

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties

This Settlement Agreement is entered into by and between Dennis Johnson (“Johnson”) and Galt International Company, Inc. (“Galt”). Johnson and Galt shall each be referred to as a “Party” and collectively as the “Parties.” Johnson is an individual residing in the State of California who allegedly 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 Galt 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 Galt manufactures, sells, and distributes for sale in California, ceramic jars with exterior designs containing lead. Lead is listed pursuant to Proposition 65 as a chemical known to cause birth defects or other reproductive harm. Johnson alleges that Galt failed to provide the health hazard warning required by Proposition 65 for exposures to lead. Galt denies these allegations.

1.3 Product Description

The products covered by this Settlement Agreement are specifically defined as, and limited to, the *Ross Ceramic Jar With Lid; SKU: 400298565562* manufactured, sold, or distributed for sale in California by Galt (hereinafter the “Products”).

1.4 Notices of Violation

On or about March 11, 2026, Johnson served Ross Stores, Inc., and the requisite public enforcement agencies with a 60-Day Notice of Violation (“Notice”), alleging that the notice recipients violated Proposition 65 by failing to warn their customers and consumers in California of the health hazards associated with exposures to lead from the Products. Galt was subsequently identified as the manufacturer/supplier of the Products.

On or about June 12, 2026, Johnson served Galt, and the requisite public enforcement agencies with a 60-Day Notice of Violation (“Notice”), alleging that the notice recipients violated Proposition 65 by failing to warn their customers and consumers in California of the health hazards associated with exposures to lead from the Products. To the best of the Parties’ knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notices.

1.5 No Admission

Galt 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 Galt 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 Galt of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Galt. This Section shall not, however, diminish or otherwise affect Galt’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 last executed by the Parties and both Parties have notice of such execution.

2. INJUNCTIVE RELIEF

2.1 Reformulation/Warning Commitment

Commencing within sixty (60) days after the Effective Date, Galt shall not manufacture, import, distribute, sell or offer the Products for sale in the State of California unless: (i) the Products are Reformulated Products pursuant to Section 2.2; or (ii) Galt provides a clear and reasonable warning pursuant to Section 2.3. The Parties agree and intend that Galt’s compliance with the terms of this Settlement Agreement

shall constitute its compliance with Proposition 65 with respect to exposures to lead from the Products. There shall be no obligation for Galt to provide an exposure warning for Products that were manufactured, entered the stream of commerce, or are in Galt's inventory prior to the Effective Date through sixty (60) days after the Effective Date, as they were included in the calculation of civil penalties.

2.2 Reformulation Standards

"Reformulated Products" are defined as those Products that: (a) contain no more than 90 parts per million ("ppm") lead in any decoration, colored artwork, designs and/or marking on the surface of the Products when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3050B or equivalent methodologies utilized by federal or state agencies for the purpose of determining lead content in a solid substance; and (b) yield no more than 1.0 microgram of lead on any surface sampled and analyzed pursuant to the NIOSH 9100 testing protocol or equivalent methodologies used by state and federal agencies to determine lead content on a solid substance.

If the decoration is tested after it is affixed to the Product, the percentage of the lead by weight must relate only to the decorating materials and must not include any quantity attributable to non-decorating material (e.g., ceramic substrate).

2.3 Warnings.

To the extent that Products manufactured, imported, or otherwise acquired by Galt within sixty (60) days after the Effective Date do not meet the standard for Reformulated Products, a clear and reasonable warning shall be provided, as set forth herein, for products that are sold or offered for sale to consumers in California.

2.3.1 Warning Content. For purposes of this Settlement Agreement, the parties agree that a clear and reasonable warning shall consist of one of the following warning statements:

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

OR

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

OR

 **WARNING:** This product can expose you to chemicals including 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

For Products manufactured and labeled before January 1, 2028, if Galt elects to use a short-form warning, it may use the following language:

 **WARNING:** Cancer and Reproductive Harm – www.P65Warnings.ca.gov

The above warning statements 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:**”. In lieu of the word “WARNING,” Galt may use “**CA WARNING**” or “**CALIFORNIA WARNING.**”

2.3.2 Method of Transmission

Product Labeling. Galt shall affix one of the foregoing warning statements to the packaging, labeling or directly to a specific Product. The warning statement shall be affixed to the Product, Products’ packaging or labeling and placed 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. Where the short-form warning statement is provided on the label, the entire warning must be in a type size no smaller than the largest type size used for other consumer information on the product label. In no case shall the short-form warning statement appear in a type size smaller than six-point type.

Internet. In addition to the product labeling, where Galt offers Products to California customers via its own proprietary internet website or any third-party website over which Galt has control, Galt shall provide a clear and reasonable internet web page warning to customers located in California. The warning statement shall appear either: (i) on the same web page on which a Product is displayed and/or described; (ii) on the same page as the price for the Product; or (iii) on one or more web pages displayed to a California purchaser prior to completion of the checkout process. Alternatively, the warning statement shall be provided using a clearly marked hyperlink using the word “WARNING,” “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. If the product label warning is provided using the short-form warning statement, the warning provided on the website may use the same content. A warning is not prominently displayed if the purchaser must search for it in the general content of the website. Where Galt does not have control over the content of known third-party internet sellers, Galt shall provide such sellers with written notice, in accordance with Title 27, California Code of Regulation, Section 25600.2, of their warning obligations. Third-party internet sellers who receive notice pursuant to Section 25600.2 and fail to provide a clear and reasonable Proposition 65 warning pursuant to this section within 180 days after receipt of such notice, shall not be deemed in compliance with this Settlement Agreement and shall not receive any benefit or protection afforded hereunder.

Catalog. In addition to the product labeling, if Galt sells Products via its own proprietary catalog or any third-party catalog over which Galt has control, to customers located in California, one of the foregoing warnings statements must also be provided in the catalog in a manner that clearly associates it with the *specific* item being purchased. The catalog warning statement shall be placed 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. If a short-form warning is being provided on the label, the warning provided in the catalog may use the same content.

Languages. Where a label or tag used to provide a warning statement includes consumer information about a product in a language other than English, the warning must also be provided in that language in addition to English.

2.3.3 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 Galt 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.

2.3.4 Correction Notice. In the event that, within 6 months of the Effective Date, Galt is allegedly not in compliance with Section 2 of this Agreement, Galt upon receiving a written notice of non-compliance (the “Compliance Notice”), may bring the Products into compliance or demonstrate that the Products are already compliant within thirty (30) days of receipt of the Compliance Notice. If the Products are brought into compliance during this period, Galt shall not be required to make any additionally monetary payment or settlement amount. In the event Johnson determines that Galt is not in compliance with Section 2 of this Settlement Agreement a second time, he shall be under no obligation to provide a Compliance Notice to Galt and may take any appropriate action to enforce the terms of this Settlement Agreement, including the issuance of a Proposition 65 Notice of Violation.

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, Galt agrees to pay \$800 in civil

penalties no later than seven (7) days after 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. Galt shall make its payment in two checks, sent to the address in Section 3.3, as follows: (1) to “OEHHA” in the amount of \$600; and (2) to “Dennis Johnson” in the amount of \$200. Johnson agrees to promptly forward OEHHA’s check to OEHHA.

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, Galt 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, Galt agrees to pay, no later than seven (7) days after the Effective Date, \$14,500, in the form of a check made payable to “Voorhees & Bailey, LLP,” for a portion of fees and costs incurred investigating, bringing this matter to the attention of Galt’s management, and negotiating a settlement.

3.3 Payment Address and Tax Documentation

All checks under this Settlement Agreement shall be sent to the following address and shall, thereafter, be promptly 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. The Parties acknowledge that Galt cannot issue any settlement payments until after Galt receives the requisite W-9 forms from Johnson. Galt shall issue complete IRS 1099 forms to each payee, including an IRS 1099-MISC form to Johnson, for their respective payment amount. In lieu of payment by checks, Galt may make one payment of \$15,300 by wire transfer to Voorhees & Bailey, LLP’s trust account as provided by Voorhees & Bailey, LLP (the “Wire Payment”). Voorhees & Bailey, LLP will allocate the Wire Payment in the amounts due to OEHHA, Dennis Johnson, and Voorhees & Bailey, LLP in accordance with this Settlement Agreement.

4. CLAIMS COVERED AND RELEASED

4.1 Johnson’s Release of Proposition 65 Claims

Johnson acting on his own behalf, and not on behalf of the public, releases Galt, its parents, subsidiaries, affiliated entities under common ownership, directors, officers, agents, employees, attorneys, predecessors, successors, and assigns, each of Galt’s suppliers, vendors, licensors, licensees, and each entity to whom Galt directly or indirectly distributes, obtains, or sells Products, including, but not limited, to upstream suppliers, downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, importers, and licensees including, without limitation, Ross Stores, Inc., and each of the foregoing’s parents, subsidiaries, successors, assigns, and related and affiliated entities (collectively, “Releasees”), from all claims for violations of Proposition 65 within sixty (60) days after the Effective Date relating to unwarned exposures to lead in the Products. This release shall apply to any Products in inventory or the stream of commerce prior to the Effective Date through sixty (60) days after 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, arising out of alleged or actual exposures to lead in the Products manufactured, imported, distributed, or sold by Galt prior to the Effective Date through sixty (60) days after the Effective Date.

4.3 Johnson and Counsel's Warranty Regarding Other Potential Claims

Johnson and his counsel, on behalf of themselves, counsel's law firm, and all other lawyers co-advising on this matter represent and warrant that as of Johnson's execution of this Settlement Agreement, they: (i) are unaware of any additional perceived claims against the Releasees related to the Products outside of those addressed in this 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 the Releasees' products and/or any claim related to Proposition 65 other than those contained in Notices of Violation uploaded to the California Attorney General's Proposition 65 website; and (iii) have no present intention to solicit others to initiate claims against the Releasees . Johnson and his counsel further represent and warrant that they have not assigned or otherwise transferred, or attempted to assign or transfer, any claims against the Releasees.

4.4 Galt's Release of Johnson

Galt, 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.

4.5 California Civil Code § 1542

It is possible that other claims not known to the Parties arising out of the facts alleged in the Notices and relating to the Products will develop or be discovered. Johnson and his counsel, on behalf of themselves, counsel's law firm, and all other lawyers co-advising on this matter, on one hand, and Galt, on the other hand, acknowledge that this Agreement is expressly intended to cover and include all such claims up through the Effective Date, including all rights of action thereof. The Parties acknowledge that the claims released in §§ 4.1 through 4.4 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.

Johnson and Galt have consulted with competent counsel regarding this waiver, and each acknowledge, and understand, and accept the significance and consequences of this specific waiver of California Civil Code § 1542.

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 Galt 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 Galt:

Sedina L. Banks
Sherry E. Jackman
Greenberg Glusker LLP
2049 Century Park E., Ste. 2600
Los Angeles, CA 90067

For Johnson:

Dennis Johnson
c/o Voorhees & Bailey, LLP
Proposition 65 Coordinator
839 Emerson Street
Palo Alto, CA 94301

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

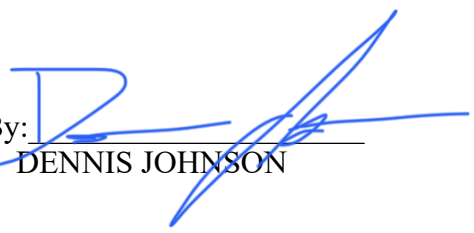
The undersigned are authorized to execute this Settlement Agreement on behalf of their respective Parties and have read, understand, and agreed to all of the terms and conditions of this Settlement Agreement.

AGREED TO:

AGREED TO:

Date: 8/18/2026

Date: 8/20/26

By: 
DENNIS JOHNSON

By: 
GALT INTERNATIONAL COMPANY, INC.