Josh Voorhees, State Bar No. 241436 Christopher Tuttle, State Bar No. 264545 THE CHANLER GROUP 2 F E D Superior Count of California County of San Francisco 2560 Ninth Street Parker Plaza, Suite 214 3 Berkeley, CÁ 94710-2565 JAN - 5 2018 Telephone: (510) 848-8880 4 Facsimile: (510) 848-8118 CLERK OF THE COURT josh@chanler.com 5 BY: JOSE RIOS MERIDA ctuttle@chanler.com Deputy Clerk 6 Attorneys for Plaintiff ANTHONY E. HELD, PH. D., P.E. 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 COUNTY OF SAN FRANCISCO 10 UNLIMITED CIVIL JURISDICTION 11 12 ANTHONY E. HELD, PH. D., P.E., Case No. CGC-17-556311 13 [PROPOSED] JUDGMENT PURSUANT 14 Plaintiff, **TO TERMS OF PROPOSITION 65** SETTLEMENT AND CONSENT 15 ٧. **JUDGMENT** 16 KRAFT TOOL COMPANY, et al., Date: January 5, 2018 17 Time: 9:30 a.m. Defendants. Dept.: 302 18 Judge: Harold E. Kahn 19 Reservation No. 11170105-07 20 21 22 23 24 25 26 27 28

JUDGMENT PURSUANT TO TERMS OF PROPOSITION 65 SETTLEMENT AND CONSENT JUDGMENT

Plaintiff Anthony E. Held, Ph. D., P.E. and Defendant Kraft Tool Company 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,

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 1. By stipulation of the parties, the Court will retain jurisdiction to enforce the settlement pursuant to Code of Civil Procedure § 664.6.

IT IS SO ORDERED.

Dated: 1/5/18

RICHARD B. ULMER

EXHIBIT 1

2	Josh Voorhees, State Bar No. 241436 Chris Tuttle, State Bar No. 264545 THE CHANLER GROUP	
3	2560 Ninth Street Parker Plaza, Suite 214	•
4	Berkeley, CA 94710	7
5	Telephone: (510) 848-8880 Facsimile: (510) 848-8118 josh@chanler.com	•
6	ctuttle@chanler.com	
7	Attorneys for Plaintiff ANTHONY E. HELD, PH.D., P.E.	
8		•
9	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
10	COUNTY OF SAN FRANCISCO	
11	UNLIMITED CIVIL JURISDICTION	
12	, a	
13	ANTHONY E. HELD, PH.D., P.E.	Case No. CGC 17-556311
14	Plaintiff,	[PROPOSED]CÓNSENT JUDGMENT
15		(Health & Safety Code § 25249.6 et seq. and
16	v	Code of Civil Procedure § 664.6)
17	KRAFT TOOL COMPANY; et al.,	S 40
18	Defendants.	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
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INTRODUCTION

1.1 **Parties**

This Consent Judgment is entered into by and between plaintiff Anthony E. Held, Ph.D., P.E. ("Held") and defendant Kraft Tool Company ("Kraft"), with Held and Kraft each referred to individually as a "Party" and collectively as the "Parties."

1.2 **Plaintiff**

Held 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

Kraft employs ten (10) 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").

General Allegations

Held alleges that Kraft manufactures, imports, sells and/or distributes for sale in California, tools with vinyl/PVC grips containing the phthalate chemical diisononyl phthalate ("DINP"), and that it does so without providing the health hazard warning required by Proposition 65.

Listed Phthalate Chemicals

DINP is a phthalate chemical listed under Proposition 65 as a chemical known to the State of California to cause cancer. Other phthalate chemicals listed under Proposition 65 as chemicals known to the State of California to cause cancer include, but are not limited to, di(2ethylhexyl) phthalate ("DEHP"). DEHP, di-isodecyl phthalate ("DIDP"), butyl benzyl phthalate ("BBP"), and di-n-butyl phthalate ("DBP") are listed under Proposition 65 as chemicals known to the State of California to cause birth defects or other reproductive harm. DINP, DEHP, DBP, DDP, and DIDP are collectively referred to herein as the "Phthalate Chemicals."

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1.6 Product Description

The products covered by this Consent Judgment are tools with vinyl/PVC grips containing DINP that are distributed for sale in California by Kraft, including, but not limited to, the *Kraft Tool Lathing Snips*, *LA292*, *UPC #7 65139 85292 9* (collectively, "Products"). Kraft has also distributed for sale in California a variety of additional tools with vinyl/PVC grips which contain other Phthalate Chemicals (collectively, "Additional Products").

While Additional Products are not the subject of Held's Notice, and are not being released by the public in California pursuant to Section 4.1, below, the Parties agree and understand that Held will provide privately, in his individual capacity only, releases to Kraft for the failure to warn about exposures to Phthalate Chemicals in "Additional Products" pursuant to Section 4.2, below, in exchange for Kraft's commitment to ensure that the Additional Products comply with the reformulation standards and health hazard warning requirements set forth in Section 2, below.

1.7 Notice of Violation

On September 29, 2016, Held served Kraft and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice"), alleging that Kraft violated Proposition 65 when it failed to warn its customers and consumers in California that the Products expose users to DINP. No public enforcer has commenced and is diligently prosecuting an action to enforce the allegations set forth in the Notice.

1.8 Complaint

On January 9, 2017, Held commenced the instant action, naming Kraft as a defendant for the alleged violations of Proposition 65 that are the subject of the Notice.

1.9 No Admission

Kraft denies the material, factual, and legal allegations contained in the Notice and Complaint, and maintains that all the products that it has sold or distributed for sale in California, including the Products and Additional Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission by Kraft 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 Kraft of any fact, finding, conclusion of

law, issue of law, or violation of law. This Section shall not, however, diminish or otherwise affect Kraft's obligations, responsibilities, and duties under this Consent Judgment.

1.10 Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Kraft as to the allegations contained in the Complaint, that venue is proper in the County of San Francisco, 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.

1.11 Effective Date

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 ruling granting approval.

2. INJUNCTIVE RELIEF: REFORMULATION & WARNINGS

2.1 Commitment to Reformulate or Warn

Commencing on the Effective Date and continuing thereafter, Kraft shall only manufacture for sale, purchase for sale, or distribute for sale in California, Products that are either: (a)

Reformulated Products as defined by Section 2.2, below; or (b) Products that are sold, distributed for sale, or offered for sale by Kraft with a clear and reasonable warning pursuant to Section 2.3.

2.2 Reformulation Standard

For the purposes of this Consent Judgment, "Reformulated Products" are defined as Products that contain DINP or any of the Phthalate Chemicals in a concentration that does not exceed 0.1 percent (1,000 parts per million) when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or equivalent methodologies utilized by federal or state agencies to determine DINP or any of the Phthalate Chemical content in a solid substance.

2.3 Clear and Reasonable Warning

Commencing on the Effective Date and continuing thereafter, for any Products or Additional Products offered for sale in California by Kraft that are not Reformulated Products.

Kraft agrees to only offer such Products or Additional Products for sale with a clear and reasonable

warning. Kraft further agrees that any warning used will be prominently placed in relation to the Products or Additional Products with such conspicuousness when compared with other words, statements, designs, or devises as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use. For purposes of this Consent Judgment, a clear and reasonable warning satisfying these criteria shall consist of a warning affixed directly to a Product, Additional Product, or its accompanying labeling or packaging sold in California containing one of the following statements:

WARNING: Cancer and Reproductive Harmwww.Prop65Warning.ca.gov.

WARNING: This product can expose you to chemicals which are known to the State of California to cause cancer and birth defects or other reproductive harm.

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, Kraft shall pay \$2,500 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 Held. Held's counsel shall be responsible for remitting Kraft's penalty payment(s) under this Consent Judgment to OEHHA. Kraft shall provide its payment in two checks for the following amount made payable to (a) "OEHHA" in the amount of \$1,875; and (b) "Anthony E. Held, Client Trust Account" in the amount of \$625. Held's counsel shall be responsible for delivering OEHHA's portion of any penalty payment(s) made under this Consent Judgment.



3.2 Reimbursement of Attorneys' Fees and Costs

The Parties acknowledge that Held 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 the agreement had been settled. Shortly after the other settlement terms had been finalized, Kraft expressed a desire to resolve Held's fees and costs. The Parties then negotiated a resolution of the compensation due to Held and his 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, Kraft shall reimburse Held and his counsel \$28,000. Kraft's payment shall be 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 Held investigating, bringing this matter to Kraft's attention, litigating, and negotiating a settlement of the matter in the public interest.

3.3 Payment Timing; Payments Held In Trust

Kraft 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. Kraft's counsel shall confirm receipt of settlement funds in writing to Held's counsel and, thereafter, hold the amounts paid in trust until and disburse the Settlement Funds to Held's counsel within two (2) business days of the Effective Date.

3.4 Payment Address

Within two business days of the Effective Date, all payments required by this Consensual Judgment shall be delivered to:

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

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4.1 Held's Release of Proposition 65 Claims

Held, acting on his own behalf and in the public interest, releases Kraft and their parents. subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Releasees") and each entity to whom they directly or indirectly distribute or sell the Products including, but not limited to, their downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors, licensees, and shareholder ("Downstream Releasees") for any violation arising under Proposition 65 for unwarned exposures to DINP from Products manufactured, imported, distributed or sold by Kraft 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 Kraft with respect to the alleged or actual failure to warn about exposures to DINP from Products manufactured, sold or distributed for sale by Kraft after the Effective Date.

4.2 Plaintiff's Release of Additional Claims

Held, in his individual capacity only and not in his representative capacity, also provides a release to Kraft, its Releasees, and its Downstream Defendant 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 Held of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to the DINP or any of the Phthalate Chemicals in the Products or Additional Products acquired, distributed, or sold by Kraft before the Effective Date. Kraft's compliance with the terms of Section 2 of this Consent Judgment constitutes compliance with Proposition 65 with respect to the failure to warn about exposures to DINP or any of the Phthalate Chemicals in Products or Additional Products.

4.3 Held's Individual Release of Claims

Held, 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 Held of any nature, character or

 kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DINP in Products manufactured, imported, distributed or sold by Kraft before the Effective Date.

4.4 Kraft's Release of Held

Kraft, 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 Held and his attorneys and other representatives, for any and all actions taken or statements made by Held and his 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. <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. Held and Kraft 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 Held shall draft and file and Kraft shall support, including by appearing at the hearing if so requested. If any third-party objection to the motion is filed, Held and Kraft 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. <u>SEVERABILITY</u>

If, subsequent to the Court's approval and entry of this Consent Judgment as a judgment, any provision of this Consent Judgment 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, pree upted. It is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Kraft may

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provide Held 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. Kraft may, in its sole discretion, provide warnings for the Products in accordance with Title 27, California Code of Regulations, Sections 25603, which was adopted on August 30, 2016. Nothing in this Consent Judgment shall be interpreted to relieve Kraft from its obligation is comply with any pertinent state or federal law or regulation.

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 any Party by the other at the following addresses:

To Kraft:

S. Wayne Rosenbaum, Esq. Environmental Law Group LLP 225 Broadway, 19th Floor San Diego, CA 92101 To Held:

Attn: 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 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 REPORTING REQUIREMENTS

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

11. 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.

12. <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.

AGREED TO:	AGREED TO: [MANA 17]
ANTHONY E. HELD, PH.D., P.E.	KRÄFT TOOL COMPANY
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Dated:10/24/2017	By: RONALO G. MEYER
(4) ×	lts: (Print Name)
	(Title)
	Dated: 10/18/17

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