PROPOSITION 65 SETTLEMENT AGREEMENT (Susan Davia AG Notices 2020-00638, 2020-01682)

1. INTRODUCTION

1.1 The Parties

This settlement agreement ("Agreement" or "Settlement Agreement") is entered into by and between noticing party Susan Davia ("Davia") and noticed party Pacific World Corporation ("Pacific World"), with Davia and Pacific World each referred to as a "Party" and collectively referred to as the "Parties."

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 Pacific World

1.4 For the sole purpose of this agreement and the resolution of the subject claims, Pacific World does not dispute that it 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").

1.5 General Allegations

Davia alleges that Pacific World is responsible for the design, manufacture, distribution and/or sale, in the State of California, of Walgreen Co. ("Walgreens") Eyelash Curlers made with vinyl components that exposed users to di(2-ethylhexyl)phthalate ("DEHP"), di-n-butyl phthalate ("DBP") and diisononyl phthalate ("DINP") without first providing "clear and reasonable warning" under Proposition 65. Pursuant to Proposition 65, DEHP is listed as a carcinogen and reproductive toxin, DBP is listed as a reproductive toxin and DINP is listed as a carcinogen. DEHP, DBP and DINP shall be referred to hereinafter, collectively, as the "Listed Chemical."

1.6 Notice of Violation

On March 12, 2020, Davia served Walgreens, Walgreen Co., Walgreens Boots Alliance, Inc. 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, DBP and DINP, toxic chemicals found in the Covered Products (hereafter defined) sold in California (AG Notice 2020-00638). This March 12, 2020, Notice of Violation to Walgreens shall hereafter be referred to as "Notice 1." On July 10, 2020, Davia also served Pacific World Corporation 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, DBP and DINP toxic chemicals found in the Covered Products sold in California (AG Notice 2020-01682). This July 10, 2020, Notice of Violation to Pacific World Corporation shall hereafter be referred to as "Notice 2."

Davia and Pacific World each 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 Notice 1 or Notice 2.

1.7 No Admission

This Agreement resolves claims that are denied and disputed by Pacific World. 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. Pacific World denies the material factual and legal allegations contained in the Notice, maintains that it did not knowingly or intentionally expose California consumers to the Listed Chemical through the reasonably foreseeable use of the Covered Products and contends that all Covered Products it has manufactured, distributed and/or sold in California have been and are in compliance with all applicable laws and regulations, including Proposition 65. Nothing in this Agreement shall be construed as an admission by Pacific World 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 Pacific World of any fact, finding, conclusion, issue of law, or violation of law, such being specifically

denied by Pacific World. However, notwithstanding the foregoing, this section shall not diminish or otherwise affect Pacific World's obligations, responsibilities, and duties under this Agreement.

1.8 Consent to Jurisdiction

For purposes of this Agreement only, the Parties stipulate that the Marin County Superior Court has jurisdiction over Pacific World as to this Agreement, and that venue for any action to enforce this Agreement is proper in County of Marin, that this Agreement shall be construed as made pursuant to Code of Civil Procedure Section 664.6 and the Marin County Superior Court shall be considered to have jurisdiction to enforce the provisions of this Agreement until performance in full of the terms of the settlement.

2. DEFINITIONS

- **2.1** "Covered Product" shall mean all Walgreens brand eyelash curlers made with vinyl components distributed by Pacific World to a California Customer, including, but not limited to, Walgreens Eyelash Curler (WIC 981248, W10464-1217L, 049022950634).
 - 2.2 "Phthalate Free" Covered Products shall mean any accessible component of any Covered Product contains less than or equal to 1,000 parts per million ("ppm") each of DEHP, DINP, DBP, di-isodecyl phthalate ("DIDP"), di-n-hexyl phthalate ("DnHP") and butyl benzyl phthalate ("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 utilized by federal or state agencies to determine the presence and measure the quantity of phthalates in solid substances.
- **2.3** "California Customer" shall mean any customer located in California, any customer with a California ship to address, any customer that Pacific World reasonably understands operates a retail store in California and any ecommerce customer that Pacific World reasonably understands sells to consumers in California.
 - **2.4** "Effective Date" shall mean September 15, 2020.

3. INJUNCTIVE-TYPE RELIEF

3.1 Products No Longer in Pacific World and Walgreens's Control

No later than November 30, 2020, Pacific World shall send a letter, electronic or otherwise ("Notification Letter") to Walgreens or its attorney(s), and the Notification Letter shall advise that Covered Products "have been tested for the presence of phthalates and found to contain DEHP, DBP and DINP, chemicals known to the State of California to cause cancer and birth defects or other reproductive harm," and request that Walgreens either pull all Covered Products from store displays in California and return its entire inventory of Covered Products to Pacific World or label the Covered Products remaining in inventory for sale in California with a label that complies with Section 3.3. The Notification Letter shall request a response from Walgreens within 15 days, confirming that the letter was received. Pacific World shall maintain records of all correspondence or other communications generated pursuant to this Section for two years after the Effective Date and shall promptly produce copies of such records upon Davia's written request.

3.2 Product Reformulation Commitment

- **3.2.1** No later than November 30, 2020, Pacific World shall provide notice of the Phthalate Free concentration standards of Section 2.2 to its then-current vendors or manufacturers of any Covered Product and to Pacific World's direct vendors of any vinyl material, if any, for any Covered Product, and instruct such entities not to incorporate any raw or component materials that do not meet the Phthalate Free concentration standards of Section 2.2 into any Covered Product or to supply any Covered Product to Pacific World that is not Phthalate Free. Pacific World shall maintain copies of vendor correspondence relating to the Phthalate Free concentration standards for a period of one (1) year and shall produce such copies to Davia within fifteen (15) days of receipt of written request from Davia.
- **3.2.2** After the Effective Date, Pacific World shall provide notice of the Phthalate Free concentration standards of Section 2.2 to any new vendors or manufacturers of any Covered Product, to its direct vendors of any vinyl material for any Covered Product and instruct such entities not to

incorporate any raw or component materials that do not meet the Phthalate Free concentration standards of Section 2.2 into any Covered Product. Prior to purchase and acquisition of any Covered Product or any vinyl component for any Covered Product from any new vendor, Pacific World shall obtain a written confirmation and accompanying laboratory test result from the new vendor demonstrating compliance with the Phthalate Free concentration standard in all materials comprising the Covered Product. For every Covered Product Pacific World manufactures, causes to be manufactured, orders, causes to be ordered or otherwise obtains from a new vendor after the Effective Date, Pacific World shall maintain copies of all testing of such Covered Products demonstrating compliance with this section, shall maintain copies of all vendor correspondence relating to the Phthalate Free concentration standards for two (2) years from the Effective Date and shall produce such copies to Davia within fifteen (15) business days of receipt of written request from Davia. For every Covered Product Pacific World contends meets the Phthalate Free concentration standards and intends to offer for sale to any California Customer without a warning pursuant to Section 3.3 below, Pacific World shall maintain copies of all vendor correspondence relating to the Phthalate Free concentration standards for two (2) years from the Effective Date and shall produce such copies to Davia within fifteen (15) business days of receipt of written request from Davia.

3.2.3 As of January 1, 2021, Pacific World shall not manufacture or cause to be manufactured any Covered Product unless such Covered Product meets the Phthalate Free concentration standards of this Agreement.

3.3 Interim Covered Product Warnings

For any inventory of Covered Products obtained by Pacific World prior to the Effective Date that is not confirmed to be Phthalate Free, Pacific World shall not distribute, sell or ship, or cause to be distributed, sold or shipped, any such Covered Product to a California Customer unless such Covered Product is shipped with product package label as set forth hereafter.

Each such warning utilized by Pacific World for any Covered Product shall be prominently placed either on the product, its labeling or its packaging 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.

Each warning shall either be printed directly on the Covered Product consumer packaging or shall be affixed to the consumer packaging. Each warning shall include the yellow triangle with an internal exclamation point and state:



MARNING [The vinyl materials of]this product can expose you to chemicals, including DEHP, DBP and DINP, that 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.

or

Cancer Reproductive Harm. and www.P65Warnings.ca.gov

3.4 **Internet Ecommerce Covered Product Warnings**

Pacific World hereby verifies that they do not sell any Covered Product directly to consumers through any ecommerce website. As such, Pacific World shall have no obligation to provide warnings for any non-reformulated Covered Product on any website owned, operated or controlled by Pacific World.

For Covered Products that are not reformulated and that Pacific World reasonably understands a Downstream Release (as defined in Section 5.1) sells to consumers in California via the Internet, Pacific World shall include an instruction that the entity shall provide a warning via the Internet that either appears: (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, or through a hyperlink using the word "WARNING", in the same type size or larger than the Covered Product description text:

▲WARNING: This product can expose you to chemicals, including DEHP, DBP and DINP that 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 website if the same warning language also appears on the product label or consumer packaging of the Covered Product 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 Consent to Judgment, Pacific World shall pay a total of \$5,500 in civil penalties in accordance with California Health & Safety Code § 25249.12(c)(1) & (d), with 75% of the funds remitted to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty remitted to Davia.

4.2 Augmentation of Penalty Payments

For purposes of the penalty assessment under this Agreement, Davia is relying entirely upon Pacific World 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 competent and

credible evidence to counsel for Pacific World that the Covered Products have been distributed in California in sales volumes materially different (in excess of twenty five percent (25%) than those identified by Pacific World prior to execution of this Agreement, and Pacific World does not provide Davia with competent and credible evidence to dispute this claim, then Pacific World shall be liable for an additional penalty amount of \$10,000.00. Davia agrees to provide counsel for Pacific World with a written demand and copies of Davia's evidence for all such additional penalties and attorney fees under this Section. After service of such demand, Pacific World shall have thirty (30) days to either present evidence to counter this claim or to reach agreement with Davia regarding the fair amount of fees owing by Pacific World 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 legal claim for the additional civil penalties pursuant to this Section and the prevailing party to such action 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. Pacific World 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, Pacific World shall pay Davia's counsel the amount of \$29,000 for all fees and costs incurred investigating, litigating and enforcing this matter.

4.4 Payment Procedures

Pacific World shall satisfy their obligation to pay civil penalties pursuant to Section 4.1 by

delivery of a civil penalty check payable to "OEHHA" (EIN: 68-0284486, Memo line "Prop 65 Penalties,

2020-01682"), in the amount of \$4,125 and a civil penalty check payable to "Susan Davia" (Tax ID to be

supplied, Memo line "Prop 65 Penalties, 2020-01682") in the amount of \$1,375.

Pacific World shall satisfy their obligation to pay attorney fees and costs pursuant to Section 4.3

by delivery of a check payable to "Sheffer Law Firm" (EIN 55-08-58910, Memo line "2020-01682") in the

amount of \$29,000.

Payment by bank wire transfer is also an acceptable payment procedure. Should Pacific World

determine to pay settlement funds by bank wire transfer, Pacific World shall make one transfer of \$5,500

and one transfer of \$29,000 to Sheffer Law Firm pursuant to instructions to be provided separately, upon

request.

All civil penalty and attorney fee/cost payments shall be delivered to plaintiff's counsel at the

following address within 15 business days after execution of this Agreement:

Sheffer Law Firm

Attn: Proposition 65 Controller

232 E. Blithedale Ave., Suite 210

Mill Valley, CA 94941

Pacific World 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 five

business days of the due date for such payment.

While the obligations of this agreement are binding upon execution, the Release of Pacific World

shall not become effective until after all monetary payments have been made by Pacific World and all

funds have cleared.

Pacific World shall also pay any augmented civil penalties pursuant to Section 4.2, on or before

the date agreed upon by the Parties or ordered by the Court pursuant to Section 4.2, with civil penalty

checks payable to "OEHHA" (Memo line "Prop 65 Penalties, 2020-01682") and "Susan Davia" (Memo

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line "Prop 65 Penalties, 2020-01682") in the amount agreed to by the Parties or ordered by the Court pursuant to Section 4.2 and as divided pursuant to California Health & Safety Code § 25249.12(c)(1) & (d).

Pacific World shall also pay attorney fees and costs pursuant to Section 4.2, on or before the date agreed upon by the Parties or ordered by the Court pursuant to Section 4.2, with a check payable to "Sheffer Law Firm" (Memo line "2020-01682") in the amount agreed upon by the Parties or ordered by the Court pursuant to Section 4.2.

All Section 4.2 payments shall be delivered to plaintiff's counsel at the following address:

Sheffer Law Firm Attn: Proposition 65 Controller 232 E. Blithedale Ave., Suite 210

Mill Valley, CA 94941

Pacific World shall also be liable for payment of interest, at a rate of 10% simple interest, for all amounts due and owing from it under Section 4.2 that are not received by Sheffer Law Firm within ten (10) 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, Pacific World shall issue three separate 1099 forms, as follows:

- (a) 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;
- (b) issued to Davia in the amount paid pursuant to Sections 4.1 and 4.2, whose address and tax identification number shall be furnished upon request; and
- (c) issued to the Sheffer Law Firm (EIN: 55-08-58910) in the amount paid pursuant to Section 4.2 and 4.3.

5. RELEASES

5.1 DAVIA'S RELEASE OF PACIFIC WORLD, RELEASES AND DOWNSTREAM RELEASES

- This settlement agreement is a full, final and binding resolution between Davia, and Pacific World of any violation of Proposition 65 that was or could have been asserted by Davia, individually and on behalf of herself and her past and current representatives, agents, attorneys, successors and/or assigns ("Releasors") against Pacific World and each of its directors, officers, employees, attorneys, agents, parents, and subsidiaries ("Releasees"), and all entities to whom they directly or indirectly distribute or sell Covered Products, including but not limited to manufacturers, suppliers, distributors, wholesalers, customers, licensors, licensees, retailers, franchisees, and cooperative members including Walgreen Co., Walgreens Boots Alliance, Inc., and each of its directors, officers, employees, attorneys, agents, parents, and subsidiaries ("Downstream Releasees"), of all claims for violations of Proposition 65 based on alleged exposure to DEHP, DINP and DBP contained in the Covered Products that were manufactured, distributed, sold or offered for sale to a California Customer before the Effective Date. Compliance with the terms of this Agreement constitutes compliance with Proposition 65 by Pacific World, Releasees and Downstream Releasees with regard to the alleged or actual failure to warn about exposure to DEHP, DINP and DBP from Covered Products manufactured, sold or distributed for sale after the Effective Date. Within five (5) calendar days of Davia's receipt of the payment set forth in sections 4.1 and 4.4, Davia shall file a request for dismissal with prejudice of Marin County Superior Court case no. CIV2002746.
- 5.1.2 In further consideration of the promises and agreements herein contained, and for so long as Pacific World remains in compliance with the terms of this Agreement, Davia on behalf of herself, her past and current representatives, agents, attorneys, successors and/or assigns 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, including, without limitation, all actions, and causes of action, in law or

in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses -including, but not limited to, investigation fees, expert fees, and attorneys' fees,-- limited to and arising
under Proposition 65 with respect to the Covered Products manufactured, distributed, sold and/or
offered for sale by Pacific World before the Effective Date (collectively "claims"), against Pacific World,
Releasees and the Downstream Releasees.

5.1.3 Davia also, in her individual capacity and on behalf of her past and current representatives, agents, attorneys, successors and/or assigns, 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 subject matter of the Notice as to Covered Products manufactured, distributed or sold by Pacific World, Releasees or the Downstream 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.

Davia, in her individual capacity and on behalf of her past and current representatives, agents, attorneys, successors and/or assigns 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.

5.1.4 This section 5.1 release shall not extend upstream to any entities, other than Pacific World, that manufactured the Covered Products or any component parts thereof, or any distributors or suppliers who sold the covered products or any component parts thereof to Pacific World.

5.2 Pacific World's Release of Davia

The Release by Davia is mutual. Pacific World, 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 Covered Products. Pacific World 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 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 RELEASING PARTY.

Pacific World 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, 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.

6. ENFORCEMENT

Prior to bringing any motion, order to show cause, or other proceeding to enforce Proposition

65 or any terms of this Agreement relating to the alleged sale in California of any Covered Product without a warning and which is alleged to not be Phthalate Free, in actual or alleged violation of this Agreement, Davia shall provide a Notice of Violation ("NOV") to Pacific World. The NOV shall include, for each Covered Product alleged to be violation of this Agreement: the date of alleged violations(s), place of sale, date and proof of purchase (if relevant), and test reports obtained by Davia or her counsel regarding each such Covered Product. Davia shall take no further action regarding any alleged violation nor seek any monetary recovery for herself, her agents or her counsel if, within 30 days of receiving such NOV, Pacific World demonstrates (1) that the Covered Product was manufactured distributed, sold or offered for sale by Pacific World before the Effective Date; or (2) that Pacific World directed the retailer or distributor of the Covered Product to take corrective action by placing an appropriate warning on the Covered Product(s) sold or offered for sale in California compliant with Section 3.3 of this Agreement following service of the NOV; or (3) that the Covered Products are Phthalate Free.

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, after express agreement of the Parties, 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 or electronic mail to the following:

For Pacific World:

Kim Sim, Esq.

Conkle, Kremer & Engel, PLC 3130 Wilshire Boulevard, Suite 500 Santa Monica, California 90403 k.sim@conklelaw.com

For Davia to:

Proposition 65 Coordinator Sheffer Law Firm 232 E. Blithedale Ave., Suite 210 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.

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 either Party prevail on any motion, application for order to show cause or other proceeding to enforce a violation of this Agreement, that Party shall be entitled to its reasonable attorney fees and costs incurred as a result of such motion, order or application, consistent with C.C.P. §§ 1021 and 1021.5.
- **13.2** Except as otherwise specifically provided herein, each Party shall bear its own costs and attorney's fees in connection with the Notice.
- **13.3** Nothing in this Section shall preclude a Party from seeking an award of sanctions pursuant to law.

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 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: December, 2020	Dated: December <u>7</u> , 2020
Title: Pacific World Corporation	Susan Davia

IT IS SO AGREED

Dated: December 2, 2020

Dated: December $\frac{1}{2}$, 2020

Pacific World Corporation

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