

## **SETTLEMENT AGREEMENT**

### **1. INTRODUCTION**

#### **1.1 Consumer Protection Group, LLC and Leather Impressions, Inc.**

This Settlement Agreement is entered into by and between Consumer Protection Group, LLC (“CPG”), on the one hand, and Leather Impressions, Inc. (“Leather Impressions”), on the other hand, with CPG and Leather Impressions collectively referred to as “Parties”.

#### **1.2 General Allegations**

CPG alleges that Leather Impressions has exposed individuals to Diisononyl phthalate (DINP) from its sales of Rivet & Burr Men’s Wallet with Multi-Components without first providing users and consumers of the product with a clear and reasonable health hazard exposure warning as required pursuant to Proposition 65. Leather Impressions denies these allegations. DINP is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer.

#### **1.3 Product Description**

The product covered by this Settlement Agreement is defined as Rivet & Burr Men’s Wallet with Multi-Components (the “Covered Product”) that Leather Impressions manufactured, imported, distributed, and/or sold in California.

#### **1.4 Notice of Violation**

On or about September 12, 2024, CPG served Leather Impressions, Ross Stores, Inc., 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 “60-

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Day Notice of Violation” (“Notice”) that provided Leather Impressions, Ross Stores, Inc., and such public enforcers with notice that Leather Impressions was allegedly in violation of California Health & Safety Code section 25249.6 for failing to warn California consumers and customers that the Covered Product can expose users in California to DINP.

To the best of the Parties’ knowledge, no public enforcer has commenced or is diligently prosecuting the allegations set forth in the Notice.

**1.5 No Admission**

Leather Impressions enters into this Settlement Agreement as a full and final settlement of all claims that were raised in the Notice as to the Covered Product. Leather Impressions denies the material factual and legal allegations contained in the Notice, maintains that the Covered Product sold/distributed have been and are in compliance with all laws, and are completely safe for their intended use. Nothing in this Settlement Agreement shall be construed as an admission against interest by Leather Impressions of any fact, finding, issue of law, or violation of law; including, but not limited to any fact or conclusion of law suggesting or demonstrating that Leather Impressions has sold any products including the Covered Product in California, or that it has violated Proposition 65, nor shall compliance with this Settlement Agreement constitute or be construed as an admission against interest by Leather Impressions of any of the above, such being specifically denied by Leather Impressions. Nothing in this Settlement Agreement shall prejudice, waive or impair any right, remedy, argument or defense Leather Impressions may have in this or any other future legal proceedings, including Leather Impressions’ position that it is not a person in the course of doing business under Proposition 65, nor

that it is not subject to personal jurisdiction in California. This Settlement Agreement is the product of negotiation and compromise and is accepted by Leather Impressions solely for purposes of settling, compromising, and resolving issues disputed in the Notice. However, this Section 1.5 shall not diminish or otherwise affect the Parties' obligations, responsibilities and duties under this Settlement Agreement.

**1.6 Effective Date**

For purposes of this Settlement Agreement, the term "Effective Date" shall mean thirty (30) days after the Agreement is fully executed by both Parties and both Parties have notice of such execution.

**2. INJUNCTIVE RELIEF: WARNING**

**2.1 Commitment to Reformulate or Warn**

As of sixty (60) days after the Effective Date, Leather Impressions shall not sell or offer the Covered Product for sale in the State of California unless it is a "Reformulated Covered Product" as defined in Section 2.2 or Leather Impressions provides warnings as outlined in Section 2.3. Covered Product currently in the channels of distribution with distributors and retailers (including Covered Product in inventory or in production) or in Leather Impressions' inventory prior to the Effective Date through sixty (60) days after the Effective Date may continue to be sold-through.

**2.2 Reformulation Standards**

Reformulated Covered Product means Covered Product that contain concentrations less than or equal to 0.1% (1,000 parts per million ("ppm")) of DINP. Reformulated Covered Product does not require a Proposition 65 warning hereunder.

### 2.3 **General Warning Requirements**

The warning requirements set forth in this Section 2 shall apply only to Covered Product that Leather Impressions distributes, markets, sells, or ships for sale in the State of California more than sixty (60) days after the Effective Date that has not been reformulated as set forth in Section 2.2. Covered Product currently in the channels of distribution with distributors and retailers (including Covered Product in inventory or in production) or in Leather Impressions' inventory prior to the Effective Date through sixty (60) days after the Effective Date may continue to be sold-through.

### 2.4 **Warning Language Requirements**

Any warnings provided pursuant to this Section 2 shall be provided with such conspicuousness, as compared with other words, statements, or designs as to render it reasonably likely to be read and understood by an ordinary individual under customary conditions of purchase or use. Where required, Leather Impressions must provide one of the following Proposition 65 warnings:

⚠ **WARNING:** This product can expose you to chemicals including Diisononyl phthalate (DINP), which is known to the State of California to cause cancer. For more information go to [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov).

Or

⚠ **WARNING:** Can expose you to Diisononyl phthalate (DINP), a carcinogen. See [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov).

⚠ **WARNING:** Cancer risk from exposure to Diisononyl phthalate (DINP). See [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov).

For Covered Product manufactured and labeled before January 1, 2028, if Leather Impressions elects to use a short-form warning, it may use the following language

⚠ **WARNING:** Cancer – [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov).

In the above warnings, in lieu of the word “**WARNING**,” Leather Impressions may use “**CA WARNING**” or “**CALIFORNIA WARNING**.”

This shall constitute compliance with Proposition 65 with respect to DINP in the Covered Product. The provisions of Section 2 shall not apply to any of the Covered Product that are already in the stream of commerce (including Covered Product in inventory, store shelves) or Leather Impressions’ existing inventory prior to the Effective Date through sixty (60) days after the Effective Date. Where a warning label is used for a Covered Product whose labeling includes consumer information as defined by California Code of Regulations title 27 §25600.1(c) in a language other than English, the warning must also be provided in that language in addition to English. Should Leather Impressions sell or distribute any Covered Product that is not reformulated through the internet to California the warning will be provided in the manner set forth in 27 CCR sections 25601 and 25602, or as either section may be subsequently amended.

## 2.5 **Correction Notice**

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In the event that Leather Impressions is allegedly not in compliance with Section 2 of this Agreement, Leather Impressions upon receiving a written notice from CPG of non-compliance (the "Compliance Notice"), may bring the Covered Product into compliance or demonstrate that the Covered Product is already compliant within thirty (30) days of receipt of the Compliance Notice. If the Covered Product is brought into compliance during this period, Leather Impressions shall not be required to make any additionally monetary payment or settlement amount.

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

In settlement of all the claims for monetary relief of any kind referred to in this Settlement Agreement and the Notice (except for CPG's attorney's fees set forth in Section 4 below), Leather Impressions shall pay a total of two thousand five hundred dollars (\$2,500) 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 the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty remitted to CPG. CPG's counsel shall be responsible for delivering OEHHA's portion and CPG'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 CPG and its counsel under the Private Attorney General doctrine and principles of contract law. Under these legal principles, Leather Impressions shall reimburse CPG's counsel for a portion of the

fees and costs incurred as a result of investigating and bringing this matter to Leather Impressions' attention and negotiating this Settlement Agreement. Leather Impressions shall pay CPG's counsel a total of thirty thousand dollars (\$30,000) in complete resolution of any claim for attorneys' fees, expert and investigation fees, and all costs and expenses of any kind incurred in this matter, including, but not limited to all attorney's fees and costs incurred for investigating, testing, consulting with experts, bringing this matter to the attention of Leather Impressions, and negotiating this Settlement Agreement.

**5. PAYMENT INFORMATION**

Within thirty (30) days of the Effective Date, Leather Impressions shall send a total payment of thirty-two thousand five hundred dollars (\$32,500) for the civil penalties and attorney's fees/expenses set forth above to CPG's counsel, Blackstone Law APC by wire transfer. CPG's counsel will provide Leather Impressions with wire instructions and tax forms concurrent with the full execution of this Settlement Agreement. The Parties acknowledge that Leather Impressions cannot issue any settlement payments until after Leather Impressions receives the requisite wire instructions and W-9 forms from CPG's counsel. Other than this payment, each side is to bear its own attorneys' fees and costs.

**6. RELEASE OF ALL CLAIMS**

**6.1 CPG's Release of Leather Impressions, 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, CPG, in its individual capacity, and 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 Covered Product, 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) Leather Impressions including its parents, shareholders, members, directors, officers, managers, employees, representatives, agents, attorneys, divisions, subdivisions, subsidiaries, partners, sister companies, and affiliates, and their predecessors, successors and assigns; and (b) each of Leather Impressions' suppliers, Ross Stores, Inc., vendors, downstream distributors, retailers, wholesalers, licensors, licensees, auctioneers, franchisees, dealers, shareholders, cooperative members, customers, owners, purchasers, users (collectively the "Releasees").

CPG also, in its individual capacity, on behalf of itself, its past and current agents, 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 Leather Impressions and the Releasees with regards to the Covered Product. CPG acknowledges that it is familiar with California Civil Code section 1542, 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 RELEASING PARTY.**

CPG in its individual 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. The release in this section shall have no force or effect until payments for the full amount set forth in above Sections 3, 4 and 5 are paid in full to Blackstone Law, APC by Leather Impressions.

**6.2 Leather Impressions' Release of Consumer Protection Group, LLC.**

Leather Impressions waives any and all claims against CPG, its attorneys and other representatives, for any and all actions taken, or statements made (or those that could have been taken or made) by CPG 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 Covered Product. Leather Impressions represents that its signatory to this Settlement Agreement has full authority to enter into and legally bind Leather Impressions to this Settlement Agreement.

**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

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repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Covered Product, then Leather Impressions shall have no further obligations pursuant to this Settlement Agreement, but shall have no recourse to claw back payments already made in accordance with Sections 3, 4 and 5 of this Settlement Agreement.

**8. NOTICE**

Unless specified herein, all correspondence and Notice 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) electronic mail on any party by the other party at the following addresses:

For Leather Impressions: Sedina L. Banks  
Sherry E. Jackman  
Greenberg Glusker LLP  
2049 Century Park East, Suite 2600  
Los Angeles, CA 90067  
[sbanks@greenbergglusker.com](mailto:sbanks@greenbergglusker.com)  
[sjackman@greenbergglusker.com](mailto:sjackman@greenbergglusker.com)

For CPG: Jonathan M. Genish  
Blackstone Law APC  
8383 Wilshire Blvd., Suite 745  
Beverly Hills, CA 90211  
[jgenish@blackstonepc.com](mailto:jgenish@blackstonepc.com)

Any party, from time to time, may specify in writing to the other party a change of email address to which all Notice 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)**

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

11. **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.

12. **MODIFICATION**

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

<p style="text-align: center;"><b>AGREED TO:</b></p> <p>Date: April 23, 2025</p> <p style="text-align: center;"></p> <p>By: _____</p> <p>On Behalf of Consumer Protection Group, LLC</p>	<p style="text-align: center;"><b>AGREED TO:</b></p> <p>Date: 4/23/2025</p> <p style="text-align: center;"></p> <p>By: _____</p> <p>On Behalf of Leather Impressions, Inc.</p>
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