

SETTLEMENT AGREEMENT AND RELEASE

1. INTRODUCTION

1.1 Parties

This Settlement Agreement and Release (“Agreement”) is entered into by and between Environmental Health Advocates, Inc. (“EHA”), on the one hand, and Ahi Mahi Enterprise, LLC (“Ahi Mahi”), on the other hand, with EHA and Ahi Mahi each individually referred to as a “Party” and collectively as the “Parties.” EHA is a corporation in the State of California serving in the interest of the general public by seeking to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances used in consumer products. EHA alleges that Ahi Mahi 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 Ahi Mahi sells, purchases and/or distributes in California, thermal receipt paper products that contain Bisphenol S (BPS) and that it does so without first providing the health hazard warning required by Proposition 65. BPS is listed pursuant to Proposition 65 as a chemical known to cause reproductive harm.

1.3 Product Description

The product covered by this Agreement is thermal receipt paper (“Covered Product”), that is used, distributed, and/or provided to customers in California by Ahi Mahi.

1.4 Notice of Violation

EHA served Ahi Mahi, the California Attorney General, and certain other public enforcement agencies with a 60-Day Notice of Violation of Proposition 65 dated July 25, 2025. The notice alleged that Ahi Mahi violated Proposition 65 by failing to sufficiently warn consumers in California of harm that may potentially results from exposures to BPS contained in Covered Product. This notice was subsequently amended by letter dated September 26, 2025 to identify the location(s) where the exposures occurred. Collectively, the July 25 and the September 26 documents are referred to herein as the “Notice”.

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

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

1.6 Effective Date

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

2. INJUNCTIVE RELIEF

2.1 Reformulation Standard

Beginning sixty (60) days after the Effective Date, Defendant shall be permanently enjoined from purchasing for use, distributing, or providing, thermal receipt paper in California that is not BPS Free. "BPS Free" means thermal paper that contains less than 200 parts per million ("ppm") of BPS or Bisphenol A ("BPA") when tested for total content using a Liquid Chromatography Mass-Spectrometer, and does not contain either BPA or BPS as an intentionally added ingredient.

2.2 Grace Period for Existing Inventory of the Covered Product

The injunctive requirements of Section 2.1 shall not apply to Covered Product that is already in or enters the stream of commerce as of sixty (60) days after the Effective Date, which Covered Product is expressly subject to the releases provided in Section 4.1. For the avoidance of doubt, Covered Product that is in the stream of commerce specifically includes, but is not limited to, Covered Product that was procured or in use by Ahi Mahi prior to sixty (60) days after the Effective Date.

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 Agreement, Ahi Mahi agrees to pay one thousand dollars (\$1,000.00) in civil penalties. The penalty payment will be allocated in accordance with California Health and Safety Code §§ 25249.12(c)(1) & (d), with 75% of the penalty amount paid to the California Office of Environmental Health Hazard Assessment (“OEHHA”) and the remaining 25% of the penalty amount retained by EHA. Ahi Mahi 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 \$750.00 to OEHHA, due thirty (30) days after the Effective Date.
- One payment of \$250.00 to EHA, due thirty (30) 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:

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, Ahi Mahi agrees to pay a total amount equivalent to seventeen thousand dollars (\$17,000.00) to EHA and its counsel for all fees and costs incurred in investigating, bringing this matter to the attention of Ahi Mahi, and negotiating a settlement. This payment shall be payable to Entorno Law, LLP in three installments of \$5,668, \$5,666, and \$5,666 due, respectively, 30, 60, and 90 days after the Effective Date.

All payments required under this Section shall be payable to Entorno Law, LLP and delivered to:

Attn: Isaac Fayman
Entorno Law, LLP
225 Broadway, Suite 1900
San Diego, CA 92101

3.3 Tax Documentation

Ahi Mahi 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 Agreement. The Parties acknowledge that Ahi Mahi cannot issue any settlement payments pursuant to Section 3.1 and 3.2 above until after Ahi Mahi receives the requisite W-9 forms from EHA's counsel.

4. CLAIMS COVERED AND RELEASED

4.1 EHA's Release of Ahi Mahi

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

required under Proposition 65 in the Covered Product sold, used or distributed for sale in California by Ahi Mahi before sixty (60) days after the Effective Date, as alleged in the Notice, or for any other reason.

In further consideration of the promises and agreements herein contained, EHA on its own behalf, on behalf of its past and current agents, representatives, attorneys, successors and assignees hereby waives any and all rights it may have to institute or participate in, directly or indirectly, any form of legal action and releases all claims against Ahi Mahi and Releasees including, without limitation, all actions and causes of action, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses or expenses including, but not exclusively, investigation fees, expert fees and attorney fees arising under Proposition 65 with respect to the alleged or actual failure to warn about exposures to BPS or BPA required under Proposition 65 in the Covered Product used, manufactured, distributed, sold or offered for sale by Ahi Mahi, before sixty (60) days after the Effective Date. EHA covenants to voluntarily dismiss with prejudice within twenty (20) days of filing any legal actions for which it has waived rights under this Agreement.

4.2 Ahi Mahi's Release of EHA

Ahi Mahi, 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 Product.

4.3 California Civil Code Section 1542

It is possible that other claims not known to the Parties arising out of the facts alleged in the Notice and relating to the Covered Product will develop or be discovered. EHA on behalf of itself only, on one hand, and Ahi Mahi on behalf of itself only, on the other hand, acknowledge that this Agreement is expressly intended to cover and include all such claims up through the Effective Date. The Parties acknowledge 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 and Ahi Mahi each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code § 1542.

5. PUBLIC BENEFIT

It is Ahi Mahi's understanding that the commitments it has agreed to herein, and actions to be taken by Ahi Mahi under this 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 Ahi Mahi that to the extent any other private party serves a notice of violation and/or initiates an action alleging a violation of Proposition 65 with respect to Ahi Mahi's alleged failure to provide a warning concerning actual or alleged exposure to BPS or BPA such private party action would not confer a significant benefit on the general public as to the Covered Product addressed in this Agreement, provided that Ahi Mahi is in material compliance with this Agreement. To the extent that any such notice of violation and/or action is initiated by any other private party, EHA covenants to make best efforts to support Ahi Mahi in seeking withdrawal or dismissal (respectively).

6. SEVERABILITY

If, subsequent to the execution of this Agreement, any provision of this 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 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. If EHA alleges that Ahi Mahi has failed to comply with the injunctive terms of this Agreement, prior to filing an action or a notice of violation as to Ahi Mahi or any Releasee, EHA shall first provide Ahi Mahi sixty (60) days' advance written notice of

the alleged violation(s). EHA shall provide testing results, lot numbers, and photographs of the Covered Product and its packaging for the Covered Product at issue. The Parties shall meet and confer during such sixty (60) day period in an effort to resolve the matter informally without the need for a new 60 day notice of violation or litigation. If the matter is not resolved within sixty (60) days, EHA can file a new notice of violation.

9. NOTICE

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

For Ahi Mahi:

Clare Ellis
Hunton Andrews Kurth LLP
50 California Street, Suite 1700
San Francisco, CA 94111
CEllis@hunton.com

For EHA:

Noam Glick
Entorno Law, LLP
225 Broadway, Suite 1900
San Diego, CA 92101
noam@glicklawgroup.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.

10. COUNTERPARTS; FACSIMILE SIGNATURES

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

13. AUTHORIZATION

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

AGREED TO:

AGREED TO:

Date: 1/9/25

Date: 10/24/25

By: [Signature]
ENVIRONMENTAL HEALTH
ADVOCATES, INC.

By: [Signature]
AHI MAHI ENTERPRISE, LLC