

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties

This Settlement Agreement is entered into by and between Laurence Vinocur (“Vinocur”) and Active Lifestyle Products & Services, Inc. (“Active Lifestyle”), with Vinocur and Active Lifestyle each individually referred to as a “Party” and collectively 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 used in consumer products. Active Lifestyle 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 Active Lifestyle manufactures, sells, and/or distributes for sale in California, vinyl/PVC folding table tops that contain the toxic chemical di(2-ethylhexyl)phthalate (“DEHP”). DEHP is listed pursuant to Proposition 65 as a chemical known to cause birth defects or other reproductive harm. Vinocur alleges that Active Lifestyle failed to provide the health hazard warning required by Proposition 65 for exposures to DEHP from vinyl/PVC folding table tops.

1.3 Product Description

The products that are covered by this Settlement Agreement are vinyl/PVC folding table tops containing DEHP, including, but not limited to, the *ALPS Mountaineering Guide Table, SKU# 8352003, UPC #7 03438 83520 5*, that are/were manufactured, sold and/or distributed for sale in California by Active Lifestyle (collectively, “Products”).

1.4 Notice of Violation

On or about July 11, 2014, Vinocur served Active Lifestyle and various public

enforcement agencies with a document entitled “60-Day Notice of Violation” (“Notice”) that provided the recipients with notice of alleged violations of Proposition 65 by Active Lifestyle for failing to warn its customers and consumers in California that the Products it sold exposed users to DEHP. To the best of the Parties’ knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice.

1.5 No Admission

Active Lifestyle denies the material, factual, and legal allegations contained in the Notice and maintains that all of the products that it has sold and distributed 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 Active Lifestyle 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 Active Lifestyle of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Active Lifestyle. However, this Section shall not diminish or otherwise affect Active Lifestyle’s obligations, responsibilities, and duties under this Settlement Agreement.

1.6 Effective Date

For purposes of this Settlement Agreement, the term “Effective Date” shall mean December 15, 2014.

2. INJUNCTIVE RELIEF: REFORMULATED PRODUCTS

Commencing on the Effective Date and continuing thereafter, Active Lifestyle shall only purchase for sale or manufacture for sale in California, Reformulated Products. For purposes of this Settlement Agreement, “Reformulated Products” are Products that contain no more than 1,000 ppm (0.1%) DEHP content when analyzed pursuant to Environmental Protection Agency testing methodologies 3580A and 8270C, or equivalent methodologies used by state or federal agencies for purposes of determining DEHP content in a solid substance.

3. MONETARY SETTLEMENT TERMS

3.1 Civil Penalty Payments

Pursuant to Health and Safety Code section 25249.7(b)(2), and in settlement of all claims alleged in the Notice or referred to in this Settlement Agreement, Active Lifestyle agrees to pay \$10,000 in civil penalties. Each penalty payment will be allocated in accordance with California Health and Safety Code section 25249.12(c)(1) & (d), with 75% of the penalty amount remitted to the California Office of Environmental Health Hazard Assessment (“OEHHA”) and the remaining 25% of the penalty amount paid to Vinocur.

3.1.1 Initial Civil Penalty. Within five days of the Effective Date, Active Lifestyle shall pay an initial civil penalty in the amount of \$2,000. Active Lifestyle will provide its payment in two checks for the following amounts made payable to: (a) “OEHHA” in the amount of \$1,500; and (b) “The Chanler Group in Trust for Laurence Vinocur” in the amount of \$500.

3.1.2 Final Civil Penalty. On or before January 15, 2015, Active Lifestyle shall pay a final civil penalty of \$8,000. The final civil penalty shall be waived in its entirety if, by December 31, 2014, an officer of Active Lifestyle provides Vinocur’s counsel with written certification that, as of the date of such certification, all Products purchased for sale or distributed for sale in California are Reformulated Products as defined by this Settlement Agreement and that it will continue to only offer Reformulated Products in the future. The option to provide a written certification of reformulation in lieu of making the final civil penalty payment otherwise required by this Agreement is a material term, and time is of the essence.

3.2 Reimbursement of Vinocur’s Attorneys’ Fees and Costs

The Parties reached an accord on the compensation due to Vinocur and his counsel under general contract principles and the private attorney general doctrine codified at Code of Civil Procedure section 1021.5 for all work performed in this matter.

Under these legal principles, Active Lifestyle agrees to pay \$23,000 to Vinocur and his counsel for all fees and costs incurred investigating, bringing this matter to the attention of Active Lifestyle's management, and negotiating a settlement in the public interest.

3.3 Payment Procedures

3.3.1 Payment Addresses. Payments shall be delivered as follows:

(a) All payments and tax documentation required for Vinocur and his counsel under this Settlement Agreement shall be delivered to:

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

(b) All payments and tax forms required for OEHHA under this Settlement Agreement 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 Courier or Other Non-U.S. Postal Service Delivery:

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

3.3.2 Proof of Payment to OEHHA. Active Lifestyle agrees to provide Vinocur with a copy of each penalty check sent to OEHHA, enclosed with Active Lifestyle's penalty payment(s) to Vinocur, and delivered to the address provided in Section 3.3.1(a).

4. CLAIMS COVERED AND RELEASED

4.1 Vinocur's Release of Active Lifestyle

This Settlement Agreement is a full, final and binding resolution between Vinocur and Active Lifestyle, 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 Active Lifestyle, its parents, subsidiaries, affiliated entities that are under common ownership, directors, officers, employees, attorneys, and each entity to whom Active Lifestyle directly or indirectly distributes or sells Products, including but not limited to downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, licensors, and licensees (“Releasees”), based on their failure to warn about alleged exposures to DEHP contained in the Products manufactured, distributed, sold or offered for sale by Active Lifestyle in California before the Effective Date.

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 any right 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 and in equity, all suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses including, but not exclusively, investigation fees, expert fees, and attorneys’ fees, but exclusive of fees and costs on appeal, if any, arising under Proposition 65 with respect to exposures to DEHP from Products manufactured, distributed, sold and/or offered for sale by Active Lifestyle before the Effective Date.

4.2 Active Lifestyle's Release of Vinocur

Active Lifestyle, on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives any and all claims against Vinocur 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.

5. 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.

6. GOVERNING LAW

The terms of this Settlement Agreement shall be governed by the laws of the State of California and apply within the State of California. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Active Lifestyle 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.

7. NOTICE

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

For Active Lifestyle:

Dennis Brune, President
Active Lifestyle Products & Services, Inc.
4575 Highway 185
New Haven, MO 63068

For Vinocur:

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

with copy to:

Bruce Nye, Esq.
Adams Nye Becht, LLP
222 Kearny St., 7th Floor
San Francisco, CA 94108

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

8. COUNTERPARTS; FACSIMILE SIGNATURES

This Settlement Agreement may be executed in counterparts and by facsimile or portable document format (PDF) signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

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

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

10. MODIFICATION

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

11. AUTHORIZATION

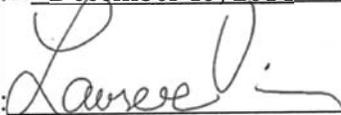
The undersigned are authorized to execute this Settlement Agreement on behalf of their respective Parties and have read, understood, and agree to all of the terms and conditions of this Settlement Agreement.

AGREED TO:

AGREED TO:

Date: December 15, 2014

Date: 12/12/14

By: 
LAURENCE VINOCUR

By: 
~~Dennis Brune, President~~ Adam Brune
ACTIVE LIFESTYLE PRODUCTS
& SERVICES, INC.