

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 The Parties

This Settlement Agreement is entered into by and between Anthony E. Held, Ph.D., P.E. ("Held") and John Deere Merchandise, a Division of John Deere Shared Services, Inc. ("Deere"), with Held and Deere each individually referred to as a "Party" and collectively referred to as the "Parties." Held is an individual residing in California who seeks to promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products. Deere employs ten or more persons and is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §25249.6, *et seq.* ("Proposition 65").

1.2 General Allegations

Held alleges that Deere has sold in the State of California vinyl/PVC tool grips containing di(2-ethylhexyl)phthalate ("DEHP"). DEHP is listed pursuant to Proposition 65, as a chemical known to the State of California to cause birth defects and other reproductive harm.

1.3 Product Description

The vinyl/PVC tool grips covered by this Settlement Agreement are limited to the John Deere Oil Filter Wrenches identified at Exhibit A to this Settlement Agreement which is incorporated herein by reference and hereinafter collectively referred to as the "Products."

1.4 Notice of Violation

On December 13, 2017, Held served Deere and various public enforcement agencies with a document entitled "60-Day Notice of Violation" ("Notice") that provided Deere and such public enforcers with notice that alleged that Deere was in violation of Proposition 65 for failing to warn consumers and customers that the Products exposed users in California to DEHP. To the best of the Parties' knowledge, no public enforcer has diligently prosecuted the allegations set forth in the 60-Day Notice of Violation.

1.5 No Admission

Deere denies the material, factual, and legal allegations contained in Held's Notice and maintains that all products that it has sold in California, including the Products, have been, and are, in compliance with all laws. Nothing in this Settlement Agreement shall be construed as, nor shall compliance with this Settlement Agreement constitute or be construed as, an admission by Deere of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Deere. However, this section shall not diminish or otherwise affect the obligations, responsibilities and duties of Deere under this Settlement Agreement.

1.6 Effective Date

For purposes of this Settlement Agreement, the term "Effective Date" shall mean the date that both Parties have signed the Settlement Agreement.

2. INJUNCTIVE RELIEF: REFORMULATION AND WARNINGS

2.1 Reformulation Standard

Commencing one hundred and twenty (120) days after the Effective Date, and continuing thereafter, Deere shall only manufacture, import, distribute, ship, sell or offer for sale in or into California Products that are reformulated ("Reformulated Products"). For purposes of this Settlement Agreement, "Reformulated Products" are Products containing DEHP, butyl benzyl phthalate ("BBP"), di-n-butyl ("DBP"), di-isodecyl phthalate ("DIDP"), diisononyl phthalate ("DINP"), and di-n-hexyl phthalate ("DnHP") each in concentrations of less than 0.1 percent (1,000 parts per million) in each accessible component when analyzed by a laboratory accredited by the State of California, a federal agency, or a nationally recognized accrediting organization. For purposes of compliance with this reformulation standard, testing samples shall be prepared and extracted using Consumer Product Safety Commission ("CPSC") methodology CPSC-CH-C1001.09.3 and analyzed using U.S. Environmental Protection Agency ("EPA") methodology 8270C, or other methodologies utilized by federal or state government agencies to determine phthalate content in a solid substance.

3. MONETARY PAYMENTS

3.1 Payments Pursuant to Health & Safety Code §25249.7(b)

Pursuant to Health and Safety Code §25249.7(b)(2), and in settlement of all claims alleged in the Notice, Deere agrees to pay a total of \$4,000 in civil penalties. The penalty payment will be allocated in accordance with Health and Safety Code §25249.12(c)(1) & (d), with 75% of the penalty amount remitted to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty amount retained by Held. Within fourteen (14) business days of the Effective Date, Deere shall provide its payment as follows: (i) a check in the amount of \$3,000 payable to "OEHHA" and (ii) a check in the amount of \$1,000 payable to "Anthony Held Client Trust Account." Held's counsel shall be responsible for delivering OEHHA's portion of the penalty payments made under this Settlement Agreement.

3.2 Attorneys' Fees and Costs

The Parties reached an accord on the compensation due to Held and his counsel under general contract principles and the private attorney general doctrine codified at Code of Civil Procedure §1021.5 for all work performed in this matter. Under these legal principles, within fourteen (14) business days of the Effective Date, Deere agrees to pay \$24,500 to Held and his counsel for all fees and costs incurred investigating, bringing this matter to the attention of Deere's management, and negotiating a settlement in the public interest. Deere's payment shall be in the form of a check payable to "The Chanler Group."

3.3 Payment Address

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

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

4. RELEASE OF ALL CLAIMS

4.1 Held's Release of Deere

This Settlement Agreement is a full, final and binding resolution between Held, as an individual, and not on behalf of the public, and Deere, of any violation of Proposition 65 that was or could have

been asserted by Held on behalf of himself, his past and current agents, representatives, attorneys, predecessors, successors, assignees and/or heirs, against Deere, its parents, subsidiaries, affiliated entities under common ownership, affiliates, directors, officers, employees, attorneys, and each entity to whom Deere directly or indirectly distributes, ships, or sells the Products, including its downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees, and their owners, directors, officers, agents, principals, employees, attorneys, insurers, accountants, predecessors, successors, and assigns (“Releasees”), based on the alleged or actual failure to warn about alleged exposures to DEHP from the Products that were sold and/or offered for sale by Deere in California before the Effective Date, as alleged in the Notice.

In further consideration of the promises and agreements herein, Held as an individual, and not on behalf of the public, on behalf of himself, his representatives, attorneys, successors, assignees and/or heirs, hereby waives any right to institute or participate in, directly or indirectly, any form of legal action and releases all claims against Deere and Releasees including, without limitation, all actions and causes of action in law and in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses including, but not exclusively, investigation fees, expert fees, and attorneys’ fees arising under Proposition 65 with respect to exposures to DEHP, BBP, DBP, DIDP, DINP, and DnHP from Products that were sold and/or offered for sale by Deere or the Releasees in California before the Effective Date.

4.2 Deere’s Release of Held

Deere, on its own behalf, and on behalf of its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives any and all claims against Held and his attorneys and other representatives, for any and all actions taken or statements made by Held and his attorneys and other representatives, whether in the course of investigating claims articulated in the Notice or otherwise seeking to enforce Proposition 65 against it in this matter, or with respect to the Products.

5. SEVERABILITY

If, subsequent to the execution of this Settlement Agreement, any of the provisions of this Settlement Agreement are held by a court to be unenforceable, the validity of the enforceable provisions remaining shall not be adversely affected.

6. GOVERNING LAW

The terms of this Settlement Agreement shall be governed by the laws of the State of California and apply within the State of California. If Proposition 65 is repealed, preempted, or is otherwise rendered inapplicable by reason of law generally, or as to DEHP, BBP, DBP, DIDP, DINP, DnHP or the Products specifically, then Deere shall provide written notice to Held of any asserted change in the law, and shall have no further obligations pursuant to this Settlement Agreement with respect to, and to the extent that, the Products are so affected. Nothing in this Settlement Agreement shall be interpreted to relieve Deere from any obligation to comply with any pertinent state or federal toxics control laws.

7. NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to this Settlement Agreement shall be in writing and personally delivered or sent by: (i) first-class, registered or certified mail, return receipt requested; or (ii) overnight courier on any party by the other party at the following addresses:

For Deere:

Megan O. Curran, Esq.
Foley & Lardner LLP
555 California Street, Suite 1700
San Francisco, California 94104-1520

and

Taylor S. Davis
Senior Counsel
Deere & Company
One John Deere Place
Moline, Illinois 61265

For Held :

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

Any party, from time to time, may specify in writing to the other party a change of address to which all notices and other communications shall be sent.

8. COUNTERPARTS; FACSIMILE SIGNATURES

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

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

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

10. CONFIDENTIALITY

Except as required by law or to facilitate the Parties' compliance with their obligations under this Settlement Agreement, the Parties agree that all negotiations leading up to this Settlement Agreement shall remain confidential and non-public information. Deere may share this Settlement Agreement with its affiliates and any of the Releasees. Pursuant to Section 9, above, Held shall report this Settlement Agreement to the Office of the Attorney General of the State of California as required by California Health & Safety Code §25249.7(f)(2), at which time this Settlement Agreement becomes public information. In the event that Deere, its affiliates or any Releasee is noticed for a similar legal action, Deere, its affiliates or that Releasee may provide copies of this Settlement Agreement to such noticing party to establish that the allegations in the Notice have already been resolved.

11. MODIFICATION

This Settlement Agreement may be modified only by written agreement of the parties.

12. AUTHORIZATION

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

AGREED TO:

Date: 8/29/2018

By: Anthony E. Held
Anthony Held, Ph.D., P.E.

AGREED TO:

Date: 28 Aug 18

By: Kim Beardsley
Kim Beardsley, Vice President
John Deere Shared Services, Inc.

EXHIBIT A

“Products”

Pursuant to Section 1.3, above, the Products covered by this Settlement Agreement are identified as follows:

Product Name	Model No.
John Deere Oil Filter Wrench	TY26508
John Deere Oil Filter Wrench	TY26510
John Deere Oil Filter Wrench	TY26511