

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release is entered into by and between AS YOU SOW ("AYS") and MARTIN/F. WEBER CO. ("MFW"), a corporation doing business in California (collectively "Parties"), to resolve all claims raised in AYS' March 21, 2013 notice letter to MFW ("NOTICE LETTER"). This Settlement Agreement shall be effective upon the last date of signing of this Agreement by either party.

1. INTRODUCTION

1.1 AYS is a non-profit corporation dedicated to, among other causes, the protection of the environment, the promotion of human health, the improvement of worker and consumer rights, environmental education, and corporate accountability. AYS is based in Oakland, California and is incorporated under the laws of the State of California.

1.2 On March 21, 2013, AYS sent a 60-day Notice of Violation to MFW and to public enforcers as required by Health & Safety Code Section 25249.7, alleging that it violated Proposition 65 by failing to provide clear and reasonable warning before exposing users to ethylbenzene in MFW's product known as Bob Ross Finishing Spray Varnish (the "Covered Product"):

1.3 The Parties enter into this agreement to settle the claims alleged in the NOTICE LETTER and to avoid prolonged and costly litigation. By executing and complying with this agreement, neither Party admits any facts or conclusions of law including, but not limited to, any facts or conclusions of law regarding any violations of Proposition 65, or any other statutory, common law or equitable claim or requirement relating to or arising from the sale of the Covered Product in California. Nothing in this Agreement shall prejudice, waive, or impair any right, remedy, or defense that Parties may have in any other or in future legal proceedings unrelated to these proceedings. However, this paragraph shall not diminish or otherwise affect the obligation, responsibilities, and duties of the Parties under this Agreement.

1.4 The term "Effective Date" means the date of the last signature on this Agreement.

2. INJUNCTIVE RELIEF

2.1 Within 30 days of the Effective Date, MFW shall ensure that all units of the

Covered Product being distributed or sold in California have labels that provide the following warning statement:

WARNING: This product contains chemicals known to the State of California to cause cancer.

2.2 The warning statement required in Paragraph 2.1 shall be prominently affixed to or printed on the product or its packaging by MFW and shall be displayed with such conspicuousness, as compared with other words, statements, designs, or devices on those products as to render the warning statement likely to be read and understood by an ordinary individual under customary conditions of purchase and use.

2.3 By February 1, 2015, MFW agrees that all units of the Covered Product that are imported, manufactured, packaged, distributed, or marketed for sale in California have been reformulated to remove ethylbenzene. If the Covered Product is reformulated as such, then the warning set forth in Paragraph 3.2 shall not be required.

2.4 If MFW contends that the Covered Product has been so reformulated, then once each year, starting no later than March 1, 2015, MFW shall undertake testing, or require its vendor to undertake testing, of the Covered Product by testing at least two (2) randomly-selected samples of the Covered Product for ethylbenzene content to confirm that ethylbenzene is not present in the tested samples at detectable levels. All testing pursuant to this Settlement Agreement shall be performed by a laboratory certified by the California Environmental Laboratory Accreditation Program for the analysis of ethylbenzene. Nothing in this Settlement Agreement shall limit MFW's ability to conduct, or require that others conduct, additional testing of the Covered Product, including the raw materials used in its manufacture. For the required testing in 2015 and 2016, MFW shall provide any test results and documentation to AYS within 30 working days of completion of the testing; thereafter such testing shall be performed upon written request from AYS, which request shall not be made more than once each calendar year and shall not be made after five (5) years after the Effective Date. MFW shall retain all test results and documentation from the date testing commences for five (5) years after the Effective Date and shall make test results available to AYS as reasonably requested.

3. NON-ADMISSION OF LIABILITY

It is understood and agreed between the Parties that this Agreement is a compromise of a disputed claim and that it will not in any way be construed as an admission by any of the Parties that any of them has acted wrongfully with respect to the other or any other person, or that any Party has any rights whatsoever against the other Parties.

4. SETTLEMENT PAYMENTS

4.1 No later than 15 days after the Effective Date, MFW will tender to AYS a payment of \$14,825 to cover AYS attorneys' fees and investigative costs associated with the Covered Product.

4.2. Additionally, within 15 days of the Effective Date, MFW shall pay \$2,000 in the form of a check made payable to As You Sow as a payment in lieu of civil penalties, with this amount to be used by AYS for grants to California non-profit organizations and by the AYS Environmental Enforcement Fund. These funds shall be used to reduce or remediate exposures to toxic chemicals and to increase consumer, worker and community awareness of the health hazards posed by toxic chemicals in California. In deciding among grantee proposals, the As You Sow Board of Directors ("Board") takes into consideration a number of important factors, including: (1) the nexus between the harm done in the underlying case(s), and the grant program work; (2) the potential for toxics reduction, prevention, remediation or education benefits to California citizens from the proposal; (3) the budget requirements of the proposed grantee and the alternate funding sources available to it for its project; and (4) the Board's assessment of the grantee's chances for success in its program work. AYS shall ensure that all funds will be disbursed and used in accordance with AYS' mission statement, articles of incorporation, and bylaws and applicable state and federal laws and regulations.

4.3. Within 30 days of the Effective Date, MFW shall pay \$2,175 in the form of a check made payable to As You Sow as a civil penalty pursuant to Health and Safety Code Section 25249.7(b)(1). AYS shall remit seventy-five percent (75%) of this amount to the Office

of Environmental Health Hazard Assessment (“OEHHA”) for deposit in the Safe Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety Code §252419.12(c). AYS will retain the remaining 25% of the civil penalty.

4.4 The payments shall be made by a check payable to Lozeau Drury, delivered by overnight delivery, to Douglas Chermak, Lozeau Drury LLP, 410 12th Street, Suite 250, Oakland, CA 94607.

5. ENFORCEMENT OF AGREEMENT

5.1 This Agreement constitutes a contract enforceable under the laws of the State of California. The Parties may, by motion or order to show cause before the Superior Court of the County of Alameda, enforce the terms and conditions of this Settlement Agreement. In the event that a dispute arises with respect to any of the provisions of this Agreement, the Parties shall meet and confer within 10 days after either Party receives written notice of an alleged violation of this Agreement. The prevailing Party in any dispute regarding compliance with the terms of this Agreement shall be awarded reasonable attorneys’ fees and costs.

6. CLAIMS COVERED AND RELEASE

6.1 As to the Covered Product sold by MFW, this Agreement is a full, final, and binding resolution between AYS and MFW and its parents, shareholders, divisions, subdivisions, subsidiaries, partners, sister companies, directors, officers and employees, and their successors and assigns, and all entities to whom they distribute or sell Covered Product for any alleged failure to warn (collectively, “Releasees”), within the meaning of Proposition 65, for exposures to ethylbenzene in the Covered Product on or before the Effective Date of this agreement. AYS hereby waives all of its rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims that it may have, including, without limitation, all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses (including, but not limited to, investigation fees, expert fees, and attorneys’ fees) limited to and arising under Proposition 65 with respect to ethylbenzene in the Covered Product manufactured, imported, distributed, sold and/or offered for sale by MFW before the Effective Date, against MFW and Releasees.

6.2 MFW hereby releases AYS from and waives any claims against AYS for injunctive relief or damages, penalties, fines, sanctions, mitigation, fees (including fees of attorneys, experts, and others), costs, expenses, or any other sum incurred or claimed or which could have been claimed for matters related to the Action.

7. OWNERSHIP OF CLAIMS BY THE PARTIES

The Parties represent and warrant that they are the sole owners of the claims, demands, causes of action and liabilities that they are releasing, and they have not previously assigned or transferred, or purported to assign or transfer, to any person or entity, any claim released herein.

8. NO RELIANCE

In negotiating this Agreement, each Party has made various statements and representations to the other Party. Nevertheless, except as expressly stated in this Agreement, the Parties represent and acknowledge that in executing this Agreement they do not rely upon any representation or statement not set forth herein that may have been made by the Parties' agents, representatives or attorneys with regard to the subject matter, basis or effect of this Agreement, or otherwise.

9. GOVERNING LAW AND CONSTRUCTION

9.1 This agreement shall be governed by, and construed in accordance with, the laws of the State of California. Any dispute arising from or relating to this Agreement may be adjudicated in Alameda County, California, and the Parties each consent to personal jurisdiction in Alameda County for the purpose of adjudicating such a dispute.

9.2 The Parties, including their counsel, have participated in the preparation of this Agreement and this Agreement is the result of the joint efforts of the Parties. This Agreement was subject to revision and modification by the Parties and has been accepted and approved as to its final form by all Parties and their counsel. Accordingly, any uncertainty or ambiguity existing in this Agreement shall not be interpreted against any Party as a result of the manner of the preparation of this Agreement.

10. ENTIRE AGREEMENT

10.1 The Parties declare and represent that no promise, inducement or other agreement

has been made conferring any benefit upon any Party except those contained herein and that this agreement contains the entire agreement pertaining to the subject matter hereof.

11. APPLICATION OF AGREEMENT

11.1 This Agreement shall apply to and be binding upon the Parties hereto, their divisions, subdivisions and subsidiaries, and the successors or assigns of any of them.

12. ATTORNEYS' FEES

12.1 Except as specifically provided in this Agreement, each Party shall bear its own attorneys' fees and costs incurred in connection with the NOTICE LETTER.

13. PROVISION OF NOTICE

All correspondence and notices required by this Agreement to the Parties shall be sent:

To As You Sow

As You Sow Foundation
Attn: Danielle Fugere, Chief Counsel
1611 Telegraph Avenue, Suite 1450
Oakland, CA 94612

With a copy to:

Lozeau Drury LLP
Attn: Douglas Chermak
410 12th Street, Suite 250
Oakland, CA 94607

To Martin/F. Weber

Michael Gorak
President
Martin/F. Weber Company
2727 Southamton Road
Philadelphia, PA 19154

With a copy to:

Grimaldi Law Offices
Ann Grimaldi
50 California Street, Suite 1500
San Francisco, CA 94111

14. EXECUTION AND COUNTERPARTS

14.1 This Agreement may be executed in one or more counterparts and by means of facsimile or portable document format (pdf) which, taken together, shall be deemed to constitute one document.

15. AUTHORIZATION

15.1 Each signatory to this Agreement certifies that he or she is fully authorized by the Party he or she represents to stipulate to this Agreement and to enter into and execute the Agreement on behalf of the Party represented and legally bind that Party. The undersigned have

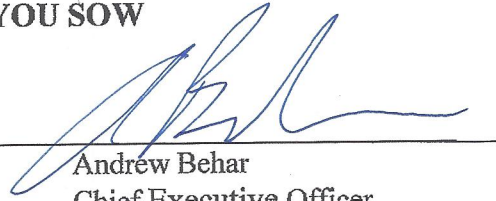
read, understand, and agree to all of the terms and conditions of this Agreement.

Dated:

7/29/14

AS YOU SOW

BY:



Andrew Behar
Chief Executive Officer

Dated:

7/29/14

MARTIN/F. WEBER

By:



Michael Gorak
President