SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 The Parties. This Settlement Agreement is entered into by and between Gabriel Espinoza ("Espinoza") and 180 Snacks, Inc. ("180 Snacks"). Together, Espinoza and 180 Snacks are collectively referred to as the "Parties." Espinoza is an individual who resides in the State of California, and seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products. Espinoza alleges that 180 Snacks is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code § 25249.6, et seq. ("Proposition 65").

1.2 General Allegations. Espinoza alleges that 180 Snacks has exposed individuals to lead from its sales of Seaweed Sandwich – Brown Rice/Sesame, including but not limited to, *Seafire*® Roasted Seaweed Sandwich – Brown Rice/Sesame, UPC # 818562023098 without first providing users and consumers of the product with a clear and reasonable health hazard exposure warning as required pursuant to Proposition 65. Lead and lead compounds (collectively, "Lead") is listed pursuant to 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 covered by this Settlement Agreement are Seaweed Sandwich – Brown Rice/Sesame, including but not limited to, *Seafire*® Roasted Seaweed Sandwich – Brown Rice/Sesame, UPC # 818562023098 (the "Products") that have been imported, distributed, offered for sale and/or sold in California by 180 Snacks that expose consumers to Lead.

1.4 Notice of Violation. On September 13, 2024, Espinoza alleges he served Grocery Outlet, Inc. ("Grocery Outlet"), 180 Snacks, and various public enforcement agencies with a document entitled "Notice of Violation of California Health & Safety Code § 25249.6, et seq." (the "Notice"). The Notice provided 180 Snacks and such others, including public enforcers, with notice that alleged that 180 Snacks was in violation of California Health & Safety Code § 25249.6, for failing to warn California consumers and customers that use of the Products will expose them to lead. To the best of

the Parties' knowledge, no public enforcer has diligently prosecuted the allegations set forth in the Notice.

1.5 No Admission. 180 Snacks denies the material factual and legal allegations contained in the Notice and maintains that, to the best of its knowledge, all products that are or have been sold and distributed in California, including the Products, have been and are in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by 180 Snacks 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 180 Snacks of any fact, finding, conclusion, issue of law or violation of law, such being specifically denied by 180 Snacks. However, this § 1.5 shall not diminish or otherwise affect the obligations, responsibilities and duties under this Settlement Agreement. Notwithstanding the allegations in the Notice, 180 Snacks maintains that it has not knowingly manufactured, or caused to be manufactured, the Products for sale in California in violation of Proposition 65.

1.6 Effective Date. For purposes of this Settlement Agreement, the term "Effective Date" shall mean the date this Agreement is last executed by the Parties and the signature pages have been exchanged.

2. INJUNCTIVE RELIEF: REFORMULATION AND/OR WARNINGS

2.1 Reformulation of Products. Commencing within sixty (60) days after the Effective Date, and continuing thereafter, Products that 180 Snacks directly manufactures, imports, distributes, sells, or offers for sale in California shall either be: (a) reformulated Products pursuant to § 2.2, below; or (b) labeled with a clear and reasonable exposure warning pursuant to §§ 2.3 - 2.4, below. For purposes of this Settlement Agreement, a "Reformulated Product" is a Product that is in compliance with the standard set forth in § 2.2, below. The warning requirement set forth in §§ 2.3 - 2.4 shall not apply to any Reformulated Product.

2.2 Reformulation Standard. "Reformulated Products" shall mean Products that expose a person to an exposure level of less than 0.5 micrograms of lead per day. For the purpose of this Agreement, the amount of lead a person is exposed to from a Product shall be calculated using the

following formula: micrograms of lead per gram of Product, multiplied by grams of Product per serving size 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 a recommended dosage appearing on the label), which equates to micrograms of lead exposure per day. If the Product label contains no recommended daily servings, then the number of recommended daily servings shall be one (1).

2.3 Clear and Reasonable Warning. Commencing within 60 days after the Effective Date, and continuing thereafter, a clear and reasonable exposure warning as set forth in this §§ 2.3 and 2.4 must be provided for all Products that 180 Snacks manufacturers, imports, distributes, sells, or offers for sale in California that is not a Reformulated Product. There shall be no obligation for 180 Snacks to provide an exposure warning for Products that entered its inventory or the stream of commerce within 60 days after the Effective Date. The warning shall consist of either the **Warning** or **Alternative Warning** described in §§ 2.3(a) or (b), respectively:

(a) **Warning**. The "Warning" shall consist of the statement:

> **CA WARNING**: Consuming this product can expose you to chemicals including lead and lead compounds, which is 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.

(b) **Alternative Warning**: 180 Snacks may, but is not required to, use the alternative short-form warning as set forth in this § 2.3(b) ("**Alternative Warning**") as follows:

CA WARNING: Risk of cancer and reproductive harm from exposure to lead and lead compounds. See www.P65Warnings.ca.gov/food.

2.4 A **Warning** or **Alternative Warning** provided pursuant to § 2.3 must print the word "**WARNING,**" "**CA WARNING,**" or "**CALIFORNIA WARNING**" in all capital letters and in bold font, followed by a colon. The **Warning** or **Alternative Warning** shall be affixed to or printed on the Products' packaging or labeling, or on a placard, shelf tag, sign or electronic device or automatic process only if such electronic device or automatic process provides the **Warning** or **Alternative Warning** without the purchaser having to seek it out, provided that the **Warning** or **Alternative Warning** is 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. A **Warning** or **Alternative Warning** provided via an electronic device or automatic process does not apply to internet purchases, which are subject to the provisions of Section 25602(b). The **Warning** or **Alternative Warning** may be contained in the same section of the packaging or labeling that states other safety warnings, if any, concerning the use of the Product and shall be at least the same size as those other safety warnings. Where the **Warning** or **Alternative Warning** is provided on the food product label, it must be set off from other surrounding information, and 180 Snacks shall enclose the **Warning** or **Alternative** Warning in a black box and comply with the content requirements specified in Section 25607.2. If "consumer information," as that term is defined in Title 27, California Code of Regulations, Section 25600.1(c) as it may be amended from time to time, is provided in a foreign language, 180 Snacks shall provide the **Warning** or **Alternative Warning** in the foreign language in accordance with applicable warning regulations adopted by the State of California's Office of Environmental Health Hazard Assessment ("OEHHA").

In addition to affixing the **Warning** or **Alternative Warning** to the Product's packaging or labeling, the **Warning** or **Alternative Warning** shall be posted on websites where 180 Snacks knowingly offers Products for sale to consumers in California. The requirements of this Section shall be satisfied if the **Warning** or **Alternative Warning**, or a clearly marked hyperlink using the word "**WARNING**," "**CA WARNING**," or "**CALIFORNIA WARNING**" appears on the product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase. To comply with this Section, 180 Snacks shall (a) post the **Warning** or **Alternative Warning** on its own website and, if it has the ability to do so, on the websites of its known third-party internet sellers; and (b) if it does not have the ability to post the **Warning** or **Alternative Warning** on the websites of its known third-party internet sellers, provide such sellers with written notice in accordance with Title 27, California Code of Regulations, Section 25600.2. Third-party internet sellers of the Product that have been provided with written notice in accordance with Title 27, California Code of Regulations, Section 25600.2 are not released in Section 5 of this Agreement if they fail to meet the warning requirements of this Section.

2.5 Compliance with Warning Regulations. The Parties agree that 180 Snacks shall be deemed to be in compliance with this Settlement Agreement by either adhering to § 2 of this Settlement Agreement or by complying with warning regulations adopted by the State of California's OEHHA applicable to the Product and the exposure at issue.

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

In settlement of all the claims referred to in this Settlement Agreement, 180 Snacks shall pay $500.00 as a Civil Penalty in accordance with this Section. The Civil Penalty payment shall be allocated in accordance with California Health & Safety Code §§ 25249.12(c)(1) and (d), with 75% of the Penalty remitted to OEHHA and the remaining 25% of the Penalty remitted to Espinoza. The Civil Penalty payment(s) shall be sent to the addresses identified in § 3.2, below

3.1 Civil Penalty. Within fifteen (15) business days of the Effective Date, 180 Snacks shall issue two (2) separate checks for the Civil Penalty payment to (a) "OEHHA" in the amount of $375.00; and to (b) "Gabriel Espinoza" in the amount of $125.00. The Civil Penalty payment(s) shall be sent to the addresses identified in § 3.2, below.

3.2 Payment Procedures.

(a) Issuance of Payments. Payments shall be sent as follows:

(i) All payments owed to Espinoza, pursuant to § 3.1 shall be sent to the following payment address:

Evan J. Smith, Esquire
Brodsky Smith
Two Bala Plaza, Suite 805
Bala Cynwyd, PA 19004

(ii) All payments owed to OEHHA (EIN: 68-0284486), pursuant to § 3.1 shall be sent directly to OEHHA (Memo Line "Prop 65 Penalties") at the following addresses:

For United States Postal Service Delivery:

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

(b) Copy of Payments to OEHHA. 180 Snacks agrees to provide Espinoza's counsel with a copy of the checks payable to OEHHA, simultaneous with its penalty payments to Espinoza, to be sent to the address provided in § 3.2(a)(i), as proof of payment to OEHHA.

(c) Tax Documentation. 180 Snacks agrees to provide a completed IRS 1099 filed after the year pursuant to IRS guidelines for its payments to, and Espinoza agrees to provide IRS W-9 forms for, each of the following payees under this Settlement Agreement:

(i) "Gabriel Espinoza" whose address and tax identification number shall be provided within five (5) days after this Settlement Agreement is fully executed by the Parties;

(ii) "Brodsky Smith" (EIN: 23-2971061) at the address provided in Section 3.2(a)(i); and

(iii) "Office of Environmental Health Hazard Assessment" 1001 I Street, Sacramento, CA 95814.

In 180 Snacks' sole discretion, payments to Espinoza and OEHHA may be made by wire transfer, with Espinoza's counsel to provide the wire instructions upon request.

4. REIMBURSEMENT OF FEES AND COSTS

The Parties acknowledge that Espinoza and his counsel offered to reach preliminary agreement on the material terms of this dispute before reaching terms on the amount of fees and costs to be reimbursed to them. The Parties thereafter reached an accord on the compensation due to Espinoza and his counsel under general contract principles and the private attorney general doctrine and principles codified at California Code of Civil Procedure § 1021.5, for all work performed through the mutual execution of this agreement. Under these legal principles, 180 Snacks shall reimburse

Espinoza's counsel for fees and costs incurred as a result of investigating and bringing this matter to the attention of 180 Snacks, and negotiating a settlement in the public interest. Within fifteen (15) business days of the Effective Date, 180 Snacks shall issue a check payable to "Brodsky Smith" in the amount of $11,000.00 to be sent to the address identified in § 3.2(a)(i), above.

In 180 Snacks' sole discretion, the payment to Espinoza's counsel may be made by wire transfer, with Espinoza's counsel to provide the wire instructions upon request.

5. RELEASE OF ALL CLAIMS

5.1 Release of 180 Snacks and Downstream Customers and Entities. This Settlement Agreement is a full, final and binding resolution between Espinoza, acting on his own behalf, and 180 Snacks, of any violation of Proposition 65 that was or could have been asserted by Espinoza or on behalf of his past and current agents, representatives, attorneys, successors, and/or assigns ("Releasors") for failure to provide warnings for alleged exposures to Lead from use of the Products, and Releasors hereby release any such claims against 180 Snacks and its parents, subsidiaries, affiliated entities, shareholders, marketplaces, directors, officers, agents, employees, attorneys, successors and assignees, and each entity to whom 180 Snacks directly or indirectly distributes or sells the Products, including but not limited to, downstream distributors, wholesalers, online marketplaces, customers, retailers, including but not limited to Grocery Outlet, its respective subsidiaries, affiliates and parents, franchisees, cooperative members and licensees (collectively, the "Releasees"), from all claims for violations of Proposition 65 before the Effective Date or within 60 days after the Effective Date based on exposure to Lead from use of the Products. This release shall also cover any Products that are in inventory or the stream of commerce within 60 days after the Effective Date.

In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to §§ 3 and 4 above, Espinoza, on behalf of himself, him past and current agents, representatives, attorneys, successors and/or assignees, hereby covenants not to sue and waives any right to institute, participate in, directly or indirectly, any form of legal action and releases all claims that he may have, including without limitation, all actions and causes of action in law and in equity,

all obligations, expenses (including without limitation all attorneys' fees, expert fees, and investigation fees, and costs), damages, losses, liabilities and demands against any of the Releasees of any nature, character, or kind, whether known or unknown, suspected or unsuspected, limited to and arising out of the alleged or actual exposure to Lead from use of the Products.

5.2 180 Snacks' Release of Espinoza. 180 Snacks, on behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against Espinoza, his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Espinoza and/or his 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 exposure to Lead from 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. Espinoza on behalf of himself only, on one hand, and 180 Snacks, on the other hand, acknowledge that this Agreement is expressly intended to cover and include all such claims up through 60 days after 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 HER OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HER OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Espinoza and 180 Snacks each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code § 1542.

5.4 Deemed Compliance with Proposition 65. The Parties agree that compliance by 180 Snacks with this Settlement Agreement constitutes compliance with Proposition 65 with respect to exposure to Lead from use of the Products.

5.5 Public Benefit. It is 180 Snacks' understanding that the commitments it has agreed to herein, and actions to be taken by 180 Snacks under this Settlement Agreement, would confer a significant benefit to the general public, as set forth in Code of Civil Procedure § 1021.5 and Cal. Admin. Code tit. 11, § 3201. As such, it is the intent of 180 Snacks that to the extent any other private party initiates an action alleging a violation of Proposition 65 with respect to 180 Snacks' failure to provide a warning concerning exposure to Lead prior to use of the Products it has manufactured, distributed, sold, or offered for sale in California, or will manufacture, distribute, sell, or offer for sale in California, such private party action would not confer a significant benefit on the general public as to those Products addressed in this Settlement Agreement, provided that 180 Snacks is in material compliance with this Settlement Agreement.

6. SEVERABILITY

If, subsequent to the execution of this Settlement Agreement, any of the provisions of this Settlement Agreement are deemed by a court to be unenforceable, the validity of the enforceable provisions remaining shall not be adversely affected but only to the extent the deletion of the provision deemed unenforceable does not materially affect, or otherwise result in the effect of the Settlement Agreement being contrary to the intent of the Parties in entering into this Settlement Agreement. If the unenforceable provision is material to this Settlement Agreement, the Parties shall in good faith negotiate a lawful and enforceable provision that most closely reflects the Parties' original intent, and if they are unable to do so, either Party may terminate this Settlement Agreement upon written notice.

7. GOVERNING LAW

The terms of this Settlement Agreement shall be governed by the law of the State of California and apply within the State of California.

8. 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) first-class

(registered or certified mail) return receipt requested; or (ii) overnight or two-day courier on any party by the other party to the following addresses:

For 180 Snacks:

Sedina L. Banks
Sherry E. Jackman
Greenberg Glusker LLP
2049 Century Park E., Ste. 2600
Los Angeles, CA 90067

For Espinoza:

Evan J. Smith
Brodsky Smith
Two Bala Plaza, Suite 805
Bala Cynwyd, PA 19004

Either 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.

9. COUNTERPARTS: SIGNATURES

This Settlement Agreement may be executed in counterparts and by facsimile or .pdf signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

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

Espinoza agrees to comply with the reporting requirements referenced in Health & Safety Code § 25249.7(f).

11. MODIFICATION

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

12. ENTIRE AGREEMENT

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.

13. NOTICE AND OPPORTUNITY TO CURE

13.1 Enforcement. A Party may enforce any of the terms and conditions of this Settlement Agreement only for Products that 180 Snacks and/or Releasees directly manufacture, import, distribute, sell, or offer for sale in California after sixty (60) days after the Effective Date that Espinoza or his representatives have tested and certified that the Products do not comply with Section 2 of this Settlement Agreement. Such enforcement may commence only after a Party first provides sixty (60) days written notice to the Party allegedly failing to comply with the terms and conditions of this Settlement Agreement and attempts to resolve such Party's failure to comply in an open and good faith manner.

13.2 Notice of Violation. Prior to bringing any proceeding to enforce the terms of this Settlement Agreement, Espinoza shall provide a written notice of violation ("NOV") to 180 Snacks that includes information sufficient for it to be able to understand and correct the violation.

13.3 Determining Date of Sale. Within thirty (30) days of receipt of the NOV with the above information, 180 Snacks shall first provide information showing whether the Products were shipped by 180 Snacks for sale in California before sixty (60) days after the Effective Date. If so, no further action will be taken by Espinoza.

13.4 Contesting the NOV. If the Products were shipped after sixty (60) days after the Effective Date, 180 Snacks may produce information, if any, supporting compliance with the applicable warnings sections of this Settlement Agreement. 180 Snacks will provide documentation it asserts show it did not knowingly and intentionally sell the Products in California without warnings.

13.5 Non-Contest and Corrective Action. If 180 Snacks elects not to contest the NOV, or if Espinoza, based on the Parties' good faith meet and confer attempts, does not agree 180 Snacks has met its burden to successfully contest the NOV, the Parties shall then meet and confer on any corrective action by 180 Snacks. 180 Snacks shall then confirm to Espinoza all steps it will take to ensure the Products comply with the terms of this Settlement Agreement. Upon receiving such notification from 180 Snacks confirming the corrective action, Espinoza shall take no further action regarding the alleged violation against 180 Snacks.

14. REPRESENTATIONS AND WARRANTIES

Espinoza and his counsel, on behalf of themselves, counsel's law firm, and all other lawyers co-advising on this matter represent and warrant that they (i) are unaware of any additional perceived claims against the Releasees outside of those addressed in this Settlement Agreement; (ii) are unaware of, and have not been informed of, any other individual, plaintiff, class member, entity, or attorney that intends to bring a claim against the Releasees, including, but not limited to, any claim regarding any Releasees' products and/or any claim related to Prop. 65; and (iii) have no present intention to solicit others to initiate claims against the Releasees. Espinoza and his counsel further represent and warrant that they have not assigned or otherwise transferred, or attempted to assign or transfer, any perceived claims against the Releasees.

15. AUTHORIZATION

The undersigned are authorized to execute this Settlement Agreement and have read, understood and agree to all of the terms and conditions contained of this Settlement Agreement.

AGREED TO:

Date: _____

By: _____
Gabriel Espinoza

AGREED TO:

Date: 10-12-26

By: _____
180 Snacks, Inc.

14. REPRESENTATIONS AND WARRANTIES

Espinoza and his counsel, on behalf of themselves, counsel's law firm, and all other lawyers co-advising on this matter represent and warrant that they (i) are unaware of any additional perceived claims against the Releasees outside of those addressed in this Settlement Agreement; (ii) are unaware of, and have not been informed of, any other individual, plaintiff, class member, entity, or attorney that intends to bring a claim against the Releasees, including, but not limited to, any claim regarding any Releasees' products and/or any claim related to Prop. 65; and (iii) have no present intention to solicit others to initiate claims against the Releasees. Espinoza and his counsel further represent and warrant that they have not assigned or otherwise transferred, or attempted to assign or transfer, any perceived claims against the Releasees.

15. AUTHORIZATION

The undersigned are authorized to execute this Settlement Agreement and have read, understood and agree to all of the terms and conditions contained of this Settlement Agreement.

AGREED TO:

Date: 10/12/26

By: _____
Gabriel Espinoza

AGREED TO:

Date: _____

By: _____
180 Snacks, Inc.