# CONFIDENTIAL - FOR SETTLEMENT DISCUSSIONS PURPOSES

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Attorneys for Plaintiff,

CONSUMER ADVOCACY GROUP, INC.

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27 28 SUPERIOR COURT OF THE STATE OF CALIFORNIA **COUNTY OF LOS ANGELES** 

CONSUMER ADVOCACY GROUP, INC., in the public interest,

Plaintiff,

AVIS RENT A CAR SYSTEM, LLC, et al.,

Defendants.

Case No. BC 429131

[PROPOSED] CONSENT JUDGMENT

Judge: Hon. Gregory Alarcon

Dept: 36

Complaint filed: December 31, 2009

### 1. INTRODUCTION

- Plaintiff. Consumer Advocacy Group, Inc. ("Plaintiff" or "CAG"), on its own behalf 1.1 and as a representative of the People of the State of California, is a non-profit public interest corporation.
- Settling Defendant. The Hertz Corporation, erroneously sued herein as Hertz Rent A 1.2 Car and Hertz Global Holdings. Inc. ("Defendant") is an automobile rental company doing business in California at various locations throughout the state.
- Covered Activity. On December 31, 2009, Plaintiff filed a Complaint for Penalties, 1.3 Injunction and Restitution alleging that Defendant, in its automobile rental operations in California during the relevant time frame, has allowed persons to smoke cigarettes and other tobacco products in their rental vehicles, thereby allegedly exposing their respective employees and customers, including

the passengers of the vehicles they rented, to a workplace or other environment in which second-hand tobacco smoke and environmental tobacco smoke is present and causing the persons to inhale ambient air at the location or within the vehicles which air contained tobacco smoke and its constituent chemicals without first providing Proposition 65-compliant warnings to such exposed persons.

- 1.4 <u>Proposition 65</u>. The Safe Drinking Water and Toxic Enforcement Act codified at Health and Safety Code sections 25249.5 et seq. ("Proposition 65") prohibits, among other things, a company consisting of ten or more employees from knowingly and intentionally exposing an individual to chemicals known to the State of California to cause cancer, birth defects, or other reproductive harm without first providing a clear and reasonable warning to such individuals. Exposures can occur as a result of a consumer product exposure, an occupational exposure, or an environmental exposure.
- 1.5 <u>Proposition 65 Chemicals</u>. The State of California has officially listed various chemicals pursuant to Health and Safety Code section 25249.8 as chemicals known to the State of California to cause cancer and/or reproductive toxicity, including second-hand tobacco smoke, environmental tobacco smoke and various constituent chemicals in exhaust from vehicle engines.
- 1.6 <u>The Consent Judgment.</u> This Consent Judgment pertains to Plaintiff's claims against Defendant as set forth in *Consumer Advocacy Group, Inc. v. Avis Rent A Car System, LLC et al.*, Los Angeles Superior Court Case No BC429131 (the "Action") and the two 60-Day Notices, described below, served by Plaintiff upon Defendant.
- 1.7 <u>Plaintiff's 60-Day Notices</u>. On or about December 31, 2008, more than sixty days before filing suit in the Action, Plaintiff served Defendant with a Notice of Intent to Sue for Violation of the Safe Drinking Water and Toxic Enforcement Act (the "Second-Hand Smoke Notice"). The Second-Hand Smoke Notice stated, among other things, that Plaintiff believed Defendant had violated Proposition 65 by knowingly and intentionally exposing its consumers, customers, and employees in California, as well as the public, to the Proposition 65-listed chemicals found in tobacco products, tobacco smoke, cigars and smokeless tobacco. Among the Proposition 65 chemicals identified by Plaintiff in the Notice were tobacco products, tobacco smoke, cigars and smokeless

tobacco (and their constituent chemicals, including Acetaldehyde, Acetamide, Acrylonitrile, 4Aminobiphenyl, (4-Aminodiphenyl), Aniline, Ortho-Anisidine, Arsenic (inorganic arsenic
compounds), Benz[a]anthracene, Benzene, Benzo[b]fluoranthene, Benzo[j]fluoranthene,
Benzo[k]fluoranthene, Benzo[a]pyrene, 1,3-Butadiene, Cadmium, Captan, Chromium (hexavalent
compounds), Chrysene, Dichlorodiphenyltrichloroethane (DDT), Dibenz[a,h]acridine,
Dibenz[a,j]acridine, Dibenz[a,h]anthracene, 7H-Dibenzo[c,g]carbazole, Dibenzo[a,e]pyrene,
Dibenzo[a,h]pyrene, Dibenzo[a,i]pyrene, Dibenzo[a,l]pyrene, 1,1-Dimethylhydrazine (UDMH),
Formaldehyde (gas), Hydrazine, Lead and lead compounds, 1-Naphthylamine, 2-Naphthylamine,
Nickel and certain nickel compounds, 2-Nitropropane, N-Nitrosodi-n-butylamine, NNitrosodiethanolamine, N-Nitrosodiethylamine, N-Nitrosomethylethylamine, N-Nitrosomorpholine,
N-Nitrosonornicotine, N-Nitrosopiperidine, N-Nitrosopyrrolidine, Ortho-Toluidine, Tobacco Smoke,
Urethane (Ethyl carbamate), Arsenic (inorganic Oxides), Cadmium, Carbon disulfide, Carbon
monoxide, Nicotine, and Toluene.

On or about April 23, 2010, Plaintiff served Defendant with a separate Notice of Intent 1.8 to Sue ("the Engine Exhaust Notice"). The Engine Exhaust Notice stated, among other things, that Plaintiff believed Defendant had violated Proposition 65 by knowingly and intentionally exposing its consumers, customers and employees, as well as the public, to the Proposition 65-listed chemicals found in exhaust from gasoline and diesel engine vehicles. Among the Proposition 65 chemicals identified by Plaintiff in the Engine Exhaust Notice were Acetaldehyde, Acrylonitrile, Arsenic (inorganic arsenic compounds), Asbestos, Benza[a]anthracene, Benzene, Benzo[a]pyrene, Benzo[b]fluoranthene, Benzo[i]fluoranthene, Benzo[k]fluoranthene, Beryllium and Beryllium compounds, Bitumens (extracts of steam-refined and air-refined), 1,3 Butadiene, Cadmium and Cadmium compounds, Carbazole, Chromium (Hexavalent compounds), Chrysene, Cobalt Sulfate Heptahydrate, Hibena[a,h]anthracene, Dibenz[a,h]acridine, Dibenz[a,j]acridine, 7H-Dibenzo[c,g]carbazole, Dibenz[a,e]pyrene, Dibenzo[a,l]pyrene, Dichloromethane (Methylene Chloride), Diesel Engine Exhaust, 1,1-Dimethylhydrazine (UDMH), Ethylbenzene, Formaldehyde (gas), Hydrazine, Indeno[1,2,3,s-cd]pyrene, Lead and Lead compounds, 3-Methylcholanthrene, 5-Methylchrysene, Naphthalene, Nickel and certain Nickel compounds, 1-Nitropropane, N-

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Nitrosodiethanolamine, N-Nitrosonornicotine, N-Nitrosopyrrolidine, Quinoline and its strong acid salts, Silica, Crystalline (airborne particles of respirable size), Soots, Tars and Mineral Oils (untreated and mildly treated oils and used engine oils), Tetrachloroethylene (Perchloroethylene), Ortho-Toluidine, Trichloroethylene, Urethane (Ethyl carbamate), Arsenic (inorganic oxides), Benzene, Cadmium, Carbon Disulfide, Carbon Monoxide, Lead, Mercury and Mercury compounds, Methyl Chloride, and Toluene. The Second-Hand Smoke Notice and Engine Exhaust Notice are referred to collectively herein as "the Notices." The Proposition 65 chemicals identified in both the Second-Hand Smoke Notice and the Engine Exhaust Notice shall collectively be referred to herein as "the Noticed Chemicals."

1.9 Purpose of Consent Judgment. In order to avoid continued and protracted litigation, CAG and Defendant (the "Parties") wish to resolve completely and finally any and all tobacco exposure issues and issues regarding exhaust from gasoline and diesel engine vehicles including those with respect to all Noticed Chemicals raised by the Notices and the Action, pursuant to the terms and conditions described herein. In entering into this Consent Judgment, the Parties recognize that this Consent Judgment is a full and final settlement of all claims related to: (1) the Noticed Chemicals in tobacco products, tobacco smoke, cigars, smokeless tobacco, secondhand tobacco smoke and environmental tobacco smoke and (2) the Noticed Chemicals in exhaust from gasoline and diesel engine vehicles (and each of their constituent chemicals), that were raised or that could have been raised in the Notices or the Action. Plaintiff and Defendant also intend for this Consent Judgment to provide, to the maximum extent permitted by law, *res judicata* and/or collateral estoppel protection for Defendant against any and all other claims based on the same or similar allegations as to the Noticed Chemicals with respect to claims brought by Plaintiff in its own capacity or in the public interest, or to claims brought by an entity in privity with Plaintiff

1.10 <u>No Admission</u>. Defendant disputes that it has violated Proposition 65 as described in the Notices and the Action and that it has any liability whatsoever based on any of the facts or claims asserted in the Notices or the Action. Plaintiff disputes Defendant's defenses.

Based on the foregoing, nothing contained in this Consent Judgment shall be construed as an admission by Plaintiff or Defendant that any action that Defendant may have taken, or failed to take,

violates Proposition 65 or any other statute, regulation, or principal of common law. Defendant expressly denies any alleged violations of Proposition 65 or any other statute, regulation, or principle of common law.

1.11 Effective Upon Final Determination. Defendant's willingness to enter into this Consent Judgment is based upon the understanding that this Consent Judgment will fully and finally resolve all claims related to the Noticed Chemicals present in tobacco products, tobacco smoke, cigars smokeless tobacco, secondhand tobacco smoke and environmental tobacco smoke and exhaust from gasoline and diesel engine vehicles (and each of their constituent chemicals), and that this Consent Judgment will have *res judicata* and/or collateral estoppel effect to the fullest extent allowed by law with regards to alleged violations of Proposition 65 by Defendant.

## 2. JURISDICTION

- 2.1 <u>Subject Matter Jurisdiction</u>. For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the allegations of violations contained in the lawsuit.
- 2.2 <u>Personal Jurisdiction</u>. For purposes of this Consent Judgment only, the Parties stipulate that this Court has personal jurisdiction over the Defendant as to the acts alleged in the Notices and the Action.
- 2.3 <u>Venue</u>. For purposes of this Consent Judgment only, venue is proper in the County of Los Angeles for resolution of the allegations made and claims asserted in the Action.
- 2.4 <u>Jurisdiction to Enter Consent Judgment</u>. The Parties stipulate that this Court has jurisdiction to enter this Consent Judgment as a full and final settlement and resolution of the allegations contained in the Notices and the Action, and of all claims that were or could have been raised based on the facts alleged therein or arising therefrom by any person or entity, other than the Attorney General of the State of California, in whole or in part, directly or indirectly, against the Defendant and Released Parties, as defined in paragraph 4.2 below.

## 3. INJUNCTIVE RELIEF:

3.1 <u>No-Smoking Policy</u>. Defendant shall, if it has not already done so, (a) discourage customers from smoking inside any rental vehicle through the use of written signs posted at its facilities in California; and (b) require rental customers, pursuant to written provisions in the rental

agreement or in any addendum thereto or by means of any other form of memorialized consent, to agree to reimburse Defendant for all reasonable costs and damages which the Parties agree may include costs incurred in the cleaning of the interior portions of any rental vehicle to remove residual tobacco smoke odors or other damage caused by the rental customer arising out of the use of tobacco products in Defendant's vehicles. Defendant may also discourage customers from smoking in its vehicles by the placement of decals within its vehicles or the removal of lighters and ashtrays, but is not required to do so pursuant to this Consent Judgment.

Defendant expressly reserves the right to accommodate the request by any customer to rent a vehicle in which the customer may smoke tobacco products. Vehicles rented to said customers upon request shall be specially designated by Defendant and shall not be offered for rent to any customer who does not request a vehicle in which he/she may smoke.

3.2 <u>Proposition 65 Warning</u>. At any facilities controlled by Defendant as of the date this Consent Judgment, Defendant agrees to post consumer warnings regarding potential Proposition 65 exposures, if it has not already done so. The following warning shall be prominently displayed at or near the point of sale where rental car transactions take place:

## **PROPOSITION 65 WARNING:**

Vehicle Exhaust Fumes are Present and Contain Chemicals Known to the State of California to Cause Cancer and Birth Defects or Other Reproductive Harm.

Tobacco Smoke Is Present in Certain Designated Vehicles. Tobacco Smoke Contains Chemicals Known to the State of California to Cause Cancer and Birth Defects or Other Reproductive Harm. Customers are requested not to smoke in the rental vehicles.

The Parties acknowledge that, at certain locations, circumstances may arise which prevent Defendant from controlling where, when, and how signs are displayed and whether signs can be maintained in the locations initially selected by Defendant. By way of example, some airports take the position that they have the right to control the placement, non-placement and removal of signs at and near rental car counters. Defendant shall use reasonable efforts to post the warning signs at each of its facilities in California and if a third party prevents it from doing so, Defendant shall promptly notify Plaintiff.

Defendant agrees to take reasonable steps to require that the warnings set forth in this section 3.2 be displayed at each facility in California with such conspicuousness, as compared with other words, statements, designs, or devices as to render the warnings likely to be read and understood by its employees and by an ordinary consumer under customary conditions of purchase or use, consistent with California Code of Regulations, title 22, section 12601, subdivision (b)(3).

- 3.3 <u>Compliance</u>. Defendant's compliance with paragraphs 3.1 and 3.2 is deemed to fully satisfy Defendant's obligations under Proposition 65 with respect to any exposures and potential exposures to Noticed Chemicals in all respects and to any and all person(s) and entity(ies).
- 3.4 Future Laws or Regulations. In lieu of complying with the requirements of paragraphs 3.1 and 3.2, if: (a) any future federal law or regulation that governs the warning provided for here preempts state authority with respect to said warning, or (b) any future warning requirements with respect to the subject matter of said paragraphs are proposed by any industry association and approved by the State of California, or (c) any future new state law or regulation specifying a specific warning for car rental companies with respect to the subject matter of said paragraphs, Defendant may comply with the warning obligations set forth in paragraphs 3.1 and 3.2 of this Judgment by complying with such future federal or state law or regulation or such future warning requirement upon notice to Plaintiff.
- 3.5 <u>Statutory Amendment to Proposition 65</u>. If there is a statutory or other amendment to Proposition 65, or regulations are adopted pursuant to Proposition 65, which would exempt paragraphs 3.1 and 3.2 of this Judgment, Defendant and/or the "Released Parties," as defined in paragraph 4.2 below from providing the warnings described here, then, upon the adoption of such statutory amendment or regulation, and to the extent provided for in such statutory amendment or regulation, Defendant shall be relieved from its obligation to provide the warnings set forth here.

## 4. RELEASE AND CLAIMS COVERED

4.1 <u>Effect of Judgment</u>. The Consent Judgment is a full and final judgment with respect to any claims regarding the Noticed Chemicals that were asserted or could have been asserted in the Action (or a separate action) against the Released Parties (as defined in paragraph 4.2 below) and each of them, and the Notices issued to Defendant regarding its facilities in California, including, but

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not limited to: (a) claims for any violations of Proposition 65 by the Released Parties and each of them including, but not limited to, claims arising from consumer product, environmental, and occupational exposures to the Noticed Chemicals, wherever occurring and to whomever occurring, through and including the date upon which the Judgment becomes final; and (b) the Released Parties' continuing responsibility to provide the warnings mandated by Proposition 65 with respect to the Noticed Chemicals.

4.2 Release. Except for such rights and obligations as have been created under this Consent Judgment, Plaintiff, for and on its own behalf and "in the public interest," as that phrase is understood pursuant to Health and Safety Code section 25249.7, subd. (d), with respect to the matters regarding the Noticed Chemicals alleged in the Notices and the Action, does hereby fully, completely, finally and forever release, relinquish and discharge Defendant and its respective past, present, and future owners, lessors, sublessors, managers and operators of, and any others with any interest in Defendant's facilities in California, its past, present, and future officers, directors, shareholders, affiliates, agents, principals, employees, attorneys, parents, subsidiaries, owners, sisteror other related entities, and successors and assigns the ("Released Parties") of and from all claims, actions, causes of action, demands, rights, debts, agreements, promises, liabilities, damages, accountings, costs and expenses, whether known or unknown, suspected or unsuspected, of every nature whatsoever that Plaintiff has or may have against the Released Parties, arising in whole or in part, directly or indirectly, out of any fact or circumstance occurring prior to the date upon which the Consent Judgment becomes final, relating to alleged violations of Proposition 65 or any other violation by the Released Parties and their respective agents, servants and employees, being hereinafter referred to as the "Released Claims." Notwithstanding the foregoing, this Consent Judgment does not provide a release for any of the other corporations or entities that received a sixtyday notice regarding alleged violations of Proposition 65 for exposure to second-hand smoke as issued by Plaintiff in or around December 2008. The Released Claims include all allegations made, or that could have been made, by Plaintiff with respect to the Noticed Chemicals relating to Proposition 65 or otherwise.

4.3 <u>Intent of Parties</u>. The Parties intend that this release, upon entry of judgment shall be effective as a full and final accord and satisfaction and release of each Released Claim. In furtherance of this intention, Plaintiff acknowledges that it is familiar with California Civil Code section 1542, 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 OR HER SETTLEMENT WITH THE DEBTOR.

Plaintiff waives and relinquishes all of the rights and benefits that Plaintiff has, or may have, under Civil Code section 1542 (as well as any similar rights and benefits which it may have by virtue of any statute or rule of law in any other state or territory of the United States). Plaintiff acknowledges that it may hereafter discover facts in addition to, or different from, those which it now knows or believes to be true with respect to the subject matter of this Consent Judgment and the Released Claims, but that notwithstanding the foregoing, it is Plaintiff's intention to fully, finally, completely and forever settle and release all Released Claims, and that in furtherance of such intention, the release here given shall be and remain in effect as a full and complete general release, notwithstanding the discovery or existence of any such additional or different facts.

4.4 <u>Plaintiff's Ability to Represent Public</u>. Plaintiff hereby warrants and represents to Defendant and the Released Parties that (a) Plaintiff has not previously assigned any Released Claim, and (b) Plaintiff has the right, ability and power to release each Released Claim.

Plaintiff further represents and warrants that it is a public benefit corporation formed for the specific purposes of (a) protecting and educating the public as to harmful products and activities; (b) encouraging members of the public to become involved in issues affecting the environment and the enforcement of environmental statutes and regulations including, but not limited to, Proposition 65; and (c) instituting litigation to enforce the provisions of Proposition 65.

- 4.5 <u>No Further Force and Effect</u>. Plaintiff and Defendant hereby request that this Court enter judgment pursuant to this Consent Judgment. In the event that:
- (a) this Court denies, in whole or in part, the motion to approve the Consent Judgment pursuant to Health and Safety Code section 25249.7 (f)(4) as amended,

- (b) a decision by this Court to approve the Consent Judgment is appealed and overturned by another Court, in whole or in part, or
- (c) a third party files litigation to contest the validity of the Consent Judgment as against any Plaintiff or Defendant relating to this Consent Judgment, then upon notice by any party hereto to the other party hereto, this Consent Judgment shall be of no further force or effect and the Parties shall be restored to their respective rights and obligations as though this Consent Judgment had not been executed by the Parties.

## 5. ATTORNEYS' FEES AND COSTS

- 5.1 Payment in Lieu of Civil Penalties. Within 30 (thirty) days of the approval of this Consent Judgment, Defendant shall pay CAG, incorporated for the purpose of furthering environmental causes, \$10,000. Payment shall be to "Consumer Advocacy Group, Inc." CAG will use the payment for such projects and purposes related to environmental protection, worker health and safety, or reduction of human exposure to hazardous substances (including administrative and product testing costs arising from such projects), as CAG may choose. CAG shall provide its address and federal tax identification number to Defendant's prior to such payment.
- 5.2 Payment to Yeroushalmi & Associates. Within 30 (thirty) days of the approval of this Consent Judgment, Defendant shall pay CAG \$42,000 for its attorney fees and costs incurred in this matter. The check shall be to "Yeroushalmi & Associates." CAG represents and warrants that CAG has authorized the payment of attorney fees and costs. CAG releases and agrees to hold harmless the Released Parties with regard to any issue concerning the allocation or distribution of the amount paid under this section. Yeroushalmi & Associates shall provide its address and federal tax identification number to International prior to such payment.

## 6. PRECLUSIVE EFFECT OF CONSENT JUDGMENT

- 6.1 <u>Entry of Judgment</u>. It is the Parties' intent that entry of judgment by the Court pursuant to this Consent Judgment, *inter alia*:
- (a) Constitutes full and fair adjudication of all claims against Defendant, including, but not limited to, all claims set forth in the Action, based upon alleged violations of Proposition 65, as well as any other statute, provision of common law or any theory or issue that has

been or could have been asserted in the public interest or on behalf of the general public against

Defendant which arose from Defendant' alleged failure to provide warnings regarding exposure to
tobacco products, tobacco smoke, cigars, smokeless tobacco, secondhand tobacco smoke,
environmental tobacco smoke and exhaust from gasoline and diesel engine vehicles (and each of their
constituent chemicals), which may be present at its facilities and which are known to the State of
California to cause cancer, birth defects, and/or other reproductive harm;

(b) Bars Plaintiff in its own capacity or in the interests of the public and any entities in privity with Plaintiff, on the basis of res judicata, the doctrine of mootness and/or the doctrine of collateral estoppel, from prosecuting against any Released Party any claim with respect to the Noticed Chemicals alleged in the Action, and based upon alleged violations of (i) Proposition 65, or (ii) any other statute, provision of common law or any theory or issue that was alleged or that could have been alleged in the Action which arose or arises from the alleged failure to provide warning of exposure to tobacco products, tobacco smoke, cigars, smokeless tobacco, secondhand tobacco smoke and environmental tobacco smoke and exhaust from gasoline and diesel engines at Defendant's facilities in California (and each of their constituent chemicals), which may be present at Defendant's facilities in California referred to in paragraph 3.1 and which are known to the State of California to cause cancer, birth defects, and/or other reproductive harm.

## 7. DISPUTES UNDER THE CONSENT JUDGMENT

7.1 <u>Disputes</u>. In the event that a dispute arises with respect to either party's compliance with the terms of this Consent Judgment, the Parties shall meet, either in person or by telephone, and endeavor to resolve the dispute in an amicable manner. No action may be taken to enforce the provisions of the Judgment absent such a good faith effort to resolve the dispute prior to the taking of such action. In the event that legal proceedings are initiated to enforce the provisions of the Judgment, however, the prevailing party in such proceeding may seek to recover its costs and reasonable attorneys' fees. As used in the preceding sentence, the term "prevailing party" means a party who is successful in obtaining relief more favorable to it than the relief that the other party was amenable to providing during the Parties' good faith attempt to resolve the dispute that is the subject of such enforcement action.

7.2 Notice of Violation. In the event that CAG identifies what it believes is a violation of paragraph 3.2 at any of the Covered Properties, CAG shall issue a notice of alleged violation pursuant to this paragraph. The notice of alleged violation shall be sent to the persons identified in Section 9 hereof, and shall, at minimum, set forth for each of the affected Parties: (a) the date(s) the alleged violation(s) was observed; (b) the facility where the alleged violation(s) occurred; (c) a description of the circumstances or conditions giving rise to the alleged violation(s), including the specific location of the alleged violation at the facility and any affected party(ies); and (d) a description of any warnings that were provided at the facility relating to tobacco products and/or engine exhaust, whether such warning was posted or provided otherwise. CAG shall promptly make available for inspection and/or copying, upon request, all supporting documentation or other information related to the alleged violation asserted in the notice of violation. The Parties shall meet and confer in good faith in an effort to resolve the allegations in the notice of violation. Only after the passage of sixty (60) days after service of the violation, and only to the extent the Parties have not resolved their dispute, may CAG seek enforcement of this Consent Judgment pursuant to paragraph 7.1.

## 8. NOTICES

- 8.1 <u>Written Notice Required</u>. All notices between the Parties provided for or permitted under this Consent Judgment or by law shall be in writing and shall be deemed duly served:
  - (i) When personally delivered to a party, on the date of such delivery; or
- (ii) When sent via facsimile to a party at the facsimile number set forth below, or to such other or further facsimile number provided in a notice sent under the terms of this paragraph, on the date of the transmission of that facsimile; or
- (iii) When deposited in the United States mail, certified, postage prepaid, addressed to such party at the address set forth below, or to such other or further address provided in a notice sent under the terms of this paragraph, three days following the deposit of such notice in the mails.
- (iv) Notices pursuant to this paragraph shall be sent to the Parties at the addresses identified below, or to such other place as may from time to time be specified in a notice to each of the Parties hereto given pursuant to this paragraph as the address for service of notice on such party. The addresses for notices are as follows:

David Friedman

Senior Staff Counsel, Labor & Employment Law The Hertz Corporation 225 Brae Boulevard Park Ridge, NJ 07656

With a copy to:

Lisa A. Cole, Esq. Nixon Peabody LLP 2 Palo Alto Square 3000 El Camino Real, Suite 500 Palo Alto, California 94306-2106

### 9. INTEGRATION

9.1 Integrated Writing. This Consent Judgment constitutes the final and complete agreement of the Parties hereto with respect to the subject matter hereof and supersedes all prior or contemporaneous negotiations, promises, covenants, agreements or representations concerning any matters directly, indirectly or collaterally related to the subject matter of this Consent Judgment. The Parties hereto have expressly and intentionally included in this Consent Judgment all collateral or additional agreements that may, in any manner, touch or relate to any portion of the subject matter of this Consent Judgment and, therefore, all promises, covenants and agreements, collateral or otherwise, are included herein. The Parties intend that this Consent Judgment shall constitute an integration of all their agreements, and each understands that in the event of any subsequent litigation, controversy or dispute concerning any of its terms, conditions or provisions, no party hereto shall be permitted to offer or introduce any oral or extrinsic evidence concerning any other collateral or oral agreement between or among the Parties not included herein.

## 10. COMPLIANCE WITH REPORTING REQUIREMENTS

10.1 Reporting Forms; Presentation to Attorney General. The Parties agree to comply with the reporting form requirements referenced in Health and Safety Code section 25249.7, subdivision (f). Therefore, Plaintiff shall present this Consent Judgment to the California Attorney General's office upon receiving all necessary signatures.

### 11. **COUNTERPARTS**

11.1 Counterparts. This Consent Judgment may be signed in counterparts and shall be binding upon the Parties hereto as if all of said Parties executed the original hereof. A facsimile or PDF signature shall be as valid as the original.

### 12. WAIVER

12.1 No Waiver. No waiver by any party hereto of any provision hereof shall be deemed to be a waiver of any other provision hereof or of any subsequent breach of the same or any other provision hereof.

### **13. AMENDMENT**

13.1 In Writing. This Consent Judgment cannot be amended or modified except by a writing executed by the Parties hereto that expresses, by its terms, an intention to modify this Consent Judgment.

### 14. **SUCCESSORS**

14.1 Binding Upon Successors. This Consent Judgment shall be binding upon and inure to the benefit of, and be enforceable by, the Parties hereto and their respective administrators, trustees, executors, personal representatives, successors and permitted assigns.

### 15. **CHOICE OF LAWS**

15.1 California Law Applies. Any dispute regarding the interpretation of this Consent Judgment, the performance of the Parties pursuant to the terms of this Consent Judgment, or the damages accruing to a Party by reason of any breach of this Consent Judgment shall be determined under the laws of the State of California, without reference to choice of law principles.

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### 16. **NO ADMISSIONS**

16.1 Settlement Cannot Be Used as Evidence. This Consent Judgment has been reached by the Parties to avoid the costs of prolonged litigation. By entering into this Consent Judgment, neither Plaintiff nor Defendant admits any issue of fact or law, including any violations of Proposition 65 or any other law. The settlement of claims herein shall not be deemed to be an admission or concession of liability or culpability by any Party, at any time, for any purpose. Neither this Consent Judgment, nor any document referred to herein, nor any action taken to carry out this Consent Judgment, shall be construed as giving rise to any presumption or inference of admission or concession by Defendant as to any fault, wrongdoing or liability whatsoever. Neither this Consent Judgment, nor any of its terms or provisions, nor any of the negotiations or other proceedings connected with it, nor any other action taken to carry out this Consent Judgment, by any of the Parties hereto, shall be referred to, offered as evidence, or received in evidence in any pending or future civil, criminal or administrative action or proceeding, except in a proceeding to enforce this Consent Judgment, to defend against the assertion of the Released Claims or as otherwise required by law.

### 17. REPRESENTATION

Construction of Consent Judgment. Plaintiff and Defendant each acknowledge and 17.1 warrant that they have been represented by independent counsel of their own selection in connection with the prosecution and defense of the Action, the negotiations leading to this Consent Judgment and the drafting of this Consent Judgment; and that in interpreting this Consent Judgment, the terms of this Consent Judgment will not be construed either in favor of or against any Party hereto.

### 18. AUTHORIZATION

Authority to Enter Consent Judgment. Each of the signatories hereto certifies that he 18.1 or she is authorized by the Party he or she represents to enter into this Consent Judgment, to stipulate to the Judgment, and to execute and approve the Judgment on behalf of the Party represented.

By Consumer Advocacy Group, Inc. Name: Lyn H. Marce Its:  Dated:, 2010 THE HERTZ CORPORATION  By Name: Its:  10  11  12  13  [REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]  14  15	
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1	Approved as to form:	
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3	Dated: March, 2010	YEROUSHALMI & ASSOCIATES
4		
5		By
6		Attorneys for Consumer Advocacy Group, Inc.
7		
8	Dated: August 16, 2010	NIXON PEABODY LLP
9	J	
11		By USUAF CL Lisa A. Cole
12		Attorneys for The Hertz Corporation
13		
14	DESCRIPTION AND ARRESTE	D AS A JUDGMENT OF THE SUPERIOR COURT. IT IS
15	SO ORDERED.	DAS A JUDGINENT OF THE SUI ERIOR COURT. IT IS
16	SO OKDERED.	
17	Dated:, 2010	
18		JUDGE OF THE SUPERIOR COURT
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	[Prop. 13086423.3	osed] Stipulated Consent Judgment

1	Approved as to form:	
2		
3	Dated: 8/16, 2010	YEROUSHALMI & ASSOCIATES
4		
5		By Reuben Yeroushalmi
6 7		Attorneys for Consumer Advocacy Group, Inc.
8		
9	Dated:, 2010	NIXON PEABODY LLP
10		
11	,	By Lisa A. Cole
12		Attorneys for The Hertz Corporation
13		
14	·	A STATE OF THE OF THE OWNER OF THE OWNER.
15		AS A JUDGMENT OF THE SUPERIOR COURT. IT IS
16	SO ORDERED.	
17	2010	
18	Dated:, 2010	
19		JUDGE OF THE SUPERIOR COURT
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