

SETTLEMENT AND RELEASE AGREEMENT

1. INTRODUCTION

1.1. The Parties.

This Settlement and Release Agreement (the “Agreement”) is entered into by and between Center for Consumer Safety (“CCS”), a California Corporation on one hand, and Diaspora Tea & Herb Company, LLC (“Diaspora”), on the other hand, with CCS and Diaspora collectively referred to as the “Parties.” CCS seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products. CCS alleges that Diaspora 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.

CCS alleges that Diaspora manufactures, sells, and/or distributes for sale in the State of California, Rishi Tea Ceremonial Matcha, AINS: B08JW8562R and other matcha products with the same or similar formulation as the Rishi Tea Ceremonial Matcha Powder (“Products”) containing Lead and that such sales have not included adequate 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. Lead is listed under Proposition 65 as a chemical known to the State of California to cause reproductive harm.

1.3. Product Description.

The products that are covered by this Agreement are defined as various matcha powder products including but not limited to Rishi Tea Ceremonial Matcha, that Diaspora manufactured, sold, or distributed in California.

1.4. Notice of Violation.

On July 3, 2025, CCS served Diaspora Tea & Herb Company, LLC, Amazon.com Services LLC and the requisite public enforcement agencies with a 60-Day Notice of Violation, entitled “Notice of Violation of California Health & Safety Code § 25249.6 et. seq.” (“Notice”). The Notice was not received by Diaspora until August 12, 2025. No public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice.

1.5. No Admission.

Diaspora denies the material, factual, and legal allegations contained in the Notice and maintains that all of the products that it has sold and distributed in California, including the Products, have been, and are, in compliance with all laws. Nothing in this Agreement shall be construed as an admission by Diaspora of any fact, finding, conclusion, issue of law, or violation of law, nor shall compliance with this Agreement constitute or be construed as an admission by Diaspora of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Diaspora. This Section shall not, however, diminish or otherwise affect Diaspora’s obligations, responsibilities, and duties under this Agreement.

1.6. Effective Date.

For the purposes of this Agreement, the term “Effective Date” shall mean the date that both Parties signed the fully executed Agreement.

2. INJUNCTIVE RELIEF

2.1. Reformulation Standard

Beginning on or before the Compliance Date, Diaspora shall be permanently enjoined from manufacturing, distributing, or directly selling in the State of California any Covered Product that results in a “Daily Lead Exposure Level” exceeding 0.5 micrograms of Lead per person per day, based on a single serving, unless the product complies with the warning requirements set forth in Section 2.2. The “Daily Lead Exposure Level” shall be calculated by multiplying the recommended serving size of the Covered Product by its lead concentration.

2.2. Clear and Reasonable Warning.

As of the Effective Date, Diaspora agrees to provide a clear and reasonable Proposition 65 warning on the Products to be in alignment with Proposition 65 warning regulations, including Cal. Code. Regs. Tit. 27, § 25600 *et seq.* This warning requirement shall be required for Products that are manufactured, distributed, marketed, imported, sold, shipped for sale, or offered for sale to consumers by Diaspora within the State of California. Diaspora shall display the following warning statement on the packaging label of the Products:

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

“WARNING:” [or] “CA WARNING:” [or] “CALIFORNIA WARNING:” Consuming this product can expose you to chemicals including lead, which is known to the State of California to cause birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov/food.

(b) **Alternative Warning:**

Diaspora, but is not required to, use the alternative short-form warning as set forth in this § 2.1(b) (“**Alternative Warning**”) as follows:

1. **“WARNING:” [or] “CA WARNING:” [or] “CALIFORNIA WARNING:”** Risk of reproductive harm from exposure to lead. See www.P65Warnings.ca.gov/food.

OR

2. **“WARNING:” [or] “CA WARNING:” [or] “CALIFORNIA WARNING:”** Can expose you to lead, a reproductive toxicant. See www.P65Warnings.ca.gov/food.

OR

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

Where the third form may be used for a Covered Product manufactured or labeled prior to January 1, 2028, regardless of the date of sale.

In addition to the language above, there shall be warning symbol to the left of the word “**WARNING:**” which shall be a black exclamation point in a yellow equilateral triangle with a black outline, except that if the sign or label for the Products does not use the color yellow, the symbol may be in black and white. The symbol must be in a size no smaller than the height of the word “**WARNING:**”. The entire warning statement must be enclosed in a rectangular black box.

2.3. E-Commerce.

The Warning shall be posted on websites where Diaspora offers Products for sale to consumers in California. In accordance with § 2.1, the requirements of this Section shall be satisfied if the Warning or Alternative Warning, or a clearly marked hyperlink using the word “WARNING” or the words “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, Diaspora shall (a) post the Warning on its own website and, if it has the ability to do so, on the websites of its third-party internet sellers; and (b) if it does not have the ability to post the Warning on the websites of its third-party internet sellers, provide such sellers with written notice as laid out in California Health and Safety Code § 25600.2(b).

2.4. Packaging Requirements.

Diaspora shall affix the foregoing warning statements to the packaging of the products in accordance with § 2.1. The Warning shall be affixed to, displayed, or printed on the Products’ packaging or labeling, or on a place card, shelf tag, sign or electronic device or automatic process, provided that the Warning is displayed with such conspicuousness, as compared with other words, statements, or designs as to render it likely to be read understood by an ordinary individual under customary condition of purchase or use. The Warning may be contained in the same section of the packaging, labeling, or instruction booklet that states other safety warnings, if any, concerning the use of the Products.

2.5. Compliance with Warning Regulations.

Diaspora shall be deemed to be in compliance with Proposition 65 and this Agreement by either adhering to section 2 of this Agreement or by complying with warning regulations adopted by the State of California’s Office of Environmental Health Hazard Assessment (“OEHHA”) applicable to the Products and the exposures at issue.

2.6. Grace Period for Existing Inventory of Products

The injunctive requirements of Section 2.1 shall not apply to Products that are already in the

stream of commerce as of the Effective Date, which Products are expressly subject to the releases provided in Section 4 of this Settlement Agreement.

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

In settlement of all claims referred to in this Agreement, Diaspora shall pay a total of \$25,000.00, of which \$2,500.00 shall be paid 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 CCS. The Civil Penalty payment(s) shall be delivered to the addresses identified in § 3.2 below. For all amounts due and owing that are not sent within the payment times set forth below, Diaspora shall pay a late civil penalty payment fee equal to \$100/day to be allocated in accordance with California Health & Safety Code § 25249.12(c)(1) and (d).

3.1 Civil Penalty.

Within ten (10) business days of the Effective Date, Diaspora shall issue two (2) separate checks for the Civil Penalty payment (a) one to “OEHHA” in the amount of \$1,875; and one to (b) Center for Consumer Safety in the amount of \$625. The Civil Penalty payment(s) shall be delivered to the addresses identified in § 3.3, below.

3.2 Reimbursement of Fees and Costs.

The Parties reached an accord on the compensation due to CCS and its counsel under the general contract principle and the private attorney general doctrine and principles codified at California Code of Civil Procedure § 1021.5, for all work performed through the Effective Date. Under these legal principles, Diaspora shall reimburse CCS’s counsel for fees and costs incurred as a result of investigating and bringing this matter to the attention of Diaspora, and negotiating a settlement in the public interest. Within ten (10) business days of the Effective Date, Diaspora shall send a check payable to “Sentinel Law APC,” in the amount of \$22,500.00 for delivery to the address identified in § 3.3, below.

3.3 Payment Procedures.

Payments shall be delivered as follows:

- (a) All payments owed to CCS, pursuant to § 3.1 above, shall be delivered to the following payment address:

Shannon C. Wilhite
Sentinel Law APC
P.O. Box 82
Bayside, CA 95524

- (b) All payments owed to OEHHA (EIN: 68-0284486), pursuant to § 3.1 above shall be delivered directly to OEHHA (Memo Line “Prop 65 Penalties”) at the following address:

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

(c) Copy of Payments to OEHHA. Diaspora agrees to provide CCS's counsel with a copy of the check payable to OEHHA, simultaneously with its penalty payment to CCS, to be delivered to the address provided in § 3.3, as proof of payment to OEHHA.

(d) Tax Documentation.

Diaspora shall provide an IRS 1099 form, and Sentinel Law APC shall provide an IRS W-9 form for each payee under this Agreement. The Parties acknowledge Diaspora cannot issue the Settlement Payment until Diaspora receives the requisite W-9 forms from counsel. The Parties further acknowledge that they will cooperate in good faith to extend Diaspora's payment deadline as set forth in section 3.2 herein, if counsel fails timely to provide the requisite W-9 tax forms to Diaspora.

The Parties acknowledge that no representations have been made by the other Party regarding the taxability of all or any portion of this Agreement. The Parties hereby acknowledge that they have had the opportunity to seek independent advice regarding the tax consequences of this Agreement and accept each responsibility for satisfaction of their own tax obligation(s) and/or liability(ies) that may result from this Agreement.

4. RELEASE OF ALL CLAIMS

4.1. Release of Diaspora, Downstream Customers and Upstream Vendors

CCS, for itself and on behalf of all persons claiming by, through or under it, including without limitation, CCS's past and current heirs, agents, representatives, attorney, successors, and/or assignees (collectively, the "**Releasors**"), hereby releases, acquits, and forever discharges (i) Diaspora, and its members, owners, officers, insurers, agents, representatives, contractors, affiliates, successors, and assigns and all persons acting by, through, under, or in concert with either of them; (ii) all downstream entities engaged in the distribution chain of the Products, including, but not limited to, distributors, wholesalers, vendors, licensors, licensees, auctioneers, retailers, franchisees, dealers, shareholders, cooperative members, customers, owners, purchasers, third-party re-sellers, and users, including Amazon.com Services LLC; and (iii) all employees, agents, representatives, indemnitees, shareholders, officers, directors, members, managers, equity owners, insurers, attorneys, predecessors, successors, and assigns of the entities described in subsections (i), (ii) (the persons and entities described in subparagraphs (i) through (iii) of this section 4.1 shall be collectively referred to herein as the "**Releasees**"), of and from any and all claims, demands, obligations, liabilities, indebtedness, breaches of contract, breaches of duty or of any relationship, acts, omissions, misfeasance,

malfeasance, causes of action, defenses, offsets, debts, sums of money, accounts, compensation, contracts, controversies, promises, damages, costs, losses and expenses, of every type, kind, nature, description, or character, whether known or unknown, suspected or unsuspected, liquidated or unliquidated, each as though fully set forth herein at length (collectively, “**Claims**”), that the Releasor now has or may acquire against the Releasees as of the Effective Date in any way arising out of, connected with, or related to the Dispute, the Notice, and/or the Products (each, a “**Released Claim**” and collectively, the “**Released Claims**”).

The Parties further understand and agree that this Section 4.1 release shall not extend upstream to any entities that manufactured the Product or any component parts thereof, or any distributors or suppliers who sold the Products or any component parts thereof to Diaspora.

In addition to Section 5.2 below, the Released Parties hereby acknowledge, represent, and warrant to the Releasees that they agree to assume the risk of any and all unknown, unanticipated, or misunderstood defenses and the Released Claims that are released by the provisions of the Release in favor of the Releasees, and the Released Parties waive and release all rights and benefits they might otherwise have under any state or local laws or statutes with regard to the release of such unknown, unanticipated, or misunderstood defenses and Released Claims.

Notwithstanding the foregoing, the Release does not relieve the Released Parties of their duty to fulfill their obligations, conditions, covenants, warranties, and representations under this Agreement and indemnification for claims asserted by third parties.

4.2. Diaspora Release of Center for Consumer Safety

Diaspora, on its own behalf, and on behalf of its past and current agents, representatives, attorneys, successors, an/or assignees, hereby waives any and all claims against Center for Consumer Safety and its attorneys and other representatives, whether in the course of investigating claims, seeking to enforce Proposition 65 against it in this matter, or with respect to the Product.

5. GOVERNING LAW

The terms of this Agreement shall be governed by the law of the State of California 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 Products, then Diaspora shall provide written notice to CCS of any asserted change in the law and shall have no further obligations pursuant to this Agreement with respect to the Product that is affected. This Agreement is enforceable solely by the Parties hereto.

6. COMMUNICATIONS

Unless otherwise specified herein, all correspondences and notices required to be provided pursuant to this Agreement shall be in writing and sent by electronic email or priority mail as follows:

For Diaspora Tea & Herb Company, LLC
Jenny Daniels
Diaspora Tea & Herb Company, LLC
185 S 33rd Ct.
Milwaukee, WI 53208

For Center for Consumer Safety:
Shannon C. Wilhite
Sentinel Law APC
P.O. Box 82
Bayside, CA 95524

With a copy to:

Elizabeth V. McNulty
Evans Fears Schuttert McNulty Mickus
1 Park Plaza, Suite 500
Irvine, CA 92614

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.

7. ENTIRE AGREEMENT

This Agreement contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and all related prior discussions, negotiations, commitments, and understandings. No other agreements, oral or otherwise, exist to bind any of the Parties.

8. SEVERABILITY & MODIFICATION

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

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

9. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed an original, but when taken together shall constitute one and the same agreement, with the same effect as if the signatures were placed on one original. This Agreement may be executed by electronic signature.

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

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

11. AUTHORIZATION

Each Party represents that its signatory to this Settlement Agreement has full legal authority to enter into and legally bind it to the terms herein. Each Party further represents that it has read, understood, and agreed to all of the terms and conditions of this Settlement Agreement.

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IN WITNESS WHEREOF, the undersigned have caused this Settlement and Release Agreement to be duly executed, effective as of the Effective Date first set forth above.

AGREED TO:

AGREED TO:

Date: 12/18/2025

Date: 12/18/2025

By: 
Center for Consumer Safety

By: 
Diaspora Tea & Herb Company, LLC