

## SETTLEMENT AGREEMENT

### **1. INTRODUCTION**

#### **1.1 Parties**

This Settlement Agreement is entered into by and between Anthony E. Held, Ph.D., P.E. (“Held”) and Euro Style, Inc. (“Euro Style”) with Held and Euro Style collectively referred to as the “Parties.” Held 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. Euro Style 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**

Held alleges that Euro Style manufactured, imported, sold and/or distributed for sale in California, chairs with vinyl/PVC upholstery containing di(2-ethylhexyl)phthalate (“DEHP”) and stools with foam padding containing tris(1,3-dichloro-2-propyl) phosphate (“TDCPP”) without the requisite Proposition 65 health hazard warnings. DEHP is a plasticizer commonly used in vinyl/PVC upholstery. TDCPP is an additive flame retardant used in both soft and rigid polyurethane foam, plastics and fabric backings.

Pursuant to Proposition 65, on October 24, 2003, California identified and listed DEHP as a chemical known to cause birth defects and other reproductive harm. DEHP became subject to the “clear and reasonable warning” requirements of Proposition 65 one year later on October 24, 2004. Cal. Code Regs., tit. 27, § 27001(b); Health & Safety Code §§ 25249.8 and 25249.10(b). Held alleges that DEHP escapes from vinyl/PVC upholstery, leading to human exposures.

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). Held alleges that 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 chairs with vinyl/PVC upholstery containing DEHP including, but not limited to the *Malcolm Low Back Office Chair*, SKU: 015974197, SNOF00674GRY, #727511920121 (“Phthalate Products”), and stools with foam padding containing TDCPP including, but not limited to, the *Deshi Stool Black*, 90071BLK, UPC #7 27511 92373 3 (“Tris Products”) manufactured, imported, sold and/or distributed for sale in California by Euro Style (Phthalate Products and Tris Products collectively shall be referred to as “Products”).

### **1.4 Notice of Violation**

On December 13, 2013, Held served Euro Style, others, and certain requisite public enforcement agencies with a “60-Day Notice 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 DEHP and/or 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**

Euro Style denies the material factual and legal allegations contained in Held’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. Nothing in this Settlement Agreement shall be construed as an admission by Euro Style 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 Euro Style of any fact, finding, conclusion, issue of law, or violation of law. However, this section shall not diminish or otherwise affect Euro Style’s obligations, responsibilities, and duties under this Settlement Agreement.

## **2. DEFINITIONS**

### **2.1 California Customers**

“California Customer” shall mean any customer that Euro Style reasonably understands is located in California, has a California warehouse or distribution center, or maintains a retail outlet in California that has made 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 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 TDCPP and 1,000 ppm of DEHP in any material, component, or constituent of a subject product, when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or other methodology utilized by federal or state government agencies for the purpose of determining DEHP content in a solid substance.

### **2.3 Effective Date**

“Effective Date” shall mean June 9, 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” shall mean Products that contain no more than 25 ppm (equivalent of .0025%) of TDCPP and no more than 1,000 ppm (the equivalent of .1%) of DEHP in any material, component, or constituent of a subject product, when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or other methodology utilized by federal or state government agencies for the purpose of determining TDCPP and/or DEHP content in a solid substance.

## **2.6 Reformulation Standard**

The “Reformulation Standard” shall mean containing no more than 1,000 ppm for DEHP and no more than 25 ppm for TDCPP.

## **2.7 Retailer**

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

# **3. INJUNCTIVE RELIEF: REFORMULATION**

## **3.1 Reformulation Commitment**

Commencing on the September 30, 2014, Euro Style 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 10, 2014, Euro Style 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, Euro Style shall not employ statements that will encourage a vendor to delay compliance with the Reformulation Standard. Euro Style shall subsequently obtain written certifications, no later than July 15, 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 Euro Style for at least two years after their receipt and shall be made available to Held upon request.

## **3.3 Products No Longer in Euro Style’s Control**

On or before June 15, 2014, Euro Style shall send a letter, electronic or otherwise (“Notification Letter”) to: (1) each California Customer and/or Retailer to which it supplied the *Malcolm Low Back Office Chair, SKU: 015974197, SNOF00674GRY, #727511920121*, and the *Deshi Stool Black, 90071BLK, UPC #7 27511 92373 3* (“Exemplar Product”) after October 18, 2011; and (2) any California Customer and/or Retailer that Euro Style 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 chemical known to

the State of California to cause cancer, and/or DEHP, a chemical known to the State of California to cause birth defects and other reproductive harm,” 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 Euro Style or a party that Euro Style has otherwise designated at Euro Style’s 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 Euro Style. Euro Style 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 Held’s written request.

### **3.4 Current Inventory**

Any Products in, or manufactured and en route to, Euro Style’s inventory as of, or after September 30, 2014, that do not qualify as Reformulated Products and that Euro Style has reason to believe may be sold or distributed for sale in California, shall contain a clear and reasonable warning unless Section 3.5 applies. The parties are informed that Euro Style has already implemented a warning program, however, after September 30, 2014, Euro Style shall not order, cause to be ordered, produce, or cause to be produced, warnings that are not in compliance with the following language:

**WARNING:** This product contains chemicals, including DEHP and TDCPP, known to the State of California to cause cancer, birth defects and other reproductive harms.<sup>1</sup>

### **3.5 Alternatives to Interim Warnings**

---

<sup>1</sup> The regulatory safe harbor warning language specified in 27 CCR § 25603.2 may also be used if Euro Style had begun to use it, prior to the Effective Date. If Euro Style seeks to use alternative warning language, other than the language specified above or the safe harbor warning specified in 27 CCR § 25603.2, or seeks to use an alternate method of transmission of the warning, it 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 Consent Judgment: (a) “cancer or birth defects or other reproductive harm”; and (b) “cancer, birth defects or other reproductive harm.”

The obligations of Euro Style under Section 3.3 shall be relieved provided Euro Style certifies on or before the Effective Date, that only Exemplar Products meeting the Reformulation Standard will be offered for sale in California, or to California Customers for sale in California, after September 30, 2014. The obligations of Euro Style under Section 3.4 shall be relieved provided Euro Style certifies on or before the Effective Date, that, after June 30, 2015, 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 certification of compliance does not waive or relieve the obligations of Section 3.4 to warn Products that are not reformulated. 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, Euro Style shall pay the penalties in accordance with this Section. 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 (“OEHHHA”), and the remaining 25% of the penalty remitted to “Anthony E. Held, Client Trust Account.” 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. Euro Style 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 June 15, 2014, Euro Style shall make an initial civil penalty payment in the amount identified on Exhibit A.

**4.1.2 Second Civil Penalty.** On or before September 1, 2014 Euro Style shall make a second civil penalty payment in the amount identified on Exhibit A. The amount of the second penalty may be reduced according to any penalty waiver Euro Style is eligible for under Sections 4.1.4(i) and 4.1.4(iii), below.

**4.1.3 Third Civil Penalty.** On or before February 15, 2015, Euro Style shall make a third civil penalty payment in the amount identified on Exhibit A. The amount of the third penalty may be reduced according to any penalty waiver the Euro Style is eligible for under Sections 4.1.4(ii) and 4.1.4(iv), below.

**4.1.4 Reductions to Civil Penalty Payment Amounts.** Euro Style may reduce the amount of the second and/or third civil penalty payments by providing Held 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 Euro Style so elects on Exhibit A, a portion of the second civil penalty shall be waived, to the extent that it has agreed that, as of September 1, 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 a Euro Style that has exercised this election shall provide Held with a written certification confirming compliance with such conditions, which certification must be received by Held's counsel on or before July 1, 2014.

**4.1.4(ii) Partial Penalty Waiver for Extended Reformulation.**

If Euro Style so elects, a portion of the third civil penalty shall be waived, to the extent that it has agreed that, as of December 1, 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 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 Euro Style that has exercised this election shall provide Held with a written certification confirming compliance with such conditions, which certification must be received by Held'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 Euro Style so elects, a portion of the second civil penalty shall be waived, if an officer or other authorized representative of a Euro Style provides Held with written certification, by June 30, 2014, confirming that each establishment in California to which it supplied the Exemplar Product after October 18, 2011, has elected to return all remaining Exemplar Products held for sale in California.

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

If Euro Style so elects, a portion of the third civil penalty shall be waived, if an officer or other authorized representative of Euro Style provides Held with written certification, on or before January 31, 2015, confirming that, as of June 30, 2015, it will distribute, offer for sale, or sell in California, or to California Customers, only Reformulated Products.

**4.2 Representations**

Euro Style represents that the sales data and other information concerning its size, knowledge of TDCPP and DEHP, and prior reformulation and/or warning efforts, it provided to Held was truthful to its knowledge and a material factor upon which Held has relied to determine the amount of civil penalties assessed pursuant to Health & Safety Code § 25249.7 in this Settlement Agreement. If, within nine months of the Effective Date, Held discovers and presents to Euro Style, evidence demonstrating that the preceding representation and warranty was materially inaccurate, then Euro Style shall have 30 days to meet and confer regarding Held's contention. Should this 30 day period pass without any such resolution between Held and Euro Style, Held shall be entitled to file a formal legal claim including, but not limited to, a claim for damages for breach of contract. Euro Style 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 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 Held provides notice and appropriate supporting information to Euro Style 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 Euro Style under Sections 3.1 or 3.5 above, Euro Style 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 containing TDCPP sourced from the vendor in question.<sup>2</sup> The stipulated penalty shall be \$1,500 if the violation level is below 100 ppm for TDCPP and \$3,000 if the violation level is between 100 ppm and 249 ppm for TDCPP, this being applicable for any amount in excess of the Reformulation Standards but under 250 ppm for TDCPP.<sup>3</sup> Held shall further be entitled to reimbursement of his associated expense in an amount not to exceed \$5,000 regardless of the stipulated penalty level. Euro Style under this Section must provide notice and appropriate supporting information relating to the purchase (e.g. vendor name 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 Held within 30 calendar days of receiving test results from Held's counsel. In the event that Held's test results vary from those provided by Euro Style and Euro Style's test result demonstrate less than 25 ppm for TDCPP, the parties shall agree to test the Products by a third independent laboratory to be mutually agreed upon. The expenses of the third laboratory shall be borne by the party whose test results are the

---

<sup>2</sup> This Section shall not be applicable where the vendor in question had previously been found by Euro Style 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 Euro Style vendor at a level between 100 and 249 ppm for TDCPP shall not be available after July 1, 2015.

<sup>3</sup> 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.

furthest from those of the third laboratory. The results of the third laboratory shall be deemed conclusive.

#### **4.4 Reimbursement of Fees and Costs**

The Parties acknowledge that Held 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, Euro Style expressed a desire to resolve the fee and cost issue. Euro Style then agreed to pay Held and his counsel 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 the fees and costs incurred as a result of investigating, bringing this matter to Euro Style's 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 Held's counsel will incur to monitor various provisions in this agreement over the next two years. Euro Style, more specifically, agreed to pay Held's counsel the amount of fees and costs indicated on Exhibit A. Euro Style further agreed to tender and shall tender its full required payment under this Section to a trust account at The Chanler Group (made payable "In Trust for The Chanler Group") within two business days of the Effective Date.

#### **4.5 Payment Procedures**

##### **4.5.1 Issuance of Payments.**

(a) All payments owed to Held 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, 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.

### **5. CLAIMS COVERED AND RELEASED**

#### **5.1 Held's Release of Proposition 65 Claims**

Held, acting on his own behalf, and not on behalf of the public, releases Euro Style, its parents, subsidiaries, affiliated entities under common ownership, directors, officers, agents employees, attorneys, and each entity to whom Euro Style directly or indirectly distribute or sell Products, including, but not limited, to downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees (collectively, "Releasees"), from all claims for violations of Proposition 65 through the Effective Date based on unwarned exposures to TDCPP and DEHP in the Products, as set forth in the Notice. Compliance with the terms of this Settlement Agreement constitutes compliance with Proposition 65 with respect to exposures to TDCPP and DEHP from the Products, as set forth in the Notice. The Parties further understand and agree that this Section 5.1 release shall not extend upstream to any entities, other than Euro Style, that manufactured the Products or any component parts thereof, or any distributors or suppliers who sold

the Products or any component parts thereof to Euro Style, except that entities upstream of Euro Style that is a Retailer of a Private Labeled Covered Product shall be released as to the Private Labeled Covered Products offered for sale in California, or to California Customers, by the Retailer in question.

### **5.2 Held's Individual Releases of Claims**

Held, in his individual capacity only and *not* in his representative capacity, provides a 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 Held of any nature, character, or kind, whether known or unknown, suspected or unsuspected, limited to and arising out of alleged or actual exposures to TDCPP and DEHP in the Products manufactured, imported, distributed, or sold by Euro Style prior to the Effective Date. The Parties further understand and agree that this Section 5.2 release shall not extend upstream to any entities that manufactured the Products, or any component parts thereof, or any distributors or suppliers who sold the Products, or any component parts thereof to Euro Style, except that entities upstream of Euro Style that is a Retailer of a Private Labeled Covered Product shall be released as to the Private Labeled Covered offered for sale in California by the Retailer in question. Nothing in this Section affects Held's right to commence or prosecute an action under Proposition 65 against a Releasee that does not involve Euro Style's Products.

### **5.3 Euro Style's Release of Held**

Euro Style, on behalf of itself, its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against Held 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 Held and his attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter with respect to the Products.

## **6. 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 Euro Style may provide written notice to Held 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 Euro Style from any obligation to comply with any pertinent state or federal law or regulation.

**7. 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 Euro Style:

Trig Liljestrand, President  
EuroStyle  
2175 E. Francisco Blvd.  
San Rafael, CA  
94901

To Held:

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.

**8. COUNTERPARTS, FACSIMILE AND PDF SIGNATURES**

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.

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

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

**10. MODIFICATION**

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

**11. AUTHORIZATION**

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:

**APPROVED**

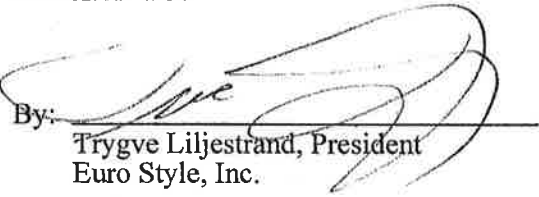
*By Tony Held at 6:46 pm, Jul 24, 2014*

By:

Anthony E. Held, Ph.D., P.E.

Date: Anthony E Held

AGREED TO:

By:   
Trygve Liljestrand, President  
Euro Style, Inc.

Date: June 6, 2014

## EXHIBIT A

- I. Name of Settling Defendant: Euro Style, Inc.
- II. Names of Releasees (optional/partial):
- III. Types of Covered Products Applicable to Euro Style:
  - a) Chairs with vinyl/PVC upholstery containing DEHP, including but not limited to, Malcolm Low Backed Office Chair, SKU: 015974197, SNOF00674GRY, #727511920121, and
  - b) Stools with foam padding containing TDCPP, including but not limited to:
    - a. Deshi Stool SKUs:
      - i. Deshi Stool Black, 90071BLK, UPC #7 27511 92373 3
      - ii. Deshi Stool, 90071DKTP
      - iii. Deshi Stool White, 90071WHT
    - b. Mulan Stool SKUs:
      - i. Mulan Stool, 90070 DKTP
      - ii. Mulan Stool Black, 90070BLK
      - iii. Mulan Stool White, 90070WHT
    - c. Chen Stool SKUs:
      - i. Chen Stool, 90072DKTP
      - ii. Chen Stool White, 90072WHT
      - iii. Chen Stool Black, 90072BLK
    - d. Sophia ADJ Barstool, SKUs: 27140, 27144, 27146
    - e. Cyd ADJ Bar Center Stool SKUs:
      - i. Cyd ADJ Bar Center Stool, 17180LK
      - ii. Cyd ADJ Bar Center Stool Gray, 17180GRY
      - iii. Cyd ADJ Bar Center Stool White, 17180WHT
    - f. Sunny ADJ Bar Center Stool SKUs:
      - i. Sunny ADJ Bar Center Stool Brown, 27621BRN
      - ii. Sunny ADJ Bar Center Stool Gray, 27621GRY
      - iii. Sunny ADJ Bar Center Stool White, 27621WHT
- IV. Types of Additional Products Euro Style, Inc. elects to Address (if any): None.
- V. Euro Style, Inc.'s Required Settlement Payments
  - A. Penalties of \$24,000, as follows:
    - \$4,000 initial payment due on or before June 15, 2014;
    - \$12,000 second payment due on or before September 1, 2014, of which \$6,000 may be waived pursuant to Section 4.1.4(i) and \$6,000 may be waived pursuant to Section 4.1.4(iii); and
    - \$8,000 third payment due on or before February 15, 2015, of which \$5,000 may be waived pursuant to Section 4.1.4(ii) and \$3,000 may be waived pursuant to Section 4.1.4(iv).
  - B. Payment to The Chanler Group for reimbursement of attorneys' fees and costs attributable to Euro Style, Inc., due within two days of the Effective Date: \$25,000.