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PEOPLE OF THE STATE OF CALIFORNIA and
PEOPLE OF THE CITY AND COUNTY OF SAN
FRANCISCO, acting by and through San Francisco City
Attorney DAVID CHIU

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

UNLIMITED JURISDICTION

PEOPLE OF THE STATE OF CALIFORNIA and PEOPLE OF THE CITY AND COUNTY OF SAN FRANCISCO, acting by and through San Francisco Attorney DAVID CHIU,

Plaintiffs,

vs.

ROGUE HOLDINGS, LLC; SWISHER INTERNATIONAL, INC.; NORTHERNER SCANDINAVIA, INC.; LUCY GOODS, INC.; and DOES 1 through 50, inclusive;

Defendants.

Case No. CGC-24-617804

JMC
~~[PROPOSED]~~ **STIPULATED CONSENT JUDGMENT AND INJUNCTION AS TO DEFENDANT LUCY GOODS, INC.**

Date Action Filed: September 3, 2024
Trial Date: None Set

Exhibit A: Settlement Agreement

Plaintiffs People of the State of California and People of the City and County of San Francisco, acting by and through San Francisco City Attorney David Chiu, and Defendant Lucy Goods, Inc., by and through the undersigned counsel, having stipulated to entry of this Stipulated Consent Judgment and Injunction ("Consent Judgment"), without the taking of proof and without this Consent Judgment constituting evidence of, or an admission by any party regarding, any issue of law or fact alleged in the Complaint; all parties having waived the right to appeal; and the Court having considered the pleadings and good cause appearing:

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

I. DEFINITIONS

The following terms in this Consent Judgment shall have these meanings:

1. ACTION refers to the civil action entitled *People of the State of California, et al. v. Rogue Holdings, LLC., et al.*, San Francisco Super. Ct. No. CGC-24-617804.

2. PARTIES refers collectively to the PEOPLE and LUCY GOODS.

3. PLAINTIFFS or the PEOPLE refer collectively to the People of the State of California and People of the City and County of San Francisco, acting by and through San Francisco City Attorney David Chiu.

4. DEFENDANT refers to LUCY GOODS, INC. ("LUCY GOODS"). LUCY GOODS includes LUCY GOODS's subsidiaries and predecessors and successors-in-interest. For purposes of effectuating the injunctive relief set forth in this Consent Judgment, LUCY GOODS also refers to anyone authorized to act on LUCY GOODS's behalf, including but not limited to LUCY GOODS's principals, parents, owners, subsidiaries, officers, assigns, representatives, agents, employees, attorneys, and accountants.

5. EFFECTIVE DATE is the date this Consent Judgment has been signed by the Court.

6. MONITORING PERIOD is the three-year period beginning from the EFFECTIVE DATE.

7. PERSON(S) means "any individual, partnership, cooperative association, private corporation, personal representative, receiver, trustee, assignee, or any other legal entity," pursuant to sections 19S.1 and 19H.2 of the San Francisco Health Code.

8. PROHIBITED PRODUCTS refers to "flavored tobacco products," as those terms are defined, used, and/or incorporated by reference in section 19S.1 of the San Francisco Health Code. PROHIBITED PRODUCTS include but are not limited to "nicotine pouches."

II. OVERVIEW AND BACKGROUND

9. On September 3, 2024, the PEOPLE filed the Complaint in this ACTION.

10. The PEOPLE allege that LUCY GOODS has violated section 17200 of the California Business and Professions Code and section 19S.2 of the San Francisco Health Code by selling PROHIBITED PRODUCTS via its websites to PERSONS in San Francisco. The PEOPLE also allege that LUCY GOODS has violated section 17200 by failing to comply with certain requirements of the Stop Tobacco Access to Kids Enforcement (STAKE) Act. (Bus. & Prof. Code, § 22963(b).)

11. After this ACTION was filed, LUCY GOODS ceased selling PROHIBITED PRODUCTS to PERSONS in San Francisco and confirmed compliance with the STAKE Act.

12. LUCY GOODS denies all allegations raised in the ACTION, and denies that it has done anything unlawful.

13. Notwithstanding such denial, the PARTIES enter this Consent Judgment to fully and finally resolve the claims in the ACTION as to LUCY GOODS to avoid any further expense, delay, and uncertainty of further litigation of the ACTION against LUCY GOODS. The PARTIES have fully executed a Settlement Agreement, attached hereto as Exhibit A.

14. The PEOPLE believe that the resolution of the violations alleged in the ACTION is fair and reasonable and fulfills the PEOPLE's enforcement objectives, that no further action is warranted concerning the specific violations alleged in the ACTION as to LUCY GOODS except as provided pursuant to this Consent Judgment, and that the Consent Judgment is in the best interests of the general public.

III. PARTIES AND JURISDICTION

15. This ACTION is brought by the People of the State of California in the public interest under the laws of the State of California, and by the People of the City and County of San Francisco pursuant to Article 19S of the San Francisco Health Code.

16. The City Attorney of San Francisco has the authority, and has exercised that authority, under the laws of the State of California and Article 19S of the San Francisco Health Code to maintain this ACTION in the name of the People of the State of California and the People of the City and County of San Francisco concerning the conduct alleged in the ACTION.

17. The injunction ordered in this Consent Judgment is ordered pursuant to California Business & Professions Code section 17203 and San Francisco Health Code section 19S.4(d).

18. This Consent Judgment shall be enforceable as a civil judgment under California Code of Civil Procedure section 680.010 et seq.

19. This Court has jurisdiction over the allegations and subject matter of the ACTION, and the PARTIES to this ACTION; venue is proper in this County; and this Court has jurisdiction to enter this Consent Judgment.

20. The Court finds that in entering into the stipulations herein, the PARTIES have acted in good faith, and the Court finds the Consent Judgment to be, in all respects, just, reasonable, equitable, and adequate.

IV. INJUNCTIVE RELIEF

21. LUCY GOODS is enjoined and restrained from engaging in unlawful business practices (Bus. & Prof. Code, § 17200) that violate Article 19S of the San Francisco Health Code and violations of the STAKE Act. In particular, LUCY GOODS shall not sell or distribute, as those terms are defined in Article 19S, PROHIBITED PRODUCTS to any PERSONS in San Francisco and shall comply with all provisions of the STAKE Act.

22. If LUCY GOODS continues to sell PROHIBITED PRODUCTS online, it shall not allow San Francisco to be used as a shipping or billing address for PROHIBITED PRODUCTS.

23. During the MONITORING PERIOD, if LUCY GOODS maintains any websites or has any other public-facing online platforms on which LUCY GOODS sells the PROHIBITED PRODUCTS, it shall include on each website or public-facing platform a statement stating that LUCY GOODS will not sell, ship, or otherwise distribute flavored tobacco products including nicotine pouches to any person or entity in San Francisco.

24. On each anniversary of the EFFECTIVE DATE during the MONITORING PERIOD, LUCY GOODS will submit to the San Francisco City Attorney's Office an affidavit executed under oath by its Chief Executive Officer certifying that it has complied with the injunction.

25. The injunction shall remain in effect unless and until Article 19S of the San Francisco Health Code and/or the STAKE Act are amended, repealed, or otherwise no longer in effect.

V. MONETARY PAYMENT

26. LUCY GOODS shall pay the San Francisco City Attorney's Office a total of one million dollars ($1,000,000.00) to be made pursuant to the payment schedule outlined below. This payment encompasses and satisfies in full the PEOPLE's claims for civil penalties and attorneys' fees and costs. The PARTIES shall otherwise bear their own costs, attorneys' fees, and expenses incurred in connection with this ACTION. This provision does not limit the PEOPLE's rights to recover costs or attorneys' fees in conjunction with any action taken to enforce this Consent Judgment. Lucy Goods shall pay the settlement payment in two installments as follows (1) $500,000 within 30 days of the Effective Date; and (2) $500,000 within 150 days of the Effective Date. Payment shall be made by wire transfer to the San Francisco City Attorney's Office pursuant to instructions provided by the PEOPLE. Lucy Good acknowledges that any default, including late payment, of the Settlement Payment installments shall subject the amounts due under this Consent Judgment to statutory interest on judgments pursuant to California Code of Civil Procedure §§ 685.010 et seq.

VI. ADDITIONAL PROVISIONS

27. The Court retains jurisdiction of this matter only for purposes of interpretation, enforcement, and modification of this Consent Judgment. The PARTIES to this Injunction may apply to the Court at any time, after making a reasonable effort to meet and confer with the other party, for

further orders and direction as may be necessary or appropriate for the construction, application, carrying out or enforcement of the injunctive provisions. The Court may modify any of the injunctive provisions and take such further action as may be necessary or appropriate to enforce the injunctive provisions, and to punish any violations.

28. The PARTIES specifically warrant and represent that they each have full authority to enter into this Consent Judgment and make the full scope of promises, releases, and covenants set forth herein for and on behalf of the entities they each represent.

29. This Consent Judgment has been reviewed by the PARTIES and their respective attorneys and each have had a full opportunity to negotiate the contents of this Consent Judgment. The PARTIES agree that the language in all parts of this Consent Judgment shall be construed as a whole, according to fair meaning.

30. This Consent Judgment may be modified only by the Court, upon noticed motion, or upon written consent by the PARTIES and approval of the Court.

31. Before declaring any provision of this Consent Judgment invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedent so as to define all provisions of this Consent Judgment.

SO STIPULATED:

FOR PLAINTIFFS:

Dated: 12/2/2025

DAVID CHIU
City Attorney
YVONNE R. MERÉ
Chief Deputy City Attorney
RONALD H. LEE
Assistant Chief of Complex and Affirmative Litigation
NANCY E. HARRIS
MIGUEL A. GRADILLA
Deputy City Attorneys

By: _____
YVONNE R. MERÉ

Attorneys for Plaintiffs
PEOPLE OF THE STATE OF CALIFORNIA AND PEOPLE OF THE CITY AND COUNTY OF SAN FRANCISCO, acting by and through San Francisco City Attorney DAVID CHIU

FOR LUCY GOODS, INC.:

Dated: 12/2/2025

By: _____

Printed Name: Samy Hamdouche

Title: Chief Operating Officer

Approved as to FORM:

Dated: 12/2/2025

KELLER and HECKMAN LLP

By: _____
ROHIT A. SABNIS
Attorneys for Defendant LUCY GOODS, INC.

ORDERED AND ADJUDGED at San Francisco, California, this ___ day of _____, 2025.

Dated: Jan. 6, 2025

_____
JUDGE OF THE SUPERIOR COURT

JOSEPH M. QUINN

EXHIBIT A

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is between the City Attorney of the City of San Francisco, acting on behalf of the People of the City and County of San Francisco and the People of the State of California (collectively, the "People"), on the one hand, and Lucy Goods, Inc. ("Lucy Goods") on the other hand. The People and Lucy Goods are also sometimes referred to individually as a "Party" and together as the "Parties." Unless otherwise defined in this Agreement, initially capitalized terms used in this Agreement shall have the meaning given them in Article 1 below.

RECITALS

This Agreement is made with reference to the following facts and circumstances:

A. On September 3, 2024, the People filed the Complaint in this Action. The People allege that Lucy Goods has violated section 17200 of the California Business and Professions Code and section 19S.2 of the San Francisco Health Code by selling Prohibited Products via its websites to Persons in San Francisco. The People also allege that Lucy Goods has violated section 17200 by failing to comply with certain requirements of the Stop Tobacco Access to Kids Enforcement (STAKE) Act. (Bus. & Prof. Code, § 22963(b).)

B. After this Action was filed, Lucy Goods ceased all sales of PROHIBITED PRODUCTS to PERSONS in San Francisco and confirmed compliance with the STAKE Act. Lucy Goods denies all allegations raised in the Action and denies that it has done anything unlawful. The People believe that the resolution of the violations alleged in the Action is fair and reasonable and fulfills the People's enforcement objectives, that no further action is warranted concerning the specific violations alleged in the Action as to Lucy Goods except as provided pursuant in the comprehensive Stipulated Consent Judgment and Order that the People will file with the San Francisco Superior Court seeking the Court's approval and entry of judgment (the "Stipulated Consent Judgment and Order" or "Consent Judgment"). The People believe that the Stipulated Consent Judgment and Order is in the best interests of the general public.

AGREEMENT

Accordingly, to settle and avoid the risks and costs of litigation, in consideration of the mutual covenants and agreements in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree to the following terms and conditions as a complete and final resolution of the Lawsuit:

ARTICLE 1
DEFINITIONS

For purposes of this Agreement, the following terms shall have the meaning set forth below.

(a) ACTION refers to the civil action entitled *People of the State of California, et al. v. Rogue Holdings, LLC., et al.*, San Francisco Super. Ct. No. CGC-24-617804.

(b) PARTIES refers collectively to the People and Lucy Goods.

(c) PLAINTIFFS or the People refer collectively to the People of the State of California and the People of the City and County of San Francisco, acting by and through San Francisco City Attorney David Chiu.

(d) DEFENDANT refers to LUCY GOODS, INC. ("Lucy Goods"). Lucy Goods includes Lucy Goods's subsidiaries and predecessors and successors-in-interest. For purposes of effectuating the injunctive relief set forth in the Stipulated Consent Judgment and Order, Lucy Goods also refers to anyone authorized to act on Lucy Goods's behalf, including but not limited to Lucy Goods's principals, parents, owners, subsidiaries, officers, assigns, representatives, agents, employees, attorneys, and accountants.

(e) EFFECTIVE DATE is the date this Stipulated Consent Judgment and Order has been signed by the Court.

(f) MONITORING PERIOD is the three-year period beginning from the Effective Date.

(g) PERSON(S) means "any individual, partnership, cooperative association, private corporation, personal representative, receiver, trustee, assignee, or any other legal entity," pursuant to sections 19S.1 and 19H.2 of the San Francisco Health Code.

(h) PROHIBITED PRODUCTS refers to "flavored tobacco products," as those terms are defined, used, and/or incorporated by reference in section 19S.1 of the San Francisco Health Code. Prohibited Products include but are not limited to "nicotine pouches."

ARTICLE 2
INJUNCTIVE RELIEF; MONETARY PAYMENTS

2.1 Injunctive Relief

Lucy Goods is enjoined and restrained from engaging in unlawful business practices (Bus. & Prof. Code, § 17200) that violate Article 19S of the San Francisco Health Code and violations of the STAKE Act. In particular, Lucy Goods shall not sell or distribute, as those terms are defined in Article 19S, Prohibited Products to any Persons in San Francisco and shall comply with all provisions of the STAKE Act. Lucy Goods shall not allow San Francisco to be used as a shipping or billing address for Prohibited Products. During the Monitoring Period, if Lucy Goods maintains any websites or has any other public-facing online platforms on which Lucy Goods sells the Prohibited Products, it shall include on each website or public-facing platform a statement that Lucy Goods will not sell, ship, or otherwise distribute flavored tobacco products including nicotine pouches to any person or entity in San Francisco. On each anniversary of the Effective Date during the Monitoring Period, Lucy Goods will submit to the San Francisco City

Attorney's Office an affidavit executed under oath by its Chief Executive Officer certifying that it has complied with the injunction.

2.2 Settlement Payment

Lucy Goods shall pay the San Francisco City Attorney's Office a total of one million dollars ($1,000,000.00) to be made pursuant to the payment schedule outlined below. This payment encompasses and satisfies in full the People's claims for civil penalties and attorneys' fees and costs. The PARTIES shall otherwise bear their own costs, attorneys' fees, and expenses incurred in connection with this Action. The San Francisco City Attorney's Office will provide Lucy Goods with an IRS W-9 form for the City and County of San Francisco within 5 days of the Effective Date. Lucy Goods shall pay the settlement payment in two installments as follows (1) $500,000 within 30 days of the Effective Date; and (2) $500,000 within 150 days of the Effective Date. Payment shall be made by wire transfer to the San Francisco City Attorney's Office pursuant to instructions provided by the People. Lucy Good acknowledges that any default, including late payment, of the Settlement Payment installments shall subject the amounts due under the Consent Judgment to statutory interest on judgments pursuant to California Code of Civil Procedure §§ 685.010 *et seq.*

2.3 Taxes

The Parties make no representation or warranty as to any tax consequences of the amounts to be paid under the Consent Judgment. The People hereby notify Lucy Goods, and Lucy Goods acknowledges, that applicable law requires Lucy Goods to furnish Lucy Goods's federal taxpayer identification number(s) to the People for inclusion on IRS Form 1098-F and that Lucy Goods may be subject to a penalty for failure to furnish taxpayer identification number(s). Lucy Goods agrees to furnish such number(s) by providing the People completed IRS Form(s) W-9, Request for Taxpayer Identification Number and Certification. Lucy Goods further agrees to provide such other information as may be requested by the People to enable the People to comply with any reporting requirements for payments made pursuant to the Consent Judgment that are imposed by applicable law.

ARTICLE 3
SETTLEMENT AND RELEASE OF CLAIMS; ENFORCEMENT

3.1 The People's Release of Claims against Lucy Goods

Through this Agreement and following full payment of the monetary amount specified above, the People agree to release and discharge Lucy Goods, its heirs and executors and its past and present shareholders, employees, officers, directors, attorneys, successors, predecessors, affiliates, agents, and representatives, from any and all claims, causes of action, damages, debts, demands, dues, rights of action, suits, sums of money, variances, or obligations of any kind or nature whatsoever, whether or not now known, matured or unmatured, liquidated or unliquidated, absolute or contingent, suspected or unsuspected, that it may have, hold, or own, or might have had, held, or owned, up to and including the Effective Date, arising out of or relating to Lucy Goods's sales in California, as alleged in the Action against Lucy Goods, or could have been asserted based on the alleged conduct by Lucy Goods, including potential violations of the

STAKE Act before the Effective Date. The People do not release Lucy Goods from any municipal or state tax claims or liabilities, any criminal liability, any violations of law occurring after the Effective Date, and any liability for any matter not related to the conduct and causes of action alleged in the Complaint. Nothing in the Consent Judgment shall limit or affect the People's right to pursue any other legal claim(s) not released hereunder.

This release does not in any way relieve Lucy Goods of the obligation to abide by each and every term of the Consent Judgment or the People's right to enforce the Consent Judgment. Further, this release does not deprive the People from seeking any relief for Lucy Goods's failure to comply with any of the terms of the Consent Judgment.

3.2 Release of Claims by Lucy Goods Companies against the People

In consideration for the promises set forth in the Consent Judgment, Lucy Goods agrees to release the People, as well as their employers, officers, directors, attorneys, successors, predecessors, affiliates, agents, and representatives, from any and all claims that were or could have been asserted before an administrative body or court, including all actions, causes of action, counterclaims, claims for attorney's fees and costs, related in whole or in part to the Action through the Effective Date.

3.3 Waiver of Civil Code Section 1542

The Parties expressly agree that the mutual release of claims is intended to and does extend to any and all claims the Parties may have against one another arising out of or related in any way to the Lawsuit, now or in the future, whether known or unknown, that are the subject of the releases described in Sections 3.1 and 3.2 above. As a further inducement and consideration in resolution of the disputes, the Parties expressly and specifically waive any rights or benefits available to them under California Civil Code Section 1542, which provides:

> 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.

Initials:

SH
Lucy Goods, Inc.

YRM
People of the City and County of San Francisco

YRM
People of the State of California

3.4 Survivability of Releases

As of the Effective Date, the releases described in Section 3.1 and 3.2 above shall survive any termination of this Agreement except as expressly provided in Section 3.6 below.

3.5 Negotiated Settlement

The discussions that have produced this Agreement have been conducted with the explicit understanding that they are privileged under California Evidence Code Section 1152 and Federal Rule of Evidence 408, and that such discussions shall be without prejudice to the position of either Party and may not be used in any manner in any proceeding or otherwise, except as may be necessary to enforce or interpret this Agreement or as otherwise required by law.

3.6 Voluntary Release

Each Party has carefully read this Agreement, and signs it freely and voluntarily upon the advice of its own attorneys. Each such Party affirms that the only consideration for its execution of this Agreement are the terms stated in the body of this Agreement; that no other promise or agreement of any kind has been made to it, or with it, by any Person to cause them to execute this Agreement; that it is competent to execute this Agreement; that its agreement to execute this Agreement has not been obtained by any duress or undue influence; and that it fully understands and voluntarily executes this Agreement knowing it constitutes a complete release of claims as provided in this Article 3.1 and Article 3.2

3.7 Enforcement

(a) Agreement and Stipulated Consent Judgment and Order. The Court has reserved jurisdiction to enforce certain provisions of the Stipulated Consent Judgment and Order. This Agreement is subject to enforcement pursuant to California Code of Civil Procedure section 664.6.

(b) Time Limits; Waiver; Remedies Cumulative. Failure by a Party to insist upon the strict or timely performance of any of the provisions of this Agreement by the other Party, irrespective of the length of time for which such failure continues, shall not constitute a waiver. No waiver of any condition or failure of performance, including a Default, shall be effective or binding unless made in writing by the waiving Party, and no such waiver shall be implied from any omission to take any action with respect to such failure. No express written waiver shall affect any other condition, action or inaction, or cover any other period of time, other than any condition, action or inaction and/or period of time specified in such express waiver. One or more written waivers under any provision of this Agreement shall not be deemed to be a waiver of any subsequent condition, action or inaction, and the performance of the same or any other term or provision contained in this Agreement. Nothing in this Agreement shall limit or waive any other right or remedy available to the People or Lucy Goods to seek injunctive relief or other expedited judicial and/or administrative relief to prevent irreparable harm.

ARTICLE 4
GENERAL

4.1 Notices

Except as otherwise expressly provided in this Agreement, all notices, demands, approvals, consents and other formal communications between the Parties required or permitted under this Agreement shall be in writing and shall be deemed given and effective upon the date of receipt (i) if given by personal delivery or electronic mail on a business day (or the next business day if delivered on a day that is not a business day), (ii) if sent for next-business-day delivery (with all expenses prepaid) by a reliable overnight delivery service, with receipt of delivery, or (iii) if mailed by United States registered or certified mail, first class postage prepaid, to the Party at their respective addresses for notice designated below and may include courtesy copies by email to the addresses designated below. The effective time of a notice shall not be affected by the receipt, before receipt of the original.

All notices and mailings to be delivered among or between the Parties required by the Stipulated Consent Judgment and Order shall be served by email on the following persons, or any person subsequently designated by the Parties to receive such notices:

For the People:

Nancy Harris
San Francisco City Attorney's Office
Fox Plaza
1390 Market Street, 7th Floor
San Francisco CA 94102
Nancy.harris@sfcityatty.org
affirmlit.inbox@sfcityatty.org

For Lucy Goods:

Rohit A. Sabnis
Keller and Heckman, LLP
Three Embarcadero Center
San Francisco, CA 94111
sabnis@khlaw.com

Every notice given to a Party under the terms of this Agreement, must state (or must be accompanied by a cover letter that states) substantially the following:

(i) the Section of this Agreement under which the notice is given and the action or response required, if any; and

(ii) if applicable, the period of time within which the recipient of the notice must respond.

4.2 Time of Performance

(a) **Expiration.** All performance dates expire at 5:00 p.m., San Francisco, California time, on the performance or cure date, unless otherwise provided in this Agreement.

(b) **Weekends and Holidays.** A performance date that falls on a Saturday, Sunday or City holiday (or official City furlough day) is deemed extended to the next City working day.

(c) **Days for Performance.** All periods for performance specified in this Agreement in terms of days shall be calendar days, and not business days, unless otherwise expressly provided in this Agreement.

(d) **Time of the Essence.** Time is of the essence for each and every provision of this Agreement, including, without limitation, the due dates for each payment.

4.3 Interpretation of Agreement

(a) **Words of Inclusion.** The use of the terms "including," "such as" or words of similar import when following any general term, statement or matter shall not be construed to limit such term, statement or matter to the specific items or matters set forth, whether or not language of non-limitation is used with reference to such items or matters. Rather, such terms shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter.

(b) **No Presumption Against Drafter.** This Agreement has been negotiated at arm's length and between Persons sophisticated and knowledgeable in the matters dealt with in this Agreement. In addition, experienced and knowledgeable legal counsel has represented each Party. Accordingly, this Agreement shall be interpreted to achieve the intents and purposes of the Parties, without any presumption against the Party responsible for drafting any part of this Agreement.

(c) **Costs and Expenses.** The Party on which any obligation is imposed in this Agreement shall be solely responsible for paying all costs and expenses incurred in the performance of such obligation, unless the provision imposing such obligation specifically provides to the contrary.

(d) **Agreement References.** A reference to any provision, term or matter "in this Agreement," shall be deemed to refer to any and all provisions of this Agreement reasonably related in the context of such reference, unless such reference refers solely to a specific numbered or lettered Article, Section or paragraph of this Agreement or any specific subdivision of this Agreement.

4.4 Successors and Assigns

This Agreement is binding upon and will inure to the benefit of the successors and assigns of the Parties.

4.5 No Third-Party Beneficiaries

This Agreement is made and entered into for the sole protection and benefit of the Parties and their successors and assigns.

4.6 Counterparts

This Agreement may be executed in counterparts and by e-mailed signatures, each of which is deemed to be an original, and all such counterparts shall constitute one and the same instrument.

4.7 Entire Agreement

This Agreement, including the Stipulated Consent Judgment and Order attached as an exhibit, constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement and supersedes all negotiations or previous conditions mentioned in or incidental to this Agreement. No parol evidence of any prior draft of this Agreement or any other agreement shall be permitted to contradict or vary the terms of this Agreement.

4.8 Governing Law

The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

4.9 Further Assurances

The Parties agree to execute and acknowledge such other and further documents as may be necessary or reasonably required to effectuate the terms of this Agreement. The City Attorney is authorized to execute on behalf of the People any notices, dismissals, or similar documents and any agreements, memoranda or similar documents that are necessary or proper to achieve the purposes and objectives of this Agreement and that do not materially increase the obligations of the People under this Agreement, if the City Attorney determines that the document is necessary or proper, consistent with the purposes of this Agreement and in the People's best interests. The City Attorney's signature on any such document shall conclusively evidence such a determination.

4.10 Severability

If any provision of this Agreement, or its application to any Person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other provision of this Agreement or the application of such provision to any other Person or circumstance, and the remaining portions of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as so modified by and in response to such invalidation would be grossly inequitable under all of the circumstances, or would frustrate the fundamental purposes of this Agreement.

4.11 Amendments; Corrections of Technical Errors

Neither this Agreement nor any of its terms may be terminated, amended or modified except by a written instrument executed by the Parties. If by reason of inadvertence, and contrary to the intention of the Parties, errors are made in this Agreement or any of its Exhibits, the Parties by mutual agreement may correct such error by written memorandum executed by them without the necessity of amendment of this Agreement.

4.12 Representations, Warranties, and Covenants

(a) **Lucy Goods's Representations, Warranties and Covenants.** Lucy Goods represents, warrants, and covenants to the People that as of the Effective Date, each of the following statements is accurate and complete:

(i) **Valid Existence; Good Standing.** Lucy Goods is duly organized, validly existing and in good standing under the laws of the State of California.

(ii) **Authority.** Lucy Goods has all requisite power and authority to execute and deliver this Agreement and to carry out and perform all of its duties and obligations under this Agreement.

(iii) **No Limitation on Ability to Perform.** Neither Lucy Goods's articles of incorporation, organization and/or bylaws, nor any other agreement, court decision, or law regarding Lucy Goods prohibits or materially limits or otherwise affects the right or power of Lucy Goods to enter into and perform all of the terms and covenants of this Agreement.

(iv) **Valid Execution.** The execution and delivery of this Agreement (and the agreements contemplated in this Agreement) by Lucy Goods has been duly and validly authorized by all necessary action on the part of Lucy Goods. Upon its execution and delivery by all Parties and on the Effective Date, this Agreement will be a legal, valid, binding and enforceable obligation of Lucy Goods.

(v) **Financial Matters.** Lucy Goods warrants that it has not filed a petition for relief under any chapter of the U.S. Bankruptcy Code and have no present intention to petition for relief under any chapter of the U.S. Bankruptcy Code and to Lucy Goods's knowledge, no involuntary petition naming Lucy Goods has been filed under any chapter of the U.S. Bankruptcy Code.

(b) **City Attorney Representations, Warranties, and Covenants.** The City Attorney represents, warrants, and covenants to Lucy Goods that as of the Effective Date, each of the following statements is accurate and complete:

(i) **Authority.** The City Attorney has all requisite power and authority to execute and deliver this Agreement and to carry out and perform all of its duties and obligations under this Agreement.

(ii) **Valid Execution.** The execution and delivery of this Agreement (and the agreements contemplated in this Agreement) by the City Attorney have been duly and validly authorized by all necessary action on the part of the People. Upon its execution and delivery by all Parties and as of the Effective Date, this Agreement will be a legal, valid, binding and enforceable obligation of the People.

(iii) **Defaults.** The execution, delivery and performance of this Agreement do not and will not violate or result in a violation of, contravene or conflict with, or constitute a default under (A) any agreement, document or instrument to which the People is a party or (B) any applicable law, statute, ordinance or regulation.

4.13 Cooperation and Non-Interference

In connection with this Agreement, the Parties shall reasonably cooperate with one another to achieve the objectives and purposes of this Agreement. In so doing, the Parties shall each refrain from doing anything that would render its performance under this Agreement

impossible and each must do everything that this Agreement contemplates that the Party shall do to accomplish the objectives and purposes of this Agreement. In all situations arising out of this Agreement, the Parties must each attempt to avoid and minimize the damages resulting from the conduct of the other and must take all reasonably necessary measures to achieve the provisions of this Agreement.

FOR PLAINTIFFS:

Dated: 12/2/2025

DAVID CHIU
City Attorney
YVONNE R. MERÉ
Chief Deputy City Attorney
RONALD H. LEE
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By: _____
YVONNE R. MERÉ

Attorneys for Plaintiffs
PEOPLE OF THE STATE OF CALIFORNIA AND PEOPLE OF THE CITY AND COUNTY OF SAN FRANCISCO, acting by and through San Francisco City Attorney DAVID CHIU

FOR LUCY GOODS, INC.:

Dated: 12/2/2025

By: _____

Printed Name: Samy Hamdouche

Title: Chief Operating Officer

APPROVED AS TO FORM:

Dated: 12/2/2025

KELLER AND HECKMAN, LLP

By: _____

ROHIT A. SABNIS

Attorneys for Defendant LUCY GOODS, INC.