

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties

This Settlement Agreement (“Agreement”) is entered into by and between Plaintiff Sarah Hale (“Plaintiff”), represented by Flynn Legal, LLC, on the one hand, and Defendants Richemont North America, Inc. DBA Cartier and DBA Chloé and GGR West Coast LLC (collectively, “Defendants”), on the other hand. Plaintiff and Defendants are each individually referred to as a “Party” and collectively as the “Parties.” Plaintiff alleges that Defendants are persons in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code § 25249.6 et seq. (“Proposition 65”).

1.2 General Allegations

Plaintiff alleges that Defendants distribute thermal receipt paper, in connection with the sale of Defendants’ products in California, that contains Bisphenol S (“BPS”) without providing the health hazard warning required by Proposition 65. BPS is listed pursuant to Proposition 65 as a chemical known to cause reproductive harm.

1.3 Product Description

The product covered by this Settlement Agreement is defined as, and expressly limited to, thermal receipt paper (“Covered Product”) that is allegedly used, distributed, and/or provided to customers in California by Defendants.

1.4 Notice of Violation

On or around October 20, 2025, Plaintiff served Defendant Richemont North America, Inc. DBA as Cartier and DBA Chloé, the California Attorney General, and certain other public

enforcement agencies with a 60-Day Notice of Violation of Proposition 65 (“Notice”). On or around October 28, 2025, Plaintiff served Defendant GGR West Coast LLC, the California Attorney General, and certain other public enforcement agencies with a 60-Day Notice of Violation of Proposition 65 (“Notice”). These Notices alleged that Defendants violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposures to BPS contained in Covered Product.

To the best of the parties’ knowledge, no public enforcer has commenced or is otherwise prosecuting an action to enforce the violations alleged in the Notices.

1.5 No Admission

Defendants deny the material, factual, and legal allegations in the Notices and maintain that all of the products Defendants sold and/or distributed for sale in California, including Covered Product, have been, and are, in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by Defendants 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 the Defendants of any fact, finding, conclusion, issue of law or violation of law, such being specifically denied by the Defendants. This Section shall not, however, diminish or otherwise affect Defendants’ obligations, responsibilities, and duties under this Settlement Agreement.

1.6 Effective Date

For purposes of this Settlement Agreement, the term “Effective Date” means the date on which the Attorney General’s forty-five (45) day review period expires without objection, or the date of written approval, whichever occurs first. The Settlement Agreement becomes binding on the date the last party executes the Agreement.

2. INJUNCTIVE RELIEF

2.1 Reformulation Standard

Beginning thirty (30) days after the Effective Date, Defendants shall be permanently enjoined from purchasing for use, distributing, providing, or offering to provide thermal receipt paper in California or in any shipments to California addresses that is not BPS Free. “BPS Free” means thermal paper that contains less than 100 parts per million (“ppm”) of BPS or Bisphenol A (“BPA”) when tested for total content using a Liquid Chromatography Mass-Spectrometer, and does not contain either BPA or BPS as an intentionally added ingredient.

2.2 Grace Period for Existing Inventory of the Covered Product

The injunctive requirements of Section 2 shall not apply to Covered Product that is already in the stream of commerce as of the Effective Date, which Covered Product is expressly subject to the releases provided in Section 4.1. For the avoidance of doubt, Covered Product that is in the stream of commerce specifically includes, but is not limited to, Covered Product that was procured by the Defendants prior to receipt of the Notice.

3. MONETARY SETTLEMENT TERMS

3.1 Defendants, in their sole discretion, will decide how to allocate between themselves the civil penalties and attorneys’ fees and costs payments specified in this Section as long as the total of the payments between them equals respectively the civil penalties specified in Section 3.2 and the attorneys’ fees and costs specified in Section 3.3.

3.2 Civil Penalties

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, Defendants agree to pay Two Thousand Five Hundred Dollars (\$2,500.00) 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 Plaintiff. Defendants shall issue two payments for the initial civil penalty payment to (a) “OEHHA” and (b) Plaintiff as follows:

- (1) The combined payments by the Defendants will be in the amount of \$1,875.00 to OEHHA, due fourteen (14) days after the Effective Date.
- (2) The combined payments by the Defendants will be in the amount of \$625.00 to Sarah Hale, due fourteen (14) days after the Effective Date.

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 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

All penalty payments owed to Plaintiff shall be sent via ACH (instructions to be provided privately) to Flynn Legal, LLC.

3.3 Attorneys’ Fees and Costs

The Parties reached an accord on the compensation due to Plaintiff and Flynn Legal, LLC under the private attorney general doctrine and principles of contract law. Under these legal principles, Defendants agree to make combined payments of Twenty-Five Thousand Five Hundred Dollars (\$25,500.00) in total to Plaintiff and her counsel for all fees and costs incurred in investigating, bringing this matter to the attention of Defendants, and negotiating a settlement. The Twenty-Five Thousand Five Hundred Dollars (\$25,500.00) in Attorney's Fees and Costs shall be payable to Flynn Legal, LLC.

All payments required under this Section shall be sent via ACH (instructions to be provided privately) to Flynn Legal, LLC.

3.4 Default

If Defendants fail to make any payment when due and do not cure within ten (10) days of written notice, Plaintiff may pursue all remedies available to enforce this Agreement, including recovery of enforcement fees.

3.5 Tax Documentation

Each Defendant agrees to provide a completed IRS 1099 for its payments to Plaintiff. Plaintiff agrees to provide IRS W-9 forms for each of the payees under this Settlement Agreement. The Parties acknowledge that Defendants cannot issue any settlement payments pursuant to Section 3.1 and 3.2 above until after Defendants receive the requisite W-9 forms from Plaintiff's counsel.

4. CLAIMS COVERED AND RELEASED

4.1 Plaintiff's Release of Defendants

This Settlement Agreement is a full, final, and binding resolution of all claims between Plaintiff and Defendants for all claims that can or could have been asserted by Plaintiff, on her

own behalf, representatives, attorneys, successors and assignees, against Defendants and each of their respective parents, subsidiaries, affiliated entities under common ownership, directors, officers, members, employees, attorneys, and any entity, including, but not limited to each entity to whom Defendants directly or indirectly distribute or sell the Covered Product, including, but not limited to, its downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members and licensees (“Releasees”), based on the failure to warn about exposures to BPS required under Proposition 65 in the Covered Product sold or distributed for sale in California by Defendants before the Effective Date, as alleged in the Notice, or for any other reason.

In further consideration of the promises and agreements herein contained, Plaintiff on her own behalf, on behalf of her representatives, attorneys, successors and assignees hereby waives any and all rights she may have to institute or participate in, directly or indirectly, any form of legal action and releases all claims against Defendants and Releasees including, without limitation, all actions and causes of action, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses or expenses including, but not exclusively, investigation fees, expert fees and attorney fees arising under Proposition 65 with respect to the alleged or actual failure to warn about exposures to BPS required under Proposition 65 in the Covered Product manufactured, distributed, sold or offered for sale by Defendants, before the Effective Date.

4.2 Defendants’ Release of Plaintiff

Each of the Defendants, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against Plaintiff and her attorneys and other representatives, for any and all actions taken or statements made by Plaintiff and her 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 Covered Product.

4.3 California Civil Code Section 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. Plaintiff, on behalf of herself only, on one hand, and each of the Defendants on behalf of itself only, on the other hand, acknowledge that this Settlement Agreement is expressly intended to cover and include all such claims up through the Effective Date. The Parties acknowledge that the claims released in Sections 4.1 and 4.2 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.

Plaintiff and each of the Defendants all acknowledge and understand the significance and consequences of this specific waiver of California Civil Code § 1542.

5. PUBLIC BENEFIT

It is Defendants' understanding that the commitments they have agreed to herein, and actions to be taken by Defendants under this Settlement 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 Defendants that to the extent any other private party serves a notice and/or initiates an action alleging a violation of Proposition 65 with respect to Defendants' alleged failure to provide a warning concerning actual or alleged exposure to BPS prior to use of the Covered Product 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 the Covered Product addressed in this Settlement Agreement, provided that Defendants are in material compliance with this Settlement Agreement.

6. SEVERABILITY

If, subsequent to the execution of this Settlement Agreement, any provision of this Settlement Agreement is held by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

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. ENFORCEMENT

In any action to enforce the terms of this Settlement Agreement, the prevailing party shall be entitled to its reasonable attorneys' fees and costs.

9. NOTICE

Unless specified herein, all correspondence and notice required to be provided pursuant to this Settlement Agreement shall be in writing and sent by: (a) personal delivery; (b) first-class, registered or certified mail, return receipt requested; or (c) a recognized overnight courier on any Party by the other at the following addresses:

For Defendants:

David P. Callet
CalletLaw, LLC

5335 Wisconsin Ave. NW, Suite 440

Washington, D.C. 20015

For Plaintiff:

Casey Flynn
Flynn Legal, LLC
6057 Metropolitan Plaza
Los Angeles, CA 90036

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

10. COUNTERPARTS; FACSIMILE AND ELECTRONIC SIGNATURES

This Settlement Agreement may be executed in counterparts and by facsimile or portable document format (PDF) signature, or other electronic signature each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

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

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

12. MODIFICATION

This Settlement Agreement may be modified only by 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:

PLAINTIFF: Sarah Hale

By: 

Date: April 20, 2026

DEFENDANT: Richemont North America, Inc. DBA as Cartier and DBA Chloé

By: 

Date: April 20, 2026

DEFENDANT: GGR West Coast LLC

By: 

Date: April 23rd, 2026