

## **SETTLEMENT AGREEMENT**

### **1. INTRODUCTION**

#### **1.1 Parties**

This Settlement Agreement is entered into by and between Environmental Health Advocates, Inc. (“EHA”), on the one hand, and Trader Joe's Company (“Trader Joe's”), on the other hand, with EHA and Trader Joe's each individually referred to as a “Party” and collectively as the “Parties.” EHA alleges that Trader Joe's is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code § 25249.6 *et seq.* (“Proposition 65”).

#### **1.2 General Allegations**

EHA alleges that Trader Joe's manufactures, sells, and/or distributes for sale in California, Cold Pressed Juice- Green (SKU #52902) that allegedly contains cadmium and that it does so without first providing the health hazard warning required by Proposition 65. Cadmium is listed pursuant to Proposition 65 as a chemical known to cause cancer and developmental/reproductive harm.

#### **1.3 Product Description**

The products covered by this Settlement Agreement are defined as, and expressly limited to Trader Joe's Cold Pressed Juice- Green (SKU #52902) (“Covered Products”), that are sold and/or distributed for sale in California by Trader Joe's.

#### **1.4 Notice of Violation**

EHA alleges that on or around October 11, 2024, it served Trader Joe's, the California Attorney General, and certain other public enforcement agencies with a 60-Day Notice of Violation of Proposition 65 (“Notice”). The Notice alleged that Trader Joe's had violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposures to cadmium contained in Covered Products.

To the best of the parties' knowledge, no public enforcer has commenced or is otherwise prosecuting an action to enforce the violations alleged in the Notice.

### **1.5 No Admission**

Trader Joe's denies the material, factual, and legal allegations in the Notice and maintains that all of the products it sold and/or distributed for sale in California, including Covered Products, have been, and are, in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by Trader Joe's of any fact, finding, conclusion, issue of law or violation of law, nor shall compliance with this Settlement Agreement constitute or be construed as an admission by Trader Joe's of any fact, finding, conclusion, issue of law or violation of law, such being specifically denied by Trader Joe's. This Section shall not, however, diminish or otherwise affect Trader Joe's' obligations, responsibilities, and duties under this Settlement Agreement.

### **1.6 Effective Date**

For purposes of this Settlement Agreement, the term "Effective Date" shall mean the date this Settlement Agreement is executed by the Parties.

### **1.7 Compliance Date**

For purposes of this Settlement, the term "Compliance Date" means 90 days from the Effective Date.

## **2. INJUNCTIVE RELIEF**

### **2.1 Reformulation Standard**

Beginning on the Compliance Date, if any Covered Product exposes a person to a Daily Cadmium Exposure Level of more than 4.1 micrograms per day, Trader Joe's shall either (1) not directly sell any Covered Product in the State of California or (2) or only directly sell any Covered Product in the State of California that meets the warning requirements under Section 2.2. .

### **2.2 General Warning Requirements**

Commencing on the Compliance Date, Trader Joe's agrees any Covered Product sold in California that was not reformulated pursuant to paragraph 2.1 shall contain a Proposition 65 warning. Trader Joe's agrees that each warning shall be prominently placed with such conspicuousness, as compared with other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions before

purchase or use.

For purposes of this Settlement Agreement, a clear and reasonable warning for the Covered Products shall consist of a warning affixed to the packaging, label, tag, directly to each Covered Products sold in California by Trader Joe's, or on a placard, shelf tag, sign or electronic device or automatic process that contains one of the following statements:

SHORT FORM

1) **“WARNING:” [or] “CA WARNING:” [or] “CALIFORNIA WARNING:”**: Consuming this product can expose you to cadmium which is known to the State of California to cause birth defects or other reproductive harm. For more information go to [www.P65Warnings.ca.gov/food](http://www.P65Warnings.ca.gov/food).

OR

2) **“WARNING:” [or] “CA WARNING:” [or] “CALIFORNIA WARNING:”** Risk of reproductive harm from exposure to cadmium. See [www.P65Warnings.ca.gov/food](http://www.P65Warnings.ca.gov/food).

OR

SHORT FORM

3) **“WARNING:” [or] “CA WARNING:” [or] “CALIFORNIA WARNING:”** Can expose you to cadmium, a reproductive toxicant. See [www.P65Warnings.ca.gov/food](http://www.P65Warnings.ca.gov/food).

OR

SHORT FORM ON  
A PRODUCT  
MANUFACTURED/  
LABELED PRIOR  
TO 1/1/28,  
REGARDLESS OF  
DATE OF SALE

4) **WARNING: Reproductive Harm –**  
[www.P65Warnings.ca.gov/food](http://www.P65Warnings.ca.gov/food).

Pursuant to Section 25607.1, where the warning is provided on the food product label, it must be set off from other surrounding information and enclosed in a box. Where a specific food

product sign, label, placard, or shelf tag is used to provide a warning, it must be displayed with such conspicuousness, as compared with other words, statements, or designs as to render it likely to be read and understood by an ordinary individual prior to sale. In no case shall a warning statement appear in a type size smaller than 6-point type. Where a sign, labeling, or label as defined in Section 25600.1 is used to provide a warning that includes consumer information about a product in a language other than English, the warning must also be provided in that language in addition to English. Notwithstanding the above, if Trader Joe's is required to provide a warning pursuant to Section 2.1, the warning content and method of transmission shall be provided in any form as authorized by any Proposition 65 law or regulation effective on or after the Effective Date.

There shall be no obligation for Trader Joe's to provide a warning for Covered Products that entered the stream of commerce prior to the Compliance Date, and the Section 4 release applies to all such Covered Products.

(i) Changes in Warning Regulations or Statutes

In the event that the Office of Environmental Health Hazard Assessment promulgates one or more regulations requiring or permitting Proposition 65 warning text and/or methods of transmission applicable to the Covered Products and the chemical at issue, which are different than those set forth above, Trader Joe's shall be entitled to use, at its discretion, such other warning text and/or method of transmission without being deemed in breach of this Agreement. Trader Joe's shall be entitled to use such other warning text and/or method of transmission without prior notice to EHA. If regulations or legislation are enacted providing that Proposition 65 warnings as to cadmium in this product are no longer required, a lack of warning by Trader Joe's will not thereafter be a breach of this Agreement.

**2.3 Grace Period for Existing Inventory of Covered Products**

The injunctive requirements of Section 2 shall not apply to Covered Products that are already in the stream of commerce as of the Compliance Date, which Covered Products are expressly subject to the releases provided in Section 4.1. For the avoidance of doubt, Covered

Products in the stream of commerce specifically include, but are not limited to, Covered Products in the process of manufacture.

### **3. MONETARY SETTLEMENT TERMS**

#### **3.1 Civil Penalty Payment**

Pursuant to Health and Safety Code § 25249.7(b)(2), and in settlement of all claims alleged in the Notice or referred to in this Settlement Agreement, Trader Joe's agrees to pay two thousand dollars (\$2,000.00) in civil penalties. The penalty payment will be allocated in accordance with California Health and Safety Code §§ 25249.12(c)(1) & (d), with 75% of the penalty amount paid to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty amount retained by EHA. Trader Joe's shall issue two separate checks for the initial civil penalty payment to (a) "OEHHA" and (b) Environmental Health Advocates, Inc. as follows:

- One payment of \$1,500.00 to OEHHA, due fourteen (14) days after the Effective Date.
- One payment of \$500.00 to EHA, due fourteen (14) days after the Effective Date.

All payments owed to OEHHA (EIN: 68-0284486), pursuant to this Section shall be delivered directly to OEHHA (Memo Line "Prop 65 Penalties") at the following addresses:

For United States Postal Service Delivery:

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

For Non-United States Postal Service Delivery:

Mike Gyurics  
Fiscal Operations Branch Chief  
Office of Environmental Health Hazard Assessment  
1001 I Street  
Sacramento, CA 95814

All penalty payments owed to EHA shall be sent to:

Isaac Fayman  
Environmental Health Advocates  
225 Broadway, Suite 1900  
San Diego, CA 92101

### **3.2 Attorney Fees and Costs**

The Parties reached an accord on the compensation due to EHA and its counsel under the private attorney general doctrine and principles of contract law. Under these legal principles, Trader Joe's agrees to pay twenty thousand five hundred dollars (\$20,500.00) to EHA and its counsel for all fees and costs incurred in investigating, bringing this matter to the attention of Trader Joe's, and negotiating a settlement. The twenty thousand five hundred dollars (\$20,500.00) is due fourteen (14) days after the Effective Date.

All payments required under this Section shall be delivered to:

Noam Glick  
Entorno Law, LLP  
225 Broadway, Suite 1900  
San Diego, CA 92101

### **3.3 Tax Documentation**

Trader Joe's agrees to provide a completed IRS 1099 for its payments to, and EHA agrees to provide IRS W-9 forms for, each of the payees under this Settlement Agreement. The Parties acknowledge that Trader Joe's cannot issue any settlement payments pursuant to Section 3.1 and 3.2 above until after Trader Joe's receives the requisite W-9 forms from EHA's counsel.

## **4. CLAIMS COVERED AND RELEASED**

### **4.1 EHA's Release of Trader Joe's**

This Settlement Agreement is a full, final, and binding resolution of all claims between EHA, on its own behalf and not on behalf of the public, and Trader Joe's for all claims that can or could have been asserted by EHA, on its own behalf, and on behalf of its past, current, and future agents, representatives, attorneys, successors and assignees, employees, devisees, joint venturers, partners, executors, trustees, and administrators ("Releasing Parties") against Trader Joe's and each of its past, current, and future parents, subsidiaries, affiliated entities under common ownership,

partners, directors, officers, managers, representatives, members, employees, attorneys, insurers, administrators (“Trader Joe’s Released Parties”) and any entity, including, but not limited to each entity to whom Trader Joe’s directly or indirectly distributes or sells the Covered Products, including, but not limited to, its downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members and licensees (“Downstream Released Parties”), as well as its upstream suppliers, distributors, wholesalers, and any other upstream entity in the distribution chain for the Covered Product (“Upstream Released Parties”) (together with Trader Joe’s Released Parties and Upstream Released Parties, the “Releasees”), based on the alleged failure to warn about exposures required under Proposition 65 for the Covered Products imported, manufactured, sold or distributed for sale in California by Trader Joe’s, as alleged in the Notice, or for any other reason, and fully resolves all claims that have been asserted or could have been asserted for failure to provide Proposition 65 warnings for the Covered Product.

In further consideration of the promises and agreements herein contained, EHA on its own behalf and not on behalf of the public, on behalf of its past, current and future agents, representatives, attorneys, successors and assignees, employees, devisees, joint venturers, partners executor, trustees, and administrators, hereby waives any and all rights it may have to institute or participate in, directly or indirectly, any form of legal action and releases all claims against Trader Joe’s and Releasees including, without limitation, all actions and causes of action in law or equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses or expenses including, but not exclusively, investigation fees, expert fees and attorney fees arising under Proposition 65 with respect to the alleged or actual failure to warn about exposures required under Proposition 65 in the Covered Products manufactured, distributed, sold or offered for sale by Trader Joe’s.

#### **4.2 Trader Joe’s Release of EHA**

Trader Joe’s, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against EHA and its attorneys and other representatives, for any and all actions taken or statements made

by EHA and its attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against it in this matter, or with respect to the Covered Products.

#### **4.3 California Civil Code Section 1542**

It is possible that other claims not known to EHA arising out of the facts alleged in the Notice and relating to the Covered Products will develop or be discovered. EHA on behalf of itself only acknowledges that this Settlement Agreement is expressly intended to cover and include all such claims up through the Effective Date. EHA acknowledges that the claims released in Sections 4.1 and 4.2 may include unknown claims, and nevertheless waive California Civil Code section 1542 as to any such unknown claims. California Civil Code section 1542 reads as follows:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

EHA acknowledges and understands the significance and consequences of this specific waiver of California Civil Code § 1542.

#### **4.4 Representation and Warranty.**

EHA represents and warrants that it has no intention to and will not persuade, encourage, or convince others to assert or raise any claims against the Released Parties regarding the Covered Products.

#### **5. PUBLIC BENEFIT**

It is Trader Joe's understanding that the commitments it has agreed to herein, and actions to be taken by Trader Joe's under this Settlement Agreement confer a significant benefit to the general public, as set forth in Code of Civil Procedure § 1021.5 and Cal. Admin. Code tit. 11, § 3201. As such, it is the intent of Trader Joe's that to the extent any other private party serves a notice and/or initiates an action alleging a violation of Proposition 65 with respect to Trader Joe's'



alleged failure to provide a warning concerning actual or alleged exposure to cadmium prior to use of the Covered Products it has manufactured, distributed, sold, or offered for sale in California, or will manufacture, distribute, sell, or offer for sale in California, such private party action would not confer a significant benefit on the general public as to those Covered Products addressed in this Settlement Agreement, provided that Trader Joe's is in material compliance with this Settlement Agreement.

**6. SEVERABILITY**

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

**7. GOVERNING LAW**

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

**8. ENFORCEMENT**

In any action to enforce the terms of this Settlement Agreement, the prevailing party shall be entitled to its reasonable attorneys' fees and costs.

**9. NOTICE**

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

For Trader Joe's:

Natalie D. Camastra  
O'Melveny & Meyers LLP  
400 South Hope Street, 18th Floor  
Los Angeles, CA 90071  
ncamastra@omm.com

For EHA:

Noam Glick  
Entorno Law, LLP  
225 Broadway, Suite 1900  
San Diego, CA 92101

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.

**10. COUNTERPARTS; FACSIMILE SIGNATURES**

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

**11. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)**

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

**12. MODIFICATION**

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

**13. AUTHORIZATION**

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

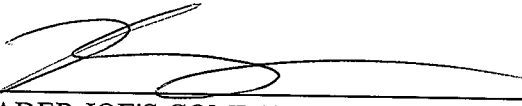
**AGREED TO:**

Date: 5/16/25

By:   
ENVIRONMENTAL HEALTH  
ADVOCATES, INC.

**AGREED TO:**

Date: 5/23/25

By:   
TRADER JOE'S COMPANY