

SETTLEMENT AND RELEASE AGREEMENT

1. **INTRODUCTION**

1.1. **Zachary Stein & Alansu Global Trade Inc. dba Cerez Pazari**

This Settlement Agreement is entered into by and between Zachary Stein (“Stein”), on the one hand, Alansu Global Trade Inc. dba Cerez Pazari (“Alansu”), on the other hand, with Stein and Alansu collectively referred to as the “Parties.”

1.2. **General Allegations**

Stein alleges that Alansu manufactured and distributed and offered for sale in the State of California “Cerez Pazari Allspice” containing Methyleugenol (“Methyleugenol”), and that such sales have not included warnings pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code sections 25249.6, *et seq.* (“Proposition 65”). California has identified and listed Methyleugenol under Proposition 65 as a chemical known to the State of California to cause cancer, birth defects, or other reproductive harm.

1.3. **Product Description**

The product that is covered by this Settlement Agreement is defined as “Cerez Pazari Allspice” that Alansu has sold, offered for sale, or distributed in California. All such items shall be referred to herein as the “Products.”

1.4. **Notice of Violation**

On July 12, 2022, Stein served Alansu and the requisite public enforcement agencies eligible to initiate Proposition 65 actions on behalf of the People of the State of California with a document entitled “60-Day Notice of Violation” (“Notice”) that provided Alansu and such public enforcers with notice that Alansu was allegedly in violation of California Health & Safety Code section 25249.6 for failing to warn consumers and customers that the Products exposed users in

California to Methyleugenol. To the best of the Parties' knowledge, no public enforcer has commenced or is diligently prosecuting the allegations set forth in the Notice.

1.5. No Admission

The Parties enter into this Settlement Agreement to settle disputed claims between them as set forth herein and in the Notice concerning Alansu's compliance with Proposition 65. Alansu denies the material factual and legal allegations contained in Stein's Notice and maintains that all products that it has manufactured for sale and distribution in California, including the Products, have been and are in compliance with Proposition 65 or any other statutory, regulatory, common law or equitable doctrine, and denies that it is subject to Proposition 65. Nothing in this Settlement Agreement shall be construed as an admission by Alansu of any fact, finding, issue of law, or violation of law; nor shall compliance with this Settlement Agreement constitute or be construed as an admission by Alansu of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Alansu on its behalf. However, nothing in this section shall diminish or otherwise affect the obligations, responsibilities, and duties of Alansu under this Settlement Agreement.

1.6. Effective Date

For purposes of this Settlement Agreement, the term "Effective Date" shall mean the date this Settlement Agreement is fully executed.

2. INJUNCTIVE RELIEF: REFORMULATION AND WARNINGS

As of the Effective Date, should Alansu determine that any of its Products contain non-naturally occurring Methyleugenol (as provided in Section 25501(3) of the California Code of Regulations), Alansu shall manufacture, import, or otherwise source for authorized sale in California only Products that are labeled with a clear and reasonable Proposition 65 warning

pursuant to Section 2.1 below. Products that were supplied to third parties by Alansu prior to the Effective Date shall be deemed exempted from the requirements of this Section 2 and shall be permitted to be sold through as previously manufactured, packaged and labeled.

2.1. Warning Language

To the extent Alansu is required to provide a Proposition 65 warning (based on its determination under Section 2, above), Alansu shall provide Proposition 65 warnings on the Product's label as follows:

(a) Alansu may use either of the following warning statements in full compliance with this Section:

(1) **WARNING:** This product can expose you to chemicals including Methyleugenol, which are known to the State of California to cause cancer, birth defects or other reproductive harm. For more information, go to www.P65Warnings.ca.gov.

(2) **WARNING:** Cancer and Reproductive Harm – www.P65Warnings.ca.gov.

(b) If Alansu uses either of the above warning statements to effectuate its compliance, it shall also include a symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline. Where the label is not printed using the color yellow, the symbol may be printed in black and white. The symbol shall be placed to the left of the text of the warning, in a size no smaller than the height of the word "WARNING."

(c) The requirements for warnings, set forth in subsection (a) above are imposed pursuant to the terms of this Settlement Agreement. The Parties recognize

that these are not the exclusive methods of providing a warning under Proposition 65 and its implementing regulations.

(d) If Proposition 65 warnings for Methyleugenol should no longer be required, Alansu shall have no further obligations pursuant to this Settlement Agreement.

3. PENALTIES PURSUANT TO HEALTH & SAFETY CODE SECTION 25249.7(b)

In settlement of all the claims referred to in this Settlement Agreement, Alansu shall pay a total of \$3,000 in civil penalties in accordance with this Section. The penalty payment will be allocated in accordance with California Health & Safety Code section 25249.12(c)(1) & (d), with 75% of the funds remitted to the California Office of Environmental Health Hazard Assessment (“OEHHA”) and the remaining 25% of the penalty remitted to Stein. Stein’s counsel shall be responsible for delivering OEHHA’s portion of any penalty payment made under this Settlement Agreement.

4. REIMBURSEMENT OF FEES AND COSTS

The Parties reached an accord on the compensation due to Stein and his counsel under the private attorney general doctrine and principles of contract law. Under these legal principles, Alansu shall reimburse Stein’s counsel for fees and costs, incurred as a result of investigating and bringing this matter to Alansu’s attention. Alansu shall pay Stein’s counsel \$12,000 for all attorneys’ fees, expert and investigation fees, and related costs associated with this matter and the Notice.

5. PAYMENT INFORMATION

Within 35 calendar days after Alansu receives a copy of this Settlement Agreement that is fully executed by the Parties, Alansu shall make a total payment of **\$15,000** for the civil penalties and attorneys’ fees / costs by wire transfer to Plaintiff’s counsel, KJC Law Group, A.P.C.:

Wire Transfer

Bank Name: **JPMorgan Chase Bank NA**
Bank Address: **13949 Ventura Blvd, Sherman Oaks, CA 91423**
SWIFT Code: **CHASUS33**
(for international wires)
Wire Routing Number: **021000021**
Account Number: **611162618 - Trust account**
611180099 - Operating account
Name on Bank Account: **KJC LAW GROUP**
9701 Wilshire Blvd., Suite 1000
Beverly Hills, CA 90212

***If sending through ACH, please use:**

- Routing Number: 322271627
- Account Number: 611162618 (Trust Account)

Other than this payment, each side is to bear its own attorneys' fees and costs.

6. RELEASE OF ALL CLAIMS

6.1. Release of Alansu, Downstream Customers and Upstream Vendors

In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to Sections 3 and 4 above, Stein, on behalf of himself, his past and current agents, representatives, attorneys, successors and/or assignees, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims relating to the Products, including, without limitation, all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses or expenses (including, but not limited to, investigation fees, expert fees and attorneys' fees) of any nature whatsoever, whether known or unknown, fixed or contingent (collectively "Claims"), against (a) Alansu, (b) each of Alansu's downstream distributors, wholesalers, vendors, licensors, licensees, auctioneers, retailers, franchisees, dealers, shareholders, cooperative members,

customers, owners, purchasers, users, and (c) Alansu's parent companies, corporate affiliates, subsidiaries, and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees, and sister and parent entities (collectively "Releasees").

Stein also, on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees and *not* in his representative capacity, provides a general release herein which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands of any nature, character or kind, known or unknown, suspected or unsuspected, against Alansu and the Releasees. Stein acknowledges that he is familiar with California Civil Code section 1542, which provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Stein, in his capacity only, and on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees expressly waives and relinquishes any and all rights and benefits which he may have under, or which may be conferred on him by the provisions of California Civil Code section 1542, as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that he may lawfully waive such rights or benefits pertaining to the released matters.

6.2. Alansu's Release of Stein

Alansu waives any and all claims against Stein, his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Stein and his attorneys and other representatives, whether in the course of investigating claims or

otherwise seeking enforcement of Proposition 65 against it in this matter, and/or with respect to the Products.

7. GOVERNING LAW

The terms of this Settlement Agreement shall be governed by the laws of the State of California and apply within the State of California. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Alansu shall have no further obligations pursuant to this Settlement Agreement.

8. NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to this Settlement Agreement shall be in writing and personally delivered or sent by: (i) first-class, (registered or certified mail) return receipt requested; or (ii) overnight courier on any party by the other party at the following addresses:

For Alansu: Aryan Amid, Esq.
LA Law Group, A Professional Law Corp
21540 Prairie St, Ste A
Chatsworth, CA 91311

For Stein: Kevin J. Cole, Esq.
KJC Law Group, A.P.C.
9701 Wilshire Blvd., Suite 1000
Beverly Hills, CA 90212

Any party, from time to time, may specify in writing to the other party a change of address to which all notices and other communications shall be sent.

9. COUNTERPARTS; FACSIMILE/E-SIGNATURES

This Settlement Agreement may be executed in counterparts and by facsimile or e-signatures, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

10. COMPLIANCE WITH HEALTH & SAFETY CODE SECTION 25249.7(f)

Stein agrees to comply with the reporting form requirements referenced in California Health & Safety Code § 25249.7(f).

11. ENTIRE AGREEMENT

This Settlement Agreement contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and all related prior discussions, negotiations, commitments and understandings. No other agreements, oral or otherwise, exist to bind either of the Parties.

12. MODIFICATION

This Settlement Agreement may be modified only by a written agreement signed by the Parties.

13. NON-DISPARAGEMENT; SOCIAL MEDIA

To the fullest extent permitted by law, the parties agree that, from and after the date of the execution of this Agreement, the Parties agree to refrain from any disparagement, criticism, defamation, slander of the other, or tortious interference with the contracts and relationships of the other. The Parties further agree they will not disparage or publish or disseminate information, whether oral or written (which includes, but is not limited to, statements made directly, indirectly or through any third person on or through any online, social media, electronic, digital, or other media), that is derogatory in any manner to any Releasee or its business or his/her personal reputation. The parties also agree to remove any previously published disparagement, criticism, defamation, slander of the other whether oral or written (which includes, but is not limited to, statements made directly, indirectly or through any third person on or through any online, social media, electronic, digital, or other media), that is derogatory in any manner to any Releasee or its

business or his/her personal reputation. The parties agree that the non-disparagement provision set forth in this section is a material term of this Agreement and that breach of this section of the Agreement constitutes a material breach of this Agreement.

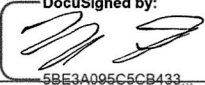
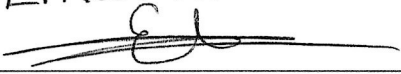
14. COVENANT NOT TO SUE

Stein further agrees that, during the term of this Agreement, Stein will not file any litigation (or assist others in filing litigation) against Alansu Global Trade Inc., concerning Alansu Global Trade Inc.'s compliance with Proposition 65 requirements and any analogous state or local public accommodations laws, except to the extent expressly authorized by this Agreement.

After the term of this Agreement expires, Stein further agree that they will not seek to impose liability on Alansu Global Trade Inc. based upon actions concerning any requirements of Proposition 65.

15. AUTHORIZATION

The undersigned are authorized to execute this Settlement Agreement on behalf of their respective Parties and have read, understood and agree to all of the terms and conditions of this Settlement Agreement.

<p>AGREED TO:</p> <p>Date: <u>October 9th</u>, 2022</p> <p>DocuSigned by:  By: _____ 5BE3A095C5CB433... Zachary Stein</p>	<p>AGREED TO:</p> <p>Date: <u>Oct 12th</u>, 2022</p> <p><u>Erhan Alansu</u>  By: _____ On Behalf of Alansu Global Trade Inc. dba Cerez Pazari</p>
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