Evan Smith (Bar No. SBN 242352) BRODSKY & SMITH, LLC. 1 2 9595 Wilshire Blvd., Ste. 900 Beverly Hills, CA 90212 Tel: (877) 534-2590 Fax: (310) 247-0160 3 4 Attorneys for Plaintiff 5 6 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 10 COUNTY OF ALAMEDA 11 ANTHONY FERREIRO, Case No.: RG18916392 12 Plaintiff, CONSENT JUDGMENT 13 \mathbf{v}_{\cdot} Judge: Dennis Hayashi Dept.: 518 14 Hearing Date: December 5, 2018 Hearing Time: 2:30 PM Reservation #: R-1998709 PLANO SYNERGY HOLDINGS, INC., 15 Defendant. 16 17 18 19 20 21 22 23 24 25

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BY FAX

1. INTRODUCTION

- 1.1 The Parties. This Consent Judgment is entered into by and between on the one hand, Anthony Ferreiro, acting on behalf of himself and the public interest (hereinafter "Ferreiro"), and, on the other hand, Plano Molding Company and its parent, Plano Synergy Holdings, Inc. (collectively referred to as "Plano" or "Defendant") with Ferreiro and Defendant collectively referred to as the "Parties" and each of them as a "Party." Ferreiro is an individual residing in California that seeks to promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products. Plano is alleged to be a person in the course of doing business for purposes of Proposition 65, Cal. Health & Safety Code §§ 25249.6 et seq.
- 1.2 Allegations and Representations. Ferreiro alleges that Defendant has exposed individuals to diisononyl phthalate (DINP) from its sales of Plano tackle cases without providing a clear and reasonable exposure warning pursuant to Proposition 65. DINP is listed under Proposition 65 as a chemical known to the State of California to cause cancer.
- Notice of Violation/Complaint. On or about November 13, 2017, Ferreiro served Plano and various public enforcement agencies with documents entitled "60-Day Notice of Violation" pursuant to Health & Safety Code §25249.7(d) (the "Notice"), alleging that Defendant violated Proposition 65 for failing to warn consumers and customers that use of Plano tackle cases expose users in California to DINP. No public enforcer has brought and is diligently prosecuting the claims alleged in the Notice. On August 10, 2018, Ferreiro filed a complaint (the "Complaint") in the matter.
- 1.4 For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Defendant as to the allegations contained in the Complaint filed in this matter, that venue is proper in the County of Alameda, and that this Court has jurisdiction to approve, enter, and oversee the enforcement of this Consent Judgment as a full and final binding resolution of all claims which were or could have been raised in the Complaint based on the facts alleged therein and/or in the Notice.

1.5 Defendant denies the material allegations contained in Ferreiro's Notice and Complaint and maintains that it has not violated Proposition 65. Nothing in this Consent Judgment shall be construed as an admission by Defendant of any fact, finding, issue of law, or violation of law; nor shall compliance with this Consent Judgment constitute or be construed as an admission by Defendant of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Defendant. However, this section shall not diminish or otherwise affect the obligations, responsibilities, and duties of Defendant under this Consent Judgment.

2. <u>DEFINITIONS</u>

- 2.1 **Covered Products.** The term "Covered Products" means Plano tackle cases that are manufactured, distributed and/or offered for sale in California by Plano.
- 2.2 **Effective Date.** The term "Effective Date" means the date this Consent Judgment is entered as a Judgment of the Court.

3. <u>INJUNCTIVE RELIEF: WARNINGS</u>

- 3.1 As of the date this Consent Judgment is signed by both Parties, Plano shall not manufacture or order from any supplier any Covered Products intended for retail sale in California that contains DINP on any component to which consumers are exposed in excess of 0.1% (1,000 ppm) (hereinafter "Reformulated Products") unless the Covered Product is accompanied by a warning that complies with Title 27 California Code of Regulations Section 25600 et. seq. Covered Products sold by Plano before the date this Consent Judgment is signed by both Parties may sell through without a warning even if not Reformulated Products. Until August 30, 2018, the warning shall consist of either:
 - (a) The statement: "WARNING: This product contains a chemical known to the State of California to cause cancer."; or (b)(1) A symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline to the left of the word "WARNING" in bold all capital letters, followed by the statement "This product can expose you to chemicals including diisononyl phthalate (DINP) which is known to the State of California to cause cancer. For more information, go to www.P65Warnings.ca.gov."; or

(2) a short form warning on the product label consisting of a symbol that is a black exclamation point in a yellow equilateral triangle with a bold black outline to the left of the word "WARNING" in bold all capital letters, followed by the statement "Cancer - www.P65Warnings.ca.gov." or (3) any other warning that substantially and materially complies with the requirements of Proposition 65, including Title 27 of the California Code of Regulations, Section 25600 et. seq., as may be amended from time-to-time.¹

For Covered Products manufactured on and after August 30, 2018, the warning set forth in Section 3.1(b) shall be used.

3.2 The warning provided pursuant to Section 3.1 shall be affixed to or printed on the Covered Product's packaging or labeling, or on a placard, shelf tag, sign or electronic device or automatic process, providing that the warning is displayed with such conspicuousness, as compared with other words, statements, or designs as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use. A warning may be contained in the same section of the packaging, labeling, or instruction booklet that states other safety warnings, if any, concerning the use of the product and shall be at least the same size as those other safety warnings.

4. MONETARY TERMS

- 4.1 **Civil Penalty.** Plano shall pay \$3,000.00 as a Civil Penalty pursuant to Health and Safety Code § 25249.7(b), to be apportioned in accordance with California Health & Safety Code § 25192, with 75% of these funds remitted to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the Civil Penalty remitted to Ferreiro, as provided by California Health & Safety Code § 25249.12(d).
- 4.1.1 Within ten (10) days of the Effective Date, Plano shall issue two separate checks for the Civil Penalty payment to (a) "OEHHA" in the amount of \$2,250.00; and to (b)

¹ The triangular symbol need only be in yellow where the sign, label, shelf tag or other transmission format is being printed in color for purposes of other language, symbols or designs.

predecessors, successors and assigns ("Defendant Releasees"), and all entities from whom they obtain and to whom they directly or indirectly distribute or sell Covered Products, including but not limited to manufacturers, suppliers, distributors, wholesalers, customers, purchasers, licensors, licensees, retailers, franchisees, and cooperative members, and the successors and assigns of any of them, including, but not limited to, American Sports Licensing, LLC t/a Dick's Sporting Goods, and American Sports Licensing, Inc. ("Downstream Releasees"), from any violations of Proposition 65 or claimed violations of Proposition 65 that have been, could have been or may in the future be asserted against the Defendant Releasees and Downstream Releasees arising out of or related to the claims asserted in the Notice, regarding the failure to warn about exposure to DINP in any Covered Products manufactured, distributed, or sold by Plano prior to the Effective Date, even if the Products are sold by Downstream Releasees after the Effective Date. This Consent Judgment shall have preclusive effect such that no other person or entity, whether purporting to act in his, her, or its interests or the public interest shall be permitted to pursue and/or take any action with respect to any violation of Proposition 65 that was alleged in the Complaint. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with regard to the Covered Products.

5.2 In addition to the foregoing, Ferreiro, on behalf of himself, his past and current agents, representatives, attorneys, and successors and/or assignees, and <u>not</u> in his representative capacity, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases Plano, Defendant Releasees, and Downstream Releasees from any and all manner of actions, causes of action, claims, demands, rights, suits, obligations, debts, contracts, agreements, promises, liabilities, damages, charges, losses, costs, expenses, and attorneys' fees, of any nature whatsoever, known or unknown, in law or equity, fixed or contingent, now or in the future, with respect to any alleged violations of Proposition 65 related to or arising from Covered Products manufactured, distributed, or sold by Plano, Defendant Releasees or Downstream Releasees. With respect to the foregoing waivers and releases in this paragraph, Ferreiro hereby specifically waives any and all rights and benefits which he now has, or in the future may have,

conferred by virtue of the provisions of § 1542 of the California Civil Code, which provides 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 SETTLEMENT WITH THE DEBTOR.

5.3 Plano waives any and all claims against Ferreiro, his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Ferreiro and his attorneys and other representatives, whether in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against it in this matter, and/or with respect to Covered Products.

6. **INTEGRATION**

6.1 This Consent Judgment contains the sole and entire agreement of the Parties and any and all prior negotiations and understandings related hereto shall be deemed to have been merged within it. No representations or terms of agreement other than those contained herein exist or have been made by any Party with respect to the other Party or the subject matter hereof.

7. GOVERNING LAW

7.1 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 Covered Products, then Defendant shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, Covered Products are so affected.

8. NOTICES

8.1 Unless specified herein, all correspondence and notices required to be provided pursuant to this Consent Judgment shall be in writing and personally delivered or sent by: (i) first-class, (registered or certified mail) return receipt requested; or (ii) overnight courier on any party by the other party at the following addresses:

For Defendant:

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Josephine Benkers General Counsel Plano Synergy 431 E. South Street Plano, Illinois 60545

And

For Ferreiro:

Evan Smith Brodsky & Smith, LLC 9595 Wilshire Blvd., Ste. 900 Beverly Hills, CA 90212

Any Party, from time to time, may specify in writing to the other Party a change of address to which all notices and other communications shall be sent.

9. <u>COUNTERPARTS</u>; FACSIMILE SIGNATURES

9.1 This Consent Judgment may be executed in counterparts and by facsimile, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

10. <u>COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)/COURT APPROVAL</u>

- Safety Code §25249.7(f) and to promptly bring a Motion for Approval of this Consent Judgment. Defendant agrees it shall support approval of such Motion.
- 10.2 This Consent Judgment shall not be effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved by the Court. In such case, the Parties agree to meet and confer on how to proceed and if such agreement is not reached within 30 days, the case shall proceed on its normal course.
- 10.3 If the Court approves this Consent Judgment and is reversed or vacated by an appellate court, the Parties shall meet and confer as to whether to modify the terms of this Consent Judgment. If the Parties do not jointly agree on a course of action to take, the case shall proceed on its normal course on the trial court's calendar.