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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

Clean Product Advocates, LLC, **Plaintiff,** **vs.** **Ratto Bros. Inc.,** **Defendants.**	Case No.: 26STCV03899 **[PROPOSED] STIPULATED CONSENT JUDGMENT** Health & Safety Code § 25249.5 *et seq.* Action Complaint Filed: January 30, 2026 Trial Date: None set

I. INTRODUCTION

1.1 On or about October 21, 2026, Plaintiff Clean Product Advocates, LLC ("Plaintiff"), as a private enforcer and in the public interest, initiated this action by filing a second amended complaint for Injunctive and Declaratory Relief and Civil Penalties (the "Complaint") pursuant to the provisions of California Health and Safety Code section 25249.5 *et seq.* ("Proposition 65"), against Ratto Bros., Inc. ("Defendant"). In this action, Plaintiff alleges that certain products manufactured, distributed, or sold by Defendant contain lead, a chemical listed under Proposition 65 as a carcinogen and/or reproductive toxin, and exposes consumers at a level requiring a Proposition 65 warning.

1.2 Plaintiff and Defendant are hereinafter referred to individually as a "Party" or collectively as the "Parties."

1.3 For purposes of this Stipulated Consent Judgment ("Consent Judgment"), the Parties agree that Defendant is a business entity that has employed ten or more persons at all times relevant to this action and qualify as a "person in the course of doing business" within the meaning of Proposition 65.

1.4 The Complaint is based on allegations contained in Plaintiff's Notices of Violation ("Notices) served on the California Attorney General and other public enforcers on February 16, 2025, and April 8, 2025, providing notice that Defendant was allegedly in violation of Proposition 65 as to certain products that Defendant manufactured, imported, sold, and/or offered for sale or distributed in California. The two products named in the Notices are "Ratto Bros Chopped Kale" and "Ratto Bros Fresh Collard". The Notices named these products as "exemplar products" and invited Defendant to investigate and voluntarily identify similar products which may be subject to Proposition 65 in a similar manner. Defendant has identified two more products, "Ratto Bros Organic Chopped Kale" and "Ratto Bros Organic Fresh Collard", to be resolved through this action. All four products are collectively referred to hereafter as the "Covered Products" for purposes of this Consent Judgment.

1.5 More than 60 days have passed since the Notices were served on the Attorney General

and public enforcers and no designated governmental entity has filed a Complaint against Defendant with regard to the Covered Products or the alleged violations.

1.6 Plaintiff's Notices and Complaint allege that use of the Covered Products by California consumers exposes them to lead without first receiving clear and reasonable warnings, in violation of California Health and Safety Code section 25249.6. Defendant denies all material allegations contained in the Notices and Complaint.

1.7 The Parties enter into this Consent Judgment in order to settle, compromise, and resolve disputed claims and avoid prolonged and costly litigation. Defendant denies the material, factual, and legal allegations in the Notices and Complaint and maintains that the Covered Products have been and are in compliance with all laws. Nothing in this Consent Judgment nor compliance with this Consent Judgment shall constitute or be construed as an admission by any of the Parties or by any of their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers of any fact, issue of law, or violation of law.

1.8 Except as expressly set forth herein, nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy, argument, or defense the Parties may have in any current or future legal proceeding unrelated to these proceedings.

1.9 The Effective Date of this Consent Judgment is the date that Notice is served that the Consent Judgment is entered as a Judgment by this Court.

2. JURISDICTION AND VENUE

For purposes of this Consent Judgment and any further court action that may become necessary to enforce this Consent Judgment, the Parties stipulate that this Court has subject matter jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction over Defendant as to the acts alleged in the Complaint, that venue is proper in Los Angeles County, and that this Court has

jurisdiction to enter this Consent Judgment as a full and final resolution of all claims up through and including the Effective Date that were or could have been asserted in this action based on the facts alleged in the Notices and Complaint.

3. INJUNCTIVE RELIEF, REFORMULATION, AND WARNINGS

3.1 Beginning as of the Effective Date (the "Compliance Date"), Defendant shall be permanently enjoined from manufacturing for sale in the State of California, "Distributing into the State of California," or selling in the State of California, any Covered Product that exposes a person to a "Daily Lead Exposure Level" of more than 0.5 micrograms of lead per day unless it meets the warning requirements under Section 3.2.

3.1.1 As used in this Consent Judgment, the term "Distributing into the State of 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 Defendant knows will sell the Covered Product in California.

3.1.2 For purposes of this Consent Judgment, the "Daily Lead Exposure Level" shall be measured in micrograms, and shall be calculated pursuant to the method for calculating exposures to consumer products as set forth in California Code of Regulations Title 27, section 25721 subdivision (d)(4) regarding exposures to carcinogens and section 25821 subdivision (c)(2) regarding exposures to reproductive toxicants. Both regulations state, in identical language, that such exposures shall be calculated "using the reasonably anticipated rate of intake or exposure for average users of the consumer product, and not on a per capita basis for the general population. The rate of intake or exposure shall be based on data for use of a general category or categories of consumer products, such as the United States Department of Agriculture Home Economic Research Report, Foods Commonly Eaten by Individuals: Amount Per Day and Per Eating Occasion, where such data are available." (Cal. Code Regs., tit. 27, §§ 25721 subd. (d)(4) and 25821 subd. (c)(2).)

3.1.3 So long as Defendant can provide documentation regarding the product date, if requested

in writing by Plaintiff, Covered Products manufactured, shipped, sold, or Distributed into the State of California by Defendant prior to the Compliance Date are not bound by the injunctive terms set forth in this Section, including but not limited to, the Daily Lead Exposure Level, and warning and testing requirements. Instead, these products may be sold "as is" to California consumers and are released by Section 8 of this Consent Judgment.

3.2 Clear and Reasonable Warnings

If Defendant is required to provide a warning pursuant to Section 3.1, the warning must consist of one of the following ("Warning"):

(A)

WARNING: Consuming this product can expose you to chemicals including lead 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.

Defendant may, at its option, use the words **"CA WARNING:"** or **"CALIFORNIA WARNING:"** instead of the word **"WARNING:"**.

(B) For warnings affixed to the packaging or label, Defendant may say the following:
WARNING: Risk of cancer and reproductive harm from exposure to lead. See www.P65Warnings.ca.gov/food.

or

WARNING: Can expose you to lead, a carcinogen and reproductive toxicant. See www.P65Warnings.ca.gov/food.

Defendant may, at its option, use the words **"CA WARNING:"** or **"CALIFORNIA WARNING:"** instead of the word **"WARNING:"**.

For Covered Products manufactured and packaged prior to January 1, 2028, Defendant may, at its option use the following statement for warnings affixed to the packaging or label:

WARNING: Cancer and Reproductive Harm - www.P65Warnings.ca.gov/food.

Defendant shall use the phrase "cancer and" in the Warning if Defendant has reason to believe that the "Daily Lead Exposure Level" is greater than 15 micrograms of lead as determined pursuant to the Daily Lead Exposure Level set forth in Section 3.1.2 or if Defendant has reason to believe that another

Proposition 65 chemical is present which may require a cancer warning.

The Warning shall be securely affixed or printed upon the label of each Covered Product and must be set off from other surrounding information and enclosed in a box. In addition, for any Covered Product sold over the internet through ecommerce channels controlled by Defendant, the Warning on the checkout page shall be in full text or through a clearly marked hyperlink using the word **"WARNING"** and in all capital and bold letters when a California delivery address is indicated for any purchase of any Covered Product. If a hyperlink is used, the hyperlink must go directly to a page prominently displaying the Warning without content that detracts from the Warning. An asterisk or other identifying method must be utilized to identify which products on the checkout page are subject to the Warning.

The Warning shall be at least the same size as the largest of any other health or safety warnings also appearing on the website or on the label and the word **"WARNING"** shall be in all capital letters and in bold print. No statements intended to or likely to have the effect of diminishing the impact of the Warning on the average lay person shall accompany the Warning. Further, no statements may accompany the Warning that state or imply that the source of the listed chemical has an impact on or results in a less harmful effect of the listed chemical.

Defendant must display the above Warning with such conspicuousness, as compared with other words, statements or designs on the label, or on their websites, if applicable, to render the Warning likely to be read and understood by an ordinary individual under customary conditions of purchase or use of the product.

For purposes of this 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.

For purposes of this agreement, when Defendant is required to provide a warning for a Covered Product pursuant to Section 3, Defendant may satisfy the warning requirement by providing the required information in compliance with 27 C.C.R. Section 25600.2 (2024) to any business that is subject to Proposition 65 to which it is selling or transferring the Covered Product.

3.3 Compliance with Proposition 65. The Parties agree that Defendant shall be deemed to be in compliance with this Agreement by either adhering to Section 3 of this Agreement or by complying with warning regulations adopted by the State of California's OEHHA applicable to the Product and the exposures at issue.

3.4 Warning for Internet Sales by Third Parties. If a Covered Product is being sold by an online third-party seller or downstream reseller customer (collectively referred to as "Third-Party Seller(s)"), who are subject to Proposition 65 and known to, and authorized by Defendant to sell such Covered Product in California, and Defendant cannot itself post the warning on the authorized Third-Party Seller's website because it lacks control over such authorized Third-Party Seller's website, then Defendant must notify the authorized Third-Party Seller and/or its authorized agent of the authorized Third-Party Seller's duty to provide an internet warning as part of the condition of sale of the Covered Products.

3.5 Foreign Language Warning Requirement: Where any product label, packaging, or accompanying written materials include information in a language other than English, Defendant agrees to provide the Proposition 65 warning in the same language(s) in addition to English. The foreign language warning must contain the same content as the English warning and must be prominently displayed.

3.6 Conforming Covered Products

A Conforming Covered Product is a Covered Product for which the "Daily Lead Exposure Level" is no greater than 0.5 micrograms of lead per day and is not known by Defendant to contain other chemicals that violate Proposition 65's safe harbor thresholds. Conformance with the "Daily Lead Exposure Level" shall be based upon testing of a composite sample from a combined entire package of the Covered Product.

4. SETTLEMENT PAYMENT

4.1 In full satisfaction of all potential civil penalties, additional settlement payments, attorney's fees, and costs, Defendant shall make a total payment of $58,000.00 ("Total Settlement Amount") to Plaintiff within ten (10) days of the Effective Date. Defendant shall make this payment by wire transfer to Plaintiff's account, for which Plaintiff will give Defendant the necessary account information. The Total Settlement Amount shall be apportioned as follows:

4.2 $4,000.00 shall be considered a civil penalty pursuant to California Health and Safety Code section 25249.7(b)(1). Plaintiff shall remit 75% ($3,000.00) of the civil penalty to the Office of Environmental Health Hazard Assessment ("OEHHA") for deposit in the Safe Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety Code section 25249.12(c). CPA will retain the remaining 25% ($1000.00) of the civil penalty.

4.4 $54,000.00 shall be distributed to Plaintiff as reimbursement of Plaintiff's attorney fees and costs. Except as explicitly provided herein, each Party shall bear its own fees and costs.

5. MODIFICATION OF CONSENT JUDGMENT

This Consent Judgment may be modified only as to injunctive terms (i) by written stipulation of the Parties and upon entry by the Court of a modified consent judgment or (ii) by motion of either Party pursuant to Section 5.3 and upon entry by the Court of a modified consent judgment. In the event that Proposition 65, either as a whole or as specifically applicable to the Covered Product or listed chemicals at issue in the case, is repealed or federally preempted, or if new or different safe harbor levels are established as applicable to the Covered Product, or if Proposition 65 is otherwise rendered inapplicable to the Covered Product or the listed chemicals at issue in this case, by any final California regulation or statute, or by a decision of the California Supreme Court or the United States Supreme Court or by the California legislature or the United States Congress, or if any provision of this Consent Judgment is specifically rendered inapplicable or no longer required as to the Covered Products as a result of any such regulatory or statutory change, repeal or preemption or decision of the California Supreme Court or the United States Supreme Court, or due to binding federal laws or regulations, then

Plaintiff may provide written notice to Defendant of any asserted change in the law and seek modification of this Consent Judgment pursuant to this Section.

6. JURISDICTION AND ENFORCEMENT OF CONSENT JUDGMENT

This Court shall retain jurisdiction of this matter to enforce, modify, or terminate this Consent Judgment.

7. APPLICATION OF CONSENT JUDGMENT

This Consent Judgment may apply to, be binding upon, and benefit the Parties and their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, franchisees, licensees, customers (excluding private labelers), distributors, wholesalers, retailers, predecessors, successors, and assigns. This Consent Judgment shall have no application to any Covered Product that is distributed or sold exclusively outside the State of California and that is not used by California consumers.

8. BINDING EFFECT, CLAIMS COVERED AND RELEASED

8.1 This Consent Judgment is a full, final, and binding resolution between Plaintiff, on behalf of itself and in the public interest, and Defendant and its respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, suppliers, franchisees, licensees, customers, distributors, wholesalers, retailers, and all other upstream and downstream entities in the distribution chain of any Covered Product, and the predecessors, successors, and assigns of any of them (collectively, "Released Parties").

8.2 Plaintiff, acting in the public interest, releases the Released Parties from any and all claims for violations of Proposition 65 up through the Effective Date based on exposure to lead from the Covered Products as set forth in the Notices of Violation. Plaintiff, on behalf of itself only, 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 from the handling, use, or consumption of the Covered Products, as to any alleged violation of Proposition 65 or its implementing regulations arising from the failure to provide Proposition 65

warning for the Covered Products regarding lead, up to and including the Effective Date. However, Third-Party Sellers that do not provide the Warning after being instructed or notified by Defendant to do so, as outlined in Section 3.2, are not released from liability for violations of Proposition 65.

8.3 Plaintiff on its own behalf only, and Defendant on its own behalf only, further waives and releases any and all claims they may have against each other for all actions or statements made or undertaken in the course of seeking or opposing enforcement of Proposition 65 in connection with the Notices and Complaint up through and including the Effective Date, provided, however, that nothing in Section 8 shall affect or limit any Party's right to seek to enforce the terms of this Consent Judgment. However, Third-Party Sellers that do not provide the Warning after being instructed or notified by Defendant to do so, as outlined in Section 3.2, are not released from liability for violations of Proposition 65.

8.4 It is possible that other claims not known to the Parties, arising out of the facts alleged in the Notices and Complaint, and relating to the Covered Products, will develop or be discovered. Plaintiff on behalf of itself only, and Defendant on behalf of itself only, acknowledge that this Consent Judgment is expressly intended to cover and include all such claims up through and including the Effective Date, including all rights of action therefore.

Plaintiff and Defendant acknowledge that the claims released in Sections 8.2 and 8.3 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.

Plaintiff on behalf of itself only, and Defendant on behalf of itself only, acknowledge and understand the significance and consequences of this specific waiver of California Civil Code section 1542.

8.5 Compliance with the terms of this Consent Judgment shall be deemed to constitute

compliance with Proposition 65 by any of the Released Parties regarding alleged exposure to lead in the Covered Product, as set forth in the Notices and Complaint.

8.6 Nothing in this Consent Judgment is intended to apply to any occupational or environmental exposure arising under Proposition 65, nor shall it apply to any of Defendant's products other than the Covered Products.

9. SEVERABILITY OF UNENFORCEABLE PROVISIONS

In the event that any of the provision of this Consent Judgment is held by a court to be unenforceable, the validity of the remaining enforceable provisions shall not be adversely affected.

10. GOVERNING LAW

The terms and conditions of this Consent Judgment shall be governed by and construed in accordance with the laws of the State of California.

11. PROVISION OF NOTICE

All notices required to be given to either Party to this Consent Judgment by the other shall be in writing and sent to the following agents listed below via first-class mail or via electronic mail where required. Courtesy copies via email may also be sent.

FOR PLAINTIFF:
CLIFFWOOD LAW FIRM
Elham Shabatian, Bar No. 221953
12100 Wilshire Boulevard, Suite 800
Los Angeles, California 90025
Tel: (310) 200-3227
ellie@cliffwoodlaw.com

FOR DEFENDANT:
KAHN, SOARES & CONWAY, LLP
Jeremy A. McLinden, Bar No. 344986
1415 L Street, Suite 400
Sacramento, California 95814
Tel: (916) 448-3826
jmclinden@ksclawyers.com

COURT APPROVAL

12.1 Upon execution of this Consent Judgment by the Parties, Plaintiff shall file a Motion for Court Approval.

12.2 If the California Attorney General objects to any term in this Consent Judgment, the Parties shall use their best efforts to resolve the concern in a timely manner, and, if possible, prior to the hearing on the motion.

12.3 If this Stipulated Consent Judgment is not approved by the Court, it shall be void and have no force or effect.

13. EXECUTION AND COUNTERPARTS

This Consent Judgment may be executed in counterparts, which taken together shall be deemed to constitute one document. A facsimile or .pdf signature shall be construed to be as valid as the original signature.

14. DRAFTING

The terms of this Consent Judgment have been reviewed by the respective counsel for each Party prior to its signing, and each Party has had an opportunity to fully discuss the terms and conditions with legal counsel. The Parties agree that, in any subsequent interpretation and construction of this Consent Judgment, no inference, assumption, or presumption shall be drawn, and no provision of this Consent Judgment shall be construed against any Party, based on the fact that one of the Parties and/or one of the Parties' legal counsel prepared and/or drafted all or any portion of the Consent Judgment. It is conclusively presumed that all of the Parties participated equally in the preparation and drafting of this Consent Judgment.

15. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES

If a dispute arises with respect to either Party's compliance with the terms of this Consent Judgment entered by the Court, the Parties shall meet and confer either in person, via remote meeting, by telephone, or in writing and endeavor to resolve the dispute in an amicable manner. No action or motion

may be filed in the absence of such a good faith attempt to resolve the dispute beforehand.

16. ENFORCEMENT

The Parties may, by motion or order to show cause before the Superior Court of Los Angeles County, enforce the terms and conditions contained in this Consent Judgment. In any action brought to enforce this Consent Judgment, the prevailing Party may seek whatever fines, costs, penalties, or remedies as are provided by law for failure to comply with the Consent Judgment.

17. ENTIRE AGREEMENT, AUTHORIZATION

17.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter herein, including any and all prior discussions, negotiations, commitments, and understandings related thereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party. No other agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to exist or to bind any Party.

17.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the Party he or she represents to stipulate to this Consent Judgment.

18. REQUEST FOR FINDINGS, APPROVAL OF SETTLEMENT AND ENTRY OF CONSENT JUDGMENT

This Consent Judgment has come before the Court upon the request of the Parties. The Parties request the Court to fully review this Consent Judgment and, being fully informed regarding the matters which are the subject of this action, to: (1) Find that the terms and provisions of this Consent Judgment represent a fair and equitable settlement of all matters raised by the allegations of the Complaint, that the matter has been diligently prosecuted, and that the public interest is served by such settlement; and (2) Make the findings pursuant to California Health and Safety Code Section 2549.7(f)(4) and approve the Settlement and the Consent Judgment; and (3) Retain jurisdiction pursuant to Section 664.6 of the Code of Civil Procedure, after the Consent Judgment is entered in order to enforce, modify, or terminate this Consent

Judgment.

IT IS SO STIPULATED:

Dated: 11/6/2026, 2026

CLEAN PRODUCT ADVOCATES, LLC

By: _____
Dekee Yangzom

Dated: _____, 2026

RATTO BROS., INC.

_____
By: Arleen Wallen, CFO

ORDER APPROVING AGREEMENT

Based upon the Parties' stipulation and good cause appearing, this agreement is approved and is hereby entered according to its terms.

IT IS SO ORDERED, ADJUDGED AND DECREED.

Dated: _____, 2026

_____
JUDGE OF THE SUPERIOR COURT

IT IS SO STIPULATED:

Dated: _____, 2026

CLEAN PRODUCT ADVOCATES, LLC

By:_____
Dekee Yangzom

Dated: 4/9, 2026

RATTO BROS., INC.

By: Arleen Wallen, CFO

ORDER APPROVING AGREEMENT

Based upon the Parties' stipulation and good cause appearing, this agreement is approved and is hereby entered according to its terms.

IT IS SO ORDERED, ADJUDGED AND DECREED.

Dated:_____, 2026

_____
JUDGE OF THE SUPERIOR COURT