

SETTLEMENT AND RELEASE AGREEMENT

1. INTRODUCTION

1.1. Ecological Alliance, LLC and Weber-Stephen Products LLC

This Settlement Agreement is entered into by and between Ecological Alliance, LLC ("Alliance"), on the one hand, and Weber-Stephen Products LLC ("Weber-Stephen"), on the other hand, with Alliance and Weber-Stephen collectively referred to as the "Parties."

1.2. General Allegations

Alliance alleges that Weber-Stephen manufactured and/or distributed and/or offered for sale in the State of California gas tank covers that allegedly contain Perfluorooctanoic Acid ["PFOA"] (the "Product") and that such sales have not included warnings pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code sections 25249.6 *et seq.* ("Proposition 65"). California has identified and listed PFOA under Proposition 65 as a chemical known to the State of California to cause cancer, birth defects or other reproductive harm.

1.3. Product Description

The Product that is covered by this Settlement Agreement is defined as gas tank covers, including but not limited to UPC #077924051999, that allegedly contain PFOA that Weber-Stephen has sold, offered for sale or distributed in California.

1.4. Notice of Violation

On May 15, 2023, Alliance served Weber-Stephen, Home Depot U.S.A., Inc., and the requisite public enforcement agencies eligible to initiate Proposition 65 actions on behalf of the People of the State of California with documents entitled "60-Day Notice of Violation" ("Notice") that provided Weber-Stephen and such public enforcers with notice that Weber-

Stephen was allegedly in violation of California Health & Safety Code section 25249.6 for failing to warn consumers and customers that the Product exposed users in California to PFOA. To the best of the Parties' knowledge, no public enforcer has commenced or is diligently prosecuting the allegations set forth in the Notice.

1.5. No Admission

The Parties enter into this Settlement Agreement to settle disputed claims between them as set forth herein and in the Notice concerning Weber-Stephen's compliance with Proposition 65. Specifically, Weber-Stephen denies the material factual and legal allegations contained in Alliance's Notice and maintains that, to the best of its knowledge, all Product that it has manufactured for sale and distribution in California, including the Product, have been and are in compliance with Proposition 65 or any other statutory, regulatory, common law or equitable doctrine. Nothing in this Settlement Agreement shall be construed as an admission by Weber-Stephen 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 Weber-Stephen of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Weber-Stephen. However, nothing in this section shall diminish or otherwise affect the obligations, responsibilities, and duties of Weber-Stephen under this Settlement Agreement.

1.6. Effective Date

For purposes of this Settlement Agreement, the term "Effective Date" shall mean the date this Settlement Agreement is fully executed.

2. INJUNCTIVE RELIEF: WARNING


2.1. Warning


As of the Effective Date, Product shall be accompanied by a warning as described in Section 2.2 below, unless the Product contains no intentionally added PFOA and no more than 100ppm total organic Flourine. The warning requirements set forth in this Section 2.1 and Section 2.2 below shall apply only to Product that are distributed, marketed, sold or shipped for sale in the State of California. The warning requirement shall not apply to Product that are already in the stream of commerce as of the Effective Date or that Weber-Stephen places into the stream of commerce as of the Effective Date. For purposes of clarity, all Product that have been or will have been distributed, shipped, sold, or otherwise placed into the stream of commerce by Weber-Stephen prior to the Effective Date are exempt from the provisions of this Sections 2 and are included in the release in Section 6. For purposes of this Settlement Agreement, the term “placed into the stream of commerce” means that the Product have been put into final packaging for consumer sale and are no longer in the possession of or under the control of Weber-Stephen.

2.2. Warning Language

Where required, Weber-Stephen shall provide Proposition 65 warnings for the Product.

(a) Weber-Stephen may use any of the following warning statements in full compliance with this Section:

- (1)  **WARNING:** This product can expose you to chemicals including Perfluorooctanoic acid (PFOA), which is known to the State of California to cause cancer and birth defects or other reproductive harm. For more info go to www.P65Warnings.ca.gov.

(2)  **WARNING:** Cancer and Reproductive Harm –
www.P65Warnings.ca.gov.

(b) If Weber-Stephen elects to use the warning statements identified in either 2.2(a)(1) or (2), it may also include a symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline. Where the sign, label or shelf tag for the product is not printed using the color yellow, the symbol may be printed in black and white. The symbol shall be placed to the left of the text of the warning, in a size no smaller than the height of the word "WARNING".

(c) Weber-Stephen may use the warning statement on the Product as demonstrated in **Exhibit A** in full compliance with this Section.

(d) Weber-Stephen's compliance with the requirements for warnings, set forth in subsections (a)-(c) shall be deemed to be in compliance with this Settlement Agreement. The Parties recognize that these are not the exclusive methods of providing a warning under Proposition 65 and its implementing regulations.

(e) If Proposition 65 warnings for PFOA should no longer be required, Weber-Stephen shall have no further obligations pursuant to this Settlement Agreement.

(f) In the event that the Office of Environmental Health Hazard Assessment promulgates one or more regulations requiring or permitting warning text and/or methods of transmission different than those set forth above, Weber-Stephen shall be entitled to use, at their discretion, such other warning text and/or method of transmission without being deemed in breach of this Agreement.

3. PENALTIES PURSUANT TO HEALTH & SAFETY CODE SECTION 25249.7(b)

In settlement of all the claims referred to in this Settlement Agreement, Weber-Stephen shall pay a total of \$2,000 in civil penalties in accordance with this Section. The penalty payment will be allocated in accordance with California Health & Safety Code section 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 Alliance. Alliance's counsel shall be responsible for delivering OEHHA's portion of any penalty payment made under this Settlement Agreement.

4. REIMBURSEMENT OF FEES AND COSTS

The Parties reached an accord on the compensation due to Alliance and its counsel under the private attorney general doctrine and principles of contract law. Under these legal principles, Weber-Stephen shall reimburse Alliance's counsel for fees and costs, incurred as a result of investigating and bringing this matter to Weber-Stephen's attention. Weber-Stephen shall pay Alliance's counsel \$18,000 for all attorneys' fees, expert and investigation fees, and related costs associated with this matter and the Notice.

5. PAYMENT INFORMATION

Within ten (10) days of the Effective Date, Weber-Stephen shall make a total payment of Twenty Thousand Dollars (\$20,000) for the civil penalties and attorney's fees / costs by wire transfer to Plaintiff's counsel Custodio & Dubey LLP:

Bank: Bank of America, N.A.

Routing No.: 026009593

Account No.: 325149324377

Beneficiary: Custodio & Dubey LLP

Other than this payment, each side is to bear its own attorneys' fees and costs.

6. RELEASE OF ALL CLAIMS

6.1. Release of Weber-Stephen, Downstream Customers and Upstream Vendors

This Settlement Agreement is a full, final and binding resolution between Alliance, acting on its own behalf and not on behalf of the public, and Weber-Stephen, of any violation of Proposition 65 related to the Product that was or could have been asserted by Alliance. In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to Sections 3 and 4 above, Alliance, on behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims relating to the Product, 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) of any nature whatsoever, whether known or unknown, fixed or contingent (collectively "Claims"), against (a) Weber-Stephen, (b) each of Weber-Stephen's downstream distributors, wholesalers, vendors, licensors, licensees, auctioneers, retailers, franchisees, dealers, shareholders, cooperative members, customers, owners, purchasers, users, including but not limited to Home Depot U.S.A., Inc., and (c) Weber-Stephen's parent companies, corporate affiliates, subsidiaries, and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees, and sister and parent entities. (collectively "Releasees").

Alliance on its own behalf and on behalf of its counsel represents and warrants that neither Alliance nor its counsel is aware of any other alleged violation of Proposition 65 by Weber-Stephen. Alliance on behalf of itself and its past and current agents, representatives,

attorneys, successors and/or assignees, hereby covenants not to sue and has not and will not assist, encourage, or otherwise participate willingly or voluntarily in any claim, arbitration, suit, action investigation, or other proceeding of any kind which relates to any matter that involves the Claims.

Alliance also, in its capacity, on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees and *not* in its representative capacity, 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 any nature, character or kind, known or unknown, suspected or unsuspected, against Weber-Stephen and the Releasees. Alliance acknowledges that it is familiar with California Civil Code section 1542, 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.

Alliance, in its capacity only, and on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees 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 California Civil Code section 1542 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.

6.2. Weber-Stephen's Release of Alliance

Weber-Stephen waives any and all claims against Alliance, its attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Alliance and its attorneys and other representatives, whether in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against it in this matter, and/or with respect to the Product.

6.3. Deemed Compliance With Proposition 65

The Parties agree that compliance by Weber-Stephen with this Settlement Agreement constitutes compliance with Proposition 65 with respect to exposure to PFOA from the Product.

6.4. Public Benefit

It is Weber-Stephen's understanding that the commitments it has agreed to herein, and actions to be taken by Weber-Stephen under this Settlement Agreement, would confer a significant benefit to the general public, as set forth in Code of Civil Procedure § 1021.5 and Cal Admin Code tit. 11, § 3201. As such, it is the intent of Weber-Stephen that to the extent any other private party initiates an action alleging a violation of Proposition 65 with respect to Weber-Stephen's failure to provide a warning concerning exposure to PFOA from the Product it has sold, offered for sale, or distributed in California, or will sell, offer for sale, or distribute in California, such private party action would not confer a significant benefit on the general public as to the Product addressed in this Settlement Agreement, provided that Weber-Stephen is in material compliance with this Settlement Agreement.

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 is otherwise rendered inapplicable by reason of law generally, or as to the Product, then Weber-Stephen shall have no further obligations pursuant to this Settlement Agreement.

8. 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; (ii.) email; or (iii) overnight courier on any party by the other party at the following addresses:

For Weber-Stephen: Scott Hall, Esq.
Coblentz Patch Duffy & Bass LLP
One Montgomery Street, Suite 3000
San Francisco, CA 94104

For Alliance: Vineet Dubey, Esq.
Custodio & Dubey LLP
445 S. Figueroa St., Suite 2520
Los Angeles, CA 90071

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.

9. COUNTERPARTS; FACSIMILE/E-SIGNATURES

This Settlement Agreement may be executed in counterparts and by facsimile or e-signatures, 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 SECTION 25249.7(f)

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

11. ENTIRE AGREEMENT

This Settlement Agreement contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and all related prior discussions,

negotiations, commitments and understandings. No other agreements, oral or otherwise, exist to bind either of the Parties.

12. MODIFICATION

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

13. 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 of this Settlement Agreement.


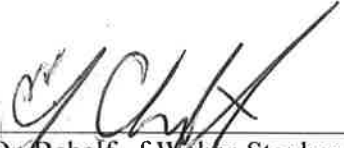
<p style="text-align: center;">AGREED TO:</p> <p>August 7, 2023 Date: July, 2023</p> <p>By:  On Behalf of Ecological Alliance, LLC</p>	<p style="text-align: center;">AGREED TO:</p> <p>August 16 Date: July, 2023</p> <p>By:  On Behalf of Weber-Stephen Products LLC</p>
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EXHIBIT A

