

# **SETTLEMENT AGREEMENT**

AG Notice No. 2021-00956

(Amazon)

## **1. INTRODUCTION**

### **1.1 Wozniak and Settling Entities**

This settlement agreement (Settlement Agreement) is entered into by and between Paul Wozniak and the Settling Entity or Settling Entities listed in Exhibit A with Wozniak and the Settling Entities referred to as the “Parties.” Wozniak is an individual residing in 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. Pursuant to California Health & Safety Code §§25249.5, *et seq.* (Proposition 65), the Settling Entity is a responsible party selling the products at issue set forth in subsection 1.3 below to (a) California consumers or (b) downstream entities in the course of doing business which the Settling Entity has reason to believe sell into the California marketplace (customers).

### **1.2 General Allegations**

The Settling Entity enters into this Settlement Agreement on behalf of the noticed violator described in subsection 1.4 below, with whom such Settling Entity has a contract for one or more of the products at issue which contains indemnity and defense clauses. The Settling Entity has accepted a tender from the noticed violator and approached Wozniak to resolve such violator’s alleged liability. Additionally, the Settling Entity is making commitments in furtherance of the public interest as set forth below.

Wozniak alleges that the Settling Entity manufactures, imports, distributes, retails and/or otherwise facilitates for sale in California the products defined below, and that it does so without providing the health hazard warning required by Proposition 65 for consumer exposures to lead. Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer, and birth defects or other reproductive harm.

### 1.3 Product Description

The products covered by this Settlement Agreement are lead solder products offered for sale by the Settling Entity at amazon.com, hereinafter the “Product” or “Products.” Examples of one or more Products are identified by the Amazon Standard Identification Numbers listed on Exhibit B.

### 1.4 Notice of Violation

On or about April 29, 2021, Wozniak served Amazon.com, Inc. and certain requisite public enforcement agencies with 60-Day Notice of Violation (notice), alleging that Amazon.com, Inc. violated Proposition 65 when it failed to warn customers or consumers in California that the Products expose users to lead. To the best of the Parties’ knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the notice.

### 1.5 No Admission

The Settling Entity (and on behalf of the noticed violator described in subsection 1.4 above) denies the material, factual and legal allegations contained in the notice and maintains that all Products that were sold and distributed in California have been and are in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by the Settling Entity (and/or Amazon) of any fact, finding, issue of law or violation of law; nor shall compliance with this Settlement Agreement constitute or be construed as an admission by the Settling Entity (and/or Amazon) of any fact, finding, conclusion, issue of law or violation of law. This subsection shall not, however, diminish or otherwise affect the obligations, responsibilities, and duties under this Settlement Agreement.

### 1.6 Effective Date

For purposes of this Settlement Agreement, the term “Effective Date” shall mean March 15, 2022.

## 2. INJUNCTIVE RELIEF: WARNINGS OR REFORMULATION

### 2.1 Injunctive Relief

The Settling Entity agrees to provide the requisite health hazard warning as set forth in subsections 2.3 through 2.6 below for each Product unless it is reformulated.

### 2.2 Reformulation Standards

A “reformulated” product (a) contains lead in concentrations that do not exceed 90 parts per million, equivalent to 0.009%, in any exterior parts analyzed pursuant to U.S. Environmental Protection Agency (EPA) methodologies 3050B and 6010B and (b) yields a result of no more than 1.0 micrograms of lead when sampled according to NIOSH 9100 protocol and analyzed according to EPA 6010B. In addition to the above tests, the Settling Entity may use equivalent methods utilized by any California or United States agency to determine lead content in a solid substance or the amount of the bioavailability of the toxicant through a wipe test, respectively.

### 2.3 Clear and Reasonable Warnings

Commencing on or before May 31, 2022 (the compliance date), the Settling Entity shall provide clear and reasonable warnings for all units of the Products offered for sale to California consumers or its customers. Each warning shall be 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 of purchase or use.

(a) **Warning.** The warning shall consist of the following statement (Warning):

 **WARNING:** This product can expose you to chemicals including lead, which is known to the State of California to cause birth defects or other reproductive harm. For more information go to [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov).

or

 **WARNING:** This product can expose you to chemicals including lead, 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](http://www.P65Warnings.ca.gov).

**(b) Short-Form Warning.** The Settling Entity may, but is not required to, use the following short-form warning as set forth in this subsection 2.3(b) (Short-Form Warning) so long as it is consistent with the implementing regulations, and subject to the additional requirements in subsections 2.5 and 2.6, as follows:

 **WARNING:** Reproductive Harm – [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov)

or

 **WARNING:** Cancer and Reproductive Harm – [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov)

**(c) Foreign Language Requirement.** Where a product sign or label used to provide a warning includes consumer information in a language other than English, the warning shall also be provided in such language.

#### 2.4 On-Product Warnings

The Settling Entity shall affix a warning to the label or otherwise directly on each unit of the Product provided through in-store retail outlets in California or sold online to consumers in California either directly or through its customers. For the purpose of this Settlement Agreement, “label” means a display of written, printed or graphic material that is printed on or affixed to a Product or its immediate container. The entire warning shall appear in a type size of at least 6-point type and no smaller than the largest type size used for other consumer information on the product. The warning language shall consist of either the Warning, or the Short-Form Warning described above in subsection 2.3(a) or (b), respectively, and be consistent with 2.3(c) above if it applies.

#### 2.5 Mail Order Catalog Warnings

In the event that, the Settling Entity prints new catalogs and sells units of the Products via mail order through such catalogs to California consumers or through its customers, the Settling Entity shall provide a warning for each unit of such Product both on the label in accordance with subsection 2.4 above, and in the catalog in a manner that clearly associates the warning with the specific Product being purchased. Any warning provided in a mail order catalog shall be in the

same type size or larger than other consumer information conveyed for such Product within the catalog and shall be located on the same display page of the item. The catalog warning may use the Short-Form Warning content described in subsection 2.3(b) if the language provided on the Product label also uses the Short-Form Warning.

## 2.6 Internet Warnings

If the Settling Entity offers for sale any of the Products through online retail sellers, it shall ensure that the required warning (with the language set forth in subsection 2.3 above) is prominently displayed to the purchaser prior to completion of the transaction without requiring the potential buyer to use considerable effort to be made aware of the health hazard advisory. The warning (or a clearly marked hyperlink to the warning using the word “**WARNING**”) given in conjunction with the online sale of the Products shall appear either: (a) prominently placed on the page in which the Product’s initial photograph and price are displayed; (b) on the same web page as the order form for the Products; or (c) on the web page displayed to the purchaser during the checkout process. The Settling Entity may also place the symbol “” adjacent to “**WARNING.**” The internet warning may use the Short-Form Warning content described in subsection 2.3(b) if the warning provided on the product label also uses the Short-Form Warning content. The URL "www.P65Warnings.ca.gov" in the Warning may be substituted with an equivalent reference to the official "Proposition 65 Warnings Website," if the Settling Entity is prevented from including such URL in the appropriate location as agreed above in this paragraph.

## 3. MONETARY SETTLEMENT TERMS

### 3.1 Civil Fines

Pursuant to Health & Safety Code §25249.7(b), and in settlement of all claims alleged in the notice, each Settling Entity agrees to pay a total of \$1,000 in civil fines. This payment will be allocated in accordance with Health & Safety Code §25249.12(c)(1) and (d), with 75% of the penalty amount paid to OEHHA and the remaining 25% of the penalty amount paid to and retained by Wozniak.

The Settling Entity will deliver its civil penalty payment to the address in subsection 3.3 by overnight courier, with a tracking number, or through an automatic electronic transfer such that payment is received by Wozniak's counsel on or before the Execution Date. For non-electronic payments, the Settling Entity shall provide two checks made payable to:

(a) "OEHHA" in the amount of \$750; and (b) "Paul Wozniak" in the amount of \$250.

Thereafter, Wozniak's counsel shall send the portions of the penalties paid by the Settling Entity to OEHHA and Wozniak.

### 3.2 Reimbursement of Attorneys' Fees and Costs

For all work performed through the mutual execution of this agreement, each Settling Entity shall reimburse Wozniak's counsel \$5,800. The Settling Entity will deliver its payment to the address in subsection 3.3 by overnight courier, with a tracking number, or through an automatic electronic transfer such that payment is received by Wozniak's counsel on or before the Execution Date. The reimbursement shall cover all fees and costs incurred by Wozniak for investigating, bringing this matter to the Settling Entity's and noticed violator's attention and negotiating a settlement of the matter in furtherance of the public interest.

### 3.3 Payment Address and Effect of Non-Payment

All non-electronic payments required by this Settlement Agreement shall be delivered to the following address:

Chanler, LLC  
Attn: Proposition 65 Controller  
72 Huckleberry Hill Road  
New Canaan, CT 06840

Should the payments due under Section 3 not clear within three business days from the Execution Date, then this Settlement Agreement shall be null and void as to such Settling Entity.

## 4. CLAIMS COVERED AND RELEASED

### 4.1 Wozniak's Release of The Settling Entity

This Settlement Agreement is a full, final and binding resolution between Wozniak, as an individual (and not on behalf of the public yet furthers its health interest), and the Settling Entity,

of any violation of Proposition 65 that was or could have been asserted by Wozniak on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees, against the Settling Entity, Amazon and each of their parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, attorneys (releasees), based on their failure to warn about alleged exposures to lead contained in the Products that were sold and/or offered for sale in California by the Settling Entity through amazon.com before the Execution Date, as alleged in the notice.

In further consideration of the promises and agreements herein contained, Wozniak as an individual and not on behalf of the public, on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives all of his rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims that he 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 exclusively, investigation fees, expert fees, and attorneys' fees arising under Proposition 65 with respect to lead in the Products, sold and/or offered for sale by the Settling Entity, before the Execution Date, against the Settling Entity and the releasees.

The Parties further understand and agree that this subsection 4.1 release shall not extend upstream to any entities that manufactured the Products or any component parts thereof, or any distributors, importers or suppliers who sold the Products to the Settling Entity. The Parties also understand and agree that this subsection 4.1 release shall not extend to sales of the Products transacted through amazon.com by entities other than each Settling Entity.

#### 4.2 The Settling Entity's Release of Wozniak

The Settling Entity, on behalf of itself, its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against Wozniak and his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Wozniak and his attorneys and other representatives,

whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 in connection with the notice or Products.

**5. SEVERABILITY**

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

**6. GOVERNING LAW & ENFORCEMENT**

The terms of this Settlement Agreement shall be governed by the laws of the State of California and apply within the State of California. For purposes of this Settlement Agreement only, the Settling Entity stipulates that the Superior Court of California shall have personal jurisdiction over it for the limited and sole purpose of an action to enforce the terms of this Settlement Agreement, brought without joinder of other claims. Nothing in this Settlement Agreement shall be interpreted to relieve the Settling Entity from any obligation to comply with any pertinent state or United States toxics control law.

The Parties agree that if the Office of Environmental Health Hazard Assessment (OEHHA) changes its warning regulations affecting subsections 2.3 through 2.6 below, then the Settling Entity may either conform with the revised law or continue to conform with the terms provided in this Settlement Agreement if the new implementing regulations so allow. In doing so, the Settling Entity will be in compliance with this Settlement Agreement as long as it continues to fulfill any warning obligations unaffected by such new changes.

In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or if any of the provisions of this Settlement Agreement are rendered inapplicable or no longer required as a result of any such repeal or preemption or rendered inapplicable by reason of law generally as to the Products, then the Settling Entity shall provide written notice to Wozniak of any 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.

7. **NOTICE**

Unless specified herein, all correspondence, notices and service of process required to be provided pursuant to this Settlement Agreement shall be in writing and: (a) personally delivered; (b) sent by first-class (registered or certified mail) return receipt requested; (c) sent by overnight courier; or (d) electronically transmitted to one party by the other party at the following addresses:

For each Settling Entity:

*[See Contact Information on Exhibit A]*

With a Copy to:

Yue Niu Esq.  
Mainleaf Law Group PLLC  
545 W. 48th Street  
New York, NY 10036  
niu@mainleaf-law.com

For Wozniak:

Proposition 65 Coordinator  
Chanler, LLC  
72 Huckleberry Hill Road  
New Canaan, CT 06840  
clifford@chanlerLLC.com

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 AND SIGNATURES**

This Settlement Agreement may be executed in counterparts and by facsimile or pdf signature, 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)**

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

**10. MODIFICATION AND ADDITIONAL PARTIES**

At any time prior to the Compliance Date, one or more additional merchants may become a Settling Entity hereto by incorporating its name and contact information in Exhibit A and adding the Amazon Standard Identification Numbers of its lead solder products sold on amazon.com in Exhibit B. Then, upon execution and delivery of this Agreement, each additional merchant shall become a Settling Entity and have all of the rights and obligations of one of the Parties including injunctive and monetary commitments. Except as provided in this Section, the Parties may only modify the terms of this Settlement Agreement by written consent.

**11. AUTHORIZATION**

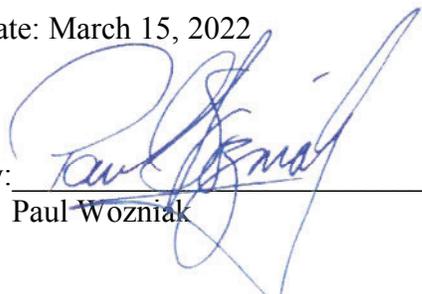
The undersigned are authorized to execute this Settlement Agreement and have read, understood, and agreed to all of the terms and conditions contained herein.

**AGREED TO:**

**AGREED TO:**

Date: March 15, 2022

Date: \_\_\_\_\_, 2022

By:  \_\_\_\_\_  
Paul Wozniak

By: \_\_\_\_\_  
Officer Name: \_\_\_\_\_  
Entity Name: \_\_\_\_\_

10. MODIFICATION AND ADDITIONAL PARTIES

At any time prior to the Compliance Date, one or more additional merchants may become a Settling Entity hereto by incorporating its name and contact information in Exhibit A and adding the Amazon Standard Identification Numbers of its lead solder products sold on amazon.com in Exhibit B. Then, upon execution and delivery of this Agreement, each additional merchant shall become a Settling Entity and have all of the rights and obligations of one of the Parties including injunctive and monetary commitments. Except as provided in this Section, the Parties may only modify the terms of this Settlement Agreement by written consent.

11. AUTHORIZATION

The undersigned are authorized to execute this Settlement Agreement and have read, understood, and agreed to all of the terms and conditions contained herein.

AGREED TO:

AGREED TO:

Date: March 15, 2022

Date: <sup>April 7</sup> ~~March 15~~, 2022

By: \_\_\_\_\_  
Paul Wozniak

By: Qin Caihong  
Officer Name: Qin Caihong  
Entity Name: ExcellentConcept

**10. MODIFICATION AND ADDITIONAL PARTIES**

At any time prior to the Compliance Date, one or more additional merchants may become a Settling Entity hereto by incorporating its name and contact information in Exhibit A and adding the Amazon Standard Identification Numbers of its lead solder products sold on amazon.com in Exhibit B. Then, upon execution and delivery of this Agreement, each additional merchant shall become a Settling Entity and have all of the rights and obligations of one of the Parties including injunctive and monetary commitments. Except as provided in this Section, the Parties may only modify the terms of this Settlement Agreement by written consent.

**11. AUTHORIZATION**

The undersigned are authorized to execute this Settlement Agreement and have read, understood, and agreed to all of the terms and conditions contained herein.

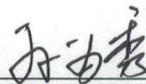
**AGREED TO:**

Date: March 15, 2022

By: \_\_\_\_\_  
Paul Wozniak

**AGREED TO:**

Date: <sup>April 7</sup> ~~March 15~~, 2022

By:  \_\_\_\_\_  
Officer Name: Sun Weixin  
Entity Name: MAIYUM

MAIYUM

**10. MODIFICATION AND ADDITIONAL PARTIES**

At any time prior to the Compliance Date, one or more additional merchants may become a Settling Entity hereto by incorporating its name and contact information in Exhibit A and adding the Amazon Standard Identification Numbers of its lead solder products sold on amazon.com in Exhibit B. Then, upon execution and delivery of this Agreement, each additional merchant shall become a Settling Entity and have all of the rights and obligations of one of the Parties including injunctive and monetary commitments. Except as provided in this Section, the Parties may only modify the terms of this Settlement Agreement by written consent.

**11. AUTHORIZATION**

The undersigned are authorized to execute this Settlement Agreement and have read, understood, and agreed to all of the terms and conditions contained herein.

**AGREED TO:**

**AGREED TO:**

Date: March 15, 2022

Date: \_\_\_\_\_, 2022

By: \_\_\_\_\_  
Paul Wozniak

By: \_\_\_\_\_  
Officer Name: \_\_\_\_\_  
Entity Name: \_\_\_\_\_

**Exhibit A Settling Entity**

<b>Settling Entity Name</b>	<b>Contact</b>
ExcellentConcept	Nanshan Shekou Yongjingwan 6B-8B Shenzhen, Guangdong, China, CN 518000  Room 201 Donglian Industry District Building 5, Shenzhen, Guangdong, China, CN 518000  ae_kelvin@163.com
MAIYUM	Ma Dongyun Shenzhenshi Nanshanqu Longhuihuayuan 21 dong 501 Shenzhen, Guangdong, China, CN 518000  718612760@qq.com

**Exhibit B Amazon Standard Identification Numbers**

B01N0VNNKO  
B01NH0REY3  
B071JTMT82  
B072K22JRT  
B076QF1Y85  
B075WBDYZZ  
B076QD1W9X  
B075WB98FJ  
B075WBQYRG