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    MICHAEL DIPIRRO
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               SUPERIOR COURT OF THE STATE OF CALIFORNIA
                    IN AND FOR THE COUNTY OF ALAMEDA
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    MICHAEL DIPIRRO,
                                          No. H217705-2
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               Plaintiff,
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                                        CONSENT JUDGMENT
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    NUPLA CORPORATION; and DOES 1
    through 1000,
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              Defendants.
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         This Consent Judgment ("Agreement" or "Consent Judgment")
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     is entered into by and between Michael DiPirro and Nupla
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    Corporation, a California corporation, ("Nupla") as of
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    September 19, 2001 (the "Effective Date"). The parties agree
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    to the following terms and conditions:
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    CONSENT JUDGMENT
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WHEREAS:

- A. Michael DiPirro is an individual residing in San Francisco, California, who seeks to promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer and industrial products;
- B. Nupla is a company that currently manufactures, distributes and sells certain brass hammers and other non-marring and non-sparking hammers as set forth in Exhibit A that contain lead (or lead compounds), a substance known to the State of California to cause cancer and birth defects (or other reproductive harm);
- C. A list of the products which contain lead (or lead compounds) (the "Listed Chemical") and which are covered by this Agreement is provided in Exhibit A (the "Products"). The Products have been distributed and sold by Nupla in California since January 11, 1997; and
- D. On November 6, 2000, Michael DiPirro first served Nupla and other public enforcement agencies with a document entitled "60-Day Notice of Violation" which provided Nupla and such public enforcers with notice that Nupla was in violation of Health & Safety Code \$25249.6 for allegedly failing to warn purchasers that certain products it sells in California expose users to one or more Proposition 65-listed chemicals; and
- E. On March 23, 2001, Michael DiPirro filed a complaint entitled <u>Michael DiPirro v. Nupla Corporation</u>, et

al. in the Alameda County Superior Court, naming Nupla 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 one or more chemicals listed pursuant to Proposition 65 contained in certain Nupla products.

F. Nothing in this Agreement shall be construed as an admission by Nupla of any fact, finding, issue of law, or violation of law, nor shall compliance with this Agreement constitute or be construed as an admission by Nupla 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 Nupla under this Agreement.

NOW THEREFORE, MICHAEL DIPIRRO AND Nupla AGREE AS FOLLOWS:

- 1. Product Warnings. Nupla shall begin to take steps to its sale of the Brass Hammer Products (as defined in Exhibit A) to provide the language set forth in the section 1.1 below. Beginning on November 15, 2001, Nupla agrees that it will not knowingly sell any Brass Hammer Products containing the Listed Chemical in the State of California unless such Products comply with section 1.1 below:
- 1.1 All Brass Hammers Products shall bear the following warning statement:

"WARNING: This product contains lead, a chemical known to the State of

chemical known to the State of California to cause cancer and birth defects (or other reproductive

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known to the State of California to cause cancer and birth defects (or other reproductive harm).";

"WARNING: This product contains a chemical

The warning statement 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 of purchase.

- 1.2 Nupla also manufactures non-sparking and nonmarring hammers as referenced in the 60-Day Notice of Intent to Sue and the Complaint. These products, as further described in Exhibit A hereto, contain no external metallic components, and a normal user would not reasonably come in contact with any brass components when using these products. Nupla shall not provide a Proposition 65 warning for exposure to lead regarding these products. For purposes of this Consent Judgment, a Proposition 65 warning is one that contains language similar to the warning language stated in paragraph 1.1 hereof.
- 2. Payment Pursuant To Health & Safety Code \$25249.7(b). Pursuant to Health & Safety Code \$25249.7(b), Nupla shall pay a civil penalty of \$2,500 (two thousand five hundred dollars). The payment of \$2,500 shall be paid within thirty (30) calendar days of the Effective Date and shall be held in trust by DiPirro's counsel until the Alameda County

Superior Court approves and enters the Consent Judgment. The penalty payment is to be made payable to "Chanler Law Group In Trust For Michael DiPirro". If the Consent Judgment is not approved by the Court, DiPirro will return all funds, with interest thereon at a rate of six percent (6%) per annum, within ten (10) calendar days of notice of the Court's decision. Penalty monies shall be apportioned by DiPirro in accordance with Health & Safety Code \$25192, with 75% of these funds remitted to the State of California's Department of Toxic Substances Control.

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

3. Reimbursement Of Fees And Costs. 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 agreement had been reached, and the matter settled. Nupla then expressed a desire to

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resolve the fee and cost issue concurrently with other settlement terms, so the parties tried to 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.

Nupla shall reimburse DiPirro and his counsel for his fees and costs, incurred as a result of investigating, bringing this matter to Nupla's attention, litigating and negotiating a settlement in the public interest. Nupla shall pay \$21,500 (twenty one thousand five hundred dollars) for all attorneys' fees, expert and investigation fees, and litigation costs. Nupla agrees to pay the total sum of \$21,500 within thirty (30) calendar days of the Effective Date. Such sum shall be held in trust by DiPirro's counsel until the Alameda County Superior Court approves and enters the Consent Judgment. If the Consent Judgment is not approved by the Court, DiPirro will return all funds, with interest thereon at a rate of six percent (6%) per annum, within ten (10) calendar days of notice of the Court's decision. Payment should be made payable to the "Chanler Law Group".

Nupla understands that the payment schedule as stated in this Consent Judgment is a material factor upon which DiPirro and his counsel have relied in entering into this Consent Judgment. Nupla agrees that all payments will be made in a timely manner in accordance with the payment due dates. Nupla will be given a five (5) calendar day grace period from the date payment is due. Nupla agrees to pay Michael DiPirro and his counsel a \$250 per calendar day fee

CONSENT JUDGMENT

for each day the payment is received after the grace period ends. For purposes of this paragraph, each new day (requiring an additional \$250 payment) will begin at 5 p.m. (PST).

3.1 Additional Contingent Fees and Costs. In the event that the California Attorney General's office, pursuant to 11 CCR 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, Defendant shall reimburse DiPirro for any fees and costs incurred by DiPirro and his counsel in excess of \$1,500 from the date of receipt of the Attorney General's objections, provided that DiPirro first obtains Defendant's consent to proceed with the Consent Judgment under these circumstances and further provided that the total amount of any such additional fees and costs do not exceed a total of \$3,000 above the initial \$1,500. 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 related to this Consent Judgment. Such additional reimbursement of legal fees and costs shall be due within ten (10) calendar days after receipt of both notice of Court approval of the Consent Judgment and final billing statement from plaintiff. Defendant has the right to object

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to such reimbursement and may submit the resolution of this issue to the American Arbitration Association (AAA) in Northern California to determine the reasonableness of the additional fees and costs sought, provided that such notice of objection or decision to arbitrate is received by plaintiff by the end of the ten (10) calendar days. If an arbitration notice is not filed with AAA in a timely manner, DiPirro may file a motion with the Court for fees and costs pursuant to CCP \$1021.5 and this Consent Judgment associated with any additional fees and costs incurred as set forth in this paragraph.

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Michael DiPirro's Release Of Nupla. Michael DiPirro, by this Agreement, on behalf of himself, his agents, representatives, attorneys, assigns and in the interest of the general public, waives all rights to institute or participate in, directly or indirectly, any form of legal action, including, but not limited to, any pending lawsuit, and releases all claims, liabilities, obligations, losses, costs, expenses, fines and damages, against Nupla and its past, present, and future subsidiaries, officers, trustees, directors, employees, agents, indemnitors, representatives, shareholders, insurers, successors in interest and predecessors in interest, distributors, including, but not limited to, W.W. Grainger, Inc., customers, successors and assigns, whether under Proposition 65 or the Business & Profession Code \$17200 et seq., based on Nupla's alleged failure to warn about exposure to the Listed Chemical CONSENT JUDGMENT

contained in any of the Products as alleged in the Complaint.

- 5. Nupla's Release Of Michael DiPirro. Nupla, by this Agreement, 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 Nupla, as alleged in the Complaint.
- 6. Court Approval. If, for any reason, this Consent Judgment is not approved by the Court, this Agreement shall be deemed null and void.
- 7. Nupla Sales Data. Nupla understands that the sales data provided to counsel for DiPirro by Nupla 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 Agreement. To the best of Nupla'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 is materially inaccurate, the parties shall meet in a good faith attempt to resolve the matter within ten (10) days of Nupla'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 rescind the Agreement and re-institute an enforcement action against Nupla, provided that all sums paid by Nupla pursuant

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to paragraphs 2 and 3 are returned to Nupla within ten (10) days from the date on which DiPirro notifies Nupla of his intent to rescind this Agreement. In such case, all applicable statutes of limitation shall be deemed tolled for the period between the date DiPirro filed the instant action and the date DiPirro notifies Nupla that he is rescinding this Agreement pursuant to this Paragraph.

Product Characterization. Nupla acknowledges 8. that each of the Brass Hammer Products listed in Exhibit A contains lead (or lead compounds) and Plaintiff alleges that the customary use or application of the Brass Hammer Products is likely to expose users to lead (or lead compounds), a substance known to the State of California to cause cancer and/or birth defects (or other reproductive harm). event that. Nupla obtains analytical, risk assessment or other. data ("Exposure Data") that shows an exposure to any or all Brass Hammer Products poses "no significant risk" or will have "no observable effect," as each such standard is applicable and as each is defined under Health & Safety Code \$25249.10(c) and Nupla seeks to eliminate the warnings, then Nupla shall provide DiPirro with ninety (90) days prior written notice of its intent to limit or eliminate the warning provisions under this Agreement based on the Exposure Data and shall provide DiPirro with all such supporting Exposure Data. Within ninety (90) days of receipt of Nupla Exposure Data, DiPirro shall provide Nupla with written notice of his intent to challenge the Exposure Data (in the event that he chooses to make such a

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of his intent to challenge the Exposure Data within ninety (90) days of receipt of Nupla's notice and the Exposure Data, DiPirro shall waive all rights to challenge the Exposure Data, and Nupla shall be entitled to limit or eliminate the warning provisions required under this Agreement with respect to those Product(s) to which the Exposure Data applies. If DiPirro timely notifies Nupla of his intent to challenge the Exposure Data, DiPirro and Nupla (a) may stop its efforts to eliminate the warnings upon notice to DiPirro with no further liability or obligations or (b) shall negotiate in good faith for a period not to exceed thirty (30) days following receipt of Nupla's notice to attempt to reach a settlement of this issue. If a settlement is not reached, DiPirro and Nupla agree to submit such challenge to the superior court for determination, pursuant to the court's continuing jurisdiction of this matter. under C.C.P. §664.6 and this Agreement. The prevailing party shall be entitled to reasonable attorneys' fees and costs associated with bringing a motion brought under this paragraph to the court for determination.

challenge). If DiPirro fails to provide Nupla written notice

- 9. Severability. In the event that any of the provisions of this Agreement are held by a court to be unenforceable, the validity of the enforceable provisions shall not be adversely affected.
- 10. Attorney's Fees. In the event that a dispute arises with respect to any provision(s) of this Agreement (including, but not limited to, disputes arising from the late

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payments provisions in paragraphs 2 and 3), the prevailing party shall be entitled to recover costs and reasonable attorneys' fees.

- 11. Governing Law. The terms of this Agreement shall be governed by the laws of the State of California.
- 12. Notices. All correspondence to Michael DiPirro shall be mailed to:

Jennifer Henry or David Bush Bush & Henry 4400 Keller Ave., Suite 200 Oakland, CA 94605 (510) 577-0747

All correspondence to Nupla shall be mailed to:

Kurt Weissmuller, Esq.
Weston, Benshoof, Rochefort,
Rubalcava & MacCuish LLP
333 South Hope Street, 16th Floor
Los Angeles, CA 90071
(213) 576-1000

Safety Code \$25249.7(f)). The parties agree to comply with the reporting form requirements referenced in Health & Safety Code \$25249.7(f). DiPirro represents that his counsel will send a copy of this Agreement, to the California Attorney General's Office within two days of the Effective Date. DiPirro shall present this Consent Judgment to the Alameda County Superior Court thirty (30) days after serving the Attorney General with a copy of this Consent Judgment, thereby allowing the Attorney General to serve any comments on this Consent Judgment prior to the end of the thirty (30)-day period.

DATE: SEPT. 19, 200/ Corporation DEFENDANT APPROVED AS TO FORM: DATE: Kurt Weissmuller Attorneys for Defendant NUPLA CORPORATION

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CONSENT JUDGMENT

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DATE:

David Bush

MICHAEL DIPIRRO

Attorneys for Plaintiff

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		14.	Counter	parts	and	Facsimil	.e. Th	nis Agr	reemen	t may
be	execut	ed in	counter	parts	and	facsimil	e, ead	ch of v	which	shall
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sha	all cons	stitu	e one a	nd the	e sam	ne docume	ent.			

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

AGREED TO: 12 AGREED TO: 13 DATE: DATE: 14 15 Michael DiPirro Nupla Corporation - 16 DEFENDANT . PLAINTIFF 17 18 APPROVED AS TO FORM: APPROVED AS TO FORM: 19 20 DATE: 21 22 David Bush Kurt Weissmuller 23 Attorneys for Plaintiff Attorneys for Defendant MICHAEL DIPIRRO NUPLA CORPORATION

Exhibit A

EXHIBIT A

Brass Hammer Products include all hammers manufactured by Nupla that have a brass hammer head that a normal user of the product would reasonably come in contact with when using the products, including product numbers:

688157	6894176	30-040	30-140	30-540	30-542
30-543	30-640	30-740	6030024	6881588	6894126
68 94 4 4 0	30-025	30-125	30-525	30-625	30-725
6030010	6881589	6894105	6894439	30-015	30-515
30-615	30-715	6030023			

The Brass Hammer Products also include versions of these products manufactured by Nupla that are branded for the following Nupla customers: J.H. Williams Co.; Armstrong Brothers Tool Co.; Gray Forgings & Stampings Ltd.; Martin Tool & Forge; Matco Tools Corp.; and Snap-on Tools Corp.

2. Non-sparking and non-marring hammer products include all hammers manufactured by Nupla that have no exposed metal so that a normal user would not reasonably come in contact with any brass components during use. These products include the following: non-marring hammers or mallets, soft-faced hammers or mallets, surface protective hammers or mallets, dead blow hammers or mallets, and any other non-metallic hammer or mallet including all non-sparking versions thereof. Nonsparking and non-marring hammers also include versions of these products manufactured by Nupla that are branded for Nupla's customers.

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