

SETTLEMENT AND RELEASE AGREEMENT

I. INTRODUCTION

A. Parties

This Settlement and Release Agreement is entered into by and between Clean Product Advocates, LLC (“CPA” or “Claimant”), on the one hand, and Garza Food Ventures LLC (“GFV”), on the other hand, with CPA and GFV each individually referred to as a “Party” and collectively as the “Parties.” CPA is a California company acting in the interest of the general public. GFV is a company that offers popular food products.

B. General Allegations

CPA alleges that GFV offers for sale or distributes for sale in California, Vegan Refried Pinto Beans products that contain lead and that it does so without first providing the health hazard warning required by Proposition 65. Lead is listed pursuant to Proposition 65 as a chemical known to cause cancer and reproductive harm. GFV denies the allegations.

C. Product Description

The product covered by this Settlement and Release Agreement is defined as, and expressly limited to, various Siete Vegan Refried Pinto Beans (“Covered Product”) (UPC# 810091780220), that are offered for sale or distributed for sale in California by GFV.

D. Notice of Violation

On or around December 16, 2025, CPA served GFV, the California Attorney General, and certain other public enforcement agencies with a 60-Day Notice of Violation of Proposition 65 (“Notice”). The Notice alleged that GFV was in violation of California Health & Safety Code section 25249.6 (Proposition 65) for failing to sufficiently warn consumers that the Covered Product exposed users in California to lead.

To the best of the Parties' knowledge, no public enforcer has commenced or is otherwise prosecuting the allegations set forth in the Notice. GFV denies the allegations in the Notice. CPA and CPA's counsel are not aware of any other alleged violation of Proposition 65 by GFV as of the Effective Date of this Settlement and Release Agreement.

E. No Admission and Denial of All Allegations by GFV

The Parties enter into this Settlement and Release Agreement to settle all disputed claims between them as set forth herein and in the Notice concerning GFV's compliance with Proposition 65. GFV denies the material factual and legal allegations in the Notice and maintains that all of the products it has manufactured for sale and distribution in California, including the Covered Product, have been, and are, in compliance with Proposition 65 and all other applicable laws, regulations, common law, and equitable doctrines. Nothing in this Settlement and Release Agreement shall be construed as an admission by GFV of any fact, finding, conclusion, issues of law, or violation of law, nor shall compliance with this Settlement and Release Agreement constitute or be construed as an admission by GFV of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by GFV. This Section shall not, however, diminish or otherwise affect the obligations, responsibilities, and duties of the Parties under this Settlement and Release Agreement.

F. Effective Date

For purposes of this Settlement and Release Agreement, the term "Effective Date" shall mean the date the original Settlement and Release Agreement was fully executed (fully signed) by the Parties and their respective counsel (as to form only).

G. Compliance Date

For purposes of this Settlement and Release Agreement, the term "Compliance Date" means six (6) months after the Effective Date.

II. INJUNCTIVE-TYPE RELIEF: COMPLIANCE AND WARNINGS

A. Compliance Generally

As of the Compliance Date, GFV, at its sole discretion, agrees to either (a) cease selling, offering for sale, or distributing the Covered Product in California; (b) offer for sale or distribute in California Covered Product pursuant to Section II.B below; or (c) provide a clear and reasonable Proposition 65 warning on the Covered Product pursuant to Section II.C below.

B. Compliance Standard

The Covered Product shall be deemed to comply with Proposition 65 with regard to lead and be exempt from any Proposition 65 warning requirements for lead if consumption of the Covered Product results in exposures less than 0.5 micrograms of lead per day, as determined by factors including the lead concentration in the Covered Product, the serving size in each package, and the reasonably anticipated rate of exposure based on the pattern and duration of exposure (see, e.g., 27 Cal. Code Regs. § 25821). Covered Product that enters the stream of commerce prior to six (6) months after the Compliance Date shall be deemed exempted from the requirements of Section II and shall be permitted to be sold or distributed through as previously manufactured, packaged, and labeled.

C. Warning Option

Covered Product that does not meet the warning exemption set forth in Section II.B above shall be accompanied by a warning as described below. This warning option shall only be required as to Covered Product that is offered for sale or distributed to consumers by GFV in the State of California. No Proposition 65 warning shall be required for any Covered Product that enters the stream of commerce prior to six (6) months after the Compliance Date, and all such Covered Product is hereby deemed to be exempt from Proposition 65 enforcement.

Where required to meet the criteria set forth in Section II.C, GFV shall display one of the following warning statements on the packaging label of the Covered Product that does not meet the warning exemptions set forth in Sections II.B and II.C:

(1) **WARNING:** Consuming this product can expose you to chemicals, including lead, which [is] 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.

OR

(2) **WARNING:** [Cancer and] Reproductive Harm—www.P65Warnings.ca.gov/food.

The warning statement shall be enclosed in a box and set off from other surrounding information, and otherwise comply with 27 Cal. Code Regs. § 25607.1. This warning statement shall be displayed on the Covered Product in a manner that shall conform with California rules, regulations, and law. GFV shall use “cancer and” in the warning if consumption of the Covered Product results in an exposure that exceeds the No Significant Risk Level (“NSRL”) of 15 micrograms per day (or, if this number is revised, the new NSRL). At its sole discretion, GFV may include the names of additional chemicals in the warning if they are present in the Covered Product at a level that GFV reasonably believes would require a Proposition 65 warning. The requirements for warnings set forth above are imposed pursuant to the terms of this Settlement and Release Agreement. The Parties recognize that these are not the exclusive methods of providing a warning under Proposition 65 and its implementing regulations. GFV shall be deemed to be in compliance with the warning requirements of this Settlement and Release Agreement by either adhering to this Section or by complying with the Proposition 65 warning

requirements adopted by the State of California Office of Environmental Health Hazard Assessment (“OEHHA”) or the courts, as of or after the Compliance Date.

As set forth in 27 Cal. Code Regs. § 25602(b), to the extent the Covered Product is sold online, a warning that complies with the content requirements of 27 Cal. Code Regs. § 25603(a) must be provided by including either the warning or a clearly marked hyperlink using the word “WARNING” on the Covered Product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase, as of or after the Compliance Date. These requirements extend to any websites under the exclusive control of GFV where the Covered Product is sold into California. In addition, GFV shall notify any third-party website to which it directly sells the Covered Product to include the same online warning as of or after the Compliance Date, as set forth above, as a condition of selling the Covered Product in California.

If Proposition 65 warnings for lead should no longer be required, the Parties may amend this Settlement and Release Agreement such that GFV shall have no further obligations pursuant to this Settlement and Release Agreement.

In the event that the OEHHA promulgates one or more regulations requiring or permitting Proposition 65 warning text and/or methods of transmission applicable to the Covered Product and the chemical at issue, which are different than those set forth above, GFV shall be entitled to use, at its discretion, such other warning text and/or method of transmission without being deemed in breach of this Settlement and Release Agreement. If regulations or legislation are enacted, or a court of competent jurisdiction enters a decision, providing that Proposition 65 warnings as to lead in this Covered Product are no longer required, a lack of warning by GFV will not thereafter be a breach of this Settlement and Release Agreement. If a substantial portion

of the Covered Product's packaging (e.g., nutritional facts and claims) is in a foreign language, a warning statement in that language is required.

The injunctive-type requirements of Section II shall not apply to Covered Product that is already in the stream of commerce prior to six (6) months after the Compliance Date, and such Covered Product shall be deemed exempted from the requirements of Section II and shall be permitted to be sold through as previously manufactured, packaged, and labeled. For the avoidance of doubt, Covered Product in the stream of commerce specifically include, but are not limited to, Covered Product in the process of manufacture.

III. MONETARY SETTLEMENT TERMS

A. Civil Penalty Payment

Pursuant to Health and Safety Code § 25249.7(b)(2), and in settlement of all claims alleged in the Notice or referred to in this Settlement and Release Agreement, GFV agrees to pay (through their counsel, Bowman and Brooke LLP ("Bowman and Brooke")), one thousand dollars (\$1,000.00) in civil penalties. The penalty payment will be allocated in accordance with California Health and Safety Code §§ 25249.12(c)(1) & (d), with 75% of the penalty amount (\$750.00) paid to OEHHA and the remaining 25% of the penalty amount (\$250.00) retained by CPA. GFV will issue (through Bowman and Brooke) two separate payments for the civil penalty to (a) OEHHA and (b) Clean Product Advocates, LLC, as follows:

(1) One payment of \$750.00 to OEHHA, due fourteen (14) days after the Effective Date or the date CPA's counsel provides IRS W-9 forms for each of the payees under this Settlement and Release Agreement (whichever date is later).

(2) One payment of \$250.00 to CPA, due fourteen (14) days after the Effective date or the date CPA's counsel provides IRS W-9 forms for each of the payees under this Settlement and Release Agreement (whichever date is later).

All payments owed to OEHHA (EIN: 68-0284486), pursuant to this Section shall be delivered 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

All penalty payments owed to CPA shall be wired as follows:

Bank Name: Wells Fargo
Routing Number:
 Domestic Wire Transfers 121000248
 International Wire Transfers WFBIUS6S
Account Number: 2505819678
Account Name: CPA

B. Attorney Fees and Costs

The Parties reached an accord on the compensation due to CPA and its counsel under the private attorney general doctrine and principles of contract law. Under these legal principles, GFV agrees to pay (through Bowman and Brooke) nineteen thousand dollars (\$19,000.00) to CPA and its counsel for all fees and costs incurred in investigating, bringing this matter to the attention of GFV, and negotiating settlement. This payment shall be payable to Cliffwood Law Firm, PC, as one payment of \$19,000.00, due fourteen (14) days after the Effective Date or the

date CPA's counsel provides IRS W-9 forms for each of the payees under this Settlement and Release Agreement.

All payments required under this Section shall be delivered to:

Bank Name: Chase

Routing Number: 322271627

Account Number: 80019544087

Account Name: Cliffwood Law Firm, Professional Corporation

C. Tax Documentation

CPA's counsel agrees to provide IRS Forms W-9 for each of the payees under this Agreement. GFV shall have no obligation to fund, and Bowman and Brooke shall have no obligation to disburse, any settlement payments pursuant to Sections III.A and III.B above until all such W-9 forms are received. Tax reporting, if any, shall be made by the appropriate payor(s) in accordance with applicable law.

IV. CLAIMS COVERED AND RELEASED

A. CPA's Release of GFV

This Settlement and Release Agreement is a full, final, and binding resolution of all claims between CPA, on its own behalf and not on behalf of the public, and GFV for all claims that can or could have been asserted by CPA, on its own behalf, on behalf of its past and current agents, representatives, attorneys, successors, and assignees, against GFV and each of its respective parents, subsidiaries, affiliated entities under common ownership, directors, officers, members, employees, attorneys, and any entity, including, but not limited to, each entity to whom GFV directly or indirectly distributes or sells the Covered Product, including, but not limited to, its downstream distributors, wholesalers, customers, retailers (including, but not limited to, Albertsons Companies, Inc. dba Pavilions), franchisees, cooperative members and licensees (collectively, "Releasees"), based on the alleged failure to warn about exposures to lead

required under Proposition 65 in the Covered Product manufactured, sold, or distributed for sale in California by GFV before the Compliance Date, as alleged in the Notice, or for any other reason.

In further consideration of the promises and agreements herein contained, CPA on its own behalf and not on behalf of the public, on behalf of its past and current agents, representatives, attorneys, successors, and assignees hereby waives any and all rights it may have to institute or participate in, directly or indirectly, any form of legal action and releases all claims against GFV and Releasees including, without limitation, all actions and causes of action, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses including, but not exclusively, investigation fees, expert fees, and attorney fees, arising under Proposition 65 with respect to the alleged or actual failure to warn about exposures to lead required under Proposition 65 in the Covered Product manufactured, distributed, sold, or offered for sale by GFV, before the Compliance Date.

B. GFV's Release of CPA

GFV, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against CPA and its attorneys and other representatives, for any and all actions taken, or statements made by, CPA and its attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against it in this matter, or with respect to the Covered Product.

C. California Civil Code Section 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 Covered Product will develop or be discovered. CPA on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, on one

hand, and GFV on behalf of itself only, on the other hand, acknowledge that this Settlement and Release Agreement is expressly intended to cover and include all such claims up through the Compliance Date. The Parties acknowledge that the claims released in Sections IV.A and IV.B 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.

CPA and GFV each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code Section 1542 and expressly acknowledge having consulted with their attorneys regarding this specific waiver.

V. PUBLIC BENEFIT

To the extent any other private party serves a notice and/or initiates an action alleging a violation of Proposition 65 with respect to GFV's alleged failure to provide a warning concerning the Covered Product it has distributed, sold, or offered for sale in California, or will distribute, sell, or offer for sale in California, it is the Parties' intent that such private party action would not confer a significant benefit on the general public as to the Covered Product addressed in this Settlement and Release Agreement, provided that GFV is in material compliance with this Settlement and Release Agreement. Nothing in this Section shall be construed as an admission by GFV of any violation of Proposition 65 or any other law.

//

//

VI. SEVERABILITY

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

VII. GOVERNING LAW

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

VIII. ENFORCEMENT

In any action to enforce the monetary settlement terms of this Settlement and Release Agreement, the prevailing party shall be entitled to its reasonable attorneys' fees and costs if determined to be appropriate by a court or arbitrator.

IX. NOTICE

Unless specified herein, all correspondence and notice required to be provided pursuant to this Settlement and Release Agreement shall be in writing and sent by: (a) personal delivery; (b) first class, registered, or certified mail, return receipt requested; or (c) a recognized overnight courier on any Party by the other at the following addresses:

For GFV:

Jae Lee
Bowman and Brooke LLP
402 W. Broadway
Suite 1350
San Diego, CA 92101
jae.lee@bowmanandbrooke.com

For CPA:

Ellie Elham Shabatian
Cliffwood Law Firm, PC
12100 Wilshire Blvd.

Suite 800
Los Angeles, CA 90025
ellie@cliffwoodlaw.com

Any Party may, from time to time, specify in writing to the other a change of address to which all notices and other communications shall be sent.

X. COUNTERPARTS AND FACSIMILE SIGNATURES

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

XI. COMPLIANCE WITH HEALTH AND SAFETY CODE § 25249.7(f)

CPA and its attorneys agree to comply with the reporting form requirements referenced in California Health and Safety Code § 25249.7(f).

XII. ENTIRE AGREEMENT AND MODIFICATION

This Settlement and Release 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 either of the Parties. This Settlement and Release Agreement may be modified only by written agreement of the Parties.


XIII. AUTHORIZATION

The undersigned are authorized to execute this Settlement and Release Agreement on behalf of their respective Parties and have read, understood, and agree to all of the terms and conditions of this Settlement and Release Agreement.

//

AGREED TO:

Date: 4/7/2026

By: 

Clean Product Advocates, LLC

JEKI YANGZOM, DIRECTOR

AGREED TO:

Date: April 7, 2026

By:  Sami Jallad (Apr 7, 2026 10:49:24 CDT)

Garza Food Ventures, LLC

Sami Jallad, GM and SVP

AGREED AS TO FORM:

Date: 04/08/2026

By: Ellie Shabatian

Cliffwood Law Firm, PC

AGREED AS TO FORM:

Date: April 6, 2026

By: /s/ Jae Lee

Bowman and Brooke, LLP