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 Tai Foong USA Inc. ("Tai Foong"), on the other hand, with EHA and Tai Foong 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 Tai Foong 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 Tai Foong manufactures, sells, and/or distributes for sale in California, calamari products that contain cadmium and seafood medley products that contain lead and cadmium 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 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 Northern Chef Sea Salt & Pepper Calamari, which EHA alleges contains cadmium, and Northern Chef Seafood Medley, which EHA alleges contains lead and cadmium, ("Covered Products"), that are manufactured, sold and/or distributed for sale in California by Tai Foong.

1.4 Notice of Violation

On or around January 23, 2026 and April 24, 2026, EHA served Tai Foong, Smart & Final Stores LLC, Tawa Supermarket, 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 Tai Foong had violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposures to cadmium and lead 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

Tai Foong denies the material, factual, and legal allegations in the Notice and maintains that Covered Products it sold and/or distributed for sale in California have been, and are, in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by Tai Foong 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 Tai Foong of any fact, finding, conclusion, issue of law or violation of law, such being specifically denied by Tai Foong. This Section shall not, however, diminish or otherwise affect Tai Foong'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 30 days from the Reformulation Date.

2. INJUNCTIVE RELIEF

2.1 Reformulation Standard

On and after the Reformulation Date, and as further detailed in Section 2.2, Tai Foong 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 Northern Chef Sea Salt & Pepper Calamari is 85 grams and a single daily serving of Northern Chef Seafood Medley is 113 grams. The "Reformulation Date" shall be forty-five (45) days from the Effective Date.

2.2 General Warning Requirements

Commencing on the Compliance Date, Tai Foong agrees any Covered Product sold that was not reformulated pursuant to paragraph 2.1 shall contain a Proposition 65 warning. Tai Foong 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. Each warning shall be provided in a manner such that the consumer or user understands to which *specific* Covered Products the warning applies, so as to minimize the risk of consumer confusion. A warning provided with the content and by a method of transmission specified in Title 27, California Code of Regulations, sections 25600 *et seq*. shall be deemed to satisfy this Section 2.2.

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 Tai Foong, or on a placard, shelf tag, sign or electronic device or automatic process that contains one of the following statements:

<u>If Warning for Cadmium</u>

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.

OR

SHORT FORM

2) **"WARNING:" [or] "CA WARNING:" [or] "CALIFORNIA WARNING**:" Risk of reproductive harm from exposure to cadmium. See 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.

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.

<u>If Warning for Lead or Lead and Cadmium</u>

1) **"WARNING:" [or] "CA WARNING:" [or] "CALIFORNIA WARNING:"**: Consuming this product can expose you to chemicals including lead, which is 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.

OR

SHORT FORM

2) **"WARNING:" [or] "CA WARNING:" [or] "CALIFORNIA WARNING**:" Risk of [cancer and] reproductive harm from exposure to 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] reproductive toxicant. 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.

Language in brackets is optional. Tai Foong shall use the phrase "cancer and" or carcinogen and" in the warning if the anticipated exposure level is greater that 15 micrograms of lead per day.

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.

As set forth in Cal. Code Regs. Tit. 27, § 25602 (b), to the extent Covered Products are sold online, a warning that complies with the content requirements of Cal. Code Regs Tit. 27, §

25603 must be provided via 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 purchaser prior to completing the purchase. If a warning is provided using the short-form label content pursuant to Section 25602(a)(4), the warning provided on the 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 purchases made prior to 1/1/28, a retail seller is not responsible under Section 25600.2(e)(4) for conspicuously posting or displaying the new warning online until 60 calendar days after the retailer receives a warning or a written notice 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 requirements extend to any websites under the exclusive control of Tai Foong where Covered Products are sold into California.

There shall be no obligation for Tai Foong to provide a warning for Covered Products that entered the stream of commerce prior to the Effective 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 ("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 chemical at issue, which are different than those set forth above, Tai Foong 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 providing that Proposition 65 warnings as to cadmium and lead in this product are no longer required, a lack of warning by Tai Foong will not thereafter be a breach of this Agreement. If a California state court or federal court located in California, the California Legislature, or OEHHA determines that Lead and/or Cadmium-based food exposures under Proposition 65 are required to be calculated according to a different frequency or methodology than the methodology set forth in Section 2.1 ("Triggering Event"), either Party may request that this Settlement Agreement be modified to conform to the frequency or methodology established by the Triggering Event. The Parties shall meet and confer in good faith regarding such modification, and shall execute any amendment reasonably necessary under the procedures set forth in Section 12 to conform this Settlement Agreement to the frequency or methodology established by the Triggering Event.

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 Effective 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.

2.4 Deemed Compliance

The Parties agree that compliance by Tai Foong with this Settlement Agreement constitutes compliance by Tai Foong with Proposition 65 with respect to exposure to lead and cadmium from the Covered Products. So long as Tai Foong is in material compliance with this Settlement Agreement, EHA shall not serve any further notice of violation under Health and Safety Code § 25249.7(d), or commence or support any action, against Tai Foong or any Releasees (defined below) concerning exposure to lead and/or cadmium from the Covered Products.

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, Tai Foong 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. Tai Foong 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:

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, Tai Foong 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 Tai Foong, and negotiating a settlement. The twenty thousand five hundred ($20,500.00) is due fourteen (14) days after the Effective Date. The foregoing payment constitutes full and final compensation for all attorneys' fees, expert fees, investigation fees, and costs incurred by EHA and its counsel through the Effective Date in connection with the Notices and the Covered Products, and neither EHA nor its counsel shall seek any further payment from Tai Foong or any Releasees (defined in paragraph 4.1) in connection with the same. Payment to Entorno Law, LLP fully discharges Tai Foong's obligations under this Section to both EHA and its counsel.

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

EHA agrees to provide IRS W-9 forms for, each of the payees under this Settlement

Agreement. The Parties acknowledge that Tai Foong cannot issue any settlement payments pursuant to Section 3.1 and 3.2 above until after the Effective Date and Tai Foong receives the requisite W-9 forms from EHA's counsel, whichever is later.

4. CLAIMS COVERED AND RELEASED

4.1 EHA's Release of Tai Foong, Smart & Final Stores LLC, and Tawa Supermarket, Inc.

This Settlement Agreement is a full, final, and binding resolution of all claims between EHA, on its own behalf, and Tai Foong 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 Tai Foong and each of its respective parents, subsidiaries, affiliated entities under common ownership, predecessors, successors and assigns, shareholders, insurers, agents, directors, officers, members, employees, attorneys, and any entity, including, but not limited to each entity to whom Tai Foong directly or indirectly distributes or sells the Covered Products, including, but not limited to, its downstream distributors, wholesalers, online marketplaces, customers, retailers (including but not limited to Smart & Final Stores LLC and Tawa Supermarket, Inc. dba 99 Ranch Market), franchisees, cooperative members and licensees ("Releasees"), based on any alleged violation of Proposition 65 or any other statutory or common law theory arising out of the same facts, in each case relating to exposure to cadmium and lead in the Covered Products manufactured, sold or distributed for sale in California by Tai Foong before the Compliance 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 Tai Foong 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 relating to any alleged violation of Proposition 65, or any other statutory or

common law theory arising out of the same facts, in each case relating to exposure to cadmium and lead in the Covered Products manufactured, distributed, sold or offered for sale by Tai Foong, before the Compliance Date.

4.2 Tai Foong's Release of EHA

Tai Foong, 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 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 Tai Foong 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 Compliance 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 Tai Foong each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code § 1542.

5. PUBLIC BENEFIT

It is Tai Foong's understanding that the commitments it has agreed to herein, and actions to be taken by Tai Foong 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 Tai Foong 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 Tai Foong's alleged failure to provide a warning concerning actual or alleged exposure to cadmium and 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 Tai Foong 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. Before initiating any action to enforce this Settlement Agreement, the Party alleging a breach shall provide the other Party with written notice describing the alleged breach with reasonable particularity, and the Parties shall thereafter meet and confer in good faith. The Party alleged to be in breach shall have 30 days from receipt of that notice to cure the alleged breach. No action to enforce this Settlement Agreement may be commenced, and no attorney fees or costs shall be recoverable, with respect to an alleged breach that is cured within that period.

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 Tai Foong:

Thomas V. Wynsma
Shook, Hardy & Bacon L.L.P.
5 Park Plaza, Ste 1600
Irvine, CA 92614
twynsma@shb.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. ENTIRE AGREEMENT

This Settlement Agreement contains the sole and entire agreement of the Parties with respect to the subject matter hereof, and all prior negotiations, representations, and understandings relating thereto are deemed merged into it. No representation or term of agreement other than those contained in this Settlement Agreement has been made by any Party.

14. 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: 11/6/26

By: _____
ENVIRONMENTAL HEALTH ADVOCATES, INC.

AGREED TO:

Date: Nov. 3, 2026

By: _____
TAI FOONG USA INC.