

SETTLEMENT AND RELEASE AGREEMENT

1. INTRODUCTION

1.1. Clean Product Advocates, LLC and Quinoa Corporation d.b.a. Ancient Harvest

This Settlement Agreement is entered into by and between Clean Products Advocates, LLC ("CPA"), on the one hand, and Quinoa Corporation d.b.a. Ancient Harvest ("Quinoa"), on the other hand, with CPA and Quinoa collectively referred to as the "Parties."

1.2. General Allegations

CPA alleges that Quinoa manufactured and distributed and offered for sale in the State of California "Gluten Free Vegetable Spaghetti Pasta" and containing Lead, 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.* and its implementing regulations ("Proposition 65"). California has identified and listed Lead 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 products that are covered by this Settlement Agreement are defined as Gluten Free Vegetable Spaghetti Pasta (including different shapes of the same ingredient pasta such as Penne and/or Rotini) that Quinoa has manufactured, imported, sold, offered for sale or distributed in California. All such items including different shapes of same ingredient pastas such as Rotini and/or Penne shapes shall be referred to herein as the "Products."

1.4. Notice of Violation

On August 15, 2022 CPA alleges it served Quinoa Corporation d.b.a. Ancient Harvest; Amazon.com, Inc.; Amazon.com Services, LLC 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 Quinoa and such public enforcers with notice that Quinoa 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 Lead. 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 Quinoa's compliance with Proposition 65. Quinoa denies the material factual and legal allegations contained in CPA'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. Nothing in this Settlement Agreement shall be construed as an admission by Quinoa 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 Quinoa of any fact, binding, conclusion, issue of law, or violation of law, such being specifically denied by Quinoa on its behalf. However, nothing in this section shall diminish or otherwise affect the obligations, responsibilities, and duties of Quinoa 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, Quinoa, at its sole discretion, agrees to either (a) cease selling, offering for sale or Distributing into the State of California, (b) manufacture, import, or otherwise source for authorized sale in California only Reformulated Products, as defined pursuant to Section 2.1 below, or (c) provide a clear and reasonable Proposition 65 warning on the Products pursuant to Section 2.2 below.

As used in this Settlement Agreement, the term "Distributing into the State of California" shall mean to directly ship a Product into California for sale in California or to sell a Product to a distributor that Quinoa knows or has reason to know will sell the Product in California. The injunctive relief in Section 2 does not apply to any Product that has left the possession, and/or is no longer under the control of Quinoa prior to the compliance date and all claims as to such Products are released in this Settlement Agreement.

2.1. Reformulation Standards

The Products shall be deemed to comply with Proposition 65 with regard to Lead and be exempt from any Proposition 65 warning requirements for Lead in the Products does not exceed 0.5 micrograms of Lead per day ("Reformulated Products"). Products that were supplied or contracted to be supplied to third parties by Quinoa prior to 6 months after 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.

For the Purpose of this Agreement, the amount of Lead a person is exposed to form the Covered Product shall be calculated using the following formula: micrograms of Lead per gram of product, multiplied by grams of product per serving of the product (using the largest serving size appearing on the product label), multiplied by servings of the product per day (using the largest number of servings in recommended dosage appearing on the product label), which equals micrograms of Lead exposure per day.

2.2. Warning Option

Products that do not meet the warning exemption standard set forth in Section 2.1 above shall be accompanied by a warning as described in Section 2.3 below. This warning requirement shall only be required as to Products that are manufactured, distributed, marketed, imported, sold, shipped for sale or offered for sale to consumers by Quinoa in the State of California. No Proposition 65 warning shall be required for any Products that are supplied or contracted to be supplied to third parties by Quinoa prior to 6 months after the Effective Date, and all such Products are hereby deemed to be exempt from Proposition 65 enforcement.

2.3. Warning Language

(a) Where required to meet the criteria set forth in Section 2.2, Quinoa shall display one of the following warning statements on the packaging label of the Products that do not meet the warning exemption standard set forth in Section 2.1 above:

(1) **WARNING:** Consuming this product can expose you to chemicals including Lead, which [is] are known to the State of California to cause [cancer and] birth defects or other reproductive harm. For more information go to "www.P65Warnings.ca.gov/food"

(2) **WARNING:** [Cancer and] Reproductive Harm- www.P65Warnings.ca.gov/food

Quinoa may use "cancer and" in the warning at its option. Quinoa may include the names of additional chemicals in the warning if they are present in the Products at a level that it reasonably believes would require a Proposition 65 warning.

(b) 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. Quinoa shall be deemed to be in compliance with the warning requirements of this Settlement Agreement by either adhering to this Section 2.3 or by complying with the Proposition 65 warning requirements adopted by the State of California Office of Environmental Health Hazard Assessment ("OEHHA") as of or after the Effective Date.

(c) If Proposition 65 warnings for Lead should no longer be required, Quinoa shall have no further obligations pursuant to this Settlement Agreement.

If CPA alleges that any Product fails to adhere to this Agreement, then CPA shall inform Quinoa in a reasonably prompt manner of its test results, including information sufficient to permit Quinoa to identify the Products at issue and investigate. The Parties shall first attempt to resolve the matter prior to CPA taking any further legal action.

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

In full satisfaction of all potential civil penalties and attorney's fees, costs and any other expenses incurred by CPA or its counsel, Quinoa shall pay the total Settlement amount of Thirty Thousand Dollars (\$30,000) (The "Settlement Amount") as set forth below.

3.1 Civil Penalties to Health & Safety Code 25249.7 (B):

Three Thousand Dollars of the Settlement Amount shall be considered a "civil penalty" pursuant to California Health and Safety Code. Quinoa shall issue two separate checks within fourteen (14) days of the Effective Date for a total amount of Three Thousand Dollars (\$3000) as follows, and all payments shall be delivered to the addresses listed below.

3.1 (a) One Check made payable to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") in the amount of Two Thousand and Two Hundred and Fifty Dollars (\$2250), representing 75% of the total civil penalty; and

3.1 (b) One check payable to "Clean Product Advocates, LLC" in the amount of Seven Hundred and Fifty Dollars (\$750), representing 25% of the total civil penalty.

3.2 Attorney's Fees and Costs:

Twenty-Seven Thousand Dollars (\$27,000) of the total Settlement Amount shall be paid to Cliffwood Law Firm, PC, as CPA's attorneys, for reasonable investigation fees, and costs, attorney's fees, and any other cost incurred as a result of investigating and bringing this matter to Quinoa's attention. The first payment shall be in the amount of \$13,500.00, payable to Cliffwood Law Firm, PC at the address below. This payment shall be due within 14 days of the Effective Date of this Settlement Agreement. Quinoa shall make another payment of \$13,500 within 45 days of the Effective Date to Cliffwood Law Firm, PC at the address below. There are no prepayment penalties or interest owed on any amounts to the total Settlement Amount.

4. PAYMENT PROCEDURES

4.1 All Payments owed to OEHHA, pursuant to section 3.1(a) shall be delivered directly to OEHHA (Memo line "Prop 65 Penalties NOV #2022-01482") at the following address:

Attn: Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
P.O. Box 4010
Sacramento, CA 95812-4010

For Non-United States Postal Service Delivery:
Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
1001 I Street
Sacramento, CA 95814

4.2 All Payments owed to CPA, pursuant to Section 3.1(b) shall be delivered to:

c/o CPA

Attn: Elham Shabatian
Cliffwood Law Firm, PC
12100 Wilshire Blvd, Suite 800
Los Angeles, CA 90025

4.3 All Payments owed to Cliffwood Law Firm, PC pursuant to Section 4.3, shall be delivered to:

Cliffwood Law firm, PC
Attn: Elham Shabatian
12100 Wilshire Blvd, Suite 800
Los Angeles, CA 90025

4.4 PROOF OF PAYMENT

A copy of each check payable to OEHHA, shall be mailed to Cliffwood Law firm, PC, simultaneous with payment to Cliffwood Law Firm, PC at the address set forth above, as proof of payment to OEHHA.

5. RELEASE OF ALL CLAIMS

5.1. Release of Quinoa, 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, CPA, on behalf of itself and its respective owners, principals, shareholders, officers, directors, employees, insurers, members, parents, subsidiaries its past and current agents, representatives, attorneys, successors and/or assignees and all related or affiliated entities (collectively, "Releasers"), hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and fully releases all claims relating to the Products, including, without limitation, all actions, and causes of action, in law or in equity, claims suits, liabilities, demands, obligations, damages, costs, fines, penalties, liens, 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 and whether or not concealed or hidden, including, but not limited to, the dispute, any such claims made or referenced in the Products (collectively "Claims"), against (a) Quinoa (b) each of Quinoa's past, present and future, downstream distributors in the stream of commerce (including but not limited to Quinoa Corporation d.b.a. Ancient Harvest; Amazon.com, Inc.; Amazon.com Services, LLC) and any other upstream or downstream entities in the distribution chain for the Products, including, but not limited to, manufacturers, wholesalers, vendors, licensors, licensees, auctioneers, retailers, franchisees, dealers, shareholders, cooperative members, customers, owners, purchasers, third-party re-sellers, and users, (c) Quinoa 's past, present and future parent companies, corporate affiliates, subsidiaries, affiliates, doing business as entities ("DBAs"), successor companies, and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees, and sister and parent entities, and (d) the past, present and future employees, shareholders, officers, directors, members, managers, equity owners, insurers, attorneys, predecessors, successors and assigns of any of the entities identified in subsection (a)

and (c), above (collectively "Releasees"). CPA also, on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees and *not* in its 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 Quinoa and the Releasees.

5.2 Quinoa's Release of CPA

Quinoa, on behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against CPA, her attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by CPA and/or her attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter or with respect to the Products.

5.3 California Civil Code § 1542.

It is possible that other claims not known to the Parties arising out of the facts alleged in the Notice and relating to the Products will develop or be discovered. CPA on behalf of itself only, on one hand, and Quinoa, on the other hand, acknowledge that this Agreement is expressly intended to cover and include all such claims up through the Effective Date, including all rights of action therefor. The Parties acknowledge that the claims released in §§ 5.1 and 5.2, above, may include unknown claims, and nevertheless waive California Civil Code § 1542 as to any such unknown claims. California Civil Code § 1542 reads 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.

CPA and Quinoa each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code § 1542. CPA and Quinoa each expressly waives and relinquishes any and all rights and benefits which they may have under, or which may be conferred on it 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 it may lawfully waive such rights or benefits pertaining to the released matters.

6. 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 Quinoa shall have no further obligations pursuant to this Settlement Agreement.

7. 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) electronic mail; or (ii) overnight courier on any party by the other party at the following addresses:

For Quinoa Corporation:

Gino Maurelli, Esq.
gmaurelli@bhfs.com
Brownstein Hyatt Farber Schreck, LLP
410 Seventeenth Street, Suite 2200
Denver, CO 80202

And

President or CEO
Quinoa Corporation
4653 Table Mountain Drive, Unite A
Golden, CO 80403

For Clean Product Advocates, LLC:

Elham Shabatian Esq.
Cliffwood Law Firm, PC
12100 Wilshire Blvd, Suite 800
Los Angeles, CA 90025

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

8. 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.

9. 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

10. MODIFICATION

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

11. 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.

12. DRAFTING

No inference, assumption or presumption shall be drawn, and no provision of this Settlement Agreement shall be construed against any of the Parties, based upon the fact that one of the Parties and/or one of the Parties' attorneys prepared and/or drafted all or any portion of this Settlement Agreement. It is conclusively presumed that the Parties participated equally in the preparation and drafting of this Settlement Agreement.

13. ASSIGNMENT

CPA acknowledges, represents and warrants that it has not assigned, sold, transferred or otherwise disposed of any of the claims or other matters that are being released herein.

Agreed to:

Date: April 19 , 2023



Name: John Becker
Title: CEO
Quinoa Corporation
dba Ancient Harvest

Date: April 18, 2023

5/1/2023



Elham Shabatian, Esq.
Cliffwood Law Firm, PC
Attorney for
Clean Product Advocates, LLC