

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Agreement”) between Environmental Research Center, Inc. (“ERC”) and TB12, Inc. (“TB12”) is effective on the date on which it is fully executed (“Effective Date”). ERC and TB12 are referred to individually as a “Party” and collectively as the “Parties.” The Parties agree as follows:

1. This matter arises out of the Notice of Violation of California Health & Safety Code §25249.5, *et seq.* (also known as “Proposition 65”) that ERC served on TB12 on September 6, 2024 (the “Notice”) with regard to the following products identified below (referred to as the “Covered Products”):

- **TB12 Plant-Based Protein Bar Peanut Butter Chocolate Chip Flavored (lead)**
- **TB12 Plant-Based Protein Bar Turmeric Cashew Honey (lead)**
- **TB12 Plant-Based Protein Bar Chocolate Cacao Crunch (lead, cadmium)**


The product TB12 Plant-Based Protein Bar Chocolate Cacao Crunch is also individually referred to as “Cadmium Covered Product.”

2. The Parties enter into this Agreement in order to fully resolve all claims, demands, and allegations regarding the Notice and for the purpose of avoiding prolonged litigation. Nothing in this Agreement shall be construed as an admission of the Parties of any fact, issue of law, or violation of law, nor shall compliance with this Agreement constitute or be construed as an admission by the Parties of any fact, issue of law or violation of law. Nothing in this Agreement or any document referred to shall be construed as giving rise to any presumption or inference of admission or concession by the Parties as to any fault, wrongdoing or liability. This Section shall not diminish or otherwise affect the obligations, responsibilities, and duties of the Parties under this Agreement.

3. **INJUNCTIVE RELIEF, REFORMULATION, TESTING AND WARNINGS**

In consideration of the following covenants and conditions contained in this Agreement, the Parties have provided the releases as set forth in Section 6 below:

3.1 Beginning on the Effective Date, TB12 shall be permanently enjoined from manufacturing for sale in the State of California, “Distributing into the State of California,” or directly selling in the State of California, any Covered Product which exposes a person to a “Daily Lead Exposure Level” of more than 0.5 micrograms of lead per day and/or a “Daily Cadmium Exposure Level” of more than 4.1 micrograms per day unless it meets the warning requirements under Section 3.2. The injunctive requirements of Section 3 shall not apply to Covered Products that are already in the stream of commerce as of the Effective Date, which Covered Products are expressly subject to the releases provided in Section 6. For purposes of this Agreement, the term “in the stream of commerce” means that manufactured Covered Products have been put into final packaging for consumer sale and are no longer in the possession of or under the control of TB12.

Initials TH 

3.1.1 As used in this Agreement, the term “Distributing into the State of California” shall mean to directly ship a Covered Product into California for sale in California or to sell a Covered Product to a distributor that TB12 knows or has reason to know will sell the Covered Product in California.

3.1.2 For purposes of this Agreement, the “Daily Lead Exposure Level,” shall be measured in micrograms, and shall be calculated using the following formula: micrograms of lead per gram of product, multiplied by grams of product per serving of the product (using the largest serving size appearing on the product label), multiplied by servings of the product per day (using the largest number of recommended daily servings appearing on the label), which equals micrograms of lead exposure per day. If the label contains no recommended daily servings, then the number of recommended daily servings shall be one.

3.1.3 For purposes of this Agreement, the “Daily Cadmium Exposure Level,” shall be measured in micrograms, and shall be calculated using the following formula: micrograms of cadmium per gram of product, multiplied by grams of product per serving of the product (using the largest serving size appearing on the product label), multiplied by servings of the product per day (using the largest number of recommended daily servings appearing on the label), which equals micrograms of cadmium exposure per day. If the label contains no recommended daily servings, then the number of recommended daily servings shall be one.

3.2 Clear and Reasonable Warnings

If TB12 is required to provide a warning pursuant to Section 3.1, the following warning must be utilized (“Warning”):

WARNING: Consuming this product can expose you to chemicals including [lead] [and] [cadmium] which is [are] known to the State of California to cause [cancer and] birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov/food.

TB12 shall use the phrase “cancer and” in the Warning only if the “Daily Lead Exposure Level” is greater than 15 micrograms of lead as determined pursuant to the quality control methodology set forth in Section 3.1 or if TB12 has reason to believe that another Proposition 65 chemical is present at a level requiring the cancer warning. As identified in the brackets, the warning shall appropriately reflect whether there is lead, cadmium, or multiple chemicals present in each of the Covered Products, but if there is a chemical present at a level that requires a cancer warning, the chemical requiring use of the phrase “cancer and” in the Warning shall always be identified.

The Warning shall be securely affixed to or printed upon the label of any Covered Product, and it must be set off from other surrounding information and enclosed in a box. In addition, for any Covered Product sold over the internet, the Warning shall appear on the checkout page when a California delivery address is indicated for any purchase of any Covered Product. An asterisk or other identifying method must be utilized to identify which product on the checkout page is

Initials

TH



subject to the Warning. In no event shall any internet or website Warning be contained in or made through a link.

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. No statements intended to or likely to have the effect of diminishing the impact of, or reducing the clarity of, the Warning on the average lay person shall accompany the Warning. Further, no statements may accompany the Warning that state or imply that the source of the listed chemical has an impact on or results in a less harmful effect of the listed chemical.

TB12 must display the above Warning with such conspicuousness, as compared with other words, statements or designs on the label, or on its website, as applicable, to render the Warning likely to be read and understood by an ordinary individual under customary conditions of purchase or use of the product. Where a sign or label used to provide the Warning for a Covered Product includes consumer information about the Covered Product in a language other than English, the Warning must also be provided in that language in addition to English.


For purposes of this Agreement, the term “label” means a display of written, printed or graphic material that is printed on or affixed to a Covered Product or its immediate container or wrapper.

In the event that the Office of Environmental Health Hazard Assessment (“OEHHA”) promulgates one or more regulations requiring or permitting Proposition 65 warning text and/or methods of transmission applicable to the Covered Products and the chemicals at issue, which are different from those set forth above, TB12 shall be entitled to use, at its discretion, such other warning text and/or methods of transmission without being deemed in breach of this Agreement. ERC retains the right to challenge the applicability to the Covered Products of any such regulation(s) promulgated by OEHHA and to enforce the warning requirements of this Agreement if it determines, in its sole discretion, that such regulation(s) promulgated by OEHHA is/are not applicable to the Covered Products.

3.3 Conforming Covered Products

A Conforming Covered Product is a Covered Product for which the “Daily Lead Exposure Level” is no greater than 0.5 micrograms of lead per day and/or the “Daily Cadmium Exposure Level” is no greater than 4.1 micrograms of cadmium per day as determined by the exposure methodology set forth in Section 3.1.2 and the quality control methodology described in Section 3.1.4, and that is not known by TB12 to contain other chemicals that violate Proposition 65’s safe harbor thresholds.

4. TB12 shall make a total payment of \$25,000.00 (“Total Settlement Amount”) by wire transfer to ERC’s account within 15 days of the Effective Date (“Due Date”). ERC will give TB12 the necessary account information and IRS W-9 forms on or before the commencement of the Effective Date. The Parties acknowledge that TB12 cannot issue any settlement payments

Initials TH 

until after TB12 receives the requisite W-9 forms from ERC's counsel. The Total Settlement Amount shall be allocated as follows:

a. \$3,750.00 shall be considered a civil penalty pursuant to California Health and Safety Code §25249.7(b)(1). ERC shall remit 75% (\$2,812.50) of the civil penalty to the Office of Environmental Health Hazard Assessment ("OEHHA") for deposit in the Safe Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety Code §25249.12(c). ERC will retain the remaining 25% (\$937.50) of the civil penalty.

b. \$6,808.66 shall be considered a reimbursement to ERC for its costs incurred as a result of bringing this matter to TB12's attention and negotiating a settlement.

c. \$14,441.34 shall be distributed to ERC for its in-house legal fees.

d. In the event that TB12 fails to remit the Total Settlement Amount owed under Section 4 of this Agreement on or before the Due Date, TB12 shall be deemed to be in material breach of its obligations under this Agreement. ERC shall provide written notice of the delinquency to TB12 via electronic mail. If TB12 fails to deliver the Total Settlement Amount within five days from the written notice, the Total Settlement Amount shall become immediately due and payable and shall accrue interest at the statutory judgment interest rate provided in the Code of Civil Procedure section 685.010. Additionally, TB12 agrees to pay ERC's reasonable attorneys' fees and costs for any efforts to collect the payment due under this Agreement.

5. Except as expressly set forth in Section 4, the Parties shall bear their own costs, expenses, and attorneys' fees related to the Notice.

6. Binding Effect; Claims Covered and Released

6.1 This Agreement is a full, final, and binding resolution between ERC, on behalf of itself, and TB12 and its respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, suppliers, franchisees, licensees, customers (not including private label customers of TB12), distributors, wholesalers, retailers, and all other upstream and downstream entities in the distribution chain of any Covered Product, and the predecessors, successors, and assigns of any of them (collectively, "Released Parties").

6.2 ERC, on behalf of itself only, hereby fully releases and discharges the Released Parties from any and all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs, and expenses asserted, or that could have been asserted from the handling, use, or consumption of the Covered Products, as to any alleged violation of Proposition 65 or its implementing regulations arising from the failure to provide Proposition 65 warnings on the Covered Products regarding lead and/or on the Cadmium Covered Product regarding cadmium up to and including the Effective Date.

6.3 ERC, on its own behalf only, and TB12 on its own behalf only, further waive and release any and all claims they may have against each other for all actions or statements

Initials

TH



made or undertaken in the course of seeking or opposing enforcement of Proposition 65 in connection with the Notice up through and including the Effective Date, provided, however, that nothing in Section 6 shall affect or limit any Party's right to seek to enforce the terms of this Agreement.

6.4 It is possible that other claims not known to the Parties, arising out of the facts alleged in the Notice, and relating to the Covered Products, will develop or be discovered. ERC, on behalf of itself only, and TB12, on behalf of itself only, acknowledge that this Agreement is expressly intended to cover and include all such claims up through and including the Effective Date, including all rights of action therefore. ERC and TB12 acknowledge that the claims released in Sections 6.2 and 6.3 above may include unknown claims, and the Parties nevertheless waive California Civil Code section 1542 as to any such unknown claims. California Civil Code section 1542 reads as follows:

(i) 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.

ERC, on behalf of itself only, and TB12, on behalf of itself only, acknowledge and understand the significance and consequences of this specific waiver of California Civil Code section 1542.


6.5 ERC and its counsel represent that neither of them is aware of any potential claimant or potential private enforcer other than ERC, or any attorney other than ERC's counsel, who intends to make demands or bring litigation against the Released Parties based on the subject matter of the Notice. ERC and its counsel each further represent and warrant that neither of them has been notified or otherwise informed of any such intention or consideration thereof.

6.6 Compliance with the terms of this Agreement shall be deemed to constitute compliance with Proposition 65 by any of the Released Parties regarding alleged exposures to lead in the Covered Products and cadmium in the Cadmium Covered Product as set forth in the Notice.

6.7 Nothing in this Agreement is intended to apply to any occupational or environmental exposures arising under Proposition 65, nor shall it apply to any of TB12's products other than the Covered Products.

7. Nothing herein shall be construed as diminishing TB12's continuing obligations to comply with Proposition 65.

8. All notices required to be given to either Party to this Agreement by the other shall be in writing and sent to the following agents listed below via first-class mail, or via electronic mail

Initials TH 

where required. Courtesy copies of notices sent via first-class mail may also be sent via email.

FOR ENVIRONMENTAL RESEARCH CENTER, INC.:

Chris Heptinstall, Executive Director, Environmental Research Center
3111 Camino Del Rio North, Suite 400
San Diego, CA 92108
Tel: (619) 500-3090
Email: chris.heptinstall@erc501c3.org

With a copy to:

Charles W. Poss
Environmental Research Center, Inc.
3111 Camino Del Rio North, Suite 400
San Diego, CA 92108
Ph: (619) 500-3090
Email: charles.poss@erc501c3.org

FOR TB12, INC.:

Tom Heling
TB12 – VP: Merchandising
135 William T Morrissey Blvd
Boston, MA 02125
Email: tom.heling@tb12sports.com


With a copy to:

Arameh Z. O'Boyle
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
Century Plaza Towers
2049 Century Park East, Suite 300
Los Angeles, CA 90067
Phone: (310) 226-7846
Email: AZOBoyle@mintz.com

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


9. After executing this Agreement, ERC will submit to the California Attorney General a Report of Settlement. In addition, ERC will provide to the California Attorney General a signed copy of this Agreement. The Parties acknowledge and agree that the Parties shall provide as much information as is requested by the California Attorney General, or any other governmental agency, regarding the Notice, the settlement, and this Agreement.

10. This Agreement contains the entire agreement between the Parties with regard to settlement of the Notice, and supersedes all prior or contemporaneous agreements or understandings, written or oral, with regard to the Notice as set forth in this Agreement. This

Initials TH 

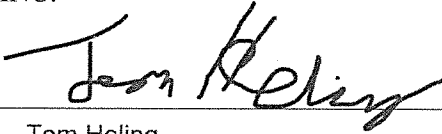
Agreement may be amended or modified as to injunctive terms only in whole or in part at any time only by an agreement in writing executed by the Parties.

11. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective owners, principals, shareholders, members, managers, officers, directors, employees, agents, successors, and assigns.
12. No inference, assumption or presumption shall be drawn, and no provision of this Agreement shall be construed against any of the Parties, based upon the fact that one of the Parties and/or one of the Parties' attorneys prepared and/or drafted all or any portion of this Agreement. It is conclusively presumed that the Parties participated equally in the preparation and drafting of this Agreement.
13. If any provision, term, or section of this Agreement is found to be invalid, illegal, or unenforceable, then all remaining provisions, terms, or sections shall continue in full force and effect and remain binding on the Parties. If any provision, term, or section of this Agreement is determined to be unenforceable, then such provision, term, or section may be modified so that the unenforceable provision, term, or section is enforceable to the greatest extent possible.
14. This Agreement shall be deemed to have been entered into in the State of California and governed and interpreted by the laws of the State of California, regardless of the physical locations of the individuals executing this Agreement at the time of execution.
15. The Parties acknowledge by signing this Agreement that they have a right to consult an attorney and that they have either consulted their attorney(s) with respect to the Notice and the terms and conditions of this Agreement or have made the decision not to consult with an attorney regarding the Notice and the terms and conditions of this Agreement. The Parties further acknowledge that they fully understand this Agreement and the effect of signing and executing this Agreement.
16. Any legal action to enforce this Agreement shall be brought in the county of Alameda of the State of California. ERC shall be entitled to recover its reasonable attorneys' fees and costs that are necessary and required to enforce the Agreement pursuant to California Code of Civil Procedure section 1021.5.
17. This Agreement may be signed in counterparts, and each counterpart, as well as any facsimile, e-mail, copy of this Agreement, or any other counterpart, shall be deemed to be an original.
18. Each of the individuals who execute this Agreement represents and warrants they have the authority to execute this document and bind the respective Parties to the terms and conditions of this Agreement, and have read, understand, and agree to all the terms and conditions in this Agreement.

Initials TH 

DATED: 12/9/24

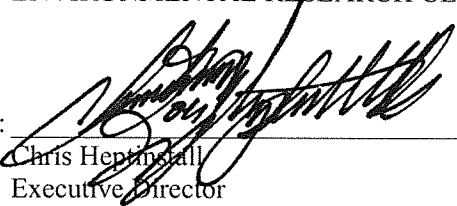
TB12, INC.

By: 

Name: Tom Heling
Title: TB12 - VP Merchandising

DATED: 12/9/24

ENVIRONMENTAL RESEARCH CENTER, INC.

By: 

Chris Heptinstall
Executive Director

Initials 