SETTLEMENT AGREEMENT

1. RECITALS

1.1 The Parties

This Settlement Agreement ("Settlement") is entered into by and between Erika McCartney ("Ms. McCartney") on the one hand, and The Raw Food World, Inc., and its parents, subsidiaries, shareholders, directors, members, officers, employees, agents, attorneys, and manufacturers, distributors and retailers, on the other ("Raw Food World"). Ms. McCartney and Raw Food World shall hereinafter collectively be referred to as the "Parties."

Ms. McCartney is a citizen of the State of California. Raw Food World is a person in the course of doing business as the term is defined in California Health and Safety Code Section 25249.6 *et seq.* ("Proposition 65").

1.2 Allegations

Ms. McCartney alleges Raw Food World manufactured, distributed, supplied, and/or sold a certain product, specifically, "Raw Food World Cacao Powder" (the "Covered Product") for use by consumers, causing users in California to be exposed to cadmium (the "Listed Substance") in amounts exceeding the maximum allowable dosage level ("MADL") established by the California Office of Environmental Health Hazard Assessment ("OEHHA") without providing "clear and reasonable warnings," in violation of Proposition 65. Cadmium is subject to Proposition 65 warning requirements because it is listed as known to the State of California to cause reproductive harm.

On August 22, 2016, a sixty-day notice of violation, along with a Certificate of Merit, was provided by Ms. McCartney to Raw Food World and various public enforcement agencies regarding the alleged violation of Proposition 65. No public prosecutor commenced any action

in the intervening 60-day period.

1.3 No Admissions

Raw Food World denies all allegations in Ms. McCartney's 60-Day Notice and maintains that the Covered Product has been, and is, in compliance with all laws, and that Raw Food World has not violated Proposition 65. This Settlement shall not be construed as an admission of liability by Raw Food World but as a compromise of claims that are expressly contested and denied. However, nothing in this section shall affect the Parties' obligations, duties, and responsibilities under this Settlement.

1.4 Compromise

The Parties enter into this Settlement in order to resolve the controversy described above and to avoid prolonged and costly litigation between them.

1.5 Effective Date

The "Effective Date" shall be the date upon which this Settlement is signed by both Parties and delivered to the opposing Party.

2. INJUNCTIVE RELIEF

2.1 Warning Obligations for Covered Product

After the Effective Date, Raw Food World shall not manufacture, decorate, import, distribute or offer for use or sale any Covered Product, unless clear and reasonable warnings are given in a manner consistent with the method and language set forth in Section 2.2.

2.2 Manner of Providing Warning

For the Covered Product, Raw Food World shall provide the following warning ("Warning") as specified below:

"WARNING: This product contains lead and other chemicals known to the State of California to cause cancer, birth defects and other reproductive harm.

The Warning shall be permanently affixed to or printed on (at the point of manufacture, prior to shipment to California, or prior to distribution within California) the outside packaging or container of each unit of the Covered Product. The Warning shall be displayed with such conspicuousness, as compared with other words, statements designs or devices on the outside packaging or labeling, as to render it likely to be read and understood by an ordinary individual prior to use. The parties agree that the placement and appearance of the warning language appearing on the specimen attached hereto as Exhibit A complies with the requirements of this paragraph. Raw Food World agrees to modify the language to conform to the requirements of California Code of Regulations 25607.2 prior to its effective date.

3. PAYMENTS

3.1 Civil Penalty Pursuant To Proposition 65

Raw Food World shall pay a civil penalty of $10,000, to be apportioned in accordance with Health and Safety Code section 25249.12(c)(l) and (d), with 75% paid to State of California Office of Environmental Health Hazard Assessment, and the remaining 25% paid to Ms. McCartney.

The civil penalty shall be made by check or money order made payable to "Office of Environmental Health Hazard Assessment" in the amount of $7,500; and (2) a check or money order made payable to "Erika McCartney" in the amount of $2,500. Raw Food World shall remit the payment on or before February 1, 2017, via regular or certified U.S. Mail to:

Pacific Justice Center
ATTN: Robert B. Hancock, Esq.
50 California Street, Suite 1500
San Francisco, CA 94111

3.2 Payment of Attorneys' Fees And Expenses

Raw Food World shall pay Ms. McCartney's attorney's fees and expenses incurred in pursuing the instant action, in the amount of $35,000. The payments shall be made by check or money order made payable to "Robert B. Hancock." Raw Food World shall remit the payments in two installments of $15,000 and $20,000 on or before February 1, 2017, and March 1, 2017, respectively, via regular or certified U.S. Mail to:

Pacific Justice Center
ATTN: Robert B. Hancock, Esq.
50 California Street, Suite 1500
San Francisco, CA 94111

Any failure to remit any of the foregoing payments shall be deemed to be a material breach of this Settlement, and the parties agree that in that event the Settlement shall be rescinded in full, and the parties restored to their respective positions as though the Settlement had never existed.

4. RELEASES

4.1 Ms. McCartney's Release Of Raw Food World

Ms. McCartney, acting in her individual capacity, her past and current agents, representatives, attorneys, successors, and/or assignees, in consideration of the promises and monetary payments contained herein, hereby releases Raw Food World from the claims asserted in Ms. McCartney's 60-Day Notice regarding violation of Proposition 65 with respect to the Covered Product.

4.2 Raw Food World' Release Of Ms. McCartney

Raw Food World, by this Settlement, waives all rights to institute any form of legal action against Ms. McCartney, her past and current agents, representatives, attorneys, experts, successors, and/or assignees, for actions or statements made or undertaken, whether in the course of investigating claims or seeking enforcement of Proposition 65 against Raw Food World in this

matter.

4.3 Waiver Of Unknown Claims

Each of the Parties acknowledges that they are familiar with Section 1542 of California Civil Code which provides as follows:

> A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Each of the parties waives and relinquishes any right or benefit it has or may have under Section 1542 of the California Civil Code or any similar provision under the statutory or non statutory law of any other jurisdiction to the full extent that it may lawfully waive all such rights and benefits pertaining to the claims in this Settlement. The Parties acknowledge that each may subsequently discover facts in addition to, or different from, those that it believes to be true with respect to the claims released herein. The Parties agree that this Settlement and the releases contained herein shall be and remain effective in all respects notwithstanding the discovery of such additional or different facts.

5. SEVERABILITY

Should any non-material part or provision of this Settlement for any reason be declared by a Court to be invalid, void, unenforceable, or against law or public policy, the remaining portions and provisions shall continue in full force and effect.

6. GOVERNING LAW

The terms of this Settlement shall be governed by the laws of the State of California.

7. INTEGRATION

This Settlement constitutes the entire agreement between the parties with respect to the subject matter hereof and may not be amended or modified except in writing executed by both

Parties.

8. COUNTERPARTS

This Settlement may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute the same document. Execution and delivery of this Settlement by e-mail, facsimile, or other electronic means shall constitute legal and binding execution and delivery. Any photocopy of the executed Settlement shall have the same force and effect as the originals.

9. AUTHORIZATION

The undersigned are authorized to execute this Settlement on behalf of their respective Party. Each Party has read, understood, and agrees to all of the terms and conditions of this Settlement. Each Party warrants to the other that it is free to enter into this Settlement and not subject to any conflicting obligation which will or might prevent or interfere with the execution or performance of this Settlement by said Party.

AGREED: The Raw Food World, Inc.

Date: 1-13-17

By: Matthew Monarch

Its: Matthew Monarch

AGREED:

Date: _____

_____
Erika McCartney

Parties.

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AGREED: The Raw Food World, Inc.

Date:_____

By: _____

Its: _____

AGREED:

Date: 1/16/17

Erika McCartney

EXHIBIT A


Ingredients:
100% Organic Raw
Cacao Paste
83405 56983 1
Nutrition Facts
Serving Size 2 tbsp (28g)
Servings Per Bag 32
Amount Per Serving
Calories
Calories from Fat 140
Total Fat 15g
Saturated Fat
Trans Fat 0g
Cholesterol 0mg
Sodium 10mg
Total Carbohydrate 8g
Dietary Fiber 1g
Sugars 0g
Protein 4g
Vitamin A 0%
Calcium 2%
Lot: ANCPT160402
Best Before: APR 2018
Certified Organic by:
ÖKO-GARANTIE
BCS
BCS ÖKO Garantie GmbH