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1 2 3 4	ANN G. GRIMALDI (SBN 160893) ERIC S. C. LINDSTROM (SBN 197063) McKENNA & CUNEO, L.L.P. One Market Plaza, Steuart Tower San Francisco, CA 94105 Telephone: (415) 267-4000 Facsimile: (415) 267-4198			
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6	Attorneys for Defendant KBC TOOLS & MACHINERY			
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8	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
9	COUNTY OF ALAMEDA			
10	COUNTY	FALAMEDA		
11	MICHAEL DIPIRRO,	No. H220178-4		
12	Plaintiffs,	1.00.1.2017.0		
13	v.	[PROPOSED] CONSENT JUDGMENT		
14				
15	DOES 1 through 1000,			
16	Defendants.			
17		•		
18	1. Introduction			
19	1.1 Michael DiPirro is an individual	residing in San Francisco, California, who seeks		
20	to promote awareness of exposures to toxic chemicals and improve human health by reducing or			
21	eliminating hazardous substances contained in consumer and industrial products.			
22	1.2 KBC TOOLS & MACHINERY is a company that distributes and sells, but does			
23	not manufacture, certain power tools, the use of which is alleged to expose persons to lead (or			
24	lead compounds) crystalline silica, arsenic and chromium (hexavalent compounds). Lead (and			
25	lead compounds), crystalline silica, arsenic and	chromium (hexavalent compounds) (hereinafter		
26	the "Listed Chemicals") are identified as substances listed in the regulations promulgated under			
27	,			
28	Code sections 25249.5 et seq. ("Proposition 65") as chemicals known to the State of California			

**CONSENT JUDGMENT** 

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to cause cancer and/or reproductive harm. A list of the products that allegedly expose persons to the Listed Chemicals and which are covered by this Consent Judgment is provided in Exhibit A (the "Products").

- 1.3 On March 22, 2001, Michael DiPirro first served KBC TOOLS & MACHINERY and other public enforcement agencies with a document entitled "60-Day Notice of Violation" which provided KBC TOOLS & MACHINERY and such public enforcers with notice that KBC TOOLS & MACHINERY was allegedly in violation of Proposition 65 for failing to warn purchasers that certain products it sells in California expose users to Proposition 65-listed chemicals (the "Notice").
- 1.4 On June 4, 2001, Michael DiPirro brought an action in the public interest entitled *Michael DiPirro v. KBC Tools & Machinery* in the Alameda County Superior Court, Case No. H220178-4, naming KBC TOOLS & MACHINERY as a defendant and alleging violations of Business & Professions Code § 17200 and Health & Safety Code § 25249.6 on behalf of individuals in California who allegedly have been exposed to chemicals listed pursuant to Proposition 65 contained in certain Products (the "Action").
- 1.5 Neither the Attorney General nor any of the other designated public prosecutors has commenced any action in response to the Notice. For purposes of this Consent Judgment, Plaintiff acts in the interest of the general public as to those matters alleged in the Notice and in the Action.
- 1.6 For purposes of this Consent Judgment only, the parties stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaint filed in the Action, that the Court has personal jurisdiction over settling Defendant KBC TOOLS & MACHINERY as to the acts alleged in the Complaint filed in the Action, that venue is proper in the County of Alameda and that this Court has jurisdiction to enter this Consent Judgment as a full settlement and resolution of the allegations contained in the Complaint filed in the Action, and of all claims which were or could have been raised by any person or entity based on whole or in part, directly or indirectly, on the facts alleged in the Notice, in the Complaint filed in the Action, or arising therefrom or-related thereto.

1.7 This Consent Judgment resolves claims that are denied and disputed. KBC					
enters into this Consent Judgment to settle disputed claims between the parties, to avoid					
prolonged litigation and to provide a prompt remedy for the matters alleged in the Notice and in					
the Complaint filed in the Action. The parties intend this settlement to be full and final					
adjudication of all claims that were or could have been brought against KBC TOOLS &					
MACHINERY, its customers, directors, officers, employees, parent companies, sister					
companies, subsidiaries, and any person who may use, maintain or sell the Products, and the					
successors and assigns of any of them, whether or not they were named in the Action, with					
respect to the claims that were the subject of the Notice and the Action.					

- 1.8 Nothing in this Consent Judgment shall be construed as an admission by KBC TOOLS & MACHINERY of any fact, finding, issue of law, or violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an admission by KBC TOOLS & MACHINERY of any fact, finding, conclusion, issue of law, or violation of law. However, this paragraph shall not diminish or otherwise affect the obligations, responsibilities, and duties of KBC TOOLS & MACHINERY under this Consent Judgment.
- 2. Entry of Consent Judgment.
- 2.1 The parties hereby request that the Court promptly enter this Consent Judgment.

  Upon entry of the Consent Judgment, the parties waive their respective rights to a hearing or trial on the allegations of the Complaint.
- 3. Court Approval.
- 3.1 If this Consent Judgment is not approved by the Court, it shall be of no force or effect, and cannot be used any proceeding for any purpose.
- 4. Injunctive Relief -- Proposition 65 Warnings.
- 4.1 KBC TOOLS & MACHINERY agrees to provide Proposition 65 warnings in the manner prescribed below. Nothing in this Consent Judgment, however, shall require KBC TOOLS & MACHINERY to provide warnings for any power tool products that KBC TOOLS & MACHINERY purchases from any power tool manufacturer that has entered into the Consent Judgment entered on September 29, 2000 in *People v. Ace Hardware*, San Francisco Superior

Court Case No. 995893, or, in the future, from any power tool manufacturer that has entered into a court-approved settlement regarding Proposition 65 warnings for exposures to lead (or lead compounds), crystalline silica, arsenic and/or chromium (hexavalent) resulting from the use of power tools for which a warning is already being provided. In addition, nothing in this Consent Judgment shall require KBC TOOLS & MACHINERY to provide warnings for any power tool product that would fall in the category of power tool products not requiring a warning pursuant to the *People v. Ace Hardware* Consent Judgment. The list of such "No Warning Required" products is found by comparing Exhibits A and B of the *People v. Ace Hardware* Consent Judgment. A true and correct copy of the face page of *People v. Ace Hardware* Consent Judgment is attached hereto as Exhibit B.

- 4.2 Beginning on November 5, 2001, KBC TOOLS & MACHINERY shall provide its California customers of the Products, with every shipment, a Proposition 65 warning by affixing warning labels to the Products' package or shipping invoice. Said warning labels shall bear the warning text quoted in Exhibit D of the *People v. Ace Hardware* Consent Judgment.
- 4.3 Nothing in this Consent Judgment shall impose any Proposition 65 warning obligation on KBC TOOLS & MACHINERY with respect to Products sold outside the State of California which KBC TOOLS AND MACHINERY knows, or has reason to know, is intended for use outside of California.

# 5. Payment Pursuant To Health & Safety Code § 25249.7(b).

5.1 Pursuant to Health & Safety Code § 25249.7(b), KBC TOOLS & MACHINERY shall pay a civil penalty of \$1,000. The payment of \$1,000 shall be paid within five (5) calendar days after November 5, 2001 (hereinafter the "Effective Date"). The penalty payment is to be made payable to "Chanler Law Group In Trust For Michael DiPirro" and shall be held in trust until the Alameda County Superior Court approves and enters the Consent Judgment. If the Alameda County Superior Court refuses to enter the Consent Judgment, then KBC TOOLS & MACHINERY shall be reimbursed within five (5) calendar days of such refusal. Penalty monies shall be apportioned by DiPirro in accordance with Health & Safety Code § 25192, with

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75% of these funds remitted to the State of California's Department of Toxic Substances Control.

5.2 KBC TOOLS & MACHINERY understands that the payment schedule as stated in this Consent Judgment is a material factor upon which DiPirro has relied in entering into this Consent Judgment. KBC TOOLS & MACHINERY agrees that all payments will be made in a timely manner in accordance with the payment due dates. KBC TOOLS & MACHINERY will be given a five (5) calendar day grace period from the date payment is due. KBC TOOLS & MACHINERY agrees to pay Michael DiPirro and his attorneys a \$250 per calendar day fee for each day payment is received after the grace period ends. For purposes of this paragraph, each new day (requiring a additional \$250 payment) will begin at 5 p.m. PST.

#### Reimbursement Of Fees And Costs.

- 6.1 The parties acknowledge that DiPirro offered to resolve the dispute without reaching terms on the amount of fees and costs to be reimbursed, thereby leaving this open issue to be resolved after the material terms of the Consent Judgment had been reached, and the matter settled. KBC TOOLS & MACHINERY then expressed a desire to resolve the fee and cost issue concurrently with other settlement terms, so the parties tried to and did reach an accord on the compensation due to DiPirro and his counsel under the private attorney general doctrine codified at C.C.P. § 1021.5.
- 6.2 KBC TOOLS & MACHINERY shall reimburse DiPirro and his attorneys for his fees and costs, incurred as a result of investigating, bringing this matter to KBC TOOLS & MACHINERY's attention, litigating and negotiating a settlement in the public interest. KBC TOOLS & MACHINERY shall pay the total sum of \$3,500 for investigation fees, attorneys' fees and litigation costs. KBC TOOLS & MACHINERY agrees to pay \$3,500 within five (5) calendar days after the Effective Date. Payment should be made payable to the "Chanler Law Group" and shall be held in trust until the Alameda County Superior Court approves and enters the Consent Judgment. If the Alameda County Superior Court refuses to enter the Consent Judgment, then KBC TOOLS & MACHINERY shall be reimbursed within five (5) calendar days of such refusal.

6.3 KBC TOOLS & MACHINERY understands that the payment schedule as stated in this Consent Judgment is a material factor upon which DiPirro has relied in entering into this Consent Judgment. KBC TOOLS & MACHINERY agrees that all payments will be made in a timely manner in accordance with the payment due dates. KBC TOOLS & MACHINERY will be given a five (5) calendar day grace period from the date payment is due. KBC TOOLS & MACHINERY agrees to pay Michael DiPirro and his attorneys a \$250 per calendar day fee for each day payment is received after the grace period ends. For purposes of this paragraph, each new day (requiring a additional \$250 payment) will begin at 5 p.m. PST.

Attorney General's Office, pursuant to 11 CRC 3000, et seq., serves objections to this Consent Judgment on either of the parties, such that it requires plaintiff to incur additional legal fees or costs relating to this Consent Judgment, KBC TOOLS & MACHINERY shall reimburse DiPirro for reasonable fees and costs, related to resolving the Attorney General's objections, incurred by DiPirro and his counsel in excess of \$1,500, but not to exceed a total of \$3,000 above the initial \$1,500, from the date of receipt of the Attorney General's objections. Such additional legal fees or costs relating to this Consent Judgment include, but are not limited to: further editing and finalizing of the Consent Judgment; corresponding with opposing counsel; retention of experts; presenting of the Consent Judgment (or any modifications thereof) to the Attorney General for further comment; and any briefing and/or appearance before the Court; and all related to the approval of this Consent Judgment.

If the California Attorney General does serve objections to this Consent Judgment on Plaintiff, Plaintiff shall so advise KBC TOOLS & MACHINERY immediately, and shall provide KBC TOOLS & MACHINERY with copies of any related correspondence or other writings received from the Attorney General. Plaintiff shall not in any way prevent KBC TOOLS & MACHINERY from communicating or providing information to the Attorney General, if KBC TOOLS & MACHINERY so desires.

Plaintiff agrees to document all fees and costs incurred from the date of receipt of the Attorney General's objections through the date of court approval of the Consent Judgment.

Prior to receiving such documentation, KBC TOOLS & MACHINERY agrees to enter into a letter agreement in which the parties agree that, by transmitting such information, no privilege will be waived by DiPirro or his counsel.

Such additional reimbursement of legal fees and costs shall be due within ten (10) calendar days after receipt by KBC TOOLS & MACHINERY of both notice of Court approval of the Consent Judgment and final billing statement from plaintiff. KBC TOOLS & MACHINERY has the right to object to such reimbursement. If KBC TOOLS & MACHINERY does object, it shall so notify Plaintiff's counsel in writing within five (5) calendar days of its receipt of both notice of Court approval and Plaintiff's billing statement. The parties shall meet and confer in good faith to resolve the dispute. If the dispute is not resolved within ten (10) calendar days, either party may submit the dispute to the Court, pursuant to the Court's continuing jurisdiction to implement the terms of this Consent Judgment and pursuant to California Code of Civil Procedure § 1021.5. The parties also may agree to resolve the dispute through mediation, arbitration, or other neutral third party dispute resolution proceeding.

## 7. Claims Covered.

7.1 This Consent Judgment is a final and binding resolution between and among the Plaintiff and its agents and attorneys, acting in the interests of the general public, on the one hand, and KBC TOOLS & MACHINERY, its customers, directors, officers, employees, parent companies, sister companies, subsidiaries, or any other person who may use, maintain or sell the Products, and the successors and assigns of any of them, on the other hand, of any and all Claims, as that term is defined in herein. "Claims" shall mean all manner of action or actions, cause or causes of action, in law or in equity, administrative actions, petitions, suits, debts, liens contracts, agreements, promises, liabilities, claims, demands, known or unknown, fixed or contingent, that have existed or now exist, all to the extent based upon or arising out of compliance by KBC TOOLS & MACHINERY with Proposition 65, its implementing regulations, and Business & Professions Code section 17200 et seq., with respect to the sale,

distribution, marketing or use of the Products regarding failure to warn for the Listed Chemicals.

7.2 Compliance with the terms of this Consent Judgment resolves any issue, now and in the past, concerning compliance by KBC TOOLS & MACHINERY, its customers, directors, officers, employees, parent companies, sister companies, subsidiaries, or any other person who may use, maintain or sell the Products, and the successors and assigns of any of them, with the requirements of Proposition 65, its implementing regulations, and Business & Professions Code section 17200, with respect to Products that were sold, distributed or marketed by KBC TOOLS & MACHINERY.

#### 8. Mutual Releases of Claims

- Michael DiPirro's Release of KBC TOOLS & MACHINERY. Michael DiPirro, by this Consent Judgment, on behalf of himself, his agents, representatives, attorneys, assigns, and in the interests of the general public, waives all rights to institute or participate in, directly or indirectly, any form of legal action, and releases all claims, liabilities, obligations, losses, costs, expenses, penalties, fines and damages, against KBC TOOLS & MACHINERY and its customers, directors, officers, employees, parent companies, sister companies, subsidiaries, or any other person who may use, maintain or sell the Products, and the successors and assigns of any of them, whether under Proposition 65 or the Business & Profession Code § 17200 et seq. based on KBC TOOLS & MACHINERY's failure to warn about exposure to Listed Chemicals resulting from the use of any of the Products..
- 8.2 KBC TOOLS & MACHINERY's Release of Michael DiPirro. KBC TOOLS & MACHINERY, by this Consent Judgment, releases and waives all rights to institute any form of legal action against Michael DiPirro and his attorneys or representatives, for all actions or statements made by Michael DiPirro, and his attorneys or representatives, in the course of seeking enforcement of Proposition 65 or Business & Profession Code § 17200 against KBC TOOLS & MACHINERY as to the Products that are the subject of the Notice and of the Action.

#### 9. Retention of Jurisdiction.

This Court shall retain jurisdiction of this matter to implement the Consent Judgment.

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### 10. KBC TOOLS & MACHINERY's Sales Data.

KBC TOOLS & MACHINERY understands that the sales data provided to 10.1 counsel for DiPirro by KBC TOOLS & MACHINERY was a material factor upon which DiPirro has relied to determine the amount of payments made pursuant to Health & Safety Code § 25249.7(b) in this Consent Judgment. To the best of KBC TOOLS & MACHINERY's knowledge, the sales data provided is true and accurate. In the event that DiPirro discovers facts which demonstrate to a reasonable degree of certainty that the sales data are materially inaccurate, the parties shall meet in a good faith attempt to resolve the matter within ten (10) days of KBC TOOLS & MACHINERY's receipt of notice from DiPirro of his intent to challenge the accuracy of the sales data. If this good faith attempt fails to resolve DiPirro's concerns, DiPirro shall have the right to re-institute this enforcement action against KBC TOOLS & MACHINERY within ten (10) days from the date on which DiPirro notifies KBC TOOLS & MACHINERY of his intent to do so. In such case, all applicable statutes of limitations shall be deemed tolled for the period between the date DiPirro filed the Action and the date DiPirro notifies KBC TOOLS & MACHINERY that he is re-instituting this enforcement action pursuant to this Paragraph, but this tolling period shall not exceed one year.

#### 11. No Waiver of Right to Seek Modification from the Court.

11.1 Nothing in this Consent Judgment is intended to limit or waive any of the parties' rights to seek modifications hereto from the Court, and any modification to this Consent Judgment are effective only upon entry of a modified Consent Judgment by the Court.

### 12. Severability.

12.1 In the event that any of the provisions of this Consent Judgment are held by a court to be unenforceable, the validity of the enforceable provisions shall not be adversely affected.

#### 13. Attorneys' Fees.

13.1 In the event that a dispute arises with respect to any provision(s) of the Consent Judgment, and such disputes are resolved by the Court or through mediation, arbitration or other

	l .		
1	alternative dispute resolution proceeding, the prevailing party in such action or proceeding shal		
2	be entitled to recover costs and reasonable attorneys' fees.		
3	14. Entire Agreement.		
4		This C	Consent Judgment contains the sole and entire agreement and understanding of the
5	parties with respect to the entire subject matter hereof, and any and all prior discussions,		
6	negotiations, commitments and understandings related hereto. No representations, oral or		
7	otherwise, express or implied, other than those contained herein have been made by any party		
8	hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be		
9	deemed to exist or bind any of the parties.		ist or bind any of the parties.
10	15. Governing Law.		
11		15.1	The terms of this Consent Judgment shall be governed by the laws of the State of
12	California.		
13	16.	Notic	es.
14		16.1	All correspondence to Michael DiPirro shall be mailed to:
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16			David R. Bush or Jennifer Henry Bush & Henry
17			4400 Keller Ave., Suite 200 Oakland, CA 94605-4229
18			(510) 577-0747
19		16.2	All correspondence to KBC TOOLS & MACHINERY shall be mailed to:
20			Paula Bass
21			KBC Tools & Machinery
22			6300 18 Mile Road Sterling Heights, MI 48314
23			
24	with copy to		
25			Ann G. Grimaldi McKenna & Cuneo, L.L.P.
26			One Market Plaza, Steuart Tower
27			San Francisco, CA 94105 Tel.: 415-267-4000
28		-	Fax: 415-267-4198
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#### 17. Compliance With Reporting Requirements.

17.1 The parties acknowledge that the reporting provisions of Health & Safety Code § 25249.7(f) apply to this Consent Judgment. Counsel for DiPirro shall comply with that section by submitting the required reporting form to, and serving a copy of this Consent Judgment on, the California Attorney General's Office within two business days after the parties execute this Consent Judgment. Following the expiration of the Attorney General's thirty-day review period, counsel for DiPirro shall submit the Consent Judgment to the Court in accordance with the requirements of Health & Safety Code § 25249.7(f) and its implementing regulations.

#### Counterparts and Facsimile.

18.1 This Consent Judgment may be executed in counterparts and facsimile, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

#### 19. Authorization.

19.1 The undersigned are authorized to execute this Consent Judgment on behalf of their respective parties and have read, understood and agree to all of the terms and conditions of this Consent Judgment.

AGREED TO:	AGREED TO:
DATE: 11/8/01	DATE:
MarloSef-	
Michael DiPitro PLAINTIFF	KBC TOOLS & MACHINERY DEFENDANT

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## 17. Compliance With Reporting Requirements.

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19.1 The undersigned are authorized to execute this Consent Judgment on behalf of their respective parties and have read, understood and agree to all of the terms and conditions of this Consent Judgment.

AGREED TO:
DATE: 1/3/0/
CAMAD)
2- 11 4/11/11 0
KBUTOOLS & MACHINERY DEFENDANT

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1	AGREED AS TO FORM:	AGREED AS TO FORM:	
2	BUSH & HENRY	MCKENNA & CUNEO	
3	(C)		
4	and the		
5	David Bush Attorneys for Plaintiff Michael DiPirro	Ann G. Grimaldi Attorneys for Defendant KBC TOOLS & MACHINERY	
6	DATE: 1/3,01	MACHINERY	
7	DATE:	DATE:	
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11	TELIGICO ODDEDES INVESTOS	AND DECREES	
12	IT IS SO ORDERED, ADJUDGED AND DECREED.		
13	Date:		
14	Judge	f the Superior Court	
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**CONSENT JUDGMENT** 

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1	AGREED AS TO FORM:	AGREED AS TO FORM:
2	BUSH & HENRY	MCKENNA & CUNEO
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4	D 11D 1	Am D. Dringell
5	David Bush Attorneys for Plaintiff Michael DiPirro	Ann G. Grimaldi Attorneys for Defendant KBC TOOLS & MACHINERY
6	DATE:	1.1
7	DATE	DATE: $11/5/67$
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11	IT IS SO ORDERED, ADJUDGED AN	ID DECREED
12	11 15 50 OKDERED, ADJUDGED AN	D DECKEED.
13	Date: JSCEC	ILIA CASTELLANOS
14	Judge of t	he Superior Court
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# Exhibit A

## **EXHIBIT A**

Power tools, consistent with the People v. Ace Hardware Consent Judgment

- 13 -

**CONSENT JUDGMENT** 

## **EXHIBIT B**

Face page of the People v. Ace Hardware Consent Judgment

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**CONSENT JUDGMENT** 

Anars'd.....

CONSENT JUDGMENT