

SETTLEMENT AGREEMENT  
BETWEEN  
CONSUMER ADVOCACY GROUP, INC.  
AND  
JIANGMEN YING YOU TRADING CO., LTD.

Consumer Advocacy Group, Inc. ("CAG") and Jiangmen Ying You Trading Co., Ltd. (hereto referred to as "Jiangmen"), (CAG and Jiangmen collectively referred to as, the "Parties") enter into this agreement ("Settlement Agreement") for the purpose of avoiding prolonged and costly litigation to settle CAG's allegations that Jiangmen violated Proposition 65. The effective date of this Settlement Agreement shall be the date upon which it is fully executed by all Parties hereto (the "Effective Date").

**1.0 Introduction**

1.1 CAG is a California-based entity that seeks to promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer and industrial products.

1.2 Jiangmen previously sold, at various times, either directly and/or through its distributors, retailers, and other downstream entities, certain Sink Caddy products, including but not limited to SUPREME SINK-branded sink caddy products (collectively referred to throughout as the "Covered Products"). The Covered Products are limited to those sold or distributed for sale by Jiangmen even if sold thereafter by Downstream Releasees (as defined below, including without limitation dd's DISCOUNTS® and JMLE, LLC) only.

1.3 CAG alleges that Covered Products contain Di (2-ethylhexyl) phthalate (“DEHP”), also known as Diethyl Hexyl Phthalate and Bis (2-ethylhexyl) phthalate, and that Jiangmen did not provide a required warning in compliance with the California Safe Drinking Water and Toxic Enforcement Act (*Cal. Health & Safety Code* § 25249.5, *et seq.* (“Proposition 65”). Jiangmen denies these allegations and contends that it has complied, and continues to comply, with applicable law.

1.4 On January 1, 1988, the Governor of California added Diethyl Hexyl Phthalate and Bis (2-ethylhexyl) phthalate (“DEHP”) to the list of chemicals known to the State to cause cancer, (*Cal. Code Regs.* tit. 27, § 27001(b)) and on October 24, 2003, the Governor added DEHP to the list of chemicals known to the State to cause developmental male reproductive toxicity (*Cal. Code Regs.* tit. 27, § 27001(c)). Pursuant to Health and Safety Code sections 25249.9 and 25249.10, twenty (20) months after addition of DEHP to the list of chemicals known to the State to cause reproductive toxicity, DEHP became fully subject to Proposition 65 warning requirements and discharge prohibitions.

1.5 DEHP is referred to hereafter as the “Listed Chemical”.

1.6 On or about September 16, 2024 (Attorney General Notice #2024-03883), CAG served Jiangmen Ying You Trading Co., Ltd., Hopeful Enterprise Ltd., and certain relevant public enforcement agencies with documents entitled “Sixty-Day Notice Of Intent To Sue For Violations Of The Safe Drinking Water And Toxic

Enforcement Act of 1986” regarding Covered Products containing the Listed Chemical.

1.7 September 23, 2024 (Attorney General Notice #2024-04003), CAG served Jiangmen Ying You Trading Co., Ltd., Hopeful Enterprise Ltd., and certain relevant public enforcement agencies with documents entitled “Sixty-Day Notice Of Intent To Sue For Violations Of The Safe Drinking Water And Toxic Enforcement Act of 1986” regarding Covered Products containing the Listed Chemical.

1.8 The Sixty-Day Notices (referred to as “Notices”) alleged that Jiangmen and the other noticed parties violated Proposition 65 by failing to warn consumers in California that use of Covered Products exposes persons to the Listed Chemical.

1.9 The Parties enter into this Settlement Agreement to settle disputed claims between the Parties as set forth below concerning the Parties’ and the Covered Products’ compliance with Proposition 65 (the “Dispute”).

1.10 By execution of this Settlement Agreement, the Parties do not admit any facts or conclusions of law, including, but not limited to, any facts or conclusions of law regarding any violation of Proposition 65, or any other statutory, regulatory, common law, or equitable doctrine. Nothing in this Settlement Agreement shall be construed as an admission by the Parties of any fact, conclusion of law, issue of law, or violation of law. Nothing in this Settlement Agreement, nor compliance with its terms, shall constitute or be construed,

considered, offered, or admitted as evidence of an admission or evidence of fault, wrongdoing, or liability by Jiangmen, its officers, directors, employees, or parents, subsidiaries or affiliated corporations, in any administrative or judicial proceeding or litigation in any court, agency, or forum. Except for the allegations settled and compromised, nothing in this Settlement Agreement shall prejudice, waive, or impair any right, remedy, argument, or defense that CAG or Jiangmen may have against one another in any other pending legal proceeding as to allegations unrelated to the Dispute or claims released herein.

## **2.0 Release**

2.1.1. This Settlement Agreement is a full, final, and binding resolution between CAG, on the one hand, and (a) Jiangmen, its owners, parents, subsidiaries, affiliates, sister and related companies, including without limitation Hopeful Enterprise Ltd., and their employees, shareholders, officers, directors, insurers, attorneys, predecessors, successors, and assigns (collectively "Releasees") and (b) all entities to whom Releasees directly or indirectly provide, distribute, or sell the Covered Products, including but not limited to distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees, including without limitation dd's DISCOUNTS® (a retail brand operated by Ross Stores, Inc.) and JMLE, LLC ("Downstream Releasees"), on the other hand, of any violation(s) or claimed violation(s) of Proposition 65 or any statutory or common law claim that has been, could have been or may in the future be asserted against the Releasees and Downstream Releasees regarding

exposing persons to the Listed Chemical, and the failure to warn about exposure to the Listed Chemical arising only in connection with the Covered Products manufactured, shipped, and/or otherwise distributed prior to the Effective Date, even if sold by Downstream Releasees after the Effective Date. The Covered Products are limited to those sold or distributed for sale by Jiangmen and/or its Downstream Releasees.

2.1.2. CAG, its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives and releases with respect to the Covered Products all rights to institute or participate in, directly or indirectly, any form of legal action, including, without limitation, all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses (including, but not limited to, investigation fees, expert fees, and attorneys' fees) (collectively "Claims"), against Releasees and/or Downstream Releasees that arise under Proposition 65 or any other statutory or common law, equitable, or regulatory theory claims that were or could have been asserted in respect of any Covered Products sold up to the Effective Date, only to the extent that such Claims relate to Releasees' and/or Downstream Releasees' alleged exposure of persons to the Listed Chemical contained in the Covered Products or any failure by Releasees and Downstream Releasees to warn about exposures to the Listed Chemical contained in the Covered Products.

2.1.3. CAG acknowledges that it is familiar with Section 1542 of Civil Code, which provides 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.

2.1.4. CAG, its past and current agents, representatives, attorneys, successors, and/or assignees expressly waives and relinquishes any and all rights and benefits which it may have under, or which may be conferred on it by the provisions of Civil Code § 1542 as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that it may lawfully waive such rights or benefits pertaining to the released matters. The release in this section shall have no force or effect until the full amount of payments set forth in Section 4.0 below are paid in full.

### 3.0 Jiangmen's Duties

3.1 Jiangmen agrees, promises, and represents that after the Effective Date Jiangmen shall, reformulate any Covered Products manufactured after the Effective Date and offered for sale in California to a point where the level of DEHP in the Covered Products does not exceed 0.1% by weight.

3.2 Jiangmen agrees, promises, and represents that, as of the Effective Date, to the extent it ships or sells any Covered Products in existing inventory that have not been reformulated, it will provide warnings on such Covered Products that comply with Proposition 65. The warning shall be consistent with Title 27 California Code of Regulations, §§ 25600 *et seq.* The warning shall be provided for cancer and birth defects, or other reproductive harm. The warnings shall be provided for cancer and reproductive harm. The warnings shall be provided in such a conspicuous and prominent manner that will assure the message is made available and likely to be read, seen, or heard by the consumer prior to or at the time of the sale or purchase.

The Parties agree that this shall constitute compliance with Proposition 65 with respect to the Listed Chemical in the Covered Products for any Covered Products in existing inventory that had not been reformulated and were distributed and/or sold by Releasees or Downstream Releasees after the Effective Date. Where a label used for the Covered product in existing inventory, that exceeds 0.1% of DEHP includes consumer information as defined by California Code of Regulations title 27 §25600.1(c) in a language other than English, the warning must also be provided in that language in addition to English. Should Jiangmen sell or distribute any Covered Products in existing inventory, that exceeds 0.1% of DEHP, through the internet the warning will be posted in the manner provided for

with respect to internet sales, as provided for in 27 CCR sections 25601 and 25602, as they may be subsequently amended.

**4.0 Payments**

4.1 Jiangmen agrees, to pay a total of ninety-eight thousand dollars (\$98,000) by February 13, 2026 by separate checks apportioned as follows:

4.1.1 Penalty: Jiangmen shall pay a total amount of thirteen thousand dollars (\$13,000.00) as civil penalties. . . Of the total penalty amount, seventy-five percent (75%) i.e. nine thousand, seven hundred and fifty dollars (\$9,750.00) shall be paid to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA"), and twenty-five percent (25%), i.e. three thousand two hundred and fifty dollars (\$3,250.00) shall be paid to Consumer Advocacy Group, Inc., in compliance with California Health and Safety Code section 25249.12.

4.1.2 Attorneys' Fees and Costs: Eighty-five thousand dollars (\$85,000.00) of such payment shall be paid to Yeroushalmi & Yeroushalmi, as CAG's attorneys, for reasonable investigation fees and costs, attorneys' fees, and any other costs incurred as a result of investigating and bringing this matter to Jiangmen's attention.

**5.0 Authority to Enter Into Settlement Agreement**

5.1 CAG represents that its signatory to this Settlement Agreement has full authority to enter into and legally bind CAG to this Settlement Agreement.

5.2 Jiangmen represents that its signatory to this Settlement Agreement has full authority to enter into and legally bind Jiangmen to this Settlement Agreement.

**6.0 Report of the Settlement Agreement to the Office of the Attorney General Of California**

6.1 CAG shall report this Settlement Agreement to the Attorney General's Office within five (5) days of the Parties' execution of this Settlement Agreement.

**7.0 Execution in Counterparts and Facsimile**

7.1 This Settlement Agreement may be executed in counterparts, which taken together shall be deemed to constitute the same document. A facsimile or portable document format (PDF) signature shall be as valid as the original.

**8.0 Modification of Settlement Agreement**

8.1 Any modification to this Settlement Agreement shall be in writing and signed by the Parties.

**9.0 Application of Settlement Agreement**

9.1 This Settlement Agreement shall apply to, be binding upon, and inure to the benefit of, CAG and the Releasees and Downstream Releasees identified in Section 2 above.

**10.0 Enforcement of Settlement Agreement**

10.1 Any party may file suit before the Superior Court of the County of Los Angeles, to enforce the terms and conditions contained in this Settlement Agreement after 5-day notice in writing to Defendants of violation of the Settlement Agreement. The prevailing party shall be entitled to its reasonable attorneys' fees and costs associated with such enforcement.

**11.0 Notification Requirements**

11.1 Any notice required or permitted hereunder shall be effective only if given in writing and delivered in person, certified or registered mail return receipt requested, or traceable overnight delivery service, to the following designees:

For CAG:

Reuben Yeroushalmi, Esq.  
reuben@yerausalmi.com  
YEROUSHALMI & YEROUSHALMI  
9100 Wilshire Boulevard, Suite 240W  
Beverly Hills, CA 90212

For Jiangmen:

Jody Fan  
jody@yingyou.net  
1-3/F, #13-1 Huanshi Yi Road, Jiangmen  
Guangdong, China

Any party may change its designee(s) for purposes of notification by providing written notice of such change pursuant to this section.

**13.0 SEVERABILITY**

13.1 If, subsequent to the execution of this Settlement Agreement, any of the provisions of this Settlement Agreement are held by a court to be unenforceable,

the validity of the enforceable provisions remaining shall not be adversely affected.

14.0 GOVERNING LAW

14.1 The terms of this Settlement Agreement shall be governed by the laws of the State of California and apply within the State of California. In the event that Proposition 65 is repealed, preempted or is otherwise rendered inapplicable by reason of law generally, or as to the Listed Chemical and/or the Covered Products, then Jiangmen shall provide written notice to CAG of any asserted change in the law, and Parties shall modify this Settlement Agreement with respect to, and to the extent that, the Covered Products are so affected.

CONSUMER ADVOCACY GROUP, INC.

Dated: 2-11-2026

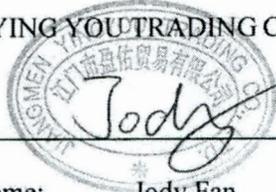
By: Willard Bayer

Printed Name: Willard Bayer

Title: President

JIANGMEN YING YOU TRADING CO., LTD.

Dated: 2/11/2026

By:  Jody

Printed Name: Jody Fan

Title: Senior Sales Rep.