

1 Brian C. Johnson, State Bar No. 235965 FILED Josh Voorhees, State Bar No. 241436 2 THE CHANLER GROUP 2560 Ninth Street OCT 13 2015 3 Parker Plaza, Suite 214 Berkeley, CA 94710-2565 Telephone:(510) 848-8880 CLERK OF THE SUPERIOR CO Facsimile: (510) 848-8118 5 Attorneys for Plaintiff 6 PAUL WOZNIAK 7 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 COUNTY OF ALAMEDA 11 UNLIMITED CIVIL JURISDICTION 12 13 14 PAUL WOZNIAK, Case No. RG14732195 15 SEDI JUDGMENT PURSUANT Plaintiff, 16 TO TERMS OF PROPOSITION 65 SETTLEMENT AND CONSENT 17 v. **JUDGMENT** 18 JOHN N. HANSEN CO., INC., et al., Date: October 13, 2015 19 9:00 a.m. Time: Defendants. Dept. 16 20 Judge: Hon. Lawrence Appel 21 Reservation No. R-1644732 22 23 24 25 26 27

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Plaintiff Paul Wozniak ("Wozniak") and Defendant John N. Hansen Co., Inc. ("John Hansen") having agreed through their respective counsel that Judgment be entered pursuant to the terms of their settlement agreement in the form of a consent judgment, and following this Court's issuance of an order approving their Proposition 65 settlement and Consent Judgment on October 13, 2015, and for good cause being shown,

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

IT IS SO ORDERED.

Dated: 0CT 1 3 2015

JUDGE OF THE SUPERIOR COURT

EXHIBIT 1

1	Brian C. Johnson, State Bar No. 235965							
2	Josh Voorhees, State Bar No. 241436 THE CHANLER GROUP 2560 Ninth Street							
3	Parker Plaza, Suite 214							
4	Berkeley, CA 94710-2565 Telephone: (510) 848-8880 Facsimile: (510) 848-8118							
5	Attorneys for Plaintiff							
6	PAUL WOZNIAK							
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9	SUPERIOR COURT OF THE STATE OF CALIFORNIA							
10	COUNTY OF ALAMEDA							
11	UNLIMITED CIVIL JURISDICTION							
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15	PAUL WOZNIAK,	Case No.: RG14732195						
16	Plaintiff,	[PROPOSED] CONSENT JUDGMENT						
17	٧.	(Health & Safety Code § 25249.6 et seq. and Cal. Civ. Proc. Code § 664.6)						
18	JOHN N. HANSEN CO., INC., et al.							
19	Defendants.							
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1. <u>INTRODUCTION</u>

1.1 Parties

This Consent Judgment is entered into by and between Paul Wozniak ("Wozniak") and John N. Hansen Co., Inc. ("John Hansen"), with Wozniak and John Hansen each individually referred to as a "Party" and collectively as the "Parties."

1.2 Plaintiff

Wozniak 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, who has brought this action and is settling this action "in the public interest" pursuant to California Health and Safety Code § 25249.7(d) and Title 11, California Code of Regulations, §§ 3000 *et seq*.

1.3 Defendant

John Hansen 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

Wozniak alleges that John Hansen manufactures, imports, sells, or distributes for sale in California, vinyl/PVC game cases 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 that are covered by this Settlement Agreement are vinyl/PVC game cases containing DEHP that are manufactured, sold or distributed for sale in California by John Hansen including, but not limited to, the *Deluxe Double 15 Dominoes Set of 136 Even Dots, ISBN# 1-57846-100-6, UPC #0 25766 05615 3* (collectively, "Covered Products").

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1.6 Notice of Violation

On March 26, 2014, Wozniak served John Hansen, the California Attorney General, and the other requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice") alleging that John Hansen violated Proposition 65 when it failed to warn its employees, its customers and consumers in California that the Products expose users to DEHP. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting an action to enforce the violations alleged in the Notice.

1.7 Complaint

On July 9, 2014, Wozniak filed the instant action ("Complaint"), naming John Hansen 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

John Hansen denies the material, factual, and legal allegations contained in the Notice and Complaint, and it maintains that all of the products that 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 by John Hansen 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 John Hansen of any fact, finding, conclusion of law, issue of law, or violation of law, the same being denied by John Hansen. Nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy, argument or defense John Hansen may have in this or any other future legal proceedings. This Consent Judgment is the product of negotiation and compromise and is accepted by John Hansen for the purposes of settling, compromising, and resolving issues disputed in this action. However, this Section shall not diminish or otherwise affect John Hansen's obligations, responsibilities, and duties under this Consent Judgment.

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1.9 Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over John Hansen as to the allegations 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 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 the Court grants the motion for approval of this Consent Judgment contemplated by Section 10.

2. INJUNCTIVE RELIEF: REFORMULATION AND WARNINGS

2.1 Reformulation/Compliance Standard

Commencing on the Effective Date and continuing thereafter, John Hansen shall only sell, or distribute for sale in California, Products that are either: (a) "Compliant Products"; or (b) Products that contain a clear and reasonable warning pursuant to Section 2.2. For purposes of this Consent Judgment, the term "Compliant Products" shall refer to Products containing a maximum of 1,000 ppm (0.1%) DEHP content in any component analyzed pursuant to EPA testing methodologies 3580A and 8270C, or equivalent methodologies used by state or federal agencies for purposes of determining DEHP content in a solid substance.

2.2 Clear and Reasonable Warnings

Compliant Products, John Hansen agrees that it will only sell or distribute such Products for sale in California with a clear and reasonable warning pursuant to this Section. John Hansen further agrees that the warning will be prominently placed with such conspicuousness when 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. For purposes of this Consent Judgment, a clear and reasonable warning shall consist of a warning affixed to the packaging, label, tag, or directly to a Product sold in California and contain the following statement:

WARNING:

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

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, John Hansen shall pay \$7,500 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 penalty amount paid to the California Office of Environmental Health Hazard Assessment ("OEHHA") and twenty-five percent (25%) paid to Wozniak.

3.1.1 Initial Civil Penalty

Within five days of the Effective Date, John Hansen shall make an initial civil penalty payment of \$2,500. John Hansen shall provide its payment in a single check made payable to "Paul Wozniak, Client Trust Account" in the amount of \$2,500.

3.1.2 Final Civil Penalty

On December 31, 2015, John Hansen shall make a final civil penalty payment of \$5,000. Pursuant to title 11 California Code of Regulations, section 3203(c), Wozniak agrees that the final civil penalty payment shall be waived in its entirety if, no later than December 15, 2015, an officer of John Hansen provides Wozniak with written certification that, as of the date of its certification, all of the Products it purchases for sale or manufactures for sale in California are Compliant Products as defined by Section 2.1, and that John Hansen will continue to offer only Compliant Products in California in the future. The option to certify reformulation/compliance in lieu of making the final civil penalty payment required by this Section is a material term, and with regard to such term, time is of the essence.

3.2 Reimbursement of Fees and Costs

The parties acknowledge that they discussed the option of 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 Consent Judgment were settled. The Parties then opted to and did negotiate John Hansen's reimbursement of the compensation due to Wozniak and his counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure section 1021.5. John Hansen shall pay \$27,000 as reimbursement for all fees and costs incurred by

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Wozniak investigating, bringing this matter to the John Hansen's attention, negotiating a settlement in the public interest, and obtaining the Court's approval of this Consent Judgment in the public interest. John Hansen's payment under this Section shall be tendered in two separate checks made payable to "The Chanler Group," each in the amount of \$13,500. The first fee reimbursement payment is due within five days of the Effective Date. The second, and final, fee reimbursement installment is due on or before February 1, 2016.

3.3 Payment Procedures

All payments made under this Consent Judgment shall be delivered to:

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

4. CLAIMS COVERED AND RELEASED

4.1 Wozniak's Public Interest Release of Hansen

Wozniak, acting on behalf of himself and in the public interest, as well as on behalf of his past and current agents, representatives, attorneys, successors, and/or assignees, releases John Hansen and its parents, subsidiaries, affiliated entities under common ownership or control, directors, officers, employees, and attorneys ("Releasees") and each entity to whom John Hansen directly or indirectly distributes or sells the Products, including but not limited to its downstream distributors, wholesalers, customers, and retailers ("Downstream Releasees"), from all claims for violations arising under Proposition 65 based upon exposures to DEHP from the Covered Products sold or distributed for sale by John Hansen prior to the Effective Date, as alleged in the Notice and/or Complaint. This release includes all claims based upon Proposition 65 violations related to occupational and/or consumer products exposures to DEHP, as alleged in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to the failure to warn about exposures to DEHP in the Products.

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4.2 Wozniak's Individual Release of John Hansen

Wozniak, on his own behalf and on behalf of his past and current agents, representatives, attorneys, successors, and/or assignees, also provides a release in his individual capacity to John Hansen, Releases, and Downstream Releases 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 Wozniak of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DEHP in Products sold or distributed for sale by John Hansen before the Effective Date. This release includes all claims based upon Proposition 65 violations related to occupational and/or consumer products exposures to DEHP, as alleged in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to the failure to warn about exposures to DEHP in the Products.

4.3 John Hansen's Release of Wozniak

John Hansen 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 Wozniak and his attorneys and other representatives, for any and all actions taken or statements made by Wozniak and his attorneys and other representatives, whether in the course of investigating or seeking to enforce Proposition 65 against it in this matter, with respect to the Covered Products.

5. <u>COURT APPROVAL</u>

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.

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7. GOVERNING LAW

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

8. NOTICE

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

For John Hansen:

John Hansen, Jr., President John N. Hansen Co., Inc. 369 Adrian Road Millbrae, CA 94030

with a copy to:

Kevin Barger, Esq. Dehay & Elliston LLP 1111 Broadway, Suite 1950 Oakland, CA 94607

For Wozniak:

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

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.

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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

Wozniak 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, Wozniak and John Hansen agree to mutually employ their best efforts, and that of their counsel, to support the entry of this agreement as 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 with the drafting and filing of the necessary moving papers, and supporting the motion for judicial approval. Each Party shall bear his/its own cost and expense in connection with the Parties' efforts to obtain judicial approval of this settlement.

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.

AGREED TO:

Date: <u>June 19-2015</u>

PAUL WOZNIAK

AGREED TO:

Date: 6/1

John Hansen, Jr., President

JOHN N. HANSEN CO., INC.