

## SETTLEMENT AGREEMENT

### BETWEEN AMY CHAMBERLIN AND GREEN PET PRODUCTS, INC.

#### 1. RECITALS

##### 1.1 The Parties

This settlement agreement (“Settlement Agreement”) is entered into by and between Amy Chamberlin (“Ms. Chamberlin”) on the one hand, and Green Pet Products, Inc. (“GREEN PET”). Ms. Chamberlin and GREEN PET shall hereinafter collectively be referred to as the “Parties.”

Ms. Chamberlin is a citizen of the State of California. GREEN PET is a person in the course of doing business as the term is defined in California Health and Safety Code Section 25249.6, *et seq.* (“Proposition 65”).

##### 1.2 Allegations

Ms. Chamberlin alleges GREEN PET manufactured, distributed, supplied, and/or sold the “Green Pet Aspen Supreme Pellets” (the “Covered Product”) for use by consumers, causing users in California to be exposed to wood dust (the “Listed Substance”) without providing “clear and reasonable warnings,” in violation of Proposition 65. Wood dust is subject to Proposition 65 warning requirements because it is listed as known to the State of California to cause cancer, as established by the California Office of Environmental Health Hazard Assessment (“OEHHA”).

On December 1, 2017, Chamberlin sent out 60-Day Notices of Violation, along with Certificates of Merit, which were provided by Ms. Chamberlin to GREEN PET and various public enforcement agencies regarding the alleged violation of Proposition 65 (“Notice”). No public prosecutor commenced any action in the 60-day period following issuance of the Notice.

##### 1.3 No Admissions

GREEN PET denies all allegations in Ms. Chamberlin’s 60-Day Notice and maintains that the Covered Product is and has complied with all laws, and that GREEN PET has not violated Proposition 65. This Settlement Agreement shall not be construed as an admission of liability by GREEN PET, but as a compromise of claims that are expressly contested and denied. However, nothing in this section shall affect the Parties’ obligations, duties, and responsibilities under this Settlement Agreement.

#### **1.4 Compromise**

The parties enter into this Settlement Agreement in order to resolve the controversy described above and to avoid prolonged and costly litigation between them.

#### **1.5 Effective Date**

The “Effective Date” shall be the date upon which the Settlement Agreement is signed by both Parties and delivered to the opposing party.

### **2. INJUNCTIVE RELIEF**

#### **2.1 Warning Obligations for Covered Product**

Beginning on the Effective Date, GREEN PET shall be permanently enjoined from Distributing into California any Covered Product without a warning as set forth in Paragraph 2.2 below. “Distributing into California” or “Distribute into California” means to ship any of the Covered Product to California for sale or to sell any of the Covered Product to a distributor that GREEN PET knows or has reason to know will redistribute or sell the Covered Product in or into California.

#### **2.2 Warning**

For a Covered Product that is subject to Proposition 65 warning requirement based on sections 2.1 and above, prior to Distributing such Covered Product, the following warning (“Warning”) shall be specified below.



**CALIFORNIA PROPOSITION 65 WARNING:** This product may expose you to wood dust, which is known to the State of California to cause cancer. For more information, go to [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov).

The Warning shall be displayed on the packaging of the Covered Product with such conspicuousness, as compared with other words, statements, or designs so as to render it likely to be read and understood by an ordinary individual purchasing or using the Covered Product. The warning must be in a type size no smaller than the largest type size used for other consumer information on the product. In no case shall the warning appear in a type size smaller than 6-point type. If the warning is printed on the product label, it shall be set off from other surrounding

information in the label and enclosed in a box. The parties agree that the depictions attached hereto as Exhibit A shall constitute compliance with the terms of this section.

### **3. PAYMENTS**

#### **3.1 Civil Penalty Pursuant to Proposition 65**

GREEN PET shall pay a civil penalty of \$10,000, to be apportioned in accordance with Health and Safety Code section 25249.12(c)(1) and (d), with 75% paid to State of California Office of Environmental Health Hazard Assessment, and the remaining 25% paid to Ms. Chamberlin. As set forth below, Ms. Chamberlin agrees to donate a portion of the penalty payable to her to *CancerCare*, a charitable organization providing financial assistance to individuals receiving cancer treatments. Ms. Chamberlin hereby waives her statutory rights to share in the subject civil penalty to any greater extent.

The civil penalty shall be made by (1) a check or money order made payable to “Office of Environmental Health Hazard Assessment” in the amount of \$7,500; (2) a check or money order made payable to “Amy Chamberlin” in the amount of \$1,875; and (3) a check or money order made payable to “*CancerCare*” in the amount of \$625. Provided that GREEN PET receives appropriate and necessary information from each of the recipients to allow for proper documentation relating to tax reporting, GREEN PET shall remit the payments within ten (10) days of the Effective Date.

#### **3.2 Payment of Attorneys’ Fees and Expenses**

In full satisfaction of all claims for attorneys’ fees, costs, and expenses incurred in connection with the Notice and negotiation of this Settlement Agreement, GREEN PET shall pay Ms. Chamberlin the amount of \$42,500. This amount shall be made by check or money order made payable to “Robert B. Hancock.” GREEN PET shall remit the payments within ten (10) days of the Effective Date.

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All payments under this Agreement shall be mailed or overnighted to the following address:

PACIFIC JUSTICE CENTER  
ATTN: Robert B. Hancock, Esq.  
50 California Street, Suite 1500  
San Francisco, CA 94111

Any failure to remit any of the foregoing payments shall be deemed to be a material breach of this Settlement Agreement, and the Parties agree that in that event, the Settlement Agreement shall be rescinded in full, and the Parties restored to their respective positions as though the Settlement Agreement had never existed.

#### **4. RELEASES**

##### **4.1 Ms. Chamberlin's Release of GREEN PET**

Ms. Chamberlin, acting in her individual capacity, her past and current agents, representatives, attorneys, successors, and/or assignees, in consideration of the promises and monetary payments contained herein, hereby releases and waives all rights to institute or participate in (directly or indirectly) any form of legal action and releases and discharges: (a) GREEN PET and each entity to which GREEN PET has directly or indirectly distributed or sold the Covered Product, including but not limited to all retailers, distributors, wholesalers, and customers; and (b) all past and current parents, subsidiaries, affiliates, directors, officers, employees, shareholders, agents, attorneys, successors, and assignees, of the entities identified in (a) above (the released entities and individuals identified in (a) and (b) above are collectively referred to as "Releases"), with respect to any and all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees (including but not limited to investigation fees, attorneys' fees, and expert fees), costs, and expenses arising under Proposition 65 or any other statutory or common law based on any exposures to, or failure to warn about any exposures to, wood dust in the Covered Product.

The Parties agree that compliance with the requirements of this Settlement Agreement by GREEN PET shall constitute compliance with Proposition 65 by any Releasee with respect to any

exposure to wood dust in the Covered Product manufactured or purchased by GREEN PET after the Effective Date.

#### **4.2 GREEN PET's Release of Ms. Chamberlin**

GREEN PET, by this Settlement Agreement, waives all rights to institute any form of legal action against Ms. Chamberlin, her past and current agents, representatives, attorneys, experts, successors, and/or assignees, for actions or statements made or undertaken, whether in the course of investigating claims or seeking enforcement of Proposition 65 against GREEN PET in this matter.

#### **4.3 Waiver of Unknown Claims**

Each of the Parties acknowledges that they are familiar with Section 1542 of 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.

Each of the Parties waives and relinquishes any right or benefit it has or may have under Section 1542 of the California Civil Code or any similar provision under the statutory or non-statutory law of any other jurisdiction to the full extent that it may lawfully waive all such rights and benefits pertaining to the claims in this Settlement Agreement. The Parties acknowledge that each may subsequently discover facts in addition to, or different from, those that it believes to be true with respect to the claims released in Sections 4.1 and 4.2 and that such releases are intended to cover known and unknown claims. The Parties agree that this Settlement Agreement and the releases contained herein shall be and remain effective in all respects, notwithstanding the discovery of such additional or different facts.

Nothing in Section 4 prevents or limits a Party's right to enforce the terms of this Settlement Agreement.

**5. SEVERABILITY**

Should any non-material part or provision of this Settlement Agreement for any reason be declared by a Court to be invalid, void, unenforceable, or against law or public policy, the remaining portions and provisions shall continue in full force and effect.

**6. GOVERNING LAW**

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

**7. INTEGRATION**

This Settlement Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and may not be amended or modified except in writing executed by both Parties.

**8. COUNTERPARTS**

This Settlement Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute the same document. Execution and delivery of this Settlement Agreement by e-mail, facsimile, or other electronic means shall constitute legal and binding execution and delivery. Any photocopy of the executed Settlement Agreement shall have the same force and effect as the originals.

**9. MODIFICATION**

This Settlement Agreement may be modified by written stipulation of the Parties.

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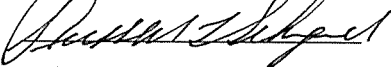
**10. AUTHORIZATION**

The undersigned are authorized to execute this Settlement Agreement on behalf of their respective Party. Each Party has read, understands, and agrees to all of the terms and conditions of this Settlement agreement. Each Party warrants to the other that it is free to enter into this Settlement Agreement and is not subject to any conflicting obligation which will or might prevent or interfere with the execution or performance of this Settlement Agreement by said Party.

**AGREED:**

GREEN PET PRODUCTS, INC.

Date: 10-3-18

By: 

Its: CO-OWNER

**AGREED:**

Date: \_\_\_\_\_

\_\_\_\_\_  
Amy Chamberlin

**10. AUTHORIZATION**

The undersigned are authorized to execute this Settlement Agreement on behalf of their respective Party. Each Party has read, understands, and agrees to all of the terms and conditions of this Settlement agreement. Each Party warrants to the other that it is free to enter into this Settlement Agreement and is not subject to any conflicting obligation which will or might prevent or interfere with the execution or performance of this Settlement Agreement by said Party.

**AGREED:**

GREEN PET PRODUCTS, INC.

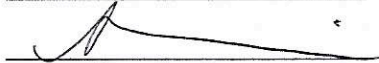
Date: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**AGREED:**

Date: 10/3/2018



Amy Chamberlin



# **EXHIBIT A**



