

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties

This Settlement Agreement is entered into by and between Laurence Vinocur (“Vinocur”) and, Bushnell Holdings, Inc. (“Bushnell”), a wholly owned subsidiary of Vista Outdoor, Inc. (“Vista”), with Vinocur and Bushnell each individually referred to as a “Party” and collectively as the “Parties.” Vinocur is an individual residing in the State of California who seeks to promote awareness of exposures to toxic chemicals, and to improve human health by reducing or eliminating hazardous substances contained in consumer products. Bushnell employs ten or more individuals 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 and Safety Code section 25249.5 *et seq.* (“Proposition 65”).

1.2 Vinocur’s General Allegations

Vinocur alleges that Bushnell manufactures, imports, distributes, and/or sells in the State of California, shooting glasses that contain di(2-ethylhexyl) phthalate (“DEHP”). DEHP is listed under Proposition 65 as a chemical known to the State of California to cause birth defects or other reproductive harm. Vinocur alleges that Bushnell failed to provide consumers and other individuals exposed to DEHP in shooting glasses it sold in California with the clear and reasonable health hazard warning required by Proposition 65.

1.3 Product Description

For purposes of this Settlement Agreement “Products” are defined as the shooting glasses with vinyl or plastic components that contain DEHP, and that are manufactured, sold, or distributed for sale in California by Bushnell, the stock keeping unit (SKU) numbers of which are enumerated in Exhibit A hereto.

1.4 Notice of Violation

On January 17, 2018, Vinocur served Bushnell’s parent company, Vista, the California Attorney General, and all other requisite public enforcers with a document titled, “60-Day Notice of Violation” (“Notice”). The Notice alleges that Vista violated Proposition 65 by



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failing to warn its customers and consumers in California of the health risks associated with exposures to DEHP from Bushnell's Products. No public enforcer has commenced and is diligently prosecuting an action to enforce the violations alleged in the Notice.

1.5 No Admission

Bushnell denies the material, factual, and legal allegations in the Notice, and maintains that all of the products that it has manufactured, imported, sold or distributed for sale in California, including the Products, comply 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 Bushnell of any allegation, fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Bushnell. This Section shall not, however, diminish or otherwise affect Bushnell's obligations, responsibilities, and duties under this Settlement Agreement.

1.6 Effective Date

For purposes of this Settlement Agreement, the term "Effective Date" shall mean November 10, 2018.

2. INJUNCTIVE RELIEF: REFORMULATION AND WARNINGS

2.1 Commitment to Provide Reformulated Products or Warnings

Commencing on the Effective Date and continuing thereafter, Bushnell agrees to only sell or distribute for sale in California: (a) "Reformulated" Products as defined by Section 2.2, below; or (b) Products bearing a clear and reasonable warning in accordance with subsection 2.3 below.

2.2 Reformulated Products Defined

For the purposes of this Settlement Agreement, "Reformulated Products" are defined as Products that contain DEHP in concentrations less than 0.1 percent (1,000 parts per million) when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or other methodology utilized by federal or state government agencies for the purpose of determining DEHP content in a solid substance.

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2.3 Clear and Reasonable Warnings

Commencing on the Effective Date and continuing thereafter, for any Products sold or distributed for sale in California by Bushnell that are not Reformulated Products, Bushnell agrees to sell or only offer such Products for sale with a clear and reasonable warning in accordance with this Section or title 27, California Code of Regulations section 25601, *et seq.* Bushnell further agrees that any warning used will be prominently placed in relation to the Product with such conspicuousness when 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. For purposes of this Settlement Agreement, a clear and reasonable warning for the Products satisfying the above criteria that is affixed to the Product label or otherwise directly to each Product containing the following statement shall be deemed clear and reasonable:

⚠ WARNING: This product can expose you to chemicals, including DEHP, which is 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

or

⚠ WARNING: This product can expose you to chemicals, including di(2-ethylhexyl) phthalate, which is 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

or

⚠ WARNING: This product can expose you to chemicals including Di(2-ethylhexyl)phthalate (DEHP), which is 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

For the purpose of this agreement, "Product label" means a display of written, printed or graphic material that is printed on or affixed to a Product or its immediate container or wrapper. The entire warning shall appear in a type size of at least 6-point type and no smaller

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than the largest type size used for other consumer information on the product. Alternatively, in lieu of the the warning above, Bushnell may use or the following “short-form” warning:

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

In the event that Bushnell sells Products via an internet website to customers located in California after the Effective Date, that are not Reformulated Products, Bushnell shall provide the warning for each Product both on the Product label, and by prominently displaying the warning to the customer prior to completing the purchase or during the purchase of the Products without requiring customers to seek out the warning. Warnings given in conjunction with the sale of the Products via the internet shall appear either: (a) on the same web page on which a Product is displayed and/or described; (b) on the same web page as the price for the Product; or (c) on one or more web pages displayed to a purchaser prior to purchase during the checkout process. The internet warning may use the short-form warning if the warning provided on the Product label also uses the short-form warning. Alternatively, Bushnell may provided the warning using a clearly marked hyperlink that includes the word “WARNING” on the same web page and in the same location as the display and/or description of the Product.

3. MONETARY SETTLEMENT TERMS

3.1 Civil Penalty Payments

Pursuant to Health and Safety Code section 25249.7(b)(2), and in settlement of all claims alleged in the Notice or referred to in this Settlement Agreement, Bushnell agrees to pay a total of \$4,500 in civil penalties within ten (10) days of the Effective Date. The penalty payment will be allocated in accordance with California Health and Safety Code section 25249.12(c)(1) & (d), with 75% of the penalty amount paid to the California Office of Environmental Health Hazard Assessment (“OEHHA”) and the remaining 25% of the penalty retained by Vinocur. Bushnell will deliver its payment in two checks for the following amounts made payable to: (a) “OEHHA” in the amount of \$3,375; and (b) “Laurence Vinocur,



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Client Trust Account” in the amount of \$1,125. Vinocur’s counsel shall be responsible for delivering OEHHA’s portion of the penalty payment.

3.2 Attorneys’ Fees and Costs

The Parties reached an accord on the compensation due to Vinocur and his counsel under general contract principles and the private attorney general doctrine codified at Code of Civil Procedure section 1021.5 for all work performed in this matter. Within ten (10) days of the Effective Date, Bushnell agrees to pay \$26,500 to Vinocur and his counsel for all fees and costs incurred investigating, bringing this matter to the attention of Bushnell’s management, and negotiating a settlement that provides a significant public benefit. Bushnell’s payment shall be delivered 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. CLAIMS COVERED AND RELEASED

4.1 Vinocur’s Release of Bushnell

This Settlement Agreement is a full, final, and binding resolution between Vinocur and Bushnell, of any violation of Proposition 65 that was or could have been asserted by Vinocur, on his own behalf, or on behalf of his past and current agents, attorneys and representatives against Bushnell or its parents (including, without limitation, Vista Outdoor), subsidiaries, affiliated entities under common ownership, directors, officers, employees, agents, principals, representatives, attorneys, predecessor, successors, assignees (collectively, “Releasees”) and each downstream entity to whom Bushnell directly or indirectly distributes, ships or sells Products, including, but not limited to, its distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees and their owners, directors, officers, employees, agents, principals, insurers, accountants, representatives, attorneys, predecessors,

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successors, and assignees (collectively, "Downstream Releasees"), for all claims based on the alleged or actual failure to warn about exposures to DEHP in Products manufactured, sold, or distributed for sale by Bushnell, as alleged in the Notice.

In further consideration of the promises and agreements herein contained, Vinocur, on his own behalf, and on behalf of his past and current agents, principals, employees, insurers, accountants, entities under his ownership or direction, representatives, attorneys, predecessors, successors, assignees and heirs hereby waives any and all rights that he may have to institute or participate in, directly or indirectly, any form of legal action, and releases all claims against Bushnell Releasees and Downstream Releasees including, without limitation, all actions and causes of action, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, expenses, investigation fees, expert fees, and attorneys' fees for all claims arising under Proposition 65, and regarding the alleged or actual failure to warn about exposures to DEHP in Products manufactured, sold, or distributed for sale by Bushnell.

The releases provided by Vinocur under this Settlement Agreement are provided solely on Vinocur's behalf and are not releases on behalf of the public in California.

4.2 Bushnell's Release of Vinocur

Bushnell, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives all claims against Vinocur and his attorneys and other representatives, for any action taken or statement made, whether in the course of investigating claims, seeking to enforce Proposition 65 against it in this matter, or with respect to the Products.

5. PUBLIC BENEFIT

It is the Parties' position that the commitments agreed to herein, and actions to be taken by Bushnell under this Settlement Agreement, confer a significant benefit to the general public, as set forth in California Civil Procedure Code section 1021.5 and Cal. Admin. Code tit. 11, section 3201. As such, to the extent any other private party initiates an action alleging a violation of Proposition 65 with respect to Bushnell or any Releasee's failure to provide a

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warning concerning exposures to DEHP with respect to the Products they have respectively manufactured, distributed, sold, or offered for sale in California, or will manufacture, distribute, sell, or offer for sale in California, such private party action would not confer a significant benefit on the general public as to those Products addressed in this Settlement Agreement, provided that Bushnell is in material compliance with this Settlement Agreement. Regardless as to the above, this Section does not constitute a release by Vinocur under this Settlement Agreement.

6. SEVERABILITY

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

7. 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. In the event that Proposition 65 is repealed or otherwise rendered inapplicable by reason of law generally, or as applied to the Products, then Bushnell may provide written notice to Vinocur of the asserted change in the law, and shall have no further injunctive obligations pursuant to this Settlement Agreement with respect to, and to the extent that, the Products are so affected.

8. NOTICE

Unless specified herein, all correspondence and notice required by this Settlement Agreement shall be in writing and sent by: (a) personal delivery; (b) first-class, registered or certified mail, return receipt requested; or (c) a recognized overnight courier on any Party by the other at the following addresses:

For Bushnell:

Bushnell Holdings, Inc.
Attn: Legal Department
9200 Cody Street
Overland Park, Kansas 66214

with copy to Bushnell's counsel:
Todd O. Maiden, Esq.
Reed Smith LLP
101 Second Street, Suite 1800
San Francisco, CA 94105

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For Vinocur:

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

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

9. COUNTERPARTS; FACSIMILE SIGNATURES

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

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

Vinocur and his attorneys agree to comply with the reporting form requirements referenced in California Health and Safety Code section 25249.7(f).

11. MODIFICATION

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

12. ENFORCEMENT OF SETTLEMENT AGREEMENT

Any party may file suit in California Superior Court to enforce the terms and conditions contained in this Settlement Agreement. The prevailing party shall be entitled to its reasonable attorneys' fees and costs associated with such enforcement.

No action to enforce this Settlement Agreement may be commenced or maintained unless the party seeking enforcement first notifies the other party of the specific acts alleged to breach this Settlement Agreement and, thereafter, meets and confers with the other Party for a period of not less than 45 days in an effort to resolve the alleged breach informally before serving or filing any action to enforce the terms and conditions contained in this Settlement Agreement.

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13. AUTHORIZATION

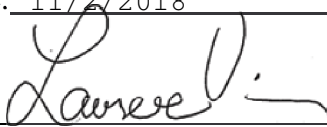
The undersigned are authorized to execute this Settlement Agreement on behalf of their respective Parties and have read, understand, and agree to all of the terms and conditions of this Settlement Agreement.

AGREED TO:

AGREED TO:

Date: 11/2/2018

Date: _____

By: 
LAURENCE VINO CUR

By: _____
Viskak Sankaran, President
BUSHNELL HOLDINGS, INC.

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13. **AUTHORIZATION**

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

AGREED TO:

AGREED TO:

Date: _____

Date: 11/5/2018

By: _____
LAURENCE VINOUCUR

By: Vishak Sankaran
Vishak Sankaran, President
BUSHNELL HOLDINGS, INC.

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EXHIBIT A

The stock keeping unit (SKU) numbers of Products defined in Section 1.3 are enumerated as follows:

40603
40605
40606
40613
40624
40633
40634
40702
40704
40705
40706
40707
40708
40709
40710
40711
40712
42702
42710
55604
55615
55658