

SETTLEMENT AND RELEASE AGREEMENT

1. INTRODUCTION

1.1. Ecological Alliance, LLC and The Ergo Baby Carrier, Inc.

This Settlement Agreement is entered into by and between Ecological Alliance, LLC ("Alliance"), on the one hand, and The Ergo Baby Carrier, Inc. ("Ergo Baby"), on the other hand, with, Alliance and Ergo Baby collectively referred to as the "Parties."

1.2. General Allegations

Alliance alleges that Ergo Baby either imported, and/or manufactured and/or distributed and/or directly or indirectly sold or offered for sale in the State of California Ergobaby Carriers, that allegedly contain Perfluorooctanoic Acid ["PFOA"] and that such sales have not included warnings 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 listed PFOA under Proposition 65 as a chemical known to the State of California to cause cancer, birth defects or other reproductive harm.

1.3. Product Description

The Products that are covered by this Settlement Agreement are defined as Ergobaby Carriers that Ergo Baby, or its subsidiaries, affiliates, related companies, or distributors have directly or indirectly (such as through wholesale or retailer customers) sold, offered for sale or distributed in California, including but not limited to ASIN# B0B94RVGHW (the "Product").

1.4. Notice of Violation

On December 11, 2025, Alliance served Ergo Baby, Amazon.com, 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-Day Notice of Violation" ("Notice") that

provided Ergo Baby and such public enforcers with notice that Ergo Baby was allegedly in violation of California Health & Safety Code section 25249.6 for failing to warn consumers and customers that the Product exposed users in California to PFOA. 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

The Parties enter into this Settlement Agreement to settle disputed claims between them as set forth herein and in the Notice concerning Ergo Baby's compliance with Proposition 65. Specifically, Ergo Baby denies any and all factual and legal allegations contained in Alliance's Notice and maintains that all products that it has manufactured for sale and distribution in California, including the Products, have been and are in full compliance with Proposition 65 or any other statutory, regulatory, common law or equitable doctrine. Nothing in this Settlement Agreement shall be construed as an admission by Ergo Baby of any fact, finding, issue of law, or violation of law; nor shall compliance with this Settlement Agreement constitute or be construed as an admission by Ergo Baby of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Ergo Baby. However, nothing in this section shall diminish or otherwise affect the obligations, responsibilities, and duties of Ergo Baby under this Settlement Agreement.

1.6. Effective Date

For purposes of this Settlement Agreement, the term "Effective Date" shall mean the date that both Parties have notice that this Settlement Agreement is fully executed.

2. INJUNCTIVE RELIEF: REFORMULATION OR WARNINGS

2.1. Reformulation or Warnings

Within 30 days of the Effective Date, Ergo Baby shall refrain from manufacturing or causing to be manufactured any Product that will be sold or offered for sale to California consumers (the "Compliance Date") that contains (1) any added PFOA, or (2) any added fluorinated ingredient that causes PFOA to be in a Product, including but not limited to C9-15 fluoroalcohol phosphate, unless the Product has a Proposition 65 warning. Additionally, if Ergo Baby were to determine, or be advised by a supplier or other credible person, that PFOA is present in a Product, Ergo Baby shall not sell such Products without a Proposition 65 warning. Under the terms of this Settlement Agreement, no warnings shall be required for Products that were manufactured and packaged prior to the Compliance Date or that were already in the stream of commerce prior to the Compliance Date, regardless of the date such Products are sold or used in California.

2.2. Warning Language

If a warning is required for any Products pursuant to Section 2.1, Ergo Baby shall provide Proposition 65 warnings as follows:

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

(1)  **WARNING:** This product can expose you to chemicals including Perfluorooctanoic Acid [PFOA], 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.

(2)  **WARNING:** Risk of Cancer and Reproductive Harm from exposure to Perfluorooctanoic Acid [PFOA]. See www.P65Warnings.ca.gov.

Where the sign, label, hang tag, product packaging, 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".

(b) The requirements for warnings, set forth in subsection (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 legally compliant warning under Proposition 65 and its implementing regulations.

(c) Foreign Languages. Additionally, if "consumer information," as that term is defined in Title 27, California Code of Regulations, Section 25600.1(c) as it may be amended from time to time, is provided in a language other than English, the warning will be provided in that language in addition to English.

(d) Online Sales. If Ergo Baby sells Products via an internet website it controls to consumers located in California, the warning requirements of this section shall be satisfied if the foregoing warning appears either: (a) on the same web page on which a Product is displayed and/or described; (b) on the same page as the price for the Products; (c) on one or more web pages displayed to a California purchaser prior to completion of purchase during the checkout process; or (d) via a hyperlink taking the customer to a separate page containing the warning language, provided that the hyperlink appears on the same page as either the product description or product price are displayed, or appears prior to completion of the sale at checkout.

(e) If Proposition 65 warnings for PFOA should no longer be required for the Products, Ergo Baby shall have no further obligations pursuant to 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, Ergo Baby shall pay a total of \$100 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 Alliance. Alliance's counsel shall be solely responsible for distributing the civil penalty to OEHHA and Alliance as set forth in this agreement.

4. REIMBURSEMENT OF FEES AND COSTS

The Parties reached an accord on the compensation due to Alliance and its counsel under the private attorney general doctrine and principles of contract law. Under these legal principles, Ergo Baby shall reimburse Alliance's counsel for fees and costs incurred because of investigating and bringing this matter to Ergo Baby's attention. Ergo Baby shall pay Alliance's counsel \$9,000 for all attorneys' fees, expert and investigation fees, and related costs associated with this matter and the Notice.

5. PAYMENT INFORMATION

By July 30, 2026, Ergo Baby shall make a total payment of Nine Thousand One Hundred Dollars (\$9,100) for the civil penalties and attorney's fees and costs required under this Agreement by check payable to "Custodio & Dubey LLP, client trust account" and sent to:

Custodio & Dubey LLP, c/o Vineet Dubey, 445 S. Figueroa St., Ste 2520, Los Angeles, CA 90071.

Custodio & Dubey LLP shall be solely responsible for allocating the payments to each payee pursuant to Sections 3 and 4 of this Settlement Agreement. Other than this payment, each side is to bear its own attorneys' fees and costs.

6. RELEASE OF ALL CLAIMS

6.1. Release of Ergo Baby, 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 and 4 above, Alliance, 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 fully and finally releases all claims relating to the Products allegedly distributed by Ergo Baby up through the Compliance Date, 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 or kind whatsoever, whether known or unknown, fixed or contingent, including but not limited to Proposition 65 claims (collectively "Claims"), against the following persons and entities (a) Ergo Baby and all of its subsidiaries and affiliates; (b) each entity from whom Ergo Baby procures the Products, whether directly or indirectly; (c) each entity to whom Ergo Baby currently or previously, whether directly or indirectly, distributes, sells, offers for sale or licenses Products, including, but not limited to, Amazon.com, Inc., as well as any and all other distributors, wholesalers, vendors, licensors, licensees, auctioneers, retailers, franchisees, and each of their

respective subsidiaries and affiliates, shareholders, members, cooperative members, customers, owners, purchasers, users; and (d) in the case of (a), (b) and (c) herein, each of their respective parent companies, corporate affiliates, subsidiaries, divisions, related entities, predecessors, successors, and assigns, as well as their respective officers, directors, members, attorneys, representatives, shareholders, agents, and employees, and sister and parent entities (collectively "Releasees").

In further consideration of the promises and agreements herein contained, Alliance on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors and assignees, hereby waives any and all rights it or they may have to institute or participate in, directly or indirectly, any form of legal action and releases all claims against Ergo Baby and Releasees including, without limitation, all actions and causes of action, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses or expenses including, but not exclusively, investigation fees, expert fees and attorney fees arising under Proposition 65 with respect to the alleged failure to provide a Proposition 65 warning related to the Products.

Alliance also, in its personal 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, penalties, fines, losses, claims, liabilities and demands of any nature, character or kind, known or unknown, suspected or unsuspected up through the Compliance Date, against Ergo Baby and the Releasees. Alliance 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 RELEASED PARTY.

Alliance, in its personal 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 up through the Compliance Date.

6.2. Ergo Baby Release of Alliance

Ergo Baby waives any and all claims against Alliance, its attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Alliance 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 up through the Effective Date.

7. COVENANT NOT TO SUE

7.1. Representations

Alliance and Custodio & Dubey LLP represent and warrant, on behalf of themselves and all others acting on their behalf, that they have not disclosed or discussed—and agree that they will not disclose or discuss in the future—the Parties' settlement communications, the terms of this Settlement Agreement, the subject matter of, or statements made in, the foregoing, or the Notice or claims, theories, or allegations asserted therein, with any other individual, potential plaintiff, or attorney. Except to the extent such agreement may be forbidden by the equivalent of Rule 5.6(b) of the ABA Model Rules of Professional Conduct, Rule 5.6(a)(2) of the California

Rules of Professional Conduct, or the equivalents thereof in any other jurisdictions in which Custodio & Dubey LLP practices law or by other applicable ethical rules or legal requirements, Custodio & Dubey LLP represents and warrants that: 1) with the exception of this matter, it has not been retained by, does not presently represent, and is not currently in discussions to represent or be retained by, any other individual, potential plaintiff, putative class member, or attorney with respect to any claims regarding the Product or any other product manufactured, distributed, or sold by Ergo Baby or the Naterra Releasees; and 2) with the exception of this matter, Custodio & Dubey LLP has not been retained by, does not presently represent, and is not currently in discussions to represent or be retained by, any other individual, potential plaintiff, or attorney with respect to the subject matter of the claims set forth in the Notice or concerning the Product or any other product manufactured, distributed, or sold by Ergo Baby or Releasees.

Alliance and Custodio & Dubey LLP hereby represent and warrant on behalf of themselves and all others acting on their behalf, that they do not have any knowledge, information or awareness of, any other individual, potential plaintiff, or attorney who intends to pursue any claims or action against Ergo Baby or Releasees. Alliance and Custodio & Dubey LLP further represent and warrant that they, directly or indirectly, except with regard to the Notice, have not done any of the following: aided, solicited, caused, encouraged, assisted, or induced any person or entity to bring, file, consider institute, initiate an investigation of, or become a party to an action, proceeding, lawsuit, administrative proceeding, investigation, claim or demand of any kind or nature whatsoever against Ergo Baby or any Releasee, with respect to any of the Products or any other product manufactured, distributed, or sold by Ergo Baby or any Releasees, and the matters set forth in the Notice and/or released in this Settlement Agreement. This provision does not restrict Custodio & Dubey LLP's right to practice law.

7.2. Agreement

Alliance agrees that it, and its agents, successors, assigns, personal representatives, heirs, executors, trustees, and administrators will forever refrain from instituting, maintaining, collecting, proceeding, cooperating, encouraging, facilitating, aiding, inducing or assisting in any way whatsoever the commencement or prosecution against Ergo Baby or any Releasees of any manner of claim, demand, action, cause of action, complaint, charge, suit, obligation, or liability arising out of, or related in any way to, the Notice and/or the Products, whether or not now known or unknown, suspected or claimed, accrued or unaccrued, fixed or contingent, which she has ever had, now has, or hereafter can, shall or may have against any such entities or individuals.

8. GOVERNING LAW

The terms of this Settlement Agreement shall be governed by the laws of the State of California without regard to its conflicts of law principles. If Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Ergo Baby shall have no further obligations pursuant to this Settlement Agreement. The warning obligations in this Settlement Agreement do not apply to Products that are not sold in California or to California consumers.

9. 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) email; or (iii) overnight courier, on any party by the other party at the following addresses:

For Ergo Baby: Matthew Kaplan, Esq.
 Tucker Ellis LLP

515 South Flower Street
Forty-Second Floor
Los Angeles, CA, 90071

matthew.kaplan@tuckerellis.com

For Alliance: Vineet Dubey, Esq.
Custodio & Dubey LLP
445 S. Figueroa St., Suite 2520
Los Angeles, CA 90071

dubey@cd-lawyers.com

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.

10. 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. Signatures by scanned and emailed image or facsimile transmission shall have the same force and effect as original signature and as an electronic record adopted and executed by a Party with the intent to sign the electronic record pursuant to Civil Code §§ 1633.1 *et seq.*

11. COMPLIANCE WITH HEALTH & SAFETY CODE SECTION 25249.7(f)

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

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. No representation 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 of this Agreement.

13. MODIFICATION AND ENFORCEMENT

This Settlement Agreement may be modified only by a written agreement signed by the Parties. This Settlement Agreement is enforceable solely by a Parties hereto. If one Party alleges the other Party is in breach, the Parties shall confer in good faith to address the allegation. No suit may be filed until such informal dispute resolution efforts are completed which efforts shall include at least one videoconference meeting.

14. SEVERABILITY

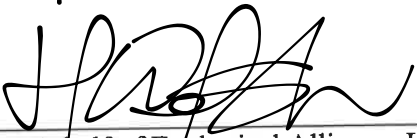
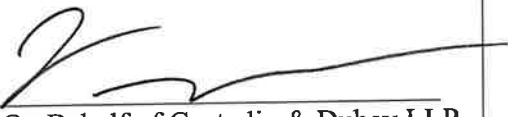
If, after the execution of this Agreement, any of the provisions of this Agreement are deemed by a court to be unenforceable, the validity remaining provisions shall not be adversely affected but only to the extent the deletion of the provision deemed unenforceable does not materially affect, or otherwise result in the effect of the Agreement being contrary to the intent of the Parties in entering into this Agreement.

15. INTERPRETATION

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

16. 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: Date: July <u>11</u> 2026 By:  On Behalf of Ecological Alliance, LLC	AGREED TO: Date: July <u>13</u>, 2026 By:  The Ergo Baby Carrier, Inc.
AGREED TO (Section 7.1 only): Date: July <u>10</u>, 2026 By:  On Behalf of Custodio & Dubey LLP	