

**SETTLEMENT AGREEMENT**  
**AND**  
**FULL RELEASE**

Plaintiff **RUSSELL BRIMER** (“Plaintiff”) and Defendant **ARAMCO IMPORTS, INC.** (“Defendant”) in the action entitled *Russell Brimer v. Aramco Imports, Inc., et al.* (the “Action” herein) filed in the Superior Court of California for the County of Alameda, Case No. RG09464344, hereby enter into the following Settlement Agreement and Release (“Agreement”). Plaintiff and Defendant may be referred to individually as “Party” or collectively as the “Parties” herein.

**WHEREAS**, on or about July 22, 2009, Plaintiff filed the Action for alleged violations of California Health & Safety Code § 25249.6 *et seq.* (“Proposition 65”) by Defendant;

**WHEREAS**, on or about August 20, 2009, the Parties entered into a settlement of the Action in the form of a [*Proposed*] *Consent Judgment* (“Consent Judgment” herein) which was submitted to the Court for judicial approval, and an entry of judgment in accordance with its terms;

**WHEREAS**, on or about November 20, 2009, this Court issued an order approving the Parties’ settlement and entered judgment in accordance with the terms of the Consent Judgment;

**WHEREAS**, on or about December 15, 2011, Plaintiff appeared *ex parte* seeking an *Order to Show Cause Re: Contempt of Judgment by Defendant Aramco Imports, Inc.* (hereinafter all documents, applications, actions, orders, communications, proceedings, filings, and/or hearings related to the contempt of judgment action are collectively referred to as “Contempt Proceedings”);

**WHEREAS**, on or about December 19, 2011, the Court granted Plaintiff’s request and signed an *Order to Show Cause Re: Contempt of Judgment by Defendant Aramco Imports, Inc.* (“Application”) on or before January 30, 2012 in support of a hearing on Plaintiff’s Application; the Order required Defendant to appear on February 24, 2012 to show cause why it should not be held in contempt;

**WHEREAS**, in or about January, 2012, Defendant has agreed to halt all distribution and future sales of mugs with colored artwork covered by the Consent Judgment that contains any detectable amount of lead (“Products”);

**WHEREAS**, on or about January 30, 2012, Plaintiff filed his Application alleging that Defendant violated the terms of the Consent Judgment in that it manufactured, distributed, and/or sold in the State of California Products containing lead in excess of 300 parts per million;

**WHEREAS**, Defendant admits nothing, specifically denies the material, factual, and legal allegations contained in Plaintiff’s Application, maintains that it has complied with the terms of the Consent Judgment, and, on or about February 14, 2012, filed its *Opposition to Plaintiff’s Application For Order to Show Cause Re: Contempt of Judgment By Defendant Aramco Imports, Inc.*;

**WHEREAS**, on February 21, 2012 Plaintiff filed its *Reply To Opposition to Application For Order to Show Cause Re: Contempt of Judgment By Defendant Aramco Imports, Inc.*;

**WHEREAS**, on or about February 22, 2012, the Parties jointly requested that the Court postpone the hearing of Plaintiff's Application until March 9, 2012 so as to allow further settlement discussions between the Parties;

**WHEREAS**, the Parties have engaged in good faith settlement discussions in order to avoid further litigation and associated cost and expense;

**NOW, THEREFORE**, in consideration of the mutual promises contained herein and other good and sufficient consideration, the receipt and adequacy of which is hereby acknowledged, the Parties hereto agree as follows:

1. **No Admission.** Nothing in this Agreement shall be construed as an admission by Defendant of any fact, finding, conclusion of law, issue of law, or violation of law; nor shall compliance with this Agreement constitute or be construed as an admission by Defendant of any fact, finding, conclusion of law, issue of law, or violation of law, the same being specifically denied by Defendant. However, this section shall not diminish or otherwise affect the obligations, responsibilities and duties of Defendant under this Agreement.
2. **Defendant's Future Product Sales.** Defendant has agreed to halt all distribution and future sales of Products that contain any detectable amount of lead as of the date of this Agreement. Plaintiff acknowledges and understands that some Products remain in the stream of commerce upon execution of this Agreement. Therefore, no further action may be instituted by Plaintiff against Defendant unless Plaintiff provides proof that Defendant sold such Product after January 31, 2012.
3. **Plaintiff's Public Release of Claims Under the Consent Judgment.** Plaintiff, acting on his own behalf and in the public interest, releases Defendant and its parents, subsidiaries, affiliates, predecessors, officers, directors, employees, and all downstream entities including, but not limited to, all customers, vendors, distributors, wholesalers, and retailers from all claims for violations of the Consent Judgment and/or Proposition 65 based on exposure to lead from the Products. This release shall be void if Defendant does not make timely delivery of all payments required by this Agreement, as set forth in Paragraph 6 below. Compliance with the terms of this Agreement constitutes compliance with the Consent Judgment and Proposition 65 with respect to the Products.
4. **Plaintiff's Private Release of Claims Under the Consent Judgment.** Plaintiff also, in his individual capacity releases, as a full and final accord and satisfaction, and as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands of Plaintiff of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged violations of the Consent Judgment. This release shall be void if Defendant does not make timely delivery of all payments required by this Agreement, as set forth in Paragraph 6 below.
5. **Defendant's Release of Claims Against Plaintiff.** Defendant waives any and all claims against Plaintiff, his attorneys and other representatives, for any and all actions taken in the course of investigating the claims or seeking enforcement of the Consent Judgment, and/or with respect to the Products. Defendant also provides Plaintiff a general release herein which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses,

claims, liabilities and demands of Defendant of any nature, character or kind, known or unknown, suspected or unsuspected, arising out of the subject matter of the Action and/or Consent Judgment.

**6. Monetary Payments.**

- a. **Civil Penalty Payment.** Defendant shall make a payment of five-thousand dollars (\$5,000) to be apportioned with 75% of the penalty amount earmarked for the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty amount earmarked for Plaintiff.
- b. **Reimbursement of Plaintiff's Fees and Costs.** Defendant shall pay twenty-five thousand dollars (\$25,000) to Plaintiff's counsel, The Chanler Group, for fees and costs incurred investigating Defendant's compliance with the terms of the Consent Judgment, filing the Application, and in connection with the Contempt Proceedings, including all fees and costs incurred (and yet to be incurred) negotiating and drafting this Agreement.
- c. **Payment Installments.** The total payment required by this Agreement is \$30,000. Defendant shall make three payments of ten-thousand dollars (\$10,000) each as follows:
  - i. On March 9, 2012, Defendant shall write three checks: one check made payable to "The Chanler Group" in the amount of \$5,000; one check made payable to "The Chanler Group in Trust for OEHHA" in the amount of \$3,750; and one check made payable to "The Chanler Group in Trust for Russell Brimer" in the amount of \$1, 250;
  - ii. On April 2, 2012, Defendant shall write one check made payable to "The Chanler Group" in the amount of \$10,000; and
  - iii. On May 1, 2012, Defendant shall write one check made payable to "The Chanler Group" in the amount of \$10,000.
- d. **Payment Address.** All payments shall be delivered to the following payment address:

The Chanler Group  
Attn: Proposition 65 Controller  
2560 Ninth Street  
Parker Plaza, Suite 214  
Berkeley, CA 94710
- e. **Provision of Completed Form W-9.** In support of the payments required by this Agreement, on or before March 5, 2012, for each payee under this Agreement, Plaintiff's counsel shall deliver a completed copy of U.S. Department of the Treasury, Internal Revenue Service Form W-9, Request for Taxpayer Identification Number and Certification to counsel for Defendant.

7. **Pending Claims.** Upon the mutual execution of this Agreement, the Parties agree that Aramco will ask the Court to further postpone the hearing of Plaintiff's Application for an additional ninety days, and that, within five days of Aramco's completion of its payment obligations under Paragraph 6, Plaintiff shall dismiss or caused to be dismissed with prejudice the Contempt Proceedings. Said dismissal shall be a bar to bringing any

future action based on, relating to, or including the claims or issues raised in the Contempt Proceedings, but shall not, however, diminish or otherwise affect Aramco's obligations, responsibilities, and duties under the Consent Judgment.

8. **Counterparts; Facsimile Signatures.** This Agreement may be executed in counterparts and by facsimile, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.
9. **Modification.** This Agreement may be modified only by a written agreement of the Parties.
10. **Entire Agreement.** This Agreement contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party hereto.
11. **Authorization.** The undersigned are authorized to execute this Agreement and have read, understood, and agree to all of the terms and conditions hereof.

AGREED TO:

Date: 3-6-12

PLAINTIFF RUSSELL BRIMER

By:  \_\_\_\_\_

AGREED TO:

Date: 3/5/2012

DEFENDANT ARAMCO IMPORTS, INC.

By:  \_\_\_\_\_

Name: VIKEN SOUKHANIAN

Title: President