County of Salv Brancisco 1 Brian C. Johnson, State Bar No. 235965 Kimberly Gates, State Bar No. 282369 FEB 16 2018 2 THE CHANLER GROUP 2560 Ninth Street CLERK OF THE COURT 3 Parker Plaza, Suite 214 Berkeley, CA 94710 Deputy Clerk Telephone: (510) 848-8880 Facsimile: (510) 848-8118 4 5 brian@chanler.com kimberly@chanler.com 6 Attorneys for Plaintiff 7 PAUL WOZNIAK 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF SAN FRANCISCO 10 UNLIMITED CIVIL JURISDICTION 11 12 PAUL WOZNIAK, Case No. CGC-17-562147 13 14 Plaintiff, IPROPOSEDI JUDGMENT PURSUANT TO TERMS OF 15 PROPOSITION 65 SETTLEMENT AND v. **CONSENT JUDGMENT** 16 W.C. BRADLEY/ZEBCO HOLDINGS, INC.; et al., Date: February 16, 2018 17 Time: 9:30 a.m. Defendants. Dept.: 302 18 Harold-B. Kahn RICHARD B. ULMER Judge: 19 Reservation No. 12200216-11 20 21 22 23 24 25 26 27 28

[PROPOSED] JUDGMENT PURSUANT TO TERMS OF PROP. 65 SETTLEMENT AND CONSENT JUDGMENT

1		
2	In the above-entitled action, Plaintiff Paul Wozniak and Defendant W.C. Bradley/Zebco	
3	Holdings, Inc., having agreed through their respective counsel that Judgment be entered pursuant	
4	to the terms of their settlement agreement in the form of a [Proposed] Consent Judgment	
5	("Consent Judgment"), and following this Court's issuance of an Order approving this	
6	Proposition 65 settlement and Consent Judgment,	
7	IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to California	
8	Health & Safety Code § 25249.7(f)(4) and California Code of Civil Procedure § 664.6, Judgment	
9	is entered in accordance with the terms of the Consent Judgment attached hereto as Exhibit A.	
10	By stipulation of the parties, the Court will retain jurisdiction to enforce the settlement under	
11	Code of Civil Procedure § 664.6.	
12		
13	IT IS SO ORDERED.	
14	1,100,000	
15	Dated: 2/16/18 Muly Buly. (USurer) JUDGE OF THE SUPERIOR COURT	
16	RICHARD B. ULMER	
17	40 mg 12 23 7 6 mg 4 23 7 7 6 mg 4	
18		
19		
20	·	
21		
22		
23		
24		
25		
26		
27		
28		

# EXHIBITA

1 2 3 4 5 6 7	Brian C. Johnson, State Bar No. 235965 Kimberly Gates, State Bar No. 282369 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 Email: brian@chanler.com E-mail: kimberly@chanler.com Attorneys for Plaintiff PAUL WOZNIAK		
9	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
10	COUNTY OF SAN FRANCISCO		
11	UNLIMITED CIVIL JURISDICTION		
12			
13	PAUL WOZNIAK,	Case No. CGC-17-562147	
14	Plaintiff,	<del>{PROPOSED </del> CONSENT JUDGMENT	
15	<b>v.</b>	(Health & Safety Code § 25249.6 et seq. and	
16	W. C. BRADLEY/ZEBCO HOLDINGS, INC.; et al.,	Code Civ. Proc. § 664.6)	
17 18	Defendants.		
19			
20			
21			
22	<u></u>		
23			
24			
25			
26			
27			
28	<b>J</b> .		

#### 1. INTRODUCTION

#### 1.1 Parties

This Consent Judgment is entered into by and between plaintiff Paul Wozniak ("Wozniak") and W. C. Bradley/ Zebco Holdings, Inc. ("Zebco"), with Wozniak and Zebco 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 Defendant

Zebco 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 § 25249.6 et seq. ("Proposition 65.")

#### 1.4 General Allegations

Wozniak alleges that Zebco manufactures, imports, sells, or distributes for sale, in California, vinyl/PVC zipper pulls 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 cause birth defects or other reproductive harm.

#### 1.5 Product Description

The products covered by this Consent Judgment are vinyl/PVC zipper pulls containing DEHP that are manufactured, imported, sold or offered for sale, in California, including, but not limited to the William Joseph Mini Chest Pack, WMINIS, UPC #6 39966 00009 2, hereinafter the "Products."

#### 1.6 Notice of Violation

On March 30, 2017, Wozniak served Zebco and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice"), alleging that Zebco violated Proposition 65 by failing

to warn its customers and consumers in California of the health hazards associated with exposures to the Products. To the best of the parties' knowledge, no public enforcer or enforcement agency has commenced and is diligently prosecuting an action to enforce the violations that are the subject of the Notice.

#### 1.7 Complaint

On October 26, 2017, Wozniak filed the instant action ("Complaint"), naming Zebco as a defendant for the alleged violations of Health and Safety Code § 25249.6 that are the subject of the Notice.

#### 1.8 No Admission

Zebco denies the material, factual, and legal allegations contained in the Notice and Complaint, and maintains that all of the products it 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 Zebco'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 Zebco as to the allegations 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 § 664.6.

#### 1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" means the date on which the Court grants the motion for approval of this Consent Judgment, as contemplated by Section 5.

# 2. <u>INJUNCTIVE RELIEF: REFORMULATED PRODUCTS AND WARNINGS</u>

Commencing 60 days after the Effective Date and continuing thereafter, Zebco shall only manufacture for sale, import for sale, sell or distribute for sale, in California, Products that are either:

(a) Reformulated Products, as defined in Section 2.1, below; or (b) Products bearing one of the Proposition-65 compliant health hazard warnings, detailed in Section 2.2, below.

#### 2.1 Reformulated Products Defined

For purposes of this Consent Judgment, "Reformulated Products" are defined as Products containing DEHP in a maximum concentration of 1,000 parts per million (0.1%) in any accessible component (i.e., any component that may be touched during a reasonably foreseeable use) when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or equivalent methodologies utilized by federal or state agencies for the purpose of determining DEHP content in a solid substance.

### 2.2 Clear and Reasonable Warnings

Commencing on 60 days after the Effective Date and continuing thereafter, Zebco shall provide clear and reasonable warnings as set forth in this section for all Products manufactured or distributed for sale, in California, 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. For purposes of this Consent Judgment, a clear and reasonable warning satisfying these criteria shall consist of a warning affixed directly to the packaging, labeling, or directly on each Product provided for sale in California that states:

For Products:

**⚠** WARNING:

This product can expose you to chemicals, including DEHP, which is known to the State of California to cause birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov

**WARNING:** 

This product can expose you to chemicals, including DEHP, which are known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov

#### 2.3 Internet Product Warnings

In the event Zebco sells Products that do not qualify as Reformulated Products via the internet to customers located in California, the warning requirements of this Section shall be satisfied if, prior to purchase: (a) one of the foregoing warnings, described in Section 2.2, appears on the same page, in the same type size or larger than the Product description text, as the Product; (b) a warning appears on the same web page as the price for the Product, in the same type size or larger than the Product description text; (c) a warning appears on one or more web pages displayed to the consumer prior to purchase, in the same type size or larger than the Product description text; or (d) a hyperlink, clearly marked "WARNING," appears on the Product display page, in type large enough so that the consumer does not have to search for it, and a prominently placed warning appears elsewhere, such as on the Product description page, in a manner that clearly associates it with the Product to which the warning applies, prior to checkout or purchase.

# 3. MONETARY SETTLEMENT TERMS

#### 3.1 Civil Penalty Payments

Pursuant to Health and Safety Code § 25249.7(b), and in settlement of all claims referred to in the Notice, Complaint, and this Consent Judgment, Zebco shall pay \$3,000 in civil penalties. The civil penalty payment shall be allocated according to Health and Safety Code §§ 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid to the California Office of Environmental

 Health Hazard Assessment ("OEHHA"), and the remaining twenty-five percent (25%) of the penalty retained by Wozniak. Wozniak's counsel shall be responsible for delivering OEHHA's portion of any penalty payment(s) made under this Consent Judgment.

Zebco shall provide its payment in two separate checks, for the following amounts: (1) a check made payable to "OEHHA" in the amount of \$2,250; and (2) a check made payable to "Paul Wozniak, Client Trust Account" in the amount of \$750.

#### 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 parties settled the material terms of this Consent Judgment. Shortly after the other settlement terms were finalized, the Parties negotiated 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 § 1021.5, for all work performed through the mutual execution of this Consent Judgment, and court approval of the same, but exclusive of fees and costs on appeal, if any. Under these legal principles, Zebco shall pay \$25,000 for all fees and costs incurred by Wozniak in investigating, bringing this matter to Zebco's attention, litigating and negotiating a settlement in the public interest. Zebco shall provide its payment in the form of a check, made payable to "The Chanler Group."

#### 3.3 Payment Timing; 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. Within ten (10) days of the date that this Consent Judgment is fully executed by the Parties, all payments due under this agreement shall be delivered to Zebco's counsel, Cooper White & Cooper, and held in trust by Cooper White & Cooper until the Court grants the motion for approval of this Consent Judgment, as contemplated by Section 5. Zebco's counsel shall provide Wozniak's counsel with written confirmation upon its receipt of the settlement

payments. Within ten (10) days of the Court's approval of this Consent Judgment, Zebco's counsel shall deliver the civil penalty and attorneys' fee reimbursement payments to Wozniak's counsel.

#### 3.4 Payment Address

All payments required by this Consent Judgment shall be delivered to:

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 Zebco and its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Releasees"), and each entity to whom Zebco directly or indirectly distributes or sells the Products including, without limitation, its downstream customers, distributors, wholesalers, and retailers ("Downstream Releasees") for any violation arising under Proposition 65 pertaining to the failure to warn about exposures to DEHP from Products sold or distributed for sale by Zebco prior to the Effective Date, as set forth in the Notice.

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

Wozniak, in his individual capacity only and *not* in any representative capacity, also provides a release to Zebco, 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 DEHP in Products sold or distributed for sale by Zebco before the Effective Date. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65

with respect to exposures to DEHP from Products sold or distributed for sale by Zebco after the Effective Date.

#### 4.3 Zebco's Release of Wozniak

Zebco, on its own behalf, and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against Wozniak, and his attorneys and other representatives, 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 it is not approved and entered by the Court within one year after it is fully executed by the Parties, or by such additional time as the Parties may agree to in writing.

#### 6. **SEVERABILITY**

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, or is otherwise rendered inapplicable by reason of law generally or as to the Products, then Zebco may provide written notice to Wozniak of any asserted change in the law, and shall have no further injunctive obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are so affected.

#### 8. NOTICE

1

2

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: For Zebco:

Jeff Pontius, President W. C. Bradley/Zebco Holdings, Inc. 6101 East Apache Street Tulsa, OK 74115

#### With a copy to:

John Epperson, Counsel Cooper White & Cooper 201 California Street, 17<sup>th</sup> Floor San Francisco, CA 94111

#### For 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. COUNTERPARTS: FACSIMILE SIGNATURES

This Consent Judgment may be executed in counterparts and by facsimile 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 § 25249.7(f). The Parties further acknowledge that, pursuant to Health and Safety Code § 25249.7(f), a noticed motion is required to obtain judicial approval of the settlement, which motion Wozniak shall draft and file. 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, supporting the motion for approval, responding to any objection that any third-party may file or lodge, and appearing at the hearing before the Court if so requested.

#### 11. MODIFICATION

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

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

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

AGREED TO:

Date: 1145/2017

Date: 3

PAGE FONTIUS, PRESIDENT
W. C. BRADLEY/ZEBCO HOLDINGS, INC.