# SETTLEMENT AND RELEASE AGREEMENT

## 1. INTRODUCTION

### 1.1 Parties

This Settlement and Release Agreement ("Settlement Agreement") is entered into by and between Public Health Enforcement Advocates, LLC ("PHEA"), on the one hand, and Edward & Sons Trading Co., Inc. ("E&S TC"), on the other hand. PHEA and E&S TC are each individually referred to herein as a "Party" and collectively as the "Parties."

### 1.2 General Allegations

PHEA alleges that E&S TC manufactures, and/or imports, distributes, and offers for sale certain products in California containing lead without warning under California Health and Safety Code sections 25249.5 *et seq.* ("Proposition 65"). Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer, birth defects, or other reproductive harm.

### 1.3 Covered Product

The product covered by this Settlement Agreement is Organic Unsweetened Coconut Milk manufactured, imported, distributed, sold, or offered for sale by E&S TC in California. The foregoing product shall be referred to herein as the "Covered Product."

- **Organic Unsweetened Coconut Milk**

### 1.4 Notice of Violation

PHEA served E&S TC and the requisite public enforcement agencies eligible to initiate Proposition 65 actions on behalf of the State of California with one 60-day Notice of Violation pursuant to California Health and Safety Code sections 25249.5 et seq., Notice of Violation No. 2026-00794, dated February 20, 2026 (the "Notice"), alleging that E&S TC violated Proposition 65 by failing to warn consumers and customers that the Covered Product exposed users in California to lead. To the best of the Parties' knowledge, no public enforcer has commenced or is diligently prosecuting an action to enforce the violations alleged in the Notice.

### 1.5 No Admission

The Parties enter into this Settlement Agreement to settle disputed claims between them on the terms set forth herein and as alleged in the Notice concerning E&S TC's compliance with Proposition 65. E&S TC denies all of the material factual and legal allegations in the Notice and maintains that all the products it has manufactured, offered for sale, and/or distributed for sale in California, including the Covered Product, have been and are in compliance with Proposition 65 and all other applicable statutory, regulatory, common law, or equitable doctrines. Nothing in this Settlement Agreement shall be construed as an admission by E&S TC or any of its officers, directors, shareholders, employees, agents, parent or sister companies, subsidiaries, divisions, affiliates, franchisees, licensees, licensors, joint venture partners, customers, suppliers, distributors, wholesalers, or retailers, of any fact, finding, conclusion, issue of law or violation of

law, nor shall compliance with this Settlement Agreement constitute or be construed as an admission by E&S TC or any of its officers, directors, shareholders, employees, agents, parent or sister companies, subsidiaries, divisions, affiliates, franchisees, licensees, licensors, joint venture partners, customers, suppliers, distributors, wholesalers, or retailers of any fact, finding, conclusion, issue of law or violation of law, all of such being specifically denied by E&S TC. Neither the existence nor terms of this Settlement Agreement shall be offered or admitted as evidence in any administrative or judicial proceeding or litigation in any court, agency, or forum. This Section shall not, however, diminish or otherwise affect E&S TC's obligations, responsibilities, and duties under this Settlement Agreement.

### 1.6 Effective Date

For purposes of this Settlement Agreement, the term "Effective Date" shall mean the date on which a complete and fully executed copy of this Settlement Agreement is exchanged by the Parties' counsel.

## 2. INJUNCTIVE RELIEF: WARNINGS AND REFORMULATION

Subject to the provisions of Sections 2.1 and 2.2 below, E&S TC agrees that, as of the Effective Date, it shall not "distribute into the State of California" or directly sell in the State of California any Covered Product that exposes a person to more than 0.5 micrograms of lead per day, based on the recommended serving size on the Covered Product's label, unless the Covered Product bears a warning satisfying the requirements of Sections 2.1 and 2.2.

For the purpose of this Settlement Agreement, the "Daily Lead Exposure Level" shall be calculated by multiplying the recommended serving size of the Covered Products by the concentration of lead in the Covered Product. All testing pursuant to this Settlement Agreement shall be performed using a laboratory method that complies with the performance and quality control factors appropriate for the method used, including industry standard practices regarding the limit of detection and limit of quantification, sensitivity, accuracy and precision.

As used in this Settlement Agreement, the term "distribute into the State of California" shall mean to directly ship the Covered Product into California for sale in California or to sell the Covered Product to a distributor that E&S TC knows will sell the Covered Product in California. The term "distribute into the State of California" does not encompass unauthorized or unknown sales of the Covered Product by third parties.

### 2.1 CLEAR AND REASONABLE WARNINGS

To the extent E&S TC is required to provide a warning, E&S TC agrees that, within ninety (90) days after the Effective Date, it shall provide a clear and reasonable warning for the Covered Product in compliance with Proposition 65. This requirement applies only to Covered Product manufactured, packaged, labeled, distributed, marketed, imported, sold, shipped for sale, or offered for sale to consumers by E&S TC in California after expiration of the ninety (90)-day compliance period.

The injunctive requirements of this Section 2 shall not apply to Covered Product already in the stream of commerce as of expiration of the ninety (90)-day compliance period following the Effective Date. Such Covered Product is expressly subject to the releases provided in Section 4 and may be sold through as previously manufactured, packaged, and/or labeled.

## 2.2 GENERAL WARNING REQUIREMENTS

For purposes of this Settlement Agreement, a clear and reasonable warning for the Covered Product shall consist of a warning affixed to the packaging, label, tag, or directly to the Covered Product sold or distributed in California by E&S TC. E&S TC may use any warning that fully complies with the then-current safe harbor requirements under Article 6 of the Proposition 65 regulations. The following are approved warning options for lead. No Proposition 65 warning shall be required for Covered Product already in the stream of commerce as of expiration of the ninety (90)-day compliance period, and such Covered Product is expressly subject to the releases provided in Section 4:

> **1) WARNING:** Consuming this product can expose you to chemicals including lead, which are known to the State of California to cause birth defects or other reproductive harm. For more information, go to www.P65Warnings.ca.gov/food.
>
> **OR**
>
> **2) WARNING**: Risk of reproductive harm from exposure to lead. See www.P65Warnings.ca.gov/food.
>
> **OR THE FOLLOWING SHORT FORM WARNING WHICH IS ONLY PERMISSIBLE ON COVERED PRODUCT MANUFACTURED/LABELED PRIOR TO 1/1/28, REGARDLESS OF DATE OF SALE:**
>
> **3) WARNING:** Reproductive Harm - www.P65Warnings.ca.gov/food.

The warning shall be securely affixed to 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, the same warning shall be posted on any website under the exclusive control of E&S TC where the Covered Product is sold directly to consumers located in California. The online warning requirement shall be satisfied if a warning compliant with Article 6 of the Proposition 65 regulations appears either (a) on the same web page on which the Covered Product is displayed or described; (b) through a clearly marked hyperlink using the word "WARNING" on the product display page; (c) on the same page as the price for the Covered Product; or (d) on one or more web pages displayed to a purchaser before completion of the purchase. These requirements apply to any website under the exclusive control of E&S TC through which the Covered Product is sold into California. E&S TC shall also provide the same warning or written warning instructions to any third-party website to which it directly sells the Covered Product when E&S TC knows that the third party intends to sell the Covered Product into California; however, E&S TC shall not be responsible for the third party's failure to post the warning after receiving the warning or instruction.

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. If there is "consumer information" (as defined in 27 CCR section 25600.1(c)) on the product packaging that is in a foreign language, the warning must also be in the foreign language.

### 2.3 CHANGES IN WARNING REGULATIONS, STATUTES, OR OTHER GOVERNING AUTHORITY

If (a) the Office of Environmental Health Hazard Assessment ("OEHHA") or another authorized agency promulgates one or more regulations; (b) legislation is enacted by the California Legislature, the United States Congress, or the voters; or (c) a published opinion is issued by a court of competent jurisdiction, requiring, permitting, or establishing warning text, a method of transmission, or a means of calculating exposure different from those set forth herein, E&S TC may use, at its discretion, such other warning text, method of transmission, or means of calculating exposure without being deemed in breach of this Settlement Agreement. If regulations, legislation, or judicial rulings provide that a Proposition 65 warning for the Covered Product is no longer required, the absence of a warning shall not thereafter constitute a breach of this Settlement Agreement.

## 3. CONSIDERATION

### 3.1 Total Settlement Amount

In full satisfaction of all potential civil penalties, attorneys' fees, costs, and other expenses incurred by PHEA and its counsel in connection with the Notice and Covered Product, and in exchange for PHEA's total release of all liability in connection with the Covered Product, E&S TC shall pay a total of $20,000 ("Total Settlement Amount") as set forth in this Section. No other payment is required by E&S TC under this Settlement Agreement.

### 3.2 Civil Penalties Pursuant to Health & Safety Code Section 25249.7(b)

Three thousand dollars ($3,000) of the Total Settlement Amount shall be a "civil penalty" under section 25249.7(b) of the California Health and Safety Code. This civil penalty payment will be allocated in accordance with sections 25249.12(c)(1)&(d) of the California Health and Safety Code. E&S TC shall have two separate checks issued within ten (10) days of the Effective Date, and all payments shall be made as follows:

(a) One check made payable to OEHHA in the amount of two thousand two hundred fifty dollars ($2,250), which represents seventy-five percent (75%) of the civil penalties; and

(b) One check made payable to Public Health Enforcement Advocates, LLC in the amount of seven hundred fifty dollars ($750), which represents the remaining twenty-five percent (25%) of the civil penalties.

(c) All civil penalty payments to OEHHA (EIN: 68-0284486) pursuant to this Section shall be delivered to OEHHA (memo line to read: "Proposition 65 Penalties") at the following address(es):

For the United States Postal Delivery Service:

Attn: Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
P.O. Box 4010, MS 19B
Sacramento, CA 95812-4010

For Non-United States Postal Delivery Service:

Attn: Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
1001 I Street MS #19B
Sacramento, CA 95814

All payments to Public Health Enforcement Advocates, LLC shall be mailed to:

Cornerstone Law Firm, PC
357 S. Robertson Blvd, Second Floor
Beverly Hills, CA 90211

### 3.3 Reimbursement of Fees and Costs

Seventeen thousand dollars ($17,000) of the Total Settlement Amount shall be paid to PHEA's counsel, Cornerstone Law Firm, PC, in consideration of the releases provided by Section 4 and as part of the release to E&S TC of Proposition 65 liability, including costs and fees, relating to the Notice and the Covered Product. The Parties reached an accord on the compensation owed to PHEA and its counsel under the private attorney general doctrine and principles of contract law. E&S TC shall remit this payment by wire transfer within ten (10) days after the Effective Date as follows,

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|---|---|
| Bank: | Chase Manhattan |
| Routing No.: | 322271627 |
| Account No.: | 2900956855 |
| Account Name: | Cornerstone Law Firm, PC |

### 3.4 Tax Documentation

PHEA and Cornerstone Law Firm, PC agree to provide the applicable IRS Forms W-9. The payment deadlines stated in Sections 3.2 and 3.3 shall run from the later of the Effective Date or E&S TC's receipt of the applicable completed IRS Form W-9. Nothing in this Settlement Agreement alters the Parties' respective tax obligations or imposes on either Party responsibility for taxes owed by the other.

## 4. CLAIMS COVERED AND RELEASED

### 4.1 PHEA Release of E&S TC and Others

This Settlement Agreement constitutes a full, final, and binding resolution of claims under Proposition 65 between PHEA and E&S TC concerning alleged exposures to lead from the Covered Product and the conduct alleged in the Notice. PHEA, on its own behalf and on behalf of its past and current agents, employees, representatives, attorneys, predecessors, successors, managers, members, officers, successors in interest, insurers, affiliates, indemnitors, and assignees (collectively, "Releasors"), releases all claims

against E&S TC and its respective past, present, or future parents, equity owners, shareholders, subsidiaries, affiliated entities under common ownership, directors, officers, members, employees, attorneys, insurers, joint ventures, manufacturers, divisions, investors, creditors, guarantors, indemnitors, representatives, and each entity to whom E&S TC directly or indirectly distributes, offers for sale, or sells the Covered Product, including but not limited to its upstream and downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees (collectively, "Releasees"), for the failure or alleged failure to warn under Proposition 65 concerning exposures to lead from Covered Product manufactured, packaged, labeled, imported, distributed, sold, or offered for sale in California before expiration of the ninety (90)-day compliance period under Section 2.1, including Covered Product permitted to be sold through under Section 2.1.

PHEA and its attorneys represent that, as of the Effective Date, they have not filed an action asserting the violations alleged in the Notice against any Releasee.

### 4.2 PHEA's California Civil Code Section 1542 Waiver

PHEA, on behalf of itself and all other Releasors, acknowledges that it is familiar with California Civil Code section 1542, which provides 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.**

PHEA, on behalf of itself and all other Releasors, expressly waives and relinquishes all rights and benefits that it and they may have under California Civil Code section 1542, or under any other state or federal statute or common-law principle of similar effect, to the fullest extent Releasors may lawfully waive such rights or benefits concerning the released matters. Compliance by E&S TC and any other Releasee with the applicable terms of this Settlement Agreement shall constitute compliance with Proposition 65 solely with respect to the Covered Product, lead exposures, time period, and conduct encompassed by the release in Section 4.1.

### 4.3 E&S TC's Release of PHEA

E&S TC, on behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, waives any and all claims against PHEA, its attorneys, and other representatives for any and all actions taken or statements made (or those that could have been taken or made) by PHEA and its attorneys and other representatives, whether in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against it in this matter, and/or with respect to the Covered Product.

### 4.4 Binding Settlement Agreement

This Settlement Agreement shall apply to, be binding upon, and inure to the benefit of PHEA, E&S TC, and the other Releasees, including each of their successors and assigns.

### 4.5 Public Benefit

It is the Parties' belief that the terms of this Settlement Agreement confer a significant benefit on the general public as set forth in California Code of Civil Procedure section 1021.5 and California Code of Regulations, title 11, section 3201. Accordingly, the Parties intend that, so long as E&S TC is in material compliance with this Settlement Agreement, a subsequent private action alleging the same Proposition 65 violations concerning lead exposures from the Covered Product during the period covered by this Settlement Agreement would not confer a significant benefit on the general public.

## 5. ENFORCEMENT

If PHEA obtains information supporting an allegation that E&S TC has materially breached its obligations under Section 2, PHEA shall provide E&S TC with written notice identifying the alleged breach and the supporting information reasonably available to PHEA, including applicable test results, lot numbers, and photographs of the Covered Product's packaging. E&S TC shall have thirty (30) days after receipt of the notice to cure the alleged breach or demonstrate compliance. The Parties shall meet and confer during that period in a good-faith effort to resolve the matter informally. If the matter is not resolved within thirty (30) days after E&S TC's receipt of the notice, PHEA may bring an action to enforce this Settlement Agreement. This provision does not restrict PHEA's statutory or other rights concerning products, chemicals, parties, or violations outside the scope of this Settlement Agreement.

## 6. GOVERNING LAW

The terms of this Settlement Agreement shall be governed by the laws of the State of California without regard to its conflict-of-law principles. Any action arising from or relating to this Settlement Agreement shall be brought in the Superior Court of California for the County of Los Angeles. The prevailing party in an action to enforce this Settlement Agreement shall be entitled to recover its reasonable attorneys' fees and costs. If Proposition 65 is repealed or otherwise rendered inapplicable by generally applicable law, or as to the Covered Product specifically, E&S TC shall have no further obligations under this Settlement Agreement.

## 7. COUNTERPARTS: FACSIMILE/E-SIGNATURES

This Settlement Agreement may be executed in counterparts and by facsimile or portable document format (PDF) signature or electronically, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document. Signatures by scanned and emailed image, electronic, or facsimile transmission shall have the same force and effect as an original signature and as an electronic record adopted and executed by a Party with the intent to sign the electronic record pursuant to California Civil Code sections 1633.1 *et seq.*

## 8. NOTICE

Unless otherwise specified herein, all correspondence and notice required to be provided pursuant to this Settlement Agreement shall be in writing and personally delivered or sent by electronic mail or overnight courier as follows:

| To PHEA: | To E&S TC: |
|---|---|
| Davar Danialpour, Esq.<br>CORNERSTONE LAW FIRM, P.C.<br>357 S. Robertson Blvd. Second Floor<br>Beverly Hills, CA 90211<br>david@davarlaw.com | Garth Ward, Esq.<br>LEWIS BRISBOIS BISGAARD & SMITH LLP<br>550 West C Street, Suite 1700<br>San Diego, CA 92101<br>Garth.Ward@lewisbrisbois.com |

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

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

PHEA and its attorneys agree to comply with the reporting form requirements referenced in California Health and Safety Code section 25249.7(f) and shall report this Settlement Agreement to the California Attorney General's Office within five (5) days of the Effective Date.

**10. ENTIRE AGREEMENT**

This Settlement Agreement contains the sole and entire agreement and understanding of the Parties with respect to the 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.

**11. 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.

**12. INTERPRETATION**

No inference, assumption, or presumption shall be drawn, and no provision of this Settlement Agreement shall be construed, against any Party, based upon the fact that one of the Parties or their counsel prepared or drafted any portion of this Settlement Agreement. The Parties waive the provisions of California Civil Code section 1654. It is conclusively presumed that the Parties participated equally in drafting this Settlement Agreement. Section headings and subsection headings are solely for the convenience of the reader and are not to be given substantive effect or used as an aid for interpretation of the terms of this Settlement Agreement.

**13. AUTHORIZATION**

Each Party represents that its signatory to this Settlement Agreement has the 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 the terms and conditions of this Settlement Agreement.

SIGNATURE BLOCK NEXT PAGE

| **AGREED TO:**<br><br>**PUBLIC HEALTH ENFORCEMENT ADVOCATES, LLC**<br><br>Date: 10/14/26<br><br>Name: Roya Mohseni<br><br>Signature: _____<br>Public Health Enforcement Advocates, LLC | **AGREED TO:**<br><br>**EDWARD & SONS TRADING CO., INC.**<br><br>Date: 10/13/2026<br><br>Name: Kieran Kannapel<br><br>Signature: _____ Edward & Sons Trading Co., Inc. |
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