

SETTLEMENT AGREEMENT AND RELEASE

CA Citizen Protection Group, LLC (“CCPG”) and Consumer Protection Group, LLC (“CPG”, and together with CCPG, collectively, the “**Claimants**”), on the one hand, and Legacy Licensing Partners, LP (“**Legacy**”), on the other hand, enter into this Settlement Agreement and Release (this “**Agreement**”). This Agreement is effective on the date on which it is fully executed by all Parties (“**Effective Date**”). Claimants and Legacy are referred to individually as a “**Party**” and collectively as the “**Parties**.” The Parties agree as follows:

1. The “**Matter**” arises out of the following notices of violations:
 - a. Sixty-Day Notice of Intent to Sue for Violations of the Safe Drinking Water and Toxic Enforcement Act of 1986, codified under California Health & Safety Code (“**HSC**”) sections 25249.5, *et seq.* (referred to as “**Proposition 65**”), that CCPG served on Legacy, Burlington Stores, Inc., Burlington Merchandising Corp., Burlington Distribution Corp., Burlington Coat Factory of Texas, Inc., and Burlington Coat Factory Warehouse Corporation, dated December 02, 2024 (filed as AG No. 2024-05021) (the “**Stich Set Notice**”) with respect to a product sold by Legacy and/or the other noticed parties, namely: *Legacy Partners Stich Set of Two Zipper Bags* (referred to as the “**Stich Set Product**”). The Stich Set Notice claims that Proposition 65 warnings are required for alleged Di-(2-ethylhexyl) phthalate (“**DEHP**”) exposures to the Stich Set Product tested by CCPG, and manufactured, distributed and/or sold by Legacy and/or the other noticed parties.
 - b. Sixty-Day Notice of Intent to Sue for Violations of the Safe Drinking Water and Toxic Enforcement Act of 1986, codified under Proposition 65, that CCPG served on Legacy, Ross Dress for Less, Inc. d/b/a dd’s Discounts, and Ross Stores, Inc. d/b/a dd’s Discounts, dated January 10, 2025 (filed as AG No. 2025-00083) (the “**Christmas Tote Notice**”) with respect to a product sold by Legacy and/or the other noticed parties, namely: *Disney’s Tim Burtons The Nightmare Before Christmas Tote Bag* (referred to as the “**Christmas Tote Product**”, and together with the Christmas Tote Notice, collectively referred to as the “**CCPG Notices**”). The Christmas Tote Notice claims that Proposition 65 warnings are required for alleged DEHP exposures to the Christmas Tote Product tested by CCPG, and manufactured, distributed and/or sold by Legacy and/or the other noticed parties.
 - c. Sixty-Day Notice of Intent to Sue for Violations of Proposition 65, that CPG served on Legacy and Ross Stores, Inc., dated December 04, 2024 (filed as AG No. 2024-05039) (the “**Disney Tote Notice**”, and together with the CCPG Notices, collectively referred to as, the “**Notices**”) with respect to the product category of Disney branded tote bags sold by Legacy and/or the other noticed party, including the exemplar product: *Clear Disney Minnie Mouse Tote Bag* (referred to as the “**Disney Tote Product**”). The Disney Tote Notice claims that Proposition 65 warnings are required for alleged DEHP exposures to the Disney Tote Product tested by CPG, and manufactured, distributed and/or sold by Legacy and/or the other noticed party.

- d. Different prints, colors and sizes of each of the Stich Set Product, the Christmas Tote Product, and the Disney Tote Product, manufactured, distributed and/or sold by Legacy are collectively referred to herein, as the “**Covered Products**”, and each a “**Covered Product**”.

2. The Parties enter into this Agreement in order to fully resolve all claims, demands, and allegations regarding the Matter and for the purpose of avoiding prolonged litigation. Nothing in this Agreement shall be construed as an admission of the Parties of any fact, issue of law, or violation of law, nor shall compliance with this Agreement constitute or be construed as an admission by the Parties of any fact, issue of law, or violation of law including but not limited to Proposition 65. Nothing in this Agreement or any document referred to shall be construed as giving rise to any presumption or inference of admission or concession by the Parties as to any fault, wrongdoing, or liability. This Section 2 shall not diminish or otherwise affect the obligations, responsibilities, and duties of the Parties under this Agreement.

3. DEHP Standards; Warnings.


3.1 On and after the date that is ninety (90) days after the Effective Date, Legacy shall not sell in the State of California a Covered Product which does not qualify as a Reformulated Covered Product under Section 3.3, unless such Covered Product complies with the warning requirements of Section 3.2.

3.2 On and after ninety (90) days after the Effective Date, Legacy shall provide on the Covered Products (to the extent it does not constitute a Reformulated Covered Product(s)) a warning that complies with the requirements of Section 3.2. The warning shall be displayed on the product or product packaging of the Covered Products with such conspicuousness, as compared with other words, statements, or designs so as to render it likely to be read and understood by an ordinary individual purchasing or using the Covered Products.

Respecting the warnings defined in Sections 3.2.1 or 3.2.2, the warning must be prominently displayed on a label or labeling and must be displayed with such conspicuousness as compared with other words, statements, designs or devices on the label or labeling, as to render the warning likely to be seen, read, and understood by an ordinary individual under customary conditions of purchase or use. In no case shall the warning appear in a type size smaller than 6-point type.


3.2.1 Option 1.

For the Covered Product, the warning may state:

 **WARNING: This product can expose you to chemicals, including Di(2-ethylhexyl) Phthalate (DEHP), which are 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.**

3.2.2 Option 2.

For the Covered Product, the warning may state:

 **WARNING: Risk of cancer and reproductive harm from exposure to Di(2-ethylhexyl) Phthalate (DEHP) – See www.P65Warnings.ca.gov.**

The pictogram specified in Section 3.2.1 and 3.2.2 shall be in yellow with a black exclamation mark; *provided however*, the pictogram may be in white instead of yellow if the Covered Product label does not contain the color commonly referred to as yellow.

3.2.3 Option 3.

In lieu of Option 1 or Option 2 set forth in Sections 3.2.1 and 3.2.2, the Covered Products shall be labeled with any safe harbor warning authorized by regulation applicable to the covered product and chemical at issue in effect on or after the Effective Date.

3.2.4 Internet Sales. In addition to affixing the warning or alternative warning as provided for above to the Covered Products’ packaging or labeling, the warning or alternative warning shall be posted on websites where Legacy offers the Covered Products for sale to consumers in California. The requirements of this subsection 3.2.4 shall be satisfied if the warning or alternative warning is put on the product display page, or a clearly marked hyperlink using the word “**WARNING**”, appears on the product display that links to the warning, or by an otherwise “prominently displayed” warning provided to the purchaser prior to completing the purchase. For purposes of this subsection, the warning is not “prominently displayed” if the purchaser must search for it in the general content of the website.

3.2.5 Language Other than English. Where the label or packaging of each of the Covered Products used to provide a warning includes consumer information about such Covered Product in a language other than English, the warning must also be provided in that language in addition to English.

3.3 Reformulated Covered Product. A Reformulated Covered Product is one for which the concentration of DEHP is less than 0.1% by weight (1,000 parts per million (ppm)) as tested by an approved laboratory and methods in compliance with Section 3.4 below. For a Covered Product that contains (any part of the product/packaging) 0.1% by weight (1,000 ppm), or more, DEHP, Legacy shall provide the warnings set forth in Section 3.2.

3.4. Formula, Testing and Quality Control Methodology.

3.4.1 For purposes of this Agreement, exposure levels shall be measured in parts per million (milligrams/kilogram or mg/kg) by generally accepted scientific standards. The testing requirements do not apply to any Covered Product for which Legacy has provided a warning as specified in Section 3.2.

3.4.2 Legacy shall not be required to engage in testing pursuant to this Agreement unless Legacy sells into California a Covered Product without a warning. All testing pursuant to this Agreement shall be performed using a laboratory method that complies with any United States Environmental Protection Agency (“USEPA”) or California Environmental Protection Agency (“CAEPA”) approved testing method.

3.4.3 Unless warnings are affixed consistent with the requirements of Section 3.2, all testing pursuant to this Agreement shall be performed by an independent third-party laboratory

approved by, accredited by, or registered with the CAEPA or USEPA. Testing shall be performed prior to Legacy's "first sale" in California of the Covered Products ordered for production after the Effective Date, and testing shall continue thereafter at least once per year for three (3) consecutive years after the Effective Date (the "**Testing Period**"), after which time, no further testing shall be required under this Agreement, unless, after the Testing Period, Legacy changes suppliers for either of the Covered Products, then Legacy shall test the Covered Product(s) at least once after such change is made.

3.5 Legacy and the "Releasees" (as defined in Section 5.1 below) shall have no obligation or liability with respect to Covered Product that Legacy sold or distributed in California before 90 days after the Effective Date, except as otherwise set forth in this Agreement.

4. Legacy shall pay the total settlement amount of Thirty-Eight Thousand Dollars (\$38,000.00) (the "**Settlement Amount**") within ten (10) days of the Effective Date. Legacy shall pay the Settlement Amount payment by wire transfer (via account wire instructions provided by CCPG's counsel upon request), or check made payable to "*Khansari Law Corporation – Client Trust Account*" and sent via overnight with tracking (FedEx, UPS, or Express mail) to the mailing address below on behalf of Claimants:

Khansari Law Corporation
Warner Center Towers
21650 Oxnard Street, Suite 1540
Woodland Hills, CA 9367

Claimants shall be solely responsible for allocating the payment pursuant to Sections 4.1 and 4.2. As a condition to Legacy's payment obligations arising under this Agreement, Claimants shall supply Legacy with a completed W9 form from each of their counsel, and as required by applicable law. CCPG's counsel shall also provide CCPG a current W9 form for issuance of one-half of the Settlement Amount, which shall be further allocated as follows:

4.1. \$1,200.00 shall be considered a "civil penalty", of which Claimants shall remit seventy-five percent (75%) to the "Safe Drinking Water and Toxic Enforcement Fund" managed by the State of California's Office of Environmental Health Hazard Assessment. The twenty-five percent (25%) balance shall be remitted to Claimants in equal amounts.

4.2 \$36,800.00 shall be considered reimbursement of Claimants' attorneys' fees and costs related to the Matter and allocated equally between them (\$18,400 each).

4.3 Except as expressly set forth in Section 4, the Parties shall bear their own costs, expenses, and attorneys' fees related to this Matter.

5. Binding Effect; Claims Covered and Released.

5.1. In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to Section 4 above, Claimants in its individual capacity only, and on behalf of themselves and their respective owners, principals, shareholders, officers, directors, employees, agents, parents, subsidiaries, successors, assigns, and legal representatives (collectively referred to as "**Claimants Releasors**") fully releases and waives any right to participate (directly or indirectly) in any litigation against

(a) Legacy, and each of their equity owners, parents, subsidiaries, affiliates, sister and related companies, (b) each of their upstream suppliers and licensors and all downstream entities in the stream of commerce including but not limited to distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees (including but not limited to Burlington Stores, Inc., Burlington Merchandising Corp., Burlington Distribution Corp., Burlington Coat Factory of Texas, Inc., and Burlington Coat Factory Warehouse Corporation, Ross Dress for Less, Inc. d/b/a dd's Discounts, and Ross Stores, Inc. d/b/a dd's Discounts and each of their respective parent, affiliate and subsidiary entities), and (c) the employees, shareholders, officers, directors, members, managers, equity owners, insurers, attorneys, predecessors, successors, and assigns of any of the entities identified in subsections (a) and (b), above (the entities identified in subsections (a), (b) and (c), above, are collectively referred to as "**Releasees**") from all claims, actions, suits, demands, liabilities, damages, penalties, fees (including but not limited to attorneys' fees, investigator fees, and expert fees), costs, and expenses (collectively referred to as "**Claims**") that were asserted, or that could have been asserted, for any alleged violations of Proposition 65, or any other alleged violation of statutory or common law, arising from alleged exposures to DEHP in the Covered Products.

5.2. It is possible that other claims not known to the Parties arising out of the facts alleged in the Notices and relating to the Covered Products will develop or be discovered. CCPG on behalf of itself and the CCPG Releasers, acknowledges that this Agreement is expressly intended to cover and include all such claims, including all rights of action therefore, and further acknowledges that the Claims released in Section 5 may include unknown claims, and nevertheless waives California Civil Code section 1542 as to any such unknown claims. California Civil Code section 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.

Claimants acknowledge and understand the significance and consequences of this specific waiver of California Civil Code Section 1542.

5.3. The Parties agree that compliance with the terms of this Agreement shall constitute compliance by any Releasee with Proposition 65 regarding alleged exposures to DEHP in the Covered Products.

5.4 It is the Parties' position that the commitments they have agreed to herein, and actions taken and to be taken by Legacy under this Agreement, confer a significant benefit to the general public, as set forth in California Civil Procedure Code section 1021.5 and Cal. Admin. Code Title 11, section 3201. As such, to the extent any other private party initiates an action alleging a violation of Proposition 65 with respect to Legacy or any Releasee's failure to provide a warning concerning exposures to DEHP with respect to the Covered Products they have respectively manufactured, distributed, sold, licensed, 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(s) addressed in this

Agreement, provided that Legacy is in compliance with this Agreement. This subsection 5.4 does not constitute a release by Claimants under this Agreement.

5.5 Legacy waives any and all claims against Claimants, its attorneys and other representatives, for any and all actions taken, or statements made by Claimants 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. Legacy represents that its signatory to this Settlement Agreement has full authority to enter into and legally bind Takeoff to this Settlement Agreement.

6. Resolution of Disputes.

6.1 If either of the Claimants allege that Legacy has failed to comply with this Agreement, prior to filing an action or motion relating to enforcement, either of the Claimants shall first provide Legacy thirty (30) days' advance written notice of the alleged violation(s). Claimants shall provide testing results, lot numbers, photographs of the Covered Product(s), and purchase receipts for the Covered Product(s) at issue in the alleged violation, as applicable. The Parties shall meet and confer during such thirty (30) day period in an effort to reach agreement on an appropriate cure for the alleged violation without the need for litigation.

6.2 Notwithstanding the provisions of Section 3, Claimants may not issue any notice under Section 6.1 if the packaging of a Covered Product is marked or labeled with the statement "Not for Sale in California" or substantially similar language, such statement is prominently placed upon such Covered Product's label or other labeling as compared with other words or statements on the label or labeling as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use. If Legacy marks or labels the Covered Product(s) with such a statement, Legacy shall additionally notify its customers/distributors by letter that the Covered Product(s) shall not be sold in California.

6.3 In the event any litigation, arbitration, mediation, or other proceeding is initiated by any of the Claimants to enforce this Agreement, the prevailing party shall be entitled to recover from the non-prevailing Party all costs, expenses, reasonable attorneys' fees, and expert witness fees, relating to or arising out of (i) such proceeding, and (ii) any post judgment or post-award proceeding including without limitation to enforce any judgment or award resulting from any such proceeding.

7. This Agreement contains the entire agreement between the Parties with regard to settlement of this Matter, and supersedes all prior or contemporaneous agreements or understandings, written or oral, with regard to the matters set forth in this Agreement. This Agreement may be amended or modified in whole or in part at any time only by an agreement in writing executed by the Parties. Notwithstanding the foregoing, Legacy shall be entitled, at its option, to modify any warning that it provides under Section 3.2 to conform with any change in the Proposition 65 warning regulations currently set forth in Title 27 of the California Code of Regulations that may be adopted after the Effective Date. Claimants shall cause this Agreement to be reported to the State of California Attorney General as required and applicable under Proposition 65 statutes, including specifically HSC § 25249.7.

8. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective owners, principals, shareholders, members, managers, officers, directors, employees, agents, successors, assigns and Releasees.

9. No inference, assumption or presumption shall be drawn, and no provision of this Agreement shall be construed against any of the Parties, based upon the fact that one of the Parties and/or one of the Parties' attorneys prepared and/or drafted all or any portion of this Agreement. It is conclusively presumed that the Parties participated equally in the preparation and drafting of this Agreement.

10. This Agreement shall be deemed to have been entered into in the State of California and governed and interpreted by the laws of the State of California, regardless of the place of incorporation, place of business, domicile of any of the Parties or physical locations of the individuals executing this Agreement at the time of execution.

11. The Parties acknowledge that they have a right to consult an attorney and they have consulted their attorneys with respect to the terms and conditions of this Agreement or by signing this Agreement hereby acknowledge they have made the decision not to consult with an attorney in this Matter. The Parties further acknowledge that they fully understand this Agreement and the effect of signing and executing this Agreement.

12. Any legal action to enforce this Agreement or related to this Matter shall be brought in either the County of Alameda or the County of Los Angeles, of the State of California.

13. This Agreement may be signed in counterparts, and each counterpart, as well as any facsimile, e-mail (.PDF), copy of this Agreement, or any other counterpart, shall be deemed to be an original.

14. All notices required to be given to either Party under this Agreement shall be in writing and sent to the following recipients by (a) first-class mail or (b) overnight delivery, with a courtesy copy via email, as indicated below.

For CCPG:

CA Citizen Protection Group, LLC
c/o Khansari Law Corporation
16133 Ventura Blvd., Suite 1200
Encino, California 91436
Fax: (818) 650-6445
Tel.: (818) 650-6444
Email: andre@khansarilaw.com

For CPG:

Jonathan M. Genish, Esq.
Blackstone Law, APC
8383 Wilshire Blvd., Suite 745
Beverly Hills, CA 90211
Tel: (310) 622-4278
Email: jgenish@blackstonepc.com

For Legacy:

Matthew S. Kenefick, Esq.
Jeffer Mangels Butler & Mitchell LLP
Two Embarcadero Center, 5th Floor
San Francisco, California 94111
Tel.: (415) 984-9677
Email: MKenefick@JMBM.com

15. Each of the individuals who executes this Agreement represents and warrants he/she has the authority to execute this document and bind the respective Parties to the terms and conditions of this Agreement, and has read, understood, and agreed to all the terms and conditions in this Agreement.

DATED: June 12, 2025

CA CITIZEN PROTECTION GROUP, LLC

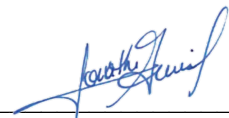
By: Tal Ohana

Name: Tal Ohana

Title: Manager

DATED: June 11, 2025

CONSUMER PROTECTION GROUP, LLC

By: 

Name: Jonathan M. Genish

Title: Attorney for Plaintiff

6/10/2025

DATED: June 10, 2025

LEGACY LICENSING PARTNERS, LP

By: 

Name: Alex Nehorai

Title: Managing Partner