1 Christopher M. Martin, State Bar No. 186021 Stephen E. Cohen, State Bar No. 284416 2 THE CHANLER GROUP 2560 Ninth Street, Suite 214 3 Berkeley, CA 94710 Telephone: (510) 848-8880 4 Facsimile: (510) 848-8118 CLERK OF THE SUPERIOR COURT 5 Attorneys for Plaintiff RUSSELL BRIMER 6 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 COUNTY OF ALAMEDA 10 UNLIMITED CIVIL JURISDICTION 11 12 RUSSELL BRIMER, Case No. RG 13686058 13 Plaintiff, [PROPOSED] JUDGMENT PURSUANT TO TERMS OF PROPOSITION 65 14 v. SETTLEMENT AND AMENDED [PROPOSED] CONSENT JUDGMENT 15 RASHMAN CORPORATION; and DOES 1-150, inclusive, August 27. 2014 Date: 16 2:30 p.m.Time: Defendants. 17 Dept: 522 Judge: Hon. Dennis Hayashi 18 Reference No.: R-1517189 19 20 21 22 23 24 25 26 27 28

Plaintiff Russell Brimer, and Rashman Corporation, having agreed through their respective counsel that Judgment be entered pursuant to the terms of their settlement agreement in the form of an Amended Consent Judgment, and following this Court's issuance of an Order approving this Proposition 65 settlement and Amended Consent Judgment.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to Health & Safety Code § 25249.7(f)(4) and Code of Civil Procedure § 664.6, judgment is hereby entered in accordance with the terms of the Amended Consent Judgment attached hereto as Exhibit 1. By stipulation of the parties, the Court will retain jurisdiction to enforce the settlement under Code of Civil Procedure § 664.6.

2 | IT IS SO ORDERED.

Dated: SEP - 2 2014

DENNIS HAYASHI

JUDGE OF THE SUPERIOR COURT

EXHIBIT 1

1 2 3 4 5	Christopher M. Martin, State Bar No. 186021 Stephen E. Cohen, State Bar No. 284416 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 RUSSELL BRIMER	
7	OUNTRION COLUMN ON	
8	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
9		OF ALAMEDA
10	UNLIMITED C	IVIL JURISDICTION
11		
12	RUSSELL BRIMER,) Case No.: RG 13686058
13	Plaintiff,)
14	v.) AMENDED [PROPOSED] CONSENT) JUDGMENT
15	RASHMAN CORPORATION; and DOES 1-150, inclusive,	
16 17	Defendants.	(Health & Safety Code § 25249.6 et seq.)
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[PROPOSED] CONSENT JUDGMENT

1. <u>INTRODUCTION</u>

1.1 Russell Brimer and Rashman Corporation

This Amended Consent Judgment is entered into by and between plaintiff Russell Brimer ("Brimer" or "Plaintiff") and Rashman Corporation ("Rashman" or "Defendant"), with Brimer and Rashman collectively referred to as the "Parties."

1.2 Russell Brimer

Brimer is an individual residing in the State of California who seeks to promote awareness of exposure to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer and commercial products. Brimer brings this Proposition 65 action acting in the interest of the general public as a private attorney general after service of a 60-Day Notice of Violation ("Notice") had been sent to the Attorney General of the State of California and the District Attorney for Each of the 58 counties in California and the City Attorney for Los Angeles, San Diego, San Jose, San Francisco and Sacramento (hereafter "Governmental Entities"). This Proposition 65 action was brought by Brimer more than 60 days after service of the Notice on the Governmental Entities.

1.3 Rashman Corporation

Brimer alleges that Rashman 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

Brimer alleges that Rashman has manufactured, imported, distributed and/or sold ballpoint pen grips containing di(2-ethylhexyl)phthalate ("DEHP") in California without the requisite Proposition 65 health hazard warnings. DEHP is listed pursuant to Proposition 65 as known to the State of California to cause birth defects and other reproductive harm.

1.5 Product Description

The products that are covered by this Amended Consent Judgment are defined as ballpoint pens having grips containing DEHP including, but not limited to, the *Prestige Medical Chart Pen*,

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S400 (#7 86511 56131 4), manufactured, imported, distributed and/or sold by Rashman in California, hereinafter referred to as the "Noticed Products."

In addition to the above, this Amended Consent Judgment covers the Prestige Medical Royal Fiberglass Tape Measure, 45-ROY (#7 86511 78241 2), Prestige Medical I.D. Pouch-Black 19-BLK (#7 86511 19001 9), Prestige Medical anatomy Dissecting Kit of 12 Pieces AK-1 (#7 86511 00901 4), Prestige MedicalBag 753 (#7 86511 75346 7), Prestige Medical Aneroid Sphygmomanometer Sprague Kit A1-105 (#7 86511 78651 9), which Rashman manufactured, imported, distributed, and/or sold in the State of California, hereinafter referred to as the "Additional Products." The Noticed Products and the Additional Products are hereinafter referred to collectively as the "Products."

1.6 Notice of Violation

On July 11, 2012, Brimer served Rashman and various public enforcement agencies, with a document entitled "60-Day Notice of Violation" ("Notice") that provided the recipients with notice of alleged violations of California Health & Safety Code § 25249.6 based on Rashman's alleged failure to warn consumers that the Noticed Products exposed users in California 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 July 1, 2013, Brimer filed a complaint in the Superior Court in and for the County of Alameda against Rashman and Does 1 through 150, Brimer v. Rashman Corporation, et al., Case No. RG13686058 (the "Complaint"), alleging violations of California Health & Safety Code § 25249.6, based on the alleged exposures to DEHP contained in the Noticed Products sold by Rashman.

1.8 No Admission

Rashman denies the material, factual and legal allegations contained in Brimer's Notice and Complaint and maintains that all Products that it has manufactured, imported, distributed, and/or

sold in California, including the Products, have been and are in compliance with all laws. Nothing in this Amended Consent Judgment shall be construed as an admission by Rashman of any fact, finding, issue of law, or violation of law, nor shall compliance with this Amended Consent Judgment constitute or be construed as an admission by Rashman of any fact, finding, conclusion, issue of law, or violation of law. However, this Section shall not diminish or otherwise affect Rashman's obligations, responsibilities, and duties under this Amended Consent Judgment.

1.9 Consent to Jurisdiction

For purposes of this Amended Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Rashman 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 Amended Consent Judgment.

1.10 Effective Date

For purposes of this Amended Consent Judgment, the term "Effective Date" shall mean the date the Amended Consent Judgment is approved by the Court.

2. <u>INJUNCTIVE RELIEF: REFORMULATION AND WARNINGS</u>

2.1 Injunctive Relief

As of December 16, 2013, Rashman shall only acquire for distribution to or sale in California, Noticed Products that: (1) qualify as Reformulated Products as defined in Section 2.2 below; or (2) include one of the clear and reasonable warnings set forth in Section 2.3 below. As of July 15, 2014, Rashman shall only acquire for distribution to or sale in California, Additional Products that: (1) qualify as Reformulated Products as defined in Section 2.2 below; or (2) include one of the clear and reasonable warnings set forth in Section 2.3 below.

2.2 Reformulation Standards

Reformulated Products are defined as those Products containing DEHP in concentrations less than 0.1 percent (1,000 parts per million) in each Accessible Component when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or any other methodology utilized by federal or state agencies for the purpose of determining the DEHP content in a solid substance. "Accessible Component," as used in this Amended Consent Judgment,

means a component of any Product that can be touched by a person during normal, intended and foreseeable use of the Product.

2.3 Product Warnings

Commencing on December 16, 2013 for all Noticed Products, and July 15, 2014 for all Additional Products, Rashman shall, for all Products, other than Reformulated Products, sold in California, and all Products, other than Reformulated Products, sold to customers located outside of California that have a California warehouse, distribution center, maintain a retail outlet in California or has made internet sales into California on or after July 15, 2014, provide clear and reasonable warnings as set forth in subsections 2.3(a) and (b). Each warning 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 before purchase or use. Each warning shall be provided in a manner such that the consumer or user understands to which *specific* Products the warning applies, so as to minimize the risk of consumer confusion.

(a) Product Labeling. Rashman shall affix a warning to the packaging, labeling, or directly on each of the Products, other than Reformulated Products, sold to California residents and to all Products, other than Reformulated Products, sold to customers located outside of California that have a California warehouse, distribution center, maintain a retail outlet in California or has made internet sales into California on or after July 15, 2014, that states:

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

Products, other than Reformulated Products, via the internet, a warning shall be given in conjunction with the sale of the Products on the Rashman website, which warning shall appear either: (a) on the same web page on which a Product is displayed; (b) on the same web page as the order form for a Product; (c) on the same page as the price for any Product; or (d) on one or more web pages displayed to a purchaser during the checkout process. The following warning statement

shall be used and shall appear in any of the above instances adjacent to or immediately following the display, description, or price of the Product for which it is given in the same type size or larger than the Product description text:

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

Alternatively, the designated symbol may appear adjacent to or immediately following the display, description, or price of the Product for which a warning is being given, provided that the following warning statement also appears elsewhere on the same web page, as follows:

WARNING: Products identified on this page with the following symbol ▼ contain DEHP, a chemical known to the State of California to cause birth defects and other reproductive harm.

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

In settlement of all the claims related to the Noticed Products referred to in this Amended Consent Judgment, and subject to the qualification set forth in paragraphs 3.1 and 3.2, Rashman shall pay a total of \$6,000 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 Brimer as follows:

3.1 Initial Civil Penalty

Rashman has paid an initial civil penalty in the amount of \$2,000 on or before December 1, 2013, Rashman by issuing two separate checks to: (a) "OEHHA" in the amount of \$1,500; and (b) "The Chanler Group in Trust for Russell Brimer" in the amount of \$500. All initial civil penalty payments have been delivered to the addresses listed in Section 3.3 below.

3.2 Final Civil Penalty

Rashman shall not have to pay a final civil penalty of \$4,000 on or before December 31, 2013 as prior to that date an officer of Rashman provided Brimer with written certification that, as of December 16, 2013 and continuing into the future, Rashman has met the reformulation standard

1	specified in Section 2.2 above, such that all Noticed Products manufactured, imported, distributed,		
2	sold and offered for sale in California by Rashman are Reformulated Products. Brimer		
3	acknowledges having received such certification on or before December 30, 2013. Therefore, the		
4	final civil penalty provided in this Section has been waived.		
5	3.3 Payment Procedures		
6	3.3.1 Issuance of Payments. Payments shall be delivered as follows:		
7	(a) All payments owed to Brimer, pursuant to Sections 3.1 through 3.2,		
8	shall be delivered to the following payment address:		
9	The Chanler Group Attn: Proposition 65 Controller		
10	2560 Ninth Street Parker Plaza, Suite 214		
11	Berkeley, CA 94710		
12	(b) All payments owed to OEHHA (EIN: 68-0284486), pursuant to		
13	Sections 3.1 through 3.2, shall be delivered directly to OEHHA (Memo line "Prop 65 Penalties") at		
14	the following addresses:		
15	For United States Postal Service Delivery:		
16	Mike Gyurics Fiscal Operations Branch Chief		
17	Office of Environmental Health Hazard Assessment P.O. Box 4010		
18	Sacramento, CA 95812-4010		
19	For Non-United States Postal Service Delivery:		
20	Mike Gyurics Fiscal Operations Branch Chief		
21	Office of Environmental Health Hazard Assessment 1001 I Street		
22	Sacramento, CA 95814		
23	With a copy of the checks payable to OEHHA mailed to The Chanler Group at the address		
24	set forth above in 3.3.1(a), as proof of payment to OEHHA.		
25	3.3.2 Issuance of 1099 Forms. After each penalty payment, Rashman shall issue		
26	separate 1099 forms for each payment to Brimer, whose address and tax identification number		
27	shall be furnished upon request after this Amended Consent Judgment has been fully executed by		
28	the Parties, and OEHHA at the addresses listed in Section 3.3.1(b) above.		
	'		

4. REIMBURSEMENT OF 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 this fee issue to be resolved after the material terms of the agreement had been settled. Rashman then expressed a desire to resolve the fee and cost issue shortly after the other settlement terms had been finalized. The Parties then attempted to (and did) reach an accord on 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. Rashman shall pay the total sum of \$31,000 for fees and costs incurred as a result of investigating, bringing this matter to Rashman's attention, negotiating a settlement in the public interest, and in obtaining the Court's approval of this Amended Consent Judgment in the public interest. Rashman has issued a separate 1099 for fees and costs (EIN: 94-3171522), and has issued two checks payable to "The Chanler Group" and it is hereby acknowledged that Rashman delivered the first payment of \$26,000 on or before December 1, 2013 to the address listed in Section 3.3.1(a) above, and shall hereafter deliver the second payment of \$5,000 on or before May 15, 2014 to the address listed in Section 3.3.1(a) above.

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

5.1 Brimer's Release of Proposition 65 Claims

Brimer acting on his own behalf and in the public interest releases Rashman, its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, attorneys, and each entity to whom Rashman directly or indirectly distributes or sells Products, including, but not limited, to downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees ("Releasees"), from all claims for violations of Proposition 65 up through the Effective Date based on exposure to DEHP from the Noticed Products set forth in the Notice. Compliance with the terms of this Amended Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to DEHP from the Noticed Products as set forth in the Notice.

5.2 <u>Brimer's Individual Release of Claims</u>

Brimer 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 Brimer of any nature, character or kind, whether known or unknown, suspected or unsuspected, limited to and arising out of alleged or actual exposures to DEHP in the Products manufactured, imported, distributed, or sold by Rashman.

5.3 Rashman's Release of Brimer

Rashman on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives any and all claims against Brimer, his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Brimer 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.

6. COURT APPROVAL

This Amended Consent Judgment as to the Noticed Products is not effective until it is approved and entered by the Court and shall be null and void as the the Noticed Products 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. If the Court does not approve and enter the Amended Consent Judgment as to the Noticed Products within one year of the date this Amended consent Judgment is fully executed by the Parties, any monies that have been provided to OEHHA or held in trust for Brimer or his counsel pursuant to Section 3, above, shall be refunded to Rashman within 15 days. Upon execution, Brimer shall promptly file an appropriate motion to approve this Amended Consent Judgment with the Court.

7. <u>SEVERABILITY</u>

If, subsequent to the execution of this Amended Consent Judgment, any of the provisions of this Amended Consent Judgment are held by a court to be unenforceable, the validity of the enforceable provisions remaining shall not be adversely affected.

8. GOVERNING LAW

The terms of this Amended 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 if any of the provisions of this Amended Consent Judgment are rendered inapplicable or are no longer required as a result of any such repeal or preemption or rendered inapplicable by reason of law generally as to the Products, then Rashman shall provide written notice to Brimer of any asserted change in the law, and shall have no further obligations pursuant to this Amended Consent Judgment with respect to, and to the extent that, the Products are so affected. Nothing in this Amended Consent Judgment shall be interpreted to relieve Rashman from any obligation to comply with any pertinent state or federal toxics control law.

9. NOTICES

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

771	Dankaran	
117	Rashman:	

To Brimer:

Steven L. Feldman, Esq.		
Goldfarb, Sturman & Averbach		
15760 Ventura Blvd.		
Nineteenth Floor		
Encino, CA 91436-3012		

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

Any Party, from time to time, may specify in writing to the other Party a change of address to which all notices and other communications shall be sent.

10. COUNTERPARTS; FACSIMILE SIGNATURES

This Amended Consent Judgment may be executed in counterparts and by facsimile or .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.

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

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

12. ADDITIONAL POST EXECUTION ACTIVITIES

Brimer and Rashman agree to mutually employ their best efforts to support the entry of this agreement as a Amended Consent Judgment and obtain approval of the Amended Consent Judgment by the Court in a timely manner. The Parties acknowledge that, pursuant to California Health & Safety Code § 25249.7, a noticed motion is required to obtain judicial approval of this Amended Consent Judgment with respect to the Noticed Products, which Brimer shall draft and file, and Rashman shall join. If any third party objection to the noticed motion is filed, Brimer and Rashman shall work together to file a joint reply and appear at any hearing before the Court. This provision is a material component of the Amended Consent Judgment and shall be treated as such in the event of a breach.

13. MODIFICATION

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

14. AUTHORIZATION

AGREED TO:

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

AGREED TO:

Date: May 9, 2014	Date: May 1, 2014
By:	By: Karl Lestran
Plaintff, Russon Brimer	Defendant, Rashman Corporation Richard Rashman, its CEO
	Richard Rashman, its CEO