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11	Attorneys for Defendants		
13	ATTWOOD CORPORATION and BRUNSWICK CORPORATION		
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16	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
17	FOR THE COUNTY OF MARIN		
18	UNLIMITED CIVIL JURISDICTION		
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20	ANTHONY E. HELD, PH.D., P.E.) Case No. CIV-1005294	
21	Plaintiff,) 	
22	vs.	AS TO ATTWOOD CORPORATION AND BRUNSWICK CORPORATION	
23	ATTWOOD CORPORATION; BRUNSWICK)	
24	CORPORATION; KOLTOV, INC.; IMPLUS FOOTCARE, LLC; ONYX CORPORATION;) Dept:	
25	VSI INTERNATIONAL, LLC; NEOPTX, LLC; and DOES 1-150, inclusive,) Judge:) Date: None set	
26	Defendants.)) Complaint Filed: October 5, 2010	
27		Complaint Filed: October 5, 2010	
28			
	PROPOSED CONS	SENT JUDGMENT	
	II		

1. <u>INTRODUCTION</u>

1.1 Anthony E. Held, Ph.D., P.E., Attwood Corporation and Brunswick Corporation

This Consent Judgment is entered into by and between plaintiff Anthony E. Held, Ph.D., P.E. ("Held" or "Plaintiff") on the one hand, and Attwood Corporation and Brunswick Corporation (collectively "Defendants"), on the other hand, with Held and Defendants collectively referred to as the "parties."

1.2 Anthony E. Held, Ph.D., P.E.

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

1.3 Attwood Corporation and Brunswick Corporation

Held alleges that Defendants each employ ten or more persons and are each persons 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

Held alleges that Defendants have manufactured, imported, distributed and/or sold bags/cases for toiletries which contain phthalates, including di(2-ethylhexyl)phthalate ("DEHP"), without the requisite Proposition 65 warnings. DEHP is on the Proposition 65 list as known to cause cancer as well as birth defects and other reproductive harm.

1.5 **Product Description**

The products that are covered by this Consent Judgment are defined as follows: bags for medical kits containing DEHP, including but not limited to, *Attwood Marine First Aid Kit*, #11835-7 (#0 22697 11835 6), sold by Defendants in California. All such bags containing DEHP are referred to hereinafter as the "Products."

1.6 Notice of Violation

On July 1, 2010, Held served Attwood Corporation, Brunswick Corporation and various public enforcement agencies, with a document entitled "60-Day Notice of Violation" (the "Notice") that provided the recipients with notice of alleged violations of California Health & Safety Code §

25249.6 for failing to warn consumers that the Products sold by Defendants, exposed users in California to DEHP. To the best of the parties' knowledge, no public enforcer has prosecuted the allegations set forth in the Notice.

1.7 Complaint

On October 5, 2010, Held filed a complaint in the Superior Court in and for the County of Marin against Attwood Corporation, Brunswick Corporation and Does 1 through 150, *Held v. Attwood Corporation*, et al., Case No. CIV-1005294 (the "Complaint"), alleging violations of California Health & Safety Code § 25249.6, based on the alleged exposures to DEHP contained in certain bags/cases for toiletries sold by Defendants.

1.8 Answer

On November 29, 2010, Defendants responded to the Complaint by filing a general denial and affirmative defenses, denying all claims alleged by Held.

1.9 No Admission

Defendants deny the material, factual and legal allegations contained in Held's Notice and Complaint and maintain that all products that they have sold, manufactured, imported and/or distributed 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 Defendants of any fact, finding, issue of law, or violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an admission by Defendants of any fact, finding, conclusion, issue of law, or violation of law. However, this section shall not diminish or otherwise affect Defendants' obligations, responsibilities, and duties under this Consent Judgment.

1.10 Consent to Jurisdiction

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

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1.11 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean January 27, 2011.

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

2.1 Reformulation Standards

Reformulated Products are defined as those Products containing DEHP in concentrations less than 0.1 percent (1,000 parts per million), in each accessible component when using a method of detection and analysis authorized under 27 C.C.R. §25900.

2.2 Product Warnings

The parties understand and agree that the Products contain interim warnings that include the following language:

WARNING: This product contains chemicals known to the

State of California to cause cancer and birth defects or other reproductive harm.

The parties agree and acknowledge that Defendants may use these warning labels for all Products currently in the stream of commerce in the State of California. Any Product not yet shipped to California from Defendants or Products that currently have no warning label affixed thereto, shall contain the following language:

WARNING: This product contains DEHP, a phthalate chemical known to the State of California to cause birth defects and other reproductive harm.

Each warning, whether interim or otherwise, shall be prominently placed with such conspicuousness as compared with other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions before purchase or use. Each warning shall be provided in a manner such that the consumer or user understands to which *specific* Product the warning applies, so as to minimize the risk of consumer confusion.

For Products sold by catalog or via the internet or by telephone to consumers in California, the preceding warning statement must be supplemented with written information advising the consumer, in a conspicuous manner, that he or she may return the Product for a full refund (including

shipping costs for both the receipt and the return of the product) within fifteen (15) days of his or her receipt of the Product.

3. PAYMENT OF PENALTIES

3.1 Initial Civil Penalty

In settlement of all the claims referred to in this Consent Judgment, Defendants shall pay \$3,000 in initial civil penalties, to be apportioned in accordance with California Health & Safety Code § 25249.12(c) and (d), with 75% of these funds remitted to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty remitted to Anthony E. Held, Ph.D., P.E. Defendants shall issue two separate checks for the penalty payment: (a) one check made payable to "The Chanler Group in Trust For OEHHA" in the amount of \$2,250, representing 75% of the total penalty; and (b) one check to "The Chanler Group in Trust for Anthony E. Held, Ph.D., P.E." in the amount of \$750, representing 25% of the total penalty. Two separate 1099s shall be issued for the above payments: (a) OEHHA, P.O. Box 4010, Sacramento, CA, 95814 (EIN: 68-0284486); and (b) Anthony E. Held, Ph.D., P.E., whose information shall be provided five calendar days before the payment is due.

Payment shall be delivered to Held's counsel on or before February 9, 2011, at the following address:

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

3.2 Final Civil Penalty

Defendants shall pay a final civil penalty of \$22,000 on January 9, 2012. As incentive to reformulate the Products, however, the final civil penalty shall be waived in its entirety if an Officer of the Defendants certifies in writing that they, as of January 1, 2012, will stop shipping Products to California, or are only selling, shipping and offering for sale in California only Reformulated Products. Such certification must be received by The Chanler Group on or before January 1, 2012 The final civil penalty payment shall be apportioned in accordance with California Health & Safety Code § 25249.12(c) and (d), with 75% of these funds remitted to the State of California's Office of

Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty remitted to Anthony E. Held, Ph.D., P.E. Defendants shall issue two separate checks for the final civil penalty payment: (a) one check made payable to "The Chanler Group in Trust For OEHHA" in the amount of \$16,500, representing 75% of the total penalty; and (b) one check to "The Chanler Group in Trust for Anthony E. Held, Ph.D., P.E." in the amount of \$5,500, representing 25% of the total penalty. Two separate 1099s shall be issued for the above payments: (a) OEHHA, P.O. Box 4010, Sacramento, CA, 95814 (EIN: 68-0284486); and (b) Anthony E. Held, Ph.D., P.E., whose information shall be provided five calendar days before the payment is due (if different than the information already provided to Defendants under Section 3.1 above).

Payment shall be delivered to Held's counsel at the following address:

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

4. REIMBURSEMENT OF ATTORNEY'S FEES AND COSTS

The parties reached an accord on the compensation due to Held and his counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure (CCP) §1021.5. Defendants shall reimburse Held and his counsel \$25,000 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 Held's future fees and costs including attorney's 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 attorney's fees and costs associated with all appellate work defending the entry of judgment pursuant to CCP § 1021.5.

Notwithstanding the foregoing, Defendants reserve the right to contest Plaintiff's request for fees in connection with such third party appeal and do not acknowledge Plaintiff's right to such fees.

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The check for reimbursement of fees and costs shall be made payable to "The Chanler Group" and shall be delivered on or before February 9, 20117, to the following address:

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

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

5. JOINT AND SEVERAL LIABILITY

Defendants shall be jointly and severally liable for the payments required under Sections 3 and 4 of this Consent Judgment.

6. RELEASE OF ALL CLAIMS

6.1 **Held's Release of Defendants**

In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to Sections 3 and 4, Held, on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees, and in the interest of the general public pursuant to Health & Safety Code § 25249.7(d), 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, and causes of action, in law or in equity, suits, liabilities, demands, obligations, agreements, promises, royalties, accountings, damages, costs, fines, penalties, losses, or expenses (including, but not limited to, investigation fees, expert fees, and attorney's fees) of any nature whatsoever, whether known or unknown, fixed or contingent (collectively "claims"), against Defendants and each of their downstream wholesalers, licensors, licensees, auctioneers, retailers, distributors, franchisees, dealers, customers, owners, purchasers, users, parent companies, corporate affiliates, subsidiaries, and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees, and sister and parent entities, (collectively "Releasees") that arise under Proposition 65, as such claims relate to the Products. The parties further understand and agree that this release shall not extend upstream to any entities that manufactured the Products for

Defendants or any component parts thereof or to any distributors or suppliers who sold the Products or any component parts thereof to Defendants.

Held also, on behalf of himself and his agents, attorneys, representatives, successors and assigns, in his individual capacity only and *not* in his representative capacity, provides a general release herein which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands of Held of any nature, character or kind, known or unknown, suspected or unsuspected, arising out of the subject matter of this dispute. Held acknowledges that he is familiar with 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 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.

Held, in his individual capacity only and *not* in his representative capacity, on behalf of himself and his agents, attorneys, representatives, successors and assigns, expressly waives and relinquishes any and all rights and benefits which he may have under, or which may be conferred on him by the provisions of Section 1542 of the California Civil Code as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that he may lawfully waive such rights or benefits pertaining to the released matters. In furtherance of such intention, the release hereby given shall be and remain in effect as a full and complete release notwithstanding the discovery or existence of any such additional or different claims or facts arising out of the released matters.

6.2 Defendants' Release of Held

Defendants, on behalf of themselves and their Releasees, waive any and all claims against Held, his attorneys, and other representatives for any and all actions taken by Held and his attorneys and other representatives, whether in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against them in this matter, and/or with respect to the Products.

7. 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 Plaintiff or his counsel pursuant to Section 3 and Section 4 above, shall be refunded within fifteen (15) days.

8. **SEVERABILITY**

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.

9. ENTIRE AGREEMENT

This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any party hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the parties.

10. 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 if any of the provisions of this Consent Judgment are rendered inapplicable or no longer require as a result of any such repeal or preemption or rendered inapplicable by reason of law generally as to the Products, then Defendants shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are so affected.

11. NOTICES

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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:

. To Defendants:

To Held:

General Counsel Brunswick Corporation 1 N. Field Court Lake Forest, IL 60045

Proposition 65 Coordinator The Chanler Group 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565

With a copy to:
Edward P. Sangster, Esq.
Ramiz I. Rafeedie, Esq.
K & L Gates LLP
Four Embarcadero Center, Ste. 1200
San Francisco, CA 94111-4024

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.

12. COUNTERPARTS; FACSIMILE SIGNATURES

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

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

Held and his attorneys agree to comply with the reporting form requirements referenced in California Health & Safety Code § 25249,7(f).

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

Held and Defendants agree to mutually employ their, and their counsel's, 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. 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, which Held shall draft and file, and Defendants shall join. If any third party objection to the noticed motion is filed, Held and Defendants shall work together to file a joint reply

1	and appear at any hearing before the Court. This provision is a material component of the Consent	
2	Judgment and shall be treated as such in the event of a breach. If the Superior Court does not	
3	approve the motion to approve this Consent Judgment, and if the parties choose not to pursue a	
4	modified Consent Judgment within 30 days after the Court's denial of the motion to approve, then,	
5	upon remittitur, all payments made pursuant to this Consent Judgment will be returned to counsel f	
6	Defendants.	
7	15. MODIFICATION	
8	This Consent Judgment may be modified only: (1) by written agreement of the parties and	
9	upon entry of a modified Consent Judgment by the Court thereon; or (2) upon a successful motion	
10	of any party and entry of a modified Consent Judgment by the Court.	
11	16. <u>AUTHORIZATION</u>	
12	The undersigned are authorized to execute this Consent Judgment on behalf of their respective	
13	parties and have read, understood, and agree to all of the terms and conditions of this Consent	
14	Judgment.	
15	AGREED TO: AGREED TO:	
16	APPROVED /	
17	Date: By Tony Held at 8:17 am, Jan 26, 2011 Date: Cunuly 25,2011	
18	By: Unihony & Held By: Sids Kell- Telistic	
19	Plaintiff, Anthony E. Held, Ph.D., P.E. Defendant, Attwood Corporation	
20		
21	AGREED TO:	
22	Date: January 252011	
23	1110711	
24	By: Defendant,	
25	Brunswick Corporation	
26		
27		