UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	CRIMINAL NO. _____________
v.	VIOLATION:
ABUELITO CHEESE, INC.	21 U.S.C. §§ 331(a), 333(a)(1)

PLEA AGREEMENT

The United States of America, by and through the Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the District of New Jersey (collectively, the "Offices"), and the Defendant, ABUELITO CHEESE, INC. (the "Defendant"), by and through its undersigned attorneys, and through its authorized representative, pursuant to authority granted by the Defendant's sole shareholder, Miguel Torres (the "Sole Shareholder"), hereby submit and enter into this plea agreement (the "Agreement"), pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure. The terms and conditions of this Agreement are as follows:

Term of the Defendant's Obligations Under the Agreement

1. Except as otherwise provided in Paragraph 12 below in connection with the Defendant's cooperation obligations, the Defendant's obligations under the Agreement shall be effective for a period beginning on the date on which the Information is filed and ending three years from that date (the "Term"). The Defendant agrees, however, that in the event the Offices determine, in their sole discretion, that the Defendant has knowingly violated any provision of this Agreement or failed to completely perform or fulfill each of the Defendant's obligations under this Agreement, the Offices, in their sole discretion, may impose an extension or extensions of the

Term for up to a total additional time period of one year, without prejudice to the Offices' right to proceed as provided in Paragraphs 27-30 below. Any extension of the Term extends all terms of this Agreement, including the Compliance Reporting Requirements described in Attachment D, except for the term of probation.

The Defendant's Agreement

2. Pursuant to Federal Rule of Criminal Procedure 11(c)(1)(C), the Defendant agrees to waive its right to grand jury indictment and its right to challenge venue in the United States District Court for the District of New Jersey, and to plead guilty to a one count criminal Information charging the Defendant with introducing adulterated food into interstate commerce, in violation of 21 U.S.C. §§ 331(a) and 333(a)(1). The Defendant further agrees to persist in that plea through sentencing and to cooperate fully with the Offices as set forth in Paragraph 12.

3. The Defendant understands that, to be guilty of this offense, the following essential elements of the offense must be satisfied:

Count One

a. The Defendant caused the introduction of, or delivered for introduction, into interstate commerce, articles of food; and

b. The food was adulterated.

4. The Defendant understands and agrees that this Agreement is between the Offices and the Defendant and does not bind any other Division or Section of the Department of Justice or any other federal, state, or local prosecuting, administrative, or regulatory authority. Nevertheless, the Offices will bring this Agreement and the nature and quality of the conduct, cooperation, and remediation of the Defendant, its direct or indirect affiliates, subsidiaries, and joint ventures, to the

attention of other prosecuting authorities or other agencies, as well as debarment authorities, if requested by the Defendant.

5. The Defendant agrees that this Agreement will be executed by an authorized corporate representative. The Defendant further agrees that a "Consent of the Sole Shareholder" duly executed by the Sole Shareholder in the form attached to this Agreement as Attachment B ("Consent of Sole Shareholder"), authorizes the Defendant to enter into this Agreement and take all necessary steps to effectuate this Agreement, and that the signatures on this Agreement by the Defendant and its counsel are authorized by the Defendant's Sole Shareholder, on behalf of the Defendant.

6. The Defendant agrees that it has the full legal right, power, and authority to enter into and perform all of its obligations under this Agreement.

7. The Offices enter into this Agreement based on the individual facts and circumstances presented by this case and the Defendant, including:

a. The nature and seriousness of the offense conduct, as described in the Statement of Facts attached hereto as Attachment A ("Statement of Facts"), including the death of at least one individual resulting from listeriosis attributable to adulterated product distributed by the Defendant;

b. the Defendant did not receive voluntary disclosure credit pursuant to the Criminal Division's Corporate Enforcement and Voluntary Self-Disclosure Policy ("Criminal Division CEP") because it did not voluntarily and timely disclose to the Offices the conduct described in the Statement of Facts;

c. the Defendant received credit for its cooperation with the Offices' investigation because it cooperated with the investigation and demonstrated recognition and affirmative acceptance of responsibility for its criminal conduct;

d. the Defendant provided to the Offices all relevant non-privileged facts known to it prior to the Agreement, including information about the individuals involved in the conduct described in the Statement of Facts;

e. the Defendant also received remediation credit pursuant to the Criminal Division CEP because the Company engaged in timely remedial measures, including voluntarily recalling affected product, destroying affected product, ceasing the manufacture of cheese entirely, and implementing enhanced preventative controls and environmental testing practices for its ongoing operations;

f. the Defendant has enhanced and has committed to continuing to enhance its compliance program and internal controls, including ensuring that its compliance program satisfies the minimum elements set forth in Attachment C to this Agreement (Corporate Compliance Program);

g. based on the Defendant's remediation and the state of its compliance program, and the Defendant's agreement to report to the Offices as set forth in Attachment D to this Agreement (Corporate Compliance Reporting), the Offices determined that an independent compliance monitor was not necessary;

h. the Defendant has no prior criminal history;

i. the Defendant has limited prior regulatory enforcement history relating to the misconduct described in the Statement of Facts, including a Warning Letter issued by the FDA prior to the outbreak at issue stating that the FDA had serious concerns regarding the Defendant's violation of FDA regulations; and

j. the Defendant has agreed to continue to cooperate with the Offices in any ongoing investigation as described in Paragraph 12;

k. accordingly, after considering (a) through (j) above, the Offices determined that the appropriate resolution in this case is for the Defendant to plead guilty to 21 U.S.C. §§ 331(a) and 333(a)(1) pursuant to this Agreement; a criminal fine in the amount of $487,754, which reflects a reduction of 5 percent off the bottom of the calculated sentencing range pursuant to the Criminal Division CEP based on the Company's cooperation and remediation; forfeiture in the amount of $658,430; and restitution as ordered by the Court.

8. The Defendant agrees to abide by all terms and obligations of this Agreement as described herein, including, but not limited to, the following:

a. to plead guilty as set forth in this Agreement;

b. to abide by all sentencing stipulations contained in this Agreement;

c. to appear, through its duly appointed representatives, as ordered for all court appearances, and obey any other ongoing court order in this matter, consistent with all applicable U.S. and foreign laws, procedures, and regulations;

d. to commit no further crimes;

e. to be truthful at all times with the Court;

f. to pay the applicable fine and special assessment;

g. to consent to and to pay the applicable forfeiture amount;

h. to cooperate fully with the Offices as described in Paragraph 12; and

i. to implement a compliance and ethics program as described in Paragraphs 9 and 10, including but not be limited to the minimum elements set forth in Attachment C of this Agreement;

j. to report to the Offices annually during the Term regarding remediation and implementation of the compliance measures described in Attachment C, prepared in accordance with Attachment D to this Agreement.

9. The Defendant represents that it has implemented and will continue to implement a compliance and ethics program designed to prevent and detect violations of the FDCA throughout its operations, including those of its affiliates, agents, and joint ventures including, but not limited to, the minimum elements set forth in Attachment C. Thirty days prior to the expiration of the Term, the Defendant, by the President and Vice President, will certify to the Offices, in the form of executing the document attached as Attachment F to this Agreement, that the Defendant has met its compliance obligations pursuant to this Agreement. Each certification will be deemed a material statement and representation by the Defendant to the executive branch of the United States for purposes of Title 18, United States Code, Sections 1001 and 1519, and it will be deemed to have been made in the judicial district in which this Agreement is filed.

10. In order to address any deficiencies in its internal controls, policies, and procedures, the Defendant represents that it has undertaken, and will continue to undertake in the future, in a manner consistent with all of its obligations under this Agreement, a review of its existing internal controls, policies, and procedures regarding compliance with the FDCA. Where necessary and appropriate, the Defendant will adopt new or modify existing internal controls, compliance policies, and procedures in order to ensure that the Defendant maintains: (a) an effective system of internal controls designed to ensure the making and keeping of fair and accurate records; and (b) a rigorous FDCA compliance program that incorporates relevant internal controls, as well as policies and procedures designed to effectively detect and deter violations of the FDCA. The compliance program, including the internal controls system, will include, but not be limited to, the minimum elements set forth in Attachment C. The Defendant agrees that it will report to the

Offices annually during the Term regarding remediation and implementation of the compliance measures described in Attachment C. These reports will be prepared in accordance with Attachment D.

11. Except as may otherwise be agreed by the parties in connection with a particular transaction, the Defendant agrees that in the event that, during the Term, the Defendant undertakes any change in corporate form, including if it sells, merges, or transfers business operations that are material to the Defendant's consolidated operations, or to the operations of any subsidiaries or affiliates involved in the conduct described in the Statement of Facts, as they exist as of the date of this Agreement, whether such sale is structured as a sale, asset sale, merger, transfer, or other change in corporate form, it shall include in any contract for sale, merger, transfer, or other change in corporate form a provision binding the purchaser, or any successor in interest thereto, to the obligations described in this Agreement. The purchaser or successor in interest must also agree in writing that the Offices' ability to determine a breach under this Agreement is applicable in full force to that entity. The Defendant agrees that the failure to include these provisions in the transaction will make any such transaction null and void. The Defendant shall provide notice to the Offices at least thirty (30) days prior to undertaking any such sale, merger, transfer, or other change in corporate form. The Offices shall notify the Defendant prior to such transaction (or series of transactions) if they determine that the transaction(s) will have the effect of circumventing or frustrating the enforcement purposes of this Agreement. If at any time during the Term the Defendant engages in a transaction(s) that has the effect of circumventing or frustrating the enforcement purposes of this Agreement, the Offices may deem it a breach of this Agreement pursuant to Paragraphs 27-30. Nothing herein shall restrict the Defendant from indemnifying (or otherwise holding harmless) the purchaser or successor in interest for penalties or other costs

arising from any conduct that may have occurred prior to the date of the transaction, so long as such indemnification does not have the effect of circumventing or frustrating the enforcement purposes of this Agreement, as determined by the Offices.

12. The Defendant shall cooperate fully with the Offices in any and all matters relating to the conduct described in this Agreement and the Statement of Facts and other conduct under investigation by the Offices at any time during the Term. At the request of the Offices, the Defendant shall also cooperate fully with other domestic or foreign law enforcement and regulatory authorities and agencies in any investigation of the Defendant, its parent company or its affiliates, or any of its present or former officers, directors, employees, agents, and consultants, or any other party, in any and all matters relating to the conduct described in this Agreement and the Statement of Facts and other conduct under investigation by the Offices or any other component of the Department of Justice at any time during the Term. The Defendant's cooperation pursuant to this Paragraph is subject to applicable law and regulations as well as valid claims of attorney-client privilege or attorney work product doctrine; however, the Defendant must provide to the Offices a log of any information or cooperation that is not provided based on an assertion of law, regulation, or privilege, and the Defendant bears the burden of establishing the validity of any such assertion. The Defendant agrees that its cooperation pursuant to this Paragraph shall include, but not be limited to, the following:

a. The Defendant represents that it has timely and truthfully disclosed all relevant factual information about which the Defendant has any knowledge with respect to the Defendant's activities, those of its affiliates, and those of its present and former directors, officers, employees, agents, and consultants, relating to the conduct described in the Information and the Statement of Facts and other conduct known by the Defendant to be under investigation by the

Offices. The Defendant further agrees that it shall promptly and truthfully disclose all factual information with respect to its activities, those of its affiliates, and those of its present and former directors, officers, employees, agents, and consultants related to the conduct described in this Agreement or the Statement of Facts about which the Defendant shall gain any knowledge or about which the Offices have inquired or may inquire. This obligation of truthful disclosure includes, but is not limited to, the obligation of the Defendant to provide to the Offices, upon request, any document, record, or other tangible evidence about which the Offices may inquire of the Defendant, including evidence that is responsive to any requests made prior to the execution of this Agreement.

b. Upon request of the Offices, the Defendant shall designate knowledgeable employees, agents, or attorneys to provide to the Offices the information and materials described in Paragraph 12(a) above on behalf of the Defendant. It is further understood that the Defendant must at all times provide complete, truthful, and accurate information.

c. The Defendant shall use its best efforts to make available for interviews or testimony, as requested by the Offices, present or former officers, directors, employees, agents, and consultants of the Defendant. This obligation includes, but is not limited to, sworn testimony before a federal grand jury or in federal trials, as well as interviews with domestic or foreign law enforcement and regulatory authorities. Cooperation under this Paragraph shall include identification of witnesses who, to the knowledge of the Defendant, may have material information regarding the matters under investigation.

d. With respect to any information, testimony, documents, records or other tangible evidence provided to the Offices pursuant to this Agreement, the Defendant consents to any and all disclosures to other governmental authorities including United States authorities and those of a foreign government of such materials as the Offices, in their sole discretion, shall deem appropriate.

13. In addition to the obligations provided for in Paragraph 12 of the Agreement, during the Term, should the Defendant learn of any evidence or allegation of a violation of the FDCA, the Defendant shall promptly report such evidence or allegation to the Offices. Thirty days prior to the end of the Term, the Defendant, by the President of the Defendant and the Vice President of the Defendant, will certify to the Offices in the form of executing the document attached as Attachment E to this Agreement that the Defendant has met its disclosure obligations pursuant to this Paragraph. Each certification will be deemed a material statement and representation by the Defendant to the executive branch of the United States for purposes of Title 18, United States Code, Sections 1001 and 1519, and it will be deemed to have been made in the judicial district in which this Agreement is filed.

14. The Defendant agrees that any fine or restitution imposed by the Court will be due and payable as specified in Paragraph 24 below, and that any restitution imposed by the Court will be due and payable in accordance with the Court's order. The Defendant further agrees to pay the Clerk of the Court for the United States District Court for the District of New Jersey the mandatory special assessment of $400 per count within ten business days of the date of sentencing.

<u>The United States' Agreement</u>

15. In exchange for the guilty plea of the Defendant and the complete fulfillment of all of its obligations under this Agreement, the Offices agree they will not file additional criminal charges against the Defendant or any of its direct or indirect affiliates, subsidiaries, or joint ventures relating to any of the conduct described in the Statement of Facts or the Information filed pursuant to this agreement. This Agreement does not provide any protection against, and the

Offices may use any information related to the conduct described in the Statement of Facts against Defendant in, any prosecution or other proceeding relating to (a) obstruction of justice; (b) perjury or making a false statement; (c) any crime of violence or terrorism-related offense; or (d) a violation of any provision of Title 26 of the United States Code. This Agreement does not provide any protection against prosecution for any future conduct by the Defendant or any of its direct or indirect affiliates, subsidiaries, officers, directors, employees, agents, or consultants, whether or not disclosed by the Defendant pursuant to the terms of this Agreement. The Defendant agrees that nothing in this Agreement is intended to release the Defendant from any and all of the Defendant's tax liabilities and reporting obligations for any and all income not properly reported and/or legally or illegally obtained or derived.

16. In addition, this Agreement does not provide any protection against prosecution of any individuals, regardless of their affiliation with the Defendant.

Factual Basis

17. The Defendant is pleading guilty because it is guilty of the charge contained in the Information. The Defendant admits, agrees, and stipulates that the factual allegations set forth in the Information and Statement of Facts are true and correct, that it is responsible for the acts of its officers, directors, employees, and agents described in the Information and Statement of Facts, and that the Information and Statement of Facts accurately reflect the Defendant's criminal conduct. The Defendant stipulates to the admissibility of the Statement of Facts in any proceeding by the Offices, including any trial, guilty plea, or sentencing proceeding, and will not contradict anything in the Statement of Facts at any such proceeding.

The Defendant's Waiver of Rights, Including the Right to Appeal

18. Federal Rule of Criminal Procedure 11(f) and Federal Rule of Evidence 410 limit the admissibility of statements made in the course of plea proceedings or plea discussions in both civil and criminal proceedings, if the guilty plea is later withdrawn. The Defendant expressly warrants that it has discussed these rules with its counsel and understands them. Solely to the extent set forth below, the Defendant voluntarily waives and gives up the rights enumerated in Federal Rule of Criminal Procedure 11(f) and Federal Rule of Evidence 410. The Defendant agrees that, effective as of the date the Defendant signs this Agreement, it will not dispute the Statement of Facts set forth in Attachment A, and that the Statement of Facts shall be admissible against the Defendant in any criminal case involving the Offices and the Defendant, as: (a) substantive evidence offered by the government in its case-in-chief and rebuttal case; (b) impeachment evidence offered by the government on cross-examination; and (c) evidence at any sentencing hearing or other hearing. In addition, the Defendant also agrees not to assert any claim under the Federal Rules of Evidence (including Rule 410 of the Federal Rules of Evidence), the Federal Rules of Criminal Procedure (including Rule 11 of the Federal Rules of Criminal Procedure), or the United States Sentencing Guidelines (including USSG § 1B1.1(a)) that the Statement of Facts set forth in the Statement of Facts should be suppressed or is otherwise inadmissible as evidence (in any form). Specifically, the Defendant understands and agrees that any statements that it makes in the course of its guilty plea or in connection with the Agreement are admissible against it for any purpose in any U.S. federal criminal proceeding if, even though the Offices have fulfilled all of their obligations under this Agreement and the Court has accepted the guilty plea, the Defendant nevertheless withdraws its guilty plea.

19. The Defendant is satisfied that the Defendant's attorneys have rendered effective assistance. The Defendant understands that by entering into this agreement, the Defendant surrenders certain rights as provided in this agreement. The Defendant understands that the rights of criminal defendants include the following:

(a) the right to plead not guilty and to persist in that plea;

(b) the right to a jury trial;

(c) the right to be represented by counsel – and if necessary have the court appoint counsel – at trial and at every other stage of the proceedings;

(d) the right at trial to confront and cross-examine adverse witnesses, to testify and present evidence, and to compel the attendance of witnesses; and

(e) pursuant to Title 18, United States Code, Section 3742, the right to appeal the sentence imposed.

20. The Defendant knowingly waives the right to appeal or collaterally attack the conviction and any sentence within the statutory maximum set forth in this agreement (or the manner in which that sentence was determined) on any ground whatsoever except those specifically excepted in this Agreement, in exchange for the commitments made by the United States in this Agreement. This Agreement does not affect the rights or obligations of the United States as set forth in Title 18, United States Code, Section 3742(b). The Defendant also knowingly waives the right to bring any collateral challenge challenging either the conviction, or the sentence imposed in this case. The Defendant hereby waives all rights, whether asserted directly or by a representative, to request or receive from any department or agency of the United States any records pertaining to the investigation or prosecution of this case, including without limitation any records that may be sought under the Freedom of Information Act, Title 5, United States Code,

Section 552, or the Privacy Act, Title 5, United States Code, Section 552a. The Defendant waives all defenses based on the statute of limitations and venue with respect to any prosecution related to the conduct described in the Statement of Facts or the Information, including any prosecution that is not time-barred on the date that this Agreement is signed in the event that: (a) the conviction is later vacated for any reason; (b) the Defendant violates this Agreement; or (c) the plea is later withdrawn, provided such prosecution is brought within one year of any such vacation of conviction, violation of the Agreement, or withdrawal of plea plus the remaining time period of the statute of limitations as of the date that this Agreement is signed. The Offices are free to take any position on appeal or any other post-judgment matter. The parties agree that any challenge to the Defendant's sentence that is not foreclosed by this Paragraph will be limited to that portion of the sentencing calculation that is inconsistent with (or not addressed by) this waiver. Nothing in the foregoing waiver of appellate and collateral review rights shall preclude the Defendant from raising a claim of ineffective assistance of counsel in an appropriate forum.

Penalty

21. The statutory maximum sentence that the Court can impose for a violation of 21 U.S.C. §§ 331(a) and 333(a)(1)331(a): (a) a fine of $500,000, or twice the gross pecuniary gain or gross pecuniary loss resulting from the offense, whichever is greatest, Title 18, United States Code, Section 3571(c)(4), (d); (b) five years' probation (Title 18, United States Code, Section 3561(c)(1)); (c) a mandatory special assessment of $400 per count (Title 18, United States Code, Section 3013(a)(2)(B)); (d) restitution in the amount ordered by the Court (Title 18, United States Code, Section 3663); and (e) criminal forfeiture as set forth below in Paragraph 24(c) (Title 21, United States Code, Section 334; Title 28, United States Code, Section 2461(c)).

<u>Sentencing Recommendation</u>

22. The parties agree that pursuant to *United States v. Booker*, 543 U.S. 220 (2005), the Court must determine an advisory sentencing guideline range pursuant to the Sentencing Guidelines. The Court will then determine a reasonable sentence within the statutory range after considering the advisory sentencing guideline range and the factors listed in Title 18, United States Code, Section 3553(a). The parties' agreement herein to any guideline sentencing factors constitutes proof of those factors sufficient to satisfy the applicable burden of proof. The Defendant also understands that if the Court accepts this Agreement, the Court is bound by the sentencing provisions in Paragraph 24.

23. The Offices and the Defendant agree that a faithful application of the United States Sentencing Guidelines (U.S.S.G.) yields the following analysis:

a. The November 1, 2025 Sentencing Guidelines are applicable to this matter.

b. <u>Fine provisions</u>. The applicable offense provision is U.S.S.G. § 2N2.1. The corporate fine provisions of U.S.S.G. §§ 8C2.1-2.9 do not apply to this offense. *See* U.S.S.G. § 8A1.1 App. Note 2; § 8C2.1(a); § 8C2.10. Under U.S.S.G. § 8C2.10, the appropriate fine is determined by applying the provisions of 18 U.S.C. § 3553 and 18 U.S.C. § 3572. However, the parties agree that the analysis below provides a reasonable basis in this case for evaluating an appropriate fine under 18 U.S.C. § 3553 and 18 U.S.C. § 3572.

c. <u>Base Fine Calculation</u>. Applying the principles set forth in U.S.S.G. § 8C2.4(a)(2), the base fine would be $855,709 (the pecuniary gain to the Defendant from the offense).

d. <u>Culpability Score.</u> Applying the principles set forth in U.S.S.G. § 8C2.5, the culpability score would be 3, calculated as follows:

(a) Base Culpability Score: 5

(g)(2) The organization clearly demonstrated recognition and affirmative acceptance of responsibility for

its criminal conduct:	- 2
TOTAL	3

f. Fine Range Applying Principles and Analysis Described Above:

Base Fine	$855,709
Multipliers	0.6 (min)/1.2 (max)
Fine Range	$513,425 (min) / $1,026,850 (max)

24. Pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure, the Offices and the Defendant agree that the following represents the appropriate sentence in this case:

a. Disposition. Pursuant to Fed. R. Crim. P. 11(c)(1)(C), the Offices and the Defendant agree that the appropriate disposition of this case is as set forth above, and agree to recommend jointly that the Court at a hearing to be scheduled at an agreed upon time impose a sentence requiring the Defendant to pay a criminal fine, as set forth below. Specifically, the parties agree, based on the factors outlined in Paragraph 7 of the agreement, the application of the Sentencing Guidelines, and the factors in 18 U.S.C. § 3553 and 18 U.S.C. § 3572, that the appropriate total criminal fine is $487,754 (the "Total Criminal Fine"). This equates to the low end of the fine range applying applicable principles set forth in the U.S.S.G. and relevant statutory provisions, with a five percent reduction taking into account the Defendant's remediation and prior history pursuant to the Criminal Division CEP.

b. The Offices and the Defendant further agree that the Defendant will pay the United States Treasury $487,754, as set out below. The Defendant and the Offices agree that the Total Criminal Fine is appropriate given the facts and circumstances of this case, including the factors described in Paragraph 7. The Total Criminal Fine is final and shall not be refunded. The

Defendant shall not seek or accept directly or indirectly reimbursement or indemnification from any source with regard to any fine, penalty, forfeiture, or disgorgement amounts that Defendant pays pursuant to the Agreement, or any other agreement entered into with an enforcement authority or regulator concerning the facts set forth in the Statement of Facts. The Defendant further acknowledges that no tax deduction may be sought in connection with the payment of any part of the Total Criminal Fine. The Defendant has represented, and the Offices have independently verified, that the Defendant has an inability to pay a criminal fine of $487,754 within ten business days of judgment. Accordingly, the Defendant agrees to pay $8,129.23 no later than seven (7) business days after the entry of judgment of the Defendant's sentence by the Court, and an additional $8,129.23 no later than the first of each month for the following 59 months.

c. Forfeiture. The Defendant acknowledges that it introduced adulterated food into interstate commerce that is subject to forfeiture as a result of its violation of 21 U.S.C. §§ 331(a) and 333(a)(1), as alleged in the Information. The Defendant consents to the entry of a forfeiture money judgment in the amount of $658,430 dollars in U.S. Currency (the "Forfeiture Money Judgment"). The Defendant acknowledges that it sold the forfeitable adulterated food for $658,430, making it unavailable for forfeiture. Therefore, pursuant to 21 U.S.C. § 853(p), the United States is entitled to forfeit substitute assets equal to the $658,430 in proceeds obtained by the Defendant. The Defendant agrees that the amount of the Forfeiture Money Judgment and any payments toward the Forfeiture Money Judgment represent property, real or personal, constituting or derived from proceeds obtained directly or indirectly as a result of its violation of 21 U.S.C. §§ 331(a) and 333(a)(1), and thus are forfeitable to the United States pursuant to Title 21, United States Code, Section 334, Title 28, United States Code, Section 2461(c), and Title 21, United

States Code, Section 853(p) in any administrative and/or judicial (civil or criminal) proceeding(s) at the Offices' exclusive discretion.

The Defendant consents to the entry of a Preliminary Order of Forfeiture pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, imposing the Forfeiture Money Judgment. The Defendant shall pay $200,000 in partial satisfaction of Forfeiture Money Judgment no later than ten (10) business days after entry of the judgment by the Court or the Defendant's receipt of payment instructions, whichever is later. The Defendant agrees to satisfy the remainder of its forfeiture obligation via a payment plan of monthly installments of not less than $7,770 per month over the following 59 months, payable on the first of each month, in addition to the Defendant's payment of the criminal fine. If the Defendant fails to pay any portion of the Forfeiture Money Judgment as set forth above, Defendant acknowledges that the failure to pay is based on an act or omission of the Defendant that resulted in the unavailability of such portion of the Forfeiture Money Judgment consistent with Title 21, United States Code, Section 853(p)(1)(A)-(E). All payments made toward the Forfeiture Money Judgment shall be made payable pursuant to written instructions provided by the Offices. The Defendant consents to the restraint of all payments made toward the Forfeiture Money Judgment.

The Defendant further agrees that forfeiture is independent of any assessment, fine, cost, restitution, or penalty that may be imposed by the Court, and agrees that the entry and payment of the Forfeiture Money Judgment are not to be considered a payment of a fine, penalty, restitution loss amount, or any income taxes that may be due, and shall survive bankruptcy or any sale, merger, transfer of business operations or change in corporate form, as set forth in paragraph 11 of this Agreement. The Defendant knowingly and voluntarily agrees to waive all constitutional, legal, and equitable defenses to the forfeiture, including excessive fines under the Eighth

Amendment to the United States Constitution. In addition, the Defendant agrees to waive: any applicable time limits for administrative or judicial forfeiture proceedings, the requirements of Federal Rules of Criminal Procedure 32.2 and 43(a), and Title 18, United States Code, Section 983, as well as any appeal of the forfeiture.

If the Defendant fails to pay the Forfeiture Money Judgment within the time set forth above, the Defendant agrees to fully and truthfully disclose the existence, nature and location of all assets in which the Defendant has or had any direct or indirect financial interest or control, and any assets involved in the offense of conviction. The Defendant agrees to take all steps requested by the Offices for the recovery and forfeiture of all assets identified by the Offices as subject to forfeiture. This includes, but is not limited to, the timely delivery upon request of all necessary and appropriate documentation to deliver good and marketable title, consenting to all orders of forfeiture, and not contesting or impeding in any way with any criminal, civil or administrative forfeiture proceeding concerning the forfeiture.

d. Restitution. The Defendant agrees to pay restitution in an amount ordered by the Court pursuant to Title 18, United States Code, Section 3663(a)(3). If the Defendant is not able to pay all restitution ordered by the Court within ten business days of the restitution order, the Defendant's monthly fine and forfeiture payments (set forth in Paragraphs 24(b) and (c)), will be applied to restitution until the restitution order is paid in full. The Defendant will be required to pay any outstanding amounts of fine or forfeiture before the Term and probation period expire.

e. Mandatory Special Assessment. The Defendant shall pay to the Clerk of the Court for the United States District Court for the District of New Jersey within (10) ten days of the time of sentencing the mandatory special assessment of $400 per count.

f. Probation. The Offices and the Defendant agree that a term of organizational probation for a period of five years shall be imposed on the Defendant pursuant to Title 18, United States Code, Sections 3551(c)(1) and 3561(c)(2). The parties agree, pursuant to U.S.S.G. § 8D1.4, that the term of probation shall include as conditions the obligations set forth in Paragraph 8(a)-(j) above as well as the payments of the fine, forfeiture, and restitution amounts set forth in Paragraph 24(a)-(d). After the Term has expired, if the Defendant has satisfied its monetary obligations, its corporate compliance and reporting obligations under this Agreement, and has otherwise complied with the terms of probation, the Defendant may file a motion pursuant to 18 U.S.C. § 3564(c) for early termination of probation.

25. This Agreement is presented to the Court pursuant to Fed. R. Crim. P. 11(c)(1)(C). The Defendant understands that, if the Court rejects this Agreement, the Court must: (a) inform the parties that the Court rejects the Agreement; (b) advise the Defendant's counsel that the Court is not required to follow the Agreement and afford the Defendant the opportunity to withdraw its plea; and (c) advise the Defendant that if the plea is not withdrawn, the Court may dispose of the case less favorably toward the Defendant than the Agreement contemplated. The Defendant further understands that if the Court refuses to accept any provision of this Agreement, neither party shall be bound by the provisions of the Agreement.

26. The Defendant and the Offices waive the preparation of a Pre-Sentence Investigation Report ("PSR"). The Defendant understands that the decision whether to proceed with the sentencing proceeding without a PSR is exclusively that of the Court. In the event the Court directs the preparation of a PSR, the Offices will fully inform the preparer of the PSR and the Court of the facts and law related to the Defendant's case.

Breach of Agreement

27. If, during the term, the Defendant (a) commits any felony under U.S. federal law; (b) provides in connection with this Agreement deliberately false, incomplete, or misleading information; (c) fails to cooperate as set forth in Paragraph 12 of this Agreement; (d) fails to implement a compliance program and report to the Department as set forth in Paragraphs 9 and 10 of this Agreement and Attachments C and D; (e) commits any acts that, had they occurred within the jurisdictional reach of the FDCA, would be a violation of the FDCA; or (f) otherwise fails specifically to perform or to fulfill completely each of the Defendant's obligations under the Agreement, regardless of whether the Offices becomes aware of such a breach after the Term, the Defendant shall thereafter be subject to prosecution for any federal criminal violation of which the Offices have knowledge, including, but not limited to, additional charges arising out of the conduct described in the Statement of Facts, distinct from the charges in the Information described in Paragraph 2, as well as charges related to any additional conduct, if appropriate. Such charges may be pursued by the Offices in the U.S. District Court for the District of New Jersey or any other appropriate venue. Determination of whether the Defendant has breached the Agreement and whether to pursue prosecution of the Defendant shall be in the Offices' sole discretion. Any such prosecution may be premised on information provided by the Defendant or its personnel. Any such prosecution relating to the conduct described in the Statement of Facts or relating to conduct known to the Offices prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against the Defendant, notwithstanding the expiration of the statute of limitations, between the signing of this Agreement and the expiration of the Term plus one year. Thus, by signing this Agreement, the Defendant agrees that the statute of limitations with respect to any

such prosecution that is not time-barred on the date of the signing of this Agreement shall be tolled for the Term plus one year. The Defendant gives up all defenses based on the statute of limitations, any claim of pre-indictment delay, or any speedy trial claim with respect to any such prosecution or action, except to the extent that such defenses existed as of the date of the signing of this Agreement. In addition, the Defendant agrees that the statute of limitations as to any violation of federal law that occurs during the term of the cooperation obligations provided for in Paragraph 12 of the Agreement will be tolled from the date upon which the violation occurs until the earlier of the date upon which the Offices are made aware of the violation or the duration of the term plus five years, and that this period shall be excluded from any calculation of time for purposes of the application of the statute of limitations.

28. In the event the Offices determine that the Defendant has breached this Agreement, the Offices agree to provide the Defendant with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty (30) days of receipt of such notice, the Defendant shall have the opportunity to respond to the Offices in writing to explain the nature and circumstances of such breach, as well as the actions the Defendant has taken to address and remediate the situation, which explanation the Offices shall consider in determining next steps pursuant to Paragraph 27.

29. In the event that the Offices determine that the Defendant has breached this Agreement: (a) all statements made by or on behalf of the Defendant to the Offices or to the Court, including the Statement of Facts, and any testimony given by the Defendant before a grand jury, a court, or any tribunal, or at any legislative hearings, whether prior or subsequent to this Agreement, and any leads derived from such statements or testimony, shall be admissible in evidence in any and all criminal proceedings brought by the Offices against the Defendant; and (b) the Defendant

shall not assert any claim under the United States Constitution, Rule 11(f) of the Federal Rules of Criminal Procedure, Rule 410 of the Federal Rules of Evidence, or any other federal rule that any such statements or testimony made by or on behalf of the Defendant prior or subsequent to this Agreement, or any leads derived therefrom, should be suppressed or are otherwise inadmissible. The decision whether conduct or statements of any current director, officer or employee, or any person acting on behalf of, or at the direction of, the Defendant, will be imputed to the Defendant for the purpose of determining whether the Defendant has violated any provision of this Agreement shall be in the sole discretion of the Offices.

30. The Defendant acknowledges that the Offices have made no representations, assurances, or promises concerning what sentence may be imposed by the Court if the Defendant breaches this Agreement and is subsequently prosecuted for any crime, or if the breach constitutes a violation of the Defendant's probation. The Defendant further acknowledges that any such sentence is solely within the discretion of the Court and that nothing in this Agreement binds or restricts the Court in the exercise of such discretion.

Public Statements by the Defendant

31. The Defendant expressly agrees that it shall not, through present or future attorneys, officers, directors, employees, agents or any other person authorized to speak for the Defendant make any public statement, in litigation or otherwise, contradicting the acceptance of responsibility by the Defendant set forth above or the facts described in the Information and the Statement of Facts. Any such contradictory statement shall, subject to cure rights of the Defendant described below, constitute a breach of this Agreement, and the Defendant thereafter shall be subject to prosecution as set forth in Paragraphs 27-30 of this Agreement. The decision whether any public statement by any such person contradicting a fact contained in the Information or the

Statement of Facts will be imputed to the Defendant for the purpose of determining whether it has breached this Agreement shall be at the sole discretion of the Offices. If the Offices determine that a public statement by any such person contradicts in whole or in part a statement contained in the Information or the Statement of Facts, the Offices shall so notify the Defendant, and the Defendant may avoid a breach of this Agreement by publicly repudiating such statement(s) within five business days after notification. The Defendant shall be permitted to raise defenses and to assert affirmative claims in other proceedings relating to the matters set forth in the Information and the Statement of Facts provided that such defenses and claims do not contradict, in whole or in part, a statement contained in the Information or the Statement of Facts. This Paragraph does not apply to any statement made by any present or former officer, director, employee, or agent of the Defendant in the course of any criminal, regulatory, or civil case initiated against such individual, unless such individual is speaking on behalf of the Defendant.

32. The Defendant agrees that if it or any of its direct or indirect subsidiaries or affiliates issues a press release or holds any press conference in connection with this Agreement, the Defendant shall first consult the Offices to determine (a) whether the text of the release or proposed statements at the press conference are true and accurate with respect to matters between the Offices and the Defendant; and (b) whether the Offices have any objection to the release or statement.

Complete Agreement

33. This document, including the attachments, states the full extent of the Agreement between the parties. There are no other promises or agreements, express or implied. Any modification of this Agreement shall be valid only if set forth in writing in a supplemental or revised plea agreement signed by all parties.

AGREED:

FOR ABUELITO CHEESE, INC.:

Date: 03/25/26 By: Senen Torres

Senen Torres, Vice President
Authorized Corporate Representative for
Abuelito Cheese, Inc.

Date: 3/31/26 By: ______________________

Matthew M. Oliver
Lowenstein Sandler LLP
Outside counsel for Abuelito Cheese, Inc.

FOR THE DEPARTMENT OF JUSTICE:

ROBERT FRAZER
United States Attorney

/s/ Katherine M. Romano
Katherine M. Romano
Assistant U.S. Attorney

/s/ Timothy M. Lanni
Timothy M. Lanni
Acting Deputy Chief, Criminal Division

LORINDA I. LARYEA
Chief, Fraud Section
Criminal Division
U.S. Department of Justice

/s/ Lauren M. Elfner
Lauren M. Elfner
Trial Attorney

ATTACHMENT A

STATEMENT OF FACTS

The following Statement of Facts is incorporated by reference as part of the Plea Agreement between the United States Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the District of New Jersey (collectively, the "Offices"), and ABUELITO CHEESE, INC.("ABUELITO" or the "Company"), and the parties hereby agree and stipulate that the following information is true and accurate. ABUELITO admits, accepts, and acknowledges that it is responsible for the acts of its officers, directors, employees, and agents as set forth below. Had this matter proceeded to trial, ABUELITO acknowledges that the Offices would have proven beyond a reasonable doubt, by admissible evidence, the facts alleged below and set forth in the criminal Information:

1. From at least approximately January 2020, until in or around February 2021, ABUELITO manufactured food, including queso fresco (fresh, soft cheese), at its manufacturing facility in Paterson, New Jersey. ABUELITO distributed finished products, including queso fresco, within New Jersey and to customers located in Pennsylvania, New York, Connecticut, Maryland, and Delaware.

2. From on or about January 14, 2020, through on or about February 6, 2020, the U.S. Food and Drug Administration ("FDA") conducted an inspection of ABUELITO's facility. As part of the inspection, FDA investigators swabbed various surfaces at ABUELITO to test for bacteria.

3. As a result of the inspection, on or about February 6, 2020, FDA issued a report to ABUELITO which contained multiple observations reflecting potential violations of FDA regulations, including, among other things, the absence of a written food safety plan, the

company's failure to monitor sanitizer solution for strength and effectiveness, and the company's failure to visually check or record refrigerator temperature. FDA inspectors provided ABUELITO with copies of sample analysis from the surface swabs. Analysis detected the presence of bacteria, specifically *Listeria innocua* and *Listeria grayi*.

4. ABUELITO responded to the FDA on or about February 17, 2020, with a description of corrective actions.

5. On or about June 8, 2020, FDA issued a Warning Letter to ABUELITO. In that letter, FDA stated that it continued to have serious concerns regarding ABUELITO's violation of FDA regulations. FDA warned ABUELITO that the presence of *Listeria innocua* and *Listeria grayi* at the facility indicated that the conditions were conducive for pathogenic *Listeria monocytogenes* to be present at ABUELITO's facility.

6. ABUELITO responded to the FDA on or about June 24, 2020, with a description of corrective actions.

7. In or around February 2021, the Centers for Disease Control ("CDC"), public health and regulatory officials in several states, and FDA began collecting data to investigate a multistate outbreak of *Listeria monocytogenes* infections. On or about February 19, 2021, ABUELITO recalled all queso fresco products after being notified by FDA that *Listeria monocytogenes* in ABUELITO's queso fresco was linked to an outbreak of listeriosis. Later, ABUELITO expanded its recall to include other products made at the same facility. The *Listeria monocytogenes* outbreak from ABUELITO's cheese resulted in at least 13 hospitalizations and one death across four states.

ATTACHMENT B

CONSENT OF THE SOLE SHAREHOLDER OF ABUELITO CHEESE, INC.

WHEREAS, ABUELITO CHEESE, INC. (the "Company") has been engaged in discussions with the United States Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the District of New Jersey (the "Offices") regarding issues arising in relation to the Offices' investigation into the introduction of adulterated food into interstate commerce, in violation of Title 21, United States Code, Sections 331 and 333; and

WHEREAS, in order to resolve such discussions, it is proposed that the Company enter into a Plea Agreement with the Offices (the "Agreement"); and

WHEREAS, the Company's Vice President, together with outside counsel for the Company, have advised the Company's sole shareholder, Miguel Torres (the "Sole Shareholder"), of the Company's rights, possible defenses, the Sentencing Guidelines' provisions, and the consequences of entering into such agreement with the Offices;

Therefore, the Sole Shareholder has RESOLVED that:

1. The Company (a) acknowledges the filing of the one-count Information charging the Company with one count of Introducing Adulterated Food Into Interstate Commerce, in violation of 21 U.S.C. Sections 331(a) and 333(a)(1); (b) waives indictment on such charges and enters into the Agreement with the Offices; and (c) agrees to accept a fine against the Company totaling $487,754, forfeiture in the amount of $658,430, restitution as ordered by the Court, and to pay such penalty as required by the Agreement;

2. The Company accepts the terms and conditions of the Agreement, including, but not limited to, (a) a knowing waiver of its right to a speedy trial pursuant to the Sixth Amendment to the United States Constitution, Title 18, United States Code, Section 3161, and Federal Rule of

Criminal Procedure 48(b); (b) a knowing waiver for purposes of the Agreement and any charges by the United States arising out of the conduct described in the Statement of Facts attached to the Agreement of any objection with respect to venue, and consents to the filing of the Information, as provided under the terms of the Agreement, in the United States District Court for the District of New Jersey; (c) a knowing waiver of any defenses based on the statute of limitations for any criminal prosecution by the Offices relating to the conduct described in the Statement of Facts attached to the Agreement or relating to conduct known to the Offices prior to the date on which the Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of the Agreement; and (d) a knowing waiver of appeal to the right to appeal the sentence imposed pursuant to Title 18, United States Code, Section 3742, and a knowing waiver of the right to appeal or collaterally attack the conviction and any sentence within the statutory maximum set forth in this Agreement (or the manner in which that sentence was determined);

3. The Company's Vice President, Senen Torres, is hereby authorized, empowered and directed, on behalf of the Company, to execute the Agreement substantially in such form as reviewed by the Sole Shareholder with such changes as the Sole Shareholder may approve;

4. The Company's Vice President, Senen Torres, is hereby authorized, empowered and directed to take any and all actions as may be necessary or appropriate and to approve the forms, terms or provisions of any agreement or other documents as may be necessary or appropriate, to carry out and effectuate the purpose and intent of the foregoing resolutions; and

5. All of the actions of the Company's Vice President, Senen Torres, which actions would have been authorized by the foregoing resolutions except that such actions were taken prior to the adoption of such resolutions, are hereby severally ratified, confirmed, approved, and adopted as actions on behalf of the Company.

Date: 04/01/24

By: Miguel Torres
Miguel Torres, Sole Shareholder
ABUELITO CHEESE, INC.

ATTACHMENT C

CORPORATE COMPLIANCE PROGRAM

In order to address any deficiencies in its internal controls, compliance code, policies, and procedures regarding compliance with the Federal Food, Drug, and Cosmetic Act ("FDCA"), 21 U.S.C. § 301 et seq., Abuelito Cheese, Inc. (the "Company") agrees to continue to conduct, in a manner consistent with all of its obligations under this Agreement, appropriate reviews of its existing internal controls, policies, and procedures.

Where necessary and appropriate, the Company agrees to modify its compliance program, including internal controls, compliance policies, and procedures in order to ensure that it maintains: (a) an effective system of internal controls designed to ensure the making and keeping of fair and accurate records; and (b) a rigorous food safety compliance program that incorporates relevant internal controls, as well as policies and procedures designed to effectively detect and deter violations of the FDCA and applicable regulations (collectively, the "Subject Laws"). At a minimum, this should include, but not be limited to, the following elements to the extent they are not already part of the Company's existing internal controls, compliance code, policies, and procedures:

Commitment to Compliance

1. The Company will ensure that its directors and senior management provide strong, explicit, and visible support and commitment to compliance with its corporate policy against violations of the Subject Laws, its compliance policies, and its Code of Conduct, and demonstrate rigorous support for compliance principles via their actions and words.

2. The Company will ensure that mid-level management throughout its organization reinforce leadership's commitment to compliance policies and principles and encourage employees to abide by them. The Company will create and foster a culture of ethics and compliance with the law in their day-to-day operations at all levels of the Company.

Periodic Risk Assessment and Review

3. The Company will implement a risk management process to identify, analyze, and address the individual circumstances of the Company, in particular the food safety risks facing the Company.

4. On the basis of its periodic risk assessment, the Company shall take appropriate steps to design, implement, or modify each element of its compliance program to reduce the risk of violations of the Subject Laws, its compliance policies, and its Code of Conduct.

Policies and Procedures

5. The Company will develop and promulgate a clearly articulated and visible corporate policy against violations of the Subject Laws, which shall be memorialized in a written compliance policy or policies.

6. The Company will develop and promulgate compliance policies and procedures designed to reduce the prospect of violations of the Subject Laws and the Company's compliance policies and Code of Conduct, and the Company will take appropriate measures to encourage and support the observance of ethics and compliance policies and procedures against violation of the Subject Laws by personnel at all levels of the Company. These policies and procedures shall apply to all directors, officers, and employees and, where necessary and appropriate, outside parties acting on behalf of the Company, including all agents and business partners. The Company shall

notify all employees that compliance with the policies and procedures is the duty of individuals at all levels of the company.

7. The Company will ensure that it has a system of internal controls, reasonably designed to ensure the completeness and accuracy of records pertaining to compliance with the Subject Laws.

8. The Company shall review its food safety compliance policies and procedures as necessary to address changing and emerging risks and update them as appropriate to ensure their continued effectiveness, taking into account relevant developments in the field and evolving industry standards.

Independent, Autonomous, and Empowered Oversight

9. The Company will assign responsibility to one or more senior corporate executives of the Company for the implementation and oversight of the Company's food safety compliance policies and procedures. Such corporate official(s) shall have the authority to report directly to independent monitoring bodies, including internal audit, the Company's Board of Directors, or any appropriate committee of the Company's Board of Directors, and shall have an adequate level of autonomy from management as well as sufficient resources, authority, and support from senior leadership to maintain such autonomy.

Training and Guidance

10. Company will implement mechanisms designed to ensure that its Code of Conduct and food safety compliance policies and procedures are effectively communicated to all directors, officers, employees, and, where necessary and appropriate, agents and business partners. These mechanisms shall include: (a) periodic training for all directors and officers, all employees in

positions of leadership or trust, positions that require such training (e.g., internal audit, sales, legal, compliance, finance), or positions that otherwise pose a food safety risk to the Company, and, where necessary and appropriate, agents and business partners; and (b) metrics for measuring knowledge retention and effectiveness of the training. The Company will conduct training in a manner tailored to the audience's size, sophistication, or subject matter expertise and, where appropriate, will discuss prior compliance incidents.

11. The Company will maintain, or where necessary establish, an effective system for providing guidance and advice to directors, officers, employees, and, where necessary and appropriate, agents and business partners, on complying with the Company's food safety compliance policies and procedures, including when they need advice on an urgent basis.

Confidential Reporting Structure and Investigation of Misconduct

12. The Company will maintain, or where necessary establish, an effective system for internal and, where possible, confidential reporting by, and protection of, directors, officers, employees, and, where appropriate, agents and business partners concerning violations of the Company's Code of Conduct or food safety compliance policies and procedures and protection of directors, officers, employees, and, where appropriate, agents and business partners who make such reports.

13. The Company will maintain, or where necessary establish, an effective and reliable process with sufficient resources for responding to, investigating, and documenting allegations of violations of the Subject Laws or the Company's food safety compliance policies and procedures.

Compensation Structures and Consequence Management

14. The Company will implement clear mechanisms amongst all directors, officers, employees, and, where necessary and appropriate, parties acting on behalf of the Company, to incentivize behavior that complies with the Company's corporate policy against violations of the Subject Laws, its compliance policies, and its Code of Conduct. These incentives shall include, but shall not be limited to, the implementation of criteria related to compliance in the Company's compensation and bonus system.

15. The Company will institute appropriate disciplinary procedures to address, among other things, violations of the Subject Laws and the Company's Code of Conduct and food safety compliance policies and procedures by the Company's directors, officers, and employees. Such procedures should be applied consistently and fairly, regardless of the position held by, or perceived importance of, the director, officer, or employee. The Company shall implement procedures to ensure that where misconduct is discovered, reasonable steps are taken to remedy the harm resulting from such misconduct, and to ensure that appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls, Code of Conduct, and compliance policies and procedures and making modifications necessary to ensure the overall food safety compliance program is effective.

Third-Party Management

16. The Company will institute appropriate risk-based due diligence and compliance requirements pertaining to the retention and oversight of all agents and business partners, including:

a. properly documented due diligence pertaining to the hiring and appropriate and regular oversight of agents and business partners;

b. informing agents and business partners of the Company's commitment to abiding by the Subject Laws, and of the Company's Code of Conduct and food safety compliance policies and procedures; and

c. seeking a reciprocal commitment from agents and business partners.

17. The Company will engage in ongoing monitoring and risk management of third-party relationships through updated due diligence, training, audits, and/or annual compliance certifications by the third party.

18. Where necessary and appropriate, the Company will include standard provisions in agreements, contracts, and renewals thereof with all agents and business partners that are reasonably calculated to prevent violations of the Subject Laws, which may, depending upon the circumstances, include: (a) representations and undertakings relating to compliance with the Subject Laws; (b) rights to conduct audits of the books and records of the agent or business partner to ensure compliance with the foregoing; and (c) rights to terminate an agent or business partner as a result of any breach Subject Laws, the Company's Code of Conduct or compliance policies, or procedures, or the representations and undertakings related to such matters.

Mergers and Acquisitions

19. The Company will develop and implement policies and procedures for mergers and acquisitions requiring that the Company conduct appropriate risk-based due diligence on potential new business entities, including appropriate food safety due diligence by legal, accounting, and compliance personnel.

20. The Company will ensure that the Company's Code of Conduct and compliance policies and procedures regarding the Subject Laws apply as quickly as is practicable to newly acquired businesses or entities merged with the Company and will promptly:

a. train the directors, officers, employees, agents, and business partners consistent with Paragraph 10 above on the Subject Laws and the Company's compliance policies and procedures regarding the Subject Laws;

b. where warranted, conduct a food safety-specific audit of all newly acquired or merged businesses as quickly as practicable;

c. where warranted, establish a plan to integrate the acquired businesses or entities into the Company's enterprise resource planning systems as quickly as practicable.

Monitoring and Testing

21. The Company will conduct periodic reviews and testing of all elements of its compliance program to evaluate and improve their effectiveness in preventing and detecting violations of Subject Laws and the Company's Code of Conduct and food safety compliance policies and procedures, taking into account relevant developments in the field and evolving international and industry standards.

22. The Company will ensure that compliance and control personnel have sufficient direct or indirect access to relevant sources of data to allow for timely and effective monitoring and/or testing of transactions.

Analysis and Remediation of Misconduct

23. The Company will conduct a root cause analysis of misconduct, including prior misconduct, to identify any systemic issues and/or any control failures. The Company will timely

and appropriately remediate the root causes of misconduct. The Company will ensure that root causes, including systemic issues and controls failures, and relevant remediation are shared with management as appropriate.

ATTACHMENT D

COMPLIANCE REPORTING REQUIREMENTS

Abuelito Cheese, Inc. (the "Company") agrees that it will report to the United States Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the District of New Jersey (collectively, the "Offices") periodically. During the Term, the Company shall review, test, and update its compliance program and internal controls, policies, and procedures described in Attachment C. The Company shall be required to: (i) conduct an initial ("first") review and submit a first report and (ii) conduct and prepare at least two follow-up reviews and reports, as described below. Prior to conducting each review, the Company shall be required to prepare and submit a workplan for the review.

In conducting the reviews, the Company shall undertake the following activities, among others: (a) inspection of relevant documents, including the Company's current policies, procedures, and training materials concerning compliance with the Federal Food, Drug, and Cosmetic Act ("FDCA"), 21 U.S.C. § 301 et seq.; (b) inspection and testing of the Company's systems procedures, and internal controls, including record-keeping and internal audit procedures; (c) meetings with, and interviews of, relevant current and, where appropriate, former directors, officers, employees, business partners, agents, and other persons; and (d) analyses, studies, and comprehensive testing of the Company's compliance program.

Written Work Plans, Reviews and Reports

a. The Company shall conduct a first review and prepare a first report, followed by at least two follow-up reviews and reports.

b. Within sixty (60) calendar days of the date this Agreement is executed, the Company shall, after consultation with the Offices, prepare and submit a written work plan to address the Company's first review. The Offices shall have thirty (30) calendar days after receipt of the written work plan to provide comments.

c. With respect to each follow-up review and report, after consultation with the Offices, the Company shall prepare a written work plan within forty-five (45) calendar days of the submission of the prior report, and the Offices shall provide comments within thirty (30) calendar days after receipt of the written work plan.

d. All written work plans shall identify with reasonable specificity the activities the Company plans to undertake to review and test each element of its compliance program, as described in Attachment C.

e. Any disputes between the Company and the Offices with respect to any written work plan shall be decided by the Offices in their sole discretion.

f. No later than one year from the date this Agreement is executed, the Company shall submit to the Offices a written report setting forth: (1) a complete description of its remediation efforts to date; (2) a complete description of the testing conducted to evaluate the effectiveness of the compliance program and the results of that testing; and (3) its proposals to ensure that its compliance program is reasonably designed, implemented, and enforced so that the program is effective in deterring and detecting violations of the FDCA. The report shall be transmitted to:

Deputy Chief – Health & Safety Unit
Deputy Chief – CEC Unit
Criminal Division, Fraud Section
U.S. Department of Justice
1400 New York Avenue, NW
Bond Building
Washington, DC 20005

U.S. Attorney's Office, District of New Jersey
970 Broad Street, 7th Floor

Newark, NJ 07102

The Company may extend the time period for issuance of the first report with prior written approval of the Offices.

Follow-up Reviews and Reports

g. The Company shall undertake at least two follow-up reviews and reports, incorporating the views of the Offices on the Company's prior reviews and reports, to further monitor and assess whether the Company's compliance program is reasonably designed, implemented, and enforced so that it is effective at deterring and detecting violations of the FDCA.

h. The first follow-up ("second") review and report shall be completed by no later than one year after the first report is submitted to the Offices.

i. The second follow-up ("third") report shall include a plan for ongoing improvement, testing, and review of the compliance program to ensure the sustainability of the program. The third report shall be completed and delivered to the Offices no later than thirty (30) days before the end of the Term.

j. The Company may extend the time period for submission of any of the follow-up reports with prior written approval of the Offices.

Confidentiality of Submissions

g. Submissions by the Company, including the work plans and reports will likely include proprietary, financial, confidential, and competitive business information. Moreover, public disclosure of the submissions could discourage cooperation, impede pending or potential government investigations and thus undermine the objectives of the reporting requirement. For these reasons, among others, the submissions and the contents thereof are intended to remain and shall remain non-public, except as otherwise agreed to by the parties in writing, or except to the extent the Offices determine in their sole discretion that disclosure would be in furtherance of the Offices' discharge of their duties and responsibilities or is otherwise required by law.

ATTACHMENT E

CERTIFICATION

To: United States Department of Justice
Criminal Division, Fraud Section
Attention: Chief of the Fraud Section

United States Department of Justice
United States Attorney's Office, District of New Jersey
Attention: Chief of the Criminal Division

Re: Plea Agreement Disclosure Certification

The undersigned certifies, pursuant to Paragraph 13 of the plea agreement ("the Agreement") filed on [DATE] in the United States District Court for the District of New Jersey, by and between the United States of America and Abuelito Cheese, Inc. (the "Company"), that undersigned is aware of the Company's disclosure obligations under Paragraph 13 of the Agreement, and that the Company has disclosed to the United States Department of Justice, Criminal Division, Fraud Section (the "Fraud Section") and the United States Attorney's Office for the District of New Jersey (collectively, the "Offices") any and all evidence or allegations of conduct required pursuant to Paragraph 13 of the Agreement, which includes evidence or allegations of any violation of the FDCA committed by the Company's employees or agents ("Disclosable Information"). This obligation to disclose information extends to any and all Disclosable Information that has been identified through the Company's compliance and controls program, whistleblower channel, internal audit reports, due diligence procedures, investigation process, or other processes. The undersigned further acknowledge and agree that the reporting requirements contained in Paragraph 13 and the representations contained in this certification constitute a significant and important component of the Agreement and of the Offices' determination whether the Company has satisfied its obligations under the Agreement.

The undersigned hereby certifies that he is the Vice President of the Company, and that he has been duly authorized by the Company to sign this Certification on behalf of the Company.

This Certification shall constitute a material statement and representation by the undersigned and by, on behalf of, and for the benefit of, the Company to the executive branch of the United States for purposes of 18 U.S.C. § 1001, and such material statement and representation shall be deemed to have been made in the District of New Jersey. This Certification shall also constitute a record, document, or tangible object in connection with a matter within the jurisdiction of a department and agency of the United States for purposes of 18 U.S.C. § 1519, and such record, document, or tangible object shall be deemed to have been made in the District of New Jersey.

Date: ______________________ Name (Printed): ___________________________________

Name (Signed): ___________________________________
Senen Torres, Vice President
Abuelito Cheese, Inc.

ATTACHMENT F

COMPLIANCE CERTIFICATION

To: United States Department of Justice
Criminal Division, Fraud Section
Attention: Chief of the Fraud Section

United States Department of Justice
United States Attorney's Office, District of New Jersey
Attention: Chief of the Criminal Division

Re: Plea Agreement Disclosure Certification

The undersigned certify, pursuant to Paragraph 9 of the Plea Agreement filed on [DATE], in the United States District Court for the District of New Jersey, by and between the United States of America and Abuelito Cheese, Inc. (the "Company") (the "Agreement"), that the undersigned are aware of the Company's compliance obligations under Paragraphs 9 and 10 of the Agreement, and that, based on a review of the Company's reports submitted to the Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the District of New Jersey pursuant to Paragraph 10 of the Agreement, the reports are true, accurate, and complete.

In addition, the undersigned certify that, based on the undersigned's review and understanding of the Company's food safety compliance program, the Company has implemented a food safety compliance program that meets the requirements set forth in Attachment C to the Agreement. The undersigned certify that such compliance program is reasonably designed to detect and prevent violations of the Food, Drug, and Cosmetic Act throughout the Company's operations.

The undersigned hereby certify that they are respectively the President and Vice President of the Company and that each has been duly authorized by the Company to sign this Certification on behalf of the Company.

This Certification shall constitute a material statement and representation by the undersigned and by, on behalf of, and for the benefit of, the Company to the executive branch of the United States for purposes of 18 U.S.C. § 1001, and such material statement and representation shall be deemed to have been made in the District of New Jersey. This Certification shall also constitute a record, document, or tangible object in connection with a matter within the jurisdiction of a department and agency of the United States for purposes of 18 U.S.C. § 1519, and such record, document, or tangible object shall be deemed to have been made in the District of New Jersey.

Date: ______________________ Name (Printed): ____________________________________

Name (Signed): ____________________________________
President
Abuelito Cheese, Inc.

Date: ______________________ Name (Printed): ____________________________________

Name (Signed): ____________________________________
Vice President
Abuelito Cheese, Inc.