

## **SETTLEMENT AGREEMENT**

### **1. INTRODUCTION**

#### **1.1 Parties**

This Settlement Agreement is entered into by and between CalSafe Research Center, Inc. ("CRC"), on the one hand, and Sunshine Raisin Corporation ("Sunshine") on the other hand, with CRC and Sunshine each individually referred to as a "Party" and collectively as the "Parties."

#### **1.2 General Allegations**

CRC alleges that Sunshine sells and/or distributes in California certain products, specified in Section 1.3 below, containing lead without a warning as required by Health and Safety Code §§ 25249.5 *et seq.* ("Proposition 65"). Lead is listed pursuant to Proposition 65 as a chemical known to cause cancer and birth defects or other reproductive harm. Sunshine denies these allegations.

#### **1.3 Product Descriptions**

The product covered by this Settlement Agreement is defined as, and expressly limited to "Newman's Own, Organics Dried Apricots (UPC# 884284040705)" (the "Product") that allegedly contains lead and that is manufactured, sold or distributed for sale in California by Sunshine.

#### **1.4 Notice of Violation**

On May 24, 2024, CRC served a 60-Day Notice of Violation the ("Notice") on Sunshine, the California Attorney General and the other requisite public enforcers, alleging that Sunshine and others violated Proposition 65 when they failed to warn consumers in California of the alleged exposures to lead from the Product.

To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting an action to enforce the violations alleged in the Notice.

#### **1.5 No Admission**

Sunshine denies the material, factual and legal allegations in the Notice and maintains that all of the products it sold and/or distributed for sale in California, including the Product, have been, and are, in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by Sunshine or any of the "Alleged Violators" identified in the Notice, or by any of Sunshine or the Alleged Violators' officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers of any fact, finding, conclusion, issue of law or violation of law, nor shall compliance with this Settlement Agreement constitute or be construed as an admission by Sunshine or the Alleged Violators or any of Sunshine or the Alleged Violators' officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers of any fact, finding, conclusion, issue of law or violation of law, such being specifically denied by Sunshine and the Alleged Violators. This Section shall not, however, diminish or otherwise affect Sunshine's obligations, responsibilities, and duties 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**

### **2.1 Commitment Not to Sell**

Commencing within sixty (60) days after the Effective Date, and continuing thereafter, Sunshine agrees that it shall not manufacture, distribute, sell, or offer the Product for sale in California. The Product that has been manufactured, packaged, or put into commerce within 60 days after the Effective Date shall be subject to the release of liability pursuant to this Settlement Agreement without regarding to when such Product was distributed or sold to consumers.

## **3. MONETARY SETTLEMENT TERMS**

### **3.1 Total Settlement Payment**

In full satisfaction of all potential civil penalties, attorneys' fees, and costs, Sunshine shall make a total settlement payment of Twenty Thousand and Five Hundred Dollars **(\$20,500.00)** ("Total Settlement Amount"). The Total Settlement Amount shall be apportioned into a Civil Penalty and Attorney's Fees and Costs as set forth in Sections 3.2 and 3.3 below.

### **3.2 Civil Penalty Payment**

Pursuant to Health and Safety Code§ 25249.7(b)(2), and in settlement of all claims alleged in the Notice or referred to in this Settlement Agreement, Sunshine agrees to pay Two Thousand and Fifty Dollars **(\$2,050.00)** in civil penalties. The penalty payment will be allocated in accordance with California Health and Safety Code§§ 25249.12(c)(1) & (d), with 75% of the penalty amount paid to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty amount retained by CRC. Within ten (10) days of the Effective Date, Sunshine shall issue a check to "OEHHA" in the amount of One Thousand Five Hundred and Thirty-Seven Dollars and Fifty Cents **(\$1,537.50)** and shall, pursuant to the instructions below, wire to CRC the amount of Five Hundred and Twelve Dollars and Fifty Cents **(\$512.50)**.

All payments owed to OEHHA (EIN: 68-0284486) pursuant to this Section shall be delivered directly to OEHHA (Memo Line "Prop 65 Penalties") at the following addresses:

For United States Postal Delivery Service:

Mike Gyurics  
Fiscal Operations Branch Chief  
Office of Environmental Health Hazard Assessment  
P.O. Box 4010, MS 19B  
Sacramento, CA 95812-4010

For Non-United States Postal Delivery Service:

Mike Gyurics  
Fiscal Operations Branch Chief  
Office of Environmental Health Hazard Assessment  
1001 I Street MS #19B  
Sacramento, CA 95814

All penalty payments owed to CRC shall be sent via wire to:

**Wire Instructions:**

Account Name: The Law Offices of Joseph R. Manning  
Bank Name: J.P. Morgan Chase Bank, N.A.  
Bank Address: 2967 Michelson Dr, Ste A, Irvine, CA 92612  
Wire Routing / ABA Number: 021000021  
Swift Code: CHASUS33  
Account Number: 579068902  
For further benefit of: Civil Penalty Payment File No. P65-0828

**3.3 Attorney Fees and Costs**

The Parties reached an accord on the compensation due to CRC and its counsel under the private attorney general doctrine and principles of contract law. Under these legal principles, within ten (10) days of the Effective Date, Sunshine agrees to pay Eighteen Thousand Four Hundred and Fifty Dollars (**\$18,450.00**) to CRC and its counsel for all fees and costs incurred in investigating, bringing this matter to the attention of Sunshine, and negotiating a settlement.

The payment shall be sent via wire to:

**Wire Instructions:**

Account Name: The Law Offices of Joseph R. Manning  
Bank Name: J.P. Morgan Chase Bank, N.A.  
Bank Address: 2967 Michelson Dr, Ste A, Irvine, CA 92612  
Wire Routing / ABA Number: 021000021  
Swift Code: CHASUS33  
Account Number: 579068902  
For further benefit of: Attorney's Fees and Costs File No. P65-0828

**3.4 Tax Documentation**

Sunshine agrees to provide a completed IRS 1099 form for its payments to, and CRC and Manning Law agree to provide IRS W-9 forms for each of the payees under this Settlement Agreement. The Parties acknowledge that Sunshine cannot issue any settlement payments pursuant to Section 3 above until after Sunshine receives the requisite W-9 forms from CRC's counsel.

#### **4. CLAIMS COVERED AND RELEASED**

##### **4.1 CRC's Release of Sunshine**

CRC, acting on its own behalf and not on behalf of the public, fully releases and discharges Sunshine and its respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers, suppliers, distributors (the "Sunshine Releasees") and all entities to which Sunshine Releasees directly or indirectly distribute or sell the Product, and any other distributors, wholesalers, customers, retailers, franchisees, licensors, and licensees, (collectively, the "Released Parties" and individually, a "Released Party"). Among the Released Parties are each of the Alleged Violators identified in the Notice and each of their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensors, customers, suppliers and distributors. CRC, on behalf of itself and its officers, directors, shareholders, employees, agents, parent companies, subsidiaries and divisions hereby fully releases and discharges the Released Parties from any and all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs, and expenses asserted, or that could have been asserted based on or related to the handling, use, sale, distribution or consumption of the Product in California, as to any alleged violation of Proposition 65 or its implementing regulations in relation to the Product, including without limitation any failure to provide Proposition 65 warnings on the Product with respect to exposures to lead (collectively, the "Released Claims").

##### **4.2 Sunshine's Release of CRC**

Sunshine on behalf of its past and current agents, representatives, attorneys, successors and assignees hereby waives any and all claims against CRC and its attorneys and other representatives, for any and all actions taken, or statements made by CRC and its attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against it in this matter, or with respect to the Product.

##### **4.3 California Civil Code Section 1542**

It is possible that other claims not known to the Parties, arising out of the Notice or relating to the Product, will develop or be discovered. CRC on behalf of itself only, and Sunshine on behalf of itself only, acknowledge that this Settlement Agreement is expressly intended to cover and include all such claims up through and including the Effective Date, including all rights of action therefore. CRC and Sunshine acknowledge that the claims released in Sections 4.1 and 4.2 above may include unknown claims, and nevertheless waive California Civil Code section 1542 as to any such unknown claims. California Civil Code section 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.



**5. NO OTHER PENDING OR FUTURE CLAIMS**

CRC and its counsel each represent and warrant that except for the claims set forth in the Notice, they do not currently have any other contemplated charges, lawsuits, or claims of any kind against the Released Parties that they have filed or intend to file before any state, federal, or other court, any state or federal agency, or any other governmental entity, are not currently aware of any basis for any such charge, lawsuit or claim related to the Released Claims, and are not currently soliciting CRC or any third party to bring any such charges, lawsuits, or claims against Sunshine or any of the other Released Parties, nor have they already agreed or promised to represent CRC or any such third party claimant or plaintiff in the future. CRC and its counsel also separately agree not to cooperate or assist any third party, person or entity in pursuing any of the Released Claims against any of the Released Parties, except as required by law. Except as otherwise set forth in this Settlement Agreement, CRC and its counsel separately agree not to file or cause to be filed or prosecute in any manner in any forum or jurisdiction any claims, charges, lawsuits or actions against the Released Parties at any time with respect to the Released Claims.

**6. SEVERABILITY**

In the event that any of the provisions of this Settlement Agreement are held by a court of competent jurisdiction to be unenforceable, the validity of the remaining enforceable provisions shall not be adversely affected.

**7. GOVERNING LAW**

The terms of this Settlement Agreement shall be governed by the laws of the State of California, without regard to its conflicts of law principals.

**8. NOTICE**

When any Party is entitled to receive any notice under this Settlement Agreement, the notice shall be sent by first class mail or electronic mail to the address set forth in this paragraph. Any Party may modify the person and address to whom the notice is to be sent by sending the other Party notice by certified mail, return receipt requested. Said change shall take effect on the date the return receipt is signed by the Party receiving the change.

Notices shall be sent to:

For CRC

Joseph R. Manning, Jr.  
Manning Law, APC  
26100 Towne Center Drive  
Foothill Ranch, CA 92610  
Tel: Office (949) 200-8757 Fax: (866) 843-8309  
[p65@manninglawoffice.com](mailto:p65@manninglawoffice.com)

For Sunshine  
David D. Schneider  
Fennemore LLP  
8080 N. Palm Avenue, Third Floor  
Fresno, California 93711  
Tel: (559) 432-4500  
[dschneider@fennemorelaw.com](mailto:dschneider@fennemorelaw.com)

**9. COUNTERPARTS: FACSIMILE SIGNATURES**

This Settlement Agreement may be executed in counterparts and by facsimile or portable document format (PDF) signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document. Signatures by scanned and emailed image or facsimile transmission shall have the same force and effect as original signature and as an electronic record adopted and executed by a Party with the intent to sign the electronic record pursuant to Civil Code §§ 1633.1 *et seq.*

**10. COMPLIANCE WITH HEALTH AND SAFETY CODE §25249.7(f)**

CRC and its attorneys agree to comply with the reporting form requirements referenced in California Health and Safety Code §25249.7(f).

**11. MODIFICATION**

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

**12. ENTIRE AGREEMENT**

This Settlement Agreement contains the sole and entire agreement and understanding 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. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Settlement Agreement have been made by, or relied on, any Party.

**13. INTERPRETATION**

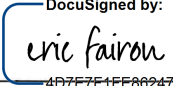
No inference, assumption or presumption shall be drawn, and no provision of this Settlement Agreement shall be construed against any Party, based upon the fact that one of the Parties and/or their counsel prepared or drafted any portion of this Settlement Agreement. The Parties waive the provisions of Civil Code § 1654. It is conclusively presumed that the Parties participated equally in the drafting of this Settlement Agreement.

14. **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.

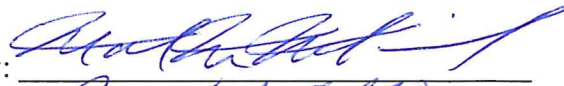
AGREED TO:

Date: 3/21/2025

By:   
Title: President  
CalSafe Research Center, Inc.

AGREED TO:

Date: 02/18/25

By:   
Title: President & CEO  
Sunshine Raisin Corporation