACKNOWLEDGES AND AGREES THAT THE ESSENTIAL PURPOSE OF THIS SECTION IS TO ALLOCATE THE RISKS UNDER THIS AGREEMENT BETWEEN THE PARTIES AND LIMIT POTENTIAL LIABILITY GIVEN THE FEES, WHICH WOULD HAVE BEEN SUBSTANTIALLY HIGHER IF TECHCXO WERE TO ASSUME ANY FURTHER LIABILITY OTHER THAN AS SET FORTH HEREIN. TECHCXO HAS RELIED ON THESE LIMITATIONS IN DETERMINING WHETHER TO PROVIDE CLIENT THE CONSULTING SERVICES PROVIDED FOR IN THIS AGREEMENT.

TechCXO shall not be liable for any deficiency in performance of consulting services to the extent resulting from acts or omissions of the Client, including but not limited to, Client's failure to provide accurate information, timely assistance, relevant resources or necessary personnel requested by TechCXO to enable the performance of the consulting services. TechCXO also shall not liable for any deficiency in performance of consulting services to the extent that it does not directly supervise and/or manage staffing personnel provided to Client by TechCXO, or Client refuses to engage or allow a TechCXO Partner to be involved in the oversight and/or performance of the consulting services.

17. ***Indemnification***

Each party shall indemnify and hold the other harmless against any and all third-party claims, costs, expenses, losses, and liabilities claimed by third parties, arising out of misrepresentations, acts, or omissions of the indemnifying party, and Client shall indemnify and hold TechCXO harmless against any and all third party claims, costs, expenses, losses, and liabilities claimed by third parties, arising out of the providing of the products or services referenced in this Agreement, except for instances of fraud, gross negligence, or willful misconduct.

18. ***Nondisclosure***

By virtue of this Agreement, the parties may have access to information that is confidential to one another ("Confidential Information"). For purposes of this Agreement, Confidential Information may include, but is not limited to, information regarding proprietary methods and products, potential product and/or service offerings, source code, designs, documentation, customer names, customer data, business plans, financial analysis, future plans and pricing, the marketing or promotion of any product, and business policies and practices. The parties agree, both during the term of this Agreement and for a period of two (2) years after termination, for any reason, of this Agreement and of all work orders hereunder, to hold each other's Confidential Information in strict confidence. The parties agree not to make each other's Confidential Information available in any form to any third party or to use each other's Confidential Information for any purpose other than the performance of this Agreement. Each party agrees to take all reasonable steps to ensure that Confidential Information is not disclosed or distributed in violation of the provisions of this Agreement, except a disclosure pursuant to any judicial or government request or order. The parties hereby acknowledge (1) the unique nature of the protections and provisions set forth in this provision, (2) that a party will suffer irreparable harm if the other party breaches any of said protections of this provision, and (3) that monetary damages will be inadequate to compensate the party for such breach. Therefore, if a party breaches this provision, then the aggrieved party shall be entitled to injunctive relief, in addition to any other remedies at law or equity, to enforce such provision.

19. ***Arbitration***

Except for attempts by TechCXO to collect amounts owed under this Agreement, or attempts by either party to enforce the provisions of Section 18, which may be pursued, among other ways, through the federal and state judicial systems, any controversy, dispute, or claim of whatever nature arising out of, in connection with, or in relation to the interpretation, performance, or breach of this agreement, including any claim based on contract, tort, or statute, shall be resolved, at the request of any party to this agreement, by final and binding arbitration administered by and in accordance with the then existing rules and procedures of the American Arbitration Association, as the exclusive method of dispute resolution. The arbitration shall take place in Fulton County, Georgia. Judgment upon any reward rendered by the arbitrator may be entered by any state or federal court having jurisdiction thereof.

20. ***Notice***

Any notice required or permitted to be given by one party to the other shall be deemed to be given when notice is mailed via certified mail with the United States Postal Service with sufficient postage prepaid, or by recognized courier service with verification of delivery, addressed to respective party to whom notice is intended at the address specified above in this Agreement.

21. ***Governing Law***

This Agreement shall be governed by the laws of the State of Georgia without regard to its choice of laws rules. Any dispute arising out of or relating to this Agreement shall be determined by a federal or state court in the State of Georgia. The parties hereby submit to the jurisdiction of such courts.

22. ***Severability***

If any provision of this Agreement is held by final judgment of a court of competent jurisdiction to be invalid, illegal, or unenforceable, such invalid, illegal, or unenforceable provision shall be severed from the remainder of this Agreement, and the remainder of this Agreement shall be enforced. In addition, the invalid, illegal, or unenforceable provision shall be deemed to be automatically modified, and, as so modified, to be included in this Agreement, such modification being made to the minimum extent necessary to render the provision valid, legal, and enforceable. Notwithstanding the foregoing, however, if the severed or modified provision concerns all or a portion of the essential consideration to be delivered under this Agreement by one party to the other, the remaining provisions of this Agreement shall also be modified to the extent necessary to equitably adjust the parties' respective rights and obligations hereunder.

23. ***Counterparts***

This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together constitute a singled integrated document. Facsimile transmissions of the signature page shall be binding upon the parties.

24. ***Entire Agreement***

This Agreement constitutes the complete agreement between the parties and supersedes all previous agreements or representations, written or oral, with respect to the services and terms described herein. This Agreement may not be modified or amended except in writing signed by a duly authorized representative of each party.

Exhibit 10.2

Separation and Release of Claims Agreement

This Separation and Release of Claims Agreement ("**Agreement**") is entered into by and between Sonoma Pharmaceuticals, Inc., a Delaware corporation, its successors, assigns, employees, directors, and agents (the "**Company**") and John Dal Poggetto (the "**Employee**"), (the Company and the Employee are collectively referred to as the "**Parties**") as of April 14, 2020 (the "**Execution Date**").

Employee's last day of employment with the Company is April 24, 2020 (the "**Termination Date**"). After the Termination Date, the Employee will not represent himself as being an employee, officer, attorney, agent, or representative of the Company for any purpose. Except as otherwise set forth in this Agreement, the Termination Date is the employment termination date for the Employee for all purposes, meaning the Employee is not entitled to any further compensation, monies, or other benefits from the Company, including coverage under any benefit plans or programs sponsored by the Company, as of the Termination Date.

1. Employee Representations. The Employee specifically represents, warrants, and confirms that the Employee:

    a. has not filed any claims, complaints, or actions of any kind against the Company with any court of law, or local, state, or federal government or agency;

    b. has received all salary, accrued vacation, commissions, bonuses, compensation, shares of stock options therefore or other such sums due to Employee other than the sums to be paid pursuant to Section 2 of this Agreement; and

    c. has not engaged in any unlawful conduct relating to the business of the Company.

2. Consideration. As consideration for the Employee's execution of and compliance with this Agreement, including the Employee's waiver and release of claims in Section 5 and other post-termination obligations, the Company agrees to provide the following benefits to which the Employee is not otherwise entitled:

    a. The Company agrees to pay Employee a lump sum of $50,000.00 less applicable tax withholdings and other payroll deductions. This payment will be made within 15 business days after Company receives a signed original of this Agreement. For the avoidance of doubt, no bonus of any kind, payable in full or partial, has accrued.

    If Employee violates Section 7, Section 8, Section 9, and/or Section 10 of this Agreement, the Company shall be entitled to repayment of all or part of the sum described above.

    b. The Company agrees to pay Employee a lump sum of $31,377.33 for his accrued and paid time off, less applicable tax withholdings and other payroll deductions. This payment will be made within 15 business days after Company receives a signed original of this Agreement.

    c. The Company shall reimburse Employee for the monthly Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”) premiums paid by the Employee for himself and his dependents for the first six (6) months following the Termination Date if Employee elects COBRA coverage If Employee becomes eligible for health benefits through another employer, the Company’s obligation shall cease.

    d. The Company agrees to grant Employee 3,086 shares of common stock within 15 business days after Company receives a signed original of this Agreement. Employee will be responsible for all local, state and/or federal taxes related to the stock grant.

e. All outstanding unvested equity grants of Employee shall immediately cease vesting and be forfeit as of the Termination Date. All outstanding vested equity grants shall remain exercisable until they expire on the earlier of (i) the 91st day following the Termination Date, or (ii) the original expiration date. Employee is responsible for any local, state and/or federal taxes for these equity grants, including but not limited to the exercise, vesting or expiration.

f. Business expenses incurred by Employee through the Termination Date will be reimbursed consistent with Company policy.

Employee understands, acknowledges, and agrees that these benefits exceed what Employee is otherwise entitled to receive on termination from employment, and that these benefits are being given as consideration in exchange for executing this Agreement and the general release and restrictive covenants contained in it. Employee further acknowledges that Employee is not entitled to any additional payment or consideration not specifically referenced in this Agreement. Nothing in this Agreement shall be deemed or construed as an express or implied policy or practice of the Company to provide these or other benefits to any individuals other than the Employee.

3. Consideration Period. Employee shall have twenty-one (21) calendar days from April 13, 2020 to consider signing this Agreement.

4. Revocation Period. Employee shall have seven (7) calendar days after the date Employee signs this Agreement to revoke the Agreement (the "**Revocation Date**"). If Employee opts to revoke the Agreement within Revocation period, Employee must notify the Company of this revocation in writing via the form of the letter attached hereto prior to the Revocation Date. Any revocation within this period must state "I hereby revoke my acceptance of our Separation Agreement and Release." The written revocation must be personally delivered to Jennifer Scott, HR consultant, at the Company, by overnight mail or facsimile, and must be postmarked within seven (7) calendar days after Employee's execution of this Agreement. This Agreement shall not become effective or enforceable until the Revocation Date. If the Revocation Date is a Saturday, Sunday, or legal holiday, then the revocation period shall not expire until the next following day that is not a Saturday, Sunday, or legal holiday. If the Employee does not expressly notify the Company in writing of his/her revocation of this Agreement as set forth herein, the Agreement will be deemed accepted upon expiration of the seven (7) day revocation period.

If Employee properly and timely revokes his acceptance of this Agreement as set forth herein, Employee acknowledges Employee will not be entitled to the payments from the Company described in Section 2(a) nor any other compensation due and owing, if any there is.

5. Release.

a. Employee waives his rights to the grant of the signing bonus as stated in Section 3.3 of the Employment Agreement dated September 25, 2019, as amended (the "**Employment Agreement**").

b. Employee waives his rights to a separate notice of termination as provided for in Section 5 of the Employment Agreement.

c. Mutual General Release and Waiver of Claims

Subject to the terms of this Agreement, and in exchange for the payments set forth in Section 2 herein, Employee on his own behalf and on behalf of his heirs, spouses, executors, administrators, and agents, hereby releases and discharges the Company and current and former of its officers, directors, owners, partners, employees, parent companies or entities, subsidiaries, affiliates, related entities, franchisor, affiliated entities, successors-in-interest, predecessors-in-interest, advisors, legal counsel, representatives, and agents, individually and collectively ("Releasees"), of and from any and all known or unknown liabilities, claims, demands for damages, costs, indemnification, contribution, or any other thing for which Employee has or may have a known or unknown cause of action, claim, or demand for damages, costs, indemnification, or contribution, whether certain or speculative, which may have at any time prior hereto come into existence or which may be brought in the future in connection with any acts or omissions which have arisen at any time prior to the date of execution of this Agreement, including, but not limited to, any and all claims Employee has or may have relating to, or arising out of the employment of Employee by Company, including but not limited to any claims by Employee for breach of employment contract, or unpaid wages, any and all claims relating to, or arising from, Employee's right to purchase, or actual purchase of shares of stock of the Company, or that Employee has been wrongfully terminated by Company, including any claim for harassment or discrimination, discharge in violation of public policy and/or violation of any state and federal laws, including without limitation, the Americans With Disabilities Act, Title VII Of The Civil Rights Act Of 1964, as amended, the Fair Labor Standards Acts, as amended, the National Labor Relations Act, as amended, the Labor-Management Relations Act, as amended, the Worker Adjustment And Retraining Notification Act Of 1988, as amended, the Rehabilitation Act Of 1973, as amended, the Equal Pay Act, the Employee Retirement Income Security Act Of 1974, as amended, the Family Medical Leave Act Of 1993, as amended, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, x the Civil Rights Act of 1991, Sections 1981 through 1988 of Title 42 of the United States Code, as amended, the Immigration Reform and Control Act, as amended, the Occupational Safety and Health Act, as amended, all California state civil rights, employment and wage and hour laws, including those pertaining to overtime pay, timely payment of compensation, meal and rest period pay, and penalties and interest upon late or unpaid compensation; the California Equal Pay Law, as amended; the California Unruh Act, as amended, the California Smokers' Rights Law, as amended; any allegation for costs, fees, or other expenses including attorneys' fees incurred in these matters, and any other federal, state or local civil or human rights law or any other local, state or federal law, regulation or ordinance, including any applicable contract, tort, constitutional or common law based claims that Employee has or may have as of the date of execution of this Agreement, including but not limited to, any applicable California state laws governing employee and employer rights and obligations.

However, the release set forth in this section excludes, and the Employee does not waive, release, or discharge: (i) any right to file an administrative charge or complaint with the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing or other similar federal or state administrative agencies, although the Employee waives monetary relief related to such a charge or administrative complaint; (ii) claims which cannot be waived by law; (iii) indemnification rights the Employee has against the Company; (iv) claims for coverage under any D&O or other similar insurance policy; and (vi) any rights to vested benefits, such as pension or retirement benefits.

The Company and Employee agree that the release set forth in this section shall be and remain in effect in all respects as a complete and general release as to the matters released. This release does not extend to any obligations incurred under the Agreement.

The Company expressly waives and releases any and all claims against the Employee that may be waived and released by law with the exception of claims arising out of or attributable to (a) events, acts or omissions taking place after the Parties' execution of this Agreement; (b) the Employee's breach of any terms and conditions of this Agreement; and (c) the Employee's criminal activities or intentional misconduct occurring during the Employee's employment with the Company.

6. Knowing and Voluntary Acknowledgment. The Employee specifically agrees and acknowledges that:

   a. the Employee has read this Agreement in its entirety and understands all of its terms;

   b. by this Agreement, the Employee has been advised to consult with an attorney before executing this Agreement and has consulted with such counsel as the Employee believed was necessary before signing this Agreement;

   c. the Employee knowingly, freely, and voluntarily assents to all of this Agreement's terms and conditions including, without limitation, the waiver, release, and covenants contained in it;

   d. the Employee is signing this Agreement, including the waiver and release, in exchange for good and valuable consideration in addition to anything of value to which the Employee is otherwise entitled;

   e. the Employee is not waiving or releasing rights or claims that may arise after the Employee signs this Agreement; and

   f. the Employee understands that the waiver and release in this Agreement is being requested in connection with the Employee's termination of employment from the Company.

7. Post-Separation Obligations and Restrictive Covenants.

   a. Confidential Information

      The Employee understands and acknowledges that during the course of employment with the Company, the Employee has had access to and learned about confidential, secret, and proprietary documents, materials, and other information, in tangible and intangible form, of and relating to the Company and its businesses and existing and prospective customers, suppliers, investors, and other associated third parties ("**Confidential Information**"). The Employee further understands and acknowledges that this Confidential Information and the Company's ability to reserve it for the exclusive knowledge and use of the Company is of great competitive importance and commercial value to the Company, and that improper use or disclosure of the Confidential Information by the Employee may cause the Company to incur financial costs, loss of business advantage, liability under confidentiality agreements with third parties, civil damages, and criminal penalties.

      i. For purposes of this Agreement, Confidential Information includes, but is not limited to, all information not generally known to the public, in spoken, printed, electronic, or any other form or medium, relating directly or indirectly to: business processes, practices, methods, policies, plans, publications, documents, research, operations, services, strategies, techniques, agreements, contracts, terms of agreements, transactions, potential transactions, negotiations, pending negotiations, know-how, trade secrets, computer programs, computer software, applications, operating systems, software design, web design, work-in-process, databases, device configurations, embedded data, compilations, metadata, algorithms, technologies, manuals, records, articles, systems, material, sources of material, supplier information, vendor information, financial information, results, accounting information, accounting records, legal information, marketing information, advertising information, pricing information, credit information, design information, payroll information, staffing information, personnel information, employee lists, supplier lists, vendor lists, developments, reports, internal controls, security procedures, graphics, drawings, sketches, market studies, sales information, revenue, costs, formulae, notes, communications, product plans, designs, styles, models, ideas, audiovisual programs, inventions, unpublished patent applications, original works of authorship, discoveries, experimental processes, experimental results, specifications, customer information, customer lists, client information, client lists, manufacturing information, factory lists, distributor lists, and buyer lists of the Company or its businesses, or of any other person or entity that has entrusted information to the Company in confidence.

ii. The Employee understands that the above list is not exhaustive, and that Confidential Information also includes other information that is marked or otherwise identified or treated as confidential or proprietary, or that would otherwise appear to a reasonable person to be confidential or proprietary in the context and circumstances in which the information is known or used.

iii. The Employee understands and agrees that Confidential Information developed by the Employee in the course of the Employee's employment by the Company is subject to the terms and conditions of this Agreement as if the Company furnished the same Confidential Information to the Employee in the first instance. Confidential Information shall not include information that is generally available to and known by the public at the time of disclosure to the Employee, provided that the disclosure is through no direct or indirect fault of the Employee or person(s) acting on the Employee's behalf.

b. Disclosure and Use Restrictions.

i. Employee Covenants. The Employee agrees and covenants:

1. to treat all Confidential Information as strictly confidential;

2. not to directly or indirectly disclose, publish, communicate, or make available Confidential Information, or allow it to be disclosed, published, communicated, or made available, in whole or part, to any entity or person whatsoever (including other employees of the Company) not having a need to know and authority to know and use the Confidential Information in connection with the business of the Company and, in any event, not to anyone outside of the direct employ of the Company; and

3. not to access or use any Confidential Information, and not to copy any documents, records, files, media, or other resources containing any Confidential Information, or remove any such documents, records, files, media, or other resources from the premises or control of the Company, except as allowed by applicable law.

The Employee understands and acknowledges that the Employee's obligations under this Agreement regarding any particular Confidential Information begin immediately and shall continue after the Employee's employment by the Company until the Confidential Information has become public knowledge other than as a result of the Employee's breach of this Agreement or a breach by those acting in concert with the Employee or on the Employee's behalf.

ii. Permitted Disclosures. Nothing in this Agreement shall be construed to prevent disclosure of Confidential Information as may be required by applicable law or regulation, or pursuant to the valid order of a court of competent jurisdiction or an authorized government agency, provided that the disclosure does not exceed the extent of disclosure required by such law, regulation, or order.

Nothing in this Agreement prohibits or restricts the Employee (or Employee's attorney) from initiating communications directly with, responding to an inquiry from, or providing testimony before the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), any other self-regulatory organization, or any other federal or state regulatory authority regarding this Agreement or its underlying facts or circumstances or a possible securities law violation.

Nothing in this Agreement in any way prohibits or is intended to restrict or impede the Employee from exercising protected rights under Section 7 of the National Labor Relations Act (NLRA).

c. Non-Solicitation of Employees

The Employee understands and acknowledges that the Company has expended and continues to expend significant time and expense in recruiting and training its employees and that the loss of employees would cause significant and irreparable harm to the Company. The Employee agrees and covenants not to directly or indirectly solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment of any person who is then, or at any time within six (6) months prior thereto, was an employee of the Company, who earned annually $25,000 or more as an employee of such entity during the last six (6) months of his or her own employment to work for (as an employee, consultant or otherwise) any business, individual, partnership, firm, corporation, or other entity whether or not engaged in competitive business with the Company for two (2) years beginning on the Termination Date.

d. Non-Solicitation of Customers

The Employee understands and acknowledges that the Company has expended and continues to expend significant time and expense in developing customer relationships, customer information, and goodwill, and that because of the Employee's experience with and relationship to the Company, the Employee has had access to and learned about much or all of the Company's customer information ("**Customer Information**"). Customer Information includes, but is not limited to, names, phone numbers, addresses, email addresses, order history, order preferences, chain of command, pricing information, and other information identifying facts and circumstances specific to the customer and relevant to the Company's sales or services.

The Employee understands and acknowledges that loss of any of these customer relationships or goodwill will cause significant and irreparable harm to the Company.

The Employee agrees and covenants for the period of two (2) years after the Termination Date, not to use the Company's confidential information to, directly or indirectly, individually or as a consultant to or as an employee, officer, shareholder, director or other owner or participant in any business, influence or attempt to influence the customers, vendors, suppliers, joint ventures, associates, consultants, agents or partners of any affiliated entity of the Company, either directly or indirectly, to divert their business away from the Company, to any individual, partnership, firm, corporation or other entity then in competition with the business of the Company and Employee will not otherwise materially interview with any business relationship of the Company.

8. Non-Disparagement. The Employee agrees and covenants that the Employee shall not at any time make, publish, or communicate to any person or entity or in any public forum any defamatory or disparaging remarks, comments, or statements concerning the Company or its businesses, or any of its employees, officers, or directors and its existing and prospective customers, suppliers, investors, and other associated third parties, now or in the future, including any references to the Company on any social media site which could be construed as casting the Company in a negative light.

Employee further agrees to refrain from communications with or disparagement to any regulatory agency about the Company, including, but not limited to, lodging complaints about the Company or offering any testimony or evidence against the Company in any legal or administrative action unless compelled to do so under the authority of law.

The Company agrees to refrain from any defamation, slander, or tortious interference with the contracts and relationships of the Employee, whether in writing, verbally or electronically, including any references to the Employee on any social media site which could be construed as casting the Employee in a negative light.

9. Confidentiality of Agreement. The Employee agrees and covenants that the Employee shall not disclose any of the negotiations of, terms of, or amount paid under this Agreement to any individual or entity; provided, however, that the Employee will not be prohibited from making disclosures to the Employee's spouse or domestic partner, attorney, tax advisors, or as may be required by law.

   This Section does not in any way restrict or impede the Employee from exercising protected rights to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation, or order.

10. Return of Property. Employee acknowledges and agrees that all property owned or leased by the Company that is in Employee's possession or control, including but not limited to keys, equipment, computer hardware and software, telephones and mobile phones, customer lists, files, accounts, records, materials, documents, drawings, designs, diagrams, plans, specifications, manuals, books, forms, receipts, notes, reports, memoranda, studies, data, calculations, recordings, catalogues, compilations of information, correspondence, in any form, including, but not limited to, paper and electronic form, and all copies, abstracts and summaries of the foregoing, instruments, tools and equipment and all other physical items, whether of a public nature or not, and whether prepared by Employee or not, shall remain the sole and exclusive property of the Company and have not and shall not be removed from the premises of the Company and if so, have properly been returned to the Company by the Termination Date. Employee further agrees that Employee has promptly surrendered and delivered to the Company all the foregoing property, and Employee will not take with her any description containing or pertaining to any confidential and proprietary information which Employee made, produced or came into possession of during the course of his employment with the Company.

11. Remedies. In the event of a breach or threatened breach by the Employee of any provision of this Agreement, the Employee hereby acknowledges and agrees that the Company shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, and that money damages would not afford an adequate remedy, without the necessity of showing any actual damages and without the necessity of posting any bond or other security. Any equitable relief shall be in addition to, not instead of, legal remedies, monetary damages, or other available relief. Nothing in this section shall be construed to limit the damages otherwise recoverable by the Company in any such event.

    In the event of a material breach by the Employee of any of the provisions of this Agreement, and following written notice of such breach by the Company to Employee and an opportunity to cure such breach within five (5) business days where such breach may be cured, in addition to any other remedies the Company may have, the Company's obligations to provide payment pursuant to this Agreement to Employee immediately terminate.
    The Company also reserves the right to inform any Person, and the principals of any such Person, that the Company reasonably believes to be receiving or to be contemplating receiving from Employee any assistance of confidential and proprietary information in violation of this Section 11, and of the rights of the Company under this Section 10, that participation by such Person and Employee in activities in violation of this Section 10 may give rise to claims by the Company against such Person.

12. Successors and Assigns. The Agreement may not be assigned by Employee or the Company without the prior written consent of the other party. Notwithstanding the foregoing, the Agreement may be assigned by the Company to a corporation controlling, controlled by or under common control with the Company without the consent of Employee.

13. Arbitration. The Parties agree that any dispute, controversy, or claim arising out of or related to the Employee's employment with the Company or termination of employment, this Agreement, or any alleged breach of this Agreement shall be governed by the Federal Arbitration Act (FAA) and submitted to and decided by binding arbitration to be held in Sonoma County, CA. Arbitration shall be administered before the Arbitration and Mediation Center, Santa Rosa, CA. Each Party shall pay its own costs of arbitration. Any arbitral award determination shall be final and binding on the Parties and may be entered as a judgment in a court of competent jurisdiction. By entering into this Agreement, the Parties are waiving all rights to have their disputes heard or decided by a jury or in a court trial and the right to pursue any class or collective action or representative claims against the other in court, arbitration, or any other proceeding.

14. Governing Law, Jurisdiction, and Venue. This Agreement, whether sounding in contract, tort, or statute, for all purposes shall be governed by and construed in accordance with the laws of California without regard to any conflicts of laws principles that would require the laws of any other jurisdiction to apply.

15. Tax Consequences. The Company makes no representations or warranties with respect to the tax consequences of the payment of any sums to Employee under the terms of the Agreement. Employee agrees and understands that he/she is responsible for payment, if any, of local, state and/or federal taxes on the sums paid hereunder by the Company or as a result of equity grants being accelerated in accordance with Section 2(c) hereof and any penalties or assessments thereon. Employee further agrees to indemnify and hold the Company harmless from any claims, demands, deficiencies, penalties, assessments, executions, judgments, or recoveries by any government agency against the Company for any amounts claimed due on account of Employee's failure to pay federal or state taxes or damages sustained by the Company by reason of any such claims.

16. Entire Agreement. Unless specifically provided herein, this Agreement contains all of the understandings and representations between Company and Employee relating to the Employee's separation from the Company and supersedes all prior and contemporaneous understandings, discussions, agreements, representations, and warranties, both written and oral, regarding such subject matter.

17. Modification and Waiver. No provision of this Agreement may be amended or modified unless the amendment or modification is agreed to in writing and signed by the Employee and by an authorized officer of the Company. No waiver by either Party of any breach by the other party of any condition or provision of this Agreement to be performed by the other Party shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either Party in exercising any right, power, or privilege under this Agreement operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.

18. Severability. If any provision of this Agreement is found by a court or arbitral authority of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, or enforceable only if modified, such finding shall not affect the validity of the remainder of this Agreement, which shall remain in full force and effect and continue to be binding on the Parties.

19. Captions. Captions and headings of the sections and paragraphs of this Agreement are intended solely for convenience and no provision of this Agreement is to be construed by reference to the caption or heading of any section or paragraph.

20. Counterparts. The Parties may execute this Agreement in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument.

21. No Admission of Liability. Nothing in this Agreement shall be construed as an admission by the Company of any wrongdoing, liability, or noncompliance with any federal, state, city, or local rule, ordinance, statute, common law, or other legal obligation.

22. Notices. All notices under this Agreement must be given in writing by personal delivery or regular mail at the addresses indicated in this Agreement or any other address designated in writing by either Party.

Notice to Company:

Sonoma Pharmaceuticals, Inc.
1129 N. McDowell Blvd.
Petaluma, CA 94954
Direct Line 707-559-7381
Fax 415-462-5182
atrombly@sonomapharma.com

Notice to the Employee:

At the address on file with the Company

23. Attorneys' Fees and Costs. The Parties shall each bear their own costs, attorneys' fees and other fees incurred in connection with the execution of the Agreement.

24. Section 409A. This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (Section 409A), including the exceptions thereto, and shall be construed and administered in accordance with such intent. Notwithstanding any other provision of this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service, as a short-term deferral, or as a settlement payment pursuant to a bona fide legal dispute shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, any installment payments provided under this Agreement shall each be treated as a separate payment. To the extent required under Section 409A, any payments to be made under this Agreement in connection with a termination of employment shall only be made if such separation constitutes a "separation from service" under Section 409A. Notwithstanding the foregoing, Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A and in no event shall Company be liable for all or any portion of any taxes, penalties, interest, or other expenses that may be incurred by Employee on account of non-compliance with Section 409A.

25. Acknowledgment of Full Understanding. THE EMPLOYEE ACKNOWLEDGES AND AGREES THAT THE EMPLOYEE HAS FULLY READ, UNDERSTANDS, AND VOLUNTARILY ENTERS INTO THIS AGREEMENT. THE EMPLOYEE ACKNOWLEDGES AND AGREES THAT THE EMPLOYEE HAS HAD AN OPPORTUNITY TO ASK QUESTIONS AND CONSULT WITH AN ATTORNEY OF THE EMPLOYEE'S CHOICE BEFORE SIGNING THIS AGREEMENT. THE EMPLOYEE FURTHER ACKNOWLEDGES THAT THE EMPLOYEE'S SIGNATURE BELOW IS AN AGREEMENT TO RELEASE COMPANY FROM ANY AND ALL CLAIMS THAT CAN BE RELEASED AS A MATTER OF LAW.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Execution Date above.

Sonoma Pharmaceuticals, Inc.
By: /s/ Amy Trombly
Name: Amy Trombly
Title: CEO

EMPLOYEE
Signature: /s/ John Dal Poggetto
Print Name: John Dal Poggetto