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FILED ALAMEDA COUNTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ALAMEDA

UNLIMITED CIVIL JURISDICTION

12 WHITNEY R. LEEMAN, Ph.D., Case No. RG15756965 13 Plaintiff, [PROPOSED] JUDGMENT PURSUANT TO TERMS OF PROPOSITION 65 14 SETTLEMENT AND PROPOSED CONSENT JUDGMENT 15 JT INTERNATIONAL DISTRIBUTORS, INC.; and DOES 1-150, inclusive, November 5, 2015 Date: 16 Time: 3:00 p.m. Defendants. Dept: ___22____ 17 Judge: Hon. Robert McGuiness

D C 37 D 1650200

Reference No.: R-1659398

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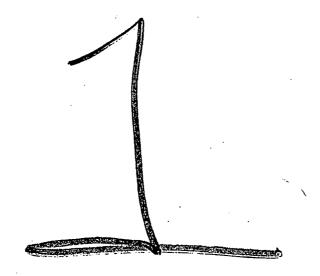
Plaintiff Whitney R. Leeman, Ph.D., and JT International Distributors, Inc., having agreed through their respective counsel that Judgment be entered pursuant to the terms of their settlement agreement in the form of a Consent Judgment, and following this Court's issuance of an Order approving this Proposition 65 settlement and Consent Judgment November 5, 2015.

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 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.

IT IS SO ORDERED.

Dated: $\frac{11}{9}$

JUDGE OF THE SUPERIOR COURT



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1	Christopher M. Martin, State Bar No. 186021 Josh Voorhees, State Bar No. 241436			
2	THE CHANLER GROUP 2560 Ninth Street			
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5	Attorneys for Plaintiff			
6	WHITNEY R. LEEMAN, Ph.D.			
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8	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
9	COUNTY	OF ALAMEDA		
10	UNLIMITED C	IVIL JURISDICTION		
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13	WHITNEY R. LEEMAN, Ph.D.,	Case No. RG-15-756965		
14	Plaintiff,	PROPOSED CONSENT JUDGMENT		
15	v.	(Health & Safety Code § 25249.6 et seq. and Code of Civil Procedure § 664.6)		
16	JT INTERNATIONAL DISTRIBUTORS, INC.; and DOES 1-150, inclusive,	·		
<u>17</u>	Defendants.	The second real contents of the second conten		
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	CONSE	NT JUDGMENT		

1. INTRODUCTION

1.1 Parties

This Consent Judgment is entered into by and between plaintiff Whitney R. Leeman ("Leeman") and defendant JT International Distributors, Inc. ("JT International"), with Leeman and JT International each referred to individually as a "Party" and collectively as the "Parties."

1.2 Plaintiff

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

1.3 Defendant

JT International 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 and Safety Code section 25249.5 et seq. ("Proposition 65").

1.4 General Allegations

Leeman alleges that JT International manufactures, imports, sells and/or distributes for sale in California, tool grips containing di(2-ethylhexyl)phthalate ("DEHP"), and that it does so without providing the health hazard warning that Leeman alleges is required by Proposition 65.

1.5 Product Description

The products covered by this Consent Judgment are tool grips containing DEHP, including, but not limited to, the *Tough 1 Rotary Leather Punch, Item No. 76-1515*, *UPC #6 88499 15257 0* ("Products").

1.6 Notice of Violation

On July 30, 2014, Leeman served JT International and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice"), alleging that JT International violated Proposition 65 when it failed to warn 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 allegations set forth in the Notice.

1.7 Complaint

On February 2, 2015, Leeman commenced the instant action, naming JT International as a defendant for the alleged violations of Proposition 65 that are the subject of the Notice.

1.8 No Admission

JT International denies the material, factual, and legal allegations contained in the Notice and Complaint, and maintains that all of the products that it has sold or 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 JT International 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 JT International of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall not, however, diminish or otherwise affect JT International'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 JT International as to the allegations contained in the Complaint, that venue is proper in the County of Alameda, 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 SETTLEMENT TERMS

Commencing October 1, 2015, and continuing thereafter, JT International shall only manufacture for sale, or purchase 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, JT International shall pay \$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 Leeman. Leeman's counsel shall be responsible for remitting JT International's penalty payment(s) under this Consent Judgment to OEHHA.

- 3.1.1 Initial Civil Penalty. Within two days of the Effective Date, JT International shall make an initial civil penalty payment of \$2,000. JT International shall provide its payment in a single check made payable to "Whitney R. Leeman, Client Trust Account" to be delivered to the address provided in Section 3.4, below.
- 3.1.2 Final Civil Penalty. On October 1, 2015, JT International shall make a final civil penalty payment of \$4,000. Pursuant to title 11 California Code of Regulations, section 3203(c), Leeman agrees that the final civil penalty payment shall be waived in its entirety if, no later than September 15, 2015, an officer of JT International provides Leeman 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 JT International 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. JT International shall deliver its certificate, if any, to Leeman's counsel at the address provided in Section 3.4, below. In the event that JT International does not timely certify its compliance or make the final civil penalty payment required by this Section, the Parties agree that Leeman may file a motion or application seeking an order compelling JT International's compliance with this Section. If successful, the Parties further agree that

Leeman 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

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The Parties acknowledge that Leeman and her 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, JT International expressed a desire to resolve Leeman's fees and costs. The Parties then negotiated a resolution of the compensation due to Leeman and her 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, JT International shall reimburse Leeman and her counsel \$27,500. JT International's 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 Leeman investigating, bringing this matter to JT International's 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, JT International 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. JT International's counsel shall confirm receipt of settlement funds in writing to Leeman'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, JT International's counsel shall deliver all settlement payments it has held in trust to Leeman'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, the JT International 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. CLAIMS COVERED AND RELEASED

4.1 Leeman's Release of Proposition 65 Claims

Leeman, acting on her own behalf and in the public interest, releases JT International and its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Releasees") and each entity to whom JT International directly or indirectly distributes or sells the Products including, but not limited to, its 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 the Products manufactured, imported, distributed or sold by JT International prior to the Effective Date, as set forth in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by JT International with respect to the alleged or actual failure to warn about exposures to DEHP from Products manufactured, sold or distributed for sale by JT International after the Effective Date.

4.2 Leeman's Individual Release of Claims

Leeman, in her individual capacity only and *not* in her representative capacity, also provides a release to Defendants, 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 Leeman of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual

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exposures to DEHP in Products manufactured, imported, distributed or sold by JT International before the Effective Date.

4.3 JT International's Release of Leeman

JT International, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against Leeman and her attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Leeman and her attorneys and other representatives in the course of investigating claims, 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 all Parties. Leeman and JT International 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 Leeman shall draft and file and JT International shall support, appearing at the hearing if so requested. If any third-party objection to the motion is filed, Leeman and JT International 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. **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 JT International may provide Leeman 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 JT International from its obligation to comply with any pertinent state or federal law or regulation.

7. 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 any Party by the other at the following addresses:

To JT International:

To Leeman:

7 Steven Loi, Esq.
8 Sanders Roberts & Jewett
1055 West 7th Street
Los Angeles, CA 90017

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

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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.

8. COUNTERPARTS, FACSIMILE AND PDF 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.

9. <u>COMPLIANCE WITH REPORTING REQUIREMENTS</u>

Leeman and her counsel agree to comply with the reporting form requirements referenced in California Health and Safety Code section 25249.7(f).

10. MODIFICATION

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

11. <u>AUTHORIZATION</u>

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.

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	AGREED TO:	AGREED TO:
2 3	WHITNEY RI LEEMAN Ph.D.	JT INTERNATIONAL DISTRIBUTORS, INC.
4	Dated: August 9, 2015	By:
;		(Print Name) Its:
	•	(Title)
		Dated:
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	CO	NSENT JUDGMENT

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1	AGREED TO:
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3	WHITNEY R. LEEMAN Ph.D. JT INTERNATIONAL DISTRIBUTORS, INC.
4	Dated:By:
5	Its: President
6	(Title)
7	Dated: 8/12/15
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