Clifford A. Chanler, State Bar No. 135534 1 Josh Voorhees, State Bar No. 241436 THE CHANLER GROUP FILED 2560 Ninth Street ALAMEDA COUNTY 3 Parker Plaza, Suite 214 Berkeley, CA 94710-2565 JUN 07 2016 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 CLERK OF THE SUPERIOR COURT 5 E-mail: cliff@chanler.com E-mail: josh@chanler.com 6 Deputy Attorneys for Plaintiff 7 PAUL WOZNIAK 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 COUNTY OF ALAMEDA 11 UNLIMITED CIVIL JURISDICTION 12 13 PAUL WOZNIAK. Case No. RG15766664 [PROPOSED] JUDGMENT PURSUANT 14 Plaintiff, **TO TERMS OF PROPOSITION 65** 15 SETTLEMENT AND CONSENT **JUDGMENT** 16 HAROLD IMPORT CO., INC.; and DOES 1-Date: June 8, 2016 17 150, inclusive, Time: 3:00 p.m. Dept: 18 18 Defendants. Judge: Hon. Jo-Lynne Lee 19 Reservation No. R-1731706 20

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In the above-entitled action, plaintiff Paul Wozniak, and defendant Harold Import Co., 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:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to California Health & Safety Code § 25249.7(f)(4) and California Code of Civil Procedure § 664.6, Judgment is entered in accordance with the terms of the Consent Judgment attached hereto as **Exhibit A**. 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: 4/7/14

JUDGE OF THE SUPERIOR COURT

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1	Josh Voorhees, State Bar No. 241436			
2	THE CHANLER GROUP 2560 Ninth Street			
3	Parker Plaza, Suite 214 Berkeley, CA 94710-2565			
4	Telephone: (510) 848-8880 Facsimile: (510) 848-8118			
5	Attorneys for Plaintiff			
6	PAUL WOZNIAK			
7				
8	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
9	COUNTY OF ALAMEDA			
10	UNLIMITED CIVIL JURISDICTION			
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12	PAUL WOZNIAK,	Case No. RG15766664		
13	Plaintiff,	[PROPOSED] CONSENT JUDGMENT		
14	٧.	(Health & Safety Code § 25249.6 et seq.)		
15	HAROLD IMPORT CO., INC., et al.			
16	Defendants.			
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### 1. <u>INTRODUCTION</u>

#### 1.1 Parties

This Consent Judgment is entered into by and between plaintiff Paul Wozniak ("Wozniak"), and Harold Import Co., Inc. ("Harold"), with Wozniak and Harold 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 to improve human health by reducing or eliminating hazardous substances contained in consumer products.

### 1.3 Harold

Harold 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 Harold manufactures, imports, sells, or distributes for sale in California, nylon cooking utensils that contain 4,4'-methylenedianiline ("4,4'-MDA") without first providing the exposure warning required by Proposition 65. 4,4'-MDA is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer.

### 1.5 Product Description

The products covered by this Consent Judgment are nylon cooking utensils containing 4,4'-MDA that are manufactured, imported, sold, or distributed for sale in California by Harold including, but not limited to, *Ladle*, #45725, *UPC* #7 81723 45725 7, hereinafter the "Products".

#### 1.6 Notice of Violation

On or about January 23, 2015 Wozniak served Harold, and certain requisite public enforcement agencies with a "60-Day Notice of Violation" ("Notice") alleging that Harold violated Proposition 65 by failing to warn it's customers and consumers in California that the Products expose users to 4,4'-MDA. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice.

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### 1.7 Complaint

On April 16, 2015 Wozniak filed the instant action ("Complaint") naming Harold 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

Harold 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 Harold'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 Harold 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" means the date on which the Motion for Approval of the Consent Judgment is granted by the Court.

### 2. INJUNCTIVE RELIEF: REFORMULATION

#### 2.1 Reformulated Products

Commencing on the Effective Date, and continuing thereafter. Harold shall only manufacture, sell, or distribute for sale in or into California Products that are "Reformulated Products." For purposes of this Consent Judgment. Reformulated Products shall:

i. contain less than or equal to 200 parts per million ("ppm") 4,4'-MDA by weight using validated preparation and analytical methods used to detect the presence of 4,4'-MDA in a solid substance, and:

ii. produce a leach result of 10 ug/L or less 4,4'-MDA by digesting the food contact end of the product into 100 ml of 3% acetic acid de-ionized water for 2 hours at 100°C, replenishing the acetic acid solution as needed to maintain 100 ml, and analyzing the leachate using a validated method to detect the presence of 4,4'-MDA in a liquid.

The testing shall be conducted in an accredited laboratory with qualified personnel. All analytical reports must contain quality control data that verify the laboratory's performance for the results in each analytical report.

### 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, Harold shall pay \$2,500 in civil penalties. The 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") by Mr. Wozniak, and twenty-five percent (25%) of the funds remitted to Wozniak. Harold shall make the check for \$2,500 payable to "Paul Wozniak, Client Trust Account" to be delivered in accordance with Sections 3.3 and 3.4.

### 3.2 Reimbursement of Attorney's Fees and Costs

The parties acknowledge that Wozniak 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. The Parties then attempted to (and did) reach an accord on 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 for all work performed through the mutual execution of this Consent Judgment. Harold shall pay \$15,000 or the fees and costs incurred by Wozniak investigating, bringing this matter to Harold's attention, litigating and negotiating a settlement in the public interest.

Harold shall make the check for \$15,000 payable to "The Chanler Group" to be delivered in accordance with Sections 3.3 and 3.4.

### 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. All payments due under this agreement shall be delivered within ten (10) days of the date that this Consent Judgment is fully executed by the Parties, and held in trust by Harold's counsel until the Court grants the motion for approval of this Consent Judgment contemplated by Section 5. Within two business days of the Court's approval of this Consent Judgment, Harold's counsel shall tender the initial civil penalty payments and attorneys' fee and costs reimbursements required by Sections 3.1 and 3.2.

### 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 Wozniak's Public Release of Proposition 65 Claims

Wozniak, acting on his own behalf and in the public interest, releases Harold 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 4,4'-MDA from Products sold by Harold 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 failures to warn about 4,4'-MDA from the Products sold by Harold before the Effective Date, as set forth in the Notice.

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#### 4.2 Wozniak's Individual Release of Claims

Wozniak, in his individual capacity only and *not* in his representative capacity, also provides a release to Harold, 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 Wozniak of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to 4,4'-MDA in the Products sold or distributed for sale by Harold before the Effective Date.

#### 4.3 Harold's Release of Wozniak

Harold, on it's own behalf, and on behalf of it's past and current agents, representatives. attorneys, successors, and assignees, hereby waives any and all claims against Wozniak and his attorneys and other representatives(or those that could have been taken or made), for any and all actions taken or statements made by Wozniak 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 Harold may provide written notice to Wozniak of any asserted change in the law, and shall have no further

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injunctive 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 Harold from any obligation to comply with any pertinent state or federal toxics control laws.

### 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:

#### Harold

Robert Laub, President
Harold Import Co., Inc
747 Vassar Avenue
Lakewood, NJ 08701

Jura C. Zibas Attorney at Law Wilson Elser Moskowitz Edelman & Dicker 150 E 42nd Street New York, NY 10017

#### Wozniak

Proposition 65 Coordinator 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. <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.

### 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, the Parties agree to mutually employ their best efforts, and those 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 on the drafting and filing of the necessary moving papers, supporting the motion, and appearing at the hearing before the Court.

### 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. <u>AUTHORIZATION</u>

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

Date: April 11, 2016

By: Paul Worstak

AGREED TO:

Robert Laub, President Harold Import Co., Inc