

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties

This Settlement Agreement is entered into by and between Paul Wozniak (“Wozniak”) and Robinson Home Products Inc. (“Robinson”), with Wozniak and Robinson each individually referred to as a “Party” and collectively as the “Parties.” Wozniak 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. Wozniak alleges that Robinson 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

Wozniak alleges that Robinson manufactures, sells, and/or distributes for sale in California, nylon cooking utensils containing 4,4'-methylenedianiline (“4,4'-MDA”). 4,4'-MDA is listed pursuant to Proposition 65 as a chemical known to cause cancer. Wozniak alleges that Robinson failed to provide the health hazard warning allegedly required by Proposition 65 for exposures to 4,4'-MDA from nylon cooking utensils.

1.3 Product Description

The products that are covered by this Settlement Agreement are nylon cooking utensils containing 4,4'-MDA including, but not limited to: *5 Piece Nylon Mini Utensil Set (Ladle)*, UPC #4 44444 09749 1, manufactured, sold or distributed for sale in California by Robinson (“Products”).

1.4 Notice of Violation

On or about April, 29, 2015, Wozniak served retailer Bed Bath & Beyond Inc. (“Bed Bath & Beyond”), and certain requisite public enforcement agencies with a 60-Day Notice of Violation (“Notice”), alleging that Bed Bath & Beyond violated Proposition 65

when it failed to warn its customers and consumers in California that the Products expose users to 4,4'-MDA. Thereafter, on November 10, 2015, Wozniak served Robinson (the manufacturer of the Products), and certain requisite public enforcement agencies with a Supplemental 60-Day Notice of Violation ("Supplemental Notice"), alleging that Bed Bath & Beyond and Robinson violated Proposition 65 when they failed to warn their customers and consumers in California that the Products expose users to 4,4'-MDA. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice or the Supplemental Notice. The Notice and the Supplemental Notice are hereinafter referred to as the "Notices."

1.5 No Admission

Robinson denies the material, factual, and legal allegations contained in the Notices and maintain 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 Robinson 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 Robinson of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Robinson. However, this Section shall not diminish or otherwise affect Robinson'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 the date on which the settlement is fully executed by all the Parties.

2. INJUNCTIVE RELIEF: REFORMULATION

2.1 Reformulation Commitment

Commencing on the Effective Date, and continuing thereafter, Robinson shall only manufacture or import, for sale in California, "Reformulated Products." For purposes of this Settlement Agreement, Reformulated Products shall:

- i. contain less than or equal to 200 parts per million (“ppm”) 4,4’-MDA by weight using validated preparation and analytical methods used to detect the presence of 4,4’-MDA in a solid substance; and
- ii. produce a leach result of 10 ug/L or less 4,4’-MDA by digesting the food contact end of the product into 100 ml of 3% acetic acid de-ionized water for 2 hours at 100°C, replenishing the acetic acid solution as needed to maintain 100 ml, and analyzing the leachate using a validated method to detect the presence of 4,4’-MDA in a liquid.

The testing shall be conducted in an accredited laboratory with qualified personnel. All analytical reports must contain quality control data that verify the laboratory’s performance for the results in each analytical report.

3. MONETARY SETTLEMENT TERMS

3.1 Civil Penalty Payments

Pursuant to Health & Safety Code § 25249.7(b), in settlement of all the claims referred to in this Settlement Agreement, within five days of the Effective Date, Robinson shall pay \$5,000 in civil penalties. The civil penalty payment shall be allocated according to Health and Safety Code section 25249.12(c)(1) and (d), with seventy-five percent (75%) of the funds paid to the California Office of Environmental Health Hazard Assessment (“OEHHA”) by Wozniak. Robinson shall write a check to “Paul Wozniak, Client Trust Account,” and remit it to the address provided in Section 3.3 below.

3.2 Attorneys’ Fees and Costs

The Parties reached an accord on the compensation due to Wozniak 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, Robinson agrees to pay \$35,000 to Wozniak and his counsel for all fees and costs incurred investigating, bringing this matter to the attention of Robinson’s management, and negotiating a settlement that provides a significant public

benefit. Robinson's payment shall be due within five days of the Effective Date, and delivered to the address in Section 3.3 in the form of a check payable to "The Chanler Group."

3.3 Payment Address

All payments required by this Settlement Agreement shall be delivered to the following address:

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

4. CLAIMS COVERED AND RELEASED

4.1 Wozniak's Release of Robinson

This Settlement Agreement is a full, final and binding resolution between Wozniak, as an individual and *not* on behalf of the public, and Robinson, of any violation of Proposition 65 that was or could have been asserted by Wozniak on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees, against Robinson, its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, attorneys, and each entity to whom Robinson directly or indirectly distribute or sell Products, including, but not limited, to downstream distributors, wholesalers, customers, retailers (including, but not limited to, Bed Bath & Beyond), franchisees, cooperative members, and licensees ("Releasees"), based on their failure to warn about alleged exposures to 4,4'-MDA contained in the Products that were manufactured, distributed, sold and/or offered for sale by Robinson in California before the Effective Date, as alleged in the notice of violation.

In further consideration of the promises and agreements herein contained, Wozniak as an individual and *not* on behalf of the public, on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives all Wozniak's rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims that Wozniak 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 exclusively, investigation fees, expert fees, and attorneys' fees arising under Proposition 65 with respect to 4,4'-MDA in the Products, as alleged in the notice of violation, manufactured, distributed, sold and/or offered for sale by Robinson, before the Effective Date (collectively "claims"), against Robinson and Releasees.

4.2 Robinson's Release of Wozniak

Robinson, on its own behalf, and on behalf of its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives any and all claims against Wozniak and his attorneys and other representatives, for any and all actions taken or statements made by Wozniak 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 otherwise rendered inapplicable by reason of law generally, as to Robinson specifically as a result of a statutory exemption, or as to the Products, then Robinson may provide written notice to Wozniak of any asserted change in the law, or its applicability to Robinson or the Products, and shall have no further injunctive obligations pursuant to this Settlement Agreement with respect to, and to the extent that, Robinson or the Products are so affected.

7. NOTICE

Unless specified herein, all correspondence and notice 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:

Robinson:

Bruce Nye
Adams Nye Becht LLP
222 Kearny Street, 7th Floor
San Francisco, CA 94108-4521
Attorneys for Robinson

Wozniak:

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

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)

Wozniak 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 the respective Parties and have read, understood, and agree to all of the terms and conditions of this Settlement Agreement.

AGREED TO:

Date: 5/11/2016

By: 
PAUL WOZNIAK

AGREED TO:

Date: 5/11/16

By: 
ROBINSON HOME PRODUCTS INC.