

SETTLEMENT AGREEMENT
BETWEEN
CONSUMER ADVOCACY GROUP, INC.
AND

FABRICA DE CONSERVAS A POVEIRA S.A.

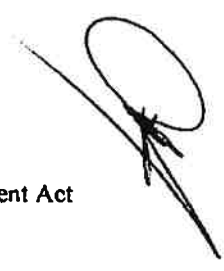
Consumer Advocacy Group, Inc. ("CAG") and Fabrica De Conservas A Povcira S.A. (hereto referred to as "Poveira"), (CAG and Poveira collectively referred to as, the "Parties") enter into this agreement ("Settlement Agreement") for the purpose of avoiding prolonged and costly litigation to settle CAG's allegations that Poveira violated Proposition 65. The effective date of this Settlement Agreement shall be the date upon which it is fully executed by all Parties hereto (the "Effective Date").

1.0 Introduction

1.1 CAG is a California-based entity that seeks to promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer and industrial products.

1.2 Poveira previously sold, at various times, Sardine Paste, including but not limited to "MINERVA"; "SINCE 1942"; "SARDINE PASTE"; "NET WEIGHT: 2.64 OZ (75g)"; "PRODUCED IN PORTUGAL"; "UPC 528661110000" (referred to throughout as the "Covered Products"). The Covered Products are limited to those sold or distributed for sale by Poveira only.

1.3 CAG alleges that Covered Products contain Cadmium and Cadmium Compounds ("Cadmium"), and that Poveira did not provide a required warning in



compliance with the California Safe Drinking Water and Toxic Enforcement Act (*Cal. Health & Safety Code* § 25249.5, *et seq.* ("Proposition 65")).

1.4 On May 1, 1997 the Governor of California added Cadmium and Cadmium Compounds ("Cadmium") to the list of chemicals known to the State to cause developmental and reproductive toxicity (*Cal. Code Regs.* tit. 27, § 27001(c)). Cadmium is known to the State to cause developmental, male reproductive toxicity. Pursuant to Health and Safety Code sections 25249.9 and 25249.10, twenty (20) months after addition of Cadmium to the list of chemicals known to the State to cause reproductive toxicity, Cadmium became fully subject to Proposition 65 warning requirements and discharge prohibitions.

1.5 Cadmium is referred to hereafter as the "Listed Chemical".

1.6 On or about February 29, 2024 (Attorney General Notice # 2024-00937), CAG served, Poveira, World Market Management Services, LLC, Expoconser – Exportadora De Conservas, S.A., and certain relevant public enforcement agencies with documents entitled "Sixty-Day Notice Of Intent To Sue For Violations Of The Safe Drinking Water And Toxic Enforcement Act of 1986" regarding Covered Products containing the Listed Chemical.

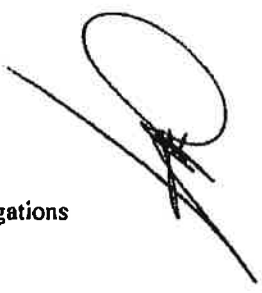
1.7 On or about April 1, 2024 (Attorney General Notice # 2024-01346), CAG served, Poveira, World Market Management Services, LLC, Expoconser – Exportadora De Conservas, S.A., and certain relevant public enforcement agencies with documents entitled "Sixty-Day Notice Of Intent To Sue For

Violations Of The Safe Drinking Water And Toxic Enforcement Act of 1986”
regarding Covered Products containing the Listed Chemical.

1.8 The Sixty-Day Notices (referred to as “Notices”) alleged that Poveira and the other noticed parties violated Proposition 65 by failing to warn consumers in California that use of Covered Products exposes persons to the Listed Chemical.

1.9 The Parties enter into this Settlement Agreement to settle disputed claims between the Parties as set forth below concerning the Parties’ and the Covered Products’ compliance with Proposition 65 (the “Dispute”).

1.10 By execution of this Settlement Agreement, the Parties do not admit any facts or conclusions of law, including, but not limited to, any facts or conclusions of law regarding any violation of Proposition 65, or any other statutory, regulatory, common law, or equitable doctrine. Nothing in this Settlement Agreement shall be construed as an admission by the Parties of any fact, conclusion of law, issue of law, or violation of law. Nothing in this Settlement Agreement, nor compliance with its terms, shall constitute or be construed, considered, offered, or admitted as evidence of an admission or evidence of fault, wrongdoing, or liability by Poveira, its officers, directors, employees, or parents, subsidiaries or affiliated corporations, in any administrative or judicial proceeding or litigation in any court, agency, or forum. Except for the allegations settled and compromised, nothing in this Settlement Agreement shall prejudice, waive, or impair any right, remedy, argument, or defense that CAG or Poveira may have




against one another in any other pending legal proceeding as to allegations unrelated to the Dispute or claims released herein.

2.0 Release

2.1.1. This Settlement Agreement is a full, final, and binding resolution between CAG, acting in its individual capacity, on the one hand, and (a) Poveira, and its owners, parents, subsidiaries, affiliates, sister and related companies, employees, shareholders, officers, directors, insurers, attorneys, predecessors, successors, and assigns (collectively "Releasees") and (b) all entities to whom Releasees directly or indirectly provide, distribute, or sell the Covered Products, including but not limited to distributors, wholesalers, customers, retailers (including, but not limited to, World Market) franchisees, cooperative members, and licensees ("Downstream Releasees"), on the other hand, of any violation(s) or claimed violation(s) of Proposition 65 or any statutory or common law claim that has been, could have been or may in the future be asserted against the Releasees and Downstream Releasees regarding exposing persons to the Listed Chemical and the failure to warn about exposure to the Listed Chemical arising only in connection with the Covered Products manufactured, shipped, and/or otherwise distributed prior to the Effective Date, even if sold by Downstream Releasees after the Effective Date. The Covered Products are limited to those sold or distributed for sale by Poveira.

2.1.2. CAG, its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives and releases with respect to the

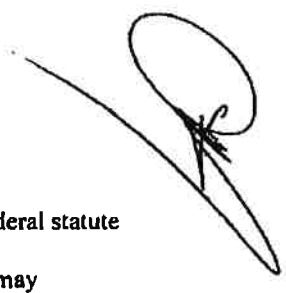


Covered Products all rights to institute or participate in, directly or indirectly, any form of legal action, including, without limitation, all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses (including, but not limited to, investigation fees, expert fees, and attorneys' fees) (collectively "Claims"), against Releasees and/or Downstream Releasees that arise under Proposition 65 or any other statutory or common law claims that were or could have been asserted in respect of any Covered Products sold up to the Effective Date, only to the extent that such Claims relate to Releasees' and/or Downstream Releasees' alleged exposure of persons to the Listed Chemical contained in the Covered Products or any failure by Releasees and Downstream Releasees to warn about exposures to the Listed Chemical contained in the Covered Products.

2.1.3. CAG acknowledges that it is familiar with Section 1542 of Civil Code, 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.

2.1.4. CAG, its past and current agents, representatives, attorneys, successors, and/or assignees expressly waives and relinquishes any and all rights and benefits which it may have under, or which may be conferred on it by the



provisions of Civil Code § 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. The release in this section shall have no force or effect until the full amount of payments set forth in Section 4.0 below are paid in full.

3.0 Poveira's Duties

3.1 Poveira agrees, promises, and represents that after the Effective Date Poveira shall either not sell in California, offer for sale in California, or ship for sale in California any Sardine Paste unless the level of the Cadmium does not exceed 50 parts per billion ("ppb"), or provide a Proposition 65 compliant warning for such products sold in California if they exceed these levels as set forth in the following paragraphs.

3.2 For any Covered Products that exceed the levels of the Listed Chemicals set forth above that are manufactured for distribution and/or sale into California after the Effective Date, Poveira must provide a Proposition 65 compliant warning for the Covered Products as set forth in Proposition 65 and its implementing regulations and/or as set forth below. The warning shall be consistent with Title 27 California Code of Regulations, § 25607.2. The warning shall be provided for birth defects, or other reproductive harm. Any warning provided pursuant to this section shall be affixed to the packaging of, or directly on, the Covered Products, and be prominently placed with such conspicuousness as compared with other

words, statements, designs, or devices as to render it reasonably likely to be read and understood by an ordinary individual under customary conditions before purchase or use. The warning must be set off from other surrounding information and enclosed in a box. Where the packaging of the Covered Product includes "consumer information" as defined by California Code of Regulations title 27 §25600.1(c) in a language other than English, the warning must also be provided in that language in addition to English. Should Poveira sell or distribute any Covered Products through internet websites ^{W.B.} ~~it controls~~ the warning will be posted in the manner provided for with respect to internet sales, as provided for in 27 CCR sections 25601 and 25602, as they may be subsequently amended, for sales to consumers in California.

4.0 Payments

4.1 Within fifteen (15) days from the Effective Date, Poveira agrees, to pay a total of Seventy-Eight Thousand Dollars (\$78,000.00) apportioned as follows:

4.1.1 Penalty: Poveira shall issue two separate payments for a total amount of Fifteen Thousand Five Hundred Dollars (\$15,500.00) as follows: (a) one to the State of California's Office of Environmental Health Hazard Assessment (OEHHA) in the amount of Eleven Thousand Six Hundred Twenty-Five Dollars, (\$11,625.00), representing 75% of the total penalty; and (b) one to Consumer Advocacy Group, Inc. in the amount of Three Thousand Eight Hundred Seventy-Five Dollars (\$3,875.00), representing 25% of the total penalty. OEHHA's payment




shall be delivered to Office of Environmental Health Hazard Assessment
P.O. Box 4010 Sacramento, CA 95812-4010, Attn: Mike Gyurics. CAG's
payment shall be delivered to: Reuben Yeroushalmi, Yeroushalmi &
Yeroushalmi, 9100 Wilshire Boulevard, Suite 240W, Beverly Hills,
California 90212. Additionally, two separate 1099s shall be issued for the
above payments: The first 1099 shall be issued to OEHA, P.O. Box 4010
Sacramento, CA 95812-4010, Attn: Mike Gyurics (EIN: 68-0284486) in
the amount of \$11,625.00. The second 1099 shall be issued in the amount
of \$3,875.00 to CAG and delivered to Yeroushalmi & Yeroushalmi, 9100
Wilshire Boulevard, Suite 240W, Beverly Hills, CA 90212.

4.1.2 Attorneys' Fees and Costs: Sixty-Two Thousand Five Hundred
Dollars (\$62,500.00) of such payment shall be paid to Yeroushalmi &
Yeroushalmi, as CAG's attorneys, for reasonable investigation fees and
costs, attorneys' fees, and any other costs incurred as a result of
investigating and bringing this matter to Poveira's attention. The payment
shall be delivered to: Reuben Yeroushalmi, Yeroushalmi & Yeroushalmi,
9100 Wilshire Boulevard, Suite 240W, Beverly Hills, California 90212.
By the Effective Date, Yeroushalmi & Yeroushalmi shall provide Poveira
with its Employer Identification Number.

5.0 Authority to Enter Into Settlement Agreement

5.1 CAG represents that its signatory to this Settlement Agreement has full
authority to enter into and legally bind CAG to this Settlement Agreement.



5.2 Poveira represents that its signatory to this Settlement Agreement has full authority to enter into and legally bind Povcira to this Settlement Agreement.

6.0 **Report of the Settlement Agreement to the Office of the Attorney General Of California**

6.1 CAG shall report this Settlement Agreement to the Attorney General's Office within five (5) days of the Parties' execution of this Settlement Agreement.

7.0 **Execution in Counterparts and Facsimile**

7.1 This Settlement Agreement may be executed in counterparts, which taken together shall be deemed to constitute the same document. A facsimile or portable document format (PDF) signature shall be as valid as the original.

8.0 **Modification of Settlement Agreement**

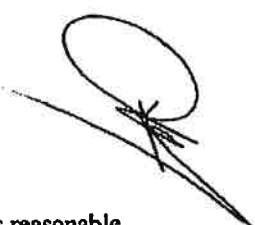
8.1 Any modification to this Settlement Agreement shall be in writing and signed by the Parties.

9.0 **Application of Settlement Agreement**

9.1 This Settlement Agreement shall apply to, be binding upon, and inure to the benefit of, CAG and the Releasees and Downstream Releasees identified in Section 2 above.

10.0 **Enforcement of Settlement Agreement**

10.1 Any party may file suit before the Superior Court of the County of Los Angeles, to enforce the terms and conditions contained in this Settlement Agreement after 5-day notice in writing to Defendants of violation of the



Settlement Agreement. The prevailing party shall be entitled to its reasonable attorneys' fees and costs associated with such enforcement.

11.0 Notification Requirements

11.1 Any notice required or permitted hereunder shall be effective only if given in writing and delivered in person, certified or registered mail return receipt requested, or trackable overnight delivery service, to the following designees:

For CAG:

Reuben Yeroushalmi, Esq.
reuben@yeroushalmi.com
YEROUSHALMI & YEROUSHALMI
9100 Wilshire Boulevard, Suite 240W
Beverly Hills, CA 90212

For Poveira:

Merrit Jones
Bryan Cave Leighton Paisner LLP
San Francisco, CA USA
merrit.jones@bclplaw.com

Any party may change its designee(s) for purposes of notification by providing written notice of such change pursuant to this section.


13.0 SEVERABILITY

13.1 If, subsequent to the execution of this Settlement Agreement, any of the provisions of this Settlement Agreement are held by a court to be unenforceable, the validity of the enforceable provisions remaining shall not be adversely affected.


14.0 GOVERNING LAW

14.1 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, preempted or is otherwise rendered inapplicable by reason of law generally, or as to the Listed Chemical and/or the Covered Products, then Poveira shall provide written notice to CAG of any asserted change in the law, and Parties may modify this Settlement Agreement with respect to, and to the extent that, the Covered Products are so affected.

CONSUMER ADVOCACY GROUP, INC.

Dated: 9/25/2025 By: 
Printed Name: Willard Bayer
Title: President

FABRICA DE CONSERVAS A POVEIRA S.A.

Dated: 22/09/2025 By: 
Printed Name: ANTONIO CUNHA
Title: CEO

