

SETTLEMENT AND RELEASE AGREEMENT

1. **INTRODUCTION**

1.1. **Berj Parseghian and Joydays, Inc.:**

This Settlement Agreement is entered into by and between Berj Parseghian (“Parseghian”), represented by his attorneys KJT Law Group, LLP on the one hand, and Joydays, Inc. (“JOYDAYS”), on the other hand, with Parseghian and JOYDAYS collectively referred to as the “Parties.”

1.2. **General Allegations**

Parseghian alleges that JOYDAYS manufactured, distributed and/or offered “Deliciously Balanced – Joydays – Chocolate Chip – Low-Glycemic Ingredients – Soft-Baked Cookies; UPC #: 8 50037 06145 7” for sale in the State of California, allegedly containing Lead without first providing a Proposition 65 warning pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code sections 25249.6 *et seq.* (“Proposition 65”). Lead is listed under Proposition 65 as a chemical known to the State of California to cause cancer and birth defects or other reproductive harm.

1.3. **Product Description**

The products covered by this Settlement Agreement are: Joydays Soft-Baked Cookies, including but not limited to: Deliciously Balanced – Joydays – Chocolate Chip – Low-Glycemic Ingredients – Soft-Baked Cookies; UPC #: 8 50037 06145 7, that JOYDAYS has sold, offered for sale, manufactured, or distributed in California. All such items shall be referred to herein as “Covered Products.”

1.4. **Notice of Violation**

On October 24, 2025, Parseghian served JOYDAYS and the requisite public enforcement agencies eligible to initiate Proposition 65 actions on behalf of the People of the State of California with documents entitled “60-Day Notice of Violation” (“Notice”) that provided JOYDAYS and such public enforcers with notice that JOYDAYS was allegedly in violation of California Health & Safety Code section 25249.6 for failing to warn consumers and customers that “Deliciously Balanced – Joydays – Chocolate Chip – Low-Glycemic Ingredients – Soft-Baked Cookies; UPC #: 8 50037 06145 7” allegedly exposed users in California to Lead. To the best of the Parties’ knowledge, no public enforcer has commenced or is diligently prosecuting the allegations set forth in the Notice.

1.5. **No Admissions**

JOYDAYS denies all allegations in the Notice and maintains that all products that it has placed for sale and distribution in California, including the Covered Products, have been, and are, in compliance with all laws, are completely safe for their intended use, and do not violate Proposition 65 or any other statutory, regulatory, common law or equitable doctrine. Nothing in this Settlement Agreement shall be construed as an admission by JOYDAYS and its directors, officers, agents, employees, attorneys, representatives, shareholders, successors, and assigns and each entity to whom JOYDAYS directly or indirectly has distributed or sold or distributes or sells the Covered Products to, including, but not limited to, downstream distributors, wholesalers, customers, retailers, marketplace retailers, franchisees, cooperative members and licensees of any fact, finding, issue of law, or violation of law; nor shall compliance with this Settlement Agreement constitute or be construed as an admission by JOYDAYS of any fact,

finding, conclusion, issue of law, or violation of law, such being specifically denied by JOYDAYS.

The Parties enter into this Settlement Agreement to settle disputed claims between them as set forth herein and in the Notice concerning JOYDAYS' compliance with Proposition 65. Notwithstanding the allegations in the Notice, JOYDAYS maintains that it has not manufactured or distributed, or caused to be manufactured or distributed any products in violation of Proposition 65, including the Covered Products.

Nothing in this section shall diminish or otherwise affect the obligations, responsibilities, and duties of JOYDAYS 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 fully executed and delivered to each Party or its counsel.

2. INJUNCTIVE RELIEF: WARNINGS AND REFORMULATION

Subject to Section 2.1 below, beginning on the Effective Date, JOYDAYS shall be permanently enjoined from manufacturing for sale in the State of California, "Distributing into the State of California," or directly selling in the State of California, any Covered Product that exposes a person to a "Daily Lead Exposure Level" of more than 0.5 micrograms of Lead per day, unless it meets the warning requirements under Section 2.2.

As used in this Settlement Agreement, the term "Distributing into the State of California" shall mean to directly ship a Covered Product into California for sale in California or to sell a

Covered Product to a distributor that JOYDAYS knows or has reason to know will sell the Covered Product in California.

For purposes of this Settlement Agreement, “Daily Lead Exposure Level” shall be measured in micrograms and shall be calculated using the following formula: micrograms of lead per gram of product, multiplied by grams of product per serving of the product as stated on the label, multiplied by servings of the product per day stated on the label, which equals micrograms of lead exposure per day. If the label contains no recommended daily servings, then the number of recommended daily servings shall be one.

2.1. Grace Period for Existing Inventory of Products

The injunctive relief in Section 2 does not apply to any Covered Products that have been manufactured as of the Effective Date, which the Covered Products are expressly subject to the releases provided in Section 6.

2.2. Clear and Reasonable Warnings

If JOYDAYS is required to provide a warning pursuant to Section 2.1, one of the following warnings must be utilized (“Warning”).

Option 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.

Option 2:

WARNING [or CA WARNING or CALIFORNIA WARNING]: Can expose you to Lead, a [carcinogen and] reproductive toxicant. See www.P65Warnings.ca.gov/food.

Option 3:

WARNING [or CA WARNING or CALIFORNIA WARNING]: Risk of [cancer and] reproductive harm from exposure to Lead. See www.P65Warnings.ca.gov/food.

JOYDAYS shall use the phrase “cancer and” or “carcinogen and” in the Warning if the exposure level is greater than 15 micrograms of lead per day.

The Warning shall be securely affixed to or printed upon the label of each Covered Product and it must be set off from other surrounding information. For purposes of this Settlement Agreement, the term “label” means a display of written, printed or graphic material that is printed on or affixed to a Covered Product or its immediate container or wrapper. The warning must be set off from other surrounding information, enclosed in a box. If consumer information on the package is in a foreign language, the warning must also be provided in the foreign language. In addition, for any Covered Product sold over the internet, the Warning shall appear on the checkout page in full text or through a clearly marked hyperlink using the word “WARNING” in all capital and bold letters when a California delivery address is indicated for any purchase of any Covered Product. If a hyperlink is used, the hyperlink must go directly to a page prominently displaying either the Option 1 Warning, the Option 2 Warning, or the Option 3 Warning without content that detracts from the Warning. An asterisk or other identifying method must be utilized to identify which products on the checkout page are subject to the Warning. The Warning shall comply with the Safe Harbor Provisions, applicable to the Covered Product and chemical at issue, as those regulations may be amended from time to time.

In the event the State of California Office of Environmental Health Hazard Assessment (“OEHHA”) adopts a safe harbor level for lead applicable to the Covered Products that is higher than the Reformulation Standard, then JOYDAYS is permitted to use such safe harbor level or reformulation standard at any time without being deemed in breach of this Agreement.

3. CONSIDERATION

In settlement of all the claims referred to in this Settlement Agreement, the Parties reached an accord on the compensation due, under the private attorney general doctrine and principles of contract law. Under these legal principles, JOYDAYS shall pay \$15,000.00 as settlement and for fees and costs incurred as a result of investigating and bringing this matter to JOYDAYS’s attention. The payments shall be made in accordance with the below provisions.

4. PENALTIES PURSUANT TO HEALTH & SAFETY CODE SECTION 25249.7(b)

In settlement of all the claims referred to in this Settlement Agreement, \$1,500.00 shall be considered a “civil penalty.” The penalty payment will be allocated in accordance with California Health & Safety Code section 25249.12(c)(1) & (d), with 75% (i.e., \$1,125.00) of the funds remitted to the California Office of Environmental Health Hazard Assessment (“OEHHA”) and the remaining 25% (i.e., \$375.00) of the penalty remitted to Parseghian. JOYDAYS shall make these payments on or before the date that is thirty (30) days after the Effective Date, at which time such payments shall be made as follows:

(a) The \$375.00 payment owed to Parseghian shall be payable to “Berj Parseghian” and delivered to:

**KJT LAW GROUP LLP
230 Maryland Avenue, Suite 306
Glendale, CA 91206**

(b) The \$1,125.00 payment owed to OEHHA shall be delivered directly to OEHHA at the following addresses:

For United States Postal Delivery:

Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
P.O. Box 4010
Sacramento, CA. 95812-0410

For Non-United States Postal Service Delivery:

Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
1001 I Street, MS #19B
Sacramento, CA 95814.

5. REIMBURSEMENT OF FEES AND COSTS

In settlement of all the claims referred to in this Settlement Agreement, \$13,500.00 shall be considered reimbursement of Parseghian's attorneys' fees, expert and investigation fees, and related costs associated with this matter and the Notice for all work performed through execution of this Agreement. The Parties reached an accord on the compensation due to Parseghian and its counsel under the private attorney general doctrine and principles of contract law. Payment shall be made in 3 installments as follows. The first payment of \$3,500.00 shall be made on or before the date that is thirty (30) days after the Effective Date. The second payment of \$10,000.00 will be made on or before the date that is ninety (90) days after the Effective Date.

Payment to Parseghian's counsel shall be delivered via check to the address below or wired to Parseghian's counsel via forthcoming wire instructions.

**KJT LAW GROUP LLP
231 Maryland Avenue, Suite 306
Glendale, CA 91206.**

6. RELEASE OF ALL CLAIMS

6.1. Release of JOYDAYS, Downstream Customers and Upstream Vendors

In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to Sections 3 through 6 above, Parseghian, on behalf of himself, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims relating to the Covered Products, 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) against JOYDAYS, and its respective equity owners, parents, subsidiaries, affiliates, sister and related entities, and any and all upstream manufacturers, vendors, ingredient suppliers, distributors and retailers, including but not limited to Whole Foods Market California, Inc., for any alleged violations of Proposition 65 arising from alleged exposures to lead in relation to the Covered Products, up through the Effective Date.

Parseghian, in his capacity, 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 California Civil Code section 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. California Civil Code section 1542 provides:

“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 AT THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

6.2. **Public Benefit**

It is JOYDAYS' understanding that the commitments it has agreed to herein, and actions to be taken by JOYDAYS under this 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 JOYDAYS that to the extent any other party initiates an action alleging a violation of Proposition 65 with respect to JOYDAYS' failure to provide a warning concerning 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 products addressed in this Agreement, provided that JOYDAYS is in material compliance with this Agreement.

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. **NOTICES**

Unless specified herein, all correspondence and notices required to be provided pursuant to this Settlement Agreement shall be in writing and delivered or sent via email to the following:

For JOYDAYS: Whitney R. Miner, Esq.
minerw@ballardspahr.com
Ballard Spahr, LLP
71 Stevenson St., Suite 400
San Francisco, CA 94105

For Parseghian: Tro Krikorian, Esq.
tro@kjtlawgroup.com

KJT Law Group, LLP
230 N. Maryland Ave., Suite 306
Glendale, CA 91206

Any party, from time to time, may specify in writing to the other party a change of address to which all notices and other communications shall be sent.

9. COUNTERPARTS; FACSIMILE/E-SIGNATURES

This Settlement Agreement may be executed in counterparts and by facsimile or e-signatures, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

10. ENTIRE AGREEMENT

This Settlement Agreement contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and all related prior discussions, negotiations, commitments, and understandings. No other agreements, oral or otherwise, exist to bind either of the Parties.

11. MODIFICATION

This Settlement Agreement may be modified only by a written agreement signed by the Parties.

12. DRAFTING

No inference, assumption or presumption shall be drawn, and no provision of this Agreement shall be construed against any of the Parties, based upon the fact that one of the Parties and/or one of the Parties' attorneys prepared and/or drafted all or any portion of this Agreement. It is conclusively presumed that the Parties participated equally in the preparation and drafting of this Agreement.

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.

IN WITNESS WHEREOF, the Parties have agreed, accepted, and executed this Agreement on the date written.

Executed on 7/6/2026.

DocuSigned by:
BERJ PARSEGHIAN
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Berj Parseghian

Executed on July 3, 2026.

Joydays, Inc.



By: **Amy Cohn**
Its: **Founder, CEO**