

1 **1. INTRODUCTION**

2 **1.1 John Moore and Illinois Industrial Tool, Inc.**

3 This Consent Judgment is entered into by and between plaintiff John Moore (“Moore” or
4 “Plaintiff”) and defendant Illinois Industrial Tool, Inc. (“Illinois Industrial” or “Defendant”), with
5 Plaintiff and Defendant collectively referred to as the “parties.”

6 **1.2 John Moore**

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

10 **1.3 Illinois Industrial Tool, Inc.**

11 Moore alleges that Illinois Industrial employs ten or more persons and is a person in the
12 course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of
13 1986, California Health & Safety Code § 25249.6, *et seq.* (“Proposition 65”).

14 **1.4 General Allegations**

15 Moore alleges that Illinois Industrial has manufactured, imported, distributed and/or sold:
16 (1) cases for CDs/DVDs containing lead and di(2-ethylhexyl)phthalate (“DEHP”); (2) hand tool
17 grips containing DEHP; and (3) tape measures containing lead without the requisite Proposition 65
18 warnings. DEHP and lead are on the Proposition 65 list as known to cause birth defects and other
19 reproductive harm.

20 **1.5 Product Description**

21 The products that are covered by this Consent Judgment are defined as: (1) cases for
22 CDs/DVDs containing lead and DEHP including, but not limited to, *JMK CD WALLET, #02000 (#0*
23 *39593 02000 3)*; (2) hand tool grips containing DEHP including, but not limited to, *8” Wire*
24 *Stripper, #45815 (#0 39593 45815 8)* and *6” Ladies Long Nose Pliers, #88000 (#0 39593 88000 3)*;
25 and (3) tape measures containing lead including, but not limited to, *16’ x ¼” Tape Measure, #75675*
26 *(#0 39593 75675 9)*, which are manufactured, imported, distributed, sold, and/or offered for sale by
27 Illinois Industrial in the State of California, collectively hereinafter the “Products.”
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1 **1.6 Notices of Violation**

2 On April 19, 2011, Moore served Illinois Industrial and various public enforcement agencies
3 with a document entitled “60-Day Notice of Violation” (“Notice”) that provided the recipients with
4 notice that Illinois Industrial was in violation of California Health & Safety Code § 25249.6 for
5 failing to warn consumers that its cases for CDs/DVDs exposed users in California to DEHP.

6 On December 20, 2012, Moore served Illinois Industrial and various public enforcement
7 agencies with a document entitled “Supplemental 60-Day Notice of Violation” (“Supplemental
8 Notice”) that provided the recipients with notice that Illinois Industrial was in violation of
9 California Health & Safety Code § 25249.6 for failing to warn consumers that its cases for
10 CDs/DVDs and hand tool grips exposed users in California to DEHP and that its tape measures and
11 cases for CDs/DVDs exposed users in California to lead. No public enforcer has diligently
12 prosecuted the allegations set forth in the Notice or Supplemental Notice. The Notice and
13 Supplemental Notice shall collectively be referred to hereinafter as the “Notices.”

14 **1.7 Complaint**

15 On March 14, 2013, Moore filed a complaint in the Superior Court in and for the County of
16 Santa Clara against Illinois Industrial Tool, Inc. and Does 1 through 150, *Moore v. Illinois*
17 *Industrial Tool, Inc., et al.*, Case No. 113CV242951 (the “Action”), alleging violations of California
18 Health & Safety Code § 25249.6, based on the alleged exposures to DEHP contained in certain
19 cases for CDs/DVDs and hand tool grips and lead contained in certain cases for CDs/DVDs and
20 tape measures sold by Illinois Industrial.

21 **1.8 No Admission**

22 Illinois Industrial denies the material, factual and legal allegations contained in Moore’s
23 Notices and Complaint and maintains that all products that it has sold, manufactured, imported
24 and/or distributed in California, including the Products, have been and are in compliance with all
25 laws. Nothing in this Consent Judgment shall be construed as an admission by Illinois Industrial of
26 any fact, finding, issue of law or violation of law, nor shall compliance with this Consent Judgment
27 constitute or be construed as an admission by Illinois Industrial of any fact, finding, conclusion,
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1 issue of law or violation of law. However, this section shall not diminish or otherwise affect Illinois
2 Industrial's obligations, responsibilities and duties under this Consent Judgment.

3 **1.9 Consent to Jurisdiction**

4 For purposes of this Consent Judgment only, the parties stipulate that this Court has
5 jurisdiction over Illinois Industrial as to the allegations contained in the Complaint, that venue is
6 proper in the County of Santa Clara and that this Court has jurisdiction to enter and enforce the
7 provisions of this Consent Judgment.

8 **1.10 Effective Date**

9 For purposes of this Consent Judgment, the term "Effective Date" shall mean August 1,
10 2013.

11 **2. INJUNCTIVE RELIEF: REFORMULATION AND WARNINGS**

12 **2.1 Reformulation Standards**

13 "Reformulated Products" are defined as:

- 14 (a) Products that contain a total lead content of less than or equal to 100 parts per
15 million ("ppm") when analyzed pursuant to Environmental Protection Agency
16 testing methodologies 3050B and/or 6010B in each accessible component;
- 17 (b) Products which yield no more than 1.0 micrograms of lead when analyzed
18 pursuant to NIOSH Test Method 9100 performed on any accessible component
19 (i.e. any component part that may be handled, touched or mouthed during the
20 reasonably foreseeable use or misuse by a consumer); *and*
- 21 (c) Products containing DEHP in concentrations less than 0.1 percent (1,000
22 parts per million) when analyzed pursuant to U.S. Environmental Protection
23 Agency testing methodologies 3580A and 8270C or any other methodology
24 utilized by federal or state agencies for the purpose of determining the DEHP
25 content in a solid substance.
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1 **2.2 Reformulation Commitment**

2 As of the Effective Date, all Products manufactured, imported, distributed, sold, or offered
3 for sale in the State of California by Illinois Industrial shall be Products that qualify as
4 Reformulated Products as defined in Section 2.1 above, or shall carry the Proposition 65 warnings
5 specified in Section 2.3 below.

6 **2.3 Product Warnings**

7 As of the Effective Date, all Products manufactured, imported, distributed, sold, or offered
8 for sale in the State of California that do not qualify as Reformulated Products shall contain a
9 warning label, as set forth in subsections 2.3(a) and (b). Each warning shall be prominently placed
10 with such conspicuousness as compared with other words, statements, designs or devices as to
11 render it likely to be read and understood by an ordinary individual under customary conditions
12 before purchase or use. Each warning shall be provided in a manner such that the consumer or user
13 understands to which *specific* Product the warning applies, so as to minimize the risk of consumer
14 confusion.

15 **(a) Retail Store Sales.**

16 **(i) Product Labeling.** Illinois Industrial shall affix a warning to the
17 packaging, labeling or directly on each Product provided for sale in retail outlets in California that
18 states:

19 **WARNING:** This product contains chemicals known to the
20 State of California to cause birth defects and
 other reproductive harm.

21 **(ii) Point-of-Sale Warnings.** Alternatively, Illinois Industrial may
22 provide warning signs in the form below to its customers in California with instructions to post
23 the warnings in close proximity to the point of display of the Products. Such instruction sent to
24 Illinois' customers shall be sent by certified mail, return receipt requested.

25 **WARNING:** This product contains chemicals known to the
26 State of California to cause birth defects and
 other reproductive harm.

27 Where more than one Product is sold in proximity to other like items or to those that do not
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1 **3. MONETARY PAYMENTS**

2 In settlement of all the claims referred to in this Consent Judgment, Illinois Industrial shall
3 pay a total of \$16,000 in civil penalties in accordance with this Section. Each penalty payment will
4 be allocated in accordance with California Health & Safety Code § 25249.12(c)(1) & (d), with 75%
5 of the funds remitted to the California Office of Environmental Health Hazard Assessment
6 (“OEHHA”) and the remaining 25% of the penalty remitted to Moore, as follows:

7 **3.1 Initial Civil Penalty**

8 Illinois Industrial shall pay an initial civil penalty in the amount of \$5,000 on or before
9 August 1, 2013. Illinois Industrial shall issue two separate checks to: (a) “OEHHA” in the amount
10 of \$3,750; and (b) “The Chanler Group in Trust for John Moore” in the amount of \$1,250. All
11 penalty payments shall be delivered to the addresses listed in Section 3.4 below.

12 **3.2 Final Civil Penalty**

13 Illinois Industrial shall pay a final civil penalty of \$11,000 on or before February 28, 2014.
14 The final civil penalty shall be waived in its entirety, however, if, no later than February 15, 2014,
15 an officer of Illinois Industrial provides Moore with written certification that, as of the date of such
16 certification and continuing into the future, Illinois Industrial has met the reformulation
17 commitment specified in Section 2.2 above, such that all Products manufactured, imported,
18 distributed, sold and offered for sale in California by Illinois Industrial are Reformulated Products.
19 Moore must receive any such certification on or before February 15, 2014. The certification in lieu
20 of a final civil penalty payment provided by this Section is a material term, and time is of the
21 essence. Unless the final civil penalty is waived, Illinois Industrial shall issue two separate checks
22 for its final civil penalty payments to: (a) “OEHHA” in the amount of \$8,250; and (b) “The Chanler
23 Group in Trust for John Moore” in the amount of \$2,750.

24 **3.3 Reimbursement of Fees and Costs**

25 The parties acknowledge that Moore and his counsel offered to resolve this dispute without
26 reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving this fee
27 issue to be resolved after the material terms of the agreement had been settled. Moore then
28 expressed a desire to resolve the fee and cost issue shortly after the other settlement terms had been

1 finalized. The parties then attempted to (and did) reach an accord on the compensation due to
2 Moore and his counsel under general contract principles and the private attorney general doctrine
3 codified at California Code of Civil Procedure § 1021.5, for all work performed through the mutual
4 execution of this agreement. Illinois Industrial shall pay \$27,000 for fees and costs incurred as a
5 result of investigating, bringing this matter to Illinois Industrial's attention, and negotiating a
6 settlement in the public interest. Illinois Industrial shall issue a separate 1099 for fees and costs
7 (EIN: 94-3171522), shall make the check payable to "The Chanler Group" and shall deliver
8 payment on or before August 1, 2013, to the address listed in Section 3.4.1(a) below.

9 **3.4 Payment Procedures**

10 **3.4.1. Issuance of Payments.** Payments shall be delivered as follows:

11 (a) All payments owed to Moore, pursuant to Sections 3.1 through 3.3, shall
12 be delivered to the following payment address:

13 The Chanler Group
14 Attn: Proposition 65 Controller
15 2560 Ninth Street
16 Parker Plaza, Suite 214
17 Berkeley, CA 94710

18 (b) All payments owed to OEHHA (EIN: 68-0284486), pursuant to Sections
19 3.1 through 3.3, shall be delivered directly to OEHHA (Memo line "Prop
20 65 Penalties") at the following addresses:

21 For United States Postal Service Delivery:

22 Mike Gyrics
23 Fiscal Operations Branch Chief
24 Office of Environmental Health Hazard Assessment
25 P.O. Box 4010
26 Sacramento, CA 95812-4010

27 For Non-United States Postal Service Delivery:

28 Mike Gyrics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
1001 I Street
Sacramento, CA 95814

1 With a copy of the checks payable to OEHHA mailed to The Chanler
2 Group at the address set forth above in 3.4.1(a), as proof of payment to
3 OEHHA.

4 **3.4.2 Issuance of 1099 Forms.** After each penalty payment, Illinois Industrial
5 shall issue separate 1099 forms for each payment to Moore, whose address and tax identification
6 number shall be furnished upon request after this Consent Judgment has been fully executed by the
7 Parties, and OEHHA at the addresses listed in Section 3.4.1 above.

8 **4. CLAIMS COVERED AND RELEASED**

9 **4.1 Moore's Public Release of Proposition 65 Claims**

10 Moore acting on his own behalf and in the public interest releases Illinois Industrial from all
11 claims for violations of Proposition 65 up through the Effective Date based on exposure to DEHP
12 and lead from the Products as set forth in the Notices. Compliance with the terms of this Consent
13 Judgment constitutes compliance with Proposition 65 with respect to exposures to DEHP and lead
14 from the Products as set forth in the Notices.

15 **4.2 Moore's Individual Release of Claims**

16 Plaintiff also, in his individual capacity only and *not* in his representative capacity, provides
17 a release herein which shall be effective as a full and final accord and satisfaction, as a bar to all
18 actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims,
19 liabilities and demands of plaintiff of any nature, character or kind, whether known or unknown,
20 suspected or unsuspected, limited to and arising out of alleged or actual exposures to DEHP and
21 lead in the Products manufactured, distributed or sold by Illinois Industrial, as well as any claims
22 against Illinois Industrial for any other violations of Proposition 65 that Plaintiff knew about on or
23 before the Effective Date.

24 **4.3 Illinois Industrial's Release of Moore**

25 Illinois Industrial on behalf of itself, its past and current agents, representatives, attorneys,
26 successors and/or assignees, hereby waives any and all claims against Moore, his attorneys and
27 other representatives, for any and all actions taken or statements made (or those that could have
28 been taken or made) by Moore and his attorneys and other representatives, whether in the course of

1 investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter with
2 respect to the Products.

3 **5. COURT APPROVAL**

4 This Consent Judgment is not effective until it is approved and entered by the Court and
5 shall be null and void if, for any reason, it is not approved and entered by the Court within one year
6 after it has been fully executed by all parties.

7 **6. SEVERABILITY**

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

11 **7. GOVERNING LAW**

12 The terms of this Consent Judgment shall be governed by the laws of the State of California
13 and apply within the State of California. In the event that Proposition 65 is repealed, preempted or
14 is otherwise rendered inapplicable by reason of law generally, or if any of the provisions of this
15 Consent Judgment are rendered inapplicable or no longer require as a result of any such repeal or
16 preemption or rendered inapplicable by reason of law generally as to the Products, then Illinois
17 Industrial shall provide written notice to Moore of any asserted change in the law, and shall have no
18 further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the
19 Products are so affected. Nothing in this Consent Judgment shall be interpreted to relieve Illinois
20 Industrial from any obligation to comply with any pertinent state or federal toxics control law.

21 **8. NOTICES**

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

To John Moore:

2 Michael T. Stengel, General Manager
3 Illinois Industrial Tool, Inc.
4 8811 South 77th Avenue
Bridgeview, IL 60455

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

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

7 **9. COUNTERPARTS; FACSIMILE AND PDF SIGNATURES**

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

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

12 Moore and his attorneys agree to comply with the reporting form requirements referenced in
13 California Health & Safety Code § 25249.7(f).

14 **11. ADDITIONAL POST EXECUTION ACTIVITIES**

15 Moore and Illinois Industrial agree to mutually employ their best efforts to support the entry
16 of this agreement as a Consent Judgment and obtain approval of the Consent Judgment by the Court
17 in a timely manner. The parties acknowledge that, pursuant to California Health & Safety Code
18 § 25249.7, a noticed motion is required to obtain judicial approval of this Consent Judgment, which
19 Moore shall draft and file, and Illinois Industrial shall join. If any third party objection to the
20 noticed motion is filed, Moore and Illinois Industrial shall work together to file a joint reply and
21 appear at any hearing before the Court. This provision is a material component of the Consent
22 Judgment and shall be treated as such in the event of a breach.

23 **12. MODIFICATION**

24 This Consent Judgment may be modified only: (1) by written agreement of the parties and
25 upon entry of a modified Consent Judgment by the Court thereon; or (2) upon a successful motion
26 of any party and entry of a modified Consent Judgment by the Court.

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13. AUTHORIZATION

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

AGREED TO:

AGREED TO:

Date: August 1, 2013

Date: _____

By: 
John Moore

By: _____
Michael T. Stengel, General Manager
Illinois Industrial Tool, Inc.

1 **13. AUTHORIZATION**

2 The undersigned are authorized to execute this Consent Judgment on behalf of their
3 respective parties and have read, understood and agree to all of the terms and conditions of this
4 Consent Judgment.

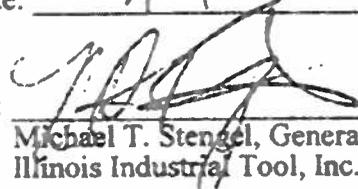
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6 **AGREED TO:**

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8 Date: _____

9
10 By: _____
 John Moore

AGREED TO:

11 Date: 7/29/13 _____

12 By:  _____
 Michael T. Stengel, General Manager
 Illinois Industrial Tool, Inc.