

TORCH & STONE LAW, APC
4171 Ball Road, Suite 172 ♦ Cypress, CA 90630 ♦ (714) 356-2645

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1. The Parties

This Settlement Agreement is entered into by and between Pure.Clean.Healthy LLC (“PCH”), on the one hand, and JYC Enterprise, Inc., on the other hand, with PCH and JYC Enterprise, Inc. collectively referred to as the “Parties.” PCH is a California limited liability that seeks to promote awareness of exposure to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products. PCH alleges that JYC Enterprise, Inc. is an entity doing business in the State of California for the purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code § 25249.6, et seq. (“Proposition 65”).

1.2. General Allegations

PCH alleges that JYC Enterprise, Inc. has exposed individuals to the chemical lead from its sales in the State of California of Imperial Garden Lobster Egg Roll without first providing a clear and reasonable warning pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code sections 25249.6 *et seq.* and its implementing regulations (“Proposition 65”). Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer, birth defects or other reproductive harm.

1.3. Product Description

The products that are covered by this Settlement Agreement are specifically defined as, and limited to, the *Imperial Garden Lobster Egg Rolls* that JYC Enterprise, Inc. has manufactured, imported, sold, offered for sale or distributed in California. All such items shall be referred to herein as the “Covered Product”.

1.4. Notice of Violation

On 11/03/2025 PCH served JYC Enterprise, Inc. and Dollar Tree Stores, Inc. and the requisite public enforcement agencies eligible to initiate Proposition 65 actions on behalf of the People of the State of California with a document entitled "60-Day Notice of Violation" ("Notice") that provided JYC Enterprise, Inc. and such public enforcers with notice that JYC Enterprise, Inc. was allegedly in violation of California Health & Safety Code section 25249.6 for failing to provide a clear and reasonable warning that the Covered Product 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 Admission

The Parties enter into this Settlement Agreement to settle disputed claims between them as set forth herein and in the Notice concerning JYC Enterprise, Inc.'s compliance with Proposition 65.

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JYC Enterprise, Inc. denies the material, factual, and legal allegations contained in the Notice and maintains that all of the products that it has sold and distributed in California, including the Covered Product, have been, and are, in compliance with all laws, including Proposition 65. Nothing in this Settlement Agreement shall be construed as an admission by JYC Enterprise, Inc. 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 JYC Enterprise, Inc. of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by JYC Enterprise, Inc.. However, nothing in this section shall diminish or otherwise affect the obligations, responsibilities, and duties of JYC Enterprise, Inc. 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 last executed by the Parties.

1.7 Compliance Date

For purposes of this Settlement, the term “Compliance Date” means 60 days from the Effective Date.

2. INJUNCTIVE RELIEF: REFORMULATION AND WARNINGS

As of the Compliance Date, JYC Enterprise, Inc. shall not manufacture, import, distribute, sell, or offer the Covered Product in California unless: (a) the Covered Product is Reformulated Covered Product pursuant to Section 2.1; or (b) the Covered Product is labeled with a clear and reasonable warning pursuant to Sections 2.2 and 2.3. The warning requirements set forth in Sections 2.2 and 2.3 shall not apply to any Reformulated Covered Product pursuant to Section 2.1 nor to any Covered Product manufactured prior to the Compliance Date. The Parties agree and intent that JYC Enterprise, Inc.’s compliance with the terms of this Settlement Agreement shall constitute compliance with Proposition 65 with respect to exposures to lead from the Covered Product.

2.1. Reformulated Covered Product

“Reformulated Covered Product” is defined as a Covered Product that exposes a person to a “Daily Lead Exposure Level” of 0.5 micrograms or less of lead based on a single serving per day unless such. The “Daily Lead Exposure Level” shall be calculated by multiplying the recommended serving size on Covered Product by the concentration of lead in Covered Product. As used in this Section 2, “distributed for sale in CA” means to directly ship Covered Products into California or to sell Covered Products to a distributor JYC Enterprise, Inc. knows will sell Covered Products into California.

2.2. Warnings

To the extent that Covered Product manufactured, imported, or otherwise acquired by JYC Enterprise, Inc. after the Compliance Date do not meet the standard for Reformulated Products,

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a clear and reasonable warning shall be provided, as set forth herein. There shall be no obligation for JYC Enterprise, Inc. to provide an exposure warning for Covered Product that entered the stream of commerce prior to the Compliance Date, and the Section 5 release applies to all such Covered Product, as they have been included in the calculation of civil penalties due pursuant to Section 3.1

2.3. Warning Language

(a) The Warning shall consist of either the Long-Form Warning (under 2.3(a)(i)), the Short-Form Warning (under 2.3(ii)(1) or under 2.3(ii)(2)), or the warning that may be used on Covered Product(s) manufactured/labeled prior to January 1, 2028.

i. The Long-Form Warning shall consist of the statement:

Consuming this product can expose you to chemicals including lead, which are known to the State to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.

or

ii. The Short-Form Warning shall consist of either of the statements below:

a. Risk of cancer and reproductive harm from exposure to lead. See www.P65Warnings.ca.gov/food; or

b. Can expose you to lead, a carcinogen and reproductive toxicant. See www.P65Warnings.ca.gov/food

or

iii. Warning language on products manufactured prior to January 1, 2028 may use the following Short-Form Warning .

WARNING: Cancer and Reproductive Harm – www.P65Warnings.ca.gov

(b) A printed Warning provided pursuant to Section 2.3(a) must:

i. contain the word “**WARNING**” [or] “**CA WARNING**” [or] “**CALIFORNIA WARNING**” in all capital letters, in bold font, followed by a colon;

be affixed to or printed on the Covered Product’s label, or on a placard, shelf tag, sign or electronic device;

ii. 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 under customary conditions of purchase or use; and

iii. be set off from other surrounding information.

iv. be enclosed in a box with a border.

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- v. The font size of the Short-Form Warning must be a minimum of 6 points, and it cannot be smaller than the largest size font used for Consumer Information (as defined by regulation).

(c) Online/Internet Warning. As set forth in Cal. Code Regs. Tit. 27, § 25602(b), to the extent a Covered Product is sold online by JYC Enterprise, Inc., a warning that complies with the content requirements above must be provided via one or more of the following methods:

- i. a warning on the product display page, or
- ii. 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
- iii. an otherwise prominently displayed warning provided to the purchaser prior to completing the purchase. If the warning is provided using the short-form warning, the warning provided on the website may use the same content. For purposes of this subsection, the warning is not prominently displayed if the purchaser must search for it in the general content of the website.

(d) Foreign Language. Where a sign, labeling, or label, as defined in Cal. Code Regs Tit. 27, § 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.

(e) The requirements for warnings, set forth in subsection (a) above, are imposed pursuant to the terms of this Settlement Agreement. The Parties recognize that these are not the exclusive methods of providing a warning under Proposition 65 and its implementing regulations. JYC Enterprise, Inc. shall be deemed to be in compliance with the warning requirements of this Settlement Agreement by either adhering to this Section 2.3 or by complying with the Proposition 65 warning requirements adopted by the State of California Office of Environmental Health Hazard Assessment (“OEHHA”) as of or after the Effective Date.

(f) If Proposition 65 warnings for lead in the Covered Products should no longer be required, JYC Enterprise, Inc. shall have no further obligations pursuant to this Settlement Agreement.

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

In full satisfaction of all potential civil penalties and attorney’s fees, costs and any other expenses incurred by PCH or its counsel. JYC Enterprise, Inc. shall pay the total settlement amount of Thirteen Thousand Dollars (\$13,000.00) (“Settlement Amount”) as set forth below.

3.1 Civil Penalties to Health & Safety Code 25249.7 (B):

Five Hundred Dollars (\$500.00) of the Settlement Amount shall be considered a “civil penalty” pursuant to California Health and Safety Code. JYC Enterprise, Inc. shall issue two separate checks within ten business (10) days of the Effective Date for a total amount of Five Hundred Dollars (\$500.00) as follows, and all payments shall be delivered to the addresses listed below.

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(a) One Check made payable to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") in the amount of Three Hundred Seventy Five Dollars (\$375.00), representing 75% of the total civil penalty; and

(b) One check payable to "Pure.Clean.Healthy LLC" in the amount of One Hundred Twenty Five Dollars (\$125.00), representing 25% of the total civil penalty.

3.2 Attorney's Fees and Costs:

Twelve Thousand Five Hundred Dollars (\$12,500.00) of the total Settlement Amount shall be paid to Torch & Stone Law, APC within ten business (10) days of the Effective Date, as PCH's attorneys, for reasonable investigation fees, and costs, attorney's fees, and any other cost incurred as a result of investigating and bringing this matter to JYC Enterprise, Inc.'s attention.

4. PAYMENT PROCEDURES

4.1 Payments to OEHHA.

All Payments owed to OEHHA, pursuant to section 3.1(a) shall be delivered directly to OEHHA (Memo line "Prop 65 Penalties NOV #2025-04510") at the following address:

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

4.2 Payments to PCH.

All Payments owed to PCH, pursuant to Section 3.1(b) shall be delivered to:

Pure.Clean.Healthy LLC
Attn: Michele Reynoso
2005 Palo Verde Avenue, Suite 202
Long Beach, CA 90815

4.3 Payments to Torch & Stone Law, APC.

All Payments owed to Torch & Stone Law, APC pursuant to Section 3.2, shall be delivered to:

Torch & Stone Law, APC
Attn: M. Uma Gopalswami, Esq.
4171 Ball Road, Suite 172
Cypress, CA 90630

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4.4 Tax Documentation.

PCH agrees to provide IRS W-9 forms for each of the following payees under this Settlement Agreement:

(a) “Pure.Clean.Healthy LLC”, whose address and tax identification number shall be provided by the Effective Date;

(b) “Torch & Stone Law, APC”, whose address and tax identification number shall be provided by the Effective Date; and

(c) “Office of Environmental Health Hazard Assessment”, 1001 I Street, Sacramento, CA 95814.

JYC Enterprise, Inc. shall issue IRS 1099 forms to each payee (including an IRS 1099-MISC form to PCH) for their respective payment amount.

5. RELEASE OF ALL CLAIMS

5.1 Release of JYC Enterprise, Inc., 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 above, PCH, on behalf of itself, its past and current owners, principals, shareholders, officers, directors, employees, parents, subsidiaries, agents, representatives, attorneys, successors and/or assignees (collectively, “Releasers”), hereby covenants not to sue and waives all rights to institute or participate in, directly or indirectly, any form of legal action and fully releases all claims relating to the Covered Product, including, without limitation, all actions, and causes of action in law or in equity, all obligations, expenses (including without limitation all attorneys’ fees, expert fees, and investigation fees and costs), claims, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, and demands against any of the Releasers of any nature, character, or kind whatsoever, whether known or unknown, suspected or unsuspected, fixed or contingent against: (a) JYC Enterprise, Inc.; (b) each of JYC Enterprise, Inc.’s downstream distributors in the stream of commerce (including but not limited to Dollar Tree Stores, Inc.) and any other upstream or downstream entities in the distribution chain for the Covered Product, including, but not limited to, manufacturers, wholesalers, vendors, licensors, licensees, auctioneers, retailers, franchisees, shareholders, cooperative members, customers, owners, purchasers, third-party re-sellers, and users; (c) JYC Enterprise, Inc.’s parent companies, corporate affiliates, subsidiaries, affiliates, doing business as entities (“DBAs”), successor companies, and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees, and sister and parent entities; and (d) the employees, shareholders, officers, directors, members, managers, equity owners, insurers, attorneys, predecessors, successors and assigns of any of the entities identified in subsection (a) and (c), above (collectively “Releasees”). PCH also, on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees and *not* in its representative capacity, provides a general release herein which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses,

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attorneys' fees, damages, losses, claims, liabilities and demands of any nature, character or kind, known or unknown, suspected or unsuspected, against JYC Enterprise, Inc. and the Releasees.

5.2 JYC Enterprise, Inc.'s Release of PCH

JYC Enterprise, Inc., on behalf of itself, and its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against PCH, its attorneys and other representatives, for any and all actions taken or statements made by PCH and/or its attorneys and other representatives, whether in the course of investigating claims, seeking to enforce Proposition 65 against it in this matter, or with respect to lead from the Covered Product.

5.3 California Civil Code § 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 Product will develop or be discovered. PCH on behalf of itself only, on one hand, and JYC Enterprise, Inc., on the other hand, acknowledge that this Settlement Agreement is expressly intended to cover and include all such claims up through the Effective Date, including all rights of action thereof. The Parties acknowledge that the claims released in Section 5, may include unknown claims, and nevertheless waive California Civil Code § 1542 as to any such unknown claims. California Civil Code § 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.

PCH and JYC Enterprise, Inc. each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code § 1542.

5.4 Deemed Compliance with Proposition 65.

The Parties agree that after the Effective Date, should compliance with Proposition 65 with respect to lead from use of the Covered Product be governed by operation of law (i.e., Court Order regarding lead in consumer products, or other regulatory exemption), JYC Enterprise, Inc. may choose to comply with such operation of law and such action would not be a breach of this Settlement Agreement.

6. 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. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Covered Product, then JYC Enterprise, Inc. shall have no further obligations pursuant to this Settlement Agreement.

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7. NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to this Settlement Agreement shall be in writing and sent by: (i) electronic mail; or (ii) overnight courier on any party by the other party at the following addresses:

For JYC Enterprise, Inc.:
Registered Agent for Service of Process

For Pure.Clean.Healthy LLC:
M. Uma Gopalswami, Esq.
Torch & Stone Law, APC
4171 Ball Road, Suite 172
Cypress, CA 90630

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

8. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249(f)

PCH and its attorneys agree to comply with the reporting form requirements referenced in California Health & Safety Code § 25249.7(f).

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. SEVERABILITY

If, subsequent to the execution of this Settlement Agreement, any of the provision of this Settlement Agreement (except Section 5) is deemed by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected but only to the extent the deletion of the provision deemed unenforceable does not materially affect, or otherwise result in the effect of the Settlement Agreement being contrary to the intent of the Parties in entering into this Settlement Agreement.

11. ENTIRE AGREEMENT

This Settlement Agreement contains the sole and entire agreement of the Parties and any and all prior negotiations and understandings related hereto shall be deemed to have been merged within it. No representation of terms of agreement other than those contained herein exist or have been made by any Party with respect to the other Party, or the subject matter hereof.

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12. MODIFICATION

This Settlement Agreement may be modified only by a 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.

AGREED TO:

Date: 3/20/2026 _____

By: DocuSigned by:
Michelle Reynolds
8A0A3E3E02E3430...
Pure.Clean.Healthy LLC

AGREED TO:

Date: 3/30/2026 _____
DocuSigned by:

By: *Jason Jessup*
A1447276C8DE4FF...
JYC Enterprise, Inc.