SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties

This Settlement Agreement is entered into by and between Laurence Vinocur ("Vinocur") and Reimers Furniture Mfg., Inc. ("Reimers") with Vinocur and Reimers collectively referred to as the "Parties." Vinocur is an individual residing in the State of California who seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer and commercial products. Reimers employs ten or more persons and is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code § 25249.6, et seq. ("Proposition 65").

1.2 General Allegations

Vinocur alleges that Reimers manufactured, imported, sold and/or distributed for sale in California, products with foam cushioned components containing tris(1,3-dichloro-2-propyl) phosphate ("TDCPP") without the requisite Proposition 65 health hazard warnings. TDCPP is an additive flame retardant used in both soft and rigid polyurethane foam, plastics and fabric backings.

Pursuant to Proposition 65, on October 28, 2011, California identified and listed TDCPP as a chemical known to cause cancer. TDCPP became subject to the "clear and reasonable warning" requirements of Proposition 65 one year later on October 28, 2012. Cal. Code Regs., tit. 27, § 27001(b); Health & Safety Code §§ 25249.8 and 25249.10(b). Vinocur alleges that the TDCPP escapes from foam padding, leading to human exposures.

1.3 Product Description

The products that are covered by this Settlement Agreement are defined as upholstered chairs with foam padding containing TDCPP including, but not limited to, the *RFM Link Guest Lobby Nesting Side Chair*, 150, manufactured, imported, sold and/or distributed for sale in California by Reimers ("Products").

1.4 Notice of Violation

On June 19, 2013, Vinocur served Reimers, and certain requisite public enforcement agencies with a "60-Day Notices of Violation" ("Notice") that provided the recipients with notice of alleged violations of Proposition 65 based on the alleged failure to warn customers, consumers, and workers in California that the Products expose users to TDCPP.

To the best of the Parties' knowledge, no public enforcer has commenced or is diligently prosecuting the allegations set forth in the Notice.

1.5 No Admission

Reimers denies the material factual and legal allegations contained in Vinocur's Notice and maintains that all products it has manufactured, imported, distributed, and/or sold in California, including the Products, have been and are in compliance with all laws and are completely safe for their intended use. Nothing in this Settlement Agreement shall be construed as an admission by Reimers of any fact, finding, conclusion, issue of law, or violation of law, nor shall compliance with this Settlement Agreement constitute or be construed as an admission by Reimers of any fact, finding, conclusion, issue of law, or violation of law. However, this section shall not diminish or otherwise affect Reimers' obligations, responsibilities, and duties under this Settlement Agreement.

2. <u>DEFINITIONS</u>

2.1 California Customers

"California Customer" shall mean any customer that Reimers reasonably understands is located in California, has a California warehouse or distribution center, maintains a retail outlet in California, or has made internet sales into California on or after January 1, 2011.

2.2 Detectable

"Detectable" shall mean containing more than 25 parts per million ("ppm") (the equivalent of .0025%) of TDCPP and tris(2-chlororethyl) phosphate ("TCEP") in any material, component, or constituent of the Products, when analyzed by an accredited laboratory pursuant to EPA testing methodologies 3545 and 8270C, or equivalent methodologies utilized by federal or state agencies to determine the presence, and measure the quantity, of TDCPP and TCEP in a solid substance.

2.3 Effective Date

"Effective Date" means May 30, 2014.

2.4 Private Label Covered Products

"Private Label Covered Products" means Products that bear a brand or trademark owned or licensed by a Retailer or affiliated entity that are sold or offered for sale by a Retailer in the State of California.

2.5 Reformulated Products

"Reformulated Products" means Products that contain no Detectable amount of TDCPP and TCEP.

2.6 Reformulation Standard

The "Reformulation Standard" means containing no more than 25 ppm for each of TDCPP and TCEP.

2.7 Retailer

"Retailer" means an individual or entity that offers a Product for retail sale to consumers in the State of California.

3. <u>INJUNCTIVE RELIEF: REFORMULATION</u>

3.1 Reformulation Commitment

Commencing on June 30, 2014, Reimers shall not manufacture or import for distribution or sale to California Customers, or cause to be manufactured or imported for distribution or sale to California Customers, any Products that are not Reformulated Products.

3.2 Vendor Notification/Certification

On or before the June 1, Reimers shall provide written notice to all of its then-current vendors of the Products, instructing each such vendor to use reasonable efforts to provide it with only Reformulated Products. In addressing the obligation set forth in the preceding sentence, Reimers shall not employ statements that will encourage a vendor to delay compliance with the Reformulation Standard. Reimers shall subsequently obtain written certifications, no later than June 30, 2014, from such vendors, and any newly engaged vendors, that the Products manufactured by such vendors are in compliance with the Reformulation Standard. Certifications shall be held by

Reimers for at least two years after their receipt and shall be made available to Vinocur upon request.

3.3 Products No Longer in Reimers' Control

No later than 30 days after the Effective Date, Reimers shall send a letter, electronic or otherwise ("Notification Letter") to: (1) each California Customer and/or Retailer to which it supplied the *RFM Link Guest Lobby Nesting Side Chair, 150* ("Exemplar Product"), after October 28, 2011; and (2) any California Customer and/or Retailer that Reimers understands or believes had any inventory for resale in California of Exemplar Products as of the notice date. The Notification Letter shall advise the recipient that the Exemplar Product "contains TDCPP, a flame retardant chemical known to the State of California to cause cancer," and request that the recipient either: (a) label the Exemplar Products remaining in inventory pursuant to Section 3.5; or (b) return all units of the Exemplar Product held for sale in California, or to California Customers, to Reimers or a party that Reimers has otherwise designated at Reimers' sole expense. The Notification Letter shall require a response from the recipient within 20 days confirming whether the Exemplar Product will be labeled or returned to Reimers. Reimers shall maintain records of all correspondence or other communications generated pursuant to this Section for two years after the Effective Date and shall promptly produce copies of such records upon Vinocur's written request.

3.4 Current Inventory

Any Products in, or manufactured and en route to, Reimers' inventory as of, or after June 30, 2014, that do not qualify as Reformulated Products and that Reimers has reason to believe may be sold or distributed for sale in California, shall contain a clear and reasonable warning as set forth in Section 3.5 below unless Section 3.6 applies.

3.5 Product Warnings

3.5.1 Product Labeling

Any warning provided under Section 3.3 or 3.4 above shall be affixed to the packaging, labeling, or directly on each Product. Each warning shall be prominently placed with such conspicuousness as compared with other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions before purchase.

Each warning shall be provided in a manner such that the consumer or user understands to which specific Product the warning applies, so as to minimize the risk of consumer confusion.

A warning provided pursuant to this Settlement Agreement shall state:

WARNING: This product contains TDCPP, a flame retardant chemical known to the State of California to cause cancer. \(^{1}\)

Attached as Exhibit A are template warnings developed by Vinocur that are deemed to be clear and reasonable for purposes of this Settlement Agreement.² Provided that the other requirements set forth in this Section are addressed, including as to the required warning statement and method of transmission as set forth above, Reimers remains free not to utilize the template warnings.

3.5.2 Internet Website Warning

A warning shall be given in conjunction with Reimers' sale of the Products to California, or California Customers, via the internet, which warning shall appear on one or more web pages displayed to a purchaser during the checkout process. The following warning statement shall be used and shall: (a) appear adjacent to or immediately following the display, description, or price of the Product; (b) appear as a pop-up box; or (c) otherwise appear automatically to the consumer. The warning text shall be the same type size or larger than the Product description text:

The regulatory safe harbor warning language specified in 27 CCR § 25603.2 may also be used if Reimers had begun to use it, prior to the Effective Date. If Reimers seeks to use alternative warning language, other than the language specified above or the safe harbor warning specified in 27 CCR § 25603.2, or that seeks to use an alternate method of transmission of the warning, must obtain the Court's approval of its proposed alternative and provide all Parties and the Office of the Attorney General with timely notice and the opportunity to comment or object before the Court acts on the request. The Parties agree that the following warning language shall not be deemed to meet the requirements of 27 CCR § 25601 et seq. and shall not be used pursuant to this Settlement Agreement: (a) "cancer or birth defects or other reproductive harm."

² The characteristics of the template warnings are as follows: (a) a yellow hang tag measuring 3" x 5", with no less than 12 point font, with the warning language printed on each side of the hang tag, which shall be affixed directly to the Product; (b) a yellow warning sign measuring 8.5" x. 11", with no less that 32 point font, with the warning language printed on each side, which shall be affixed directly to the Product; and (c) for Products sold at retail in a box or packaging, a yellow warning sticker measuring 3" x 3", with no less than 12 point font, which shall be affixed directly to the Product packaging.

WARNING: This product contains TDCPP, a flame

retardant chemical known to the State

of California to cause cancer.3

3.6 Alternatives to Interim Warnings

The obligations of Reimers under Section 3.3 shall be relieved provided Reimers certifies on or before June 30, 2014 that only Exemplar Products meeting the Reformulation Standard will be offered for sale in California, or to California Customers for sale in California, after June 30, 2014. The obligations of Reimers under Section 3.4 shall be relieved provided Reimers certifies on or before June 30, 2014 that, after September 15, 2014, it will only distribute or cause to be distributed for sale in, or sell in California, or to California Customers for sale in California, Products (i.e., Products beyond the Exemplar Product) meeting the Reformulation Standard. The certifications provided by this Section are material terms and time is of the essence.

4. MONETARY PAYMENTS

4.1 Civil Penalties Pursuant to Health & Safety Code § 25249.7(b)

In settlement of all the claims referred to in this Settlement Agreement, Reimers shall pay the penalties in accordance with this Section, which Vinocur agrees, based on the information provided, are fair and reasonable pursuant to the criteria set forth under Health & Safety Code § 25249.7. Each penalty payment will be allocated in accordance with California Health & Safety Code § 25249.12(c)(1) and (d), with 75% of the funds remitted to the California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining 25% of the penalty remitted to "The Chanler Group in Trust for Vinocur." Each penalty payment shall be made within two business days of the date it is due and be delivered to the addresses listed in Section 4.5 below. Reimers shall be liable for payment of interest, at a rate of 10% simple interest, for all amounts due and owing under this Section that are not received within two business days of the due date.

4.1.1 Initial Civil Penalty. On or before the Effective Date, Reimers shall make an initial civil penalty payment in the amount of \$4,000.

³ Footnote 1, *supra*, applies in this context as well.

- **4.1.2** Second Civil Penalty. On or before July 15, 2014 Reimers shall make a second civil penalty payment in the amount of \$24,000; of which \$15,000 may be waived pursuant to Section 4.1.4(i) and \$9,000 may be waived pursuant to Section 4.1.4(iii); and
- **4.1.3** Third Civil Penalty. On or before January 30, 2015, Reimers shall make a third civil penalty payment in the amount of \$14,000, of which \$9,000 may be waived pursuant to Section 4.1.4(ii) and \$5,000 may be waived pursuant to Section 4.1.4(iv).
- 4.1.4 Reductions to Civil Penalty Payment Amounts. Reimers may reduce the amount of the second and/or third civil penalty payments by providing Vinocur with certification of certain efforts undertaken to reformulate their Products or limit the ongoing sale of non-reformulated Products in California. The options to provide a written certification in lieu of making a portion of a civil penalty payment constitute material terms of this Settlement Agreement, and with regard to such terms, time is of the essence.

4.1.4(i) Partial Penalty Waiver for Accelerated Reformulation of Products Sold or Offered for Sale in California.

If Reimers so elects, a portion of the second civil penalty shall be waived, to the extent that it has agreed that, as of May 20, 2014, and continuing into the future, it shall only manufacture or import for distribution or sale to California Customers or cause to be manufactured or imported for distribution or sale to California Customers, Reformulated Products. An officer or other authorized representative of Reimers that has exercised this election shall provide Vinocur with a written certification confirming compliance with such conditions, which certification must be received by Vinocur's counsel on or before June 30, 2014.

4.1.4(ii) Partial Penalty Waiver for Extended Reformulation.

If Reimers so elects, a portion of the third civil penalty shall be waived, to the extent that it has agreed that, as of July 15, 2014, and continuing into the future, it shall only manufacture or import for distribution or sale in California or cause to be manufactured or imported for distribution or sale in California, Reformulated Products which also do not contain tris(2,3-dibromopropyl)phosphate ("TDBPP") in a detectable amount of more than 25 parts per million ("ppm") (the equivalent of .0025%) in any material, component, or constituent of a subject product,

when analyzed by an accredited laboratory pursuant to EPA testing methodologies 3545 and 8270C, or equivalent methodologies utilized by federal or state agencies to determine the presence, and measure the quantity, of TDBPP in a solid substance. An officer or other authorized representative of a Reimers that has exercised this election shall provide Vinocur with a written certification confirming compliance with such conditions, which certification must be received by Vinocur's counsel on or before January 15, 2015.

4.1.4(iii) Partial Penalty Waiver for Withdrawal of Unreformulated Exemplar Products from the California Market.

If Reimers so elects, a portion of the second civil penalty shall be waived, if an officer or other authorized representative of Reimers provides Vinocur with written certification, by June 30, 2014, confirming that each individual or establishment in California to which it supplied the Exemplar Product after October 28, 2011, has elected to return all remaining Exemplar Products held for sale in California.⁴

4.1.4(iv) Partial Penalty Waiver for Termination of Distribution to California of Unreformulated Inventory.

If Reimers so elects, a portion of the third civil penalty shall be waived, if an officer or other authorized representative of a Reimers provides Vinocur with written certification, on or before January 15, 2015, confirming that, as of September 15, 2014, it has and will continue to distribute, offer for sale, or sell in California, or to California Customers, only Reformulated Products.

4.2 Representations

Reimers represents that the sales data and other information concerning its size, knowledge of TDCPP, and prior reformulation and/or warning efforts it provided to Vinocur in negotiating this settlement agreement, was truthful to its knowledge at the time it executed this settlement agreement and a material factor upon which Vinocur relied to determine the amount of civil penalties assessed pursuant to Health & Safety Code § 25249.7 in this Settlement Agreement. If,

⁴ For purposes of this Section, the term Exemplar Products shall further include Products for which Vinocur has, prior to August 31, 2013, provided the Reimers with test results from an accredited laboratory showing the presence of TDCPP at a level in excess of 250 ppm pursuant to EPA testing methodologies 3545 or 8270C.

within nine months of the Effective Date, Vinocur discovers and presents to Reimers, evidence demonstrating that the preceding representation and warranty was materially inaccurate, then Reimers shall have 30 days to meet and confer regarding Vinocur's contention. Should this 30 day period pass without any such resolution between Vinocur and Reimers, Vinocur shall be entitled to file a formal legal claim including, but not limited to, a claim for damages for breach of contract.

Reimers further represents that in implementing the requirements set forth in Sections 3.1 and 3.2 of this Settlement Agreement, it will voluntarily employ commercial best efforts to achieve reformulation of its Products and on a nationwide basis and not employ statements that will encourage a vendor to limit its compliance with the Reformulation Standard to goods intended for sale to California Consumers.

4.3 Stipulated Penalties for Certain Violations of the Reformulation Standard.

If Vinocur provides notice and appropriate supporting information, including but not limited to any test results, to Reimers that levels of TDCPP in excess of the Reformulation Standard have been detected in one or more Products labeled or otherwise marked in an identifiable manner as manufactured or imported after a deadline for meeting the Reformulation Standard has arisen for Reimers under Sections 3.1 or 3.6 above, Reimers may elect to pay a stipulated penalty to relieve any further potential liability under Proposition 65 or sanction under this Settlement Agreement as to Products sourced from the vendor in question. The stipulated penalty shall be \$1,500 if the violation level is below 100 ppm and \$3,000 if the violation level is between 100 ppm and 249 ppm, this being applicable for any amount in excess of the Reformulation Standards but under 250 ppm. Vinocur shall further be entitled to reimbursement of his associated expense in an amount not to exceed \$5,000 regardless of the stipulated penalty level. Reimers under this Section must provide notice and appropriate supporting information relating to the purchase (e.g. vendor name

⁵ This Section shall not be applicable where the vendor in question had previously been found by Reimers to have provided unreliable certifications as to meeting the Reformulation Standard in its Products on more than one occasion. Notwithstanding the foregoing, a stipulated penalty for a second exceedance by Reimer's vendor at a level between 100 and 249 ppm shall not be available after September 1, 2015.

⁶ Any stipulated penalty payments made pursuant to this Section should be allocated and remitted in the same manner as set forth in Sections 4.1 and 4.5, respectively.

and contact information including representative, purchase order, certification (if any) received from vendor for the exemplar or subcategory of products), test results, and a letter from a company representative or counsel attesting to the information provided, to Vinocur within 30 calendar days of receiving test results from Vinocur's counsel. Any violation levels at or above 250 ppm shall be subject to the full remedies provided pursuant to this Settlement Agreement and at law. Before any payment is required or motion to enforce is filed under this section, Reimers shall be entitled to present any evidence rebutting Vinocur's claim and the parties shall meet and confer in a good faith attempt to resolve any dispute

4.4 Reimbursement of Fees and Costs

The Parties acknowledge that Vinocur and his counsel offered to resolve this dispute without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving this fee reimbursement issue to be resolved after the material terms of the agreement had been settled. Shortly after the other settlement terms had been finalized, Reimers expressed a desire to resolve the fee and cost issue. Reimers then agreed to pay Vinocur and his counsel \$23,500 under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure section 1021.5 for all work performed through the mutual execution of this agreement, including all attorneys' fees, expert and investigation fees, and related costs incurred as a result of investigating, bringing this matter to Reimers' attention, and negotiating a settlement in the public interest. In addition, the negotiated fee and cost figure expressly includes the anticipated significant amount of time Vinocur's counsel will incur to monitor various provisions in this agreement over the next two years, with the exception of additional fees that may be incurred pursuant to Reimers' election in Section 6 (if any). The payment shall be issued in a separate check made payable to "The Chanler Group" and shall be delivered on or before the Effective Date, at the following address:

The Chanler Group Attn: Proposition 65 Controller Parker Plaza 2560 Ninth Street, Suite 214 Berkeley, CA 94710

4.5 Payment Procedures

4.5.1 Issuance of Payments.

(a) All payments owed to Vinocur and his counsel, pursuant to Sections 4.1, 4.3 and 4.4 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

(b) All payments owed to OEHHA (EIN: 68-0284486), pursuant to Section 4.1, shall be delivered directly to OEHHA (Memo line "Prop 65 Penalties") at one of the following addresses, as appropriate:

For United States Postal Service Delivery:

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

For Non-United States Postal Service Delivery:

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

4.5.2 Proof of Payment to OEHHA

A copy of each check payable to OEHHA shall be mailed, simultaneous with payment, to The Chanler Group at the address set forth in Section 4.5.1(a) above, as proof of payment to OEHHA.

4.5.3 Tax Documentation

Reimers shall issue a separate 1099 form for each payment required by this Section to: (a) Laurence Vinocur, whose address and tax identification number shall be furnished upon request after this Settlement Agreement has been fully executed by the Parties; (b) OEHHA, who shall be identified as "California Office of Environmental Health Hazard Assessment" (EIN: 68-0284486) in the 1099 form, to be delivered directly to OEHHA, P.O. Box 4010, Sacramento, CA

95814: and (c) "The Chanler Group" (EIN: 94-3171522) to the address set forth in Section 4.5.1(a) above.

5. CLAIMS COVERED AND RELEASED

5.1 Vinocur's Release of Reimers

This Settlement Agreement is a full, final and binding resolution between Vinocur and Reimers of any violation of Proposition 65 that was or could have been asserted by Vinocur on behalf of himself his past and current agents, representatives, attorneys, successors and/or assignees, against Reimers, its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, attorneys and each entity to whom Reimers directly or indirectly distributes or sells Products including, but not limited to, downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members and licensees ("Releasees"), based on their failure to warn about alleged exposures to TDCPP, TCEP and TDBPP contained in the Products that were manufactured, imported, distributed, sold and/or offered for sale by Reimers in California before the Effective Date. Compliance with the terms of this Settlement Agreement constitutes compliance with Proposition 65 with respect to exposures to TDCPP from the Products as set forth in the Notice, and for TCEP ad TDBPP to the extent those products meet the reformulation levels set forth herein.

In further consideration of the promises and agreements herein contained, Vinocur on behalf of himself, his past and current agents, representatives, attorneys, successors and/or assignees, hereby waives all of his rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims that he 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, but exclusive of fees and costs on appeal -- limited to and arising under Proposition 65 with respect to TDCPP in the Products manufactured, imported distributed, sold and/or offered for sale by Reimers before the Effective Date (collectively "claims"), against Reimers and Releasees. This release is provided in Vinocur's individual capacity only.

5.2 Reimers's Release of Vinocur

Reimers, on behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against Vincour and his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Vinocur and his attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against it in this matter or with respect to the Products.

6. SEVERABILITY

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

7. GOVERNING LAW

The terms of this Settlement Agreement shall be governed by the laws of the State of California. In the event that Proposition 65 is repealed, preempted, or is otherwise rendered inapplicable by reason of law generally, or if any of the provisions of this Settlement Agreement are rendered inapplicable or are no longer required as a result of any such repeal or preemption, or rendered inapplicable by reason of law generally as to the Products, then Reimers may provide written notice to Vinocur of any asserted change in the law, and shall have no further obligations pursuant to this Settlement Agreement with respect to, and to the extent that, the Products are so affected. Nothing in this Settlement Agreement shall be interpreted to relieve Reimers from any obligation to comply with any pertinent state or federal law or regulation.

8. NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to this Settlement Agreement shall be in writing and sent by: (i) personal delivery, (ii) first-class registered or certified mail, return receipt requested; or (iii) overnight courier to any party by the other party at the following addresses:

To Reimers:

Kent Gardner President 619 SW Wood Street Hillsboro, OR 97123

James Robert Maxwell, Esq. Rogers Joseph O'Donnell, PC 311 California Street, 10th Floor San Francisco, CA 94104 To Vinocur:

Proposition 65 Coordinator The Chanler Group 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565

Any Party, from time to time, may specify in writing to the other Party a change of address to which all notices and other communications shall be sent.

9. <u>COUNTERPARTS, FACSIMILE AND PDF SIGNATURES</u>

This Settlement Agreement may be executed in counterparts and by facsimile or pdf signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document. A facsimile or pdf signature shall be as valid as the original.

10. COMPLIANCE WITH HEALTH & SAFETY CODE SECTION 25249.7(f)

Vincocur and his attorneys agree to comply with the reporting form requirements referenced in California Health & Safety Code section 25249.7(f).

11. MODIFICATION

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

12. <u>AUTHORIZATION</u>

The undersigned are authorized to execute this Settlement Agreement on behalf of their respective Parties and have read, understood, and agree to all of the terms and conditions of this Settlement Agreement.

AGREED TO:	AGREED TO:
\mathcal{L} ().	Reimers Furniture Mfg., Inc.
By: Aureve Vinocur	By: Name: Kent Gardner, President
Date: May <u>21</u> , 2014	Date: May, 2014

12. <u>AUTHORIZATION</u>

The undersigned are authorized to execute this Settlement Agreement on behalf of their respective Parties and have read, understood, and agree to all of the terms and conditions of this Settlement Agreement.

AGREED TO:	AGREED TO: Reimers Furniture Mfg., Inc.
Bv:	By: <u>Kent Lardner</u> Name: Kent Gardner, President
Laurence Vinocur	Name: Kent Gardner, President

Date: May __, 2014 Date: May **22**, 2014