

**PROPOSITION 65 SETTLEMENT AGREEMENT
(Susan Davia AG Notice 2016-00941)**

1. INTRODUCTION

1.1 The Parties

This settlement agreement (“Agreement” or “Settlement Agreement”) is entered into by and between Susan Davia, (“Davia”) and PEM America, Inc. (“PEM”), with Davia and PEM each referred to as a “Party” and collectively referred to as the “Parties.”

1.2 Davia

Davia is an individual residing in the State of California who seeks to promote awareness of exposure to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products.

1.3 PEM America, Inc.

PEM is alleged to have been responsible for the manufacture and distribution of the products subject to this Agreement. PEM 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”).

1.4 General Allegations

Davia alleges that PEM participated in the manufacture, distribution and/or sale, in the State of California, of PVC product display and storage cases made with materials that exposed users to DEHP without first providing “clear and reasonable warning” under Proposition 65. DEHP is listed as a carcinogen and reproductive toxin pursuant to Proposition 65. DEHP shall be referred to hereinafter as the “Listed Chemical”.

1.5 Notices of Violation

On August 25, 2016, Davia served PEM and various public enforcement agencies with a document entitled “60-Day Notice of Violation” that provided public enforcers and PEM with notice of alleged violations of Health & Safety Code § 25249.6 for failing to warn consumers of the presence of DEHP, a toxic chemical found in the Covered Products sold in California (AG Notice 2016-00941).

The August 25, 2016, 60-Day Notice of Violation shall be referred to herein as "Notice."

PEM received the Notice, and represents that, as of the date it executes this Agreement, it is not aware of any public enforcer that is diligently prosecuting a Proposition 65 enforcement action related to DEHP in the Covered Products, as identified in the 60-Day Notice.

1.6 No Admission

This Agreement resolves claims that are denied and disputed by PEM. The Parties enter into this Agreement pursuant to a full, final and binding settlement of any and all claims between the Parties for the purpose of avoiding prolonged litigation. PEM denies the material factual and legal allegations contained in the Notices, maintains that it did not knowingly or intentionally expose California consumers to DEHP through the reasonably foreseeable use of the Covered Products and otherwise contends that, all Covered Products it has manufactured, distributed and/or sold in California have been and are in compliance with all applicable laws. Nothing in this Agreement shall be construed as an admission by PEM of any fact, finding, issue of law, or violation of law, nor shall compliance with this Agreement constitute or be construed as an admission by PEM of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by PEM. However, notwithstanding the foregoing, this section shall not diminish or otherwise affect PEM's obligations, responsibilities, and duties under this Agreement.

1.7 Consent to Jurisdiction

For purposes of this Agreement only, the Parties stipulate that the Marin County Superior Court has jurisdiction over PEM as to the allegations in the 60-Day Notices received from Davia, and this Agreement, that venue is proper in County of Marin, and that the Marin County Superior Court has jurisdiction to enforce the provisions of this Agreement. As an express part of this Agreement, pursuant to Code of Civil Procedure Section 664.6 the Marin County Superior Court has jurisdiction over the parties to enforce the settlement until performance in full of the terms of the settlement.

2. DEFINITIONS

2.1 The term “Product” or “Covered Product” shall mean all PEM bedding product packaging/storage cases made with vinyl/PVC., including those vinyl/PVC case for reversible 2 Pc. Comforter Sets (all sizes, including Jasper 2 Pc. Comforter Set).

2.2 The term “Phthalate Free” Covered Products shall mean that each component of each Covered Product contains less than or equal to 1,000 parts per million (“ppm”) of each of the following chemicals: di(2-ethylhexyl phthalate) (“DEHP”), dibutyl phthalate (“DBP”), diisononyl phthalate (“DINP”), diisodecyl phthalate (“DIDP”), di-n-hexyl phthalate (“DnHP”) and butyl benzyl phthalate (“BBP”) as determined test results using Environmental Protection Agency (“EPA”) testing methodologies 3580A and 8270C or equivalent methodologies used by state or federal agencies for purposes of determining phthalate content in a solid substance.

2.3 “Effective Date” shall mean August 1, 2017.

3. INJUNCTIVE-TYPE RELIEF

3.1 Product Reformulation Commitment

3.1.1 No later than the thirty (30) days prior to the Effective Date, PEM shall provide the Phthalate Free phthalate concentration standards of Section 2.2 to its then-current vendors of any Covered Product and any vendor for the bedding product incorporating a Covered Product and instruct such entities not to incorporate any raw or component materials that do not meet the Phthalate Free concentration standards of Section 2.2 into any Covered Product. PEM shall maintain copies of all vendor correspondence relating to the Phthalate Free concentration standards for two (2) years after the Effective Date and shall produce such copies to Davia within thirty (30) days of receipt of reasonable request made in writing from Davia, as long as such request is made within two (2) years after the Effective Date.

3.1.2 After the Effective Date, PEM shall provide the Phthalate Free phthalate concentration standards of Section 2.2 to any New Vendors of any Covered Product and any New Vendors for the bedding product incorporating a Covered Product and instruct such entities not to incorporate any

raw or component materials that do not meet the Phthalate Free concentration standards of Section 2.2 into any Covered Product. "New Vendors" means vendors of Covered Products from whom PEM was not obtaining Covered Products as of the Effective Date. Prior to purchase and acquisition of any Covered Product from any New Vendor, PEM shall obtain a written confirmation and accompanying laboratory test result from the New Vendor, or shall obtain such a laboratory test result itself, demonstrating compliance with the Phthalate Free phthalate concentration standard in all materials comprising the Covered Product. For two (2) years after the Effective Date, for every Covered Product PEM manufactures, causes to be manufactured, orders, causes to be ordered or otherwise obtains from a New Vendor after the Effective Date, PEM shall maintain copies of all testing of such products demonstrating compliance with this section, shall maintain copies of all vendor correspondence relating to the Phthalate Free concentration standards and shall produce such copies to Davia within thirty (30) days of receipt of reasonable request made in writing from Davia as long as such request is made within two (2) years after the Effective Date.

3.1.3 As of the Effective Date, PEM shall not manufacture or cause to be manufactured, order or cause to be ordered any Covered Product that is not Phthalate Free. For every Covered Product PEM manufactures, causes to be manufactured, orders or causes to be ordered after the Effective Date, PEM shall maintain copies of all testing of such products demonstrating compliance with this section, shall maintain copies of all vendor correspondence relating to the Phthalate Free concentration standards of Section 2.2 and shall produce such copies to Davia within thirty (30) days of receipt of reasonable request made in writing from Davia, as long as such request is made within two (2) years after the Effective Date.

3.2 PEM Customer Notification

No later than July 1, 2017, PEM shall send a letter, electronic or otherwise ("Notification Letter") to (1) each retailer or distributor in California to which it, after January 1, 2015, supplied any Covered Product; (2) any other retailer or distributor in California that PEM reasonably understands or believes has any inventory of Covered Products; and (3) any other retailer or customer that PEM reasonably understands or believes has any inventory of Covered Products and maintains any retail

outlet for the sale of Covered Products in California. The Notification Letter shall advise the recipient that Covered Products contain DEHP, a chemical known to the State of California to cause birth defects and other reproductive harm. The Notification letter shall direct recipient that all Covered Product must be labelled with a clear and reasonable Proposition 65 warning before it is sold in the California market or to a California customer. The Notification Letter shall include a sheet of white background, adhesive Proposition 65 Warning stickers with the following warning in no less than Book Antiqua, point 9 font (or its equivalent):

WARNING: This vinyl packaging bag contains one or more chemicals known to the State of California to cause cancer and birth defects or other reproductive harm.

The Notification Letter shall request written confirmation from the recipient, within 15 days of receipt, that all such inventory for California sale has been, or will be, labelled with the warning language identified in this section.

3.2.1 PEM shall maintain records of compliance correspondence, inventory reports or other communication confirming compliance with § 3.2.1 for three (3) years from the Effective Date and shall produce copies of such records upon written request by Davia.

3.2.2 If, after the execution of this Agreement, Proposition 65 or its warning regulations are revised or amended in a manner that PEM contends is inconsistent with, or requires warning specifications or options different from the specifications in this Settlement Agreement, PEM may request to modify the content and delivery methods of its warnings to conform to the modified or amended provisions of Proposition 65 or its regulations. PEM shall first meet and confer with plaintiff, in writing, and provide plaintiff with the revised/amended regulation at issue, the existing warning content and delivery methods and the proposed, new warning content and delivery methods. If the parties can agree on any revision to the content and delivery method for PEM's warnings, such agreement shall be reflected in an amendment to this Agreement. If the parties cannot

agree upon an appropriate amendment, then PEM may utilize formal court procedures to seek a court order approving the proposed amendment.

3.3 Existing Inventory Product Packaging Labels

For any inventory of Covered Products obtained by PEM prior to the Effective Date, PEM shall not sell or ship any of such Covered Product that is not Phthalate Free to a California customer or retailer, or sell or ship any Covered Product that is not Phthalate Free to a customer or retailer that PEM has reason to know maintains retail outlets in the California, unless such Covered Products shipped with product package label set forth hereafter.

Each such label utilized by PEM for any Covered Product shall be prominently placed either on the exterior surface of the clear packaging or where other health and safety warnings are located, with such conspicuousness as compared with other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use.

3.3.1 Covered Product Packaging Label.

For all existing inventory of non-Phthalate Free Covered Product sold into, California, to a California customer or to any entity that PEM has reason to know either maintains retail outlets in California or is a distributor for any entity that maintains retail outlets in California, PEM shall affix a label to the Covered Product that states:

WARNING: This vinyl packaging bag contains one or more chemicals known to the State of California to cause cancer and birth defects or other reproductive harm.

3.3.2 If, after the execution of this Agreement, Proposition 65 or its warning regulations are revised or amended in a manner that PEM contends is inconsistent with, or requires warning specifications or options different from the specifications in this Settlement Agreement, PEM may request to modify the content and delivery methods of its warnings to conform to the modified or amended provisions of Proposition 65 or its regulations. PEM shall first meet and confer with

plaintiff, in writing, and provide plaintiff with the revised/amended regulation at issue, the existing warning content and delivery methods and the proposed, new warning content and delivery methods. If the parties can agree on any revision to the content and delivery method for PEM's warnings, such agreement shall be reflected in an amendment to this Agreement. If the parties cannot agree upon an appropriate amendment, then PEM may utilize formal court procedures to seek a court order approving the proposed amendment.

3.3.3 Termination of Warning Option

As of July 1, 2018, PEM shall no longer sell any Covered Product that is not Phthalate Free to a California customer or retailer, or sell or ship any Covered Product that is not Phthalate Free to a customer or retailer that PEM has reason to know maintains retail outlets in the California, regardless of whether that Covered Product is labelled with a Proposition 65 warning pursuant to this Section.

4. MONETARY PAYMENTS

4.1 Civil Penalty

As a condition of settlement of all the claims referred to in this Consent to Judgment, PEM shall cause to be paid a total of \$9,500 in civil penalties in accordance with California Health & Safety Code § 25249.12(c)(1) & (d).

4.2 Augmentation of Penalty Payments

For purposes of the penalty assessment under this Agreement, Davia is relying entirely upon PEM and its counsel for accurate, good faith reporting to Davia of the nature and amounts of relevant sales activity. If within nine (9) months of the Effective Date, Davia discovers and presents to PEM evidence that the Covered Products have been distributed by PEM in sales volumes materially different (more than 25%) than those identified by PEM prior to execution of this Agreement, then PEM shall be liable for an additional penalty amount of up to \$10,000.00. PEM shall also be liable, in accordance with the requirements of Code of Civil Procedure section 1021.5 for any reasonable, additional attorney fees expended by Davia in discovering such additional retailers or sales. Davia

agrees to provide PEM with a written demand for all such additional penalties and attorney fees under this Section. After service of such demand, PEM shall have thirty (30) days to meet and confer with plaintiff and either (1) agree to the amount of fees and penalties owing by PEM and submit such payment to Davia in accordance with the method of payment of penalties and fees identified in Section 4.1 and 4.4 or (2) provide any evidence and argument against additional civil penalties to plaintiff. Should this thirty (30) day period pass without any resolution between the parties and payment of such additional penalties and fees, Davia shall be entitled to file a formal legal claim for additional civil penalties pursuant to this Section. The prevailing party on any claim filed for additional civil penalties pursuant to this Section shall be entitled to all reasonable attorney fees and costs, in accordance with the requirements of Code of Civil Procedure section 1021.5, relating to such claim.

4.3 Reimbursement of Davia's Fees and Costs

The Parties acknowledge that Davia and her 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 issue to be resolved after the material terms of the agreement had been settled. PEM then expressed a desire to resolve the fee and cost issue shortly after the other settlement terms had been finalized. The Parties then attempted to (and did) reach an accord on the compensation due to Davia and her 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 in this matter, except fees that may be incurred on appeal. Under these legal principles, PEM shall cause to be paid to Davia's counsel the amount of \$29,000 for fees and costs incurred investigating, litigating and enforcing this matter. Such payment shall be made payable to "Sheffer Law Firm".

4.4 Payment Procedures

PEM shall satisfy its obligation to pay civil penalties pursuant to Section 4.1 by delivery of a civil penalty check payable to "OEHHA" (EIN: 68-0284486, Memo line "Prop 65 Penalties, 2016-00941"), in the amount of \$7,125 and a civil penalty check payable to "Susan Davia" (Tax ID to be supplied, Memo line "Prop 65 Penalties, 2016-00941") in the amount of \$2,375. Davia shall be

responsible for delivering to the California Office of Environmental Health Hazard Assessment the civil penalty check payable to OEHHA.

PEM shall satisfy its obligation to pay attorney fees and costs pursuant to Section 4.3 by delivery of a check payable to "Sheffer Law Firm" (EIN 55-08-58910, Memo line "2016-00941") in the amount of \$29,000.

PEM shall satisfy its obligation to pay any civil penalties pursuant to Section 4.2 by civil penalty checks payable to "OEHHA" and "Susan Davia" (Memo line "Prop 65 Penalties, 2016-00941"), in the amounts agreed to pursuant to Section 4.2 or as ordered by the Court.

PEM shall satisfy its obligation to pay any attorney fees or costs pursuant to Section 4.2 by a check payable to "Sheffer Law Firm" (EIN 55-08-58910, Memo line "2016-00941"), in the amounts agreed to pursuant to Section 4.2 or as ordered by the Court.

All Section 4.1 and Section 4.3 civil penalty and attorney fee/cost payments shall be delivered to plaintiff's counsel within five (5) business days after execution of this Agreement, at the following address:

Sheffer Law Firm
Attn: Proposition 65 Controller
81 Throckmorton Ave., Suite 202
Mill Valley, CA 94941

All Section 4.2 civil penalty and attorney fee/cost payments shall be delivered to plaintiff's counsel at the following address on or before the date agreed upon pursuant to that section or ordered by the Court:

Sheffer Law Firm
Attn: Proposition 65 Controller
81 Throckmorton Ave., Suite 202
Mill Valley, CA 94941

PEM shall be liable for payment of interest, at a rate of 10% simple interest, for all amounts due and owing from it under this Section that are not received by Sheffer Law Firm within two business days of the due date for such payment.

4.5 Issuance of 1099 Forms

After this Agreement has been executed and the settlement funds have been transmitted to Davia's counsel, PEM shall cause three separate 1099 forms to be issued, as follows:

- (a) The first 1099 shall be issued to the Office of Environmental Health Hazard Assessment, P.O. Box 4010, Sacramento, CA 95814 (EIN: 68-0284486) in the amount paid pursuant to Sections 4.1 and 4.2;
- (b) The second 1099 shall be issued to Davia in the amount paid pursuant to Sections 4.1 and 4.2, whose address and tax identification number shall be furnished upon request; and
- (c) The third 1099 shall be issued to the Sheffer Law Firm (EIN: 55-08-58910) in the amount paid pursuant to Section 4.3 and 4.2.

5. RELEASES

5.1 DAVIA'S RELEASE OF PEM

5.1.1 This settlement agreement is a full, final and binding resolution between Davia, and PEM of any violation of Proposition 65 that was or could have been asserted by Davia on behalf of herself, her representatives or attorneys, against PEM, its directors, officers, employees, attorneys ("Releasees"), and each entity to whom PEM directly or indirectly distributes or sells Covered Products, including, but not limited, to Macy's Merchandising Group, Inc., Macy's West Stores, Inc. and Macy's Inc. as well as other retailers and downstream distributors ("Downstream Releasees"), based on their alleged failure to warn about alleged exposures to DEHP contained in the Covered Products that were sold by PEM into California before the Effective Date. As to Davia only, PEM's compliance with the terms of this settlement shall be deemed compliance with Proposition 65 as to exposures to DINP, DIDP, DEHP, DBP, BBP and DnHP in the Covered Products.

5.1.2 Davia also provides a general release herein which shall be effective as a full and final accord and satisfaction, as a bar to all claims, actions and causes of action, of any nature, character or kind, known or unknown, suspected or unsuspected, arising out of the subject matter of the Notice as to Covered Products sold by PEM or Releasees into California prior to the Effective Date. Davia

acknowledges that she is familiar with 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.

Davia, in her individual capacity expressly waives and relinquishes any and all rights and benefits that she may have under, or which may be conferred on her by the provisions of Section 1542 of the California Civil Code as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that he may lawfully waive such rights or benefits pertaining to the released matters. In furtherance of such intention, the release hereby given shall be and remain in effect as a full and complete release notwithstanding the discovery or existence of any such additional or different claims or facts arising out of the released matters.

This Section 5 release shall not release any obligations created by or set forth in this Agreement.

The Parties further understand and agree that this Section 5 release shall not extend upstream to any entities, other than PEM, that manufactured the Covered Products or any component parts thereof, or any distributors or suppliers who sold the Covered Products or any component parts thereof to PEM.

5.2 PEM RELEASE OF DAVIA

PEM on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives any and all claims against Davia and her attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Davia and her attorneys and other representatives through the execution of this Agreement whether in the course of investigating claims in this matter, otherwise seeking to enforce Proposition 65 against it in this matter, or with respect to the Covered Products that were the subject

of the Notices. PEM acknowledges that it is familiar with 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.

PEM expressly waives and relinquishes any and all rights and benefits which it may have under, or which may be conferred on it by the provisions of Section 1542 of the California Civil Code as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that it may lawfully waive such rights or benefits pertaining to the released matters identified in this Section 5.2. In furtherance of such intention, the release hereby given shall be and remain in effect as a full and complete release notwithstanding the discovery or existence of any such additional or different claims or facts arising out of the released matters.

6. SEVERABILITY

If any of the provisions of this Agreement are found by a court to be unenforceable, the validity of the enforceable provisions remaining, after express agreement of the Parties, shall not be adversely affected, unless the Court finds that any unenforceable provision is not severable from the remainder of the Agreement.

7. GOVERNING LAW

The terms of this Agreement shall be governed by the laws of the State of California.

8. NOTICES

When any Party is entitled to receive any notice under this Agreement, the notice shall be sent by FedEx (or other tracked delivery service) or electronic mail to the following:

For PEM America, Inc.:

Chuck Brannon, COO
PEM America, Inc.

70 West 36th Street, 2nd Floor
New York, NY 10018

With a copy to its counsel:

Bruce Nye
Adams Nye Becht LLP
222 Kearny Street, 7th Floor
San Francisco, CA 94108-4521
bnye@adamsnye.com

For Davia to:

Proposition 65 Coordinator
Sheffer Law Firm
81 Throckmorton Ave., Suite 202
Mill Valley, CA 94941

Any Party may modify the person and address to whom the notice is to be sent by sending each other Party notice by certified mail and/or other verifiable form of written communication.

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

Davia agrees to comply with the reporting form requirements referenced, in California Health & Safety Code §25249.7(f).

10. MODIFICATION

This Agreement may be modified only by written agreement of the Parties or court order.

11. ENTIRE AGREEMENT

This 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, and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties. No supplementation, modification, waiver, or termination of this Agreement shall be binding unless executed in writing by the Party to be bound. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any of the other provisions whether or not similar, nor shall such waiver constitute a continuing waiver

12. ATTORNEY'S FEES

12.1 Should Davia prevail on any motion, application for order to show cause or other proceeding to enforce a violation of this Agreement, Davia shall be entitled to her reasonable attorney fees and costs incurred as a result of such motion, order or application, consistent with C.C.P. § 1021.5. Should PEM prevail on any motion, application for order to show cause or other proceeding to enforce a violation of this Agreement, PEM may be entitled to its reasonable attorney fees and costs incurred as a result of such motion, order or application upon a finding that Davia's prosecution of the motion or application lacked substantial justification. For purposes of this Agreement, the term substantial justification shall carry the same meaning as used in the Civil Discovery Act of 1986, Code of Civil Procedure §§ 2016, *et seq.*

12.2 Except as otherwise specifically provided herein, each Party shall bear its own costs and attorney's fees in connection with the Notices.

12.3 Nothing in this Section shall preclude a Party from seeking an award of sanctions pursuant to law.

13. NEUTRAL CONSTRUCTION

Both Parties and their counsel have participated in the preparation of this Agreement and this Agreement is the result of the joint efforts of the Parties. This 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 Agreement shall not be interpreted against any Party as a result of the manner of the preparation of this Agreement. Each Party to this Agreement agrees that any statute or rule of construction providing that ambiguities are to be resolved against the drafting Party should not be employed in the interpretation of this Agreement and, in this regard, the Parties hereby waive California Civil Code Section 1654.

14. COUNTERPARTS, FACSIMILE SIGNATURES

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

15. AUTHORIZATION

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

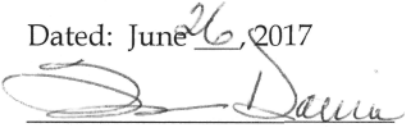
IT IS SO AGREED

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| <p>Dated: June __, 2017</p> <p>_____</p> <p>Chuck Brannon, COO PEM America, Inc.</p> | <p>Dated: June __, 2017</p> <p>_____</p> <p>Susan Davia</p> |
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15. AUTHORIZATION

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


IT IS SO AGREED

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| <p>Dated: June __, 2017</p> <p>_____</p> <p>Heath Hart, President PEM America, Inc.</p> | <p>Dated: June <u>26</u>, 2017</p> <p></p> <p>Susan Davia</p> |
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15. AUTHORIZATION

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

IT IS SO AGREED

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| <p>Dated: June <u>29</u>, 2017</p> <p></p> <p>_____ Chuck Brannon, COO PEM America, Inc.</p> | <p>Dated: June ____, 2017</p> <p>_____</p> <p>Susan Davia</p> |
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