

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties

This Settlement Agreement is entered into by and between John Moore ("Moore") and Sellers Publishing, Inc. ("Sellers Publishing"), with Moore and Sellers Publishing 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. Sellers Publishing 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 and Safety Code section 25249.6 *et seq.* ("Proposition 65").

1.2 General Allegations

Moore alleges that Sellers Publishing manufactures, sells, and distributes for sale in California, vinyl/PVC planner covers containing the phthalate chemical Di(2-ethylhexyl)phthalate ("DEHP"). DEHP is listed pursuant to Proposition 65 as a chemical known to cause birth defects and other reproductive harm. Moore alleges that Sellers Publishing failed to provide the health hazard warning required by Proposition 65 for exposures to DEHP from the Products.

1.3 Product Description

The products covered by this Settlement Agreement are vinyl/PVC planner covers containing DEHP that are manufactured, sold, or distributed for sale in California by Sellers Publishing including, but not limited to, the "*Words To Live By Live Like Someone Left The Gate Open*" Two-Year-Plus Pocket Planner, #50599, ISBN 9 781416 299189 (hereinafter referred to as "Products").

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1.4 Notice of Violation

On December 6, 2016, Moore served Sellers Publishing and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice"), alleging that Sellers Publishing violated Proposition 65 when it failed to warn its customers and consumers in California of the health hazards associated with exposures to DEHP from its Products. No public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice.

1.5 No Admission

Sellers Publishing 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, have been, and are, in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by Sellers Publishing 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 Sellers Publishing of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Sellers Publishing. This Section shall not, however, diminish or otherwise affect Sellers Publishing'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 March 10, 2017.

2. INJUNCTIVE RELIEF: REFORMULATED PRODUCTS

Sellers Publishing represents that, it no longer manufactures the Products for sale or purchases the Products for sale in or into California. Hereafter, should it choose to manufacture the Products for sale or purchase the Products for sale, or sell the Products in or into California, the Products shall be "Reformulated Products." For purposes of this Settlement Agreement, "Reformulated Products" shall mean Products containing less

than or equal to 1,000 parts per million (0.1%) DEHP in each component when analyzed pursuant to Environmental Protection Agency testing methodologies 3580A and 8270C or equivalent methodologies utilized by federal or state agencies for the purpose of determining DEHP content in a solid substance.

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, Sellers Publishing agrees to pay \$4,000 in civil penalties. On or before March 17, 2017, Sellers Publishing shall pay the civil penalty in the amount of \$4,000. 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. Sellers Publishing will provide its payment in two checks for the following amounts made payable to: (a) “OEHHA” in the amount of \$3,000 and (b) “John Moore, Client Trust Account” in the amount of \$1,000.

3.2 Attorneys’ Fees and Costs

The Parties acknowledge that Moore and his counsel offered to resolve this dispute without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving the issue to be resolved after the material terms of the agreement had been settled. Shortly after the other settlement terms had been reached, Sellers Publishing expressed a desire to resolve Moore’s 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, on or before March 17, 2017, Sellers Publishing agrees to pay \$23,500 in the form of a check made payable to

“The Chanler Group” for all fees and costs incurred investigating, bringing this matter to the attention of Sellers Publishing’s management, and negotiating a settlement.

3.3 Payment Address

All payments under 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 Sellers Publishing

This Settlement Agreement is a full, final and binding resolution between Moore and Sellers Publishing, of any violation of Proposition 65 that was or could have been asserted by Moore on his own behalf or on behalf of his past and current agents, representatives, attorneys, successors, and assignees, against Sellers Publishing, its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, attorneys, and each entity to whom Sellers Publishing directly or indirectly distributes or sells Products, including its downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, licensors, and licensees (“Releasees”), based on the alleged or actual failure to warn about exposures to DEHP from Products sold or distributed for sale by Sellers Publishing in California before the Effective Date.

In further consideration of the promises and agreements herein, Moore, on his own behalf and on behalf of his past and current agents, representatives, attorneys, successors, and/or assignees, hereby 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 exposures to DEHP from Products manufactured, distributed, sold and/or offered for sale by Sellers Publishing before the Effective Date. The releases provided by Moore under this Settlement Agreement are provided solely on Moore's own behalf and not on behalf of the public in California.

4.2 Sellers Publishing's Release of Moore

Sellers Publishing, 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, seeking to enforce Proposition 65 against it in this matter, or with respect to the Products.

5. SEVERABILITY

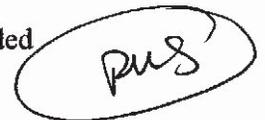
If, subsequent to the execution of this Settlement Agreement, any provision of this Settlement Agreement is deemed by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

6. GOVERNING LAW

The terms of this 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 Sellers Publishing may provide written notice to Moore 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 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:

For Sellers Publishing:

Glen Stimson
Sellers Publishing, Inc.
161 John Roberts Road
South Portland, ME 04106

For Moore:

Proposition 65 Coordinator
2560 Ninth Street
Parker Plaza, Suite 214
Berkeley, CA 94710-2565

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**

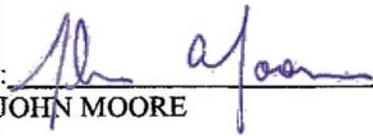
The undersigned are authorized to execute this Settlement Agreement on behalf of their respective Parties and have read, understand, and agreed to all of the terms and conditions of this Settlement Agreement.

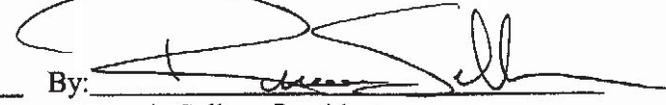
AGREED TO:

AGREED TO:

Date: 3/21/2017

Date: 3/16/2017

By: 
JOHN MOORE

By: 
Ronnie Sellers, President
SELLERS PUBLISHING, INC.