

SETTLEMENT AND RELEASE AGREEMENT

1. INTRODUCTION

1.1. Parties

This Settlement Agreement is entered into by and between Clean Products Advocates, LLC (“CPA”), on the one hand, and Mondelez Australia Pty Ltd. (“Mondelez”), on the other hand, with CPA and Mondelez collectively referred to as the “Parties.”

1.2. General Allegations

CPA alleges that Mondelez manufactures and distributes and offers for sale in the State of California “Olina’s Bakehouse Wafer Crackers Natural” 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 and birth defects or other reproductive harm.

1.3. Product Description

The products that are covered by this Settlement Agreement are defined as Olina’s Bakehouse Wafer Crackers Natural that Mondelez has manufactured, imported, sold, offered for sale or distributed in California. All such items shall be referred to herein as the “Covered Product.”

1.4. Notice of Violation

On August 26, 2024 CPA served Gourmet Foods International Inc.; Southwestgourmet Foods International 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”), alleging the notice recipients violated Proposition 65 for failing to warn consumers and customers in California that the Products exposed users 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 Mondelez’s compliance with Proposition 65. Mondelez 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 Covered Products, have been and are, in compliance with all laws, including Proposition 65.

Nothing in this Settlement Agreement shall be construed as an admission by Mondelez 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 Mondelez of any fact, binding, conclusion, issue of law, or violation of law, such being specifically denied by Mondelez. However, nothing in this section shall diminish or otherwise affect the obligations, responsibilities, and duties of Mondelez 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, Mondelez, at its sole discretion, agrees to either (a) cease selling, offering for sale or distributing the Covered Products in 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 Covered Products pursuant to Section 2.2 below. The Parties agree and intend that Mondelez’s compliance with the terms of this Settlement Agreement shall constitute its compliance with Proposition 65 with respect to exposures to lead from the Covered Products.

2.1. Reformulation Standards

The Covered 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 Covered Products if the exposure does not exceed 0.5 micrograms of Lead per day as calculated below (“Reformulated Products”).

For the Purpose of this Agreement, the amount of Lead a person is exposed to from 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 serving size appearing on the product label), which equals micrograms of Lead exposure per day.

Covered Products that were supplied or contracted to be supplied to third parties by Mondelez prior to 6 months after the Effective Date (the “Compliance 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.

2.2. Warning Option

Covered 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 Covered Products that are manufactured, distributed, marketed, imported, sold, shipped for sale or offered for sale to consumers by Mondelez in the State of

California. No Proposition 65 warning shall be required for any Covered Products that are supplied or contracted to be supplied to third parties by Mondelez prior to the Compliance Date, as those Covered Products have been included in the calculation of civil penalties, and all such Covered Products are hereby deemed to be exempt from Proposition 65 enforcement.

2.3. Warning Language

2.3.1. A clear and reasonable exposure Warning must be provided for Covered Product with Violative Daily Exposure Level that Mondelez distributes into the State of California after the Compliance Date. The Warning shall consist of either the Standard Warning (under 2.3.1. (a)) or the Short-Form Warning (under 2.3.1. (b)).

a. Standard Warning. The Standard Warning shall consist of the statement:

WARNING: Consuming this product can expose you to chemicals including Lead, which 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

or

b. Short-Form Warning. The Short-Form Warning shall consist of either of the statements below:

WARNING [or] CA WARNING [or] CALIFORNIA
WARNING: Risk of cancer and reproductive harm from exposure to Lead. See www.P65Warnings.ca.gov/food

or

WARNING [or] CA WARNING [or] CALIFORNIA
WARNING: Can expose you to Lead, a carcinogen and reproductive toxicant. See www.P65Warnings.ca.gov/food

The font size of the Short-Form warning must be a minimum of 6 point type, and it cannot be smaller than the largest type size font used for Consumer Information.

2.3.2. Print Warning. Standard Warning or Short-Form Warning provided pursuant to Section 2.3 in print form must:

- a. contain the word “WARNING:” in all capital letters, in bold font, followed by a colon;
- b. be affixed to or printed on the Covered Products’ label, packaging, or on a placard, shelf tag, sign or electronic device;
- c. be displayed with such conspicuousness, as compared with other words, statements, or designs as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use;
- d. be enclosed in a box with a black border.

2.3.3. Online/Internet Warning. If Mondelez sell(s) Covered Product via internet websites to customers located in California, via its own proprietary internet website or any third-party website over which Mondelez has control, Mondelez shall provide a warning that meets the requirements of this subarticle if it complies with the content requirements of Section 25603 and the warning must also be provided using one or more of the following methods:

(a) a warning on the product display page, or

(b) a clearly marked hyperlink using the word “**WARNING**” or the words “**CALIFORNIA WARNING**” on the product display page that links to the warning, or

(c) an otherwise prominently displayed warning provided to the purchaser prior to completing the purchase. If the warning is provided using the short-form warning label content pursuant to Section 25602(a)(4), the warning provided on the website may use the same content. For purposes of this subsection, the warning is not prominently displayed if the purchaser must search for it in the general content of the website.

2.3.4. For internet purchases made before January 1, 2028, a retail seller is not responsible under Section 25600.2(e)(4) for conspicuously posting or displaying the new warning online until 60 calendar days after the retailer receives a warning or a written notice under Section 25600.2(b) and (c) which updates a short-form warning compliant with Section 25603(c) with content compliant with Section 25603(b).

2.3.5 FOREIGN LANGUAGE - Where a sign, labeling, or label, as defined in Section 25600.1, is used to provide a warning that includes consumer information about a product in a language other than English, the warning must also be provided in that language in addition to English.

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, Mondelez shall pay the total Settlement amount of Fifteen Thousand Dollars (\$15,000) (the “Settlement Amount”) to CPA and CPA’s counsel as set forth below.

3.1 Civil Penalties

Pursuant to Health and Safety Code section 25249.7(b)(2), and as consideration for the releases contained in Section 5 below, Mondelez agrees to pay Five Hundred Dollars (\$500) in civil penalties. Mondelez shall make these payments within twenty (20) days of the Effective Date for a total amount of Five Hundred Dollars (\$500) as follows:

3.1 (a) One payment to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") in the amount of Three Hundred Seventy Five Dollars (\$375), representing 75% of the total civil penalty; and

3.1 (b) One payment to "Clean Product Advocates, LLC" in the amount of One Hundred Twenty Five Dollars (\$125), representing 25% of the total civil penalty.

3.2 Attorney's Fees and Costs:

Fourteen Thousand Five Hundred Dollars (\$14,500) of the total Settlement Amount shall be paid to Cliffwood Law Firm, PC within twenty (20) days of the Effective Date, as CPA's attorneys, for reasonable investigation fees, and costs, attorney's fees, and any other cost incurred as a result of investigating, bringing this matter to Mondelez's attention, and negotiating a settlement.

4. PAYMENT PROCEDURES

4.1 All Payments owed to OEHHA, pursuant to section 3.1(a) shall be delivered to CPA's counsel, who shall remit the payment to OEHHA on behalf of Mondelez (Memo line "Prop 65 Penalties NOV #2024-03598") 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

4.2 All Payments owed to CPA, pursuant to Section 3.1(b) shall be delivered by the way of wire transfer. CPA will provide wire instructions to Mondelez at the time the Settlement Agreement is fully executed.

CPA shall provide IRS W-9 forms for: (i) OEHHA; (ii) CPA; and (iii) Cliffwood Law firm, PC.

4.3 All Payments owed to Cliffwood Law Firm, PC pursuant to Section 4.3, shall be delivered by the way of wire transfer. CPA will provide wire instructions to Mondelez at the time the Settlement Agreement is fully executed.

5. RELEASE OF ALL CLAIMS

5.1. Release of Mondelez, Downstream Customers and Upstream Vendors

This Settlement Agreement is a full, final, and binding resolution of the claims that were or could have been asserted by CPA arising out of the allegations in the Notice. CPA, on behalf of itself, in the public interest, and on behalf of its respective owners, principals, shareholders, officers, directors, employees, parents, affiliated entities under common ownership, subsidiaries, its past and current agents, representatives, attorneys, successors and/or assignees (collectively, “Releasers”) releases (a) Mondelez; (b) each of Mondelez’s downstream distributors in the stream of commerce (including but not limited to Gourmet Foods International Inc.; Southwest Gourmet Foods International and any other upstream or downstream entities in the distribution chain for the Covered Products), including, but not limited to, manufacturers, wholesalers, vendors, licensors, licensees, auctioneers, marketplace hosts, retailers, franchisees, dealers, shareholders, cooperative members, customers, owners, purchasers, third-party re-sellers, users, and other distributors; (c) Mondelez’s 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 and current agents, representatives, 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 “Mondelez Releasees”) based on the failure to provide a clear and reasonable warning under Proposition 65 about alleged exposures to lead contained in the Covered Product that was manufactured, processed, distributed, sold and/or offered for sale in California before the Effective Date, as set forth in the Notice. The Parties further agree that compliance with Section 2 of this Settlement Agreement shall be deemed compliance with Proposition 65 with respect to alleged exposures to lead in the Covered Products.

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 not on behalf of the public, fully releases and discharges the Mondelez Releasees. CPA, on behalf of itself and the Releasers, hereby waives all of CPA’s rights to institute or participate in, directly or indirectly, any form of legal action and fully releases and discharges the Mondelez Releasees from any and all claims CPA may have, 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, and costs) of any nature whatsoever, whether known or unknown, fixed or contingent (collectively “Claims”) asserted, or that could have been asserted based on or related to the handling, use, sale, distribution or consumption of the Covered Product in California, as to any alleged violation of Proposition 65 or its implementing regulations in relation to the Covered Product, including without limitation any failure to provide Proposition 65 warnings on the Covered Products with respect to exposures to lead. CPA also, on behalf of itself and the Releasers, 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 the Mondelez Releases.

5.2 Mondelez's Release of CPA

Mondelez, on behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against CPA, its 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 Covered Products.

5.3 California Civil Code § 1542.

The Parties acknowledge that the claims released in §§ 5.1 and 5.2, above, may include unknown claims. The Parties further acknowledge that they are familiar with California Civil Code § 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.

CPA and Mondelez each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code § 1542. Accordingly, the Parties hereby expressly waive and relinquish any and all rights and benefits which they may have under, or which may be conferred on them by the provisions of California 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 releases.

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 Covered Products, then Mondelez 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 Mondelez Australia Pty Ltd.:

Adrian Chang
Senior Counsel
Mondelez Australia Pty Ltd
Level 10, 75 Dorcas Street
South Melbourne VIC 3205 AUSTRALIA

With Copy To:

Natalie E. Rainer, Esq.
K&L Gates LLP
4 Embarcadero Center, Suite 1200
San Francisco, CA 94111

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. SEVERABILITY

If, subsequent to the execution of this Settlement Agreement, any provision of this Settlement Agreement is deemed by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

10. 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, and understandings related hereto, if any, shall be deemed to have been merged within it. No warranties, representations, or agreements 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. No other

agreements not specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto.

11. MODIFICATION

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

12. 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:

June 2, 2025
Date: _____, ~~2025~~

Signed by:
Signature: Keir Dixon
482F8E32608646C...

Name: Keir Dixon
Title: Company Director, Mondelez Australia Pty Ltd

6/3/2025
Date: _____, 2025

Signature: DEKI YANGZOM

Name: DEKI YANGZOM, DIRECTOR
Title: