

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties

This Settlement Agreement is entered into by and between Dennis Johnson (“Johnson”) and Brown-Forman Corporation (“Brown-Forman”), with Johnson and Brown-Forman each individually referred to as a “Party” and collectively as the “Parties.” Johnson is an individual residing in the State of California who seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances used in consumer products. Johnson alleges that Brown-Forman is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code section 25249.6 *et seq.* (“Proposition 65”).

1.2 General Allegations

Johnson alleges that Brown-Forman manufactures, sells, and/or distributes for sale in California, glassware with exterior designs containing lead. Lead is listed pursuant to Proposition 65 as a chemical known to cause birth defects and other reproductive harm. Johnson alleges that Brown-Forman failed to provide the health hazard warning required by Proposition 65 for exposures to lead.

1.3 Product Description

The products covered by this Settlement Agreement are specifically defined as, and limited to, *Jack Daniel’s Single Barrel Select Happy Lunar New Year Gift Set*; UPC: 0 82184 20835 9, that are manufactured, sold, or distributed for sale in California by Brown-Forman (hereinafter referred to as “Products”).

1.4 Notice of Violation

On February 17, 2026, Johnson served “Jack Daniel Distillery, Lem Motlow, Prop., Inc.”; Brown-Forman Corporation; Retail Services & Systems, Inc.; and the requisite public enforcement agencies with a 60-Day Notice of Violation, alleging that

the notice recipients violated Proposition 65 by failing to warn customers and consumers in California of the health hazards associated with exposures to lead from the Products. No public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice.

1.5 No Admission

Brown-Forman 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 Products, have been, and are, in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by Brown-Forman 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 Brown-Forman of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Brown-Forman. Nothing in this Settlement Agreement shall preclude Brown-Forman from asserting any and all applicable defenses available to it in any future proceeding under Proposition 65 or otherwise. This Section shall not, however, diminish or otherwise affect Brown-Forman'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 July 31, 2026.

2. INJUNCTIVE RELIEF

2.1 As of the Effective Date, Brown-Forman shall not manufacture, import, distribute, sell or offer the Products for sale in the State of California unless they are Reformulated Products pursuant to Section 2.2 or contain a warning pursuant to Section 2.3.

2.2 Reformulation Standards

“Reformulated Products” are defined as those Products which comply with the requirements for “Glassware Food/Beverage Products” as set forth in Section 2.3.1 of the Proposition 65 consent judgment entered in *Brimer v. The Boelter Companies, et al.*, San Francisco Superior Court No. CGC-05-440811 (“Boelter CJ”), to which Brown-Forman previously opted-in.

2.3 Warnings

As of the Effective Date, Products which fail to meet the requirements for “Glassware Food/Beverage Products” as set forth in Section 2.3.1 of the Boelter CJ, shall be labeled in compliance with the Proposition 65 warning requirements set forth in the Boelter CJ.

2.4 Safe Harbor Warnings. The parties acknowledge that the warnings required by this section are not the exclusive methods of providing Proposition 65 warnings and agree that Brown-Forman may utilize “safe harbor” warning language and methods promulgated by the Office of Environmental Health Hazard Assessment and contained in 27 CCR §§ 25602-25603, applicable to lead and the Products, in effect on or after the Effective Date, without being deemed in breach of this Settlement Agreement.

2.5 The Parties agree and intend for compliance with the terms of Sections 2.2 or 2.3 to constitute compliance with Proposition 65 with respect to exposures to lead from the Products.

2.6 Products in the Stream of Commerce

Based on the civil penalties to be paid pursuant to Section 3.1 below, Products previously distributed for sale in California shall be exempt from the requirements of Sections 2.1, 2.2 and 2.3, and are covered by the releases in Section 4.

3. MONETARY SETTLEMENT TERMS

3.1 Civil Penalty Payment

Pursuant to Health and Safety Code section 25249.7(b)(2), and as consideration for the releases contained in Sections 4.1 and 4.2 below, Brown-Forman agrees to pay \$2,000.00 in civil penalties no later than the Effective Date. The penalty payment will be allocated in accordance with California Health and Safety Code section 25249.12(c)(1) & (d), with 75% of the penalty amount remitted to the California Office of Environmental Health Hazard Assessment (“OEHHA”) and the remaining 25% of the penalty amount paid to Johnson. Brown-Forman will make its payment in two checks, delivered to the address in Section 3.3, as follows: (1) to “OEHHA” in the amount of \$1,500.00; and (2) to “Dennis Johnson” in the amount of \$500.00.

3.2 Attorneys’ Fees and Costs

The Parties acknowledge that Johnson and his counsel offered to resolve this dispute without reaching terms on the amount of fees and costs to be reimbursed to his counsel, thereby leaving the issue to be resolved after the material terms of the agreement had been settled. Shortly after the other settlement terms had been reached, Brown-Forman expressed a desire to resolve Johnson’s fees and costs. The Parties reached an accord on the compensation due to Johnson’s counsel under general contract principles and the private attorney general doctrine codified at Code of Civil Procedure section 1021.5 for all work performed in this matter. Under these legal principles, Brown-Forman agrees to pay, no later than the Effective Date, \$17,000, in the form of a check made payable to “Voorhees & Bailey, LLP,” for all fees and costs incurred investigating, bringing this matter to the attention of Brown-Forman’s management, and negotiating a settlement.

3.3 Payment Address and Tax Documentation

All checks under this Settlement Agreement shall be delivered to the following address and shall, thereafter, be delivered by Johnson to the respective payees:

Voorhees & Bailey, LLP
27 Pine Street; Suite 50
New Canaan, CT 06840

Johnson shall provide IRS W-9 forms for: (i) "Office of Environmental Health Hazard Assessment"; (ii) Dennis Johnson; and (iii) Voorhees & Bailey, LLP. Brown-Forman shall issue complete IRS 1099 forms to each payee for their respective payment amount, including an IRS Form 1099-MISC to Johnson.

4. CLAIMS COVERED AND RELEASED

4.1 Johnson's Release of Proposition 65 Claims

This Settlement Agreement is a full, final, and binding resolution between Johnson, in his individual capacity and *not* on behalf of the public, and Brown-Forman, of any violation of Proposition 65 that was or could have been asserted by Johnson, on his own behalf, or on behalf of his past and current agents, principals, employees, insurers, accountants, entities under his ownership or direction, representatives, attorneys, predecessors, successors, assignees and heirs, against Brown-Forman, its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, agents, principals, insurers, accountants, representatives, attorneys, predecessors (including, but not limited to, "Jack Daniel Distillery, Lem Motlow, Prop., Inc."), successors, assignees, and each entity to whom Brown-Forman directly or indirectly distributes, ships or sells Products, or obtained the Products including, but not limited to, its downstream distributors, wholesalers, customers, retailers (including, but not limited to, Retail Services & Systems, Inc.), upstream suppliers and their affiliates, franchisees, cooperative members, licensors, and licensees and their owners, directors, officers, employees, agents, principals, insurers, accountants, representatives, attorneys, predecessors, successors, and assignees (collectively, "Releasees"), for any and all claims

based on the alleged or actual failure to warn about exposures to lead contained in the Products manufactured, sold, or distributed for sale by Brown-Forman in California before the Effective Date.

4.2 Johnson's Individual Release of Claims

Johnson, in his individual capacity only and *not* in his representative capacity, provides a 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, attorneys' fees, damages, losses, claims, liabilities, and demands of Johnson of any nature, character, or kind, whether known or unknown, suspected or unsuspected, limited to and arising out of alleged or actual exposures to lead and cadmium in the Products manufactured, imported, otherwise acquired, distributed, or sold by Brown-Forman or its predecessors (including corporations it previously acquired) prior to the Effective Date.

Johnson acknowledges that he is familiar with Section 1542 of the California Civil Code, which provides 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.

Johnson, as an individual and *not* on behalf of the public, expressly waives and relinquishes any and all rights and benefits which he may have under, or which may be conferred on him by the provisions of Section 1542 of the California Civil Code as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that he may lawfully waive such rights or benefits pertaining to lead and cadmium in Products manufactured, imported, distributed or sold by Brown-Forman before the Effective Date. Nothing in this Section affects Johnson's right to commence or prosecute an action under Proposition 65 against a Releasee that does not involve Brown-Forman's Products.

4.3 Brown-Forman's Release of Johnson

Brown-Forman, on its own behalf, and on behalf of its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives any and all claims against Johnson and his attorneys and other representatives, for any and all actions taken, or statements made by Johnson and his 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 the Products.

4.4 Public Benefit

The Parties enter into this Settlement Agreement with the understanding that the commitments made herein, and actions to be taken by Brown-Forman under this Agreement, confer a significant benefit to the general public, as set forth in Code of Civil Procedure section 1021.5 and Cal. Admin. Code tit. 11, section 3201. As such, it is Brown-Forman's intent by entering into this Agreement that to the extent any other private party initiates an action against Brown-Forman alleging a violation of Proposition 65 with respect to failure to provide a clear and reasonable warning concerning exposure to lead from the Products manufactured, distributed, sold or offered for sale by Brown-Forman in California, and subject to Brown-Forman's material compliance with this Settlement Agreement, such action by another private party would not confer a significant benefit on the general public as to those Products and Proposition 65-listed chemicals addressed under this Agreement.

5. SEVERABILITY

If, subsequent to the execution of this Settlement Agreement, any provision of this Settlement Agreement is deemed by a court to be unenforceable, the validity of the remaining 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 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 Products, then Brown-Forman may provide written notice to Johnson of any asserted change in the law and shall have no further injunctive obligations pursuant to this Settlement Agreement with respect to, and to the extent that, the Products are so affected.

7. 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 Brown-Forman:

Brown-Forman Corporation
c/o CT Corporation System
818 West Seventh Street, Suite 930
Los Angeles, CA 90017

For Johnson:

Dennis Johnson
c/o Voorhees & Bailey, LLP
Proposition 65 Coordinator
27 Pine Street; Suite 50
New Canaan, CT 06840

With a copy to:

Rohit A. Sabnis, Esq.
Keller and Heckman LLP
Three Embarcadero Center; Suite 1420
San Francisco, CA 94111

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.

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.

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

Johnson and his attorneys agree to comply with the reporting form requirements referenced in California Health and Safety Code section 25249.7(f).

10. MODIFICATION

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

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 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.

12. AUTHORIZATION

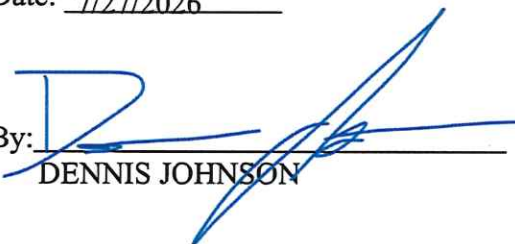
The undersigned are authorized to execute this Settlement Agreement on behalf of their respective Parties and have read, understand, and agreed to all of the terms and conditions of this Settlement Agreement.

AGREED TO:

AGREED TO:

Date: 7/27/2026

Date: July 30, 2026

By: 

DENNIS JOHNSON

By: 

BROWN-FORMAN CORPORATION