SETTLEMENT AND RELEASE AGREEMENT

1. INTRODUCTION

1.1. Ecological Alliance, LLC and One Design Accessories LLC

This Settlement Agreement is entered into by and between Ecological Alliance, LLC ("Ecological"), on the one hand, and One Design Accessories, LLC ("One Design"), on the other hand, with Ecological and One Design collectively referred to as the "Parties."

1.2. General Allegations

Ecological alleges that One Design manufactured, imported, distributed, offered for sale, and/or sold in the State of California hats, sunglasses and associated packaging containing di(2-ethylhexyl)phthalate (DEHP) and/or diisononyl phthalate (DINP) without a clear and reasonable warning pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code sections 25249.6 *et seq.* ("Proposition 65"). California has identified and listed DEHP and DINP under Proposition 65 as chemicals known to the State of California to cause cancer and/or birth defects or other reproductive harm.

1.3. Product Description

The products that are covered by this Settlement Agreement are defined as hats, sunglasses and associated packaging that One Design manufactured, imported, sold, offered for sale or distributed in California and that contain DEHP and/or DINP, including, but not limited to UPCs #815980001738 and #815980001653 (the "Products").

1.4. Notice of Violation

On August 3, 2018, Ecological served One Design, Ross Stores, Inc., Marshalls of CA, LLC, and the requisite public enforcement agencies eligible to initiate Proposition 65 actions on behalf of the People of the State of California with documents entitled " Notice of Violation

Against One Design Accessories LLC and Ross Stores, Inc. of California Health & Safety Code Section 25249.6" ("First Notice"). On August 8, 2018, Ecological served One Design, T.J. Maxx of CA, LLC, Marshalls of CA, LLC, and the requisite public enforcement agencies eligible to initiate Proposition 65 actions on behalf of the People of the State of California with amended documents entitled "Amended Notice of Violation Against One Design Accessories LLC and T.J. Maxx of CA, LLC and Marshalls of CA, LLC of California Health & Safety Code Section 25249." ("Amended Notice"). The First Notice and Amended Notice (together, the "Notices") provided One Design and such public enforcers with notice that One Design was allegedly in violation of California Health & Safety Code section 25249.6 for failing to warn consumers in California that the Products exposed users in California to DEHP and/or DINP. To the best of the Parties' knowledge, no public enforcer has commenced or is diligently prosecuting the allegations set forth in the Notices.

1.5. No Admission

The Parties enter into this Settlement Agreement to settle disputed claims between them as set forth herein and in the Notices concerning Proposition 65. Specifically, One Design denies the material factual and legal allegations contained in the Notices and maintains that all products that it has manufactured, imported, distributed, offered for sale and/or sold in California, including the Products, have been and are in compliance with Proposition 65 and all other statutory, regulatory, common law and equitable doctrines. Nothing in this Settlement Agreement shall be construed as an admission by One Design 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 One Design of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by One Design. However, nothing in this section

shall diminish or otherwise affect the obligations, responsibilities, and duties of the Parties 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 fully executed.

2. INJUNCTIVE RELIEF:

2.1. Reformulation Option

The Products shall be deemed to comply with Proposition 65 with regard to DEHP and/or DINP and be exempt from Proposition 65 warning requirements for DEHP and/or DINP if the Products do not exceed the following limits: the maximum concentration of 1,000 parts per million (0.1%) by weight of DEHP, and the maximum concentration of 1,000 parts per million (0.1%) by weight of DINP, in any accessible component of a Product when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or other methodologies utilized by federal or state governmental agencies for purposes of determining phthalate content in solid substance ("Reformulated Products"). Reformulated Products are not required to carry a warning as described in Sections 2.2 and 2.3, below.

2.2. Warning

Products that are not Reformulated Products shall be accompanied by a warning as described in Section 2.3 below, no later than ninety (90) days after the Effective Date. The warning requirements set forth in Section 2.3 below shall apply only to Products that are distributed, marketed, offered for sale, sold or shipped for sale in the State of California directly by One Design. The warning requirement shall not apply to Products that are already in the

stream of commerce as of the Effective Date or that One Design places into the stream of commerce within ninety (90) days of the Effective Date.

2.3. Warning Language

Where required, One Design shall provide Proposition 65 warnings as follows:

(a) One Design may use any of the following warning statements in full compliance with this Section:

(1) **WARNING**: This product can expose you to chemicals including [*name one or more chemical(s)*], which is[*are*] known to the State of California to cause [cancer and birth defects or other reproductive harm][1]. For more info go to www.P65Warnings.ca.gov.

(2) **WARNING**: Cancer [and Reproductive Harm][2] – www.P65Warnings.ca.gov.

(b) If One Design elects to use the warning statements identified in either 2.3(a)(1) or (2), it may also include a symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline. Where the sign, label or shelf tag for the product is not printed using the color yellow, the symbol may be printed in black and white. The symbol shall be placed to the left of the text of the warning, in a size no smaller than the height of the word "**WARNING:**".

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[1] If the Product contains DEHP, or DEHP and DINP, the warning shall indicate "… cancer and birth defects or other reproductive harm." If the Product contains DINP only, the warning may indicate "… cancer."

[2] If the Product contains DEHP, or DEHP and DINP, the warning shall indicate "Cancer and Reproductive Harm - www.P65Warnings.ca.gov." If the Product contains DINP only, the warning may indicate "Cancer - www.P65Warnings.ca.gov."

(c) The requirements for warnings, set forth in subsection 2.3(a) above are imposed pursuant to the terms of this Settlement Agreement. The Parties recognize that these are not the exclusive methods of providing a warning under Proposition 65 and its implementing regulations.

(d) If Proposition 65 warnings for DEHP and/or DINP should no longer be required, One Design shall have no further obligations pursuant to this Settlement Agreement.

(e) In the event that the Office of Environmental Health Hazard Assessment ("OEHHA") promulgates one or more regulations requiring or permitting warning text and/or methods of transmission different than those set forth above, One Design shall be entitled to use, at their discretion, such other warning text and/or method of transmission in compliance with this Settlement Agreement.

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

In settlement of all the claims referred to in this Settlement Agreement, One Design shall pay a total of Five Hundred dollars ($500) in civil penalties in accordance with this Section. The penalty payment will be allocated in accordance with California Health & Safety Code section 25249.12(c)(1) & (d), with 75% of the funds remitted to OEHHA ($375) and the remaining 25% of the penalty remitted to Ecological ($125). The civil penalty payment shall be delivered to Ecological's counsel by One Design pursuant to Section 5 below. Ecological's counsel shall be responsible for delivering OEHHA's portion of any penalty payment made under this Settlement Agreement.

4. REIMBURSEMENT OF FEES AND COSTS

The Parties reached an accord on the compensation due to Ecological and its counsel under the private attorney general doctrine and principles of contract law. Under these legal principles, One Design shall reimburse Ecological's counsel for fees and costs, incurred as a result of investigating and bringing this matter to One Design's attention. One Design shall pay Ecological's counsel a total of Fourteen Thousand Dollars ($14,000) for all attorneys' fees, expert and investigation fees, and related costs associated with this matter and the Notices.

5. PAYMENT INFORMATION

By March 1, 2019, One Design shall make a total payment of Fourteen Thousand Five Hundred Dollars ($14,500.00) for the civil penalties and attorneys' fees and costs by wire transfer to Ecological's counsel Custodio & Dubey LLP:

Bank: Bank of America, N.A.

Routing No.: 026009593

Account No.: 325054144600

Beneficiary: Custodio & Dubey LLP

Other than this payment, each side is to bear its own attorneys' fees and costs.

6. RELEASE OF ALL CLAIMS

6.1. Release of One Design, Downstream Customers and Upstream Vendors

In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to Sections 3, 4 and 5, above, Ecological, on behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases all

claims relating to the Products, including, without limitation, all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses or expenses (including, but not limited to, investigation fees, expert fees and attorneys' fees) of any nature whatsoever, whether known or unknown, fixed or contingent (collectively "Claims"), against (a) One Design and its owners, parent companies, corporate affiliates, subsidiaries, and their respective officers, directors, attorneys, representatives, shareholders, agents, employees, successors, assignees, and sister and parent entities, and (b) each entity to or from which One Design directly or indirectly receives, provides, distributes or sells the Products, including but not limited to manufacturers, suppliers, distributors, wholesalers, vendors, licensors, licensees, auctioneers, retailers, franchisees, dealers, shareholders, cooperative members, customers, owners, purchasers, users, including but not limited to T.J. Maxx of CA, LLC, Marshalls of CA, LLC, and Ross Stores, Inc., and each of their respective owners, parent companies, corporate affiliates, subsidiaries, and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees, successors, assignees, and sister and parent entities (persons and entities listed in (a) and (b) are collectively the "Releasees").

Ecological also, in its capacity, on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees and *not* in its representative capacity, provides a general 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 any nature, character or kind, known or unknown, suspected or unsuspected, against One Design and the Releasees. Ecological acknowledges that it is familiar with California Civil Code section 1542, which provides as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Ecological, in its capacity only, and on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees expressly waives and relinquishes any and all rights and benefits which it may have under, or which may be conferred on it by the provisions of California 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 that it may lawfully waive such rights or benefits pertaining to the released matters.

6.2. One Design's Release of Ecological

One Design waives any and all claims against Ecological, its attorneys and other representatives, for any and all actions taken or statements made by Ecological and its attorneys and other representatives, whether in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against it in this matter, and/or with respect to the Products.

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. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to DEHP, DINP and/or the Products, then One Design shall have no further obligations pursuant to this Settlement Agreement.

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; (ii) valid email; or (iii) overnight courier on any party by the other party at the following addresses:

For One Design: Malcolm Weiss, Esq. (mweiss@huntonak.com)
Shannon Oldenburg, Esq. (soldenburg@huntonak.com)
Hunton Andrews Kurth LLP
550 South Hope Street
Suite 2000
Los Angeles, CA 90071

For Ecological: Vineet Dubey, Esq. (dubey@cd-lawyers.com)
Custodio & Dubey LLP
448 S. Hill St., Suite 615
Los Angeles, CA 90013

Any 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; FACSIMILE/E-SIGNATURES

This Settlement Agreement may be executed in counterparts and by facsimile or e-signatures, 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 SECTION 25249.7(f)

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

11. 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.

12. ENTIRE AGREEMENT

This Settlement Agreement contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and all related prior discussions, negotiations, commitments and understandings. No other agreements, oral or otherwise, exist to bind either of the Parties.

13. MODIFICATION

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

14. 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:	**AGREED TO:**
Date: Jan 27, 19	Date: _____
By: _____	By: _____
On Behalf of Ecological Alliance, LLC	On Behalf of One Design Accessories, LLC

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AGREED TO:	AGREED TO:
Date: _____	Date: 2/1/2019
By: _____ On Behalf of Ecological Alliance, LLC	By: _____ On Behalf of One Design Accessories, LLC