

## SETTLEMENT AGREEMENT

### 1. INTRODUCTION

**1.1 The Parties.** This Settlement Agreement is entered into by and between Precila Balabbo (“Balabbo”) and Housewares International, Inc. (“Housewares International”). Together, Balabbo and Housewares International are collectively referred to as the “Parties.” Balabbo is an individual who resides in the State of California, and allegedly seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products. Balabbo alleges that Housewares International 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.** Balabbo alleges that Housewares International has exposed individuals to lead and lead compounds from its sales of B Harbor Collection Mon Cheri plates without first providing users and consumers of the product with a clear and reasonable health hazard exposure warning as required pursuant to Proposition 65. Lead and lead compounds is listed pursuant to 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 B Harbor Collection Mon Cheri plates (the “Products”) that have been imported, distributed, offered for sale and/or sold in California by Housewares International that expose users to lead and lead compounds.

**1.4 Notice of Violation.** On March 13, 2025, Balabbo alleges she served Ross Stores, Inc. (“Ross”), Housewares International, and various public enforcement agencies with a document entitled “Notice of Violation of California Health & Safety Code § 25249.6, et seq.” (the “Notice”). The Notice provided Housewares International and such others, including public enforcers, with notice that alleged that Housewares International was in violation of California Health & Safety Code § 25249.6, for failing to warn California consumers and customers that use of the Products may expose

them to lead and lead compounds. To the best of the Parties' knowledge, no public enforcer has diligently prosecuted the allegations set forth in the Notice.

**1.5 No Admission.** Housewares International denies the material factual and legal allegations contained in the Notice and maintains that, to the best of its knowledge, all products that are or have been sold and distributed in California, including the Products, have been and are in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by Housewares International 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 Housewares International of any fact, finding, conclusion, issue of law or violation of law, such being specifically denied by Housewares International. However, this § 1.5 shall not diminish or otherwise affect the obligations, responsibilities and duties under this Settlement Agreement. Notwithstanding the allegations in the Notice, Housewares International maintains that it has not knowingly manufactured, or caused to be manufactured, the Products for sale in California in violation of Proposition 65.

**1.6 Effective Date.** For purposes of this Settlement Agreement, the term "Effective Date" shall mean the date this Agreement is last executed by the Parties and both Parties receive fully executed copies of this Agreement. The "Compliance Date" shall be a date ninety (90) days after the Effective Date.

## **2. INJUNCTIVE RELIEF: REFORMULATION AND/OR WARNINGS**

**2.1 Reformulation of Products.** Commencing on the Compliance Date, and continuing thereafter, Products that Housewares International 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 exposure warning pursuant to §§ 2.3 - 2.4, below. For purposes of this Settlement Agreement, a "Reformulated Product" is a Product that is in compliance with the standard set forth in § 2.2, below. The warning requirement set forth in §§ 2.3 - 2.4 shall not apply to any Reformulated Product.

**2.2 Reformulation Standard.** “Reformulated Products” shall mean Products that produce a wipe test result no higher than 1 microgram (µg) of lead and lead compounds when analyzed pursuant to NIOSH method no. 9100.

**2.3 Clear and Reasonable Warning.** Commencing on the Compliance Date, and continuing thereafter, a clear and reasonable exposure warning as set forth in this §§ 2.3 and 2.4 must be provided for all Products that Housewares International knowingly manufacturers, imports, distributes, sells, or offers for sale in California that is not a Reformulated Product. There shall be no obligation for Housewares International to provide an exposure warning for Products that entered its inventory or the stream of commerce prior to the Compliance Date. The warning shall consist of either the **Warning** or **Alternative Warning** described in §§ 2.3(a) or (b), respectively:

(a) **Warning.** The “Warning” shall consist of the statement:

 **WARNING:** This product can expose you to chemicals including lead and lead compounds, 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](http://www.P65Warnings.ca.gov).

(b) **Alternative Warning:** Housewares International may, but is not required to, use the alternative short-form warning as set forth in this § 2.3(b) (“**Alternative Warning**”) for Products manufactured and labeled prior to January 1, 2028 as follows:

 **WARNING:** Cancer and Reproductive Harm - [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov).

**2.4 A Warning or Alternative Warning** provided pursuant to § 2.3 must print the word “**WARNING**,” “**CA WARNING**,” or “**CALIFORNIA WARNING**” in all capital letters and in bold font, followed by a colon. The warning symbol to the left of the word “**WARNING**,” “**CA WARNING**,” or “**CALIFORNIA 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**,” “**CA WARNING**,” or “**CALIFORNIA WARNING**”. The **Warning** or **Alternative 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 only if such electronic device or automatic process provides the **Warning** or **Alternative Warning** without the

purchaser having to seek it out, provided that the **Warning or Alternative 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. The **Warning or Alternative Warning** may be contained in the same section of the packaging, or labeling, 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, Housewares International shall provide the **Warning or Alternative Warning** in the foreign language in accordance with applicable warning regulations adopted by the State of California’s Office of Environmental Health Hazard Assessment (“OEHHA”). An **Alternative Warning** on a Product manufactured and labeled after January 1, 2028 shall be provided in accordance with Title 27, California Code of Regulations, § 25603(b).

In addition to affixing the **Warning or Alternative Warning** to the Product’s packaging or labeling, the **Warning or Alternative Warning** shall be posted on websites where Housewares International knowingly offers Products for sale to consumers in California. The requirements of this Section shall be satisfied if the **Warning or Alternative Warning**, or a clearly marked hyperlink using the word “**WARNING**,” appears on the product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase. To comply with this Section, Housewares International shall (a) post the **Warning or Alternative Warning** on its own website and, if it has the ability to do so, on the websites of its known third-party internet sellers; and (b) if it does not have the ability to post the **Warning or Alternative Warning** on the websites of its known third-party internet sellers, provide such sellers with written notice in accordance with Title 27, California Code of Regulations, Section 25600.2. Third-party internet sellers of the Product that have been provided with written notice in accordance with Title 27, California Code of Regulations, Section 25600.2 are not released in Section 5 of this Agreement if they fail to meet the warning requirements of this Section.

**2.5 Compliance with Warning Regulations.** The Parties agree that Housewares International shall be deemed to be in compliance with 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 OEHHA applicable to the Product and the exposure at issue.

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

In settlement of all the claims referred to in this Settlement Agreement, Housewares International shall pay \$1,000.00 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 Balabbo. The Civil Penalty payment(s) shall be sent to the addresses identified in § 3.2, below.

**3.1 Civil Penalty.** Within fifteen (15) business days of the Effective Date, Housewares International shall issue two (2) separate checks for the Civil Penalty payment to (a) "OEHHA" in the amount of \$750.00; and to (b) "Precila Balabbo" in the amount of \$250.00. 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 sent as follows:

(i) All payments owed to Balabbo, pursuant to § 3.1 shall be sent 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 sent 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.** Housewares International agrees to provide Balabbo's counsel with a copy of the checks payable to OEHHA, simultaneous with its penalty payments to Balabbo, to be sent to the address provided in § 3.2(a)(i), as proof of payment to OEHHA.

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

- (i) "Precila Balabbo" whose address and tax identification number shall be provided within five (5) days after this Settlement Agreement is fully executed by the Parties;
- (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 Balabbo 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 Balabbo 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 mutual execution of this agreement. Under these legal principles, Housewares International shall reimburse Balabbo's counsel for fees and costs incurred as a result of investigating and bringing this matter to

the attention of Housewares International, and negotiating a settlement in the public interest. Within fifteen (15) business days of the Effective Date, Housewares International shall issue a check payable to “Brodsky Smith” in the amount of \$19,000.00 to be sent to the address identified in § 3.2(a)(i), above.

## **5. RELEASE OF ALL CLAIMS**

### **5.1 Release of Housewares International and Downstream Customers and Entities.**

This Settlement Agreement is a full, final and binding resolution between Balabbo, acting on her own behalf, and Housewares International, of any violation of Proposition 65 that was or could have been asserted by Balabbo 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 lead and lead compounds from use of the Products, and Releasors hereby release any such claims against Housewares International and its parents, subsidiaries, affiliated entities, shareholders, marketplaces, directors, officers, agents, employees, attorneys, successors and assignees, and each entity to whom Housewares International directly or indirectly distributes or sells the Products, including but not limited to, downstream distributors, wholesalers, online marketplaces, customers, retailers, including but not limited to Ross and its affiliates, its respective subsidiaries, affiliates and parents, franchisees, cooperative members and licensees (collectively, the “Releasees”), from all claims for violations of Proposition 65 through the Compliance Date based on exposure to lead and lead compounds from use of the Products. This release shall also cover any Products that were in inventory or in stream of commerce prior to the Compliance Date.

In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to §§ 3 and 4 above, Balabbo, 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, and 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 lead and lead compounds from use of the Products.

**5.2 Housewares International's Release of Balabbo.** Housewares International, on behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against Balabbo, her attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Balabbo 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 lead and lead compounds from the Products.

**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 Products will develop or be discovered. Balabbo on behalf of herself only, on one hand, and Housewares International, on the other hand, acknowledge that this Agreement is expressly intended to cover and include all such claims up 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 HER OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HER OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Balabbo and Housewares International 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 compliance by Housewares International with this Settlement Agreement constitutes compliance by Housewares International with Proposition 65 with respect to exposure to lead and lead compounds from use of the Products.

**5.5. Public Benefit.** It is Housewares International's understanding that the commitments it has agreed to herein, and actions to be taken by Housewares International under this Settlement Agreement, 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 Housewares International that to the extent any other private party initiates an action alleging a violation of Proposition 65 with respect to Housewares International's failure to provide a warning concerning exposure to lead and lead compounds 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 Housewares International 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. 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 Housewares International:

Kami Solouki

Housewares International, Inc.  
1933 S. Broadway, Ste. 867  
Los Angeles, CA 90007

For Balabbo:

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.

**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)**

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

**11. MODIFICATION**

This Settlement Agreement may be modified only by a 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 with respect to the matters addressed in this Settlement Agreement. 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 with respect to the matters addressed in this Settlement Agreement.

**13. NOTICE AND OPPORTUNITY TO CURE**

**13.1 Enforcement.** A Party may enforce any of the terms and conditions of this Settlement Agreement only for Product that Housewares International and/or Releasees directly manufactures, imports, distributes, sells, or offers for sale in California after the Compliance Date that Balabbo or her representatives have tested and certified that the Products do not comply with Section 2 of this

Settlement Agreement only after that Party first provides sixty (60) days written notice to the Party allegedly failing to comply with the terms and conditions of this Settlement Agreement and attempts to resolve such Party's failure to comply in an open and good faith manner.

**13.2 Notice of Violation.** Prior to bringing any proceeding to enforce the terms of this Settlement Agreement, Balabbo shall provide a written notice of violation ("NOV") to Housewares International that includes information sufficient for them to be able to understand and correct the violation.

**13.3 Determining Date of Sale.** Within thirty (30) days of receipt of the NOV with the above information, Housewares International shall first provide information showing whether the Products were shipped by Housewares International for sale in California before the Compliance Date. If so, then no further action will be taken by Balabbo.

**13.4 Contesting the NOV.** If the Products were shipped after the Compliance Date, Housewares International may produce information, if any, supporting compliance with the applicable warnings sections of this Agreement. Housewares International will provide documentation it asserts show it did not knowingly and intentionally sell the Products in California without warnings.

**13.5 Non-Contest and Corrective Action.** If Housewares International elects not to contest the NOV, or if Balabbo, based on the Parties' good faith meet and confer attempts, does not agree Housewares International has met its burden to successfully contest the NOV, the Parties shall then meet and confer on any corrective action by Housewares International. Housewares International shall then confirm to Balabbo all steps it will take to ensure the Products comply with the terms of this Settlement Agreement. Upon receiving such notification from Housewares International confirming the corrective action, Balabbo shall take no further action regarding the alleged violation against Housewares International.

**14. 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.

**15. REPRESENTATIONS AND WARRANTIES**

Balabbo and her counsel, on behalf of themselves, counsel's law firm, and all other lawyers co-advising on this matter represent and warrant that they (i) are unaware of any additional perceived claims against the Releasees outside of those addressed in this Settlement Agreement; (ii) are unaware of, and have not been informed of, any other individual, plaintiff, class member, entity, or attorney that intends to bring a claim against the Releasees, including, but not limited to, any claim regarding any Releasees' products and/or any claim related to Prop. 65; and (iii) have no present intention to solicit others to initiate claims against the Releasees. Balabbo and her counsel further represent and warrant that they have not assigned or otherwise transferred, or attempted to assign or transfer, any perceived claims against the Releasees.

**AGREED TO:**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Precila Balabbo

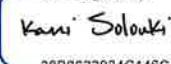
**AGREED TO:**

12/29/2025 | 9:44 AM PST

Date: \_\_\_\_\_

By: \_\_\_\_\_

Housewares International, Inc.

DocuSigned by:  
  
38B8633934C146C...

**14. 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.

**15. REPRESENTATIONS AND WARRANTIES**

Balabbo and her counsel, on behalf of themselves, counsel's law firm, and all other lawyers co-advising on this matter represent and warrant that they (i) are unaware of any additional perceived claims against the Releasees outside of those addressed in this Settlement Agreement; (ii) are unaware of, and have not been informed of, any other individual, plaintiff, class member, entity, or attorney that intends to bring a claim against the Releasees, including, but not limited to, any claim regarding any Releasees' products and/or any claim related to Prop. 65; and (iii) have no present intention to solicit others to initiate claims against the Releasees. Balabbo and her counsel further represent and warrant that they have not assigned or otherwise transferred, or attempted to assign or transfer, any perceived claims against the Releasees.

**AGREED TO:**

Date: 12 | 29 | 25

By: Precila Balabbo  
Precila Balabbo

**AGREED TO:**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Housewares International, Inc.