

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 The Parties

This Settlement Agreement is hereby entered into by and between Evelyn Wimberley acting on behalf of the public interest (hereinafter "Wimberley") and Alliance Sports Group, L.P, (hereinafter "Alliance"), with Wimberley and Alliance collectively referred to as the "Parties" and each of them as a "Party." Wimberley is an individual residing in California who seeks to promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products. Alliance employs ten or more persons and is considered a person in the course of doing business for purposes of Proposition 65, Cal. Health & Safety Code §§ 25249.6 et seq.

1.2 Allegations and Representations

(a) Wimberley alleges that Alliance has offered for sale in the State of California a Weather Rite Kerosene Lantern that when used as intended produces combustion byproducts carbon monoxide and soot, and that such sales have not been accompanied by Proposition 65 warnings. Carbon monoxide and soot are listed under Proposition 65 as chemicals known to the State of California to cause cancer and birth defects or other reproductive harm. Wimberley has cited UPC044435330103 as a specific example of the Weather Rite Kerosene Lantern that are the subject of her allegations.

(b) For purposes of this Settlement Agreement only, Alliance represents that: 1) UPC044435330103 is marketed as a multi-fuel lantern distributed by Alliance ("Provider"); and 2) Provider had no reason to believe that the item required warnings under Prop 65 for carbon monoxide and soot until receiving Wimberley's Notice June 30, 2015 and Amended Notice September 4, 2015.

(c) Provider denies the material, factual and legal allegations contained in the Notices, and maintains that all products sold, distributed or offered for sale in California have been and are in compliance with all laws, including, without limitation, Proposition 65.

(d) The Parties enter into this Settlement Agreement to resolve all Proposition 65 claims concerning Provider's products set forth in Wimberley's Notice, including claims against any entity to whom Provider directly or indirectly has distributed or sold the products..

1.3 Covered Items

The products that are covered by this Settlement Agreement are defined as Weather Rite Kerosene Lantern, UPC044435330103 and UPC044435329107. All such Lanterns shall be referred to herein as the "Products."

1.4 Notice of Violation

On or about June 30, 2015 (amended September 4, 2015), Wimberley served Provider, Alliance, and all public enforcement agencies eligible to initiate Proposition 65 actions on behalf of the People of the State of California with a document entitled "60-Day Notice of Violation" (the "Notice") that provided Provider, Alliance, and such public enforcers with notice that alleged that Provider and Alliance were in alleged violation of Proposition 65 for failing to warn consumers and customers that the Products exposed users in California to carbon monoxide and soot. No public enforcer diligently prosecuted the claims threatened in the Notice within sixty days plus service time relative to the provision of the Notice to them by Wimberley.

1.5 No Admission

Provider denies the material allegations contained in Wimberley's Notice and complaint and maintains that it has not violated Proposition 65. Nothing in this Settlement Agreement shall be construed as an admission by Provider of any fact, finding, issue of law, or violation of law; nor shall compliance with this Settlement Agreement constitute or be construed as an admission by Provider of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Provider. However, this section shall not diminish or otherwise affect the obligations, responsibilities, and duties of Provider under this Settlement Agreement.

1.6 Execution Date

1.6.1 For purposes of this Settlement Agreement, the term "Execution Date" shall mean the date this Settlement Agreement is fully executed.

1.6.2 For purposes of this Settlement Agreement, the term "Effective Date" shall mean the date that Prop 65 warnings shall be implemented pursuant to Article 2.

2. COMPLIANCE

2.1 **Warning Option.** The Products shall be deemed to comply with Proposition 65 with regard to carbon monoxide and soot and be exempt from any Proposition 65 warning requirements for carbon monoxide and soot if the Products from which exposures to carbon monoxide and soot are labeled with the following: "California

Proposition 65 Warning: Combustion (burning) of kerosene or other fuels, may produce carbon monoxide, soot, and other chemicals known to the State of California to cause cancer and birth defects or other reproductive harm.”

2.2 The warning provided pursuant to Section 2.1 shall, within 60 days of the Execution Date, be prominently displayed on the Covered Product that is then placed in the stream of commerce with such conspicuousness, as compared with other words, statements, or designs as to render it likely to be read and understood by an ordinary individual prior to sale. (“Effective Date”). The warning shall be contained in the same section that states other safety warnings concerning the use of the product and shall be at least the same size as those other safety warnings.

3. REIMBURSEMENT OF FEES AND COSTS

3.1 The Parties reached an accord on the compensation due to Wimberley and her counsel under the private attorney general doctrine and principles of contract law. Under these legal principles, Provider shall reimburse Wimberley’s counsel for fees and costs, incurred as a result of investigating, bringing this matter to Provider’s attention, and negotiating a settlement in the public interest. Provider shall pay Wimberley’s counsel \$17,000.00, for all attorneys’ fees, expert and investigation fees, and related costs associated with this matter and the Notice. Provider shall wire said monies to the “Law Offices of Stephen Ure, PC” (tax identification number 42-1641673) no later than five (5) days following the Execution Date. The Law Offices of Stephen Ure, PC will provide Provider with bank wire details, along with tax identification information for itself prior to the Execution Date. Other than the payment required hereunder, each side is to bear its own attorneys’ fees and costs.

3.2 Time is of the essence with regard to the receipt of payments specified in Article 3 and 4 herein. If payments are not made as agreed this agreement shall, in its entirety, be null and void.

4. CLAIMS COVERED AND RELEASED

4.1 Release of Provider and Downstream Customers and Entities

Wimberley, on behalf of herself, releases Provider and each entity to whom Provider directly or indirectly has distributed or sold the Products, including but not limited to, each of its downstream distributors, wholesalers, customers, licensors, licensees, auctioneers, retailers (including, but not limited to Wal-Mart Stores, Inc., Walmart.com USA LLC, and any of their affiliates and subsidiaries), franchisees, dealers, customers, owners, purchasers, users, parent companies, corporate affiliates, subsidiaries, and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees, and sister and parent entities (collectively “Releasees”) from all claims for violations of Proposition 65 up through the Effective Date based on Provider’s

failure to warn about alleged exposures to carbon monoxide and soot from the Products as set forth in her Notice of Violation. Compliance with the terms of this Settlement Agreement constitutes compliance with Proposition 65 with respect to exposures to carbon monoxide and soot from the Products. This settlement is a full, final and binding resolution of all claims that were or could have been asserted against Provider and/or the Releasees for failure to provide warnings for alleged exposures to carbon monoxide and soot from the Products.

In addition to the foregoing, Wimberley, on behalf of herself, her past and current agents, representatives, attorneys, and successors and/or assignees, and not in her representative capacity, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases any other Claims that she could make against Provider or its Releasees arising up to the Effective Date as such claims relate to the alleged failure to warn with respect to products under Health & Safety Code Section 25249.6. The parties agree that the released claims may include unknown claims arising out of the facts alleged in the Notice and relating to the Products, and waive California Civil Code section 1542 as to any such unknown claims.

4.2 Alliance's Release of Wimberley

Provider waives any and all claims against Wimberley, her attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Wimberley and her attorneys and other representatives, whether in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against it in this matter, and/or with respect to the Products.

5. SEVERABILITY AND MERGER

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

This Settlement Agreement contains the sole and entire agreement of the Parties and any and all prior negotiations and understandings related hereto shall be deemed to have been merged within it. No representations or terms of agreement other than those contained herein exist or have been made by any Party with respect to the other Party or the subject matter hereof.

6. GOVERNING LAW

6.1 This Settlement Agreement shall be interpreted in accordance with the plain English meaning of its terms and the construction thereof shall be governed by the laws in force in the State of California, USA without regard to conflicts of law principles and Provider hereby irrevocably consent to personal jurisdiction and exclusive venue in San Diego Superior Court to resolve any disputes hereunder; and hereby appointing the pertinent Secretary of State or other applicable government authority as agent for receiving service of process. This Settlement Agreement resolves any issue, now or in the future, with the requirements of Proposition 65 with respect to alleged exposures to carbon monoxide and soot arising from the Products. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Provider shall provide written notice to Wimberley 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.

6.2 This Settlement Agreement shall apply to and be binding upon Wimberley and Provider, its divisions, subdivisions, and subsidiaries, if any, and the Parties' successors and assigns.

6.3 The Parties, including their counsel, have participated in the preparation of this Settlement Agreement and this Settlement Agreement is the result of the joint efforts of the Parties. This Settlement 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 Settlement Agreement shall not be interpreted against any Party as a result of the manner of the preparation of this Settlement Agreement.

7. NOTICES

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

For Alliance Sports Group, LP:
Ron Bollinger, General Manager
Corporate Office

3025 N. Great Southwest Prkwy
Grand Prairie, TX 75050

and

For Wimberley:

Stephen Ure
Law Offices of Stephen Ure, PC.
11622 El Camino Real, Suite 100
San Diego, California 92130

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 SIGNATURES

The stipulations to this Settlement Agreement may be executed in counterparts and by means of facsimile and/or portable document format (pdf), which taken together shall be deemed to constitute one document

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

Wimberley agrees to comply with the requirements set forth in California Health & Safety Code §25249.7(f).

10. MODIFICATION

This Settlement Agreement may be modified only by further stipulation of the Parties and the approval of the Court or upon the granting of a motion brought to the Court by either Party.

11. ENFORCEMENT OF SETTLEMENT AGREEMENT

Either Party may bring an action to enforce the terms of this Settlement Agreement. A Party who unsuccessfully brings or contests an action arising out of this Settlement Agreement shall be required to pay the prevailing Party's reasonable attorney's fees and costs unless the unsuccessful Party has acted with substantial justification. For purposes of this Settlement Agreement, the term substantial justification shall carry the same meaning as used in the Civil Discovery Act of 1986, Code of Civil Procedure Section 2016, et seq.

12. REPORTED SALES

12.1 Provider represents and warrants that it believes that the maximum number of Covered Products sold by California retailers during last twelve months was approximately 10,000 units.

12.2 ACCURACY OF SALES DATA

Provider understands that the sales data provided to counsel for Wimberley by Provider was a material factor upon which Wimberley has relied to determine the amount of payments made pursuant to Health and Safety

Code §25249.7(b) under this Agreement. Provider represents that it has provided true and accurate sales data to plaintiff to the best of its ability.

13. ENTIRE AGREEMENT

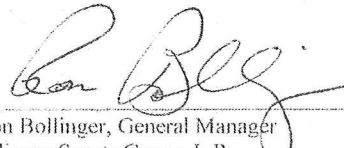
This Settlement Agreement contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, or understandings related thereto, if any, are hereby merged herein and therein. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Settlement Agreement have been made by any Party hereto. No supplementation, modification, waiver, or termination of this Settlement Agreement shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of this Settlement Agreement shall be deemed or shall constitute a waiver of any of the other provisions hereof whether or not similar, nor shall such waiver constitute a continuing waiver.

14. AUTHORIZATION

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

Dated: December 4, 2015

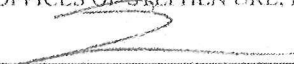
By:


Ron Bollinger, General Manager
Alliance Sports Group, L.P.

Dated: December 4, 2015

LAW OFFICES OF STEPHEN URE, PC

By:


Stephen Ure, Esq.
Attorneys for Plaintiff,
EVELYN WIMBERLEY