1 Josh Voorhees, State Bar No. 241436 Warren M. Klein, State Bar No. 303958 THE CHANLER GROUP 2 2560 Ninth Street 3 Parker Plaza, Suite 214 Berkeley, CA 94710-2565 Telephone: (510) 848-8880 4 DEC 1 3 2016 Facsimile: (510) 848-8118 josh@chanler.com 5 E-mail JAMES M. KIM, Court Executive Officer E-mail warren@chanler.com MARIN COUNTY SUPERIOR COURT 6 By: J. Chen, Deputy Attorneys for Plaintiff PETER ENGLANDER 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 **COUNTY OF MARIN** 10 UNLIMITED CIVIL JURISDICTION 11 12 Case No. CIV1602600 PETER ENGLANDER, 13 [PROPOSED] JUDGMENT PURSUANT Plaintiff, TO TERMS OF PROPOSITION 65 14 SETTLEMENT AND CONSENT v. **JUDGMENT** 15 GENERAL FOAM PLASTICS CORP.; et al., 12/13/2016 Date: 16 Defendants. 1:30 pm Time: Dept.: 17 Hon. Geoffrey M. Howard Judge: 18 19 20 21 22 23 24 25 26 27 28

JUDGMENT PURSUANT TO TERMS OF PROPOSITION 65 SETTLEMENT AND CONSENT JUDGMENT

Plaintiff Peter Englander and defendant General Foam Plastics Corp and Beckett Corporation, having agreed through their respective counsel that Judgment be entered pursuant to the terms of their settlement agreement in the form of a stipulated judgment ("Consent Judgment"), and following this Court's issuance of an order approving their Proposition 65 settlement and Consent Judgment, 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 Consent Judgment under California Health & Safety Code § 25249.7(f) and California Code of Civil Procedure § 664.6. IT IS SO ORDERED. GEOFFREY M. HOWARD DEC 1 3 2016 Dated: JUDGE OF THE SUPERIOR COURT 

# EXHIBIT 1

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1 2 3 4 5 6 7	Josh Voorhees, State Bar No. 241436 Warren M. Klein, State Bar No. 303958 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565 Telephone: (510) 848-8880 Facsimile: (510) 848-8118  Attorneys for Plaintiff PETER ENGLANDER	
8	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
9	COUNTY OF MARIN	
10	UNLIMITED CIVIL JURISDICTION	
11		
12	PETER ENGLANDER,	Case No. CIV1602600
13	Plaintiff,	[PROPOSED] CONSENT JUDGMENT
14	v.	(Health & Safety Code § 25249.6 et seq.)
15	GENERAL FOAM PLASTICS CORP.; et al.,	
16	Defendants.	
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•	[PROPOSED] CO	NSENT JUDGMENT

# 1. <u>INTRODUCTION</u>

#### 1.1 Parties

This Consent Judgment is entered into by and between Peter Englander ("Englander") on the one hand, and defendants General Foam Plastics Corp., and Beckett Corporation, ("Defendants") on the other hand, with Englander and Defendants each individually referred to as a "Party" and collectively as the "Parties."

#### 1.2 Plaintiff

Englander 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 Defendants

Defendants employ ten or more persons and are 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

Englander alleges that Defendants manufacture, import, sell, or distribute for sale in California, vinyl/PVC tubing containing 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 and other reproductive harm.

#### 1.5 Product Description

Defendants products that are covered by this Consent Judgment are defined as vinyl/PVC tubing, containing DEHP including, without limitation, the *Vinyl Tubing ½ in. x 20 ft., #084-030280, #2012BSP, #7209510, UPC #0 52309 72095 0*, and products bearing General Foam's base item numbers: 7206910, 7207010, 7209610, 7209710, 7209810, 7209910, 7216210, 7216310, CB201TUL, CB251ULHT, CB252ULHT, CB501ULHT, CB501ULHTS, CB502ULHT, CB502ULHT, CB502ULHT, CB502ULHTS, CB504ULHTS, CB5

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manufactured, imported, distributed, sold and/or offered for sale by Defendants in the State of California, hereinafter the "Products."

#### 1.6 Notice of Violation

On March 23, 2016, Englander served Defendants and certain requisite public enforcement agencies with a "60-Day Notice of Violation" ("Notice") alleging that Defendants violated Proposition 65 when they failed to warn their customers and consumers in California that the Products expose users to DEHP.

# 1.7 Complaint

On or about July 19, 2016, Plaintiff filed the instant action ("Complaint"), naming Defendants as defendants for its alleged violations of Health and Safety Code section 25249.6 that are the subject of the Notice.

#### 1.8 No Admission

Defendants deny the material, factual, and legal allegations contained in the Notice and Complaint, and maintain that all of the products that they have 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 Defendants' 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 Defendants as to the allegations in the Complaint, that venue is proper in the County of Marin, and that this Court has jurisdiction to enter and enforce the provisions of this Consent Judgment.

#### 1.10 Effective Date

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For purposes of this Consent Judgment, the term "Effective Date" means the date on which the Court approves this Consent Judgment, including any unopposed tentative rulings.

# 2. INJUNCTIVE RELIEF: REFORMULATION AND WARNINGS

#### 2.1 Reformulation Standards

Commencing on the Effective Date, Defendants shall not manufacture, import, distribute, sell or offer the Products for sale in California unless they are Reformulated Products, or contain appropriate health hazard warnings, per Section 2.2. For purposes of this Consent Judgment, "Reformulated Products" are products that contain DEHP in concentrations of less than 0.1 percent (1,000 parts per million) 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.

## 2.2 Product Warnings

Commencing within five (5) business days of the Effective Date, Defendants shall provide clear and reasonable warnings for all Products as set forth in subsections 2.2(a) and (b) for all Products that do not currently have warnings and that do not qualify as Reformulated Products. 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* Product the warning applies, so as to minimize the risk of consumer confusion.

## (a) Retail Store Sales.

(i) Product Labeling. Defendants shall affix a warning to the packaging, labeling, or directly on each Product provided for sale in retail outlets in California that states:

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

mail order catalog or the internet to California residents. Warnings given in the mail order catalog or on the internet shall identify the *specific* Product to which the warning applies as further specified in Sections 2.2(b)(i) and (ii).

(i) Mail Order Catalog Warning. Any warning provided in a mail order catalog shall be in the same type size or larger than the Product description text within the catalog. The following warning shall be provided on the same page and in the same location as the display and/or description of the Product:

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

Or,

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

Where it is impracticable to provide the warning on the same page and in the same location as the display and/or description of the Product, Defendants may utilize a designated symbol to cross reference the applicable warning and shall define the term "designated symbol" with the following language on the inside of the front cover of the catalog or on the same page as any order form for the Product(s):

WARNING: Certain products identified with this symbol ▼ and offered for sale in this catalog contain DEHP, a chemical known to the State of California to cause birth defects and other reproductive harm.

Or,

WARNING: Certain products identified with this symbol ▼ and offered for sale in this catalog contain a chemical known to the State of California to cause cancer and birth defects and other reproductive harm.

The designated symbol must appear on the same page and in close proximity to the display and/or description of the Product. On each page where the designated symbol appears, Defendants must provide a header or footer directing the consumer to the warning language and definition of the designated symbol.

I	(ii) Internet website warning. A warning shall be given in conjunction with the		
2	sale of the Products via the internet, which warning shall appear either: (a) on the same web page on		
3	which a Product is displayed; (b) on the same web page as the order form for a Product; (c) on the		
4	same page as the price for any Product; or (d) on one or more web pages displayed to a purchaser		
5	during the checkout process. The following warning statement shall be used and shall appear in any		
6	of the above instances adjacent to or immediately following the display, description, or price of the		
7	Product for which it is given in the same type size or larger than the Product description text:		
8	WARNING: This product contains DEHP, a chemical known to the State of California to cause birth defects and other reproductive harm.		
10	Or,		
11	WARNING: This product contains a chemical known to the State of California to cause cancer and birth defects and other reproductive harm.		
12			
13	Alternatively, the designated symbol may appear adjacent to or immediately following the		
14	display, description, or price of the Product for which a warning is being given, provided that the		
15	following warning statement also appears elsewhere on the same web page, as follows:		
16	WARNING: This product contains DEHP, a chemical		
17	known to the State of California to cause birth defects and other reproductive harm.		
18	Or,		
19	WARNING: This product contains a chemical known to the State of California to cause		
20	cancer and birth defects and other reproductive harm.		
21	3. MONETARY SETTLEMENT TERMS		
22	3.1 Civil Penalty Payments		
23	Pursuant to Health and Safety Code section 25249.7(b), in settlement of all the claims referred		
24	to in this Consent Judgment, Defendants shall pay \$27,000 in civil penalties. Each civil penalty		
25	payment shall be allocated according to Health and Safety Code section 25249.12(c)(1) and (d) with		
26	seventy-five percent (75%) of the funds paid to the California Office of Environmental Health		
27	Hazard Assessment ("OEHHA") and twenty-five percent (25%) of the funds allocated to Englander.		

## 3.1.1 Initial Civil Penalty

Defendants shall pay an initial civil penalty in the amount of \$9,000 within five (5) days of the Effective Date. Defendants shall issue the check to: "Peter Englander, Client Trust Account" in the amount of \$9,000. Englander and his counsel will then ensure the proper portion of the payment is made to OEHHA. All penalty payments shall be delivered to the addresses listed in Section 3.3 below.

#### 3.1.2 Final Civil Penalty

On or before April 1, 2017, Defendants shall make a final civil penalty payment of \$18,000. Englander agrees that the final civil penalty payment shall be waived in its entirety if, no later than March 23, 2017, an officer of Defendants provide Englander with written certification that they are no longer offering or distributing for sale in California the Products, or that, except for Products bearing General Foam base numbers 7206910, 7216210, and 7207010, they are only manufacturing, importing, offering for sale and distributing for sale in California, Reformulated Products as defined in section 2.1, above. The option to certify reformulation in lieu of making the final civil penalty payment required by this Section is a material term and time is of the essence.

#### 3.2 Reimbursement of Fees and Costs

The parties acknowledge that Englander 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. Shortly after the other settlement terms had been finalized, Defendants expressed a desire to resolve Englander's fees and costs. The Parties then attempted to (and did) reach an accord on the compensation due to Englander 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. Defendants shall pay \$30,000 for the fees and costs incurred by Englander investigating, bringing this matter to Defendants' attention, litigating and negotiating a settlement in the public interest. Defendants shall tender payment for the attorney's fees and costs by check payable to "The Chanler Group" to the address found in Section 3.4 below.

#### 3.3 Payment Procedures

Except for the final civil penalty payment required by Section 3.1.2, all payments due under this agreement shall be delivered to Defendants' counsel of record within ten (10) days of the date that this Consent Judgment is fully executed by the Parties, and held in trust by Defendants' counsel until the Court grants the motion for approval of this Consent Judgment contemplated by Section 5. Within five (5) business days of the Court's approval of this Consent Judgment, Defendants' counsel shall tender the initial civil penalty payments and attorneys' fee and costs reimbursements required by Sections 3.1.1 and 3.2 to the address specified in Section 3.4.

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

Englander, acting on his own behalf and in the public interest, releases Defendants and their 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 its downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors, and licensees ("Downstream Releasees") from all claims for violations of Proposition 65 for unwarned exposures to DEHP from the Products sold by Defendants 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 DEHP from Products, as set forth in the Notice.

# 4.2 Englander's Individual Release of Claims

Englander, in his individual capacity only and *not* in his 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 Englander of any nature, character or kind, arising out of alleged or actual exposures to DEHP from the Products sold or distributed for sale by Defendants before the Effective Date.

### 4.3 Defendants' Release of Englander

Defendants, on their own behalf, and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against Englander and his attorneys and other representatives, for any and all actions taken or statements made by Englander 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 Defendants may provide written notice to Englander of any asserted change in the law, and shall have no further

2	so affected. Nothing in this Consent Judgment shall be interpreted to relieve Defendants from any		
3	obligation to comply with any pertinent state or federal toxics control laws.		
4	8. <u>NOTICE</u>		
5	Unless specified herein, all correspondence and notice required by this Consent Judgment		
6	shall be in writing and sent by: (i) personal delivery; (ii) first-class, registered, or certified mail,		
7	return receipt requested; or (iii) a recognized overnight courier to the following addresses:		
8	For Defendants:		
9	Stephen T. Holzer, Esq.		
10	Lewitt, Hackman, Shapiro, Marshall & Harlan, APC 16633 Ventura Blvd., 11 <sup>th</sup> Floor		
11	Encino, CA 91436-1865		
12	With a copy to:		
13	Stephen E. Story, Esq. Kaufman & Canoles, P.C.		
14	P.O. Box 3037 Norfolk, VA 23514		
15	For Englander:		
16	The Chanler Group		
17	Attn: Proposition 65 Coordinator 2560 Ninth Street		
18	Parker Plaza, Suite 214 Berkeley, CA 94710		
19	Any Party may, from time to time, specify in writing to the other, a change of address to which all		
20	notices and other communications shall be sent.		
21	9. <u>COUNTERPARTS; FACSIMILE SIGNATURES</u>		
22	This Consent Judgment may be executed in counterparts and by facsimile or portable		
23	document format (PDF) signature, each of which shall be deemed an original, and all of which, when		
24	taken together, shall constitute one and the same document.		
25	10. POST EXECUTION ACTIVITIES		
26	Englander agrees to comply with the reporting form requirements referenced in Health and		
27	Safety Code section 25249.7(f). The Parties further acknowledge that, pursuant to Health and Safety		
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obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are

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	-Code section 25249.7(f), a noticed mot	ion is required to obtain judicial approval of the settlement. In	
2	furtherance of obtaining such approval, Englander and Defendants agree to mutually employ their		
3	best efforts, and that of their counsel, to support the entry of this agreement as judgment, and to		
4	obtain judicial approval of their settlement in a timely manner. For purposes of this Section, "best		
5	efforts" shall include, at a minimum, cooperating with the drafting and filing of the necessary moving		
6	papers, and supporting the motion for judicial approval.		
7	11. MODIFICATION		
8	This Consent Judgment may be modified only by: (i) a written agreement of the Parties and		
9	entry of a modified consent judgment by the Court; or (ii) a successful motion or application of any		
10	Party, and the entry of a modified consent judgment by the Court.		
11	12. <u>AUTHORIZATION</u>		
12	The undersigned are authorized to execute this Consent Judgment and have read, understood,		
13	and agree to all of the terms and conditions contained herein.		
14			
15	AGREED TO:	AGREED TO:	
16	Date: 9/6/2016	Date: $8/3/20/6$	
17	1/0/		
18	By:	By:	
19	Peter Englander	Stan Hobbs, CFO General Foam Plastics Corp.	
20		AGREED TO:	
21		- / /	
22		Date: 8/31/2016	
23			
24		Bý: L Stan Hobbs, CFO	
25		Beckett Corporation	
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27			
28			