1 2 3 4 5	Christopher M. Martin, State Bar No. 186021 Josh Voorhees, State Bar No. 241436 Stephen E. Cohen, State Bar No. 284416 THE CHANLER GROUP 2560 Ninth Street, Suite 214 Berkeley, CA 94710 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 Attorneys for Plaintiff LAURENCE VINOCUR	
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9	SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF ALAMEDA	
10	UNLIMITED CIVIL JURISDICTION	
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12	LAURENCE VINOCUR,	Case No. RG15765559
13	Plaintiff,	
14	v.	[PROPOSED] CONSENT JUDGMENT
15	MARMON HOLDINGS, INC; et al.,	
16	Defendants.	
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1. INTRODUCTION

1.1 <u>Laurence Vinocur and Wells Lamont LLC</u>

This Consent Judgment is entered into by and between Laurence Vinocur ("Vinocur") and Wells Lamont LLC ("Wells"), with Vinocur and Wells collectively referred to as the "Parties" and each individually referred to as a "Party."

1.2 Plaintiff

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

1.3 Defendant

Wells 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 & Safety Code § 25249.6 et seq. ("Proposition 65").

1.4 General Allegations

Vinocur alleges that Wells manufactures, distributes, sells, and/or offers for sale in California gloves with vinyl/PVC components containing di(2-ethylhexyl)phthalate ("DEHP") without the requisite Proposition 65 health hazard warning. DEHP is listed pursuant to Proposition 65 as a chemical known to California to cause birth defects and other reproductive harm if human exposure exceeds certain thresholds.

1.5 **Product Description**

The products that are covered by this Consent Judgment are defined as gloves with vinyl/PVC components containing DEHP including, but not limited to, the *Wells Lamont Work Gloves*, #3210L, UPC #0 53300 05197 5, which were manufactured, distributed, sold and/or offered for sale in California by Wells, hereinafter referred to as the "Products."

1.6 Notice of Violation

On or about July 11, 2014, Vinocur served Wells and various public enforcement agencies with a document entitled "60-Day Notice of Violation" ("Notice"), alleging that Wells was in

violation of Proposition 65 for failing to warn its customers and consumers in California that the Products exposed users to DEHP. 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 or about April 13, 2015, Vinocur, who was and is acting in the interest of the general public in California, filed a first amended complaint ("Complaint" or "Action") in the Superior Court in and for the County of Alameda against Wells and Does 1 through 150, alleging, *interalia*, violations of Proposition 65 based on the alleged exposures to DEHP contained in the Products sold by Wells in the State of California.

1.8 No Admission

Wells denies the material, factual, and legal allegations contained in the Notice and Complaint and maintains that all of the products it has manufactured, distributed, sold and/or offered 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 by Wells 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 by Wells of any fact, finding, conclusion of law, issue of law, or violation of law, such being specifically denied by Wells. This Section shall not, however, diminish or otherwise affect Wells' obligations, responsibilities, and duties under this Consent Judgment.

1.9 Consent to Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Wells as to the allegations contained in the Complaint, that venue is proper in the County of Alameda, and that this Court has jurisdiction to enter and enforce the provisions of this Consent Judgment.

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. <u>INJUNCTIVE RELIEF: REFORMULATION</u>

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2.1 Reformulation Standards and Commitment

Commencing on the Effective Date and continuing thereafter, Wells shall only manufacture, distribute, ship, sell, or offer to ship for sale in California Products that are "Reformulated Products." For purposes of this Consent Judgment, "Reformulated Products" shall mean Products that contain no more than 1,000 parts per million (0.1%) DEHP in each Accessible Component when analyzed pursuant to EPA testing methodologies 3580A and 8270C, or equivalent methodologies utilized by state or federal agencies for the purpose of determining DEHP content in a solid substance. For purposes of this Consent Judgment, "Accessible Components" shall mean a component of a Product that can be touched by a person during normal, intended and foreseeable use of the Product.

3. PENALTIES PURSUANT TO HEALTH & SAFETY CODE § 25249.7(b)

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, Wells shall pay \$54,000 in civil penalties in accordance with this Section. Each 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 Vinocur. Vinocur's counsel shall be responsible for remitting Wells' penalty payment(s) under this Consent Judgment to OEHHA.

- 3.1.1 Initial Civil Penalty. Within two days of the Effective Date, Wells shall make an initial civil penalty payment of \$18,000. Wells shall provide its payment in a single check made payable to "Laurence Vinocur, Client Trust Account" to be delivered to the address provided in Section 3.4, below.
- 3.1.2 Final Civil Penalty. On May 15, 2015, Wells shall make a final civil penalty payment of \$36,000. Pursuant to title 11 California Code of Regulations, section 3203(c), Vinocur agrees that the final civil penalty payment shall be waived in its entirety if, no

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later than May 1, 2015, an officer of Wells provides Vinocur with an original, signed written certification that all of the Products it ships for sale or distributes for sale in California as of the date if its certification are Reformulated Products, and that Wells will continue to offer only Reformulated Products in California in the future. The option to certify early reformulation in lieu of making the final civil penalty payment otherwise required by this Section is a material term, and time is of the essence. Wells shall deliver its certificate, if any, to Vinocur's counsel at the address provided in Section 3.4, below. In the event that Wells does not timely certify its compliance or make the final civil penalty payment required by this Section, the Parties agree that Vinocur may file a motion or application seeking an order compelling Wells's compliance with this Section. If successful, the Parties further agree that Vinocur shall be entitled to his reasonable attorneys' fees and costs pursuant to general contract principles and Code of Civil Procedure section 664.6.

3.2 Reimbursement of Attorneys' Fees and Costs

The Parties acknowledge that Vincour 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, Wells expressed a desire to resolve Vinocur's fees and costs. The Parties then negotiated a resolution of the compensation due to Vincour 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, Wells shall reimburse Vinocur and his counsel \$38,000. Wells' payment shall be due within two days of the Effective Date, and 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 Vinocur investigating, bringing this matter to Wells' attention, litigating, and negotiating a settlement of the matter in the public interest.

3.3 Payments Held In Trust

With the exception of the final civil penalty payment required by Section 3.1.2, Wells shall deliver all payments required by this Consent Judgment to its counsel within one week of the date that this agreement is fully executed by the Parties. Wells' counsel shall confirm receipt of settlement funds in writing to Vinocur's counsel and, thereafter, hold the amounts paid in trust until such time as the Court grants the motion for approval of the Parties' settlement contemplated by Section 5. Within two days of the Effective Date, Wells' counsel shall deliver all settlement payments it has held in trust to Vinocur's counsel at the address provided in Section 3.4. In the event the final civil penalty payment required by Section 3.1.2 becomes due prior to the Effective Date, Wells shall deliver the final civil penalty payment to its attorney to be held in trust until, and disbursed within two days after, the Effective Date.

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. <u>CLAIMS COVERED AND RELEASED</u>

4.1 Vinocur's Public Release of Proposition 65 Claims

Vinocur acting on his own behalf and in the public interest releases Wells, its parents, subsidiaries, affiliated entities that are under common ownership, directors, officers, employees, attorneys, and each entity to whom Wells directly or indirectly distributes or sells Products, including but not limited to downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, licensors, and licensees ("Releasees") from all claims for violations of Proposition 65 up through the Effective Date based on exposure to DEHP from the

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Products. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to DEHP from the Products.

4.2 Vinocur's Individual Release of Claims

Vinocur also, in his individual capacity only and *not* in his representative capacity, provides a release herein 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 Vinocur of any nature, character or kind, whether known or unknown, suspected or unsuspected, limited to and arising out of any violation of Proposition 65 regarding the failure to warn about exposure to DEHP in the Products manufactured, distributed, sold and/or offered for sale by Releasees.

4.3 Wells' Release of Vinocur

Wells on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives any and all claims against Vinocur, his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Vinocur and his attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter with respect to the Products.

5. <u>COURT APPROV</u>AL

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 all Parties. Vinocur and Wells agree to support the entry of this agreement as a judgment, and to obtain the Court's approval of their settlement in a timely manner. The Parties acknowledge that, pursuant to California Health and Safety Code section 25249.7(f), a noticed motion is required for judicial approval of this Consent Judgment, which motion Vinocur shall draft and file and Wells shall support, appearing at the hearing if so requested. If any third-party objection to the motion is filed, Vinocur and Wells agree to work

together to file a reply and appear at any hearing. This provision is a material component of the Consent Judgment and shall be treated as such in the event of a breach.

6. SEVERABILITY

If, subsequent to the execution of this Consent Judgment, any provision is Vinocur by a court to be unenforceable, the validity of the enforceable provisions remaining 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 Wells may provide Vinocur with written notice 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 Wells from its obligation to comply with any pertinent state or federal law or regulation.

8. NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to this Consent Judgment shall be sent by: (i) personal delivery; (ii) first-class, registered or certified mail, return receipt requested; or (iii) overnight courier on any Party by the other Party at the following addresses:

To Wells: To Vinocur:

Keith Swan, CEO

Wells Lamont LLC

6640 West Touhy Ave.

Niles, IL 60714

Parker Plaza, Suite 214

Berkeley, CA 94710-2565

With a copy to:

26 George Gigounas, Esq.
DLA Piper LLP (US)
555 Mission Street, Suite 2400
San Francisco, CA 94105

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.

9. <u>COUNTERPARTS; FACSIMILE SIGNATURES</u>

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. A facsimile or .pdf signature shall be as valid as the original.

10. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)

Vinocur and his attorneys agree to comply with the reporting form requirements referenced in California Health & Safety Code § 25249.7(f).

11. MODIFICATION

This Consent Judgment may be modified only: (1) by written agreement of the Parties and upon entry of a modified Consent Judgment by the Court thereon; or (2) upon a successful motion of any Party and entry of a modified Consent Judgment by the Court.

12. ENTIRE AGREEMENT

This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties.

1	13. <u>AUTHORIZATION</u>		
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	AGREED TO:	AGREED TO:	
6		Date: 4/22/2015	
7	Date: April 16, 2015	Date: 4/22/2015	
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[PROPOSED] CONSENT JUDGMENT