

## **SETTLEMENT AGREEMENT**

### **1. INTRODUCTION**

#### **1.1 Parties**

This Settlement Agreement (“Agreement”) is entered into by and between Plaintiff Environmental Health Advocates, Inc. (“Plaintiff”), represented by Entorno Law, LLP, on the one hand, and Defendant Urban Outfitters, Inc. and Urban Outfitters Wholesale, Inc. (“Defendant”), on the other hand. Plaintiff and Defendant are each individually referred to as a “Party” and collectively as the “Parties.” Plaintiff alleges that Defendant 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 § 25249.6 et seq. (“Proposition 65”).

#### **1.2 General Allegations**

Plaintiff alleges that Defendant sells and/or distributes for sale in California thermal receipt paper products that contain Bisphenol S (“BPS”) without providing the health hazard warning required by Proposition 65. BPS is listed pursuant to Proposition 65 as a chemical known to cause reproductive harm.

#### **1.3 Product Description**

The product covered by this Settlement Agreement is defined as, and expressly limited to, thermal receipt paper (“Covered Product”) that is used, distributed, and/or provided to customers in California by Defendant.

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

On or around May 30, 2025, Plaintiff served Defendant, the California Attorney General, and certain other public enforcement agencies with a 60-Day Notice of Violation of Proposition 65; a second notice was served on July 18, 2025; and on or around March 13, 2026, Plaintiff served

an amended Notice of Violation No. 2025-1702 (collectively, the “Notice”). The Notice alleged that Defendant violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposures to BPS contained in Covered Product.

To the best of the parties’ knowledge, no public enforcer has commenced or is otherwise prosecuting an action to enforce the violations alleged in the Notice.

### **1.5 No Admission**

Defendant denies the material, factual, and legal allegations in the Notice and maintains that all of the products it sold and/or distributed for sale in California, including Covered Product, have been, and are, in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by Defendant 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 Defendant of any fact, finding, conclusion, issue of law or violation of law, such being specifically denied by Defendant. This Section shall not, however, diminish or otherwise affect Defendant’s obligations, responsibilities, and duties under this Settlement Agreement.

### **1.6 Effective Date**

For purposes of this Settlement Agreement, the term “Effective Date” means the date on which the Settlement Agreement is fully executed.

## **2. INJUNCTIVE RELIEF**

### **2.1 Reformulation Standard**

Beginning thirty (30) days after the Effective Date, Defendant shall be permanently enjoined from purchasing for use, distributing, providing, or offering to provide Covered Products in California or in any shipments to California addresses that is not BPS Free. “BPS Free” means thermal paper that contains less than 200 parts per million (“ppm”) of BPS when tested for total content using a Liquid Chromatography Mass-Spectrometer, and does not contain BPS as an

intentionally added ingredient.

## **2.2 Grace Period for Existing Inventory of the Covered Product**

The injunctive requirements of Section 2 shall not apply to Covered Product that is already in the stream of commerce as of the Effective Date, which Covered Product is expressly subject to the releases provided in Section 4.1. For the avoidance of doubt, Covered Product that is in the stream of commerce specifically includes, but is not limited to, Covered Product that was procured by Defendant prior to its receipt of the Notice.

## **3. MONETARY SETTLEMENT TERMS**

### **3.1 Civil Penalties**

Pursuant to Health and Safety Code § 25249.7(b)(2), and in settlement of all claims alleged in the Notice or referred to in this Settlement Agreement, Infinity Global, Inc. (“Infinity”) agrees to pay One Thousand Dollars (\$1,000.00) in civil penalties. The penalty payment will be allocated in accordance with California Health and Safety Code §§ 25249.12(c)(1) & (d), with 75% of the penalty amount paid to the California Office of Environmental Health Hazard Assessment (“OEHHA”) and the remaining 25% of the penalty amount retained by Plaintiff. Infinity shall issue two payments for the initial civil penalty payment to (a) “OEHHA” and (b) Environmental Health Advocates, Inc. as follows:

- (1) One payment in the amount of \$750.00 to OEHHA, due fourteen (14) days after the Effective Date.
- (2) One payment in the amount of \$250.00 to Environmental Health Advocates, Inc., due fourteen (14) days after the Effective Date.

All payments owed to OEHHA (EIN: 68-0284486), pursuant to this Section shall be delivered directly to OEHHA (Memo Line “Prop 65 Penalties”) at the following addresses:

For United States Postal Service Delivery:

Mike Gyurics  
Fiscal Operations Branch Chief  
Office of Environmental Health Hazard Assessment  
P.O. Box 4010  
Sacramento, CA 95812-4010

For Non-United States Postal Service Delivery:

Mike Gyurics  
Fiscal Operations Branch Chief  
Office of Environmental Health Hazard Assessment  
1001 I Street  
Sacramento, CA 95814

All penalty payments owed to Plaintiff shall be sent via ACH (instructions to be provided privately) to Environmental Health Advocates, Inc.

### **3.2 Attorneys' Fees and Costs**

The Parties reached an accord on the compensation due to Plaintiff and Entorno Law, LLP under the private attorney general doctrine and principles of contract law. Under these legal principles, Infinity agrees to pay Sixteen Thousand Dollars (\$16,000.00) to Plaintiff's counsel for all fees and costs incurred in investigating, bringing this matter to the attention of Defendant, and negotiating a settlement. The Sixteen Thousand Dollars (\$16,000.00) in Attorney's Fees and Costs shall be payable to Entorno Law, LLP as one payment of \$16,000.00 due fourteen (14) days after the Effective Date.

All payments required under this Section shall be sent via ACH (instructions to be provided privately) to Entorno Law, LLP.

### **3.3 Default and Acceleration**

If Infinity fails to make any payment when due and does not cure within ten (10) days of

written notice, the entire unpaid balance shall immediately become due and payable. Plaintiff may pursue all remedies available to enforce this Agreement, including recovery of enforcement fees.

### **3.4 Tax Documentation**

Infinity agrees to provide a completed IRS 1099 for its payments to Plaintiff. Plaintiff agrees to provide IRS W-9 forms for each of the payees under this Settlement Agreement. The Parties acknowledge that Infinity cannot issue any settlement payments pursuant to Section 3.1 and 3.2 above until after Infinity receives the requisite W-9 forms from Plaintiff's counsel.

## **4. CLAIMS COVERED AND RELEASED**

### **4.1 Plaintiff's Release of Defendant**

This Settlement Agreement is a full, final, and binding resolution of all claims between Plaintiff and Defendant for all claims that can or could have been asserted by Plaintiff, on its own behalf, on behalf of its representatives, attorneys, successors and assignees, against Defendant and each of its respective parents, subsidiaries, affiliated entities under common ownership, directors, officers, members, employees, attorneys, and any entity, including, but not limited to each entity to whom Defendant directly or indirectly distributes or sells the Covered Product, including, but not limited to, its downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members and licensees ("Releasees"), based on the failure to warn about exposures to BPS required under Proposition 65 in the Covered Product sold or distributed for sale in California by Defendant before the Effective Date, as alleged in the Notice, or for any other reason. The Parties have expressly contemplated and intend for this Agreement to cover any claims that Plaintiff has asserted or could have asserted against Defendant's supplier, Infinity, and/or Defendant, arising out of or relating to the Notices of Violations dated May 30, 2025, July 18, 2025, and March 13, 2026, which are attached as Exhibits A, B, and C to this Agreement.

In further consideration of the promises and agreements herein contained, Plaintiff on its own behalf, on behalf of its representatives, attorneys, successors and assignees hereby waives any and all rights it may have to institute or participate in, directly or indirectly, any form of legal action and releases all claims against Defendant 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 or actual failure to warn about exposures to BPS required under Proposition 65 in the Covered Product manufactured, distributed, sold or offered for sale by Defendant, before the Effective Date.

#### **4.2 Defendant's Release of Plaintiff**

Defendant, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against Plaintiff and its attorneys and other representatives, for any and all actions taken or statements made by Plaintiff and its attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against it in this matter, or with respect to the Covered Product.

#### **4.3 California Civil Code Section 1542**

It is possible that other claims not known to the Parties arising out of the facts alleged in the Notice and relating to the Covered Product will develop or be discovered. Plaintiff, on behalf of itself only, on one hand, and Defendant on behalf of itself only, on the other hand, acknowledge that this Settlement Agreement is expressly intended to cover and include all such claims up through the Effective Date. The Parties acknowledge that the claims released in Sections 4.1 and 4.2 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.**

Plaintiff and Defendant each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code § 1542.

#### **5. PUBLIC BENEFIT**

It is Defendant's understanding that the commitments it has agreed to herein, and actions to be taken by Defendant under this Settlement Agreement confer a significant benefit to the general public, as set forth in Code of Civil Procedure § 1021.5 and Cal. Admin. Code tit. 11, § 3201. As such, it is the intent of Defendant that to the extent any other private party serves a notice and/or initiates an action alleging a violation of Proposition 65 with respect to Defendant's alleged failure to provide a warning concerning actual or alleged exposure to BPS prior to use of the Covered Product it has manufactured, distributed, sold, 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 addressed in this Settlement Agreement, provided that Defendant is in material compliance with this Settlement Agreement.

#### **6. SEVERABILITY**

If, subsequent to the execution of this Settlement Agreement, any provision of this Settlement Agreement is held by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

#### **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.

## **8. ENFORCEMENT**

In any action to enforce the terms of this Settlement Agreement, the prevailing party shall be entitled to its reasonable attorneys' fees and costs.

## **9. 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 Infinity Global:

Stewart R. Pollock  
Moran Reeves Conn  
1211 E. Cary Street  
Richmond, VA 23219

For Defendant:

Urban Outfitters, Inc.  
Attn: General Counsel  
5000 South Broad Street  
Philadelphia, PA 19112  
With a courtesy copy to: legal@urbn.com

For Plaintiff:

Noam Glick  
Entorno Law, LLP  
225 Broadway, Suite 1900  
San Diego, CA 92101

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.

## **10. COUNTERPARTS; FACSIMILE AND ELECTRONIC SIGNATURES**

This Settlement Agreement may be executed in counterparts and by facsimile or portable document format (PDF) signature, or other electronic signature each of which shall be deemed an

original, and all of which, when taken together, shall constitute one and the same document.

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

Plaintiff and its attorneys agree to comply with the reporting form requirements referenced in California Health and Safety Code § 25249.7(f).

**12. MODIFICATION**

This Settlement Agreement may be modified only by written agreement of 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.

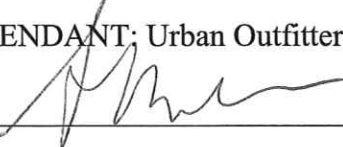
**AGREED TO:**

PLAINTIFF: Environmental Health Advocates, Inc.

By: 

Date: 5/27/26

DEFENDANT: Urban Outfitters, Inc. and Urban Outfitters Wholesale, Inc.

By: 

Date: 5/11/26

Infinity Global, Inc.

By: W. J. B. J.

Date: 5.11.2026