

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties

This Settlement Agreement is entered into by and between:

Michael DiPirro

(referred to herein as “DiPirro”) represented by his attorneys, Law Office
of David R. Bush and Jeremy Fietz, Attorney-at-Law; on the one hand

and,

Fasteners Direct, Inc.

(referred to herein as “Noticed Party”) represented by its attorneys
Hunton Andrews Kurth LLP on the other hand, with DiPirro and Fasteners
Direct, Inc. collectively referred to as “Parties”.

DiPirro 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.

1.2 General Allegations

DiPirro alleges that the Noticed Party manufactures, imports, sells, offers for sale or distributes for sale, in the State of California products containing lead and lead compounds without first providing the clear and reasonable exposure warning required by the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6 *et seq.* (“Proposition 65”). California has identified and listed lead and lead compounds (hereinafter the “Listed Chemical”) under Proposition 65 as a chemical that is 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 Solder Slug Pellets containing the Listed Chemical that are manufactured, sold, offered for sale and/or distributed for sale in

California by the Noticed Party, including, but not limited to the: 2 Gauge Solder Slug Pellet (the “Products”).

1.4 Notice of Violation

DiPirro served Noticed Party, the California Attorney General and certain requisite public enforcement agencies eligible to initiate Proposition 65 actions on behalf of the People of the State of California with a 60-Day Notice of Violation (the “Notice”) of Proposition 65, dated May 8, 2025. The Notice alleged that Noticed Party allegedly violated California Health and Safety Code section 25249.6 by failing to sufficiently warn its customers and consumers in California of exposure to the Listed Chemical that may potentially result from the Products. To the best of the DiPirro’s knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice.

1.5 No Admission

Noticed Party denies the material, factual, and legal allegations contained in the Notice and maintains that all of the products they have manufactured, sold, offered for sale, and/or distributed for sale in California, including the Products, have been, and are, in compliance with all laws, including Proposition 65. Nothing in this Settlement Agreement shall constitute or be construed, considered, offered, or admitted as an admission by the Noticed Party of any fact, finding, conclusion of law, issue of law, or violation of law; nor shall compliance with this Settlement Agreement constitute or be construed, considered, offered, or admitted as an admission by the Noticed Party of liability, wrongdoing, fault, any fact, finding, conclusion of law, issue of law, or violation of law, the same being specifically denied by the Noticed Party. This section shall not, however, diminish or otherwise affect the Noticed Party’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 the day the fully executed Settlement Agreement is provided to the Noticed Party.

2. INJUNCTIVE RELIEF: PRODUCT WARNINGS

2.1 Product Warnings


Commencing within thirty (30) days of the Effective Date for any of the Noticed Party's Products that contain more than 0.009 percent (90 parts per million) of the Listed Chemical (which Noticed Party will determine through its own independent knowledge or testing using a laboratory which meets State of California accreditation standards) and Noticed Party directly distributes, markets, sells, or ships for sale in the State of California, Noticed Party shall provide a clear and reasonable warning on the label of each Product as set forth in Section 2.3. Each warning shall be prominently placed with such conspicuousness as compared with other words, statements, designs, or devices as to allow the message to be read, seen and understood by an ordinary individual under customary conditions before or at the time of purchase or use. Each warning shall be provided in a manner such that the consumer or user understands to which specific Product the warning applies, so as to minimize the risk of consumer confusion.

2.2 Internet Warnings.


In addition to the warning specified in Section 2.1 above, for all Products that Noticed Party offers for sale directly to consumers in California via the internet, Noticed Party shall provide a warning for such Products by including the warning set forth below in Section 2.3 on one or more of the following: (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 web page as the price for any Covered Product; or (d) on one or more web pages displayed to a purchaser during the checkout process. The internet warning described above can also be delivered through a hyperlink using the word "**WARNING:**" which then takes the user to a display of the warning set out in Paragraph 2.3.

2.3 Text of the Warning.


For the purposes of this Settlement Agreement, the Noticed Party may use one of the warning options set forth below, which shall include a symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline as shown below (the symbol may be black or white if the color yellow is otherwise not used on the Product's packaging):

 **WARNING:** This product can expose you to chemicals including lead and lead compounds, which 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

 **WARNING:** Risk of cancer and reproductive harm from exposure to lead and lead compounds. See www.P65Warnings.ca.gov.

Or

 **WARNING:** Can expose you to lead and lead compounds, a carcinogen and reproductive toxicant. See www.P65Warnings.ca.gov.

Noticed Party may, at its option, use the words “**CA WARNING:**” or “**CALIFORNIA WARNING:**” instead of the word “**WARNING:**”.

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 must also be provided in that language in addition to English.

The Parties recognize that the warning methods above are not the exclusive methods of providing a “clear and reasonable” warning under Proposition 65, and agree that other warnings that comply with Proposition 65 may be used. If Proposition 65 warnings for the Listed Chemical should no longer be required, Noticed Party shall have no further obligations pursuant to this Settlement Agreement.

The use of warnings consistent with this Settlement Agreement shall constitute compliance with Proposition 65 with respect to the Products and for any Products in existing inventory that had not been reformulated and which were distributed and/or sold by Noticed Party on or after the Effective Date. There shall be no obligation for Noticed Party to provide a warning for Products that entered the stream of commerce prior to the Effective Date, and the Section 6 release applies to all such Products.

2.4 Changes in Warning Regulations or Statutes

In the event that the California Office of Environmental Health Hazard Assessment (“OEHHA”) or other authorized agency promulgates one or more regulations requiring or permitting Proposition 65 warning text and/or methods of transmission applicable to the Products or the chemical at issue, which are different than those set forth above, Noticed Party shall be entitled to use, at its discretion, such other warning text and/or method of transmission without being deemed in breach of this Settlement Agreement. If regulations or legislation are enacted that modify the current regulations, Noticed Party is and will be considered in compliance with Proposition 65 if the warning meets the provisions of this Settlement Agreement. Moreover, if regulations or legislation are enacted providing that a Proposition 65 warning is no longer required, a lack of warning by Noticed Party will not thereafter be a breach of this Settlement Agreement.

3. CIVIL PENALTIES & PURSUANT TO HEALTH & SAFETY CODE § 25249.7(B)

3.1 Civil Penalty Payment Pursuant to Health & Safety Code § 25249.7(b).

In settlement of all claims alleged in the Notice and referred to in this Settlement Agreement, the Noticed Party shall make a civil penalty payment of \$500 in accordance with this Section. The penalty payment will be allocated by DiPirro’s counsel in accordance with California Health & Safety Code § 25249.12(c)(1) & (d), with 75% of the penalty funds remitted to OEHHA and the remaining 25% of the penalty remitted to DiPirro.

4. REIMBURSEMENT OF FEES AND COSTS

The Parties reached an accord on the compensation due to DiPirro and his 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 of this agreement. The Noticed Party shall pay a total of \$ 38,000 for attorney’s fees and costs incurred as a result of investigating, working with toxicology experts, bringing this matter to the Noticed Party’s attention, document preparation, post-settlement compliance audit, and negotiating a settlement in the public interest, subject to Section 5 provisions regarding tax documentation.

5. PAYMENT AND FORM 1099

5.1 Payment. The complete settlement payment in the amount of \$38,500 shall be delivered within thirty (30) days of the Effective Date, to the bank account of Jeremy Fietz, Attorney at Law (via wire transfer, or ACH payment) or by physical check to the office of Jeremy Fietz, Attorney at Law, 4241 Montgomery Drive, #123, Santa Rosa CA 95405, and for the latter option shall be in the form of a check made payable to: “Jeremy Fietz, Attorney at Law”. Plaintiff’s counsel will provide Noticed Party with wire instructions and tax forms prior to payment.

5.2 Issuance of Forms. The Noticed Party shall provide DiPirro’s counsel, Jeremy Fietz, Attorney-at-Law, with one 1099 form for the entire settlement amount. Such 1099 shall be made on the Form 1099 MISC with the amount reported in box 10 (“Gross proceeds paid to an attorney”). The Noticed Party acknowledges that 1099 shall NOT be issued under form 1099 NEC. A W9 shall be provided by Jeremy Fietz, Attorney-at-Law after this Settlement Agreement has been fully executed by the Parties.

6. RELEASE OF ALL CLAIMS

6.1 DiPirro’s Release of Noticed and Related Parties

This Settlement Agreement is a full, final, and binding resolution between DiPirro and the Noticed Party of any violation of Proposition 65 that was or could have been asserted by DiPirro, on behalf of himself, or on behalf of his past and current agents, representatives, attorneys, successors, and assignees, against the Noticed Party, its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, attorneys, and each entity to whom either Noticed Party directly or indirectly distributes, offers to sell or sells the Products (“Releasees”), including its downstream distributors and retailers, but not including its upstream suppliers and manufacturers, for unwarned exposures to the Listed Chemical from the Products manufactured, distributed, sold or distributed for sale in California by the Noticed Party prior to the Effective Date.

In further consideration of the promises and agreements herein contained, DiPirro, on his own behalf and on behalf of his 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 that he may have against the Noticed Party and Releasees, including, without limitation, all actions and causes of action, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses, including, without limitation, investigation fees, expert fees, and attorneys' fees arising under Proposition 65 for exposures to the Listed Chemical from Products distributed, sold, or distributed for sale in California by the Noticed Party prior to the Effective Date.

DiPirro also, in its individual capacity, on behalf of itself, its past and current agents, 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 Noticed Party and the entities referenced in the paragraph above with regards to the Subject Product. DiPirro 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 RELEASING PARTY.

DiPirro in its individual 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 Noticed Party's Release of DiPirro

Each Noticed Party, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims that it may have against DiPirro 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 DiPirro and his 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 Products.

7. PUBLIC BENEFIT

It is Noticed Party's understanding that the commitments it is agreeing to herein, and the actions to be taken by Noticed Party under this Agreement, 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 the Parties that to the extent any other private party serves a notice and/or initiates an action alleging a violation of Proposition 65 with respect to Noticed Party's alleged failure to provide a warning concerning actual or alleged exposure to the Listed Chemical in the Product it has manufactured or distributed, sold, or offered for sale in California, or will manufacture or directly distribute, sell, or offer for sale in California, such private party action would not confer a significant benefit on the general public as to the Products addressed in this Settlement Agreement, provided that Noticed Party is in material compliance with this Settlement Agreement.

8. SEVERABILITY

If 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.

9. 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 Products, then the Noticed Party may provide written notice to DiPirro of any asserted change in the law, and have

no further obligations pursuant to this Settlement Agreement, with respect to, and to the extent that, the Products are so affected. Nothing in this Settlement Agreement shall be interpreted to relieve Noticed Party from any obligation to comply with any pertinent state or federal toxics control laws.

10. ENFORCEMENT

If DiPirro alleges that Noticed Party has failed to comply with this Settlement Agreement then, prior to filing an action or a notice of violation as to Noticed Party or any Releasee, DiPirro shall first provide Noticed Party sixty (60) days' advance written notice of the alleged violation(s). DiPirro shall provide testing results, lot numbers, and photographs of the Products' packaging for the Products at issue. The Parties shall meet and confer during such 60-day period in an effort to resolve the matter informally without the need for a new 60-day notice of violation or litigation. If the matter is not resolved within 60 days, DiPirro may file a new notice of violation.

11. NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to this Settlement Agreement shall be in writing and sent by: (i) personal delivery; (ii) first-class, registered or certified mail, return receipt requested; or (iii) a recognized overnight courier on any party by the other party at the following addresses:

For Fasteners Direct, Inc.:

Abigail Contreras
acontreras@hunton.com
Hunton Andrews Kurth LLP
50 California Street, Suite 1700
San Francisco, CA, 94111

And

Malcolm Weiss
mweiss@hunton.com
Hunton Andrews Kurth LLP
550 S. Hope Street
20th Floor

Los Angeles, CA 90071
AND

For Michael DiPirro:

Jeremy Fietz, Attorney-at-Law
jeremy@superawesomelawyer.com
4241 Montgomery Drive, #123
Santa Rosa CA 95405

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.

12. 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.

13. POST-EXECUTION ACTIVITIES

DiPirro agrees to comply with the reporting form requirements referenced in Health and Safety Code section 25249.7(f).

14. 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.

15. MODIFICATION

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

16. 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.

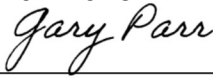
AGREED TO:

Date: 01-06-2026

By: 
Michael DiPirro

AGREED TO:

Date: 01-02-2025

By: 
Fasteners Direct, Inc.
Print Name: Gary Parr
Title: CEO