| 1 | Clifford A. Chanler, State Bar No. 135534 Brian C. Johnson, State Bar No. 235965 | |
|----------|---|--------------------------------|
| 2 | THE CHANLER GROUP 2560 Ninth Street | |
| 3 | Parker Plaza, Suite 214 Berkeley, CA 94710 | |
| 4 | Telephone: (510) 848-8880 Facsimile: (510) 848-8118 | |
| 5 | Attorneys for Plaintiff | |
| 6 | RUSSELL BRIMER | |
| 7 | | |
| 8 | | |
| 9 | SUPERIOR COURT OF THE STATE OF CALIFORNIA | |
| 10 | FOR THE COUNTY OF SAN FRANCISCO | |
| 11 | UNLIMITED CIVIL JURISDICTION | |
| 12 | DUCCELL DDIMED | Com No. CCC 10 505220 |
| 13 14 | RUSSELL BRIMER, Plaintiff, | Case No. CGC-10-505320 |
| 15 | v. | [PROPOSED] CONSENT JUDGMENT |
| 16 | FPC CORPORATION; and DOES 1–150, | JODGMENT |
| 17 | inclusive, | Health & Safety Code § 25249.6 |
| 18 | Defendants. | |
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1. <u>INTRODUCTION</u>

1.1 Russell Brimer and FPC Corporation

This Consent Judgment is entered into by and between Russell Brimer ("Brimer") and FPC Corporation ("FPC"), with Brimer and FPC collectively referred to as the "Parties."

1.2 Plaintiff

Brimer is an individual residing in California who seeks to promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products.

1.3 Defendant

FPC employs ten or more persons and is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code § 25249.6 et seq. ("Proposition 65").

1.4 General Allegations

Brimer alleges that FPC has sold in the State of California tape measures with hand straps containing lead. Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause birth defects or other reproductive harm. Lead is also referred to herein as the "Listed Chemical."

1.5 Product Description

The products that are covered by this Consent Judgment are defined as tape measures with hand straps containing the Listed Chemical including, but not limited to, the *HomeTools Florals 10* ft. Tape Measure, HT-212 (#0 18239 33169 7). All such items shall be referred to herein as the "Products."

1.6 Notice of Violation

On June 17, 2010, Brimer served FPC and various public enforcement agencies with a document entitled "60-Day Notice of Violation" ("Notice") that provided FPC and such public enforcers with notice that alleged FPC was in violation of Proposition 65 for failing to warn consumers and customers that the Products exposed users in California to lead.

1.7 Complaint

On November 10, 2010, Brimer, who alleges that he was and is acting in the interest of the general public in California, filed a complaint in the San Francisco Superior Court ("Complaint"), naming FPC as a defendant and alleging violations of Proposition 65 by FPC based on the alleged exposures to lead contained in the Products it manufactured, distributed, and/or offered for sale in California.

1.8 No Admission

FPC denies the material, factual, and legal allegations contained in the Notice and Complaint and maintains that all of the products that it has sold in California, including the Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission by FPC of any fact, finding, conclusion, issue of law, or violation of law; nor shall compliance with this Consent Judgment constitute or be construed as an admission by FPC of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by FPC. However, this section shall not diminish or otherwise affect the obligations, responsibilities, and duties of FPC under this Consent Judgment.

1.9 Consent to Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over FPC as to the allegations contained in the Complaint, that venue is proper in the County of San Francisco, and that this Court has jurisdiction to enter and enforce the provisions of this Consent Judgment.

1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean January 10, 2011.

2. <u>INJUNCTIVE RELIEF: WARNINGS AND REFORMULATION</u>

2.1 Reformulation Commitment

After the Effective Date, FPC shall not purchase and/or import Products that will be sold or offered for sale in California unless they are "Reformulated Products." For purposes of this Consent Judgment, Reformulated Product shall mean Products containing lead in concentrations less than 90

3. MONETARY PAYMENTS

3.1 Payments Pursuant to California Health & Safety Code § 25249.7(b)

parts per million when analyzed pursuant to Environmental Protection Agency testing methodologies

3580A and 6010B and yield no more than 1.0 micrograms of lead when analyzed pursuant to NIOSH

Test Method 9100 performed on any accessible component (i.e. any component part that may be

handled, touched or mouthed during the reasonably foreseeable use or misuse by a consumer).

Pursuant to Health & Safety Code § 25249.7(b), in settlement of all claims alleged in the Notice and Complaint, FPC shall pay a civil penalty of \$4,000. The penalty is to be apportioned in accordance with California Health & Safety Code §§ 25249.12(c)(1) & (d), with seventy-five percent of the penalty amount remitted to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining twenty-five percent of the penalty paid to Brimer. FPC shall issue two checks for the penalty payment: (a) one check made payable to "The Chanler Group in Trust for OEHHA" in the amount of \$3,000; and (b) one check to The Chanler Group in Trust for Russell Brimer in the amount of \$1,000. Two separate 1099s shall be issued for the above-payments: (a) OEHHA, P.O. Box 4010, Sacramento, CA 95814 (EIN: 68-0284486); and (b) Russell Brimer, whose information shall be provided five calendar days before the payment is due. Payment shall be delivered to Brimer's counsel within ten days of the Effective Date, at the following address:

The Chanler Group Attn: Proposition 65 Controller 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710

4. REIMBURSEMENT OF FEES AND COSTS

4.1 Attorney Fees and Costs

The Parties acknowledge that Brimer and his counsel offered to resolve this dispute without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving this fee issue to be resolved after the material terms of the agreement had been settled. FPC then expressed a desire to resolve the fee and cost issue shortly after the other settlement terms had been finalized. The Parties then attempted to (and did) reach an accord on the compensation due to Brimer and his counsel under general contract principles and the private attorney general doctrine codified at

California Code of Civil Procedure ("CCP") § 1021.5, for all work performed through the mutual execution of this agreement. Defendants shall reimburse Brimer and his counsel \$28,000 for fees and costs incurred as a result of investigating, bringing this matter to its attention, and negotiating a settlement in the public interest. This figure includes Brimer's future fees and costs including attorneys' fees to be incurred in seeking judicial approval of this Consent Judgment as well as any other legal work performed after the execution of this Consent Judgment incurred in an effort to obtain finality of the case. However, in the event a third party were to appeal entry of this Consent Judgment, Plaintiff and his counsel shall be entitled to seek their reasonable attorneys' fees and costs associated with all appellate work defending the entry of judgment pursuant to CCP § 1021.5. The payment for reimbursement of fees and costs shall be made payable to "The Chanler Group" and shall be delivered within ten days of the Effective Date to the following address:

The Chanler Group Attn: Proposition 65 Controller 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710

A 1099 shall be issued to "The Chanler Group" (EIN: 94-3171522) for the amount of the reimbursement of Plaintiff's fees and costs.

5. RELEASE OF ALL CLAIMS

5.1 Brimer's Release of FPC

In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to Sections 3.1 and 4.1 above, Brimer, on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees, and in the interest of the general public, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims, including, without limitation, all actions, 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, at law or in equity (collectively "Claims"), against FPC and each of its past and current downstream distributors, wholesalers, licensors, licensees, auctioneers, retailers, franchisees, dealers, customers, owners, purchasers, users, parent companies, corporate

affiliates, and subsidiaries, and their respective past and current officers, directors, principals, partners, members, attorneys, representatives, shareholders, agents, and employees, and sister and parent entities (collectively "Releasees"). This release is limited to those claims that arise under Proposition 65, as such claims relate to FPC's alleged failure to warn about exposures to or identification of the Listed Chemical contained in the Products. The Parties further agree that this release shall not extend upstream to any entities that manufactured the Products or any component parts thereof, or to any distributors or suppliers who sold Products or any component parts thereof to FPC.

5.2 FPC's Release of Brimer

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

6. COURT APPROVAL

This Consent Judgment is not effective until it is approved and entered by the Court and 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, in which event any monies that have been provided to Brimer or his counsel pursuant to Sections 3.1 and/or Section 4.1 above shall be refunded within fifteen days after receiving written notice from FPC that the one-year period has expired and the Consent Judgment has not been approved by the Court.

7. <u>SEVERABILITY</u>

If, subsequent to the execution of this Consent Judgment, any of the provisions of this Consent Judgment are held by a court to be unenforceable, the validity of the enforceable provisions remaining shall not be adversely affected.

8. 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 FPC may

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provide written notice to Brimer of any asserted change in the law, and shall have no further 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 FPC from any obligation to comply with any pertinent state or federal toxics control laws.

9. NOTICES

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

For FPC:

Patrick Kamins, Secretary FPC Corporation 355 Hollow Hill Road Wauconda, IL 60084

For Brimer:

Proposition 65 Coordinator The Chanler Group 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710

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

10. COUNTERPARTS; FACSIMILE SIGNATURES

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

11. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)

Brimer agrees to comply with the reporting form requirements referenced in California Health & Safety Code § 25249.7(f).

12. <u>ADDITIONAL POST EXECUTION ACTIVITIES</u>

The Parties acknowledge that, pursuant to California Health & Safety Code § 25249.7, a

noticed motion is required to obtain judicial approval of this Consent Judgment. In furtherance of obtaining such approval, Brimer and FPC and their respective counsel agree to mutually employ their best efforts to support the entry of this agreement as a Consent Judgment and obtain approval of the Consent Judgment by the Court in a timely manner. For purposes of this section, "best efforts" shall include, at a minimum, cooperating on the drafting and filing of any papers in support of the required motion for judicial approval.

13. MODIFICATION

This Consent Judgment may be modified only: (1) by written agreement of the Parties and upon entry of a modified consent judgment by the Court thereon; or (2) upon a successful motion of any party and entry of a modified consent judgment by the Court

14. <u>AUTHORIZATION</u>

The undersigned are authorized to execute this Consent Judgment and have read, understood, and agree to all of the terms and conditions hereof.

| AGREED TO: | AGREED TO: |
|-------------------|-----------------|
| RUSSELL BRIMER | FPC CORPORATION |
| | By: Paly Karnis |
| , | Its: Sec. |
| Date: 1 - 10 - 11 | Date: 1 10 11 |
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The undersigned are authorized to execute this Consent Judgment and have read, understood, and agree to all of the terms and conditions hereof.

| AGREED TO: | AGREED TO: |
|-------------------|-----------------|
| RUSSELL BRIMER | FPC CORPORATION |
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| | By: Its: |
| Date: (- 15 - 11 | Date: |
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