

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties

This Settlement Agreement is entered into by and between John Moore (“Moore”) and Anderson Brass Company (“ABCo”), with Moore and ABCo each individually referred to as a “Party” and collectively as the “Parties.” Moore is an individual residing in the State of California who seeks to promote awareness of exposures to toxic chemicals, and to improve human health by reducing or eliminating hazardous substances used in consumer products. Moore alleges that ABCo employs ten or more persons and 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”).

1.2 General Allegations

Moore alleges that ABCo manufactures, sells, and/or distributes for sale in California, recreational vehicle (RV) water heater drain valves containing Lead. Lead is listed pursuant to Proposition 65 as a chemical known to cause birth defects or other reproductive harm. Moore alleges that ABCo failed to provide the health hazard warning allegedly required by Proposition 65 for exposures to Lead from RV water heater drain valves.

1.3 Product Description

The products that are covered by this Settlement Agreement are RV water heater drain valves containing Lead, including, but not limited to the *Anderson Brass Company RV Water Heater Drain Valve (UPC# 6 09728 95172 6)*, manufactured, sold or distributed for sale in California by ABCo (“Products”).

1.4 Notice of Violation

On or about June 14, 2016, Moore served ABCo and certain requisite public enforcement agencies with a 60-Day Notice of Violation (“Notice”), alleging that ABCo

violated Proposition 65 when it failed to warn its customers and consumers in California that its 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

ABCo denies the material, factual, and legal allegations contained in the Notice and maintains that all of the products that it has sold and distributed in California, including the Products subject to Mr. Moore's Notice, have been, and are, in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by ABCo of any fact, finding, conclusion, issue of law, or violation of law, nor shall compliance with this Settlement Agreement constitute or be construed as an admission by ABCo of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by ABCo. However, this Section shall not diminish or otherwise affect ABCo'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 September 15, 2016.

2. INJUNCTIVE RELIEF

ABCo represents that it has removed all Products from commercial sale in California and has exited the California market. ABCo further represents that, as of the Effective Date, it has no intention of re-entering the California market. Commencing on the Effective Date, ABCo shall ensure that any Products it sells in California either are "Reformulated Products" or are sold with a clear and reasonable warning pursuant to Proposition 65.

2.1 Reformulated Products

For purposes of this Settlement Agreement, "Reformulated Products" are Products containing no more than to 90 parts per million ("ppm") lead when analyzed

pursuant to U.S. Environmental Protection Agency testing methodologies 3050B and 6010B or equivalent methodologies utilized by federal or state agencies for the purpose of determining lead content in a solid substance; and (b) yield no more than 1.0 microgram (“µg”) of lead when a wipe is applied to all surfaces according to NIOSH Test Method No. 9100.

2.2 Product Warnings

Commencing on the Effective Date, ABCo shall provide clear and reasonable warnings for all Products that do not currently have warnings and that do not qualify as Reformulated Products. 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 before 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.

ABCo shall affix a warning to the packaging, labeling, or directly on each Product packaging provided for sale in retail outlets in California that states:

WARNING: This product contains lead, a chemical known to the State of California to cause birth defects and other reproductive harms.

3. MONETARY SETTLEMENT TERMS

3.1 Civil Penalty Payment

Pursuant to Health and Safety Code section 25249.7(b)(2), and in settlement of all claims alleged in the Notice or referred to in this Settlement Agreement, ABCo agrees to pay \$2,5000.00 in civil penalties. On or before the Effective Date, ABCo shall pay the civil penalty in the amount of \$2,500.00. The penalty payment will be allocated in accordance with California Health and Safety Code section 25249.12(c)(1) & (d), with 75% of the penalty amount remitted to the California Office of Environmental Health Hazard Assessment (“OEHHA”) and the remaining 25% of the penalty amount paid to

Moore, and delivered to the address in Section 3.3 herein. ABCo will provide its payment in two checks for the following amounts made payable to: (a) "OEHHA" in the amount of \$1875.00 and (b) "John Moore, Client Trust Account" in the amount of \$625.00.

3.2 Attorneys' Fees and Costs

The Parties reached an accord on the compensation due to Moore and his counsel under general contract principles and the private attorney general doctrine codified at Code of Civil Procedure section 1021.5 for all work performed in this matter. Under these legal principles, ABCo agrees to pay \$23,500.00 to Moore and his counsel for all fees and costs incurred investigating, bringing this matter to the attention of ABCo's management, and negotiating a settlement that provides a significant public benefit. ABCo's payment shall be due on the Effective Date, and delivered to the address in Section 3.3 in the form of a check payable to "The Chanler Group."

3.3 Payment Address

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

The Chanler Group
Attn: Proposition 65 Controller
2560 Ninth Street
Parker Plaza, Suite 214
Berkeley, CA 94710

4. CLAIMS COVERED AND RELEASED

4.1 Moore's Release of ABCo

This Settlement Agreement is a full, final and binding resolution between Moore, as an individual and not on behalf of the public, and ABCo, of any violation of Proposition 65 that was or could have been asserted by Moore, on behalf of himself, or on behalf of his past and current agents, representatives, attorneys, successors, and/or assignees ("Releasers"), and Releasers hereby release any such claims, against ABCo, its parents, subsidiaries, affiliated entities under common ownership, directors, officers,

employees, attorneys, and each entity to whom ABCo directly or indirectly distributes or sells Products, including but not limited to downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, licensors, and licensees (“Releasees”), based on the failure to warn about alleged exposures to Lead contained in Products manufactured, distributed, sold or offered for sale by ABCo in California before the date that this Settlement Agreement is fully executed by the Parties.

In further consideration of the promises and agreements herein contained, Moore, as an individual and not on behalf of the public, on his own behalf, and on behalf of his past and current agents, representatives, attorneys, successors, and/or assignees, hereby covenants not to sue and waives any right 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 and in equity, all 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 contained in the Products manufactured, distributed, sold and/or offered for sale by ABCo before the date that this Settlement Agreement is fully executed by the Parties. The releases provided by Moore under this Settlement Agreement are provided solely on Moore’s behalf and are not releases on behalf of the public.

4.2 ABCo’s Release of Moore

ABCo, on its own behalf, and on behalf of its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives any and all claims against Moore and his attorneys and other representatives, for any and all actions taken or statements made by Moore 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.

5. SEVERABILITY

If, subsequent to the execution of this Settlement Agreement, 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

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 otherwise rendered inapplicable by reason of law generally, as to ABCo specifically as a result of a statutory exemption, or as to the Products, then ABCo may provide written notice to Moore of any asserted change in the law, or its applicability to ABCo or the Products, and shall have no further injunctive obligations pursuant to this Settlement Agreement with respect to, and to the extent that, ABCo or the Products are so affected.

7. NOTICE

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

ABCo

Robert Anderson, President
Anderson Brass Company
1629 West Bobo Newsome Hwy
Hartsville, SC 29550

David M. Metres, Esq.
Barg Coffin Lewis & Trapp, LLP
350 California Street, 22nd Floor
San Francisco, CA 94104-1435

Moore

Proposition 65 Coordinator
The Chanler Group
2560 Ninth Street
Parker Plaza, Suite 214
Berkeley, CA 94710

Any Party may, from time to time, specify in writing to the other a change of address to

which all notices and other communications shall be sent.

8. 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.

9. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)

Moore and his attorneys agree to comply with the reporting form requirements referenced in California Health and Safety Code section 25249.7(f).

10. MODIFICATION

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

11. AUTHORIZATION

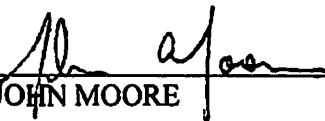
The undersigned are authorized to execute this Settlement Agreement on behalf of their respective Parties and have read, understood, and agree to all of the terms and conditions of this Settlement Agreement.

AGREED TO:

AGREED TO:

Date: 9/14/2016

Date: _____

By:  _____
JOHN MOORE

By: _____
ROBERT ANDERSON, PRESIDENT
ANDERSON BRASS COMPANY

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11. 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: _____

By: _____
JOHN MOORE

AGREED TO:

Date: 9/15/2016

By: RC Anderson
ROBERT ANDERSON, PRESIDENT
ANDERSON BRASS COMPANY