

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 The Parties. This Settlement Agreement is entered into by and between Precila Balabbo (“Balabbo”) and Snapdragon Foods LLC (“Snapdragon”). Together, Balabbo and Snapdragon are collectively referred to as the “Parties.” Balabbo 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. Balabbo alleges that Snapdragon 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. Balabbo alleges that Snapdragon has exposed individuals to lead from its sales of *Snapdragon*® beef pho, UPC# 8 15055 01113 6 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 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 *Snapdragon*® beef pho, UPC# 8 15055 01113 6 (the “Products”) that have been imported, distributed, offered for sale and/or sold in California by Snapdragon that expose consumers to lead.

1.4 Notice of Violation. On July 7, 2025, Balabbo served, Snapdragon, Ross Stores, Inc. 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 Snapdragon, and such others, including public enforcers, with notice that alleged that Snapdragon 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. No public enforcer has diligently prosecuted the allegations set forth in the Notice.

1.5 No Admission. Snapdragon 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 Snapdragon of any fact, finding, issue of law, or violation of law, and Snapdragon denies any such liability; nor shall compliance with this Settlement Agreement constitute or be construed as an admission by Snapdragon of any fact, finding, conclusion, issue of law or violation of law, such being specifically denied by Snapdragon. Notwithstanding the allegations in the Notice, Snapdragon maintains that it has not knowingly manufactured, or caused to be manufactured, the Products for sale in California in violation of Proposition 65. Neither this Agreement nor anything in this Agreement shall be construed to be, or shall be admissible in any proceeding as, evidence of liability or wrongdoing. This Agreement may be introduced, however, in any proceeding to enforce this Agreement.

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.

2. INJUNCTIVE RELIEF

2.1 Reformulation of Products. Commencing sixty (60) days after the Effective Date, Products that Snapdragon manufactures 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, including Products already in compliance prior to the Effective Date without any modification. 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, if any, that expose a person to an exposure level of less than 0.5 micrograms of lead per day. For the purposes of this Agreement, the amount of lead a person is exposed to from a Product shall be calculated in accordance with the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code § 25249.6, et seq., its implementing regulations, and applicable judicial precedent.

2.3 Clear and Reasonable Warning. Commencing sixty (60) days after the Effective Date, a clear and reasonable exposure warning must be provided for all Products that Snapdragon

manufactures for sale in California that are not Reformulated Products. There shall be no obligation for Snapdragon to provide an exposure warning for Products manufactured prior to or within sixty (60) days after the Effective Date. The warning shall consist of the statement: *CA 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.* Alternatively, Snapdragon may use the short-form warning: *CA WARNING: Risk of cancer and reproductive harm from exposure to lead. See www.P65Warnings.ca.gov/food.*

2.4 Warning Format. A warning provided pursuant to § 2.3 must print the word “WARNING:” in all capital letters and in bold font. Where the warning is provided on the food product label, it must be set off from other surrounding information, enclosed in a box, and comply with the content requirements specified in Title 27, California Code of Regulations, Section 25607.2. To the extent Snapdragon sells Products directly to consumers in California via its own internet website, the warning shall be prominently displayed to the purchaser prior to completing the purchase in accordance with applicable California law.

2.5 Compliance with Warning Regulations. The Parties agree that Snapdragon 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, Snapdragon 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 Balabbo. The Civil Penalty payment(s) shall be delivered to the addresses identified in § 3.2, below

3.1 Civil Penalty. Within fifteen (15) business days of the Effective Date, Snapdragon shall issue two (2) separate checks for the Civil Penalty payment to (a) “OEHHA” in the amount of

\$375.00; and to (b) “Precila Balabbo” in the amount of \$125.00. The Civil Penalty payment(s) shall be delivered to the addresses identified in § 3.2, below.

3.2 Payment Procedures.

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

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

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

(ii) All payments owed to OEHHHA (EIN: 68-0284486), pursuant to § 3.1 shall be delivered directly to OEHHHA (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 OEHHHA. Snapdragon agrees to provide Balabbo’s counsel with a copy of the checks payable to OEHHHA, simultaneous with its penalty payments to Balabbo, to be delivered to the address provided in § 3.2(a)(i), as proof of payment to OEHHHA.

(c) **Tax Documentation.** Snapdragon agrees to provide a completed IRS 1099 for its payments to, and Balabbo agrees to provide IRS W-9 forms for, each of the following payees under this Settlement Agreement:

(i) “Precila Balabbo” 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.

4. REIMBURSEMENT OF FEES AND COSTS

The Parties acknowledge that Balabbo and her 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 Balabbo and her 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, Snapdragon shall reimburse Balabbo’s counsel for fees and costs incurred as a result of investigating and bringing this matter to the attention of Snapdragon, and negotiating a settlement in the public interest. Within fifteen (15) business days of the Effective Date, Snapdragon shall issue a check payable to “Brodsky Smith” in the amount of \$9,500.00 (together with the Civil Penalty, the “Settlement Payment”) for delivery to the address identified in § 3.2(a)(i), above. Snapdragon’s delivery of the Settlement Payment is the only obligation or duty required of Snapdragon pursuant to this settlement.

5. RELEASE OF ALL CLAIMS

5.1 Release of Snapdragon and Downstream Customers and Entities. This Settlement Agreement is a full, final and binding resolution between Balabbo, acting on her own behalf, and Snapdragon, of any violation of Proposition 65 that was or could have been asserted by Balabbo or on

behalf of her 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 Snapdragon and its current and former parents, affiliates, members, shareholders, partners, predecessors, successors, suppliers, distributors, retailers, assignees, subsidiaries and any person or entity acting by their authority or on their behalf, including but not limited to agents, managers, employees, heirs, executors, administrators, assigns, successors in interest, officers, directors, attorneys, insurers and indemnitors, as well as each entity to whom Snapdragon directly or indirectly distributes, ships, or sells any Products, including but not limited to Ross Stores, Inc., downstream distributors, wholesalers, retailers, franchisees, franchisors, cooperative members, suppliers, lenders, licensees, and licensors, and all of the foregoing entities’ owners, directors, officers, agents, principals, employees, attorneys, insurers, accountants, representatives, predecessors, successors, and assigns (collectively, the “Releasees”), from all claims for violations of Proposition 65 before the Effective Date and until 60 days after the Effective Date based on exposure to lead from use of the Products.

In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to §§ 3 and 4 above, Balabbo, on behalf of herself, her 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 she 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 Snapdragon’s Release of Balabbo. Snapdragon, on behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against Balabbo, her attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Balabbo 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 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. Balabbo on behalf of herself only, on one hand, and Snapdragon, 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 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.

Balabbo and Snapdragon 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 Snapdragon with this Settlement Agreement constitutes compliance with Proposition 65 with respect to exposure to lead from use of the Products.

6. OTHER CLAIMS

Balabbo and her counsel, Brodsky Smith, represent and warrant that they have not encouraged, assisted, or been retained by any other person or entity to bring claims against Snapdragon regarding the subject matter of this Action, and are unaware of anyone contemplating such claims. They further confirm they have no present intention to bring similar claims against the Releasees. To the extent any obligation herein would cause counsel to violate any rule of professional conduct, that specific obligation shall be of no force or effect.

7. 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.

8. 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.

9. 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 Snapdragon:

Kassra P. Nassiri
Nassiri & Jung LLP
1700 Montgomery Street, Suite 207
San Francisco, CA 94111

For Balabbo:

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.

10. 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.

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. 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:

AGREED TO:

Date: _____

Date: 7/15/2026 | 9:12 AM PDT

By: _____

Precila Balabbo

By: _____

Signed by:
Bob McHenry
80BEE2E2084E467

Snapdragon Foods LLC

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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:

AGREED TO:

Date: 7 | 15 | 26

Date: _____

By: 
Precila Balabbo

By: _____
Snapdragon Foods LLC