

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 The Parties

This Settlement Agreement is hereby entered into by and between Keep America Safe And Beautiful (“KASAB”) and Quinoa Corporation (“Quinoa”). KASAB and Quinoa are collectively referred to as the “Parties” and each of them as a “Party.” KASAB alleges it a non-profit California corporation which seeks to promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products.

1.2 Allegations and Representations

(a) KASAB alleges that Quinoa is a manufacturer and distributor and is subject to Proposition 65, Cal. Health & Safety Code § 25249.6 et seq., and has offered for sale in the State of California and sold in California the “Pamela’s Whenever Bars Oat Raisin Walnut Spice” that when used as intended exposes consumers to Lead and that such sales have not been accompanied by Proposition 65 warnings. Lead is listed under Proposition 65 as chemicals known to the State of California to cause cancer and reproductive harm. KASAB has cited “Pamela’s Whenever Bars Oat Raisin Walnut Spice” as a specific example of the Quinoa products that are the subject of its allegations.

(b) Quinoa does not admit and denies the material, factual, and legal allegations contained in the Notice (as defined herein), and maintains that all products sold, distributed, or offered for sale in California are in compliance with all laws, including, without limitation, Proposition 65.

(c) The Parties enter into this Settlement Agreement to resolve all Proposition 65 claims concerning the Covered Products (defined below) set forth in KASAB’s Notice, including claims against manufacturers, distributors, customers, retailers, and affiliates, who allegedly violated Proposition 65 by distributing the Covered Products in California.

1.3 Covered Products

The products that are covered by this Settlement Agreement are defined as, “Pamela’s snack bars, including, but not limited to Pamela’s Whenever Bars of various variety and specifically “Pamela’s Whenever Bars Oat Raisin Walnut Spice” manufactured, distributed, sold, or offered for sale by Quinoa in the State of California (“Covered Products”).

1.4 Notice of Violation

On or about March 8, 2024 KASAB alleges it served Quinoa, Instacart.com and all 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” (the “Notice”) that provided Quinoa, Instacart.com and such public enforcers with notice that alleged that Quinoa and Instacart.com were in alleged violation of Proposition 65 for failing to warn consumers and customers that the Covered Products exposed users in California to Lead. No public enforcer diligently prosecuted the claims alleged in the Notice within sixty days plus service time relative to the provision of the Notice to them by KASAB.

1.5 No Admission

Quinoa denies the material allegations contained in KASAB’s Notice and maintains that it has not violated Proposition 65. Nothing in this Settlement Agreement shall be construed as an admission by Quinoa of any fact, finding, issue of law, or violation of law, or any other statutory, regulatory, common law, or equitable doctrine; nor shall compliance with this Settlement Agreement constitute or be construed as an admission by Quinoa of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Quinoa. However, this section shall not diminish or otherwise affect the obligations, responsibilities, and duties of Quinoa under this Settlement Agreement.

1.6 Execution/Effective Date

1.6.1 For purposes of this Settlement Agreement, the term “Execution Date” shall mean

the date this Settlement Agreement is fully executed.

1.6.2 For purposes of this Settlement Agreement, the term “Effective Date” shall mean the date that the Parties agreed in writing to the injunctive relief measures of this Settlement Agreement (“Injunctive Relief”). Such Injunctive Relief shall be implemented pursuant to Article 2.

2. INJUNCTIVE RELIEF: WARNINGS

2.1 Commencing one hundred eighty (180) days after the Execution Date, Quinoa shall not sell, offer for sale, ship for sale or otherwise distribute or allow to be distributed in California any Covered Products, unless the sales and distribution of the Covered Products are in full compliance with California Code of Regulations, Title 27, Article 6, Clear and Reasonable Warning Requirements § 25601-25603 (see also: “www.P65Warnings.ca.gov.”). Covered Products that were manufactured, packed, or labeled prior to the Execution Date and up to 180 days after the Execution Date shall be permitted to be sold as previously manufactured, packed or labeled. As used in this Settlement Agreement, the term "distributing in California" shall mean to directly ship a Covered Product into California for sale in California or to sell a Covered Product to a distributor that Quinoa knows or has reason to know will sell the Covered Product in California.

2.2 Clear and Reasonable Warnings. If Quinoa is required to provide a warning pursuant to Section 2.1, the language of that warning shall be as follows:



For purposes of this Settlement Agreement, the term "label" means a display of written, printed or graphic material that is printed on or affixed to a Covered Product or its immediate container or wrapper.

2.3 If KASB alleges that any Covered Product fails to adhere to this Agreement, then KASB shall inform Quinoa in a reasonably prompt manner of its test

results, including information sufficient to permit Quinoa to identify the Covered Products at issue and investigate. The Parties shall first attempt to resolve the matter prior to KASB taking any further legal action including the filing of a Notice of Violation.

3. CIVIL PENALTY & REIMBURSEMENT OF FEES AND COSTS

3.1 In settlement of all the claims referred to in this Settlement Agreement, the Parties reached an accord on the compensation due, under the private attorney general doctrine and principles of contract law. Under these legal principles, Quinoa shall pay a total of Fifteen Thousand Dollars (\$15,000.00) (“Total Settlement Payment”) as a full and complete settlement and for fees and costs, incurred as a result of investigating and bringing this matter to Quinoa’s attention. The Total Settlement Payment shall be made as prescribed herein.

3.2 Payment pursuant to Health & Safety Code Section 25249.7(b). Quinoa shall pay a Civil Penalty of \$500.00 to be apportioned in accordance with California Health & Safety Code Section 25192, with 75% of these funds remitted to the State of California’s Office of Environmental Health Hazard Assessment “OEHHA”) (CCR Title 11 Div 4-Proposition 65 Private Enforcement) and the remaining 25% of the penalty remitted to KASAB, as provided by California Health & Safety Code Section 25249.7. These payments will be sent to the below addresses within fourteen (14) days of the Effective Date.

3.2 Quinoa shall pay KASAB’s counsel \$14,500.00 for attorneys’ fees, expert and investigation fees, and related costs associated with this matter and the Notice and incurred as a result of investigating, bringing this matter to Quinoa’s attention, and negotiating a settlement. Payment of civil penalty and attorney fees monies shall be made in not more than three increments via bank wire to the “Law Offices of Stephanie Sy” in the following manner:

October 15, 2024 - \$4,500.00

November 15, 2024 - \$5,000.00

December 15, 2024- \$5,000.00

3.3. There are no prepayment penalties or interest owed on any amounts to the Total

Settlement Payment. The Law Offices of Stephanie Sy agrees to provide Quinoa with tax identification and bank transfer information within one (1) day following the Execution Date.

3.4 Other than the payment specified herein, each side is to bear its own attorneys' fees and costs. KASB and/or the Law Offices of Stephanie Sy as applicable, shall be solely responsible for federal, state and local taxes due on their respective portions of the Settlement Payment, and each specifically agrees to indemnify and hold Quinoa harmless for any and all claims involving federal, state or local taxes resulting from such responsibility.

3.5 Quinoa shall mail said payments to the following addresses respectively:

All payments owed to Plaintiff and for attorneys' fees, shall be delivered to the following via wire to the address called for in section 3.3 above payment address:

All payments owed to OEHHA shall be delivered directly to OEHHA at the following addresses:

For United States Postal Delivery:

Mike Gyurics

Senior Accounting Officer -- MS 19-B

Office of Environmental Health Hazard Assessment

P.O. Box 4010

Sacramento, CA. 95812-0410

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. CLAIMS COVERED AND RELEASED

4.1 Release of and Downstream Customers

KASAB, on behalf of itself, and anyone acting by or through it or on its behalf, including but not limited to, its past, present and future agents, managers, members, shareholders, officers, administrators, assigns, successors in interest, attorneys, insurers, and indemnitors, releases Quinoa and its past, present and/or future respective equity owners, parents, subsidiaries, affiliates, wholesalers, retailers, or dealers, distributors, sister and related companies and each and all of their past, present or future shareholders, members, directors, officers, consultants, affiliated entities or corporations, subsidiaries, divisions, franchisees, partners, joint venturers, agents, investors, creditors, insurers, indemnitors, guarantors, administrators, attorneys, employees, representatives, successors, predecessors, licensors, licensees, customers, agents, managers, heirs, executors, and assigns and all entities, and persons from whom they obtain and to whom they directly or indirectly distribute or sell the Products, including but not limited to Instacart, each of its manufacturers, distributors, marketplace hosts, wholesalers, licensors, licensees, auctioneers, retailers, franchisees, dealers, customers, owners, purchasers, and users, and their respective parent companies, corporate affiliates, subsidiaries, officers, directors, attorneys, representatives, shareholders, agents, successors, and employees, and sister entities (collectively “Releasees”) from all claims for violations of Proposition 65 through the Effective Date based on exposure to Lead from the Covered Products.

In addition to the foregoing, KASAB, on behalf of itself, and anyone acting by or through it or on its behalf, including but not limited to, its past and current agents, representatives, attorneys, and successors and/or assignees, managers, members, shareholders, officers, administrators, assigns, successors, insurers, and indemnitors, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action without limitation and releases any other claims, actions, causes of action, demands, obligations, rights, suits, liabilities, damages, losses, costs, fines, penalties, losses or expenses (including, but not limited to, investigation fees, expert fees and attorneys' fees) expenses, and attorney's fees, of any nature whatsoever, known or unknown, in law or equity, fixed or contingent suspected or unsuspected, and whether or not concealed or hidden, now or in the future that it could make or could have made at any time against

Quinoa or the other Releasees relating to or arising from the Covered Products. With respect to the foregoing waiver and release in this paragraph, KASAB hereby specifically waives any and all rights and benefits which she now has, or in the future may have, conferred by virtue of Section 1542 of the California Civil Code, which provides:

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.

KASB 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 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

4.2 QUINOA Release of KASAB

Aside from any potential dispute relating to this Settlement Agreement, Quinoa waives any and all claims against KASAB, its attorneys and other representatives, for any and all actions taken, or statements made by KASAB and its attorneys and other representatives in the course of investigating the claims or otherwise seeking enforcement of Proposition 65 against it in this matter with respect to the Products.

5. SEVERABILITY AND MERGER

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

This Settlement Agreement contains the sole and entire agreement of the Parties and any and all prior negotiations and understandings related hereto shall be deemed to have been merged within it. No representations or terms of agreement other than those contained herein exist or have been made by any Party with respect to the other Party or the subject matter hereof.

6. GOVERNING LAW

6.1 This Settlement Agreement shall be interpreted in accordance with the plain English meaning of its terms and the construction thereof shall be governed by the laws in force in the State of California, USA without regard to conflicts of law principles. This Settlement Agreement resolves any issue, now or in the future, with the requirements of Proposition 65 with respect to alleged exposures to Lead arising from the Covered Products. If Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Covered Products, then Quinoa shall have no further obligations pursuant to this Settlement Agreement with respect to, and to the extent that, the Covered Products are so affected.

6.2 This Settlement Agreement shall apply to and be binding upon KASAB and Quinoa, its divisions, subdivisions, and subsidiaries, if any, and the Parties' successors and assigns.

6.3 The Parties, including their counsel, have participated in the preparation of this Settlement Agreement and this Settlement Agreement is the result of the joint efforts of the Parties. This Settlement Agreement was subject to revision and modification by the Parties and has been accepted and approved as to its final form by all Parties and their counsel. Accordingly, any uncertainty or ambiguity existing in this Settlement Agreement shall not be interpreted against any Party because of the manner of the preparation of this Settlement Agreement.

6.4 KASB 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.

7. **NOTICES**

Unless specified herein, all correspondence and notices required to be provided pursuant to this Settlement Agreement shall be in writing and delivered or sent by email and: (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 QUINOA:

Gino Maurelli, Esq.
gmaurelli@bhfs.com
Brownstein Hyatt Farber Schreck, LLP
675 Fifteenth Street, Suite 2900
Denver, CO 80202

And

John Becker
Quinoa Corp.
4653 Table Mountain Drive, Unit A,
Golden, CO 80403

For KASAB:

Stephanie Sy, Esq.
Law Offices of Stephanie Sy
11622 El Camino Real, Suite 100
San Diego, California 92130

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.

8. COUNTERPARTS; FACSIMILE SIGNATURES

The stipulations to this Settlement Agreement may be executed in counterparts and by means of facsimile and/or portable document format (pdf), which taken together shall be deemed to constitute one document.

9. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)

KASAB agrees to promptly comply with the requirements set forth in California Health & Safety Code §25249.7(f).

10. MODIFICATION

This Settlement Agreement may be modified only by further written agreement of the Parties.

11. ENFORCEMENT OF SETTLEMENT AGREEMENT

Either Party may bring an action to enforce the terms of this Settlement Agreement. A Party who unsuccessfully brings or contests an action arising out of this Settlement Agreement may be ordered by the court to pay the prevailing Party's reasonable attorney's fees and costs.

12. 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 any and all prior discussions, negotiations, commitments, or understandings related thereto, if any, are hereby merged herein and therein. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Settlement Agreement have been made by any Party hereto. No supplementation, modification, waiver, or termination of this Settlement Agreement shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of this Settlement Agreement shall be deemed or shall constitute a waiver of any of the other provisions hereof whether or not similar, nor shall such waiver constitute a continuing waiver.

13. 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 document.

AGREED TO:

KASAB:



Lance Nguyen - COO

QUINOA:

By: _____

Name:

Its:

KASAB:

QUINOA:

9/30/24

By: _____



Name:

John Becker

Its:

CEO