

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 Tanimura & Antle Fresh Foods, Inc. (“Tanimura & Antle”), on the other hand, with EHA and Tanimura & Antle 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 Tanimura & Antle 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 Tanimura & Antle either manufactures, grows, packages, imports, sells, directly or indirectly offers for sale and/or distributes for sale in California, or some combination of the foregoing, lettuce products that contain cadmium and lead 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 developmental and reproductive toxicity. Lead is listed pursuant to Proposition 65 as a chemical known to cause cancer and reproductive harm.

1.3 Product Description

The products covered by this Settlement Agreement are defined as, and expressly limited to all sizes and forms of packaging of Tanimura & Antle Artisan Lettuce and Tanimura & Antle Artisan Sweet Gem Lettuce (“Covered Products”), that are or were either manufactured, grown, packaged, imported, sold, directly or indirectly offered for sale, and/or distributed for sale in California by Tanimura & Antle. This Settlement Agreement expressly applies to any reformulated or updated versions of the Covered Products.

1.4 Notice of Violation

On or around December 5, 2025, and on February 27, 2026, EHA served Tanimura & Antle, Smart & Final Stores, LLC and Sprouts Farmer's Markets, Inc., the California Attorney General, and certain other public enforcement agencies with 60-Day Notice of Violation of Proposition 65 letters (collectively, the "Notice"). The Notice alleged that Tanimura & Antle had violated Proposition 65 by failing to sufficiently warn consumers in California that the Covered Products allegedly contain cadmium and lead.

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

Tanimura & Antle denies the material, factual, and legal allegations in the Notice and maintains that all of the products it sold, directly or indirectly offered for sale 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 against interest by Tanimura & Antle 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 against interest by Tanimura & Antle of any fact, finding, conclusion, issue of law or violation of law, such being specifically denied by Tanimura & Antle. This Section shall not, however, diminish or otherwise affect Tanimura & Antle'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 and both Parties have notice thereof.

2. INJUNCTIVE RELIEF

2.1 Reformulation Standard

On and after the Reformulation Date, and as further detailed in Section 2.2, Tanimura & Antle shall be permanently enjoined from either manufacturing, growing, packaging, importing,

selling, offering for sale or distributing for sale in California, or directly selling in the State of California, any Covered Product it packages on and after the Reformulation Date that exposes a person to (a) a “Daily Cadmium Exposure Level” of more than 4.1 micrograms of cadmium per day based on a single serving per day or (b) a “Daily Lead Exposure Level” of more than 0.5 micrograms of lead based on a single serving per day, unless such Covered Products comply with the warning requirements of Section 2.2. For purposes of this Settlement Agreement, a single daily serving of Tanimura & Antle Artisan Lettuce is 56.25 grams and a single daily serving of Tanimura & Antle Artisan Sweet Gem Lettuce is 70.5 grams. The “Reformulation Date” shall be forty-five (45) days from the Effective Date.

2.2 General Warning Requirements

Commencing on the Reformulation Date, and subject to Section 2.3, Tanimura & Antle agrees any Covered Product subject to this Settlement Agreement packaged on and after the Reformulation Date that does not meet the Reformulation Standard pursuant to Section 2.1 shall contain a “clear and reasonable” Proposition 65 warning, within the meaning of Section 25249.6 of the Act. Tanimura & Antle 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 seen, read and understood by an ordinary individual under customary conditions before purchase or use. Each warning shall be provided in a manner such that the consumer or user understands to which specific Covered Products the warning applies, and which listed chemical(s) is/are implicated, so as to minimize the risk of consumer confusion.

For purposes of this Settlement Agreement, a clear and reasonable warning for the Covered Products shall consist of a product-specific warning via one or more of the following methods: (1) A posted sign, shelf tag, or shelf sign for the consumer product at each point of display of the product; or (2) Any electronic device or process that automatically provides the warning to the purchaser (not applicable to internet purchases, which are subject to the provisions of § 25602(b)); or (3) A warning directly affixed to the product’s label or tag; or (4) A short-form warning on the label that complies with the content requirements set forth in §§ 25603(b) and 25603(a).

Specifically, pursuant to § 25603(a) – (d), one of the following statements must be utilized:

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

OR

SHORT FORM

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

OR

SHORT FORM

3) **“WARNING:” [or] “CA WARNING:” [or] “CALIFORNIA WARNING:”** Can expose you to lead, a carcinogen, and cadmium and lead, reproductive toxicants. See 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:** Cancer and Reproductive Harm – 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.

A short-form warning must be provided on a product in a type size that complies with Cal. Code Regs Tit. 27, § 25601(c). In no case shall a warning statement displayed on the Covered Products' packaging appear in a type size smaller than 6-point type. Where a sign, labeling, or label as defined in Section 256001.1 is used to provide a warning that includes "consumer information" (as defined under Proposition 65) about a product in a language other than English, the warning must also be provided in that language in addition to English.

As set forth in Cal. Code Regs. Tit. 27, § 25602(b), to the extent Tanimura & Antle sells Covered Products online via a proprietary website, Tanimura & Antle shall provide a warning that complies with the content requirements of Cal. Code Regs Tit. 27, § 25603 via at least one of the following methods: (1) A warning on the product display page; (2) A clearly marked hyperlink using the word "WARNING" or the words "CA WARNING" or "CALIFORNIA WARNING" on the product display page that links to the warning; or (3) An otherwise prominently displayed warning provided to the California purchaser, or for a shipment to a California consumer, prior to completing the purchase. If a warning on the Covered Product is provided using the short-form label content pursuant to Section 25602(a)(4), the warning provided on the Tanimura & Antle proprietary website may use the same content. For purposes of this section, a warning is not prominently displayed if the purchaser must search for it in the general content of the website. For internet sales made prior to 1/1/28, a third-party retail seller is not responsible under Section 25600.2(b) and (c) which updates a short-form warning compliant with Section 25603(c) with content compliant with Section 25603(b). These warning requirements extend to any websites under the exclusive control of Tanimura & Antle where Covered Products are sold to consumers in California. In addition, Tanimura & Antle shall instruct any third-party internet seller to which it directly sells its Covered Products to include the same warning for its third-party online sales, as set forth above, as a condition of selling the Covered Products in California.

There shall be no obligation for Tanimura & Antle to provide a warning for Covered Products packaged prior to the Reformulation Date, and the Section 4 releases apply to all such

Covered Products and Tanimura & Antle specifically bargained, and provided consideration, for said releases of claims.

(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, Tanimura & Antle 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. If regulations or legislation are enacted, or if litigation in California state or federal courts results in an outcome that provides that Proposition 65 warnings as to lead and/or cadmium in the Covered Products are no longer required, a lack of warning by Tanimura & Antle will not thereafter be a breach of this Agreement. After the Reformulation Date, if a warning is required, Tanimura & Antle also may use any form of “safe harbor” method and content for Proposition 65 warnings in effect at the time a Covered Product is packaged.

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 manufactured, or packaged, or in the stream of commerce as of the Effective Date, nor to Covered Products manufactured or packaged prior to the Reformulation Date, which Covered Products are expressly subject to the releases provided in Section 4.1.

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, Tanimura & Antle agrees to pay three thousand dollars (\$3,000.00) in civil penalties within twenty (20) business days of the Effective Date. 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.

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, Tanimura & Antle agrees to pay twenty-seven thousand dollars (\$27,000.00) within twenty (20) business days of the Effective Date to EHA and its counsel for all fees and costs incurred in investigating, bringing this matter to the attention of Tanimura & Antle, and negotiating a settlement. The twenty-seven thousand dollars (\$27,000.00) in Attorney’s Fees and Costs, and the three thousand dollars (\$3,000.00) in civil penalties shall be payable to Entorno Law, LLP as one payment of \$30,000.00, due ten (10) business days after the Effective Date. Entorno Law, LLP agrees promptly to remit the OEHHA and EHA portions of the civil penalty payment after receipt of the payment.

All payments required under this Section shall be payable to Entorno Law, LLP and delivered via wire transfer or ACH. Within five (5) business days of the Effective Date EHA shall provide wire instructions for the payment herein.

3.3 Tax Documentation

Tanimura & Antle agrees to provide a completed IRS 1099 for its payment. EHA agrees to provide a current IRS W-9 form for the payee under this Settlement Agreement within five (5) business days of the Effective Date. The Parties acknowledge that Tanimura & Antle cannot issue any settlement payments pursuant to Section 3.1 and 3.2 above until after Tanimura & Antle receives the requisite W-9 form and wiring instructions from EHA’s counsel. Within five (5) business days of the Effective Date, EHA’s counsel agrees to provide the name and telephone number of a person at Entorno Law authorized to confirm the wire transfer prior to initiation thereof and full wiring instructions, including the Beneficiary Name; Beneficiary Address; Beneficiary Account Number with corresponding ABA or ACH Routing Number; Bank Name and Address; Swift Code; and Bank Key. This information is a condition precedent to Tanimura

& Antle's payment and each day this information is past due the payment due date shall be extended by the day or days the information is delayed. This information may be provided to Tanimura & Antle's counsel.

4. CLAIMS COVERED AND RELEASED

4.1 EHA's Release of Tanimura & Antle

This Settlement Agreement is a full, final, and binding resolution of all claims between EHA, on its own behalf, and Tanimura & Antle 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, predecessors, successors and assignees, against Tanimura & Antle 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 from whom Tanimura & Antle directly or indirectly purchased or sourced the Covered Products, or any ingredients therein, and each entity to whom Tanimura & Antle directly or indirectly distributed or sold the Covered Products, including, but not limited to, its downstream distributors, wholesalers, customers, retailers (including but not limited to Smart & Final Stores LLC and Sprouts Farmers Market, Inc.), franchisees, cooperative members and licensees (collectively, the "Releasees"), based on the failure to warn about exposures to cadmium and/or lead required under Proposition 65 in the Covered Products either manufactured, grown, packaged, imported, directly or indirectly sold, offered for sale or distributed for sale in California by Tanimura & Antle before the Reformulation Date, as alleged in the Notice, and including the Covered Products subject to Section 2.3, 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, predecessors, 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 Tanimura & Antle 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 cadmium and lead required under Proposition 65 in the Covered Products either manufactured, grown, packaged, imported, distributed, directly or indirectly sold or offered for sale or distributed for sale in California by Tanimura & Antle, before the Reformulation Date, including those Covered Products subject to Section 2.3.

4.2 Tanimura & Antle's Release of EHA

Tanimura & Antle, 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 up through the Effective Date.

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 Tanimura & Antle 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 Tanimura & Antle each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code § 1542.

4.4 Compliance with Proposition 65

Compliance by Tanimura & Antle with this Settlement Agreement shall constitute compliance with Proposition 65 by Tanimura & Antle and the Releasees with regard to alleged cadmium and lead in the Covered Products.

5. PUBLIC BENEFIT

It is the Parties' understanding that the commitments Tanimura & Antle has agreed to herein, and actions to be taken by Tanimura & Antle 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 position of Tanimura & Antle 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 Tanimura & Antle's alleged failure to provide a warning concerning actual or alleged exposure to cadmium or lead prior to use of the Covered Products either manufactured, grown, packaged, imported, distributed, directly or indirectly sold, or offered for sale in California, or either will import, manufacture, grow, package, distribute, directly or indirectly 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 Tanimura & Antle 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. The terms of this Settlement Agreement apply to the Parties and their respective predecessors, successors and assigns. The injunctive obligations of this Settlement Agreement do not apply to Covered Products that are not sold in California.

8. ENFORCEMENT

This Settlement Agreement is enforceable solely by the Parties hereto. In any action to enforce the terms of this Settlement Agreement, the prevailing party shall be entitled to its reasonable attorneys' fees and costs. Prior to enforcement, however, the aggrieved Party shall contact the allegedly breaching Party, provide information supporting its allegation of an alleged breach and the Parties initially shall meet and confer in good faith to endeavor amicably to resolve the alleged breach.

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 Tanimura & Antle:

Judith M. Praitis
Faegre Drinker Biddle & Reath LLP
1800 Century Park East, Suite 1500
Los Angeles, California 90067
judith.praitis@faegredrinker.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. Courtesy communications may be sent via email as well.

//

//

//

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.

14. TERMINATION


If not terminated sooner, this Settlement Agreement shall terminate without further action by any Party on the fifth (5th) anniversary of the Effective Date.

AGREED TO:

AGREED TO:

Date: 5/13/26

Date: May 12, 2026

By: 
ENVIRONMENTAL HEALTH
ADVOCATES, INC.

By: 
TANIMURA & ANTLE FRESH FOODS, INC.