1 2 3 4 5	Clifford A. Chanler, State Bar No. 135534 Josh Voorhees, State Bar No. 241436 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565 Telephone: (510) 848-8880 Facsimile: (510) 848-8118	
6	Attorneys for Plaintiff JOHN MOORE	
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8	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
9	COUNTY OF SANTA CLARA	
10	UNLIMITED CIVIL JURISDICTION	
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12	JOHN MOORE,	Case No. 115CV283927
13	Plaintiff,	[PROPOSED] CONSENT JUDGMENT
14	v.	(Health & Safety Code § 25249.6 et seq.)
15	DAS COMPANIES, INC.; and DOES $1 - 150$ , inclusive,	
16	Defendants.	
17	Detendants.	
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## 1. <u>INTRODUCTION</u>

#### 1.1 Parties

This Consent Judgment is entered into by and between plaintiff John Moore ("Moore"), and DAS Companies, Inc. ("DAS"), with Moore and DAS each individually referred to as a "Party" and collectively as the "Parties."

### 1.2 Plaintiff

Moore is an individual residing in California who seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products.

#### 1.3 Defendant

DAS employs ten or more individuals and is a "person in the course of doing business" for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6 *et seq.* ("Proposition 65").

### 1.4 General Allegations

Moore alleges that DAS manufactures, imports, sells, or distributes for sale in California, tools with vinyl/PVC grips that contain di(2-ethylhexyl)phthalate ("DEHP") without first providing the exposure warning required by Proposition 65. DEHP is listed pursuant to Proposition 65 as a chemical known to the State of California to cause birth defects or other reproductive harm.

## 1.5 **Product Description**

The products covered by this Consent Judgment are tools with vinyl/PVC grips containing DEHP that are manufactured, imported, sold, or distributed for sale in California by DAS including, but not limited to, *RoadPro 44-Piece Terminal Kit, RPTK2, UPC #0 45464 23357 1*, hereinafter the "Products".

#### 1.6 Notice of Violation

On or about February 27, 2015, Moore served DAS, and certain requisite public enforcement agencies with a "60-Day Notice of Violation" ("Notice") alleging that DAS violated Proposition 65 by failing to warn its customers and consumers in California that the Products expose users to DEHP.

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To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice.

#### 1.7 **Complaint**

On August 4, 2015 Moore filed the instant action ("Complaint") naming DAS as a defendant for the alleged violations of Health and Safety Code section 25249.6 that are the subject of the Notice.

#### 1.8 No Admission

DAS denies the material, factual, and legal allegations contained in the Notice and Complaint, and maintains that all of the products it has sold and distributed for sale in California, including the Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall not, however, diminish or otherwise affect DAS's obligations, responsibilities, and duties under this Consent Judgment.

#### 1.9 **Jurisdiction**

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

#### 1.10 **Effective Date**

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date that the Court grants the motion for approval of this Consent Judgment contemplated by Section 5.

#### 2. **INJUNCTIVE RELIEF: REFORMULATION AND WARNINGS**

#### 2.1 **Reformulation Commitment**

Except as provided in Section 2.2 below, on or before December 1, 2015 and continuing thereafter, DAS agrees to only manufacture for sale or purchase for sale in or into California, "Reformulated Products". For purposes of this Settlement Agreement, "Reformulated Products" are Products containing DEHP in concentrations less than 0.1 percent (1,000 parts per million) when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or other methodology utilized by federal or state government agencies for the purpose of determining DEHP content in a solid substance.

## 2.2 Exception

DAS may ship, sell or offer to be shipped for sale in California a Product that does not meet the Reformulated Products standard, if each of the following requirements are met: (i) DAS has determined that no Reformulated Product or equivalent DEHP-free substitute product is "reasonably commercially available"; (ii) the Product is not primarily intended for use by individuals twelve years of age or younger; and (iii) DAS complies with warning requirements set forth in Section 2.3 below for all future Product runs beginning no later than December 1, 2015. For purposes of this Section "reasonable commercial availability" shall include consideration by DAS of the following factors: availability and supply of a Reformulated Product or equivalent DEHP-free product; and performance characteristics of the Reformulated Product or equivalent DEHP-free product, including but not limited to performance, safety, and stability. If DAS intends to invoke this paragraph 2.2, an officer of the company shall set forth its basis in writing, no later than November 1, 2015, to Plaintiff at the address set forth inn paragraph 8 below.

## 2.3 Product Warnings

Provided that it meets the conditions in Section 2.2, commencing no later than December 1, 2015, DAS shall provide a clear and reasonable warning on all Products sold or offered for sale in California which are not Reformulated Products as set forth below. Each such warning shall be prominently placed on the Product or its packaging 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. For Products which are not

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Reformulated Products, DAS shall use the following warning language with respect to all future Product runs beginning not later than December 1, 2015.

**WARNING:** This product contains DEHP, a chemical known to the State of California to cause cancer and birth defects and other reproductive harm.

or

**WARNING:** This product contain a chemical known to the State of California to cause cancer and birth defects and other reproductive harm.

## 2.4 Vendor Notification Requirement

To the extent it as not already done so, no more than thirty (30) days after the Effective Date, DAS shall provide the reformulation standards specified in Section 2.1 for Reformulated Products to any and all of its vendors of its Products that will be sold or offered for sale to California consumers, and shall instruct each vendor to use its best efforts to provide only Reformulated Products, as such Products are defined in Section 2.1.

# 3. MONETARY SETTLEMENT TERMS

## 3.1 Civil Penalty Payments

Pursuant to Health & Safety Code § 25249.7(b), in settlement of all the claims referred to in this Consent Judgment, DAS shall pay \$14,000 in civil penalties. Each civil penalty payment shall be allocated according to Health and Safety Code section 25249.12(c)(1) and (d), with seventy-five percent (75%) of the funds paid to the California Office of Environmental Health Hazard Assessment ("OEHHA"), and twenty-five percent (25%) of the funds remitted to Moore.

### 3.1.1 Initial Civil Penalty

DAS shall make an initial civil penalty payment of \$4,000. DAS shall provide its payment in a single check made payable to "John Moore Client Trust Account" as set forth in Sections 3.3 and 3.4 below.

### 3.1.2 Final Civil Penalty

On or before November 15, 2015, DAS shall pay a final civil penalty of \$10,000 in accordance with the formula set forth in Paragraph 3.1.1 above. The final civil penalty shall be waived in its entirety, however, if, no later than October 15, 2015, an officer of DAS provides

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Moore's counsel with written certification that, as of the date of the certification, all Products shipped, sold or distributed for sale in California are Reformulated Products, and that they will continue to provide only Reformulated Products in the future. The option to provide a written certification of reformulation in lieu of making the final civil penalty payment required by this Section is a material term, and time is of the essence. DAS shall deliver its certificate, if any, to Moore's counsel at the address provided in Section 3.3 below. In the event that DAS does not timely certify its compliance or make the final civil penalty payment required by this Section, Moore may seek relief under any available legal remedy. If successful, the Parties further agree that Moore shall be entitled to his reasonable attorneys' fees and costs pursuant to general contract principles and Code of Civil Procedure section 1021.5.

## 3.2 Reimbursement of Attorney's 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 this Consent Judgment had been settled. Shortly after the other settlement terms had been finalized, DAS expressed a desire to resolve Moore's fees and costs. The Parties then attempted to (and did) reach an accord on the compensation due to Moore and his counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure section 1021.5 for all work performed through the mutual execution of this Consent Judgment and reasonably anticipated through the motion to approve process.. In accordance with Section 3.3 below, DAS shall pay \$41,500 for the fees and costs incurred by Moore investigating, bringing this matter to DAS's attention, litigating, negotiating a settlement in the public interest, and all efforts reasonably incurred to obtain court approval of the settlement, as well as ensure compliance with its terms.

#### 3.3 Payments Held in Trust

All payments due under this Consent Judgment shall be held in trust until such time as the Court approves the Parties' settlement. Except the final civil penalty payment required by Section 3.1.2, all payments due under this agreement shall be delivered within five (5) days of the date that this Consent Judgment is fully executed by the Parties, and held in trust by Plaintiff's counsel, or a

third party escrow agent determined by Plaintiff, until the Court grants the motion for approval of this Consent Judgment contemplated by Section 5.

# 3.4 Payment Address

All payments required by this Consent Judgment 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 Public Release of Proposition 65 Claims

Moore, acting on his own behalf and in the public interest, releases DAS and it's parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Releasees") and each entity to whom it directly or indirectly distributes or sells the Products including, but not limited to, it's downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors and licensees ("Downstream Releasees") for any violations arising under Proposition 65 for unwarned exposures to DEHP from Products sold by DAS prior to the Effective Date, as set forth in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to alleged failures to warn about DEHP from the Products sold by DAS before the Effective Date, as set forth in the Notice.

### 4.2 Moore's Individual Release of Claims

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

### 4.3 DAS's Release of Moore

DAS, on its own behalf, and on behalf of its past and current agents, representatives, attorneys, successors, and 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. COURT APPROVAL

This Consent Judgment is not effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved and entered by the Court within one year after it has been fully executed by the Parties.

## 6. <u>SEVERABILITY</u>

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

### 7. GOVERNING LAW

The terms of this Consent Judgment 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, preempted, or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then DAS may provide written notice to Moore of any asserted change in the law, and shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are so affected. Nothing in this Consent Judgment shall be interpreted to relieve DAS from any obligation to comply with any pertinent state or federal law or regulation.

### 8. NOTICE

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

To: DAS: To Moore:
Michael Abel, President Attn: Proposition 65 Coordinator

DAS Companies, Inc.

724 Lawn Road

Palmyra, PA 17078

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, a change of address to which all notices and other communications shall be sent.

# 9. COUNTERPARTS; FACSIMILE SIGNATURES

This Consent Judgment 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.

# 10. POST EXECUTION ACTIVITIES

Moore agrees to comply with the reporting form requirements referenced in Health and Safety Code section 25249.7(f). The Parties further acknowledge that, pursuant to Health and Safety Code section 25249.7(f), a noticed motion is required to obtain judicial approval of the settlement. In furtherance of obtaining such approval, the Parties agree to mutually employ their best efforts, and those of their counsel, to support the entry of this agreement as a judgment, and to obtain judicial approval of their settlement in a timely manner. For purposes of this Section, "best efforts" shall include, at a minimum, cooperating on the drafting and filing of the necessary moving papers, supporting the motion, and appearing at the hearing before the Court, if required.

## 11. MODIFICATION

This Consent Judgment may be modified only by: (i) a written agreement of the Parties and entry of a modified consent judgment by the Court; or (ii) a successful motion or application of any Party, and the entry of a modified consent judgment by the Court.

### 12. AUTHORIZATION

The undersigned are authorized to execute this Consent Judgment and have read, understood, and agree to all of the terms and conditions contained herein.

1	AGREED TO:	AGREED TO:
2 3	Date: August 11, 2015	Date: August 11, 2015
4	By:	
5	By:	By:  John W. Borst, Chief Financial Officer DAS COMPANIES, INC.
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