AD
AARON D. FORD
Attorney General
ERNEST D. FIGUEROA
Consumer Advocate
MICHELLE C. BADORINE (Bar No. 13206)
Senior Deputy Attorney General
SAMANTHA FEELEY (NV Bar No. 14034)
Senior Deputy Attorney General
State of Nevada, Office of the Attorney General
Bureau of Consumer Protection
100 North Carson Street
Carson City, Nevada 89701
775-684-1164 ph
Email: mbadorine@ag.nv.gov
Email: sfeeley@ag.nv.gov
Attorneys for Plaintiff, State of Nevada

DISTRICT COURT
CLARK COUNTY, NEVADA

In the Matter of:	)	
	)	CASE NO.:
TFG HOLDING, INC.	)	DEPT NO.:
	)	
	)	**BUSINESS COURT REQUESTED**
______________________________	)	**ARBITRATION EXEMPTION—Action in Equity**

ASSURANCE OF DISCONTINUANCE

This Assurance of Discontinuance ("Assurance" or "AOD"),[1] is entered into by the Nevada Attorney General (the "Attorney General") and TFG HOLDING, INC., ("the Company" and collectively with the Attorneys General,[2] the "Parties") to resolve an investigation pursuant to the Nevada Deceptive Trade Practices Act, Nevada Revised Statutes ("NRS") Chapter 598, of the Company's marketing and sales practices.

///

///

[1] This Assurance of Discontinuance shall, for all necessary purposes, also be considered an Assurance of Voluntary Compliance.

[2] This Assurance of Discontinuance is one of many multi-state resolutions entered into by the states listed in paragraph 6 of this Assurance.

THE PARTIES

1. The Attorney General of the State of Nevada, AARON D. FORD, Attorney General, and ERNEST D. FIGUEROA, Consumer Advocate ("Attorney General of the State of Nevada" or "Attorney General"), are authorized by NRS Chapter 228, to enforce Nevada's consumer protection laws, including the Nevada Deceptive Trade Practices Act, NRS Chapter 598, and to enter into Assurances with merchants resolving violations of the Nevada Deceptive Trade Practices Act, pursuant to NRS 598.0995.

2. The Company, formerly known as TechStyle, Inc., and Just Fabulous, Inc., operates and/or controls JustFab, Shoe Dazzle and FabKids, whereby consumers may purchase shoes, clothing, accessories, and other merchandise, and enroll in Membership Programs.

FINDINGS

3. The Eighth Judicial District in and for Clark County, Nevada has jurisdiction over this matter. The Parties consent to its jurisdiction for purposes of granting such additional relief as may be necessary and appropriate.

4. The Attorney General for the State of Nevada alleges that the Company (1) misrepresented the price consumers could expect to pay for products advertised on the Company's websites including misrepresentations that had the capacity, tendency or effect of deceiving or misleading consumers; (2) automatically enrolled consumers, without their consent, into a Membership Program that included a Recurring Charge without consumers' knowledge, consent, or authorization; (3) implemented and maintained cancellation policies and practices that frustrated consumers' ability to cancel the Membership Programs into which they were enrolled; (4) failed to adequately disclose material facts to consumers, including that by purchasing products they will be enrolled in a Membership Program; and (5) the Company's conduct included unfair and deceptive trade practices prohibited by the Nevada Deceptive Trade Practices Act, NRS Chapter 598.

///

5. The Attorney General for the State of Nevada further alleges that consumers were harmed as a result of the Company's unfair and deceptive trade practices.

6. The Parties enter into this AOD to conclude a multi-state investigation of the Company's conduct by the offices of the Attorneys General of Alabama, Arkansas, Connecticut, the District of Columbia, Georgia, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Vermont, Washington, and Wisconsin (collectively, "Attorneys General"). Contemporaneous with this AOD, the Company is entering into similar agreements with each of the Attorneys General.

7. The Parties have consented to the entry of this AOD without trial of any issue of fact or law. The Company specifically denies it has violated any consumer protection laws, including the Nevada Deceptive Trade Practices Act, NRS Chapter 598. Nothing contained herein may be taken as or construed to be an admission or concession of any violation of law or regulation, or of any other matter of fact or law, or of any liability or wrongdoing, nor shall it constitute any evidence or finding supporting any of the allegations of fact or law alleged by the Attorney General, or any violation of state or federal law, rule or regulation or any liability or wrongdoing whatsoever, and neither this AOD, nor any negotiations, statements or documents related thereto, shall be offered or received in any legal or administrative proceeding or action as an admission, evidence or proof of any violation or liability under or wrongdoing in connection with any law, rule or regulation, except in an action by the Attorney General to enforce the terms of this AOD.

///

///

///

///

///

DEFINITIONS

8. "**Clear and Conspicuous**" or "**Clearly and Conspicuously**" means that a disclosure is made in such size (*i.e.*, shall be of at least equal prominence to the representation triggering the disclosure), color, contrast, location, duration, and/or audibility that it is difficult to miss (*i.e.*, easily noticeable, readable, understandable, and/or capable of being heard). A disclosure may not contradict or be inconsistent with any other information with which it is presented. If a disclosure modifies, explains or clarifies other information with which it is presented, then the disclosure must be presented in proximity to the information it modifies, explains, or clarifies, in a manner that is readily noticeable, readable, and understandable, and not obscured in any manner. In addition:

a. The disclosure must be made through the same means, whether audio, visual, or both, through which the representation triggering the disclosure is made.

b. An audio disclosure shall be delivered in a volume and cadence sufficient for a consumer to hear and comprehend it.

c. A visual statement or disclosure by its size, contrast, location, the length of time it appears, and other characteristics, must stand out so that it is easily noticed; shall remain on the screen for a duration sufficient for a consumer to read and comprehend it.

d. In a print advertisement, or other printed promotional material, including, but not limited to, point of sale display or brochure materials directed to consumers, the disclosure shall appear in a type-size, font, appearance, and location sufficient for a consumer to read and comprehend it.

e. In any communication using an interactive electronic medium, such as the Internet or software, the statement or disclosure must be unavoidable, meaning that it must be presented in such a manner that consumers will be exposed to it in the course of communication without having to take affirmative actions, such as scrolling down a page, clicking on a link to other pages, activating a pop-up window, or entering a search term to view the statement or disclosure.

f. A video disclosure, including but not limited to any digital, on-line, streaming or television commercial, must be of a type size, location, and shade and remain on the screen for a duration sufficient for a consumer to read and comprehend it.

9. "**Effective Date**" shall be November 1, 2025.

10. "**Express Informed Consent**" means an affirmative act or statement giving unambiguous assent to be charged for, or enrolled into, a Membership Program that is made by a consumer after being provided a Clear and Conspicuous disclosure of all material terms.

11. "**Member Credit**" means a credit placed by the Company on a consumer's account for a specific Membership Program as a result of, and in the same amount as, the Membership Program's Recurring Charge.

12. **"Membership Program"** means any program in which a consumer enters into an agreement with the Company for the provision of benefits, goods, or services that includes a Recurring Charge.

13. "**Recurring Charge**" means one or more charges placed on a consumer's account after the consumer's initial authorized purchase that are made without further authorization from the consumer, and which are charged unless the consumer takes an affirmative step to prevent the charge.

14. "**Save Attempt**" means either (a) a single incentive or other offer made to a consumer (*e.g.*, discounted goods or services) in order to persuade the consumer not to cancel their enrollment in a Membership Program, or (b) a single question asked, or a statement made to a consumer in order to persuade the consumer not to cancel their enrollment in a Membership Program, including any description of a Membership

Program or its benefits. A Save Attempt does not include questions that the Company may ask the consumer in order to determine the purpose of a consumer's call provided such dialogue does not include an offer by the Company to entice the consumer to stay in his or her Membership Program.

15. **"Space Constrained Advertisement or Offer"** means a banner or other advertisement placed on digital, video or electronic media platforms (such as X - formerly Twitter, TikTok, Snapchat, Instagram, and Facebook), that are controlled by a third-party publisher or distributor who places restrictions on the size of the advertisement or imposes mandatory policies, requirements, rules or other restrictions on the parameters, format, size, and/or technical aspects of an advertisement or offer, including, but not limited to, restrictions on the maximum number of characters, lines of text or graphics, or pixels, and/or file size, that makes inclusion of the required text or disclosure impracticable.

APPLICATION

16. The provisions of this AOD shall apply to the Company and its officers, employees, and agents authorized to act on its behalf, successors, assignees, merged or acquired entities, and subsidiaries. The Company shall not participate, directly or indirectly, in any activity, or form a separate corporation or entity for the purpose of engaging in acts or practices in whole or in part within Nevada, that are prohibited by this AOD or for any other purpose that would otherwise circumvent any part of this AOD.

INJUNCTION

17. The Company shall not engage in any act or practice in violation of the Nevada Deceptive Trade Practices Act, NRS Chapter 598 in connection with the offer or sale of any Membership Program including, but not limited to, failing to disclose any material facts or making any express or implied misrepresentations regarding its Membership Programs.

///

///

Negative Option Marketing

18. The Company shall not enroll any consumer in a Membership Program without first Clearly and Conspicuously disclosing the material terms of such Membership Program, including but not limited to, the fact that the consumer will be enrolled in a Membership Program, the amount and frequency of all applicable Recurring Charges for each separate Membership Program, and the consumer's right to cancel. For online enrollments, this disclosure shall occur in at least three separate instances before a consumer is enrolled in a Membership Program, including: (a) when the Membership Program concept is first presented to a consumer on the Company's website or mobile application (*e.g.*, on the landing page or home page); (b) the first time the consumer is given the option to shop or make a purchase that enrolls a consumer in a Membership Program or to make a purchase that does not include any further obligation; and (c) as part of the checkout process before a consumer submits his or her payment information and completes the check-out process. For enrollments made in person or over the phone, the disclosure required by this paragraph shall be made orally at least as part of the checkout process prior to the consumer's enrollment in a Membership Program.

19. The Company shall not enroll any consumer in a Membership Program without first obtaining the consumer's Express Informed Consent. The Express Informed Consent required by this paragraph may not be obtained by the use of any authorization that is pre-checked, or that otherwise does not require the consumer to take an affirmative action to enroll in a Membership Program. The Express Informed Consent required by this paragraph shall not be sought until after all material terms of the Membership Program have been Clearly and Conspicuously disclosed to the consumer, including a notice that the consumer will be enrolled in the Membership Program and the amount and frequency of any Recurring Charge for that Membership Program adjacent to the place where the consumer provides Express Informed Consent. The Company shall ensure through the technical operation of its enrollment process that a consumer's enrollment cannot proceed unless Express Informed Consent has first been obtained.

20. The Company shall, within ninety (90) days of the Effective Date, and every twelve months thereafter for the following two (2) years, provide the Executive Committee jurisdictions (District of Columbia, Pennsylvania, Texas, and Maryland) with videos showing the complete current purchase path for consumers enrolling in a Membership Program for the first time, from a typical landing page of the purchase path through to the final page a consumer would see in the course of enrolling in a Membership Program. The Company shall provide the videos required by this paragraph for each Membership Program it owns or operates, and for each such Membership Program shall provide a separate video for its website viewed on a desktop computer, its website viewed on a mobile device, and for the Android and iOS smartphone applications, if applicable. The videos required by this paragraph shall be taken using software designed to capture how websites are displayed on a device (e.g., VLC Media Player); shall not be edited in any way; shall be captured in a device's normal perspective and not magnified; and shall include the minimum number of pages that a consumer would be exposed to before enrolling in a Membership Program (*i.e.,* all pages of the website or app need not be shown, only those pages sufficient to show enrollment in a Membership Program). If the Attorney General has any issues or inquiries with the videos submitted in accordance with this paragraph, the Attorney General will contact the Company's counsel to discuss those issues or inquiries prior to issuing any notice of violation pursuant to the provisions of paragraph 63.

21. Any time the Company sends consumers an email related to confirming enrollment in a Membership Program, notification of billing of a Recurring Charge for that Membership Program, or a reminder regarding the availability of unused Member Credits and/or how to redeem such Member Credits, the Company must also include a Clear and Conspicuous statement that consumers may cancel their memberships online or by telephone at any time without penalty, and include a toll-free cancellation number. The provisions of this paragraph shall not apply in the event the communication is sent to consumers who have already cancelled.

22. The Company shall include in the initial shipment of products delivered to consumers enrolled in a Membership Program a Clear and Conspicuous disclosure of the terms relating to any Recurring Charges for that Membership Program and the consumer's right to cancel.

Advertising and Marketing Practices

23. The Company shall not represent offers or sales of its consumer goods as time sensitive, when they are not, including but not limited to the use of countdown timers to represent or imply that such offers or sales will soon expire, unless the offers are in fact time limited.

24. The Company shall not represent in its offer or sale of Membership Programs that a Membership Program is "free," or otherwise represent that a Membership Program does not require additional payments or actions by the consumer.

25. The Company shall not represent in its offer or sale of Membership Programs that Member Credits are gratuitous, free, or otherwise provided at no cost to consumers.

26. The Company shall not represent that a consumer may obtain a discount, a particular price, or other benefit, if such discount, price, or benefit can only be obtained by enrolling in a Membership Program, without Clearly and Conspicuously disclosing the material terms of such Membership Program, including but not limited to, the fact that the consumer will be enrolled in a Membership Program, the amount and frequency of all applicable Recurring Charges, and the consumer's right to cancel, provided, however, that if the representation is made in a Space Constrained Advertisement the Company may satisfy the requirements of this paragraph by Clearly and Conspicuously disclosing that the discount, particular price, or other benefit is available only through enrollment in a Membership Program, so long as the advertisement includes a Clear and Conspicuous, easily accessible, and meaningfully labeled link directly to a digital page that Clearly and Conspicuously displays the detailed disclosures required by this paragraph, including, when applicable, how the Membership Program's monthly fee works and any applicable

Recurring Charge for the Membership Program. For purposes of this paragraph: "meaningfully labeled" means labeled to convey the importance, nature, and relevance of the information to which it leads.

Cancellation Policies and Practices

27. The Company shall provide consumers with the ability to easily cancel their Membership Programs, including by at least telephone and online via an online cancellation mechanism that is easily accessible on the Company's websites and accessible from any device from which a consumer can enroll in a Membership Program. Subject to applicable Save Attempts, the Company shall promptly accept and process all requests to cancel any Membership Programs made by consumers, provided that the consumer provides information sufficient to identify the consumer's account and confirm that the consumer has authority to cancel the Membership Programs.

28. If a consumer's cancellation request does not contain the information needed to identify the consumer seeking to cancel, the Company shall attempt to contact the consumer, if the Company has contact information for the consumer, within three (3) business days of receiving the request to obtain the necessary information. Upon receipt of the necessary information to process a cancellation request, the Company shall promptly cancel a consumer's account unless the consumer accepts a Save Attempt or otherwise affirmatively indicates they no longer wish to cancel.

29. After a consumer initiates the online cancellation mechanism required by paragraph 27 of this AOD, the Company shall immediately confirm the consumer's intent to cancel the Membership Program, provided however, that if the consumer is not logged into their account at the time they initiate the online cancellation mechanism, the Company may first collect any information necessary to identify the consumer's account and confirm that the consumer has authority to cancel the membership. Only after the consumer confirms his or her intent to cancel the Membership Program shall the Company present any Save Attempt permitted by the terms of the AOD. After a consumer confirms his or her intent to cancel the Membership Program, the Company

shall cancel the account unless the consumer accepts a Save Attempt permitted by the terms of the AOD, or otherwise states that they no longer intend to cancel their Membership Program.

30. The Company shall not require consumers who request to cancel a Membership Program to provide any information prior to cancelling the account other than that which is necessary to identify the consumers' accounts and confirm that the consumers have authority to cancel the Membership Program. However, as part of the cancellation process, the Company may ask the consumer to check a box indicating the reason for the cancellation (e.g., "no longer interested", "too expensive" or "other," etc.)

31. The Company shall adequately staff all phone numbers and chat lines it provides for consumer cancellations to ensure that consumers are not subjected to lengthy wait times to cancel their memberships. For telephone cancellations if a consumer is placed in a "hold queue", the Company shall provide an accurate estimate of the wait time and give consumers information on how to access the online cancellation mechanism required by paragraph 27 of this AOD. For online chat cancellation mechanisms, if it will take longer than one minute for a live agent to respond to a consumer's chat request, the Company shall provide an accurate estimate of the wait time or provide information on alternative means of online cancelling without the need for any personal interaction. In addition to the above, the Company shall provide, on its homepage, a toll-free number that consumers may use to cancel their Membership Program.

32. The Company shall not make more than two (2) Save Attempts per cancellation request. The Company shall not engage in a Save Attempt during a cancellation call, or an online chat with a live agent, if the consumer affirmatively states they do not wish to hear a Save Attempt. The Company shall not engage in harassing, abusive, or lengthy Save Attempts and shall promptly move on to cancellation when a consumer declines the cancellation Save Attempt. The Company shall process the cancellation without unreasonable delay; however, unreasonable delay shall not include the time required to process the request and service the account.

33. When a consumer requests to cancel an account in one of the Company's Membership Programs and requests to cancel an account with another Membership Program owned and operated by the Company, the Company shall instruct the consumer on how to access and manage the other account(s) and shall provide the telephone number(s) for the respective account(s) that the consumer desires to cancel. For consumers with multiple Membership Programs, any cancellation of one Membership Program by a consumer does not constitute a cancellation of any separate Membership Program the consumer also has with the Company.

34. For each consumer who contacts the Company via online chat for the purpose of canceling enrollment in a Membership Program, the Company shall maintain online chat transcripts for at least two (2) years.

35. The Company shall include, on the logged-in My VIP home page (or similar VIP Account page) of its Membership Programs' websites and apps, a link or drop-down to a secure webpage where a consumer can access and manage the account information associated with the consumer's enrollment in the particular Membership Program (the "Account Management Page"). The Company shall Clearly and Conspicuously display on the first visible section of the Account Management Page, a simple mechanism, such as a hyperlink or button, labeled "Cancel My Account," or words of similar import, that links directly to a quick and easy way to cancel online, or via online chat.

36. The Company shall not charge any consumer a Recurring Charge or any other fee associated with a specific Membership Program after a consumer has cancelled enrollment in that specific Membership Program. Notwithstanding this provision, the Company shall not be in violation of this AOD if a Recurring Charge or other fee associated with such specific Membership Program occurs due to the fact that it is in process and cannot be stopped at the time the cancellation request is completed for that specific Membership Program. In such an instance, the Company shall refund such charge to the consumer as soon as practicable.

///

37. The Company shall modify its existing training and quality control programs to ensure compliance with the terms of this AOD with respect to Save Attempt procedures and cancellations, including but not limited to, mandatory training for employees that handle consumer cancellation requests, periodic monitoring of calls and online chats, and establishing and enforcing policies on appropriate actions to be taken against employees who violate the relevant terms of this AOD. The Company shall modify its existing training and quality control programs for all employees that handle cancellation requests to direct employees not to offer any Save Attempt to a consumer who indicates, before the Save Attempt, that they wish to cancel their enrollment in a Membership Program because they were not aware they were enrolled in the Membership Program.

Billing and Recurring Charges

38. The Company shall provide all consumers the opportunity to request a refund of any Recurring Charge balance accrued within the prior year, to the extent not already refunded.

39. For any consumer of the Company who is enrolled in a Membership Program before May 31, 2016, the Company shall cease billing Recurring Charges unless the consumer previously skipped a payment, redeemed a Member Credit, received a refund, or made an additional purchase.

40. The Company shall Clearly and Conspicuously disclose in each consumer's account page the number of accumulated Member Credits maintained by the Company or any third party on the Company's website and app.

Compliance

41. Twelve (12) months after the Effective Date of this AOD, the Company shall file with the Attorneys General of Maryland, Pennsylvania, Texas, and the District of Columbia a report setting forth the manner and form in which the Company has complied with this AOD, and include representative exemplars of its advertising, including Space Constrained Advertisements. The Company shall, upon request by the Attorney General,

provide copies of records and documents sufficient to demonstrate the Company's compliance with the requirements of this AOD.

RESTITUTION

Automatic Restitution Payments

42. The Company shall provide restitution to consumers who enrolled in a JustFab, Shoe Dazzle, or FabKids Membership Program prior to May 31, 2016, and only made an initial purchase but no subsequent purchases and never skipped a payment. The amount of the refund will be equal to the total amount paid by the consumer after the initial payment. Any consumer who previously made a complaint that was resolved shall not be considered eligible for restitution under this section. Respondents shall pay consumers refunds pursuant to this paragraph by providing a credit using the same credit account the Company used to collect the consumers' payments (to the extent the Company is able to process the refund in such a manner) or they will be sent a refund check to the consumer's last known address according to the Company's business records. The Company will confirm these mailing addresses for consumers are accurate using a global address verification service (such as Melissa, Inc.). The Company will process these payments within sixty (60) days of the Effective Date.

43. Any refund payments made by the Company, in accordance with Paragraph 42, shall be accompanied by a notice to the consumer stating that the refund is being issued as a result of a settlement that was reached with the Nevada Attorney General and that the amounts that are being refunded are unused credits that were accumulated in the consumer's account. In instances where the Company issues the refund by crediting the consumer's credit card, the Company shall attempt to mail the notice to the consumer's last known mailing or email address (if available) within thirty (30) days of crediting the consumer's account.

Restitution – Resolution of Consumer Complaints

44. The Company shall also pay restitution to: consumers who have an existing eligible complaint against the Company that has not been resolved, and to consumers

who file a new eligible written complaint with the Company or the Attorney General within ninety (90) days after the Effective Date of this AOD that was not previously resolved. For purposes of this paragraph, a complaint shall be eligible for restitution if it alleges conduct that is addressed by this AOD. The restitution required by this paragraph shall be resolved consistent with the claims procedure described herein.

45. Upon receipt of a complaint directly from a consumer or the Attorney General, the Company shall determine within sixty (60) days of receipt if it is eligible for restitution. If the Company determines a complaint is not an eligible complaint, it shall return the complaint to the submitting Attorney General within one hundred-twenty (120) days of its receipt along with a written explanation of why the Company believes the complaint is not eligible for resolution pursuant to this AOD.

46. The Company shall have ninety (90) days after receipt of an eligible complaint to attempt to resolve it with the consumer. If the Company and consumer resolve the complaint, the Company shall provide the accepted relief within thirty (30) days of the consumer's acceptance of the offer and provide the Attorney General notice consistent with the requirements of paragraph 49 of the identity of the settling consumer and the terms of the resolution. If the Company and consumer cannot resolve the complaint then the Company and the Attorney General shall engage in a good faith attempt to mediate the complaint until the parties reach a mutually agreeable resolution or mutually agree that the complaint cannot be resolved through mediation. For purposes of this paragraph, a good faith attempt to mediate a complaint shall provide compensation for economic damages; however, in no event will the restitution exceed the amount the consumer actually paid to the Company and will exclude consequential or punitive damages.

47. The Company will process consumer complaints pursuant to this AOD in a consumer-friendly manner.

48. In the event restitution is in the form of a payment, it is to be provided pursuant to the terms of this AOD, and consumers shall have one hundred and eighty

(180) days to cash the checks they receive. The checks used to make payments to consumers shall have "void after 180 days" printed on them.

49. Six (6) months after the issuance of the last check issued by the Company, the Company shall turn over any payment made to consumers pursuant to paragraphs 42 and 44 that is not cashed, credited or otherwise claimed by the consumer to the Attorney General, which funds may be used by the Attorney General consistent with paragraph 51. At the same time, the Company shall also provide the Attorney General with a list identifying the following information (if known) for all consumers who were eligible to receive restitution pursuant to paragraphs 42 and 44 by the Company or through mediation with the Attorney General:

a. the name of the consumer;
b. the address of the consumer;
c. the consumer's phone number(s);
d. the consumer's email address(es);
e. the amount of any restitution paid to the consumer or other relief provided to the consumer; and
f. the amount of any restitution paid to the consumer that remains unclaimed.

50. Consumers shall not be required to release any of their personal claims in order to receive relief pursuant to restitution or complaint resolution provided under this AOD. Any unpaid restitution payments that are returned to the Attorney General may be utilized by the Attorney General to pay restitution to consumers, held as an unclaimed fund, used for future consumer protection enforcement or consumer education, or any other lawful public purpose designated by the Attorney General.

PAYMENT TO THE ATTORNEYS GENERAL

51. In addition to the other payments required by this Assurance, the Company shall pay to the Attorneys General a total of $1 million in two (2) installments: $500,000.00, on or before December 31, 2025, and $500,000.00, six (6) months after the

Effective Date. These payments are to be divided per instructions from the Executive Committee (Maryland, Pennsylvania, Texas and the District of Columbia) for the Attorneys General and paid by the Company directly to each signatory Attorney General as indicated by the Executive Committee. The payment to the Nevada State Attorney General in the amount of $15,000.00, shall be deposited into the Nevada Consumer Protection Administrative Fund to be used for consumer protection and efforts to prevent fraud, including, without limitation, education, investigation, enforcement and litigation, consistent with the purposes of that fund and the Consumer Protection Legal Fund, at the sole discretion of the Nevada Attorney General by and through the Consumer Advocate. Prior to execution of the Assurance by each Participating State, and in order for the Company to comply with the first payment, the Executive Committee shall provide the Company with written payment instructions identifying for each Attorney General the official payee, the particular payment amount and any other information necessary to effectuate payment (such as wiring instructions) of the amounts due and owing under this Section. In no event shall any portion of this payment be characterized as a fine, civil penalty or forfeiture by the Company to any Participating State.

RELEASE

52. Effective upon full payment of the amounts due under the preceding paragraph, the Attorney General releases and discharges the Company and its officers, employees, agents authorized to act on its behalf, successors, assignees, merged or acquired entities, and subsidiaries from any and all civil claims, causes of actions, damages, restitution, fines, costs and penalties the Attorney General could have brought under the Nevada Deceptive Trade Practices Act, NRS Chapter 598, arising out of or in any way related, in whole or in part, directly or indirectly, to conduct, acts or omissions related to the Company's offer and sale of Membership Programs in Nevada occurring prior to the Effective Date.

///

///

53. Notwithstanding any term of this AOD, any and all of the following forms of liability are specifically reserved and excluded from the release in paragraph 52 of this AOD:

a. Any criminal liability that any person or entity, including the Company, has or may have to the state of Nevada;

b. Any civil or administrative liability that any person or entity, including the Company, has or may have to the state of Nevada under any statute, regulation, or rule not expressly covered by the release in paragraph 52 of this AOD, including but not limited to, any of the following claims:

   i. antitrust violations;

   ii. securities violations; and

   iii. tax claims.

THIRD PARTY COMPLIANCE

54. If the Company contracts with any third parties to market or advertise their Membership Programs, then the Company shall provide a copy of this AOD or a detailed summary to each such third party and contractually require the third parties to comply with all applicable laws and the requirements of paragraphs 23 - 26 of this AOD in the advertising or marketing of any Membership Plan.

GENERAL PROVISIONS

55. This AOD represents the full and complete terms of the settlement entered by the Parties. In any action undertaken by the Parties, neither prior versions of this AOD nor prior versions of any of its terms that were not included in this AOD may be introduced for any purpose whatsoever.

56. Nothing in this AOD shall be construed to create, waive, or limit any individual right of action by a consumer.

57. This AOD may only be enforced by the Parties hereto.

58. To the extent that any changes in the Company's business, advertising materials, and/or advertising practices are made to achieve or facilitate conformance to

the terms of this AOD, such changes shall not constitute an admission by the Company, explicit or implicit, of wrongdoing or failure to comply with any state, federal or local law, regulation or ordinance, or the common law.

59. Neither this AOD nor anything herein shall be a waiver, limitation or bar on any defense otherwise available to the Company, or on the Company's right to defend itself from or make arguments in any pending or future legal or administrative action, proceeding, local or federal claim or suit, including without limitation, private individual or class action claims or suits, relating to the Company's conduct prior to the execution of this AOD, or to the existence, subject matter or terms of this AOD.

60. If subsequent to the Effective Date of this AOD, any Nevada or Federal statute or regulation pertaining to the subject matter of this AOD is modified, enacted, promulgated such that the statute or regulation is in conflict with any provision of this AOD and such that the Company cannot comply with both the statute or regulation and the provision of this AOD, the Company may comply with such statute or regulation, and such action shall constitute compliance with the counterpart provision of this AOD. The Company will provide advance written notice to the Attorney General of the statute or regulation with which it intends to comply under this paragraph, and of the counterpart provision of this AOD that is in conflict with the statute or regulation. In the event the Attorney General disagrees with the Company's interpretation of the conflict, the Attorney General reserves the right to pursue any remedy or sanction that may be available regarding compliance with this AOD. For purposes of this AOD, a conflict exists if conduct prohibited by this AOD is required by such federal or Nevada law or regulation, or if conduct required by this AOD is prohibited by such federal or Nevada law or regulation.

61. Except as otherwise set forth herein, if the Attorney General receives a request for documents provided by the Company relating to the negotiations of this AOD, or any information of any kind relating to information provided by the Company to the Attorney General in connection with implementation or enforcement of the AOD, the

Attorney General shall provide reasonable notice to the Company. The Company has asserted that such documents include confidential or proprietary information and have specifically designated such documents and information as confidential. To the extent permitted by law, the Attorney General shall notify the Company of (a) any legally enforceable demand for, or (b) the intention of the Attorney General to disclose to a third party, such information, records, or documents at least thirty (30) business days, or such period as required by state law or rules of civil procedure, in advance of complying with the demand or making such disclosure, in order to allow the Company the reasonable opportunity to intervene and assert any legal exemptions or privileges they believe to be appropriate. If the Attorney General receives a request for any information or documents produced by the Company during the investigation, then the Attorney General will follow the confidentiality requirements that are set forth in the Parties' confidentiality agreements.

62. With respect to advertising or marketing which has been purchased from, submitted to, or used by third parties prior to the Company execution of this AOD, the Company shall not be liable under this AOD for its non-compliance with the terms and conditions of this AOD so long as the Company can document that it has made reasonable efforts to locate, withdraw, or amend such advertising or marketing to comply with the requirements of this AOD. The Company shall not be liable under this AOD for failing to prevent the re-publication of pre-existing advertising or marketing that does not comply with this AOD by independent third-parties or parties who are not subject to the Company's control, so long as the Company has complied with Paragraph 23 through 26 of this AOD, and can document that it has made reasonable efforts to prevent such re-publication, including, but not limited to, exercising any available contractual rights, and, where no contractual relationship exists, requesting in writing that the third-party terminate the re-publication of such advertising or marketing.

63. If the Attorney General determines that the Company has failed to comply with any of the terms of this AOD, and if in the Attorney General's sole discretion the

failure to comply does not threaten the health, safety, or welfare of the citizens of the state of Nevada, the Attorney General will notify the Company in writing of such failure to comply and the Company shall then have fifteen (15) business days from receipt of such written notice to provide a good faith written response to the Attorney General's determination. The response shall include, at a minimum, either:

a. A statement explaining why the Company believes it is in full compliance with the AOD; or

b. A detailed explanation of how the alleged violation(s) occurred; and

   (i) A statement that the alleged violation has been addressed and how; or

   (ii) A statement that the alleged violation cannot be reasonably addressed within fifteen (15) business days from receipt of the notice, but (1) the Company has begun to take corrective action to address the alleged violation; (2) the Company is pursuing such corrective action with reasonable due diligence; and (3) the Company has provided the Attorney General with a detailed and reasonable timetable for resolving the alleged violation.

c. Nothing herein shall prevent the Attorney General from agreeing in writing to provide the Company with additional time beyond the fifteen (15) business day period to respond to the notice.

Further, upon request, the Attorney General shall agree to meet and confer, at a time and location, and manner (including teleconference) acceptable to the Attorney General, with the Company regarding the nature of the alleged violation of this AOD.

64. This AOD is made without trial or adjudication of any issue of fact or law or finding of liability of any kind. Nothing in this AOD, including this Paragraph, shall be construed to limit or to restrict the Company's right to use this AOD to assert and maintain the defenses of res judicata, collateral estoppel, payment, compromise and

settlement, accord and satisfaction, or any other legal or equitable defense in any pending or future legal or administrative action or proceeding.

65. The Company shall not represent or imply that the Attorney General acquiesces in, or approves of, the Company's past or current business practices, efforts to improve their practices, or any future practices that the Company may adopt or consider adopting.

66. This Court retains jurisdiction of this AOD and the Parties for the purpose of enforcing this AOD.

67. This AOD may be executed in counterparts, and a facsimile or .pdf signature shall be deemed to be, and shall have the same force and effect, as an original signature.

68. All notices sent pursuant to this AOD shall be provided to the following address via first class and electronic mail, unless a different address is specified in writing by the Party changing such address. Any notices or other documents sent to the Parties pursuant to the AOD, shall be sent to the email address provided below (preferred), or, by United States Mail, Certified Return Receipt Requested, or other nationally recognized courier service that provides tracking services and identification of the person signing for the documents.

For the State of Nevada Office of the Attorney General

Office of the Attorney General
Bureau of Consumer Protection
100 N. Carson St.
Carson City, NV 89701
E-mail: BCPMSReports@ag.nv.gov

///

///

///

///

For the Respondents TFG Holding, Inc.:
Petra Fukuda, CEO
TFG Holding, Inc.
800 Apollo Street
El Segundo, CA 90245
pfukuda@shoedazzle.com

And

Clayton S. Friedman
Michael Yaghi
Troutman Pepper Locke LLP
100 Spectrum Center Drive, Suite 1500
Irvine, CA 92618
Clayton.friedman@troutman.com
Michael.yaghi@troutman.com

69. Any failure by any Party to this AOD to insist upon the strict performance by any other Party of any of the provisions of this AOD shall not be deemed a waiver of any of the provisions of this AOD, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this AOD.

70. If any clause, provision, or section of this AOD shall, for any reason, be held illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other clause, provision, or section of this AOD, and this AOD shall be construed and enforced as if such illegal, invalid, or unenforceable clause, section, or other provision had not been contained herein.

71. Nothing in this AOD shall be construed as relieving the Company of the obligation to comply with all state, local, and federal laws, regulations, or rules, nor shall any of the provisions of this AOD be deemed to be permission to engage in any acts or practices prohibited by such laws, regulations, or rules.

72. Within fourteen (14) days of the Effective Date, the Company shall deliver a copy of this AOD or a complete and accurate summary of the material terms and conditions of this AOD to its principals and officers who have managerial responsibility

over, or decision-making authority, with respect to the subject matter of this AOD. The Company shall deliver a copy of this AOD to such future personnel within ten (10) business days after the assumption of responsibilities.

73. All court costs are to be taxed to the Company.

LOCAL COUNSEL'S CONSENT TO RECEIVE FILE-STAMPED COPY OF SETTLEMENT DOCUMENT

74. By entering into this agreement, where Local Counsel is appearing for one or more parties, Local Counsel consents to service and receipt of a file-stamped copy of the settlement document in this matter, via electronic mail, in lieu of service and receipt of a copy via traditional means, normally via U.S. Mail.

FOR THE STATE OF NEVADA:

AARON D. FORD
Attorney General

By: /s/ Michelle C. Badorine Dated: October 20, 2025

Michelle C. Badorine (NV Bar No. 13206)
Senior Deputy Attorney General
State of Nevada
Office of the Attorney General
Bureau of Consumer Protection
100 North Carson Street
Carson City, NV 89701-4717
Phone: (775) 684-1164
Fax: (775) 684-1299
Mbadorine@ag.nv.gov.
Attorneys for Plaintiff, State of Nevada

TFG HOLDING, INC.

By: ______________________ Dated: 10·20·25

Petra Fukuda, CEO
TFG Holding, Inc.
800 Apollo Street
El Segundo, CA 90245
pfukuda@shoedazzle.com

LOCAL COUNSEL Dated: 10/7/25

By: ______________________________
Nevada Bar No. 11936
Holly E. Cheong
TROUTMAN PEPPER LOCKE LLP
Two California Plaza, 350 South Grand Avenue,
Suite 3400,
Los Angeles, CA 90071
213-928-9839
holly.cheong@troutman.com

NATIONAL COUNSEL FOR TFG HOLDING, INC.

By: ______________________________ Dated: 10/20/25
Clayton S. Friedman
TROUTMAN PEPPER LOCKE LLP
100 Spectrum Drive, Suite 1500
Irvine, CA 92618
949-622-2733
Clayton.friedman@troutman.com