

Chris Tuttle, State Bar No. 264545
THE CHANLER GROUP
2560 Ninth Street
Parker Plaza, Suite 214
Berkeley, CA 94710
Telephone: (510) 848-8880
Facsimile: (510) 848-8118

Attorneys for Plaintiff
RUSSELL BRIMER,

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF MARIN
UNLIMITED CIVIL JURISDICTION

RUSSELL BRIMER,

Plaintiff,

v.

HORNBY AMERICA INC., *et al.*,

Defendants.

Case No. CIV1502258

[PROPOSED] CONSENT JUDGMENT

(Health & Safety Code § 25249.6 *et seq.* and
Code of Civil Procedure § 664.6)

1 **1. INTRODUCTION**

2 **1.1 Parties**

3 This Consent Judgment is entered into by and between plaintiff Russell Brimer (“Brimer”)
4 and defendant Hornby America Inc. (“Hornby”), with Brimer and Hornby each referred to
5 individually as a “Party” and collectively as the “Parties.”

6 **1.2 Plaintiff**

7 Brimer is a resident of the State of California who seeks to promote awareness of exposures
8 to toxic chemicals, and to improve human health by reducing or eliminating harmful substances
9 contained in consumer and commercial products.

10 **1.3 Defendant**

11 Hornby employs ten or more persons and is a person in the course of doing business for
12 purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and
13 Safety Code section 25249.5 *et seq.* (“Proposition 65”).

14 **1.4 General Allegations**

15 Brimer alleges that Hornby manufactures, imports, sells and/or distributes for sale in
16 California, vinyl/PVC tool grips containing di(2-ethylhexyl)phthalate (“DEHP”), and that it does so
17 without providing the warning that Brimer alleges is required by Proposition 65.

18 **1.5 Product Description**

19 The products covered by this Consent Judgment are vinyl/PVC tool grips containing DEHP,
20 including, but not limited to, the *Humbrol The Modeller’s Tool Set, AG9159, UPC #5 010279*
21 *391599* that Hornby has manufactured, or distributed or sold and which have been sold or offered
22 for sale to California consumers (collectively, “Products”).

23 **1.6 Notice of Violation**

24 On March 31, 2015, Brimer served Hornby and the requisite public enforcement agencies
25 with a 60-Day Notice of Violation (“Notice”), alleging that Hornby violated Proposition 65 when it
26 failed to warn its customers and consumers in, California that the Products expose users to DEHP.
27 To the best of the Parties’ knowledge, no public enforcer has commenced and is diligently
28 prosecuting an action to enforce the allegations set forth in the Notice.

1
2 **1.7 Complaint**

3 On June 18, 2015, Brimer commenced the instant action, naming Hornby, among others, as
4 a defendant for the alleged violations of Proposition 65 that are the subject of the Notice.

5 **1.8 No Admission**

6 Hornby denies the material, factual, and legal allegations contained in the Notice and
7 Complaint, and maintains that all of the products that it has sold or distributed for sale in California,
8 including the Products, have been, and are, in compliance with all laws. Nothing in this Consent
9 Judgment shall be construed as an admission against interest by Hornby of any fact, finding,
10 conclusion of law, issue of law, or violation of law, nor shall compliance with this Consent
11 Judgment constitute or be construed as an admission against interest by Hornby of any fact, finding,
12 conclusion of law, issue of law, or violation of law. This Section shall not, however, diminish or
13 otherwise affect Hornby's obligations, responsibilities, and duties under this Consent Judgment.
14 Excepting compliance with this Consent Judgment, nothing in this Consent Judgment shall preclude
15 Hornby from asserting any and all applicable defenses available to it in any future proceeding by
16 any person under Proposition 65 or otherwise.

17 **1.9 Jurisdiction**

18 For purposes of this Consent Judgment only, the Parties stipulate that this Court has
19 jurisdiction over Hornby as to the allegations contained in the Complaint, that venue is proper in the
20 County of Marin, and that the Court has jurisdiction to enter and enforce the provisions of this
21 Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

22 **1.10 Effective Date**

23 For purposes of this Consent Judgment, the term "Effective Date" shall mean the date that
24 Brimer serves notice on Hornby that the Court has granted the motion for approval of this Consent
25 Judgment contemplated by Section 5.

26 **2. INJUNCTIVE SETTLEMENT TERMS**

27 Commencing on the Effective Date, and continuing thereafter, Hornby shall only (i)
28 manufacture for sale in California, or (ii) distribute for sale in California, Reformulated Products.

For purposes of this Consent Judgment “Reformulated Products” are defined as Products with a maximum DEHP concentration 0.1 percent (1,000 parts per million) when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C, or other methodologies utilized by state or federal agencies for the purpose of determining DEHP content in a solid substance.

3. MONETARY SETTLEMENT TERMS

3.1 Payments Pursuant to Health and Safety Code § 25249.7(b)(2)

Pursuant to Health and Safety Code section 25249.7(b)(2), and in settlement of all the claims referred to in this Consent Judgment, Hornby shall pay \$2,500 in civil penalties in accordance with this Section. The civil penalty payment will be allocated in accordance with California Health & Safety Code § 25249.12(c)(1) & (d), with 75% of the funds remitted to the California Office of Environmental Health Hazard Assessment (“OEHHA”) and the remaining 25% of the penalty remitted to Brimer. Hornby shall provide its payment in a single check made payable to “Russell Brimer, Client Trust Account”, to be delivered to the address provided in Section 3.4, below. Brimer’s counsel shall be responsible for remitting Hornby’s penalty payment under this Consent Judgment to OEHHA within five (5) business days of receipt.

3.2 Reimbursement of Attorneys’ Fees and Costs

The Parties acknowledge that Brimer 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 finalized, Hornby expressed a desire to resolve Brimer’s fees and costs. The Parties then negotiated a resolution of the compensation due to Brimer 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 and the Court’s approval of the same, but exclusive of fees and costs on appeal, if any, Hornby shall reimburse Brimer and his counsel \$27,500. Hornby’s payment shall be delivered to the address in Section 3.4 in the form of a check payable to “The Chanler Group.” The reimbursement shall cover all fees and costs incurred by Brimer investigating, bringing this matter to Hornby’s

1 attention, litigating, and negotiating a settlement of the matter in the public interest. Brimer shall
2 cooperate in the processing of the payments by providing upon request W-9, account number, and
3 any related information necessary for timely processing of the civil penalty and reimbursement
4 payments.

5 **3.3 Payment Timing**

6 Hornby shall deliver all payments required by this Consent Judgment to The Chanler
7 Group within five (5) business days of the Effective Date, provided Brimer timely has provided
8 any necessary information Hornby requested for processing of the payments.

9 **3.4 Payment Address**

10 All payments required by this Consent Judgment shall be delivered to the following
11 address:

12 The Chanler Group
13 Attn: Proposition 65 Controller
14 2560 Ninth Street
15 Parker Plaza, Suite 214
16 Berkeley, CA 94710.

17 **4. CLAIMS COVERED AND RELEASED**

18 **4.1 Brimer's Release of Proposition 65 Claims**

19 Brimer, acting on his own behalf and in the public interest, releases Hornby and their
20 parents, subsidiaries, affiliated entities (including Hornby Hobbies Ltd.) under common ownership,
21 directors, officers, employees, and attorneys ("Releasees") and each entity to whom they directly or
22 indirectly distribute or sell the Products including, but not limited to, their downstream distributors,
23 wholesalers, customers, retailers (including RC Country Hobbies), franchisers, cooperative
24 members, licensors and licensees ("Downstream Releasees") for any violations arising under
25 Proposition 65 for unwarned exposures to DEHP from the Products manufactured, imported,
26 distributed or sold by Hornby or by any Releasee or Downstream Releasee prior to the Effective
27 Date. Compliance with the terms of this Consent Judgment constitutes compliance with
28 Proposition 65 by Hornby and its Releasees and Downstream Releasees with respect to the alleged
or actual failure to warn about exposures to DEHP from Products manufactured, sold or distributed

1 for sale by Hornby or any Releasee on and after the Effective Date. For the avoidance of doubt, the
2 release of claims in this Section 4.1 covers and extends to all Products Hornby manufactured, or
3 distributed or sold prior to the Effective Date, regardless of the date such Products are sold to
4 California consumers.

5 **4.2 Brimer's Individual Release of Claims**

6 Brimer, in his individual capacity only and *not* in his representative capacity, also provides a
7 release to Defendants, Releasees, and Downstream Releasees which shall be effective as a full and
8 final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses,
9 attorneys' fees, damages, losses, claims, liabilities and demands of Brimer of any nature, character
10 or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual
11 exposures to DEHP in Products manufactured, imported, distributed or sold by Hornby before the
12 Effective Date.

13 **4.3 Hornby's Release of Brimer**

14 Hornby, on its own behalf and on behalf of its past and current agents, representatives,
15 attorneys, successors and/or assignees, hereby waives any and all claims against Brimer and his
16 attorneys and other representatives, for any and all actions taken or statements made by Brimer and
17 his attorneys and other representatives in the course of investigating claims, seeking to enforce
18 Proposition 65 against it in this matter, or with respect to the Products, up through the Effective
19 Date.

20 **5. COURT APPROVAL**

21 This Consent Judgment is not effective until it is approved and entered by the Court and
22 shall be null and void if, for any reason, it is not approved and entered by the Court within one year
23 after it has been fully executed by the Parties, or by such time as the Parties have agreed in writing
24 to extend this period. The Parties acknowledge that, pursuant to California Health and Safety Code
25 section 25249.7(f), a noticed motion is required for judicial approval of this Consent Judgment,
26 which motion Brimer shall draft and file. Hornby agrees to support entry of an order approving this
27 Consent Judgment.
28

1 **6. SEVERABILITY**

2 If, subsequent to the Court’s approval and entry of this Consent Judgment as a judgment,
3 any provision of this Consent Judgment is held by a court to be unenforceable, the validity of the
4 remaining provisions shall not be adversely affected.

5 **7. GOVERNING LAW**

6 The terms of this Consent Judgment shall be governed by the laws of the State of California
7 and apply within the State of California. In the event that Proposition 65 is repealed, preempted, or
8 is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Hornby
9 may provide Brimer with written notice of any asserted change in the law, and shall have no further
10 obligations pursuant to this Consent Judgment, with respect to, and to the extent that, the Products
11 are so affected. Nothing in this Consent Judgment shall be interpreted to relieve Hornby from its
12 obligation to comply with any pertinent state or federal law or regulation.

13 **8. NOTICE**

14 Unless specified herein, all correspondence and notice required by this Consent Judgment
15 shall be in writing and sent by: (i) personal delivery, (ii) first-class registered or certified mail,
16 return receipt requested; or (iii) a recognized overnight courier to any Party by the other at the
17 following addresses:

18 To Hornby:

19 Frank Martin, President
20 Hornby America Inc.
21 3900 Industry Drive East, Suite C2
22 Fife, WA 98424

23 with a copy to:

24 Judith M. Praitis, Esq.
25 Sidley Austin, LLP
26 555 West 5th Street, 39th Floor
27 Los Angeles, California 90013

28 To Brimer:

 Attn: Proposition 65 Coordinator
 The Chanler Group
 2560 Ninth Street
 Parker Plaza, Suite 214
 Berkeley, CA 94710-2565

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.

1 **9. COUNTERPARTS, FACSIMILE AND PDF SIGNATURES**

2 This Consent Judgment may be executed in counterparts and by facsimile or portable
3 document format (pdf) signature, each of which shall be deemed an original and, all of which, when
4 taken together, shall constitute one and the same document.

5 **10. COMPLIANCE WITH REPORTING REQUIREMENTS**

6 Brimer and his counsel agree to comply with the reporting form requirements referenced in
7 California Health and Safety Code section 25249.7(f).

8 **11. MODIFICATION**

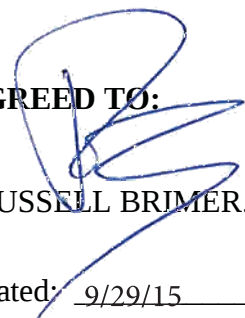
9 This Consent Judgment may be modified only by: (i) a written agreement of the Parties and
10 the entry of a modified Consent Judgment by the Court thereon; or (ii) upon a successful motion of
11 any party and the entry of a modified Consent Judgment by the Court thereon. Any motion to
12 modify shall be served on the Office of the Attorney General. The Parties shall meet and confer in
13 good faith prior to one Party seeking a modification.

14 **12. DISPUTE RESOLUTION**

15 If either Party determines at a future date that a violation of this Consent Judgment has
16 occurred, such Party shall provide notice to the other Party. Prior to bringing any action to enforce
17 any requirement of this Consent Judgment, the Party alleging a violation shall provide the other
18 Party with written notice of the grounds for such allegation together with credible supporting
19 information as well as a demand for the relief sought. The Parties shall then meet and confer
20 regarding in an attempt to resolve the matter informally within a period not less than thirty (30)
21 days in an effort to resolve the allegations or alleged breach, if any. . Should such attempts at
22 informal resolution fail, the Party alleging a violation may seek the proposed relief or other relief
23 authorized by law.

1 **13. AUTHORIZATION**

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

5
6 **AGREED TO:**
7  _____
8 RUSSELL BRIMER.

9 Dated: 9/29/15 _____

AGREED TO:

HORNBY AMERICA INC.

By: _____
(Print Name)

Its: _____
(Title)

Dated: _____

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13. AUTHORIZATION

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:

RUSSELL BRIMER.

Dated: _____

AGREED TO:



HORNBY AMERICA INC.

By: STEPHEN COOKE

(Print Name)

Its: DIRECTOR

(Title)

Dated: 10/15/2015