

SETTLEMENT AGREEMENT

Susan Davia Attorney General Notice 2016-00944

1. INTRODUCTION

1.1 The Parties

This settlement agreement (“Agreement” or “Settlement Agreement”) is entered into by and between Susan Davia (“Davia”), and Richloom Fabrics Group, Inc., Richloom Home Fashions Corp., and Richloom Corp. (collectively “Settling Defendants”). Settling Defendants and Davia are each a “Party” and are collectively the “Parties” to this Agreement.

1.2 Plaintiff Susan 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 Settling Defendants

Davia alleges that each of Richloom Fabrics Group, Inc., Richloom Home Fashions Corp., and Richloom Corp. 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”). For purposes of this Agreement only, Richloom Fabrics Group, Inc., Richloom Home Fashions Corp., and Richloom Corp. do not dispute that they qualify as such persons in the course of doing business.

1.4 General Allegations

Davia alleges that Settling Defendant participated in the manufacture (or other acquisition), distribution and/or sale, in the State of California, of vinyl/PVC packaging and storage cases for bedding and/or bedding accessories, which packaging or storage cases exposed users to di(2-ethylhexyl)phthalate (DEHP), diisononyl phthalate (“DINP”) and/or other listed phthalates without first providing a “clear and reasonable warning” under Proposition 65. DEHP, DINP and certain other phthalates are listed as carcinogens and/or reproductive and developmental toxins pursuant to Proposition 65. DEHP, DINP and other listed phthalates, shall hereinafter, where applicable, be

referred to as the “Listed Chemical” or “Listed Chemicals” as the case may be. For purposes of the Notices referenced and settled by this Agreement, Plaintiff does not contend that any products packaged inside the Covered Packaging sold by Settling Defendants contain any listed phthalates or other Listed Chemicals in alleged violation of Proposition 65.

1.5 Notices of Violation

On August 25, 2016, Davia served Settling Defendants and various public enforcement agencies with a document entitled “60-Day Notice of Violation” that provided public enforcers and the noticed entities with notice of alleged violations of Health & Safety Code § 25249.6 for failing to warn consumers of the presence of DEHP and DINP found in Covered Packaging sold in California. Each Settling Defendant received a 60-Day Notice of Violation (the “Notice”).

Each Settling Defendant and Davia represent that, as of the date each executes this Agreement, it is not aware of any public enforcer that is diligently prosecuting a Proposition 65 enforcement action related to DEHP or DINP in the Covered Packaging as identified in that Settling Defendant’s 60-Day Notice.

1.6 No Admission

This Agreement resolves claims that are denied and disputed by Settling Defendants. The Parties enter into this Agreement pursuant to a full and final settlement of any and all claims between the Parties for the purpose of avoiding prolonged litigation. Settling Defendants each deny the material factual and legal allegations contained in the Notice and expressly maintain that they did not knowingly or intentionally expose California consumers to any listed chemicals through the reasonably foreseeable use of the Covered Packaging, and otherwise contend that all Covered Packaging and products that each has manufactured, distributed and/or sold in California have been and are in compliance with all applicable laws, and are completely safe for their intended use. Nothing in this Agreement shall be construed as an admission by Settling Defendants 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 the Settling Defendants of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Settling Defendants. Notwithstanding the foregoing, this section

shall not diminish or otherwise affect Settling Defendants' obligations, responsibilities, and duties under this Agreement.

1.7 Consent to Jurisdiction

For purposes of this Agreement only, the Parties stipulate that the Orange County Superior Court has jurisdiction over Settling Defendants as to the allegations in the Notice and that venue is proper in the County of Marin. As an express part of this Agreement, this Agreement shall be considered as made pursuant to Code of Civil Procedure Section 664.6, and the Marin County Superior Court shall retain jurisdiction over the Parties to enforce this Agreement until performance in full of the terms of the settlement.

2. DEFINITIONS

2.1 The term "KAS Packaging" or "KAS Covered Packaging" shall mean the bedding packaging, bedding accessory packaging, and storage cases for and KAS Room Duvet Covers (all sizes) made in whole or in part with vinyl or PVC.

2.2 The term "KC Packaging" or "KC Covered Packaging" shall mean the bedding packaging, bedding accessory packaging, and storage cases for Kenneth Cole Reaction Coverlet (all sizes, such as Horizon) made in whole or in part with vinyl or PVC.

2.3 The term "Covered Packaging" shall collectively refer to both "KAS Packaging" or "KAS Covered Packaging" and "KC Packaging" or "KC Covered Packaging."

2.4 The term "Phthalate Free" Covered Packaging shall mean that each component of any Covered Packaging contains less than or equal to 1,000 parts per million ("ppm") each of DEHP, DBP, DINP, DIDP, DnHP and BBP as determined by a minimum of duplicate quality controlled 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 DEHP or other listed phthalate content in a solid substance. Davia agrees that Covered Packaging meeting this reformulation standard complies with Proposition 65 for DEHP, DBP, DINP, DIDP, DnHP and BBP.

3. INJUNCTIVE RELIEF

3.1 KAS Covered Packaging Reformulation Commitment

3.1.1 No later than May 15, 2017, or the date of first KAS Covered Packaging order thereafter, Settling Defendants shall provide the Phthalate Free concentration standards of Section 2.2 to the manufacturer or vendors of any KAS Covered Packaging and the vinyl/PVC components thereof and instruct each such entity not to incorporate any raw or component materials that do not meet the Phthalate Free concentration standards of Section 2.2 into any such KAS Covered Packaging. Settling Defendants shall maintain copies of all vendor correspondence relating to the KAS Covered Packaging Phthalate Free concentration standard for two years after the creation of the correspondence, and shall produce such copies to Davia within fifteen (15) days of receipt of Davia's reasonable written request.

3.1.2 After May 15, 2017, Settling Defendants shall provide the Phthalate Free concentration standards of Section 2.2 to any new manufacturer or vendor of the KAS Covered Packaging, and any vinyl/PVC component thereof, and instruct such manufacturer or vendor not to incorporate any raw or component materials that do not meet the Phthalate Free concentration standards of Section 2.2 into any such KAS Covered Packaging. Prior to the purchase or acquisition of any KAS Covered Packaging from such new manufacturer or vendor, Settling Defendants shall obtain a written confirmation from the new manufacturer or vendor of the KAS Covered Packaging's compliance with the Phthalate Free concentration standard. For every KAS Covered Packaging that Settling Defendants manufacture, cause to be manufactured, order, cause to be ordered or otherwise obtain from such a new vendor Settling Defendants shall maintain copies, for two years after correspondence creation, of all vendor correspondence relating to the Phthalate Free concentration standard, and shall produce such copies to Davia within fifteen (15) days of receipt of written request from Davia.

3.1.3 As of July 1, 2017, Settling Defendant shall not sell or ship any KAS Covered Packaging that is not Phthalate Free to a California vendor or retailer, or to a vendor or retailer that Settling Defendant reasonably understands maintains retail outlets in California, unless such KAS Covered Packaging is sold or shipped with labeling or a sticker complying with Section 3.3.

3.1.4 After September 30, 2017, Settling Defendant shall not sell or ship any KAS Covered Packaging that is not Phthalate Free to a California vendor or retailer, or to a vendor or retailer that Settling Defendant reasonably understands maintains retail outlets in California.

3.2 KC Covered Packaging Reformulation Commitment

3.2.1 No later than December 31, 2017, or the date of first KC Covered Packaging order thereafter, Settling Defendants shall provide the Phthalate Free concentration standards of Section 2.2 to the manufacturer or vendors of any KC Covered Packaging and the vinyl/PVC components thereof and instruct each such entity not to incorporate any raw or component materials that do not meet the Phthalate Free concentration standards of Section 2.2 into any such KC Covered Packaging. Settling Defendants shall maintain copies of all vendor correspondence relating to the KC Covered Packaging Phthalate Free concentration standard for two years after creation of the correspondence, and shall produce such copies to Davia within fifteen (15) days of receipt of Davia's reasonable written request.

3.2.2 After December 31, 2017, Settling Defendants shall provide the Phthalate Free concentration standards of Section 2.2 to any new manufacturer or vendor of the KC Covered Packaging, and any vinyl/PVC component thereof, and instruct such manufacturer or vendor not to incorporate any raw or component materials that do not meet the Phthalate Free concentration standards of Section 2.2 into any such KC Covered Packaging. Prior to the purchase or acquisition of any KC Covered Packaging from such new manufacturer or vendor, Settling Defendants shall obtain a written confirmation from the new manufacturer or vendor of the KC Covered Packaging's compliance with the Phthalate Free concentration standard. For every KC Covered Packaging that Settling Defendants manufacture, cause to be manufactured, order, cause to be ordered or otherwise obtain from such new vendor, Settling Defendants shall maintain copies, for two years after the creation of the correspondence, of all vendor correspondence relating to the Phthalate Free concentration standard, and shall produce such copies to Davia within fifteen (15) days of receipt of written request from Davia.

3.2.3 As of June 1, 2017, Settling Defendant shall not sell or ship any KC Covered Packaging that is not Phthalate Free to a California vendor or retailer, or to a vendor or retailer that Settling Defendant reasonably understands maintains retail outlets in California, unless such KC Covered Packaging is sold or shipped with labeling or a sticker complying with Section 3.3.

3.2.4 After March 1, 2018, Settling Defendant shall not sell or ship any KC Covered Packaging that is not Phthalate Free to a California vendor or retailer, or to a vendor or retailer that Settling Defendant reasonably understands maintains retail outlets in California.

3.2.5 No later than the December 31, 2017, Settling Defendants shall only manufacture or cause to be manufactured, order, or cause to be ordered any KC Covered Packaging that is Phthalate Free.

3.3 Product Packaging Labels

Each labelling or sticker required by Section 3 shall be prominently placed either on the front, 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 *before* purchase or use. If Settling Defendant uses a sticker to communicate the notice required by this section, such sticker shall be no less than 5 square centimeters and shall be comprised of black font letters on a white adhesive label. The language required to be included on the label or sticker shall read as follows:

[CALIFORNIA PROP 65] WARNING: This packaging contains a chemical [alternatively: “chemicals, including DEHP or DINP”], known to the State of California to cause cancer and birth defects or other reproductive harm. *This packaging is not intended as a storage container. Please discard packaging after removing product.*

The bracketed language may, but is not required to, be used.

4. MONETARY PAYMENTS

4.1 Civil Penalty

As a condition of settlement of all the claims referred to in this Agreement, Settling Defendants shall pay a total of \$8,000 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 Settling Defendants 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 Settling Defendants evidence that the Covered Products have been distributed by Settling Defendants in sales volumes materially different than those identified by Settling Defendants prior to execution of this Agreement, and Settling Defendants concede the violation, then Settling Defendants shall be liable for an additional penalty amount of \$10,000. Settling Defendants shall also be liable for any reasonable, additional attorney fees expended by Davia in discovering such additional retailers or sales, up to a maximum of \$10,000 or some other amount awarded by the court after hearing. In the event that Settling Defendants dispute the claim of violation, then the parties agree to submit the matter to a neutral arbitrator for resolution. Davia agrees to provide Settling Defendants with a written demand for all such additional penalties and documentation of reasonable attorney fees under this Section. After service of such demand, Settling Defendants shall have thirty (30) days to agree to the amount of fees and penalties owing by Settling Defendants 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. Should this thirty (30) day period pass without any such resolution between the parties and payment of such additional penalties and fees, Davia shall be entitled to file a formal demand for arbitration with a neutral arbitrator at JAMS or ADR Services, Inc. for additional civil penalties pursuant to this Section. Any arbitration shall take place in Marin County or San Francisco County unless otherwise agreed by the Parties. The prevailing party in any such arbitration demand shall be entitled to all reasonable attorney fees and costs 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. Settling Defendants 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, Settling Defendants shall pay Davia's counsel the amount of \$28,600 for reasonable fees and costs incurred investigating, litigating and enforcing this matter. Such payment shall be made payable to "Sheffer Law Firm"

4.4 Payment Procedures

Settling Defendants shall pay civil penalties pursuant to Section 4.1 by a civil penalty check payable to "OEHHA" (Memo line "Prop 65 Penalties, 2016-00943, 2016-00944"), in the amount of \$6,000 and a civil penalty check payable to "Susan Davia" (Memo line "Prop 65 Penalties, 2016-00943, 2016-00944") in the amount of \$2,000.

Settling Defendants shall pay any civil penalties pursuant to Section 4.2 by a civil penalty check payable to "OEHHA" (Memo line "Prop 65 Penalties, 2016-00943, 2016-00944"), in the amount of \$7,500.00 and a civil penalty check payable to "Susan Davia" (Memo line "Prop 65 Penalties, 2016-00943, 2016-00944") in the amount of \$2,500.00.

Settling Defendants shall pay attorney fees and costs pursuant to Section 4.3 by a check payable to "Sheffer Law Firm" (Memo line "2016-00944") in the amount of \$28,600.

Settling Defendants shall pay any attorney fees and costs pursuant to Section 4.2 by delivery of a check payable to "Sheffer Law Firm" (Memo line "2016-00944") in the amount determined pursuant to that section.

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 the 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:

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

Settling Defendants 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, each Settling Defendant shall issue three separate 1099 forms, as follows, for its settlement payments specified in its Exhibit A:

(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 (if any);

(b) The second 1099 shall be issued to Davia in the amount paid pursuant to Sections 4.1 and 4.2 (if any), 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 4.2 (if any) and Section 4.3.

4.6 Delayed or Non-Payment of Civil Penalties or Attorney Fees

While the obligations of this Agreement are binding upon execution, the Release of Settling Defendants shall not become effective as to a Settling Defendant until after all of that Settling Defendant's Section 4.1 and 4.3 monetary payments have been made and all such funds have cleared.

5. RELEASES

5.1 Davia's Release of Settling Defendants

5.1.1 This Agreement is a full, final and binding resolution between Davia and Settling Defendants of all violations of Proposition 65 asserted by Davia against Settling Defendants, including parents, subsidiaries, shareholders, directors, members, officers, employees, attorneys, successors, and assignees of Settling Defendants, and each entity to whom Settling Defendants directly or indirectly distribute or sell products in Covered Packaging, including vendors, retailers, and resellers of Covered Packaging (collectively "Releasees"), based on their failure to warn about alleged exposures to Listed Chemicals contained in Covered Packaging manufactured, distributed, sold and/or offered for sale by Settling Defendants in California before July 1, 2017 as detailed in the Notice sent to Settling Defendants.

5.1.2 Davia also provides a general release herein, which shall be effective as a full and final accord and satisfaction, and operate as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities, and demands of Davia, of any nature, character or kind, known or unknown, suspected or unsuspected, arising out of Covered Packaging manufactured, distributed or sold by Settling Defendants or Releasees prior to July 1, 2017. 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 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 she may lawfully waive such rights or benefits pertaining to the released matters as described hereinabove. In furtherance of such intention, excepting Section 4.2, 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.

The Parties further understand and agree that this Section 5.1 release shall not extend upstream to any entities, other than Settling Defendants, that manufactured the Covered Packaging or any component parts thereof, or any distributors or suppliers who sold the Covered Packaging or any component parts thereof to Settling Defendants.

5.2 Settling Defendant's Release of Davia

Settling Defendants, on behalf of themselves, their past and current agents, representatives, attorneys, successors, and/or assignees, hereby waive 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, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against them in this matter, or with respect to Covered Packaging. Settling Defendants acknowledge that they are 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.

Settling Defendants 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.

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 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. In the event that Proposition 65 is repealed, or is otherwise rendered inapplicable, by reason of law generally, or as to the Covered Packaging, then Settling Defendants may, upon proper written notice to Davia of any asserted change in the law, make a motion in the Orange County Superior Court to be relieved from further obligations pursuant to this Agreement with respect to, and to the extent that, Covered Packaging is so affected.

8. NOTICES

When any Party is entitled to receive any notice under this Agreement, the notice shall be sent by mail to the following:

For Richloom, to:

Richard Schaeffer, CFO
Richloom Corp.
Richloom Fabrics Group, Inc.
Richloom Home Fashions Corp.
261 Fifth Avenue, Floor 12
New York, NY 10016

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 after agreement of the affected Parties.

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 with respect to the subject matter hereof. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties with respect to the subject matter hereof. 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 to or shall constitute a waiver of any other provision, whether or not similar, nor shall such waiver constitute a continuing waiver.

12. ATTORNEY'S FEES

12.1 Should any Party prevail on any motion, application for order to show cause or other proceeding to enforce a violation of this Agreement, such Party shall be entitled to its reasonable attorney's fees and costs incurred as a result of such motion, order or application, consistent with C.C.P. § 1021.5.

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

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

13. NEUTRAL CONSTRUCTION

The 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.

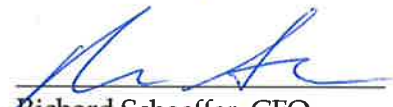
14. COUNTERPARTS, FACSIMILE SIGNATURES

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

<p>Dated: June <u>15</u>, 2017</p>  <p>Richard Schaeffer, CFO Richloom Corp. Richloom Fabrics Group, Inc. Richloom Home Fashions Corp.</p>	<p>Dated: June __, 2017</p> <hr/> <p>Susan Davia</p>
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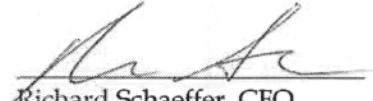
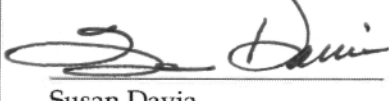
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15. AUTHORIZATION

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

Dated: June <u>14</u> , 2017  Richard Schaeffer, CFO Richloom Corp. Richloom Fabrics Group, Inc. Richloom Home Fashions Corp.	Dated: June <u>15</u> , 2017  Susan Davia
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