1 Clifford A. Chanler, State Bar No. 135534 THE CHANLER GROUP JUN 1 0 2019 2 2560 Ninth Street Parker Plaza, Suite 214 CLERK OF THE COURT 3 Berkeley, CÁ 94710 Telephone: (510) 848-8880 4 Facsimile: (510) 848-8118 clifford@chanler.com 5 Attorneys for Plaintiff 6 LAURENCE VINOCUR 7 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 COUNTY OF SAN FRANCISCO 11 UNLIMITED CIVIL JURISDICTION 12 LAURENCE VINOCUR, 13 Case No. CGC-19-572526 14 Plaintiff, -[PROPOSED]-JUDGMENT PURSUANT TO TERMS OF PROPOSITION 65 15 SETTLEMENT AND CONSENT v. **JUDGMENT** ARGENTO SC BY SICURA INC.; et al., 16 Date: June 10, 2019 17 Defendants. Time: 9:30 a.m. Crtrm.: 302 18 Judge: Hon. Ethan P. Schulman 19 Reservation No.: 04240610-03 20 21 22 23 24 25

26

27

In the above entitled action, Plaintiff Laurence Vinocur and Defendant Argento SC by Sicura Inc., 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, and for good cause being shown,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to Health and Safety Code § 25249.7(f)(4) and Code of Civil Procedure § 664.6, Judgment is hereby entered in accordance with the terms of the Consent Judgment attached hereto as **Exhibit A**. By stipulation of the parties, the Court will retain jurisdiction to enforce the terms of the settlement under Code of Civil Procedure § 664.6.

IT IS SO ORDERED.

Dated: (111-e 10, 2019

JUDGE OF THE SUPERIOR COURT

# **EXHIBIT A**

1	Clifford A. Chanler, State Bar No. 135534 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710 Telephone: (510) 848-8880	
2		
3		
4	Facsimile: (510) 848-8118 clifford@chanler.com	
5	Laralei S. Paras, State Bar No. 203319	
6	LAW OFFICE OF LARALEI PARAS 832 Autumn Lane, Suite B	
7	Mill Valley, CA 94941 Telephone: (415) 279-2212	~
8	laralei@paras-law.com	
9	Attorneys for Plaintiff LAURENCE VINOCUR	
10	LAURENCE VINOCUK	
11		
12	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
13	COUNTY OF SAN FRANCISCO	
14	UNLIMITED CIVIL JURISDICTION	
15		
16	LAURENCE VINOCUR,	Case No. CGC-19-572526
17	Plaintiff,	CONSENT JUDGMENT
18	·	,
19	V.  ADGENTO SC DV SIGUDA ING and al	(Health & Safety Code § 25249.6 et seq. and Code of Civil Procedure § 664.6)
20	ARGENTO SC BY SICURA INC.; et al.,	
21	Defendants.	
22		
23		
24		
25		
26		
27		
28		

CONSENT JUDGMENT

#### 

# 

# <del>14</del>

# 

# 

# 

#### 

# 

# 

### 

### 

## 

# 

# 

# 

# 

# 

# 

#### 

### 

### 

### 

## 

### 

#### INTRODUCTION

#### 1.1 Parties

This Consent Judgment is entered into by and between plaintiff Laurence Vinocur (Vinocur) and defendant Argento SC by Sicura Inc. (Argento), with Vinocur and Argento each referred to individually as a "Party" and collectively as the "Parties."

#### 1.2 Plaintiff

Vinocur 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 products.

#### 1.3 Defendant

Argento employs ten or more persons and Plaintiff alleges that Argento 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 § 25249.5 *et seq.* (Proposition 65).

#### 1.4 General Allegations

Vinocur alleges that Argento manufactures, imports, sells and/or distributes for sale in California vinyl flask holders containing di(2-ethylhexyl)phthalate (DEHP), and that it does so without providing the health hazard warning that Vinocur alleges is 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

The products that are covered by this Consent Judgment are limited to the vinyl flask holders containing DEHP in the *BLKSMITH Irish Coffee Mug with 1oz Flask and Holder, XB0305-BKX,* #59-6087-749058-001299-24-2, *UPC* #1 91205 4110 0, 80z Hunters Flask, *UPC* #1 91205 06028 6, and *Avalanche 7pc Flask Set, UPC* # 4 92605 73076 3, manufactured, imported, or purchased for resale by Argento and distributed, sold and/or offered for sale in the State of California, hereinafter the "Products."

|| ///

///

#### 1.6 Notice of Violation

On October 24, 2018, Vinocur served Argento and the requisite public enforcement agencies with a 60-Day Notice of Violation (Notice), alleging that Argento violated Proposition 65 when it failed to warn its customers and consumers in California that the some of the Products expose users to DEHP. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting an action to enforce the allegations set forth in the Notice.

### 1.7 Complaint

On January 3, 2019, Vinocur commenced the instant action (Complaint), naming Argento as one of the defendants for the alleged violations of Proposition 65 that are the subject of the Notice.

#### 1.8 No Admission

Argento denies the material, factual and legal allegations contained in the Notice and Complaint, and maintains that all of the products that it has sold or 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, nor shall compliance with this Consent Judgment constitute or be construed as, an admission by Argento of any fact, finding, conclusion of law, issue of law, or violation of law. This section shall not, however, diminish or otherwise affect Argento'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 Argento 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 § 664.6.

#### 1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date this Consent Judgment is approved by the Court, including an unopposed tentative ruling.

///

///

///

# 

# 

# 

# 

# 

# 

# 

# 

### 

### 

### 

# 

# 

# 

#### 

## 

# 

# 

# 

# 

# 

# 

## 

## 

#### **INJUNCTIVE RELIEF: REFORMULATION OR WARNINGS**

### 2.1 Commitment to Reformulate or Provide Warnings

Commencing on the Effective Date and continuing thereafter, Argento shall only manufacture for sale, import for sale, and purchase for resale in California Products that are either Reformulated Products as defined by Section 2.2 or labeled with a clear and reasonable warning as set forth in Section 2.3. If, after the Effective Date, Argento sells Products that are not Reformulated Products via mail order catalog and/or the internet to customers located in California, Argento shall also provide warnings for such Products by identifying the specific Product to which the warning applies as specified in Sections 2.4 through 2.6.

#### 2.2 Reformulation Standard

"Reformulated Products" are Products containing DEHP in concentrations of less than 0.1 percent (1,000 parts per million) in each accessible component when analyzed by a laboratory accredited by the State of California, a federal agency, or a nationally recognized accrediting organization. For purposes of compliance with this reformulation standard, testing samples shall be prepared and extracted using Consumer Product Safety Commission (CPSC) methodology CPSC-CH-C1001.09.3 and analyzed using U.S. Environmental Protection Agency (EPA) methodology 8270D, or other methodologies utilized by federal or state government agencies to determine phthalate content in a solid substance.

## 2.3 Clear and Reasonable Warnings

Commencing on or before the Effective Date, Argento shall provide clear and reasonable warnings for all Products provided for sale to customers in California in accordance with this Section pursuant to Title 27, California Code of Regulations, § 25600, et seq. 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 and shall be provided in a manner such that it is clearly associated with the specific Product to which the warning applies.

Warning. The warning shall consist of the following statement (Warning):

⚠ WARNING: This product can expose you to 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.

**Short-Form Warning.** Argento may, but is not required to, use the following short-form warning as set forth in this subsection 2.3(b) (Short-Form Warning), and subject to the additional requirements in Sections 2.5 and 2.6, as follows:

**⚠ WARNING:** Reproductive Harm – www.P65Warnings.ca.gov

Foreign Language Requirement. Where a consumer product sign, label or shelf tag used to provide a warning includes consumer information in a language other than English, the warning must also be provided in that language in addition to English.

### 2.4 Product Warnings

Argento shall affix a warning to the Product label or otherwise directly on each Product provided for sale in retail outlets in California or sold via mail order catalog and/or the internet to customers located in California. For the purpose of this agreement, "Product label" means a display of written, printed or graphic material that is printed on or affixed to a Product or its immediate container or wrapper. The entire warning shall appear in a type size of at least 6-point type and no smaller than the largest type size used for other consumer information on the product. The warning shall consist of either the Warning, or the Short-Form Warning described in subsection 2.3(a) or (b), respectively.

### 2.5 Mail Order Catalog Warnings

In the event that, after the Effective Date, Argento prints new catalogs and sells Products via mail order through such catalogs to customers located in California, Argento shall provide a warning for each Product both on the Product label in accordance with Section 2.4, and in the catalog in a manner that clearly associates the warning with the specific Product being purchased. Any warning provided in a mail order catalog shall be in the same type size or larger than other consumer information provided for the Product within the catalog and shall be provided on the same page and in the same location as the display and/or description of the Product. The catalog warning may use

///

the Short-Form Warning content described in Section 2.3(b) if the warning provided on the Product label also uses the Short-Form Warning content.

#### 2.6 Internet Warnings

If, after the Effective Date, Argento sells Products via the internet to customers located in California, Argento shall provide warnings for each Product both on the Product label in accordance with Section 2.4, and by prominently displaying the warning to the customer prior to completing the purchase or during the purchase of the Products without requiring customers to seek out the warning. The warning or a clearly marked hyperlink to the warning using the word "WARNING" given in conjunction with the sale of the Products via the internet shall appear either: (a) on the same web page on which the Product is displayed; (b) on the same web page as the order form for the Product; or (c) on one or more web pages displayed to a purchaser during the checkout process. The warning shall appear in any of the above instances adjacent to or immediately following the display or description of the Product for which it is given in the same type size or larger than the Product description text. The internet warning may use the Short-Form Warning content described in Section 2.3(b) if the warning provided on the Product label also uses the Short-Form Warning content.

#### **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, Argento agrees to pay \$2,000 in civil penalties. Argento's civil penalty payment will 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 payment retained by Vinocur. Argento shall issue its payment in two checks made payable to (a) "OEHHA" in the amount of \$1,500; and (b) "Laurence Vinocur, Client Trust Account" in the amount of \$500. Vinocur's counsel shall send OEHHA's portion of the penalties paid by Argento to OEHHA.

# 

#### 

### 

///

### 3.2 Reimbursement of Attorneys' Fees and Costs

Shortly after the other settlement terms had been finalized, the Parties negotiated the compensation to be paid to Vinocur's 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. Argento agrees to pay \$23,000 by a check made payable to "The Chanler Group" for all fees and costs incurred investigating, bringing this matter to Argento's attention, litigating, negotiating a settlement in the public interest and through the mutual execution of this Consent Judgment and court approval of the same.

### 3.3 Payment Timing; Payments Held in Trust

All payments due under this Consent Judgment shall be held in trust until the Court approves the Parties' settlement. Argento shall deliver its civil penalty and attorneys' fee reimbursement payments to its counsel within fifteen (15) days of the date that this Consent Judgment is fully executed by the Parties. Argento's counsel shall provide Vinocur's counsel with written confirmation following its receipt of the settlement funds. Thereafter, Argento's counsel shall hold the settlement funds in trust until the Court grants the motion for approval of this Consent Judgment contemplated by Section 5. The checks due under Section 3.1 and 3.2 of this Consent Judgment shall be delivered to Vinocur's counsel to the address in Section 3.4 by overnight courier, with a tracking number, such that payment is received by plaintiff's counsel on or before five (5) days after the Effective Date.

#### 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

# 

# 

# 

# 

# 

# 

# 

# 

# 

# 

# 

# 

## 

# 

# 

### 

# 

# 

## 

# 

# 

### **CLAIMS COVERED AND RELEASED**

#### 4.1 Vinocur's Release of Proposition 65 Claims

Vinocur, acting on his own behalf and in the public interest, releases Argento and its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys (collectively, Releasees) and each entity to whom Argento 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, including The TJX Companies, Inc. (Downstream Releasees) for any violations arising under Proposition 65 for unwarned exposures to DEHP from the Products manufactured, imported, distributed or sold by Argento prior to the Effective Date, as set forth in the Notice and Complaint. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by Argento with respect to the alleged or actual failure to warn about exposures to DEHP from Products manufactured, sold or distributed for sale by Argento after the Effective Date.

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

Vinocur, in his individual capacity only and *not* in his representative capacity, also provides a release to Argento, 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 Vinocur of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DEHP in Products manufactured, imported, distributed or sold by Argento before the Effective Date. Nothing in Section 4 affects Vinocur's right to commence or prosecute an action under Proposition 65 against a Releasee or Downstream Releasee that does not involve Argento's Products.

### **COURT APPROVAL**

This Consent Judgment 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 all Parties. Vinocur and Argento 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 § 25249.7(f)(4), a noticed motion is required for judicial approval of this Consent Judgment, which motion Vinocur 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 a 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.

#### **SEVERABILITY**

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.

#### **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 Argento may provide Vinocur with written notice 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. Nothing in this Consent Judgment shall be interpreted to relieve Argento from its obligation to comply with any pertinent state or federal law or regulation.

20 | ///

21 | ///

#### **NOTICE**

Unless specified herein, all correspondence and notice required by this Consent Judgment shall be in writing and sent by: (a) personal delivery, (b) first-class registered or certified mail, return receipt requested; or (c) a recognized overnight courier to any Party by the other at the following addresses:

To Argento:

Jack Scaba, Chief Executive Officer Argento SC by Sicura Inc. 1407 Broadway, Suite 2201 New York, NY 10018

With a Copy To:

Aaron J. Solomon, Esq. OVED & OVED LLP 401 Greenwich Street New York, NY 10013

To Vinocur:

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.

### 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.

### COMPLIANCE WITH REPORTING REQUIREMENTS

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

#### ENTIRE AGREEMENT

This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, or understandings related thereto, if any, are hereby merged herein and therein. There are no warranties, representations, or other agreements between the Parties except as expressly set forth herein. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Consent Judgment have been made by any Party hereto. No other agreements not specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto.

26

27

# MODIFICATION This Consent Judgm

This Consent Judgment may be modified only by: (a) a written agreement of the Parties and the entry of a modified Consent Judgment by the Court thereon; or (b) upon a successful motion of any party and the entry of a modified Consent Judgment by the Court thereon.

### **AUTHORIZATION**

The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties and have read, understood, and agreed to all of the terms and conditions of this Consent Judgment.

AGREED TO:

**AGREED TO:** 

Date: 4/22/2019

Steven Scaba, Vice President

Argento SC by Sicura Inc

Date: 4/23/19

13.

LAURENCE VINOCUR