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SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 The Parties. This Settlement Agreement is entered into by and between Ema Bell ("Bell") on the one hand, and Goodmark USA Inc. ("Goodmark") on the other hand. Together, Bell and Goodmark are collectively referred to as the "Parties." Bell is an individual who resides in the State of California and seeks to improve human health by reducing or eliminating hazardous substances contained in consumer products. Bell alleges that Goodmark is a person in the course of doing business for 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. Bell alleges that Goodmark has exposed California consumers to diethanolamine ("DEA") from its sales of face and/or body makeup/paint without first providing users and consumers of the products with a clear and reasonable warning as required pursuant to Proposition 65. DEA is listed under Proposition 65 as a chemical known to the State of California to cause cancer.

1.3 Product Description. The products covered by this Settlement Agreement are name brand and private label face and/or body makeup/paint products, all colors, sizes, packaging, and all styles, including without limitation UPC #s 809801781909, 198101021670, 198101021588, 718762600436, 718762600511, 718762600504, (the "Products") that Goodmark has either manufactured, imported, distributed, offered for sale and/or directly or indirectly sold in California.

1.4 Notices of Violation. On December 18, 2023, Bell served Party City Holdco Inc., Party City Corporation, Party City Holdings, Inc., Amscan, Inc. (collectively, "Party City") and various public enforcement agencies with documents entitled "Notice of Violation of California Health & Safety Code § 25249.6, et seq." (the "2023 Notice"). The 2023 Notice provided Party City and such others, including public enforcers, with notice that alleged that Party City was in violation of California Health & Safety Code § 25249.6, for failing to warn California consumers and customers that use of the Products can expose them to DEA. No public enforcer has diligently prosecuted the allegations set forth in the 2023 Notice.

On December 18, 2024, Bell served Party City, Goodmark and various public enforcement agencies with documents entitled "Notice of Violation of California Health & Safety Code § 25249.6, et seq." (the "2024 Notice"). The 2024 Notice provided Goodmark and such others, including public enforcers, with notice that alleged that Goodmark was in violation of California Health & Safety Code § 25249.6, for failing to warn California consumers and customers that use of the Products an expose them to DEA. No public enforcer has diligently prosecuted the allegations set forth in the 2024 Notice.

The 2023 Notice and the 2024 Notice are collectively referred to herein as, the "Notices."

1.5 No Admission. Goodmark enters into this Settlement Agreement as a full and final settlement of all claims that were raised or that could have been raised in the Notices, and any other claim by Plaintiff concerning alleged DEA in the Products, and solely to avoid prolonged and costly litigation. Goodmark denies the material factual and legal allegations contained in the Notices, maintains that it is not a person in the course of doing business that is subject to Proposition 65, that it is not subject to personal jurisdiction in California, and that all products that it has sold and distributed in California, including the Products, have been and are in compliance with all laws, and are completely safe for their intended use. Nothing in this Settlement Agreement shall be construed as an admission against interest by Goodmark of any fact, finding, issue of law, or violation of law, including, but not limited to, any fact or conclusion of law suggesting or demonstrating that Goodmark has sold any products in California, or that it has violated Proposition 65, or that it is a person in the course of doing business for purposes of Proposition 65; nor shall compliance with this Settlement Agreement constitute or be construed as an admission against interest by Goodmark of any of the above, such being specifically denied by Goodmark. Nothing in this Settlement Agreement shall prejudice, waive or impair any right, remedy, argument or defense Goodmark may have in this or any other future legal proceedings, including Goodmark's position that it is not a person in the course of doing business under Proposition 65, nor that it is not subject to personal jurisdiction in California. This Settlement Agreement is the product of negotiation and compromise and is accepted by Goodmark solely for purposes of settling, compromising, and resolving issues disputed in the Notices.

However, this Section 1.5 shall not diminish or otherwise affect the Parties' 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 that both Parties have notice that this Agreement is fully executed.

1.7 Compliance Date. For purposes of this Settlement Agreement, the term "Compliance Date" shall mean the date 90 dyas after the Effetive Date.

2. INJUNCTIVE RELIEF: REFORMULATION AND/OR WARNINGS

2.1 Reformulation of Products. Commencing on the Compliance Date, and continuing thereafter, Products that Goodmark directly manufactures, imports, distributes, sells, or offers for sale in California shall either be: (a) Reformulated Products pursuant to § 2.2, below; or (b) labeled with a clear and reasonable Proposition 65warning pursuant to §§ 2.3 and 2.4, below. For purposes of this Settlement Agreement, a "Reformulated Product" is a Product that is in compliance with the reformulation standard set forth in § 2.2, below. The warning requirements set forth in §§ 2.3 and 2.4 shall not apply to any Reformulated Product or to any Product manufactured prior to and/or which entered the stream of commerce prior to the Compliance Date.

2.2 Reformulation Standard. To qualify as a "Reformulated Product" the Product must meet the following standard: DEA content that is below the Reporting Limit of 200 parts per million ("ppm") when analyzed pursuant to liquid chromatography/tandem mass spectrometry (LC/MS/MS), inductively coupled mass-spectroscopy (ICP-MS) or other method of analysis utilized by the International Organization for Standardization (ISO) for qualitative and quantitative screening of cosmetics and cosmetic raw materials.

2.3 Clear and Reasonable Warning. Commencing on the Compliance Date, and continuing thereafter, except as set forth in § 2.2, a clear and reasonable exposure warning as set forth in §§ 2.3 and 2.4 must be provided for all Products that Goodmark manufacturers, imports, distributes, sells, or offers for sale in California that is not a DEA Free Reformulated Product. The warning shall consist of one of the following statements:

1) ⚠ **"WARNING:" [or] "CA WARNING:" [or] "CALIFORNIA WARNING:"** This product can expose you to chemicals including diethanolamine ("DEA"), which is known to the State of California to cause cancer. For more information go to www.P65Warnings.ca.gov.

OR

SHORT FORM

2) ⚠ **"WARNING:" [or] "CA WARNING:" [or] "CALIFORNIA WARNING:":** Cancer risk from exposure to Diethanolamine ("DEA"). See- www.P65Warnings.ca.gov

OR

SHORT FORM

3) ⚠ **"WARNING:" [or] "CA WARNING:" [or] "CALIFORNIA WARNING**:" Can expose you to Diethanolamine ("DEA"), a carcinogen. See www.P65Warnings.ca.gov.

OR

SHORT FORM ON A PRODUCT MANUFACTURED/ LABELED PRIOR TO 1/1/28, REGARDLESS OF DATE OF SALE

4) ⚠ **WARNING**: Cancer- www.P65Warnings.ca.gov

⚠ **WARNING**: Cancer - www.P65Warnings.ca.gov.

2.4 A warning provided pursuant to § 2.3 must print the word "**WARNING:**" in all capital letters and in bold font, followed by a colon. The warning symbol to the left of the word "**WARNING:**" must be a black exclamation point in a yellow equilateral triangle with a black outline, except that if the sign or label for the Products does not use the color yellow, the symbol may be in black and white. The symbol must be in a size no smaller than the height of the word "**WARNING:**". The Warning shall be affixed to or printed on the Products' packaging or labeling, or on a placard, shelf tag, sign or electronic device or automatic process, provided that the warning is 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. A

warning provided via an electronic device or automatic process does not apply to internet purchases, which are subject to the provisions of Section 25602(b). The warning may be contained in the same section of the packaging, labeling, or instruction booklet that states other safety warnings, if any, concerning the use of the Product and shall be at least the same size as those other safety warnings. If "consumer information," as that term is defined in Title 27, California Code of Regulations, Section 25600.1(c) as it may be amended from time to time, is provided in a foreign language, Goodmark shall also provide the warningin the foreign language in accordance with applicable warning regulations adopted by OEHHA.

In addition to affixing the warning to the Products' packaging or labeling, the warning shall be posted on websites where Goodmark offers Products for sale to consumers in California. The requirements of this Section shall be satisfied if the warning, or a clearly marked hyperlink using the word [**CALIFORNIA**] or [**CA**] "**WARNING**," appears on the product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase (language in brackets optional). To comply with this Section, Goodmark shall post the Warning on its own website and, if it has the ability to do so, on the websites of third-party internet sellers where it has actual knowledge the third parties are selling the Products to California on their websites. In addition, Goodmark shall instruct any third-party website to which it directly sells its Covered Products, if it has the ability to do so, to include the same online warning, as set forth above, as a condition of selling the Products in California.

2.5 Compliance with Warning Regulations. The Parties agree that Goodmark shall be deemed to be in compliance with Proposition 65 and this Settlement Agreement by either adhering to § 2 of this Settlement Agreement or by complying with warning regulations adopted by the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") applicable to the Product and the exposures at issue.

2.6 Grace Period for Existing Inventory of Products. The injunctive requirements of Section 2 shall not apply to Products that are already in the stream of commerce as of the Compliance Date, which Products are expressly subject to the releases provided in Section 5. For the avoidance of

doubt, Products in the stream of commerce specifically include, but are not limited to, Products in the process of manufacture.

2.7 Most Favored Nations Provision. Bell represents and warrants that as of the Effective Date, it has not entered into any settlement agreement with any other party nor has any court entered any judgment that sets forth a reformulation standard for DEA that is higher (less strict) than the one set forth herein. If, after the Effective Date, Bell, or another private or public enforcer, enters into any settlement agreement and/or a court enters any judgment in any Proposition 65 enforcement action over exposure to DEA that imposes a different, higher (less strict) reformulation standard from that set forth in this Settlement Agreement, the Parties agree Section 2.2 of this Settlement Agreement is automatically modified to conform with the obligations or injunctive relief provided in such later agreement or judgment. If, after the Effective Date, a court enters any judgment in any Proposition 65 enforcement action or action challenging the requirement for a Propositrion 65 DEA warning that determines that no Proposition 65 warnings premised on exposure to DEA are required, the Parties agree that the obligations in Section 2.2 and 2.3 of this Settlement Agreement will immediately and automatically end.

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

In full settlement of all claims for damages, penalties, or monetary relief of any kind covered by the claims referred to in the Notices and this Settlement Agreement (except Plaintiff's Attorney;s fees as set forth in Section 4 below), Goodmark shall pay a total of $2,000 as a Civil Penalty in accordance with this Section. The Civil Penalty payment shall be allocated in accordance with California Health & Safety Code §§ 25249.12(c)(1) and (d), with 75% of the Penalty remitted to OEHHA and the remaining 25% of the Penalty remitted to Bell. The Civil Penalty payment(s) shall be delivered to the addresses identified in § 3.2, below.

3.1 Civil Penalty. Within ten (10) business days of the Effective Date, Goodmark shall issue two (2) separate checks for the Civil Penalty payment: (a) one to "OEHHA" in the amount of $1,500; and one to (b) "Ema Bell" in the amount of $500. The Civil Penalty payment(s) shall be delivered to the addresses identified in § 3.2, below.

3.2 Payment Procedures.

(a) Issuance of Payments. Payments shall be delivered as follows:

(i) All payments owed to Bell, pursuant to § 3.1 shall be delivered to the following payment address:

Evan J. Smith, Esquire
Brodsky Smith
Two Bala Plaza, Suite 805
Bala Cynwyd, PA 19004.

(ii) All payments owed to OEHHA (EIN: 68-0284486), pursuant to § 3.1 shall be delivered directly to OEHHA (Memo Line "Prop 65 Penalties") at the following addresses:

For United States Postal Service Delivery:

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

For Non-United States Postal Service Delivery:

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

(b) Copy of Payments to OEHHA. Goodmark agrees to provide Bell's counsel with a copy of the check payable to OEHHA, simultaneously with its penalty payment to Bell, to be delivered to the address provided in § 3.2(a)(i), as proof of payment to OEHHA.

(c) Tax Documentation. Goodmark agrees to provide a completed IRS 1099 for its payments to, and Bell agrees to provide IRS W-9 forms for, each of the following payees under this Settlement Agreement:

(i) "Ema Bell" whose address and tax identification number shall be provided within five (5) calendar days of the Effective Date;

(ii) "Brodsky Smith" (EIN: 23-2971061) at the address provided in Section 3.2(a)(i); and

(iii) "Office of Environmental Health Hazard Assessment" 1001 "I" Street, Sacramento, CA 95814.

4. REIMBURSEMENT OF FEES AND COSTS

The Parties acknowledge that Bell and her counsel offered to reach preliminary agreement on the material terms of this dispute before reaching terms on the amount of fees and costs to be reimbursed to them. The Parties thereafter reached an accord on the compensation due to Bell and her counsel under general contract principles and the private attorney general doctrine and principles codified at California Code of Civil Procedure § 1021.5, for all work performed through the Effective Date. Under these legal principles, Goodmark shall reimburse Bell's counsel an all inclusive total of $26,000 for any and all attorney's fees and expenses,including, but but not limited to, all investigative, expert, and testing expenses as a result of investigating and bringing this matter to the attention of Goodmark, and negotiating a settlement in the public interest. Within ten (10) business days of the Effective Date, Goodmark shall send a check payable to "Brodsky Smith" in the amount of $26,000 for delivery to the address identified in § 3.2(a)(i), above.

5. RELEASE OF ALL CLAIMS

5.1 Release of Goodmark and Downstream Customers and Entities. This Settlement Agreement is a full, final and binding resolution between Bell, acting on her own behalf, and Goodmark, of any violation of Proposition 65 that was or could have been asserted by Bell or on behalf of her past and current agents, representatives, attorneys, successors, and/or assigns ("Releasors") for failure to provide warnings for alleged exposures to DEA from use of any of the Products, and Releasors hereby release any such claims against Goodmark and its parents, subsidiaries, affiliated entities, shareholders, marketplaces, directors, officers, agents, employees, attorneys, successors and assignees, and each entity from whom Goodmark obtains the Products and to whom Goodmark directly or indirectly distributes or sells the Products, including, but not limited to, all of itsdownstream distributors, wholesalers, customers, retailers (including but not limited to

Party City, Target Corporation, Target Stores, Inc., Target Brands, Inc., Walmart Inc.), franchisees, cooperative members, licensors, and licensees (collectively, the "Releasees"), from all claims for violations of Proposition 65 for Products manufactured through the Compliance Date, based on actual or alleged exposure to DEA from use of the Products.

In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to §§ 3 and 4 above, Bell, on behalf of herself, her past and current agents, representatives, attorneys, successors and/or assignees, hereby covenants not to sue and waives any right to institute, participate in, directly or indirectly, any form of legal action and releases all claims that she may have, including without limitation, all actions and causes of action in law and in equity, all obligations, expenses (including without limitation all attorneys' fees, expert fees, investigation fees, and costs), damages, losses, liabilities and demands against any of the Releasees of any nature, character, or kind, whether known or unknown, suspected or unsuspected, limited to and arising out of the alleged or actual exposure to DEA from use of the Products.

5.2 Goodmark's Release of Bell. Goodmark, on behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against Bell, her attorneys and other representatives, for any and all actions taken or statements made by Bell and/or her attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter or with respect to exposure to DEA from use of the Products within 90 days after the Effective Date.

5.3 California Civil Code § 1542. It is possible that other claims not known to the Parties including, but not limited to, those arising out of the facts alleged in the Notices or relating to products manufactured, imported, distributed, and/or sold by or for Goodmark and its affiliates through the Compliance Date will develop or be discovered. Bell, on behalf of herself only, on the one hand, and Goodmark, on the other hand, acknowledge that this Agreement is expressly intended to cover and include all such claims for products manufactured, imported, distributed, and/or sold by or for Goodmark and its affiliates through the Compliance Date, including all rights of action therefor. The Parties acknowledge that the claims released in §§ 5.1 and 5.2, above, 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.

Bell and Goodmark expressly waive and relinquish any and all rights and benefits that they may have under, or that may be conferred upon them by, the provisions of 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 they may lawfully waive such rights or benefits pertaining to the released matters.

5.4 Deemed Compliance with Proposition 65. The Parties agree that compliance by Goodmark with this Settlement Agreement constitutes compliance with Proposition 65 with respect to exposure to DEA from use of the Products.

5.5. Public Benefit. It is the Parties' understanding that the commitments Goodmark has agreed to herein, and the actions to be taken by Goodmark under this Settlement Agreement, including payment of a civil penalty, would 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 the Parties that, to the extent any other private party initiates an action alleging a violation of Proposition 65 with respect to Goodmark's failure to provide a warning concerning exposure to DEA prior to use of the 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 Settlement Agreement, provided that Goodmark is in material compliance with this Settlement Agreement.

6. SEVERABILITY

If, subsequent to the execution of this Settlement Agreement, any of the provisions of this Settlement Agreement are deemed by a court to be unenforceable, the validity of the enforceable provisions remaining 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.

7. GOVERNING LAW

The terms of this Settlement Agreement shall be governed by the law of the State of California and apply within the State of California.

8. ENFORCEMENT

Before any Party may take action to enforce the terms of this Settlement Agreement for alleged breach, that Party must give the other Party written notice and a good faith opportunity to respond and cure the alleged violation. The Parties must thereafter meet and confer for a period of no less than 30 days to try to resolve any alleged violation. Bell shall not bring an enforcement action or institute a judicial proceeding or seek any other relief of any kind if Goodmark demonstrates that it has complied with the requirements of Sections 2, 3, and 4 of this Settlement Agreement. In the event that meet-and-confer efforts are unsuccessful, the Party alleging a violation may initiate a judicial proceeding to enforce this Settlement Agreement no earlier than 30 days after issuing the written notice specified herein. In the event that a Party initiates such a judicial proceeding, the prevailing Party shall be entitled to recover its reasonable attorneys' fees and costs.

8. NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to this Settlement Agreement shall be in writing and personally delivered or sent by: (i) first-class (registered or certified mail) return receipt requested; or (ii) overnight or two-day courier on any Party by the other Party to the following addresses:

For Goodmark:

Stefan Volcke, CEO
GoodMark USA Inc.
1515 N Federal Highway, Suite 314
Boca Raton, FL 33432

With Copy to:

J. Robert Maxwell
Rogers Joseph O'Donnell
311 California St., 10th Fl.
San Francisco, CA 94104

For Bell:

Evan J. Smith
Brodsky Smith
Two Bala Plaza, Suite 805
Bala Cynwyd, PA 19004

Either 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.

10. JOINT PREPARATION

The Parties have jointly participated in the preparation of this Settlement Agreement and this Settlement Agreement is the result of the joint efforts of the Parties. Accordingly, any uncertainty or ambiguity existing in this Settlement Agreement shall not be interpreted against any Party as a result of the manner of the preparation of this Settlement Agreement. Each Party to this Settlement Agreement agrees that any statute or rule of construction providing that ambiguities are to be resolved against the drafting Party should not be employed in the interpretation of this Settlement Agreement and, in this regard, the Parties hereby waive California Civil Code § 1654.

9. COUNTERPARTS: SIGNATURES

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

10. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)

Bell agrees to comply with the reporting requirements referenced in Health & Safety Code § 25249.7(f).

11. MODIFICATION

Except as set forth herein, this Agreement may be modified by written agreement of the Parties.

12. 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 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.

13. AUTHORIZATION

The undersigned are authorized to execute this Settlement Agreement and have read, understood and agree to all of the terms and conditions contained of this Settlement Agreement.

AGREED TO:	**AGREED TO:**
Date: 04 - 24 - 2026	Date: April 22, 2026
By: _____	By: DocuSigned by: Stefan Volcke 0656AAC2A98242D
Ema Bell	Goodmark USA Inc.