State of California - Department of Justice - Attorney General's Office - Proposition 65 Enforcement Reporting

FORM JUS 1502 (03-01) Attention: Prop 65 Coordinator, 1515 Clay Street, Suite 2000, Oakland, CA 94612

PRIVATE ENFORCEMENT FILING - Health and Safety Code section 25249.7(e) and (f)

REPORT OF ENTRY OF JUDGMENT

Please	print or type required information	☐ Original Filing ☐ Supplement	ntal Filing		
	PLAINTIFF(S)				
	DEFENDANT(S) INVOLVED IN JUDGMENT				
PARTIES TO THE ACTION					
ж о	COURT DOCKET NUMBER		COURT NAME		
CASE	SHORT CASE NAME				
	INJUNCTIVE RELIEF				
REPORT INFO	PAYMENT: CIVIL PENALTY	PAYMENT: ATTORNEYS FEES	PAYMENT: OTHER	Á l'O	
R	DATE SUBMITTED TO COURT	IS JUDGMENT PURSUANT TO SETTLEMENT?	IF YES, DATE SETTLEMENT WAS REPORTED TO ATTORNEY GENERA	AI S	
l PC	/ /	☐ Yes ☐ No	/ / /		
B	СОРУ О	For Internal Use Only			
	NAME OF CONTACT				
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FILER	ADDRESS			FAX NUMBER	
	CITY	STATE ZIP	E-MAIL ADDRESS		

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1 2 3 4 5	LAW OFFICE OF DANIEL N. GREENBAUN Daniel N. Greenbaum, Esq. (SBN 268104) The Hathaway Building 7120 Hayvenhurst Avenue, Suite 320 Van Nuys, CA 91406 Telephone: (818) 809-2199 Facsimile:(424) 243-7689 Email: dgreenbaum@greenbaumlawfirm.com	CONFORMED COPY ORIGINAL FILED Superior Court of California County of Los Angeles NGV 13 2018			
6	Attorney for Plaintiff Shefa LMV, Inc.	Sherri R. Carter, Executive Officer/Clerk By Ana Cisneros, Deputy			
7 8 9 10	Jack B. McCowan, Jr., Esq. (SBN 062056) GORDON & REES LLP 275 Battery Street, Suite 2000 San Francisco, CA 94111 Telephone:(415) 986-5900 Facsimile:(415) 986-8054 Email: jmccowan@gordonrees.com				
12	Attorneys for Defendant Robert Bosch Tool Corporation				
13	SUPERIOR COURT OF THE STATE OF CALIFORNIA				
14	COUNTY OF LOS ANGELES				
15 16 17 18 19 20 21 22 23 24	SHEFA LMV, INC., Plaintiff, vs. ROBERT BOSCH TOOL CORPORATION; and DOES 1 through 100, inclusive, Defendants.) Case No. BC676932) Hon. Rita Miller) Dept. 16) PROPOSEDL CONSENT JUDGMENT) Action Filed: September 21, 2017) By Fax			
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(RROPOSED) CONSENT JUDGMENT

1. INTRODUCTION

1.1 Parties.

This consent judgment ("Consent Judgment") is entered into by and between plaintiff
Shefa LMV, Inc. ("Shefa" or "Plaintiff") and Robert Bosch Tool Corporation ("RBTC" or
"Defendant," with Shefa and RBTC individually referred to as a "Party" and collectively as the
"Parties.")

1.2 Plaintiff

Shefa is a limited liability company in California that 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 Settling Defendant

RBTC 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, Health and Safety Code §25249.6 et seq. ("Proposition 65").

1.4 Products Covered

The products covered by this Consent Judgment are flexible shaft attachments for Dremel rotary tools that contain disononyl phthalate ("DINP") which are manufactured, sold, or distributed for sale in California by RBTC including, but not limited to, Dremel Flex Shaft 225-01 (UPC: 080596002251) sold to consumers by Fry's Electronics, Inc. ("FRY'S") or others in RBTC's chain of distribution (collectively, the "Covered Products").

1.5 General Allegations

Shefa alleges that RBTC manufactures, imports, sells, or distributes, for sale in the state of California, Covered Products without providing a clear and reasonable warning required by Proposition 65. DINP (CAS # 68515-48-0) is a chemical listed under Proposition 65 as a chemical "known to the state to cause cancer" as Proposition 65 defines that term. 27 CCR §25000. RBTC denies these allegations.

1.6 Notice of Violation

On September 27, 2016, Shefa served RBTC, others, and the requisite public enforcement agencies with a 60-Day Notice of Violation (the "Notice")¹ alleging that RBTC violated Proposition 65 when it failed to warn its customers and consumers in California that the Covered Products expose users to DINP. 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 September 21, 2017, Shefa filed a complaint in the Superior Court in and for the County of Los Angeles against RBTC and DOES 1-100, Case No. BC676932, alleging violations of California Health & Safety Code § 25249.6, based on exposures to DINP contained in the covered products sold in the State of California (the "Complaint"). On October 9, 2017, RBTC filed an answer to the Complaint denying all allegations.

1.8 No Admission

RBTC denies the material, factual, and legal allegations contained in the Notice and Complaint and maintains that all the products it has manufactured, sold, or distributed for sale in California, including the Covered Products, have been, and are, in compliance with all laws, including Proposition 65. Nothing in this Consent Judgment shall be construed as an admission by RBTC 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 RBTC of any fact, finding, conclusion of law, issue of law, or violation of law, the same being specifically denied by RBTC. This section shall not, however, diminish or otherwise affect RBTC's obligations, responsibilities, and duties under this Consent Judgment.

1.9 Consent to Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Defendant as to the allegations in the Complaint, that venue is proper in the County of Los Angeles, that Defendant employs or has employed ten or more persons during time

¹ The 60-Day Notice of Violation is Exhibit 1 to this Consent Judgment.

periods relevant to the allegations in the Complaint and that this Court has jurisdiction over the Parties to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65.

1.10 Effective Date

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

2. INJUNCTIVE RELIEF: COMPLIANT PRODUCTS AND WARNINGS

2.1 Product Warnings

Defendant agrees, promises, and represents that within eighteen (18) months of the Effective Date, or by April 1, 2019, whichever comes first, to the extent it ships or sells any Covered Product that has not been reformulated as described in Section 2.2, to only manufacture, import, distribute, sell, and/or offer for sale in California Covered Products with one of the clear and reasonable warnings set forth in Proposition 65.

The warnings shall be provided in such a conspicuous and prominent manner that they will assure the message is made available and likely to be read, seen, or heard by the consumer prior to or at the time of the sale or purchase.

The Parties agree the following shall constitute compliance with Proposition 65 with respect to any Covered Product not reformulated:

" WARNING: This product can expose you to chemicals including dissononyl phthalate (DINP) which are known to the State of California to cause cancer. For more information go to www.P65Warnings.ca.gov."

2.2 Reformulation Standards

Should Defendant choose to reformulate the Covered Products, the reformulation shall be as follows: the Covered Products may contain DINP in concentrations less than or equal to 8700 parts per million ("ppm") (8.7 %) when analyzed pursuant to a scientifically reliable application of U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or any other scientifically reliable methodology. To the extent reformulated products contain any other phthalate listed on the Proposition 65 list, the concentration of any such listed chemical will be no greater

than 1000 ppm.

3. MONETARY SETTLEMENT TERMS

- 3.1 Payment from Defendant. Within ten (10) business days of the Effective Date,
 Defendant shall make payments of the Initial Civil Penalty and Attorney's fees and costs.
- 3.2 Allocation of Payments. The settlement payments shall be made payable and allocated as follows:
- 3.2.1 Initial Civil Penalty. Defendant shall pay \$3,000 as an initial civil penalty pursuant to Health & Safety Code § 25249.7(b). The civil penalty shall be apportioned in accordance with Health & Safety Code § 25249.12 (25% to Shefa and 75% to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA")). Accordingly, the OEHHA portion of the civil penalty payment in the amount of \$2,250 shall be made payable to OEHHA and associated with taxpayer identification number 68-0284486. This payment shall be delivered as follows:

For United States Postal Service Delivery:

Attn: Mike Gyurïcs
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
P.O. Box 4010, MS #19B
Sacramento, CA 95812-4010

For Non-United States Postal Service Delivery:

Attn: Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
1001 I Street, MS #19B
Sacramento, CA-95814

The Shefa portion of the civil penalty payment in the amount of \$750 shall be made payable to Shefa LMV, Inc. and associated with taxpayer identification number 81-0907002. This payment shall be delivered to the Law Office of Daniel N. Greenbaum, 7120 Hayvenhurst Ave, Suite 320, Van Nuys, CA 91406.

 3.2.2 Attorney's Fees and Costs. A reimbursement of Shefa's attorney's fees and costs in the amount of \$24,000 payable to the "Law Office of Daniel N. Greenbaum," and associated with taxpayer identification number 46-4580172. This payment shall be delivered to the Law Office of Daniel N. Greenbaum, 7120 Hayvenhurst Ave, Suite 320, Van Nuys, CA 91406.

3.3 Final Civil Payment. If Defendant is unable to reformulate the Covered Products within twenty-four (24) months of the Effective Date, or by October 1, 2019, whichever comes first, Defendant will be required to pay a final penalty of \$3,000. The final civil penalty payment shall be apportioned and delivered pursuant to the terms of Section 3.2.1 above.

4. CLAIMS COVERED AND RELEASED

4.1 Shefa's Public Release of RBTC and its Downstream Releasees

This Consent Judgment is a full, final, and binding resolution between Shefa and RBTC of any violation of Proposition 65 that was or could have been asserted by Shefa, acting on behalf of itself and in a representative capacity in the public interest under Health & Safety Code § 25249.7, against RBTC, its parents, subsidiaries, affiliated entities under common ownership, manufacturers, suppliers, directors, officers, employees, attorneys, and the predecessors, successors, or assigns of each of them, and each entity to whom RBTC directly or indirectly exports, distributes or sells the Covered Products, including, without limitation, downstream distributors, wholesalers, customers, retailers (including, without limitation, Fry's Electronics, Inc. and its affiliates), franchisees, cooperative members, and licensees ("Releasees"), based on failure to warn of alleged exposures to DINP from Covered Products manufactured, sold, exported, or distributed for sale in California by RBTC prior to the Effective Date. The release in this Section 4.1 applies to all Covered Products that RBTC manufactured, exported, distributed, or sold prior to the Effective Date, regardless of the date any other Releasee distributes or sells the Covered Products.

Upon entry of this Gonsent Judgment by the Court, going forward, RBTC's compliance with the terms of this Consent Judgment shall be deemed to constitute compliance with Proposition 65 by RBTC or any other Releasee with respect to DINP in Covered Products manufactured, sold, or distributed for sale in California by RBTC on and after the Effective Date.

4.2 Shefa's Individual Release of Claims

In further consideration of the promises and agreements herein contained, Shefa, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action, and releases all claims that it may have against RBTC and Releasees, including, without limitation, all actions and causes of action, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses, including, without limitation, investigation fees, expert fees, and attorneys' fees arising under Proposition 65 for unwarned exposures to DINP or any other phthalate listed on the Proposition 65 list of a concentration no greater than 1000 ppm from Covered Products manufactured, sold, or distributed for sale in California by RBTC prior to the Effective Date. The releases in Section 4:2 are provided in Shefa's individual capacity and are not releases on behalf of the public.

4.3 RBTC's Release of Shefa

RBTC, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims that it may have against Shefa and its attorneys and other representatives, for any and all actions taken or statements made by Shefa and its 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 Covered Products.

4.4 Release of Unknown Claims

It is possible that other claims not known to the Parties arising out of the facts contained in the 60-Day Notice, or alleged in the Complaint, relating to the Covered Products, will hereafter be discovered or developed. Shefa, on behalf of itself only, on the one hand, and RBTC, on the other hand, acknowledge that this Consent Judgment is expressly intended to cover and include all such claims through and including the Effective Date, including all rights of action therefor. Shefa and RBTC acknowledge that the claims released in Section 4 may include unknown claims, and nevertheless intend to release such claims, and in doing so waive California Civil Code § 1542,

which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Shefa understands and acknowledges that the significance and consequence of this waiver of California Civil Code § 1542 is that, even if Shefa suffers future damages arising out of or resulting from, or related directly or indirectly to, in whole or in part, the Covered Products, including but not limited to any exposure to, or failure to warn with respect to exposure to, the Covered Products, Shefa will not be able to make any claim for those damages against any of the Releasees.

5. COURT APPROVAL

This Consent Judgment is not effective until it is approved and entered by the Court.

6. SEVERABILITY

If, subsequent to the execution of this Consent Judgment, any provision of this Consent Judgment is held by a court to be void or unenforceable, or the Parties agree to modify any terms due to comments from the Office of the Attorney General or after a hearing before the Court in connection with Shefa's Motion to Approve, or for other good cause, each Party to be bound by any such modified terms must re-execute the modified Consent Judgment and such modified Consent Judgment then shall be presented by Shefa to the Court for approval; provided, however, that if a provision of this Consent Judgment declared void or unenforceable is material to the Party for whom such term provided a benefit or protection, that Party can seek other remedies, including, without limitation, rescission or reformation, based on the provision being declared void or unenforceable.

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. DINP is listed pursuant to Proposition 65 as a chemical that is known to the State of California to cause cancer and/or reproductive toxicity. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or

as to the Covered Products, including without limitation the delisting of DINP, then RBTC may provide written notice to Shefa of any asserted change in the law, and with the exception of Sections 3.1 and 3.2 above, have no further obligations pursuant to this Consent Judgment, with respect to, and to the extent that, the Covered Products are so affected. None of the terms of this Consent Judgment shall have any application to Covered Products sold outside of the State of California.

Unless specified herein, all correspondence and notices required to be provided pursuant to 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 on any Party by the other at the following addresses:

Jack B. McCowan, Jr., Esq.	Daniel N. Greenbaum
GORDON & REES LLP	Law Office of Daniel N. Greenbaum
275 Battery Street, Suite 2000	7120 Hayvenhurst Ave., Suite 320
San Francisco, CA 94111	Van Nuys, CA 91406

To Shefa:

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.

9. 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.

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

Plaintiff agrees to comply with the reporting form requirements referenced in California Health & Safety Code § 25249.7(f).

11. POST EXECUTION ACTIVITIES

The Parties acknowledge that, pursuant to California Health & Safety Code § 25249.7(f), Shefa is obligated to file a noticed motion to obtain judicial approval of this Consent Judgment.

Upon the Parties' execution of this Consent Judgment, Shefa promptly shall proceed to submit this Consent Judgment to the Court with a motion seeking Court approval.

12. MODIFICATION

- 12.1 In the event OEHHA establishes a safe harbor No-Significant Risk Level ("NSRL") for DINP, which RBTC asserts would allow for the Covered Products to contain levels of DINP in an amount greater than that set forth above in Section 2.2, RBTC may provide written notice to Shefa of any such assertion and the Parties shall confer within 30 days to attempt to agree upon modification of this Consent Judgment. Should such attempt at informal resolution of a modification fail, and in the event RBTC still intends to change its reformulation obligations, RBTC will provide written notice to Shefa of its intent to adopt a modified compliance standard. Upon receipt of RBTC's notice, Shefa shall have the right seek enforcement of the terms and conditions contained in the Consent Judgment by motion or any other available remedy at law, with the sole issue to be adjudicated being the technical question of whether the NSRL would allow for a higher DINP content in the Covered Products than that set forth in Section 2.2.
- 12.2 This Consent Judgment may only be modified by a written instrument executed by the Party or Parties to be bound thereby, and after approval by the Court upon a noticed motion.

 Any motion to modify shall be served on all Parties and the Office of the Attorney General.

13. DISPUTE RESOLUTION

If Shefa determines at a future date that a violation of this Consent Judgment has occurred, Shefa shall provide notice to RBTC. Prior to bringing any action to enforce any requirement of this Consent Judgment, the party alleging a violation of this Consent Judgment shall provide the other party with written notice of the grounds for such allegation together with all supporting information as well as a complete demand for the relief sought. The Parties shall then meet and confer regarding the basis for the allegation to resolve the matter informally, including providing the party alleged to be in violation with a reasonable opportunity of at least thirty (30) days to cure any alleged violation. Should such attempt at informal resolution fail, the party alleging a violation may file its lawsuit seeking the proposed relief.

14. AUTHORIZATION

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.

ROBERT BOSCH TOOL CORPORATION

PROPOSED CONSENT JUDGMENT

Please note that on 044, 2018 at 900, Plaintiff Shefa LMV Inc.'s ("Plaintiff") Motion for Court Approval of Settlement Agreement and Entry of Consent Judgment as to Defendant Robert Bosch Tool Corporation, Inc. came for hearing before this Court in Department 16, the Honorable Rita Miller presiding. Counsel for Plaintiff did half appear; counsel for Defendant did hatf appear. After full consideration of the points and authorities and related pleadings submitted, the Court

GRANTED Plaintiff's motion pursuant to and in accordance with Health & Safety Code §25249.7(f)(4). The Court reviewed the above Settlement Agreement and makes the following findings pursuant to Health & Safety Code § 25249.7(f)(4):

- The injunctive relief required by the Settlement Agreement complies with Health & a. Safety Code § 25249.7;
- The reimbursement of fees and costs to be paid pursuant to the Settlement b. Agreement is reasonable under California law; and
 - The civil penalty amount to be paid pursuant to Settlement Agreement is reasonable. c.

The Settlement Agreement is hereby approved, and the clerk is directed to ENTER JUDGMENT in accordance with the terms of the Settlement Agreement above.

NOV 1 3 2018

LIA MARTIN Superior Court Judge Date

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PROPOSED] CONSENT JUDGMENT