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11	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
12	COUNTY OF SAN FI	RANCISCO
13	•	
14	MATEEL ENVIRONMENTAL JUSTICE FOUNDATION,	Case No. 07-460934
15	Plaintiff,	[PROPOSED] CONSENT
16	v.	JUDGMENT
17	HARLEY DAVIDSON, INC.	
18	Defendant.	
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#### 1. INTRODUCTION

- 1.1 On or about October 19, 2006, the Mateel Environmental Justice Foundation ("MEJF") and its attorneys, Klamath Environmental Law Center ("KELC"), sent 60 Day Notice Letters ("Notice Letter") to the Office of the California Attorney General of the State of California ("California Attorney General"), all California counties' District Attorneys and all City Attorneys of California cities with populations exceeding 750,000, (collectively, "Public Enforcers"), charging certain businesses with violating the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code Section 25249.5 et seq. ("Proposition 65"), in their manufacture, distribution and/or sale of devices that incorporate wires and cables coated with polyvinyl chloride ("PVC"). Specifically, MEJF charged that persons handling the PVC-coated, thermoset-coated and/or thermoplastic-coated wires and cables (hereinafter sometimes referred to as the "Cords") were exposed to certain chemicals, listed under Proposition 65, including, cadmium, hexavalent chromium, vinyl chloride, lead and lead compounds, lead acetate, lead phosphate, lead subacetate, di(2ethylhexyl) phthalate, acrylonitrile, antimony trioxide, arsenic, 1,3 butadiene, carbon tetrachloride, carbon black extracts, chlorinated parrafins, chloroform, ethyl acrylate, ethylene thiourea, nickel, and toluene (the "Proposition 65 Chemicals").
- 1.2 On or about March 2, 2007, MEJF ("Plaintiff"), acting on behalf of itself, the public interest, and the general public for the matters described in the Notice Letter, filed a Complaint for civil penalties and injunctive relief ("Complaint") in the San Francisco Superior Court, entitled *MATEEL ENVIRONMENTAL JUSTICE FOUNDATION v.*HARLEY DAVIDSON, INC., Case No. 460934, based on the Notice Letter. The Complaint alleged, among other things, that Harley-Davidson, Inc., (hereinafter "Harley-Davidson") violated Proposition 65 by manufacturing, marketing and/or distributing to California residents products that are themselves or that incorporate wires and cables that are PVC-coated and failing to provide clear and reasonable warnings to California residents who handle and use such products that the handling and use of those products in their normally intended manner will cause those persons to be exposed to certain of the

Proposition 65 Chemicals, namely, lead and lead compounds, lead acetate, lead phosphate, and lead subacetate. Upon entry of this Consent Judgment, the Complaint shall be deemed to have been amended to allege that persons handling the Cords were exposed to cadmium, hexavalent chromium, vinyl chloride, lead and lead compounds, lead acetate, lead phosphate, lead subacetate, di(2ethylhexyl) phthalate, acrylonitrile, antimony trioxide, arsenic, 1,3 butadiene, carbon tetrachloride, carbon black extracts, chlorinated parrafins, chloroform, ethyl acrylate, ethylene thiourea, nickel, and toluene (i.e., the Proposition 65 Chemicals) without Proposition 65 warnings.

- 1.3 Plaintiff and Harley-Davidson are, for purposes of this Consent Judgment, collectively referred to as the "Parties," with each of them a "Party".
- 1.4 For purposes of this Consent Judgment, the term "Covered Products" means motorcycle battery chargers, motorcycle battery tenders, and motorcycle battery accessories that are themselves, or that incorporate, utilize, or have appended to them, Cords, and that are manufactured, distributed, marketed or sold by Harley-Davidson. The term Covered Products includes both such products that are subject to the Warning Requirements of Section 7, and those that are not, including those products that are exempted from the warning requirements of this Consent Judgment pursuant to Sections 7.1 or 7.3. The term "Covered Products" also includes products that are manufactured, distributed, marketed and/or sold by Harley-Davidson either under its own name or brand or under the name or brand of another (e.g., privately labeled products).
- 1.5 For purposes of this Consent Judgment only, Harley-Davidson acknowledges that: (a) it is a business that employs more than ten persons and manufactures, distributes and/or sells Covered Products into the State of California; (b) the Covered Products contain one or more Proposition 65 Chemicals; and (c) Proposition 65 Chemicals are chemicals listed under Proposition 65 as being known to the State of California to cause cancer and/or reproductive toxicity.
- 1.6 For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaints and

personal jurisdiction over Harley-Davidson as to the acts alleged in the Complaints, that venue is proper in the County of San Francisco and that this Court has jurisdiction to enter this Consent Judgment as a full settlement and resolution of the allegations contained in the Complaint and Notice Letters and of all claims which were or could have been raised by any person or entity based in whole or in part, directly or indirectly, on the facts alleged therein, arising therefrom or related thereto.

1.7 The Parties enter into this Consent Judgment pursuant to a full and final settlement of any and all claims between the Parties for the purpose of avoiding prolonged litigation. This Consent Judgment shall not constitute an admission with respect to any material allegation of the Complaints, each and every allegation of which Harley-Davidson denies; nor may this Consent Judgment or compliance with it be used as evidence of any wrongdoing, misconduct, culpability or liability on the part of Harley-Davidson. Harley-Davidson maintains that its Covered Products have at all times complied with all applicable laws, including Proposition 65.

## 2. <u>SETTLEMENT PAYMENT</u>

- 2.1 In settlement of all of Plaintiff's claims referred to in this Consent Judgment against Harley-Davidson:
- (a) Within ten (10) days of entry by the court of this Consent Judgment, Harley-Davidson shall pay Forty Thousand Dollars (\$40,000) to KELC. Payment shall be made in immediately negotiable funds and sent to KELC, 424 First Street, Eureka, CA 95501. The payment set forth in this paragraph shall be made payable to "KELC". KELC shall hold these funds in its trust account until entry of this Consent Judgment by the Court, after which KELC shall distribute the payments as follows:
- (i) Twenty Thousand Dollars (\$20,000) shall be paid to KELC for attorneys fees and costs incurred by KELC on behalf of Plaintiff in investigating this matter and negotiating this Consent Judgment on behalf of itself and the general public,
- (ii) Ten Thousand Dollars (\$10,000) shall be paid to Californians for Alternatives to Toxics, a California non-profit corporation; and Ten Thousand Dollars

(\$10,000) shall be paid to the Ecological Rights Foundation, also a California non-profit corporation. These payments shall be sent care of William Verick, Klamath Environmental Law Center, 424 First Street, Eureka, California, 95501. KELC shall forward these payments to the respective non-profit organizations.

- 2.2 MEJF and KELC represent and warrant that each of the organizations identified in Paragraph 2.1(a)(ii) above is a tax exempt, section 501(c)(3) non-profit organization and that funds distributed to these organizations pursuant to this Consent Judgment may only be spent to reduce harm from toxic chemicals, or to increase consumer, worker and community awareness of health hazards posed by lead and other toxic chemicals.
- 2.3 Except as specifically provided in this Consent Judgment, each side shall bear its own costs and attorney's fees.

# 3. ENTRY OF CONSENT JUDGMENT

The Parties request that the Court promptly enter this Consent Judgment and waive their respective rights to a hearing or trial on the allegations of the Complaint.

# 4. MATTERS COVERED BY THIS CONSENT JUDGMENT

4.1 For purposes of Section 4 of this Consent Judgment, Harley-Davidson shall include Harley-Davidson and its past, present and future parents, divisions, subdivisions, brands, subsidiaries and affiliates and the predecessors, successors and assigns of any of them as well as their past, present and future officers, directors, employees, agents, attorneys, representatives, shareholders and assigns. For purposes of Section 4, Harley-Davidson shall also be deemed to include its supplier of Covered Products, but only with respect to those Covered Products that such supplier manufactures for Harley-Davidson. The preceding sentence shall not apply with respect to a supplier who ships Covered Products directly to a consumer at the request of Harley-Davidson, where a warning is provided to address the obligations of this Consent Judgment solely pursuant to Section 7.5(e) below. A list of the Covered Products in existence on or before the date of the execution of this Consent Judgment is attached hereto as Exhibit C.

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- 4.2 As to the Covered Products, Plaintiff, for itself, its past and current agents, representatives, attorneys, successors and/or assignees and, and as to matters referenced in the Notice Letter, acting on behalf of the public interest pursuant to Health and Safety Code § 25249.7(d), hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases and forever discharges any and all claims, including without limitation, all actions, and causes of action, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses or expenses (including, but not limited to, investigation fees, expert fees, and attorneys' fees) of any nature whatsoever, whether known or unknown, fixed or contingent (collectively "Claims"), against Harley-Davidson and its customers, distributors, wholesalers, resellers, licensors, licensees, auctioneers, retailers, purchasers and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees (collectively, "Releasees") arising from (a) any violation of Proposition 65, or any other statutory, common law or other Claim, that was or could have been asserted against any of the Releasees based on the facts alleged in the Complaint, or facts similar to those alleged, and (b) any exposure to the Proposition 65 Chemicals associated with the use of Covered Products that was or could have been alleged by Plaintiff against any of the Releasees; provided however, nothing in this section shall preclude or limit Plaintiff from enforcing the terms of the Consent Judgment as provided herein.
- 4.3 As to any Claims (except violations of this Consent Judgment) that may arise or have arisen after the original date of entry of this Consent Judgment, compliance by Harley-Davidson with the terms of this Consent Judgment shall be deemed to constitute its full and complete compliance with Proposition 65 with respect to the provision of warnings for chemicals contained in or otherwise associated with the use of Covered Products, provided that the concentrations of those chemicals other than lead are materially similar to those associated with the Covered Products with respect to Proposition 65 at the time this Consent Judgment is entered.

4.4 In furtherance of the foregoing, Plaintiff hereby waives any and all rights and benefits which it now has, or in the future may have, conferred upon it by virtue of the provisions of Section 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 FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

Plaintiff understands and acknowledges that the significance and consequence of its waiver of California Civil Code Section 1542 is that even if Plaintiff and/or, with respect to the matters alleged in the Complaint, any person or entity on whose behalf they purport to act or could act, suffers future damages or harm arising out of, resulting from, or related directly or indirectly to, in whole or in part, the matters covered in Sections 4.2 and 4.3 above ("Damages"), Plaintiff and any person or entity on whose behalf they purport to act or could act, will not be able to make any claim for such Damages against any Releasee who may use, maintain, distribute or sell the Covered Products. Furthermore, Plaintiff acknowledges that it intends these consequences for any such Damages which may exist as of the date of this release but which Plaintiff does not know exist, and which, if known, would materially affect its decision to enter into this Consent Judgment, regardless of whether its lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause, no matter how justifiable such cause may be.

4.5 Harley-Davidson waives all rights to institute any form of legal action against Plaintiff, its officers, directors, attorneys, consultants and representatives for any and all actions taken or statements made (or those that could have been taken or made) by Plaintiff, its officers, directors, attorneys, consultants or representatives in this action.

#### 5. ENFORCEMENT OF JUDGMENT

5.1 The terms of this Consent Judgment shall be enforced exclusively by the Parties hereto by means of noticed motion or order to show cause before the Superior Court of San Francisco County.

### 6. MODIFICATION OF JUDGMENT

Parties and upon entry of a modified amended Consent Judgment by the Court, or upon motion of any Party as provided by law and upon entry of a modified amended Consent Judgment by the Court. Notwithstanding the immediately preceding sentence or any other term or provision of this Consent Judgment, if Plaintiff or any affiliated entity, or the California Attorney General, enters into, or agrees to in writing, or is otherwise bound by injunctive relief terms or provisions relating to the provision of Proposition 65 warnings for Covered Products, with regard to their Cords, which, taken together, are more favorable to the defendant(s) than the terms or provisions that this Consent Judgment provide for a Covered Product of like kind and characteristics with respect to its Cords and use, the terms of injunctive relief provided for in Section 7 of this Consent Judgment shall automatically be deemed to have been modified to add such more favorable terms or provisions as an option which Harley-Davidson may elect for compliance with this Consent Judgment.

# 7. <u>INJUNCTIVE RELIEF</u>

2.1 Covered Products shall be deemed to comply with Proposition 65 and be exempt from any Proposition 65 warning requirements if the Cords that are sold as a part of or in association with those Covered Products meet the following criteria: (a) the surface contact layer of the Cords shall have no lead as an intentionally added constituent; and (b) the surface contact layer of the Cords shall have lead content by weight of no more than 0.03% (300 parts per million, or "300 ppm"). Harley-Davidson may comply with the above requirements by relying on information obtained from its suppliers regarding the content of the surface contact layer of the Cords, provided such reliance is in good faith. Obtaining test results showing that the lead content is no more than 0.03%, using a method of sufficient sensitivity to establish a limit of quantification (as distinguished from detection) of less than 300 ppm shall be deemed to establish good faith reliance. Provided that the level of quantitation requirement set forth in the preceding sentence is met, the test protocol and methods described on Exhibit D hereto may be relied on. Nothing in the preceding two

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sentences shall preclude Harley-Davidson from establishing good faith reliance by an alternative means.

- 7.2 Covered Products manufactured and shipped for distribution to or sale in California on or after the Effective Date that do not meet the warning exemption standard set forth in Section 7.1 of this Consent Judgment and are not exempt pursuant to Section 7.3 shall be accompanied by a warning as described in Section 7.4 below. For purposes of this Section, 90 days after the entry of this Consent Judgment shall be considered the "Effective Date."
- 7.3 The following Covered Products are deemed to be exempt from any Proposition 65 warning requirements with respect to Cords: (a) Covered Products which because of their size, weight or function have Cords that are handled only infrequently (such as upon their installation in a setting where they are not typically plugged and unplugged) ("Infrequently Handled Products"); (b) those Covered Products that: (i) are sold at retail before the Effective Date; or (ii) are distributed or shipped for sale outside the State of California; (c) Covered Products that use Cords only as internal components not normally accessible to the consumer during ordinary use; and/or (d) Covered Products which contain the Proposition 65 Chemical only as part of the inner conductor or other component not normally accessible to the consumer during ordinary use. Exhibit E contains a list of Covered Product types that are deemed to meet the criteria for Infrequently Handled Products set forth in this Section 7.3 and are therefore exempt.
- 7.4 Should the Covered Products require Proposition 65 warnings under Section 7.2, Harley-Davidson shall, except as otherwise provided in Section 7.5 below, provide or arrange to provide one of the warnings described below or any other Proposition 65 warning that has been reviewed and approved in writing by the California Attorney General for use with Covered Products regarding their Cords:

"WARNING: This product contains chemicals, including lead, known to the State of California to cause [cancer, and] birth defects or other reproductive harm. Wash hands after handling."

or

"WARNING: Handling the cord on this product will expose you to lead, a chemical known to the State of California to cause [cancer, and] birth defects or other reproductive harm. Wash hands after handling."

or

"WARNING: The power cord on this product contains lead, a chemical known to the State of California to cause [cancer, and] birth defects or other reproductive harm. Wash hands after handling."

The word "WARNING" shall be in all capital letters and in bold typeface. The hand-washing admonition shall be in bold typeface and italicized. Inclusion of the bracketed words "cancer, and" in the above warning shall be at Harley-Davidson's option.

- 7.5 Unless otherwise indicated herein, the warning required or authorized in Sections 7.4 shall be given by having it: (a) affixed to the Covered Product itself or to the unit package of such Covered Product; (b) printed on the Covered Product itself or on the unit package of such Covered Product; (c) displayed on an internet site for those units of Covered Products sold on the internet; (d) included in the owner's manual or an instruction sheet ("Owner's Manual") if the conditions set forth in Section 7.9 below are satisfied ("Owner's Manual Warning"); or (e) printed on the invoice issued directly to the consumer by Harley-Davidson to confirm the sale. The availability of the warning method provided in subsection (e) of this paragraph shall be limited to circumstances in which Harley-Davidson sells Covered Products directly to consumers by telephone, mail order, or internet sale, but never has physical possession of the Covered Product or its packaging.
- 7.6 If the warning is printed on the product, package label, or invoice, then the warning shall be contained in the same section of the label that contains other safety

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warnings, if any, concerning the use of the Covered Product or near its displayed price and/or UPC code. Such warning shall be prominently affixed to or printed on each such Covered Product, its label or package or invoice, and displayed with such conspicuousness, as compared with other words, statements, designs, or devices on such Covered Product, its label, package or display or invoice as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use. With respect to the preceding sentence, the type size of any warning required by paragraph 7.4 must be legible, but otherwise need not be larger than any other warning language used in conjunction with the Covered Product in question and its relative size may take into account the nature, immediacy, and acuteness of the risks for which other warnings are given. If the size of a Covered Product and its packaging is such that a warning required by this Consent Judgment cannot physically be printed on its non-transparent portion in a legible size, the warning may be printed on a separate piece of paper or cardstock and inserted into the Covered Product's packaging, provided that i) the cardstock or paper containing the warning is not white or uncolored and contains only the warning language, and ii) a substantial portion of the exterior of the packaging material is transparent.

- 7.7 If a warning is provided on the internet pursuant to (c) above, the warning message shall be displayed (or, upon the internet site user's identification as a California resident, such as when the user types in a zip code, automatically appear) either: (a) on the same page on which the Covered Product is displayed, (b) on the same page as the order form for the Covered Product, or (c) on the same page as the price for the Covered Product.
- 7.8 If the warning is given in the Owner's Manual pursuant to Section 7.9 below, it shall be located in one of the following places in the manual: the front side or face of the Owner's Manual, the first page of the owner's manual, or in any section of the Owner's Manual in which any other safety or precautionary warning or warnings are provided. The warning shall be in a font that is no smaller than the font used for other safety warnings in the Owner's Manual.

- A warning in the Owner's Manual of a Covered Product may be used to satisfy the warning requirements of this Section 7 only under the following circumstances: the Covered Product (i) may cause serious injury or bodily harm (other than by means of fire or electrocution) unless used as directed; or (ii) is sophisticated, difficult to understand or install, set-up, or assemble; or (iii) has one or more features a consumer must read about in order to know how to program or use the Covered Product. However, a Covered Product may not utilize an Owner's Manual Warning if it meets the following criteria: (a) the Covered Product is unlikely to cause serious injury or bodily harm other than by means of fire or electrocution; (b) the Covered Product is easily assembled or programmed by an ordinary consumer without need to reference instructions; and (c) fundamental operation of the Covered Product is easily understood and commonly performed by an ordinary consumer without training or need to reference operating instructions. Exhibit F contains a list of Covered Product types for which Owner's Manual Warnings are deemed to be an allowable method of communicating the warnings required by this Section 7.
- 7.10 A Covered Product that utilizes other Covered Products as accessories ("Parent Product") may, in lieu of the warnings specified in Section 7.4 above, carry the following warning language:

"WARNING: Handling the cord on this product or cords associated with accessories sold for use with this product, will expose you to lead, a chemical known to the State of California to cause [cancer, and] birth defects or other reproductive harm. *Wash hands after handling*."

Covered Products that serve as accessories to Parent Products ("Accessory Products") shall be deemed to be covered by means of the preceding warning appearing in a Parent Product's Owner's Manual irrespective of whether the Accessory Products are sold separately from or included with the Parent Products. Accessory Products include, but are not limited to, battery charging harnesses.

7.11 The requirement for product labeling, set forth herein, is imposed pursuant to the terms of this Consent Judgment. The Parties recognize that product labeling is not the

exclusive method of providing a warning under Proposition 65 and its implementing regulations.

# 8. <u>ADDED INFREQUENTLY HANDLED PRODUCTS</u>

- 8.1 Exhibit E contains a list of Infrequently Handled Products that are deemed to meet the criteria of Section 7.3(a) and, therefore, deemed to be exempt from Proposition 65 warning requirements.
- 8.2 If a Covered Product is not described in the categories identified in the Exhibit E and Harley-Davidson believes that the Covered Product meets the criteria of Section 7.3, at least 60 days prior to retail sale, Harley-Davidson shall provide to Plaintiff by certified mail or other confirmable delivery, a list of those Covered Products which do not exist as of the Effective Date for which Harley-Davidson contends are infrequently handled products for which no warning is required. Plaintiff shall, within 60 days, notify Harley-Davidson as to whether Plaintiff agrees that that the Covered Product is infrequently handled and does not require a warning. In the event that Plaintiff determines that a warning is required it shall provide a written explanation of the basis therefore. In the event that Harley-Davidson disagrees with Plaintiff's determination Harley-Davidson may elect to invoke the Dispute Resolution process provided for in Section 9 hereof.

#### 9. <u>DISPUTE RESOLUTION</u>

9.1 Wherever this Consent Judgment provides that Harley-Davidson may invoke the Dispute Resolution process or file a motion to have the Court resolve an issue, Harley-Davidson shall first mail (by certified mail) and fax a notice to Plaintiff, setting forth the dispute and the basis for the Party's position. The Parties interested in the dispute shall then meet and confer in good faith within sixty (60) days to determine whether the dispute may be resolved in order to avoid further litigation of the issue, unless both Parties waive, in writing, notice and the opportunity to meet and confer. In the event that Plaintiff fails to meet and confer within the sixty (60) day period, Harley-Davidson's position shall be deemed to have prevailed. In the event that, after meeting and conferring, Plaintiff disapproves or disagrees with a position taken by Harley-Davidson, Plaintiff shall notify

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Harley-Davidson in writing, sent by an overnight delivery service requiring a signature upon delivery, within 14 (fourteen) days of meeting and conferring. Should the Plaintiff do so and should Harley-Davidson wish to pursue its position, Harley-Davidson shall then seek to have the California Attorney General concur with Harley-Davidson's position. If the California Attorney General concurs in writing with Harley-Davidson, Harley-Davidson shall provide notice thereof to Plaintiff and Harley-Davidson's view shall prevail. If, however, the California Attorney General does not concur with Harley-Davidson within ninety (90) days of the date on which Harley-Davidson sought the California Attorney General's concurrence, Harley-Davidson shall have the right to bring the issue to the Court by noticed motion for its de novo review and, provided that it is proceeding in good faith, shall not be subject to further penalties during the pendancy of such motion and/or if the motion is not contested by Plaintiff. In the event that the Plaintiff chooses to contest such a motion and prevails, 1) Harley-Davidson shall be deemed to be in compliance with the terms of this Consent Judgment provided that it implements the warning requirements imposed as the result of the Court's determination within ninety (90) days that the Court's determination is final; and 2) Plaintiff may elect to seek to recover its attorney fees incurred in association with such motion as provided for by California Civil Procedure Code Section 1021.5.

# 10. APPLICATION OF JUDGMENT

The obligations of this Consent Judgment shall apply to and be binding upon all plaintiffs, acting in the public interest pursuant to Health and Safety Code section 25249.7(d) and Harley-Davidson and the successors or assigns of any of them.

## 11. <u>AUTHORITY TO STIPULATE</u>

Each signatory to this Consent Judgment certifies that he or she is fully authorized by the Party he or she represents to enter into this Consent Judgment and to execute it on behalf of the Party represented and legally to bind that Party.

#### 12. NOTICES

Whenever a notice is called for by this Consent Judgment, it shall be provided to Harley-Davidson at the addresses identified in Exhibit B hereto. If any Party desires to change the

3 **13.** RETENTION OF JURISDICTION 4 This Court shall retain jurisdiction of this matter to implement this Consent Judgment. 5 14. **ENTIRE AGREEMENT** 6 This Consent Judgment contains the sole and entire agreement and understanding of the 7 Parties with respect to the entire subject matter hereof, and any and all prior discussions, 8 negotiations, commitments and understandings related hereto. No representations, oral or 9 otherwise, express or implied, other than those contained herein have been made by any Party 10 hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be 11 deemed to exist or to bind any of the Parties. 12 15. **GOVERNING LAW** 13 The validity, construction and performance of this Consent Judgment shall be governed 14 by the laws of the State of California, without reference to any conflicts of law provisions of 15 California law. 16 /// 17 111 .18 /// 19 /// 20 111 21 111 22 111 23 111 24 /// 25 /// 26 111 27 111 28 111

individual and/or address designated to receive notice on its behalf, such Party shall provide

notice to the other Party pursuant to the terms of this Section.

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2	If this Consent Judgment is not approved and entered by the Court, or if the entry of this		
3	Consent Judgment is successfully challenged, this Consent Judgment shall be of no force or		
4	effect, and cannot be used in any proceeding for any purpose.		
5.	IT IS SO STIPULATED:		
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7	AGREED TO:	AGREED TO:	
8	Date: 6/2//	Date: 6/22/07	
9	Print name: William Vence	Print name: 121WAZD KRISHOK	
10	By: MATEEL ENVIRONMENTAL JUSTICE FOUNDATION	By: HARLEY-DAVIDSON, INC.	
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12 13	APPROVED AS TO FORM:	APPROVED AS TO FORM:	
13	KLAMATH ENVIRONMENTAL LAW	BINGHAM MCCUTCHEN LLP	
15	CENTER (2/21/07	6/26/27	
16	Date: 4 A A A A A A A A A A A A A A A A A A	Date:	
17	By: William Verick	By: Trenton H. Norris	
18	Attorney for Plaintiff MATEEL ENVIRONMENTAL	Attorneys for Defendant HARLEY-DAVIDSON, INC.	
10	JUSTICE FOUNDATION		
20	IT IS SO ORDERED.		
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22	Dated:		
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	Judge of the Superior Court		
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# EXHIBIT A (Copy Of 60-Day Notice Letter) . 23



October 19, 2006

EDWARD G. WEIL
DEPUTY ATTORNEY GENERAL
OFFICE OF THE ATTORNEY GENERAL
P.O. BOX 70550
OAKLAND CA 94612-0550

Cordially

Greetings:

This office and the Mateel Environmental Justice Foundation ("Mateel") hereby give you notice that the companies on the attached service list have been, are and threaten to be in violation of Cal. Health & Safety Code § 25249.6. This office and Mateel are both private enforcers of Proposition 65, both organizations may be reached at the below listed address and telephone number. I may be considered a "responsible individual" at both organizations, and I may be contacted at the same address and telephone number. The above referenced violations occur when California residents come into contact with thermoset/thermoplastic-coated wires, cables, and/or cords/cord sets, including PVC-coated wires, cords/cord sets, plugs and connectors, and both SPT and HPN cords/cord sets (hereinafter collectively "Cords"). The listed companies market products with, or that are themselves, Cords. Some examples of the products that incorporate Cords are those listed in the attached Product List. Though a specific model or SKU or product number is given as an example, this notice pertains to all variations of the specific type of product of which the named model is an example. Handling of, and contact with, these Cords exposes people to acrylonitrile, antimony trioxide, arsenic, 1,3 butadiene, carbon tetrachloride, carbon black extracts, chlorinated paraffins, chloroform, ethyl acrylate, ethylene thiourea, nickel, toluene, cadmium, hexavalent chromium, vinyl chloride, lead and lead compounds, lead acetate, lead phosphate, lead subacetate, and di(2ethylhexyl) phthalate. Handling Cords causes these chemicals to come off the coating of the Cords and to be transferred to the skin of the person handling the Cords. These chemicals are then ingested through hand-to-mouth contact and hand-to-food-to-mouth and hand-to-cigarette-to-mouth behavior. These chemicals are also absorbed through the skin, through mucous membranes and enter the body through cuts, punctures and abrasions. Smokers also inhale those chemicals transferred from hands to cigarettes when they smoke the cigarettes. People are thus exposed to these chemicals via the ingestion, inhalation, dermal absorption, mucous membrane absorption and subcutaneous routes. These companies did not and do not provide people with clear and reasonable warnings before they expose them to lead. The above referenced violations have occurred every day since at least October 19, 2003 and will continue every day until the lead is taken out of these products or until warnings are given. These violations are alleged for occupational exposures as well as for consumer and environmental exposures. We do not, however, allege occupational exposure violations as to any of these products the companies make outside of California, except as to workplaces the companies' themselves maintain in California. Exposures constituting Proposition 65 environmental exposure violations occur both on and off the property of the companies and in each of California's 58 counties.

#### **PRODUCTS LIST**

#### SHIN FU COMPANY OF AMERICA, INC.

MVP RECHARGEABLE SPOTLIGHT 1.5M CANDLEPOWER #WL-316 UPC: 652597 193315 This product description pertains not only to the specific model of the product listed, but also for all units of all models of the same types of products.

#### PENZOIL-QUAKER STATE COMPANY

AXIUS AUTO EXPRESSIONS CLIP-ON FAN #83106 UPC: 019912 518886 This product description pertains not only to the specific model of the product listed, but also for all units of all models of the same types of products.

#### RICCAR AMERICA/TACONY CORPORATION

RICCAR MINI VACUUM #"GEM-R" UPC: 098612 500704 This product description pertains not only to the specific model of the product listed, but also for all units of all models of the same types of products.

#### HARLEY DAVIDSON

HARLEY DAVIDSON SUPERSMART BATTERY TENDER JUNIOR #94654-98 NO UPC This product description pertains not only to the specific model of the product listed, but also for all units of all models of the same types of products.

#### SERVICE LIST

EDWARD G. WEIL
DEPUTY ATTORNEY GENERAL
OFFICE OF THE ATTORNEY
GENERAL
P.O. BOX 70550
OAKLAND CA 94612-0550

OFFICE OF THE CITY ATTORNEY CITY OF OAKLAND 505 14TH ST 12TH FLOOR OAKLAND, CA 94612

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OFFICE OF THE CITY ATTORNEY CITY OF SAN JOSE 151 W. MISSION ST. SAN JOSE, CA 951 10

OFFICE OF THE CITY ATTORNEY CITY OF LOS ANGELES 200 N. MAIN ST. LOS ANGELES, CA 90012

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OFFICE OF THE DISTRICT ATTORNEY COUNTY OF KINGS 1400 W. LACEY BLVD. HANFORD, CA 93230

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF LAKE 255 N. FORBES ST # 424 LAKEPORT, CA 95453

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF LASSEN 220 SOUTH LASSEN ST. STE 8 SUSANVILLE, CA 96130

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF LOS ANGELES 18000 CRIMINAL COURTS BUILDING 210 W. TEMPLE ST. LOS ANGELES, CA 90012

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF MADERA 209 W. YOSEMITE AVE, MADERA, CA 93637

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OFFICE OF THE DISTRICT ATTORNEY COUNTY OF MARIPOSA P.O. BOX 730 MARIPOSA, CA 95338

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF MENDOCINO PO BOX 1000 UKIAH, CA 95482

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OFFICE OF THE DISTRICT ATTORNEY COUNTY OF PLACER 11562 B AVE AUBURN, CA 95603-2687

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF PLUMAS 520 MAIN STREET #404 QUINCY, CA 95971

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF RIVERSIDE 4075 MAIN ST. RIVERSIDE, CA 92501

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OFFICE OF THE DISTRICT ATTORNEY COUNTY OF SONOMA 600 ADMINISTRATION DR. #212J SANTA ROSA, CA 95403

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OFFICE OF THE DISTRICT ATTORNEY COUNTY OF YUBA 215 5TH ST. MARYSVILLE, CA 95901

HARLEY-DAVIDSON, INC. JAMES L ZIEMER, PRESIDENT 3700 WEST JUNEAU AVENUE MILWAUKEE, WI 53208

PENNZOIL-QUAKER STATE COMPANY DOUGLAS S BOYLE, CEO 910 LOUISIANA ST HOUSTON, TX 77002

RICCAR AMERICA CRAIG NEAL, PRESIDENT 1800 E WALNUT AVE FULLERTON, CA 92831-4844

SHINN FU COMPANY OF AMERICA, INC. STEVEN HUANG, PRESIDENT 10939 N. POMONA AVE. KANSAS CITY, MO 64153

TACONY CORPORATION KENNETH J. TACONY, CEO 1760 GILSINN LN FENTON, MO 63026

#### **CERTIFICATE OF MERIT**

I, William Verick, hereby declare: This Certificate of Merit accompanies the attached sixty-day notice(s) in which it is alleged the parties identified in the notices have violated Health and Safety Code section 25249.6 by failing to provide clear and reasonable warnings. I am the attorney for the noticing party. I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of the action. Based on the information obtained through those consultations, and on all other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiffs' case can be established and the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute. The copy of this Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health and Safety Code section 25249.7(h)(2), i.e., (1) the identity of the person(s) consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Dated: October 19, 2006

William Verick

This notice alleges the violation of Proposition 65 with respect to occupational exposures governed by the California State Plan for Occupational Safety and Health. The State Plan incorporates the provisions of Proposition 65, as approved by Federal OSHA on June 6, 1997. This approval specifically placed certain conditions on Proposition 65, including that it does not apply to the conduct of manufacturers occurring outside the State of California. The approval also provides that an employer may use the means of compliances in the general hazard communication requirements to comply with Proposition 65. It also requires that supplemental enforcement is subject to the supervision of the California Occupational Safety and Health Administration. Accordingly, any settlement, civil complaint, or substantive court orders in this matter must be submitted to the Attorney General.

#### **CERTIFICATE OF SERVICE**

#### I, Nicole Frank, declare:

If called, I could and would testify as follows: I am over eighteen. My business address is 424 First Street, Eureka, California, 95501. October 19, 2006 I caused the attached 60-DAY NOTICE LETTER, or a letter identical in substance, to be served by U.S. Mail on those public enforcement agencies listed on the attached SERVICE LIST; in addition on the same date and by U.S. Mail I caused the attached 60-DAY NOTICE LETTER and PROPOSITION 65: A SUMMARY to be sent by Certified U.S. Mail to the private business entities also listed on the attached SERVICE LIST. I deposited copies of these documents in envelopes, postage pre-paid, with the U.S. Postal Service on the day on which the mail is collected. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed on October 19, 2006, at Eureka, California.

Nicole Frank

# 1 **EXHIBIT B** (Address For Notice Under Consent Judgment) 2 3 4 HARLEY DAVIDSON, INC. 5 Enrique T. Breceda Corporate Counsel 6 Harley-Davidson Motor Company 3700 West Juneau Avenue 7 Milwaukee, WI 53208 United States of America 8 With a copy to: 9 Trenton H. Norris 10 Bingham McCutchen LLP 3 Embarcadero Center 11 San Francisco, CA 94111 Tel: 415-393-2062 12 Fax: 415-393-2286 13 MATEEL ENVIRONMENTAL JUSTICE FOUNDATION 14 William Verick 15 Klamath Environmental Law Center 424 First Street 16 Eureka, CA 95501 Tel: 707-268-8900 17 Fax: 707-268-8901 18 19 20 21 22 23 24 25 26 27 28

# EXHIBIT C (Optional List of Certain Brand Names and Product Type) A. Brand Names: Harley-Davidson Deltran B: Product Types: Motorcycle battery chargers, motorcycle battery tenders, and motorcycle battery accessories that are themselves, or that incorporate, utilize, or have appended to them, Cords, including, but not limited to: 5 Amp Global Battery Charger Global Battery Charger 5-Bank Automatic Supersmart® Battery Charger 10-Bank Automatic Supersmart® Battery Charger Battery Charging Harness SuperSmart® Battery Tender® SuperSmart® Battery Tender® Junior Electrical Accessory Adapter (used for the addition of multiple electrical accessories to a main battery power circuit on motorcycles)

1	EXHIBIT D (Exemplar of Optional Testing Protocol)
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4	Step 1: Cut 3-inch section of a cable that has not previously been used or wiped.
5	Step 2. On multiconductor cables, remove the insulated conductors and any
6	other inner components from the 3-inch section of the cable. On single insulated conductors, remove the metallic conductor from the 3-inch section of the cable.
7	Place the outer nonmetallic covering into a lead free receptacle (such as a pre-labeled resealable plastic food storage bag).
8	Step 3. Repeat steps 1 and 2 above for two additional cables such that a
9	total of three samples are produced for laboratory analysis.
10	Step 4. Prepare samples for laboratory analysis according to EPA Method 160.4 or 3050. Samples must be completely digested before proceeding to step 5.
11	Step 5. Analyze samples for total lead by EPA Method 7420 (AA Flame).
12	Step 6. Compute the arithmetic mean from the three samples.
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# EXHIBIT E (Infrequently Handled Covered Product types)

Electrical Accessory Adapters (used for the addition of multiple electrical accessories to a main battery power circuit on motorcycles)

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# EXHIBIT F (Covered Products Types For Which Warnings May Be Given In Owner's Manual) Battery chargers Battery charging harnesses Battery tenders .12