

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 behalf of and at the direction of the manufacturer(s) of the Covered Products (defined below), on the other hand. EHA and Trader Joe’s are each individually referred to as a “Party” and collectively as the “Parties.” EHA is a corporation in the State of California. 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 sells in California Trader Joe’s Chao Tom (SKU 77102) that allegedly contains lead and that it does so without first providing a warning required by Proposition 65. Lead is listed pursuant to Proposition 65 as a chemical known to cause cancer and developmental/reproductive toxicity.

1.3 Product Description

The products covered by this Settlement Agreement are defined as, and expressly limited to, Trader Joe’s Chao Tom (SKU 77102) (“Covered Products”), that are or were sold in California directly by Trader Joe’s.

1.4 Notice of Violation

EHA alleges that on or around February 6, 2026, EHA 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 lead contained in the 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 the 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. Trader Joe's enters into this Settlement Agreement on behalf of and at the direction of the manufacturer(s) of the Covered Products (defined below). 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 after the Effective Date.

2. INJUNCTIVE RELIEF

2.1 Cessation of Sales in California

Beginning on the Compliance Date, and continuing thereafter, Trader Joe's shall not sell the Covered Products in California.

2.2 Grace Period for Existing Inventory of Covered Products

The injunctive requirements of Section 2 above shall not apply to Covered Products that have been manufactured, produced, or in the stream of commerce as of the Compliance Date. Such Covered Products are expressly subject to the releases provided in Section 4.1 below without regard to when such products were, or are in the future, processed or packaged, or shipped,

delivered, distributed, or sold to Trader Joe's and/or consumers. As a result, the obligation of Trader Joe's or of any Releasees (if applicable) under Section 2.1 do not apply to the Covered Product manufactured or produced on or prior to the Compliance 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 Settlement Agreement, Trader Joe's agrees to pay three thousand (\$3,000.00) in civil penalties within thirty (30) days of the Effective Date and Trader Joe's receipt of the W9s for the California Office of Environmental Health Hazard Assessment ("OEHHA") and EHA. 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 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 \$2,250.00 to OEHHA, due thirty (30) days after the Effective Date and Trader Joe's receipt of the W9s for OEHHA and EHA.
- One payment of \$750.00 to EHA, due thirty (30) days after the Effective Date and Trader Joe's receipt of the W9s for OEHHA and EHA.

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, Trader Joe's agrees to pay twenty two thousand (\$22,000.00) 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 two thousand (\$22,000.00) is due thirty (30) days after the Effective Date and Trader Joe's receipt of the W9s for EHA and Entorno Law.

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

Isaac Fayman
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. Trader Joe's shall have no responsibility whatsoever for any income or other tax payable resulting from

EHA's and its counsel's receipt of any settlement proceeds under this Agreement. EHA and its counsel are solely responsible for any income or other tax payable resulting from the receipt of any settlement proceeds under this Agreement.

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 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, shareholders, 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 manufacturers, vendors, 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 Downstream Released Parties, the "Releasees") based on the alleged failure to warn about exposures to lead required under Proposition 65 for the Covered Products imported, 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, 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 to lead required under Proposition 65 in the Covered Products imported, sold or distributed 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.

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 Products will develop or be discovered. EHA on behalf of itself only, on one hand, and Trader Joe's on behalf of itself only, on the other hand, acknowledge that this Settlement 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 Trader Joe's each acknowledge and understand 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 lead 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 & Myers LLP
400 South Hope St, Ste 1900
Los Angeles, CA 90071

and

Kathryn Cahan
Trader Joe's Company
800 S. Shamrock Ave.
Monrovia, CA 91016

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.

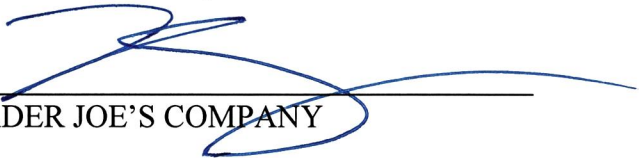
AGREED TO:

AGREED TO:

Date: 9/25/26

Date: 9/23/26

By: 
ENVIRONMENTAL HEALTH
ADVOCATES, INC.

By: 
TRADER JOE'S COMPANY