

GENERAL RELEASE AGREEMENT

I. INTRODUCTION AND BACKGROUND FACTS

A. Releasing Party

This General Release Agreement (the “General Release”) is entered into by Kingpun Cheng (“Cheng”). Cheng is an individual residing in California who seeks to promote awareness of exposures to toxic chemicals and to improve human health by the enforcement of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §§ 25249.5 *et seq.* (“Proposition 65”). Cheng is represented in this matter by Parker A. Smith. The signatory party to this General Release may be referred to as the “Party” or “Cheng”.

B. Notice of Violation

On August 21, 2014, Cheng served Lowe’s Companies, Inc., LG Sourcing, and improperly named Lowe’s Home Centers, LLC as “Lowe’s Home Centers LLC, Inc.” (hereinafter collectively referred to as “Lowe’s”) and various public enforcement agencies with a document entitled “60-Day Notice of Violation” (hereinafter “Notice” or “Proposition 65 Notice”) with allegations that that Lowe’s was in violation of California Health & Safety Code § 25249.6 for failing to warn consumers that natural gas conversion kits, manufactured by Sagittarius Sporting Goods Co., Ltd (“Sagittarius”), and sold by Lowe’s exposed users in California to lead and lead compounds.

The Notice of Proposition 65 Violation specifically identified Master Forge Natural Gas Conversion Kits as the product alleged to have been violation of California Health & Safety Code § 25249.6.

C. General Allegations

Cheng has alleged that natural gas conversion kits manufactured by Sagittarius and sold by Lowe’s exposed users in California to lead and lead compounds.

Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause birth defects and other reproductive harm. Lead and lead compounds are listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer.

D. Cheng's Investigation Following the Service of the Proposition 65 Notice

Following the service of the Proposition 65 Notice, Cheng's independent investigation has revealed that: (1) Master Forge Natural Gas Conversion Kit subject to the Proposition 65 Notice are component parts (e.g., natural gas hose, nozzles, and nozzle change tool) necessary for the conversion of liquid Master Forge grills to natural gas; (2) the Natural Gas Conversion Kit is designed exclusively for Master Forge grills; and (3) the manuals for the Master Forge grills contain a Proposition 65 warning.

E. Effective Date

For purposes of this General Release, the term "Effective Date" shall mean December 21, 2014. This General Release is contingent upon reimbursement of fees and costs under section IV of this General Release.

II. DENIAL OF LIABILITY

Lowe's and Sagittarius deny the material, factual and legal allegations contained in Cheng's Proposition 65 Notice and maintain that all subject to the Proposition 65 Notice have been and are in compliance with all laws. Nothing in this General Release shall be construed as an admission of any fact, finding, issue of law or violation of law; nor shall compliance with this General Release constitute or be construed as an admission by Lowe's or Sagittarius of any fact, finding, conclusion, issue of law or violation of law. However, this section shall not diminish or otherwise affect the obligations, responsibilities and duties under this General Release.

III. SETTLEMENT RELIEF

Commencing on the Effective Date, Sagittarius agrees to affix a warning to the packaging, labeling, or directly on the newly-manufactured Master Forge Natural Gas Conversion Kits (if any) that states:

WARNING: This product contains chemicals,
including brass (which may contain lead and lead

compounds), known to the State of California to cause cancer, birth defects, or other reproductive harm.

Cheng shall submit to the California Attorney General a reporting that includes the results of that settlement in compliance with California Health and Safety Code Section 25249.7(f). Cheng shall make such report to the California Attorney General no later than December 10, 2014, and provide documentation of the report to Ali Abtahi no later than December 12, 2014.

IV. REIMBURSEMENT OF FEES AND COSTS

Following Cheng's reporting of the results of the settlement to the California Attorney General, Sagittarius shall pay \$2,100 for fees and costs incurred as a result of investigating and negotiating a settlement. Sagittarius shall make the check payable to "Parker A. Smith" and shall deliver payment on or before December 21, 2014.

All payments owed to Cheng and his counsel shall be delivered to the following payment address:

Parker A. Smith, Attorney at Law
2173 Salk Ave., Suite 250
Carlsbad, CA 92008

Furthermore, in exchange for the above-noted consideration, Cheng shall ensure the Proposition 65 Notice of Violation dated August 21, 2014 will be successfully withdrawn.

V. RELEASE

This General Release is a full, final and binding resolution for any alleged violation of Proposition 65 relating to the Notice of Violation dated August 21, 2014, that was or could have been asserted by Cheng on behalf of himself, his past and current agents, representatives, attorneys, successors and/or assignees, against Sagittarius or Lowe's, or their parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees (collectively referred to as "Releasees") based on their failure to warn about the products identified and the exposures alleged in the Proposition 65 Notice.

In exchange for the consideration set forth in this Agreement, Cheng shall be deemed to have released and discharged Releasees of all claims, causes of action in law or equity, obligations, liabilities, damages, costs, or demands of any nature whatsoever, known or unknown ("Claims"), including but not limited to claims arising from or in any way related to the Proposition 65 Notice dated August 21, 2014.

Cheng acknowledges that he may have Claims that are presently unknown and that the release contained in this Agreement is intended to and will fully, finally, and forever discharge all Claims, whether now asserted or unasserted, known or unknown, which arise out of or are in connection with the Proposition 65 Notice dated August 21, 2014. With respect to the releases as described in this Agreement, Cheng expressly waives and relinquishes all rights and benefits under Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

V. SCOPE AND ENFORCEABILITY OF THE AGREEMENT

A. Governing Law

This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of California, without regard to its conflicts-of-law rules.

B. Future Repeal, Preemption or Inapplicability of Proposition 65

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 General Release 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 Master Forge Natural Gas Conversion Kit, then Sagittarius shall provide written notice to Cheng of any asserted change in the law, and Sagittarius and/or Lowe's shall have no further warning obligations pursuant to this Section III of this General Release with respect to, and to the extent that, the Master Forge Natural Gas Conversion Kits are so affected by such change of law.

C. Severability

If any of the provisions of this General Release are held by a court to be unenforceable, the validity of the enforceable provisions remaining shall not be adversely affected.

D. Construction

All Parties and their counsel have reviewed and revised the Agreement, and the normal rule of construction, embodied in Civil Code section 1654, providing that any ambiguities are to be resolved against the drafting party, shall not be employed in the interpretation of the Agreement. The Agreement shall be construed as prepared jointly by the Parties.

All Parties waive the provisions of California Civil Code Section 1654, which provides, in pertinent part, that “the language of a contract should be interpreted most strongly against the party who caused the uncertainty to exist.”

E. Entire Agreement

All agreements, covenants, representations, and warranties, express and implied, oral and written, of the Parties hereto concerning the subject matter hereof are contained or referred to herein. No other agreements, covenants, representations, or warranties, express or implied, oral or written, have been made by any party hereto to any other party concerning the subject matter hereof. All prior and contemporaneous conversations, negotiations, possible and alleged agreements, representations, covenants and warranties concerning the subject matter hereof other than those referred to herein are merged herein.

F. Sole Consideration

The Parties agree that the consideration recited in the Agreement is the sole and only consideration for the Agreement and no representations, promises, or inducements have been made by the Parties other than the terms of the Agreement.

G. Independent Advice of Counsel

The Parties represent and declare that in executing the Agreement they relied solely upon their own judgment, belief, and knowledge, and the advice and recommendations of their own independently selected counsel, concerning the

nature, extent, and duration of their rights and claims, and that they have not been influenced to any extent whatsoever in executing the same by any representations or statements not expressly contained or referred to in the Agreement.

H. Modification or Amendment

This Agreement may not be amended, modified, or altered except in a writing signed by each Party to this Agreement.

I. Representations and Warranties

Each person executing this Agreement warrants that he is authorized to execute this Agreement on behalf of any company or corporation for which he signs and that any necessary resolutions and authorizations have been obtained prior to execution of this Agreement.

VI. MISCELLANEOUS PROVISIONS

A. Headings

The headings of the sections, paragraphs, and subparagraphs of this Agreement are included for convenience only and shall not be given weight in its construction.

B. Counterparts

This General Release 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.

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C. Signatures

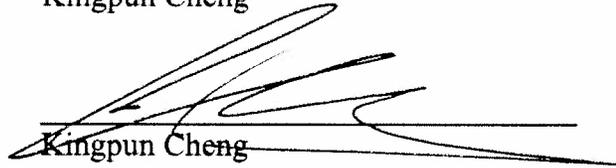
Facsimile transmissions of the signatures of the Parties or their representatives shall be binding on the Parties.

This General Release has been duly executed by and on behalf of the Parties as of the Effective Date.

Dated: December 9, 2014

Kingpun Cheng

By:


Kingpun Cheng

Dated: December 9, 2014

Law Offices of Parker A. Smith

By:


Parker A. Smith

State of California
County of San Diego
On 12/9/2014 before me, M. Edwards, Notary Public,
personally appeared Kingpun Cheng and Parker A. Smith
who proved to me on the basis of satisfactory evidence to be the person(s) whose
name(s) ~~is~~ **are** subscribed to the within instrument and acknowledged to me that
~~it~~ **they** executed the same in ~~his~~ **their** authorized capacity(ies),
and that by ~~his~~ **their** signatures on the instrument the person(s), or the
entity upon **behalf** of which the person(s) acted, executed the instrument.
I certify **under PENALTY OF PERJURY** under the laws of the State of California
that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.

M. Edwards
Signature of Notary Public

