SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties

This Settlement Agreement is entered into by and between CalSafe Research Center, Inc. ("CRC"), on the one hand, and Present Moment Herbal Company LLC ("Present Moment") on the other hand, with CRC and Present Moment each individually referred to as a "Party" and collectively as the "Parties."

1.2 General Allegations

CRC alleges that Present Moment sells and/or distributes in California certain products, specified in Section 1.3 below, containing lead without a warning as required by Health and Safety Code §§ 25249.5 *et seq.* ("Proposition 65"). Lead is listed pursuant to Proposition 65 as a chemical known to cause cancer and birth defects or other reproductive harm. Present Moment denies these allegations.

1.3 Product Descriptions

The product covered by this Settlement Agreement is defined as, and expressly limited to "Present Moment Herbs, Lion's Mane Mushroom Powder (UPC# N/A)" (the "Product") that contains lead and that is manufactured, sold or distributed for sale in California by Present Moment.

1.4 Notice of Violation

On June 19, 2026, CRC served a 60-Day Notice of Violation ("the Notice") on Present Moment, the California Attorney General and the other requisite public enforcers, alleging that Present Moment and others violated Proposition 65 when they failed to warn consumers in California of the alleged exposures to lead from the Product.

To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting an action to enforce the violations alleged in the Notice.

1.5 No Admission

Present Moment denies the material, factual and legal allegations in the Notice and maintains that all of the products it sold and/or distributed for sale in California, including the Product, have been, and are, in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by Present Moment or any of its officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers 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 Present Moment or any of its officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers of any fact, finding, conclusion, issue of law or violation of law, such being specifically denied by Present Moment. This Section shall not, however, diminish or otherwise affect Present Moment'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 fully executed.

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2. INJUNCTIVE RELIEF

2.1 Clear and Reasonable Warnings

Beginning on the Effective Date, Present Moment 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, Product that exposes a person to an exposure level of more than 0.5 micrograms of lead per serving based on a serving size of 2.3 grams, 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 the Product into California for sale in California or to sell the Product to a distributor that Present Moment knows or has reason to know will sell the Product in California.

2.2 General Warning Requirements

Present Moment 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* Product the warning applies, so as to minimize the risk of consumer confusion.

For the purposes of this Settlement Agreement, a clear and reasonable warning for the Product shall consist of a warning affixed to the packaging, label, tag, or directly to each of the Product sold or distributed in California by Present Moment that contains one of the following statements:

1) **WARNING:** Consuming this product can expose you to 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.

Present Moment may, at its option, use the words "**CA WARNING:**" or "**CALIFORNIA WARNING:**" instead of the word "**WARNING:**".

2) **WARNING:** Risk of cancer and reproductive harm from exposure to lead. See www.P65Warnings.ca.gov/food.

or

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

Present Moment may, at its option, use the words "**CA WARNING:**" or "**CALIFORNIA WARNING:**" instead of the word "**WARNING:**".

The warning shall be offset in a box with black outline.

For internet purchases, the warning must also be provided by including either the warning or a clearly marked hyperlink using the word "**WARNING**" or "**CA WARNING**" or "**CALIFORNIA WARNING**" on the Product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase.

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For Product that Present Moment provides for a downstream entity to sell on the internet, Present Moment shall include an instruction that the entity comply with the warning requirements of this section.

Where a consumer product sign, label or shelf tag used to provide a warning includes consumer information in language(s) other than English, the warning must also be provided in the other language(s) in addition to English.

(i) Changes in Warning Regulations or Statutes

In the event that the Office of Environmental Health Hazard Assessment promulgates one or more regulations requiring or permitting warning text and/or methods of transmission different than those set forth above, Present Moment shall be entitled to use, at its discretion, such other warning text and/or method of transmission without being deemed in breach of this Settlement Agreement. If regulations or legislation are enacted or issued providing that a Proposition 65 warning for the Product is no longer required, a lack of warning will not thereafter be a breach of this Settlement Agreement.

2.3 Grace Period for Existing Inventory of Products

The injunctive requirements of Section 2 shall not apply to Product that is already in the stream of commerce as of the Effective Date, which Product is expressly subject to the releases provided in Section 4.1.

3. MONETARY SETTLEMENT TERMS

3.1 Total Settlement Payment

In full satisfaction of all potential civil penalties, attorneys' fees, and costs, Present Moment shall make a total settlement payment of Twenty Thousand Dollars **($20,000.00)** ("Total Settlement Amount"). The Total Settlement Amount shall be apportioned into a Civil Penalty and Attorney's Fees and Costs as set forth in Sections 3.2 and 3.3 below.

3.2 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, Present Moment 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 CRC. Within ten (10) days of the Effective Date, Present Moment shall issue a check to "OEHHA" in the amount of One Thousand Five Hundred Dollars **($1,500.00)** and shall, pursuant to the instructions below, wire to CRC the amount of Five Hundred Dollars **($500.00).**

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 Delivery Service:

Mike Gyurics
Fiscal Operations Branch Chief

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Office of Environmental Health Hazard Assessment
P.O. Box 4010, MS 19B
Sacramento, CA 95812-4010

For Non-United States Postal Delivery Service:

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

All penalty payments owed to CRC shall be sent via wire to:

Wire Instructions:
Account Name: The Law Offices of Joseph R. Manning
Bank Name: J.P. Morgan Chase Bank, N.A.
Bank Address: 2967 Michelson Dr, Ste A, Irvine, CA 92612
Wire Routing / ABA Number: 021000021
Swift Code: CHASUS33
Account Number: 579068902

For further benefit of: Civil Penalty Payment File No. P65-1866

3.3 Attorney Fees and Costs

The Parties reached an accord on the compensation due to CRC and its counsel under the private attorney general doctrine and principles of contract law. Under these legal principles, Present Moment agrees to pay Eighteen Thousand Dollars **($18,000.00)** to CRC and its counsel for all fees and costs incurred in investigating, bringing this matter to the attention of Present Moment, and negotiating a settlement.

The payment shall be made in two (2) separate installment payments.

The payments shall be due as follows:

- The first installment of **$9,000.00** shall be due within 10 days of the Effective Date.
- The second installment of **$9,000.00** shall be due within 60 days of the Effective Date.

If the Civil Penalty payment under Section 3.2 and the first installment payment of **$9,000.00** are both made within 10 days of the Effective Date, then the second installment payment of **$9,000.00** shall be waived.

The payment shall be sent via wire to:

Wire Instructions:
Account Name: The Law Offices of Joseph R. Manning
Bank Name: J.P. Morgan Chase Bank, N.A.
Bank Address: 2967 Michelson Dr, Ste A, Irvine, CA 92612
Wire Routing / ABA Number: 021000021
Swift Code: CHASUS33
Account Number: 579068902

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For further benefit of: Attorney's Fees and Costs File No. P65-1866

3.4 Tax Documentation

Present Moment agrees to provide a completed IRS 1099 form for its payments to, and CRC and Manning Law agree to provide IRS W-9 forms for each of the payees under this Settlement Agreement. The Parties acknowledge that Present Moment cannot issue any settlement payments pursuant to Section 3 above until after Present Moment receives the requisite W-9 forms from CRC's counsel.

4. CLAIMS COVERED AND RELEASED

4.1 CRC's Release of Present Moment

CRC, acting on its own behalf and not on behalf of the public, fully releases and discharges Present Moment and its respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers, suppliers, distributors (the "Present Moment Releasees") and all entities to which Present Moment Releasees directly or indirectly distribute or sell the Product, and any other distributors, wholesalers, customers, retailers, franchisees, licensors, and licensees, (collectively, the "Released Parties" and individually, a "Released Party"). CRC, on behalf of itself and its officers, directors, shareholders, employees, agents, parent companies, subsidiaries and divisions hereby fully releases and discharges the Released Parties from any and all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs, and expenses asserted, or that could have been asserted based on or related to the handling, use, sale, distribution or consumption of the Product in California, as to any alleged violation of Proposition 65 or its implementing regulations in relation to the Product, including without limitation any failure to provide Proposition 65 warnings on the Product with respect to exposures to lead.

4.2 Present Moment's Release of CRC

Present Moment on behalf of its past and current agents, representatives, attorneys, successors and assignees hereby waives any and all claims against CRC and its attorneys and other representatives, for any and all actions taken, or statements made by CRC 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 Product.

4.3 California Civil Code Section 1542

It is possible that other claims not known to the Parties, arising out of the Notice or relating to the Product, will develop or be discovered. CRC on behalf of itself only, and Present Moment on behalf of itself only, acknowledge that this Settlement Agreement is expressly intended to cover and include all such claims up through and including the Effective Date, including all rights of action therefor. CRC and Present Moment acknowledge that the claims released in Sections 4.1 and 4.2 above 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.

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5. **SEVERABILITY**

In the event that any of the provisions of this Settlement Agreement are held by a court of competent jurisdiction to be unenforceable, the validity of the remaining enforceable provisions shall not be adversely affected.

6. **GOVERNING LAW**

The terms of this Settlement Agreement shall be governed by the laws of the State of California, without regard to its conflicts of law principles.

7. **NOTICE**

When any Party is entitled to receive any notice under this Settlement Agreement, the notice shall be sent by first class mail or electronic mail to the address set forth in this paragraph. Any Party may modify the person and address to whom the notice is to be sent by sending the other Party notice by certified mail, return receipt requested. Said change shall take effect on the date the return receipt is signed by the Party receiving the change.

Notices shall be sent to:

For CRC
Michael J. Manning
Manning Law, APC
26100 Towne Centre Drive
Foothill Ranch, CA 92610
Tel: Office (949) 200-8757 Fax: (866) 843-8309
p65@manninglawoffice.com

For Present Moment

8. **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. Signatures by scanned and emailed image or facsimile transmission shall have the same force and effect as original signature and as an electronic record adopted and executed by a Party with the intent to sign the electronic record pursuant to Civil Code § § 1633.1 *et seq*.

9. **COMPLIANCE WITH HEALTH AND SAFETY CODE §25249.7(f)**

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

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10. **MODIFICATION**

The Settlement Agreement may be modified only by written agreement of the Parties.

11. **ENTIRE AGREEMENT**

This Settlement Agreement contains the sole and entire agreement and understanding of the Parties and any and all prior negotiations and understandings related hereto shall be deemed to have been merged within it. No representations or 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. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Settlement Agreement have been made by, or relied on, any Party.

12. **INTERPRETATION**

No inference, assumption or presumption shall be drawn, and no provision of this Settlement Agreement shall be construed against any Party, based upon the fact that one of the Parties and/or their counsel prepared or drafted any portion of this Settlement Agreement. The Parties waive the provisions of Civil Code § 1654. It is conclusively presumed that the Parties participated equally in the drafting of this Settlement 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.

AGREED TO:

Date: 10/07/2026

eric fairon

By: ID: DBA941C7-CD5F-42A2-880D-EF...
Digitally signed by eric fairon
October 7, 2026 at 3:22 PM PDT

CalSafe Research Center, Inc.

AGREED TO:

Date: 10/5/2026

By: selena gallagher
ON behalf of Present Moment Herbal company LLC

Present MomentHerbal Company LLC

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