

PROPOSITION 65 SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 The Parties

This Settlement Agreement (“**Agreement**”) is entered into by and between Keep America Safe and Beautiful (“**KASB**”) and Great Lakes Technologies, LLC dba WEN (“**Great Lakes**”), with KASB and Great Lakes each individually referred to as a “**Party**” and, collectively, the “**Parties**.” KASB is a California-based non-profit organization proceeding in the public interest pursuant to California Health & Safety Code § 25249.7(d) to ensure that chemicals known to the State of California to cause cancer, birth defects or other reproductive harm are disclosed in or eliminated from consumer products sold in California. Great Lakes does not dispute that it is a person in the course of doing business for purposes of this Agreement under California Health & Safety Code § 25249.11(b).

1.2 Consumer Product Description

KASB alleges that Great Lakes manufactures, imports, sells, and/or distributes for sale in the State of California valves with vinyl grips containing the heavy metal, Lead, including, but not limited to, *[220020-71] Air Flow Valve-Same As 22040-060 for WEN 22020, Part No: 22020-071*, without providing the health hazard warning that KASB alleges is required by California Health & Safety Code § 25249.5 *et seq.* (“**Proposition 65**”). Valves with vinyl grips are referred to hereinafter as the “**Products**.” 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 Notice of Violation

On or about December 19, 2023, KASB served Great Lakes, the California Attorney General, and the requisite public enforcement agencies with a 60-Day Notice of Violation (“**Notice**”), alleging WEN violated Proposition 65 by failing to warn its customers and

consumers in California that its Products can expose users to Lead. No public enforcer has commenced and is diligently prosecuting an action to enforce the allegations in the Notice.

1.4 No Admission

Great Lakes denies the factual and legal allegations contained in the Notice and maintains that all products it has sold or distributed for sale in California, including the Products, have been, and are, in compliance with all laws. Nothing in this Agreement shall constitute or be construed as, nor shall compliance with this Agreement constitute or be construed as, an admission by Great Lakes of any fact, finding, conclusion of law, issue of law, or violation of law. Great Lakes maintains that it has not knowingly distributed, imported, manufactured, sold or caused to be distributed, imported, manufactured or sold the Products for sale in California in violation of Proposition 65. This section shall not, however, diminish or otherwise affect Great Lakes' obligations, responsibilities, and duties under this Agreement.

1.5 Effective Date

For purposes of this Agreement, “**Effective Date**” shall mean the date this Agreement is fully executed by all Parties.

2. INJUNCTIVE RELIEF: REFORMULATION OR WARNINGS

2.1 Commitment to Reformulate or Warn

Commencing within sixty (60) days after the Effective Date and continuing thereafter, all Products Great Lakes manufactures, imports, sells, ships, or distributes for sale in or into California, directly or through one or more third party retailers or e-commerce marketplaces, shall meet the Reformulation Standard for Reformulated Products, as defined by Section 2.2, or be accompanied by a clear and reasonable warning pursuant to Section 2.3 of this Agreement. The warning requirement of Section 2.3 shall not apply to Reformulated Products.

2.2 Reformulation Standard

For purposes of this Agreement, “Reformulated Products” are defined as those Products: (a) containing no more than 0.009% or 90 parts per million (“ppm”) Lead on any exterior surface when analyzed pursuant to U.S. Environmental Protection Agency (“EPA”)


testing methodologies 3050B and 6020A or equivalent methodologies utilized by federal or state agencies for the purpose of determining Lead content in a solid substance; and (b) yielding a test result of no more than 1.0 microgram of Lead on any exterior surface when sampled pursuant to the NIOSH 9100 testing protocol and analyzed pursuant to EPA 3050B and 6020A.

2.3 Clear and Reasonable Warnings


Commencing within sixty (60) days after the Effective Date, Great Lakes shall provide clear and reasonable warnings for all Products that are not Reformulated Products provided for sale to customers in or into the State of California in accordance with this Section pursuant to Title 27 California Code of Regulations § 25600, et seq. Each warning shall be prominently placed with such conspicuousness as compared with other words, statements, or designs as to render it likely to be read and understood by an ordinary individual under customary conditions before purchase or use and shall be provided in a manner such that it clearly associated with the specific Products to which the warning applies.

(a) Warnings


The following warnings for Products containing one or more chemical(s) in excess of the Reformulation Standard for Reformulated Products set forth in Section 2.2 shall be deemed in compliance with Title 27 California Code of Regulations § 25600, *et seq.*:

 **WARNING [or] CA WARNING [or] CALIFORNIA WARNING:** : This product can expose you to 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.

OR


 **WARNING [or] CA WARNING [or] CALIFORNIA WARNING:** Risk of cancer and reproductive harm from exposure to Lead. See www.P65Warnings.ca.gov.

OR

 **WARNING [or] CA WARNING [or] CALIFORNIA WARNING:** Can expose you to Lead, a carcinogen and reproductive toxicant. See www.P65Warnings.ca.gov.


OR

The following warning statement may be used on Products manufactured and labeled prior to January 1, 2028:

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

OR

For Products containing other chemicals listed under Proposition 65:

 **WARNING** [or] **CA WARNING** [or] **CALIFORNIA WARNING:** : This product can expose you to chemicals including [name of chemical or chemicals], which [is/are] 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.

(b) Foreign Language Requirement. Where a consumer product sign, label or shelf tag used to provide a warning includes consumer information in language(s) other than English, the warning must also be provided in the other language(s) in addition to English.

(c) Product Warnings

Great Lakes shall affix a warning to the Product label or otherwise directly on all Products that are not Reformulated Products provided for sale to consumers located in California or to downstream entities who are known to Great Lakes to sell in or into California, such as customers with retail outlets in California or nationwide distribution. For the purpose of this agreement, “**Product label**” means a display of written, printed or graphic material printed on or affixed to each of the Products or its immediate container or wrapper. A warning provided pursuant to section 2.3(a) must print the word “**WARNING:**” in all capital letters and in bold font. The warning symbol to the left of the word “**WARNING:**” must be a black exclamation point in a yellow equilateral triangle with a black outline, except if the labeling does not use the color yellow, the symbol may be in black and white. The entire warning shall appear in at least 6-point type and no smaller than the largest type size used for other consumer information on the Products.

(d) Internet Warnings

If, after the Effective Date, Great Lakes directly sells Products that are not Reformulated Products via the internet through its own website to consumers located in the State of California or to customers with nationwide distribution and e-commerce websites, Great Lakes shall provide warnings for each Product both on the Product label in accordance with Section 2.3(c), and by prominently displaying to the consumer during the purchase of the Products without requiring customers to seek out the warning. The warning or a clearly marked hyperlink to the warning using the word “**WARNING**” given in conjunction with the sale of the Products via the internet shall appear either: (a) on the same web page on which the Products are displayed; (b) on the same web page as the virtual cart displaying the Products; (c) on the same page as the price for the Products; or (d) on one or more web pages displayed to a purchaser during the checkout process. The warning shall appear in any of the above instances adjacent to or immediately following the display, description, or price of the Products for which it is given in the same type size or larger than other consumer information provided for the Products. Where Great Lakes sells, ships, or distributes Products to third-party retailers or e-commerce marketplaces, Great Lakes will advise them of the internet Warning requirements under this Agreement as a condition of sale of the Products.

3. MONETARY SETTLEMENT TERMS

3.1 Civil Penalty

Pursuant to Health and Safety Code § 25249.7(b), Great Lakes agrees to pay a civil penalty of \$1,000 within five (5) business days of the Effective Date. Great Lakes’ civil penalty payment will be allocated according to Health and Safety Code §§ 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid to the California Office of Environmental Health Hazard Assessment (“**OEHHA**”), and the remaining twenty-five percent (25%) retained by KASB. WEN shall issue its payment in two checks made payable to: (a) “**OEHHA**” in the amount of \$750; and (b) “**Seven Hills LLP in Trust for Keep America Safe and Beautiful**” in the

amount of \$250. KASB's counsel shall deliver to OEHHHA and KASB their respective portion of the penalty payment.

3.2 Reimbursement of Attorneys' Fees and Costs

KASB and its counsel offered to resolve the allegations in the Notice without reaching terms on the amount of reimbursement of attorneys' fees and costs. Shortly after the Parties finalized the other material settlement terms, they negotiated and reached an accord on the amount of reimbursement to be paid to KASB's counsel, under general contract principles and the private attorney general doctrine, codified at California Code of Civil Procedure § 1021.5, for all work performed through the mutual execution and reporting of this Agreement to the Office of the California Attorney General. Within five (5) business days of the Effective Date, Great Lakes agrees to issue a check in the amount of \$21,500 payable to "Seven Hills LLP" for all fees and costs incurred investigating, bringing this matter to Great Lakes' attention, negotiating a settlement in the public interest, and reporting its terms to Office of the California Attorney General pursuant to Section 9.

3.3 Payments

All payments payable and due under this Agreement shall be delivered to KASB's counsel at following address:

Seven Hills LLP
Attn: Laralei Paras
4 Embarcadero Center, Suite 1400
San Francisco, CA 94111

4. CLAIMS COVERED AND RELEASED

4.1 KASB's Release of Great Lakes

This Agreement is a full, final and binding resolution between KASB, as an individual and *not* on behalf of the public, and Great Lakes, of any violation of Proposition 65 that was or could have been asserted by KASB on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees ("Releasers"), against Great Lakes, its parents, subsidiaries, affiliated entities under common ownership including: directors, officers,

employees, attorneys, and each entity to whom Great Lakes directly or indirectly distributes or sells Products, including, but not limited to, downstream distributors, wholesalers, marketplace hosts, customers, retailers including but not limited to The Home Depot, franchisees, cooperative members, and licensees (collectively, “**Releasees**”), based on their failure to warn under Proposition 65 about alleged exposures to Lead contained in the Products that were manufactured, distributed, sold and/or offered for sale by Great Lakes in California before the Effective Date, as alleged in the Notice.

In further consideration of the promises and agreements herein contained, KASB as an individual and *not* on behalf of the public, on behalf of itself and Releasors hereby waives all of KASB’s rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims that KASB 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 before the Effective Date (collectively, “**Claims**”), against Great Lakes and Releasees.

The Parties further understand and agree that this Section 4.1 release shall neither extend (a) upstream to any entities that manufactured the Products or any component parts thereof, or any distributors or suppliers who sold the Products or any component parts thereof to Great Lakes, nor (b) to Releasees who have been instructed by Great Lakes pursuant to Section 2.3(d) to provide a warning on Products that are not Reformulated Products and have failed to do so. Nothing in this Section affects KASB’s right to commence or prosecute an action under Proposition 65 against a Releasee that does not involve Great Lakes’ Products.

4.2 Great Lakes’ Release of KASB

Great Lakes, on behalf of itself, its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against KASB and its attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by KASB and its attorneys and other representatives, whether in the course

of investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter with respect to the Products.

4.3 Compliance

Compliance with the terms of this Agreement shall be deemed to constitute compliance with Proposition 65 by the Released Parties regarding alleged exposures to Lead, except as set forth specifically herein.

5. SEVERABILITY

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

6. GOVERNING LAW

The terms of this Agreement shall be governed by the laws of the State of California and apply within California. Nothing in this Agreement shall be interpreted to relieve Great Lakes from its obligation to comply with any pertinent state or federal law or regulation.

7. NOTICE

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

For Great Lakes:

Ben Wang, General Manager
Great Lakes Technologies, LLC dba WEN
1101 Wesemann Drive
West Dundee, IL 60118

For KASB:

Laralei Paras, Partner
Seven Hills LLP
4 Embarcadero Center, Suite 1400
San Francisco, CA 94111

With copy to:

Carol Brophy
Steptoe LLP
One Market Plaza
Steuart Tower Suite 1070
San Francisco, CA 94105

Any Party may, from time to time, 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 PDF SIGNATURES

This Agreement may be executed in counterparts and by 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.

9. COMPLIANCE WITH REPORTING REQUIREMENTS

KASB and its counsel agree to comply with the reporting form requirements referenced in California Health and Safety Code § 25249.7(f).

10. 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, or understandings related thereto, if any, are hereby merged herein and therein. There are no warranties, representations, or other agreements between the Parties except as expressly set forth herein. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Agreement have been made by any Party hereto. No other agreements not specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto.

11. MODIFICATION


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

12. AUTHORIZATION

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

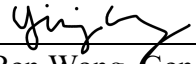
AGREED TO:

Date: 5/15/2025

By: 
Lance Nguyen, CEO
Keep America Safe and Beautiful

AGREED TO:

Date: May 8, 2025

By: 
Ben Wang, General Manager
Great Lakes Technologies, LLC dba WEN