GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL

In the Matter of: **7-Eleven, Inc.**	**ASSURANCE OF VOLUNTARY COMPLIANCE**

ASSURANCE OF VOLUNTARY COMPLIANCE

This Assurance of Voluntary Compliance (Assurance) is entered into by the Attorney General for the District of Columbia (Attorney General, OAG, or the District) and 7-Eleven, Inc. (7-Eleven or Respondent) (collectively with the Attorney General, the Parties). This Assurance pertains specifically to the operations and activities of Respondent described herein. The Parties agree as follows:

I. THE PARTIES

1. OAG is authorized to bring legal actions seeking injunctive relief, consumer restitution, civil penalties, costs, and attorneys' fees for violations of the District of Columbia's consumer protection laws, including the Consumer Protection Procedures Act (CPPA), D.C. Code §§ 28-3901, *et seq*. OAG is also authorized to investigate and/or prosecute suspected violations of D.C. Code § 7-1721.08(a), pursuant to D.C. Code § 7-1721.08(d).

2. 7-Eleven, a Texas corporation headquartered in Irving, Texas, is wholly owned by SEJ Asset Management & Investment Company, a Delaware corporation (SAM). SAM is jointly owned by Seven-Eleven Japan Co., Ltd. (SEJ), and by Seven & i Holdings Co., Ltd., a Japanese

corporation (7&i). SEJ is wholly owned by 7&i. 7-Eleven owns and franchises convenience stores in the United States, including in the District of Columbia.

II. DEFINITIONS

3. A "Tobacco Product" is defined as any product that is made or derived from tobacco and is intended for human consumption. D.C. Code § 7-1721.01(2A).

4. A "Electronic Smoking Device" means any "product, including one composed of a heating element, battery, or electronic circuit, that contains or delivers nicotine or any other substance intended for human consumption that can be used by a person to simulate smoking through inhalation of vapor or aerosol from the product. The term 'electronic smoking device' includes any such product, regardless of whether it is manufactured, distributed, marketed, or sold as an e-cigarette, e-cigar, e-pipe, e-hookah, vape pen, or by any other product name or descriptor." D.C. Code § 7-741.01(1), § 7-1721.01(1A).

5. "School Zone Ban" shall refer to the prohibition on the sale, offering for sale, receiving for sale, distribution, purchase, or facilitation of the sale of Electronic Smoking Devices within one quarter mile of a middle or high school in D.C. Code § 7-1721.08(a)(2).

6. "Store" means a store owned or franchised by 7-Eleven with a brick-and-mortar location in the District of Columbia that has a license to sell cigarettes or other Tobacco Products to consumers pursuant to D.C. Code § 47-2404(b)(2).

7. "Effective Date" shall mean the last date on which any Party executes this Assurance.

III. THE DISTRICT'S ALLEGATIONS

8. As of October 1, 2022, the District's School Zone Ban makes it unlawful to "sell, offer for sale, receive for sale, distribute, purchase, or facilitate the sale of … [a]n electronic

smoking device within one quarter mile of any middle or high school in the District." D.C. Code § 7-1721.08(a)(2).

9. OAG alleges that after October 1, 2022, 7-Eleven offered for sale, received for sale, sold, or facilitated the sale of more than 7,500 Electronic Smoking Devices within one quarter mile of middle and high schools in the District, in violation of the District's School Zone Ban, D.C. Code § 7-1721.08(a)(2), and the District's CPPA, D.C. Code §§ 28-3901, *et seq*.

10. OAG further alleges that 7-Eleven was aware of the School Zone Ban. On or around August 22, 2022, 7-Eleven notified the sixteen Stores, including ten Stores currently owned by 7-Eleven and six franchise Stores, within one quarter mile of a middle or high school in the District of the pending School Zone Ban. Despite this notification, all sixteen of those Stores continued to offer for sale or sell Electronic Smoking Devices once the ban took effect, in violation of the law.

11. These alleged violations also constitute violations of the CPPA, which prohibits any person from engaging in unfair, deceptive, or unlawful trade practices. D.C. Code § 28-3904. Violations of the School Zone Ban are *per se* violations of the CPPA. *See* D.C. Code § 7-1721.08(d).

IV. APPLICATION

12. The Parties have agreed to the terms of this Assurance in order to fully resolve the District's allegations described herein against 7-Eleven.

13. The duties, responsibilities, burdens, and obligations undertaken in connection with this Assurance shall apply to 7-Eleven, its subsidiaries, affiliates, parents, successors and assigns, and its officers and employees.

14. By entering into this Assurance, the Parties are neither extinguishing any rights otherwise available to Consumers, nor creating any rights not otherwise available under the laws

of the District of Columbia, except to the extent that they are resolving all issues or claims that OAG could have brought under the CPPA related to the matters described herein.

V. INJUNCTIVE PROVISIONS

15. 7-Eleven will not engage in any conduct that violates D.C. Code § 7-1721.08(a) or engage in any unfair, deceptive, or unlawful trade practices that violate the CPPA, D.C. Code §§ 28-3901, *et seq*.

16. 7-Eleven will cease and refrain from offering for sale, receiving for sale, selling, or facilitating the sale of Electronic Smoking Devices at any Store within one quarter mile of a middle or high school in the District, D.C. Code § 7-1721.08(a)(2).

17. 7-Eleven will remove and refrain from all advertising, marketing, or otherwise promoting any Electronic Smoking Devices at any Store within one quarter mile of any middle or high school in the District.

18. 7-Eleven will send, within thirty (30) days of the effective date of this Assurance, and annually during the first quarter of the calendar year thereafter, the Notice attached hereto as **Exhibit A** to all Stores within one quarter mile of a middle or high school in the District.

19. 7-Eleven will provide annual training to all employees of corporate-owned Stores located within one quarter mile of a middle or high school in the District regarding compliance with the School Zone Ban. 7-Eleven will request that franchise Stores located within one quarter mile of a middle or high school in the District participate in annual training regarding compliance with the School Zone Ban.

20. Consistent with 7-Eleven's Franchise Agreement, 7-Eleven shall enforce the Franchise Agreement to help prevent the promotion, offering for sale, receipt for sale, and sale of Electronic Smoking Devices by franchise Stores located within one quarter mile of a middle or

high school in the District. Additionally, 7-Eleven has taken and will continue to take the following steps to further help prevent the promotion, offering for sale, receipt for sale, and sale of Electronic Smoking Devices by franchise Stores located within one quarter mile of a middle or high school in the District:

a. 7-Eleven has provided notices to Stores within one quarter mile of a middle or high school in the District reminding them of District's School Zone Ban.

b. Stores within a quarter mile of a middle or high school have been grouped into their own pattern that do not have any corporate recommended vapor assortment.

c. 7-Eleven has deleted SKUs for Electronic Smoking Devices from store inventory for franchise Stores within one quarter mile of a middle or high school in the District.

d. As of March 2025, 7-Eleven has confirmed removal of Electronic Smoking Devices from the shelves of franchise Stores within one quarter mile of a middle or high school in the District and wrote off any unsold inventory of Electronic Smoking Devices.

21. 7-Eleven will review all franchise Stores' sales data on a quarterly basis, and, if 7-Eleven identifies sales by a franchise Store in violation of the District's School Zone Ban, 7-Eleven will take the following steps:

a. Immediately provide notice to the franchise Store identifying the violation(s) and warning the franchise Store that further violations could result in a termination of 7-Eleven's Franchise Agreement with the franchise Store, with a copy of the notice provided to OAG.

b. If a franchise Store receives four (4) notices of violations of the District's School Zone Ban within two (2) years from the date of the initial notice required by paragraph 21(a), 7-Eleven will terminate its Franchise Agreement with the franchise Store immediately without an opportunity to cure the violation(s), regardless of any efforts the franchise Store has made to cure any violation(s), with a copy of the termination notice provided to OAG.

VI. COSTS AND PAYMENT TO THE DISTRICT

22. 7-Eleven shall pay a total penalty of $1,200,000.00 to the District to resolve the alleged violations of District law resulting from the sales of Electronic Smoking Devices in violation of the School Zone Ban.

23. 7-Eleven shall make the payment specified in the preceding paragraph within fourteen (14) days of the Effective Date of this Assurance.

24. Payment under this Assurance shall be made either by wire transfer or ACH transfer or certified check made out to the D.C. Treasurer and delivered to OAG consistent with instructions from OAG. The District may use any portion of the funds that it receives for any lawful purposes, including, but not limited to, restitution, attorneys' fees, and other costs of investigation and litigation; placement of this payment in the District's restitution fund or litigation support fund; or for other uses permitted by District law, at the sole discretion of the OAG. 7-Eleven agrees to cooperate with reasonable requests from the District as necessary to obtain any modification to the language of this paragraph needed to facilitate the administration of the District's payment under this paragraph.

25. A default in 7-Eleven's payment obligations under this Assurance that is not cured within three (3) business days of when the payment is due will constitute a material violation of this Assurance.

26. Upon execution of this Assurance, 7-Eleven shall provide the District with its Taxpayer Identification Number (TIN).

VII. RELEASE

27. By execution of this Assurance, and following payment of the $1,200,000.00 penalty required under paragraph 22, the Attorney General terminates its investigation into 7-Eleven's conduct arising out of, resulting from, and/or relating to the factual allegations set forth in Part III, *supra,* and shall release and discharge, to the fullest extent permitted by law, 7-Eleven and its Stores, heirs, executors, administrators, officers, directors, affiliates, subsidiaries, successors, assigns, representatives, attorneys, agents, insurers (and the trustees, administrators, fiduciaries, and insurers of such programs), and any other persons acting by, through, under, or in concert with any of the persons or entities, from any and all civil causes of action, claims, damages, costs, attorneys' fees, or penalties the Attorney General has asserted or could have asserted under the CPPA relating to the factual allegations set forth in Part III as of the Effective Date of this Assurance.

VIII. ADDITIONAL TERMS

28. Any breach of the injunctive terms contained in this Assurance shall be considered an unlawful trade practice that violates the CPPA, pursuant to D.C. Code § 28-3904(jj).

29. Respondent shall not cause or encourage any third parties or knowingly permit third parties acting on its behalf to engage in any prohibited practices as set forth in this Assurance.

30. Respondent shall not participate, directly or indirectly, in any activity, or form any corporate entity or corporation for the purpose of circumventing any part of this Assurance or the spirit or purpose of this Assurance.

31. The failure of the District to insist upon strict adherence to any term of this Assurance on any occasion shall not be considered a waiver thereof or deprive the District of the right thereafter to insist upon strict adherence to that term or any other term of this Assurance.

32. Nothing contained herein shall be construed as relieving Respondent of the obligation to comply with all District laws, regulations, or rules, nor shall any of the provisions herein be deemed to be permission to engage in any acts or practices prohibited by such laws, regulations, or rules.

33. The Parties understand and agree that this Assurance will not be construed as an approval or sanction by the Attorney General of Respondent's business practices, nor will Respondent represent that this Assurance constitutes an approval or sanction of its business practices.

34. This Assurance may be executed in counterparts, and copies of signature pages transmitted electronically shall have the same effect as originals of those signature pages.

35. Any notice to a Party to be provided pursuant to this Assurance shall be sent by U.S. Mail and email to the following:

For the District:

Meryl D. Grenadier
Assistant Attorney General
Office of Consumer Protection
Public Advocacy Division
Office of the Attorney General for the District of Columbia
400 6th Street, NW, 10th Floor
Washington, D.C. 20001
consumer.protection@dc.gov

For the Respondent:

Amanda Childs
Chief Litigation and Investigation Counsel
7-Eleven, Inc.
3200 Hackberry Road
Irving, Texas 75063
[redacted]

Copy to:
David Pustilnik
Esbrook, P.C.
321 N. Clark St., Suite 1930
Chicago, IL 60654
[redacted]

DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL

BRIAN L. SCHWALB
ATTORNEY GENERAL

By: */s/ Kevin Vermillion* Date: 8/19/2025

Kevin Vermillion
Director, Office of Consumer Protection

CONSENTED AND AGREED TO BY:

7-Eleven, Inc.

By: Jasmeet Singh (Aug 28, 2025 10:43:27 EDT) Date: 08/28/2025

EXHIBIT A

Important Notice: Prohibition on E-Cigarette Sales Within a Quarter Mile of Schools in Washington, D.C.

To: Select Stores in Washington, D.C. School Zones
From: 7-Eleven Corporate Compliance Team
Date: [Insert Date]
Subject: Compliance with Washington, D.C. Ordinance Prohibiting E-Cigarette Sales In School Zones

We are writing to remind you of your obligations under the *Flavored Tobacco Product Prohibition Amendment Act of 2021* (D.C. Law 24-25), effective October 1, 2022, and, as applicable, your franchise agreement. This law prohibits the sale, offering for sale, distribution, or purchase of electronic smoking devices (including vapes, vape pens, e-cigarettes, e-cigars, e-hookahs, or similar products) within a quarter mile of any middle or high school in the District of Columbia, as outlined in D.C. Official Code § 7-1721.08(a)(2).

Our records indicate that your store is located within a quarter-mile radius of a qualifying school (including District of Columbia Public Schools, Charter Schools, or private schools with students in grades 6 through 12). As such, your store is subject to this prohibition. The distance is measured from the closest point between the school grounds and your store.

Ordinance Requirements

- **Immediately cease all sales** of electronic smoking devices, including any product that uses a heating element, battery, or electronic circuit to deliver nicotine or other substances via vapor or aerosol.
- Remove any such products from your inventory and store shelves.
- Ensure that no electronic smoking devices are offered for sale or distributed at your store.

Consequences of Non-Compliance

Non-compliance with the ordinance may result in significant penalties under D.C. Code § 7-1721.08 and § 28-3909, enforced by the District of Columbia, including:

- **Fines**: A first violation carries a fine of $2,500, a second violation $7,500, and a third violation $10,000.
- **License Suspension or Revocation**: A first or second violation may lead to the suspension of your tobacco sales license, while a third or subsequent violation will result in revocation after a hearing.
- **Compliance Checks**: The District's Department of Licensing and Consumer Protection (DLCP) conducts regular inspections to enforce this law.

Assurance of Voluntary Compliance

7-Eleven has entered into an Assurance of Voluntary Compliance with the Attorney General for the District of Columbia related to this ordinance.

Action Required

1. **Review Your Inventory**: Confirm that all electronic smoking devices are removed from sale and display.
2. **Train Your Staff**: Ensure all of your employees are aware of this prohibition and understand that no sales of e-cigarettes or related products are permitted at your store.
3. **Contact Corporate**: If you are unsure whether your store falls within a quarter-mile school zone, please contact category support, [redacted] at [redacted], immediately.
4. **Monitor Updates**: Regularly check the DLCP website or the E-Cigarette Enforcement Map for any updates to school zone boundaries or regulations.
5. **If you have any questions about compliance with this ordinance, please consult your legal advisor.**

We urge you to take immediate action to ensure your store adheres to this ordinance to avoid legal penalties and, if applicable, maintain compliance with your franchise agreement.

Thank you for your prompt attention to this important matter.