

# CONFIDENTIAL SETTLEMENT AND RELEASE AGREEMENT

## 1. INTRODUCTION

### 1.1. Clean Product Advocates, LLC and Seattle Shrimp & Seafood Company, Inc.

This Confidential Settlement Agreement (“Settlement Agreement”) is entered into by and between Clean Products Advocates, LLC (“CPA”), on the one hand, and Seattle Shrimp & Seafood Company, Inc., on the other hand, with CPA and Seattle Shrimp & Seafood Company, Inc. collectively referred to as the “Parties.”

### 1.2. General Allegations

CPA alleges that Seattle Shrimp & Seafood Company, Inc. manufactured and distributed and offered for sale in the State of California “First Street Cooked Shrimp” (NOV 2025-04782) and “First Street Raw Shrimp” (JAN 2026) containing Lead (Covered Products), 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 all seafood that Seattle Shrimp & Seafood Company, Inc. has manufactured, imported, sold, offered for sale or distributed in California. All such items shall be referred to herein as the “Products.”

### 1.4. Notice of Violation

On 11/24/2025 and 1/09/2026 CPA served Smart & Final LLC; Chedraui USA, Inc.; AmeriFoods Trading Company; Smart & Final Stores LLC 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”) that was later provided to Seattle Shrimp & Seafood Company, Inc. and such public enforcers with notice of an alleged violation of California Health & Safety Code section 25249.6 for failing to warn consumers and customers that the First Street Cooked Shrimp and the First Street Raw Shrimp products exposed users in California 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. Disputed Claims & No Admission

The Parties enter into this Settlement Agreement to settle disputed claims between them as set forth herein and in the Notices concerning compliance with Proposition 65. Seattle Shrimp & Seafood Company, Inc. denies the material factual and legal allegations contained in CPA’s Notices and maintains that all products that it has manufactured for sale and distribution in

California, including the cooked and raw shrimp, have been and are in compliance with Proposition 65 or any other statutory, regulatory, common law or equitable doctrine. Nothing in this Settlement Agreement shall be construed as an admission by Seattle Shrimp & Seafood Company, Inc. 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 Seattle Shrimp & Seafood Company, Inc. of any fact, binding, conclusion, issue of law, or violation of law, such being specifically denied by Seattle Shrimp & Seafood Company, Inc. on its behalf. However, nothing in this section shall diminish or otherwise affect the obligations, responsibilities, and duties of Seattle Shrimp & Seafood Company, Inc. 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**

**2.1.** As of the Effective Date, Seattle Shrimp & Seafood Company, Inc., 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 Covered Products that do not expose a person to an exposure level of more than 0.5 micrograms of lead per serving, with serving measured by the serving size specified on the label of the Covered Products, or (c) provide a clear and reasonable Proposition 65 warning on the Covered Products pursuant to Section 2.2 below.

Products that were supplied or contracted to be supplied to third parties by Seattle Shrimp & Seafood Company, Inc. prior to 6 months after the Effective 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 ("Compliance Date").

### **2.2. Warning Option**

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 Seattle Shrimp & Seafood Company, Inc. in the State of California. No Proposition 65 warning shall be required for any Products that are supplied or contracted to be supplied to third parties by Seattle Shrimp & Seafood Company, Inc. prior to 6 months after the Effective Date, and all such Products are hereby deemed to be exempt from Proposition 65 enforcement ("Compliance Date").

### **2.3. Warning Language**

**2.3.1.** A clear and reasonable exposure Warning must be provided for Covered Product(s) with Violative Daily Exposure Level that Seattle Shrimp & Seafood Company, Inc. 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](http://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](http://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](http://www.P65Warnings.ca.gov/food)

The font size of the Short-Form warning must be a minimum of 6 points, and sufficiently conspicuous as to render the warning likely to be seen, read, and understood by an ordinary individual under customary conditions of purchase or use. Warning language on products manufactured on or after **January 1, 2028**, must use the Short-Form Warning requirements outlined in Section 25603(b)(3) and must include at least one chemical name for each applicable endpoint (cancer and/or reproductive toxicity).

**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**” [or] “**CA WARNING**” [or] “**CALIFORNIA WARNING**” in all capital letters, in bold font, followed by a colon;
- b. be affixed to or printed on the Products’ label, 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 set off from other surrounding information;
- e. be enclosed in a box with a black, bold border.

**2.3.3. Online/Internet Warning.** If Seattle Shrimp & Seafood Company, Inc. or a Distributor sell(s) Covered Product via internet websites to customers located in California, Seattle Shrimp & Seafood Company shall provide an instruction that the online sales platform comply with the warning requirements of this section. A warning 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 “**CA WARNING**” or “**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.

**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, Seattle Shrimp & Seafood Company, Inc. shall pay the total Settlement amount of Twenty Six Thousand Dollars (\$26,000) (The “Settlement Amount”) as set forth below.

### **3.1 Civil Penalties to Health & Safety Code 25249.7 (B):**

One Thousand Five Hundred Dollars of the Settlement Amount shall be considered a “civil penalty” pursuant to California Health and Safety Code. Seattle Shrimp & Seafood Company, Inc. shall issue two separate checks within ten (10) days of the Effective Date for a total amount of One Thousand Five Hundred Dollars (\$1,500) as follows, and all payments shall be delivered to the addresses listed below.

- a. One Check made payable to the State of California’s Office of Environmental Health Hazzard Assessment (“OEHHA”) in the amount of One Thousand One Hundred Twenty Five Dollars (\$1,125), representing 75% of the total civil penalty; and
- b. One check payable to “Clean Product Advocates, LLC” in the amount of Three Hundred Seventy Five Dollars (\$375), representing 25% of the total civil penalty.

### **3.2 Attorney’s Fees and Costs:**

Twenty Four Thousand Five Hundred Dollars (\$24,500) of the total Settlement Amount shall be paid to Cliffwood Law Firm, PC within ten (10) 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 and bringing this matter to Seattle Shrimp & Seafood Company, Inc.’s attention.

## **4. PAYMENT PROCEDURES**

**4.1** All Payments owed to OEHHA, pursuant to section 3.1(a) shall be delivered directly to OEHHA (Memo line “Prop 65 Penalties NOV 22025-04782 and JAN 2026”) 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 to:

CPA  
% Elham Shabatian, Esq.  
Cliffwood Law Firm, PC  
12100 Wilshire Blvd, Suite 800  
Los Angeles, CA 90025

4.3 All Payments owed to Cliffwood Law Firm, PC pursuant to Section 4.3, shall be delivered to:

Cliffwood Law firm, PC  
Attn: Elham Shabatian, Esq.  
12100 Wilshire Blvd, Suite 800  
Los Angeles, CA 90025

#### **4.4 Proof of Payment**

A copy of each check payable to OEHHA, shall be mailed to Cliffwood Law firm, PC, simultaneous with payment to Cliffwood Law Firm, PC at the address set forth above, as proof of payment to OEHHA.

### **5. RELEASE OF ALL CLAIMS**

#### **5.1. Release of Seattle Shrimp & Seafood Company, Inc., Downstream Customers and Upstream Vendors**

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 its respective owners, principals, shareholders, officers, directors, employees, parents, subsidiaries its past and current agents, representatives, attorneys, successors and/or assignees (collectively, "Releasors"), hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and fully releases all claims relating to the Products, 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) of any nature whatsoever, whether known or unknown, fixed or contingent (collectively "Claims"), against (a) Seattle Shrimp & Seafood Company, Inc. (b) each of Seattle Shrimp & Seafood Company, Inc.'s downstream distributors in the stream of commerce (including but not limited to Smart & Final LLC; Chedraui USA, Inc.; AmeriFoods Trading Company; Smart & Final Stores LLC) and any other upstream or downstream entities in the distribution chain for the Products, including, but not limited to, manufacturers, wholesalers, vendors, licensors, licensees, auctioneers, retailers, franchisees, dealers, shareholders, cooperative members, customers, owners, purchasers, third-party re-sellers, and users, (c) Seattle Shrimp & Seafood Company, Inc.'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 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 "Releasees"). CPA also, on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, 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 Seattle Shrimp & Seafood Company, Inc. and the Releases.

### **5.2 Seattle Shrimp & Seafood Company, Inc.'s Release of CPA**

Seattle Shrimp & Seafood Company, Inc., 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 its 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 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. CPA on behalf of itself only, on one hand, and Seattle Shrimp & Seafood Company, Inc., on the other hand, acknowledge that this Agreement is expressly intended to cover and include all such claims up through the Effective Date, including all rights of action thereof. 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.

CPA and Seattle Shrimp & Seafood Company, Inc. each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code § 1542.

## **6. CONFIDENTIALITY**

CPA for itself and on behalf of its affiliates, parent companies, subsidiaries and divisions and the officers, directors, shareholders, employees and agents of any of them (collectively, "Representatives"), and Seattle Shrimp & Seafood Company for itself and on behalf of its Representatives, further agree to keep confidential and never disclose, use, misappropriate, communicate, publish, display, disclose any statements or comments concerning the Notice, the Products, the existence of this Settlement Agreement or its terms, including, without limitation, information relating to the other Party's products, vendor information, and client or customer information (collectively, "Confidential Information"), except (a) to a Party's professional advisors (e.g., legal and financial advisors) as necessary to perform its obligations under this Settlement Agreement, who have a reasonable need to know of the terms of this Settlement Agreement; (b) if it obtains the written consent of the other Party; (c) if disclosure is necessary in the course of preparing and filing income tax returns; or (d) if the disclosure is otherwise

required by law, or order of any governmental or regulatory authority, in each case, with appropriate jurisdiction.

## **7. 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 Products, then Seattle Shrimp & Seafood Company, Inc. shall have no further obligations pursuant to this Settlement Agreement.

## **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) electronic mail; or (ii) overnight courier on any party by the other party at the following addresses:

### **For Seattle Shrimp & Seafood Company, Inc.:**

Kathleen Bricken, Esq.  
Foster Garvey PC  
121 SW Morrison Street, Suite 1100  
Portland, OR 97204

And

Emily Gant, Esq,  
Foster Garvey PC  
1111 Third Avenue, Suite 3000  
Seattle, WA 98101

### **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.

## **9. 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.

**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 all related prior discussions

**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:

Date: February 11, 2026



Name: Yusuke Shibata

Title: President  
Seattle Shrimp & Seafood Company, Inc.

Date: February \_\_, 2026

2/13/2026



Name:

Title: *DEKI YANGZOM, DIRECTOR*  
Clean Products Advocates, LLC