SETTLEMENT AGREEMENT SUSAN DAVIA AG NOTICE 2017-00260

1. INTRODUCTION

1.1 The Parties

This settlement agreement ("Agreement" or "Settlement Agreement") is entered into by and between Susan Davia ("Davia") and The Container Store, Inc. and The Container Store Group, Inc. (hereafter, collectively, "Container Store"), with Davia and Container Store each referred to as a Party and collectively referred to as the "Parties." This settlement is intended to and does compromise claims based upon alleged violations of Proposition 65, and any alleged failure to provide a warning in the language prescribed by Proposition 65, but does not compromise any claims, if any, based upon an alleged violation of the California Consumer Legal Remedy Act (Civil Code § 1750, et seq.) or California Unfair Competition Law (California Business & Professions Code § 17200, et seq.), except for those Unfair Competition Law claims based upon an alleged violation of Proposition 65, such as alleged unlawful, unfair or fraudulent practices based upon alleged violation of Proposition 65, such as alleged unlawful, unfair or fraudulent practices based upon alleged violation of Proposition 65, with respect to the absence of a clear and reasonable warning on the Covered Products manufactured, distributed, sold and/or offered for sale by Container Store before the Effective Date

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 Container Store

Each of The Container Store, Inc. and The Container Store Group, Inc. (individually and collectively "Container Store") is a person in the course of doing business in California for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §§ 25249.6 *et seq.* ("Proposition 65"). The Container Store Group, Inc. and The Container Store Inc. are each alleged to have been responsible for the distribution and California sale of the products subject to this Agreement

through California The Container Store retail outlets.

1.4 General Allegations

Davia alleges that Container Store participated in the manufacture (or other acquisition), distribution and/or sale, in or into the State of California, of certain vinyl-coated hanger products, which products exposed users to di(2-ethylhexyl)phthalate (DEHP) without first providing "clear and reasonable warning" under Proposition 65. DEHP is listed as a reproductive and developmental toxicant pursuant to Proposition 65. DEHP shall hereinafter, where applicable, be referred to as the "Listed Chemical."

1.5 Notice of Violation

On February 28, 2017, Davia served Container Store 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, a toxic chemical found in Covered Products sold in California. Container Store received the February 28, 2017, 60-Day Notice of Violation.

Container Store 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 Container Store. 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. Container Store denies the material factual and legal allegations contained in the Notice, maintains that it did not knowingly or intentionally expose California consumers to any Listed Chemical through the reasonably foreseeable use of the Covered Products and otherwise contends that, all Covered Products that Container Store 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 Container Store 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 Container Store of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Container Store. Nothing in this Agreement shall be construed as a waiver by Container Store to any defenses to claims in litigation related to the Covered Products. However, notwithstanding the foregoing, this section shall not diminish or otherwise affect Container Store'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 Container Store as to the allegations in the 60-Day Notice received from Davia, and over 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 if made pursuant to Code of Civil Procedure Section 664.6.

2. **DEFINITIONS**

2.1 The term "Products" or "Covered Products" shall mean all The Container Store brand vinyl-coated hangers supplied by, or purchased, from Richards Homewares, Inc., including, but not limited to, The Container Store brand vinyl-coated clothing hangers, including, but not limited to, The Container Store Pant Hanger (01100581631), The Container Store 4-Tier Swing-Arm Pant Hanger (01100581671), The Container Store Blanket & Comforter Hanger (014711401), The Container Store 6-Tier Blouse & Shirt Tree (01100581661), The Container Store 4-Tier Swing-Arm Skirt Hanger (01100581651), The Container Store Add-On Hanger With Clips and The Container Store Add-On Skirt Pant Hanger. "Covered Products" shall not mean any vinyl-coated hanger supplied by anyone other than Richards Homewares, Inc.

2.2 The term "Phthalate Free" Covered Products shall mean any vinyl component of any Covered Product to which a California Consumer could be exposed contains less than or equal to 1,000

parts per million ("ppm") of DEHP, DBP, DINP, DIDP, DnHP and BBP as determined by a minimum of quality controlled test results using Environmental Protection Agency ("EPA") testing methodologies 3580A and 8270C or similar methodologies accepted by the California or Federal government for identifying the concentration of phthalates in a solid substance.

2.3 "Effective Date" shall mean March 29, 2019.

2.4 The term "California Customer" shall mean any customer in a California Container Store retail store, any customer located in California or any customer with a California ship to address.

3. INJUNCTIVE-TYPE RELIEF

3.1 Products No Longer in Container Store's Control

Container Store represents as a material term of this Agreement that it provided warnings for the Covered Products on May 26, 2017, and the Covered Products currently contain warnings. Consequently, Container Store shall have no customer or store notification responsibility under this Agreement.

3.2 Product Reformulation Commitment

3.2.1 Container Store represents as a material term of this Agreement that it is no longer obtaining new inventory of Covered Products from Richards Homewares, Inc. as of the Effective Date. Should Container Store decide to acquire new inventory of Covered Products after the Effective Date, Container Store shall provide the Phthalate Free phthalate concentration standards of Section 2.2 to any new manufacturer or vendor from which it is acquiring Covered Product and instruct such manufacturer or vendor to meet the Phthalate Free concentration standards of Section 2.2 for any Covered Product provided to the Container Store for sale in California. Prior to purchase or other acquisition of any Covered Product from any new manufacturer or vendor, Container Store shall obtain a written confirmation from the new vendor demonstrating compliance with the Phthalate Free concentration standard in all vinyl materials comprising the Covered Product. Container Store shall

maintain copies of all vendor correspondence relating to the phthalates concentration standards for no less than two (2) years following the Effective Date.

3.2.2 No later than May 1, 2019, Container Store shall not sell any Covered Product to a California Customer unless that Covered Product is Phthalate Free, except for Covered Products covered by Section 3.3.

3.3 Product Warnings for Current Inventory of Covered Products

Container Store represents as a material term of this Agreement that it initially provided warnings for the Covered Products on May 26, 2017, and its inventory of the Covered Products acquired before the Effective Date are currently being sold with warnings.

As of the Effective Date, for any inventory of Covered Product acquired by Container Store prior to the Effective Date, Container Store will (a) not provide its California retail locations with any further inventory of the Covered Products with consumer packaging that includes the words "Phthalate Free"; (b) not ship any Covered Products with consumer packaging that includes the words "Phthalate Free" to California Customers; and (c) communicate to each of its California locations to review and not sell current inventory of Covered Products with "Phthalate Free" displayed on the consumer packaging.

For any inventory of Covered Product acquired by Container Store prior to the Effective Date that are not Phthalate Free, Container Store shall not sell such Covered Product in any California retail store unless the product is sold with a Proposition 65 warning prominently placed 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 and either (1) on the labeling of the Covered Product, (2) by a placard on each display shelf or rack from which any Covered Product is sold or (3) inclusion on both the rolling receipt displayed on a customer-facing computer screen and the printed customer receipt.

Any on-label warning shall contain the following statement:

▲WARNING: Cancer and Reproductive Harm -5 of 16

www.P65Warnings.ca.gov

Any warning included on a shelf or rack placard, or on both the rolling computer receipt and the printed customer receipt shall contain the following statement:

▲WARNING: This product can expose you to chemicals, including Di(2-ethylhexyl) phthalate (DEHP), which are known to the State of California to cause cancer, and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov

Where the label or other printing on the Covered Product, the placard or receipt is not printed using the color yellow, the equilateral triangle symbol may be printed in black and white.

For any inventory of Covered Product acquired by Container Store prior to the Effective Date, Container Store shall not sell such Covered Product through any ecommerce website, including www.containerstore.com, to any California Customer unless a Proposition 65 warning appears prominently placed 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 and (a) on the same web page on which a Covered Product is displayed; (b) on the same web page as the order form for a Covered Product; (c) on the same page as the price for any Covered Product; or (d) on one or more web pages displayed to a purchaser during the checkout process. One of the following warning statements shall be used and shall appear in any of the above instances adjacent to or immediately following the display, description, or price of the Covered Product for which it is given in the same type size or larger than the Covered Product description text:

WARNING: This product can expose you to chemicals, including Di(2-ethylhexyl) phthalate (DEHP), which are known to the State of California to cause cancer, and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.

Alternatively, the following "short form" warning may be used on the ecommerce site if the same

warning language also appears on the product label or consumer packaging itself.

WARNING: Cancer and Reproductive Harm - www.P65Warnings.ca.gov.

4. MONETARY PAYMENTS

4.1 Civil Penalty

As a condition of settlement of all the claims referred to in this Agreement, Container Store shall pay a total of \$5,000 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 Container Store for accurate, good faith reporting to Davia of the California sales data, which was contained in the email from Samson Elsbernd to Davia's counsel on March 5, 2019. If within nine (9) months of the Effective Date, Davia discovers and presents to Container Store evidence that the Covered Products have been distributed by Container Store in sales volumes materially different than those identified by Container Store prior to execution of this Agreement in the March 5 email, then Container Store shall be liable for an additional penalty amount of \$10,000.00. Container Store shall also be liable for any reasonable, additional attorney fees expended by Davia in discovering such sales and enforcing the additional penalty. Davia agrees to provide Container Store with a written demand for all such additional penalties and attorney fees under this Section. After service of such demand, Container Store shall have thirty (30) days to reach an agreement to the amount of fees and penalties owing by Container Store and submit such payment to Davia in accordance with the method of payment of penalties and fees identified in Section 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 legal claim for damages for breach of this contract and 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. Container Store 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. Under these legal principles, Container Store shall pay Davia's counsel the amount of \$35,137 for fees and costs incurred investigating, litigating and enforcing this matter.

4.4 Payment Procedures

Container Store shall pay civil penalties pursuant to Section 4.1 by a civil penalty check payable to "OEHHA" (Memo line "Prop 65 Penalties, 2017-00260"), in the amount of \$3,750 and a civil penalty check payable to "Susan Davia" (Memo line "Prop 65 Penalties, 2017-00260") in the amount of \$1,250.

Container Store shall pay any civil penalties pursuant to Section 4.2 by a civil penalty check payable to "OEHHA" (Memo line "Prop 65 Penalties, 2017-00260"), in the amount of \$7,500.00 and a civil penalty check payable to "Susan Davia" (Memo line "Prop 65 Penalties, 2017-00260") in the amount of \$2,500.00.

Container Store shall pay attorney fees and costs pursuant to Section 4.3 by a check payable to "Sheffer Law Firm" (Memo line "2017-00260") in the amount of \$35,137.

Container Store shall pay any attorney fees and costs pursuant to Section 4.2 by delivery of a check payable to "Sheffer Law Firm" (Memo line "2017-00260").

All Section 4.1 and Section 4.3 civil penalty and attorney fee/cost payments shall be mailed by overnight mail and addressed to plaintiff's counsel at the following address on or before the later of (i) the Effective Date; or (ii) four (4) business days of Container Store receiving a fully executed version

of this Settlement Agreement:

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 mailed by overnight mail

and addressed to plaintiff's counsel at the following:

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

Container Store 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 timely transmitted to Sheffer Law Firm by Container Store in a manner intended to result in receipt 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, Container Store shall issue three separate 1099 forms, 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 (if any);

(b) The second 1099 shall be issued to Davia in the amount paid pursuant to Sections4.1 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 releases of Container

Store and Davia shall not become effective until after all Section 4.1 and Section 4.3 monetary payments have been made by Container Store and all funds have cleared.

5. RELEASES

5.1 DAVIA'S RELEASE OF CONTAINER STORE

5.1.1 This settlement agreement is a full, final and binding resolution between Davia and Container Store of any violation of Proposition 65 (Health & Safety Code § 25249.7 et seq.), and any alleged failure to provide a warning in the language prescribed by Proposition 65, that was or could have been asserted by Davia on behalf of herself, her past and current agents, representatives or attorneys and against Container Store and their directors, officers, owners, shareholders, employees and attorneys, and vendor Richards Homewares, Inc. and its directors, officers, owners, shareholders, employees and attorneys ("Releasees"), based on their failure to warn about alleged exposures to any Listed Chemical contained in the Covered Products that were transferred to or manufactured, distributed, purchased, or acquired by Container Store before the Effective Date, or that were sold and/or offered for sale by Container Store in California before the Effective Date. This settlement does not include or incorporate any resolution between Davia and Releasees of any potential violation of the Consumer Legal Remedies Act ("CLRA", Civil Code § 1750 et sq.) or Unfair Competition Law ("UCL", Business And Professions Code §§ 17200 et. seq.) with respect to the labelling of the Covered Products sold by Container Store before the Effective Date, except for claims based upon Releasees' alleged violation of Proposition 65 and alleged failure to provide a warning in the language prescribed by Proposition 65, such as alleged unlawful, unfair or fraudulent practices arising out of Container Store's alleged failure to include a clear and reasonable warning with the Covered Products pursuant to Proposition 65.

5.1.2 In further consideration of the promises and agreements herein contained, Davia on behalf of herself, her past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives all Davia's rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims that Davia may have against Releasees, their attorneys and other

representatives, except and specifically exempting any claim based upon the CLRA or UCL (except for claims based upon Releasees' alleged violation of Proposition 65 and/or alleged failure to provide a warning in the language prescribed by Proposition 65, such as alleged unlawful, unfair or fraudulent practices arising out of Container Store's alleged failure to include a clear and reasonable warning with the Covered Products pursuant to Proposition 65) with respect to the labelling of the Covered Products manufactured, distributed, sold and/or offered for sale by Container Store before the Effective Date.

5.1.3 Except and specifically exempting any claim based upon the CLRA or UCL (except for claims based upon Releasees' alleged violation of Proposition 65 and/or alleged failure to provide a warning in the language prescribed by Proposition 65, such as alleged unlawful, unfair or fraudulent practices arising out of Container Store's alleged failure to include a clear and reasonable warning with the Covered Products pursuant to Proposition 65) with respect to the labelling of the Covered Products manufactured, distributed, sold and/or offered for sale by Container Store before the Effective Date, Davia also, in her individual capacity, provides a general release herein which shall be effective as a full and final accord and satisfaction, 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 the Covered Products manufactured, distributed, purchased, acquired, transferred, or sold by Releasees before 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 THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Except as expressly indicated hereinabove with respect to any claims for violation of the CLRA or UCL, 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 she may lawfully waive such rights or benefits pertaining to the released matters. 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 Releasees, that manufactured the Covered Products or any component parts thereof, or any distributors or suppliers, other than Releasees, who sold the Covered Products or any component parts thereof to Container Store.

5.2 Container Store's Release of Davia

Container Store, 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, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against it in this matter, or with respect to the Products. Container Store 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.

Container Store 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 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.

6. ENFORCEMENT

After the Effective Date, prior to bringing any motion, order to show cause, or other proceeding regarding the Covered Products and/or this Agreement, Davia shall provide Container Store with a Notice of Violation ("NOV") for each Covered Product alleged to be in violation. The NOV shall include the date of the alleged violation(s), city and state of sale, name of vendor(s), proof of purchase(s), photograph(s) of the Covered Product(s)(so Container Store may verify authenticity), and any test data obtained by Davia regarding each Covered Product. Davia shall take no further action regarding any alleged violation nor seek any monetary recovery for herself, her past and current representatives, agents, attorneys, successors and/or assigns if, within thirty (30) business days of receiving the NOV, Container Store demonstrates to Davia or her authorized representative: (a) the Covered Product(s) were sold by Container Store before the Effective Date; (b) Container Store directed the affected retail store manager(s) to take corrective action by either removing the Covered Product(s) sold or offered for sale in California within thirty (30) calendar days from the date of service of the NOV; (c) the Covered Products are Phthalate Free; (d) that it provides a warning prior to the sale of the Covered Products in accordance with Section 3.3 of this Agreement.

7. 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.

8. GOVERNING LAW

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

9. NOTICES

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

certified mail and electronic mail to the following:

For Container Store:

The Container Store Group, Inc. The Container Store Inc. Attn: Legal Department 500 Freeport Parkway Coppell, TX 75019-3863

With a copy to:

Samson R. Elsbernd, Esq. Wilke, Fleury, Hoffelt, Gould & Birney, LLP 400 Capitol Mall, 22nd Floor Sacramento, CA 95814 <u>selsbernd@wilkefleury.com</u>

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.

10. 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).

11. MODIFICATION

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

12. 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

13. ATTORNEY'S FEES

13.1 Should a Party prevail on any motion, application for order to show cause or other proceeding to enforce this Agreement, that Party shall be entitled to reasonable attorney fees and costs incurred as a result of such motion, order or application.

13.2 Except as otherwise specifically provided herein (including with respect to the potential claims for violation of the CLRA or UCL), each Party shall bear its own costs and attorney's fees arising out of the Notice, the Covered Products and/or this Agreement.

14. 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.

15. 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.

16. AUTHORIZATION

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

IT IS SO AGREED

Dated: April <u>4</u> , 2019	Dated: April, 2019
By: Tyles Drinkwine Its: Corporate Counsel The Container Store Group, Inc.	Susan Davia
Dated: April <u>4</u> 2019 <u>applied</u> 2019 <u>By:</u> <u>Tyler Drinkwine</u> Its: <u>Corporate Counsel</u> The Container Store Inc.	

in this regard, the Parties hereby waive California Civil Code Section 1654.

15. 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.

16. AUTHORIZATION

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

IT IS SO AGREED

Dated: April, 2019 By: Its: The Container Store Group, Inc.	Dated: April 4 2019 Susan Davia
Dated: April, 2019 By: Its: The Container Store Inc.	