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2	THE CHANLER GROUP 2560 Ninth Street				
3	Parker Plaza, Suite 214 Berkeley, CA 94710 Talanhara: (510) 848,8880				
4	Telephone: (510) 848-8880 Facsimile: (510) 848-8118				
5	Attorneys for Plaintiff ANTHONY E. HELD, Ph.D., P.E.				
6	ANTHON L. HELD, I II.D., I .L.				
7	SUPERIOR COURT OF THE STATE OF CALIFORNIA				
8	FOR THE CC	OUNTY OF MARIN			
9					
10	UNLIMITED CIVIL JURISDICTION				
11	ANTHONY E. HELD, Ph.D., P.E.,	Case No. CIV1104851			
12	Plaintiff,				
13	V.	[PROPOSED] CONSENT JUDGMENT			
14	THE HILSINGER COMPANY; and DOES 1				
15	through 150, inclusive,				
16	Defendants.				
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-	[PROPOSED] CONSENT JUDGMENT				

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1. INTRODUCTION

1.1 Anthony E. Held, Ph.D., P.E., and The Hilsinger Company

This Consent Judgment is entered into by and between plaintiff Anthony E. Held, Ph.D., P.E., (hereinafter "Dr. Held" or "Plaintiff") and defendant The Hilsinger Company (hereinafter "Hilsinger" or "Defendant"), with Plaintiff and Defendant collectively referred to as the "Parties" and each individually referred to as a "Party."

1.2 Plaintiff

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

1.3 Defendant

Hilsinger 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.* (hereinafter "Proposition 65").

1.4 General Allegations

Dr. Held alleges that Hilsinger manufactured, distributed and/or sold cases and bags for eyewear products and accessories containing di(2-ethylhexyl)phthalate (hereinafter "DEHP") in the State of California without the requisite health hazard warnings. DEHP is listed pursuant to Proposition 65 as known to the State of California to cause birth defects and other reproductive harm.

1.5 Product Description

The products that are covered by this Consent Judgment are defined as follows: cases and bags for eyewear products and accessories, including cases for lens wipes, manufactured, distributed, and/or sold in the State of California by Hilsinger such as the *Shield 12 Count Lens Wipes, Part No. 34/410 (#0 10164 45322 2)*, hereinafter the "Products."

1.6 Notice of Violation

On May 11, 2011, Dr. Held served Hilsinger and various public enforcement agencies with a document entitled "60-Day Notice of Violation" (hereinafter "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 exposed users in California to DEHP.

1.7 Complaint

On or about September 30, 2011, Dr. Held, who was and is acting in the interest of the general public in California, filed, or will file, a complaint (hereinafter "Complaint" or "Action") in the Superior Court in and for the County of Marin against The Hilsinger Company and Does 1 through 150, alleging, *inter alia*, violations of California Health & Safety Code §25249.6 based on the alleged exposures to DEHP contained in the Products.

1.8 No Admission

Hilsinger denies the material factual and legal allegations contained in Dr. Held's Notice and Complaint, and maintains that all Products sold and distributed in California have been and are in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission by Hilsinger 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 Hilsinger of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Hilsinger. However, this section shall not diminish or otherwise affect Hilsinger's obligations, responsibilities, and duties 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 Hilsinger 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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1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date this Consent Judgment is approved by the court.

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

2.1 Reformulation Standards

For purposes of this Consent Judgment, "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 analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or any other methodology utilized by federal or state agencies for the purpose of determining DEHP content in a solid substance. Although the Parties disagree as to whether any of the Products that yield more than 1,000 parts per million of DEHP in a phthalate test may result in exposure of DEHP to users of the Products in excess of the applicable maximum allowable dose levels ("MADL") pursuant to Proposition 65, the Parties agree that exposure to Reformulated Products will not require a Proposition 65 warning, as such exposures will not result in an exposure of more than the applicable MADL for DEHP as a chemical know to cause reproductive harm. For the purposes of this Section 2.1, the term "Accessible Component" means a polyvinyl chloride or other soft plastic vinyl or synthetic or leather component of a Product that could be touched by a person during reasonably foreseeable use.

As of the Effective Date, Hilsinger shall manufacture, import, distribute sell and/or offer for sale in California, only Products that qualify as Reformulated Products or that include warnings in accordance with Section 2.2 below.

Compliance with the terms of this Consent Judgment by Hilsinger constitutes compliance with Proposition 65 with respect to DEHP in Hilsinger's Products.

2.2 Warning Requirement

Commencing on the Effective Date Hilsinger shall, for all Products sold in California that are not Reformulated Products, provide clear and reasonable warnings as set forth in subsections 2.2(a) and (b). Each warning shall be prominently placed with such conspicuousness, as

1	compared with other words, statements, designs, or devices as to render it likely to be read and			
2	understood by an ordinary individual under customary conditions before purchase or use. Each			
3	warning shall be provided in a manner such that the consumer or user understands to which			
4	specific Product the warning applies, so as to minimize the risk of consumer confusion.			
5	(a) Retai	l Store Sales.		
6	(i)	Product Labeling. Hilsinger shall affix a warning to the		
7	packaging, labeling, or directly on each Product sold in retail outlets in California by HIlsinger or			
8	any person selling the Products, that states:			
9 10	WARNING:	This product contains DEHP, a phthalate chemical known to the State of California to cause birth defects and other reproductive		
11	warning signs in the form below to its customers in California with instructions to post the			
12				
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14	warnings in close proximity to the point of display of the Products. Such instruction sent to			
15	Hilsinger's customers shall be sent by certified mail, return receipt requested.			
16 17	WARNING:	This product contains DEHP, a phthalate chemical known to the State of California to cause birth defects and other reproductive harm.		
18	Where more than one Product is sold in proximity to other like items or to those			
19	that do not require a warnin	g (e.g., Reformulated Products as defined in Section 2.1), the		
20	following statement shall be used: ¹			
21	WARNING:	This product contains DEHP, a phthalate		
22		chemical known to the State of California to cause birth defects and other reproductive		
23		harm.		
24		[list products for which warning is required]		
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26		_		
27	For purposes of the Consent Judgment, "sold in proximity" shall mean that the Product and another similar product are offered for sale close enough to each other that the consumer, under customary conditions of purchase,			
28	could not reasonably determine which of the two products is subject to the warning sign.			

(b) Mail Order Catalog and Internet Sales.

In the event that Hilsinger sells Products via mail order catalog or internet to customers located in California after the Effective Date that are not Reformulated Products, Hilsinger shall provide a warning for Products sold via mail order catalog or the internet to California residents:

(1) in the mail order catalog; or (2) on the internet. Warnings given in the mail order catalog or on the internet shall identify the specific Product to which the warning applies as further specified in Sections 2.2(b)(i) and (ii).

(i) Mail Order Catalog Warning. Any warning provided in a mail order catalog must be in the same type size or larger than the Product description text within the catalog. The following warning shall be provided on the same page and in the same location as the display and/or description of the Product:

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

Where it is impracticable to provide the warning on the same page and in the same location as the display and/or description of the Product, Hilsinger may utilize a designated symbol to cross reference the applicable warning and shall define the term "designated symbol" with the following language on the inside of the front cover of the catalog or on the same page as any order form for the Product(s):

WARNING: Certain products identified with this symbol ▼ and offered for sale in this catalog contain DEHP, a phthalate chemical known to the State of California to cause birth defects and other reproductive harm.

The designated symbol must appear on the same page and in close proximity to the display and/or description of the Product. On each page where the designated symbol appears, Hilsinger must provide a header or footer directing the consumer to the warning language and definition of the designated symbol.

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If Hilsinger elects to provide warnings in the mail order catalog, then the warnings must be included in all catalogs offering to sell one or more Products printed after the Effective Date.

(ii) Internet Warning. A warning may be given in conjunction with the sale of the Products via the internet, provided it appears either: (a) on the same web page on which a Product is displayed; (b) on the same web page as the order form for a Product; (c) on the same page as the price for any Product; or (d) on one or more web pages displayed to a purchaser during the checkout process. The following warning statement shall be used and shall appear in any of the above instances adjacent to or immediately following the display, description, or price of the Product for which it is given in the same type size or larger than the Product description text:

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

Alternatively, the designated symbol may appear adjacent to or immediately following the display, description, or price of the Product for which a warning is being given, provided that the following warning statement also appears elsewhere on the same web page, as follows:

WARNING: Products identified on this page with the following symbol ▼ contain DEHP, a phthalate chemical known to the State of California to cause birth defects and other reproductive harm.

3. MONETARY PAYMENTS

3.1 <u>Initial Civil Penalty.</u>

Hilsinger shall pay an initial civil penalty of \$5,000 to be apportioned in accordance with California Health & Safety Code § 25249.12(c)(1) and (d), with 75% of these funds remitted to the State of California's Office of Environmental Health Hazard Assessment and the remaining 25% of the initial civil penalty to Dr. Held, as provided by California Health & Safety Code § 25249.12(d).

3.2 Final Civil Penalty.

Hilsinger shall pay a final civil penalty of \$8,000 on or before May 31, 2012. However, the Final Civil Penalty shall be waived in its entirety if Hilsinger certifies in writing, via a signed declaration from an appropriate Hilsinger employee, that all Products sold or shipped into California from May 1, 2012 and after shall be Reformulated Products as defined in Section 2.1, above.

3.3 Reimbursement of Plaintiff's Fees and Costs

The Parties acknowledge that Dr. Held 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. Hilsinger 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 Dr. Held and his counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure section 1021.5, for all work performed in this matter, except fees that may be incurred on appeal. Under these legal principles, Hilsinger shall pay the amount of \$32,000 for fees and costs incurred investigating, litigating and enforcing this matter, including the fees and costs incurred (and yet to be incurred) negotiating, drafting, and obtaining the Court's approval of this Consent Judgment in the public interest.

3.4 Payment Procedures

(a) Funds Held In Trust: All payments required by Sections 3.1 and 3.3 shall be delivered on or before October 15, 2011, to either The Chanler Group or the attorney of record for Hilsinger, and shall be held in trust pending the Court's approval of this Consent Judgment.

Payments delivered to The Chanler Group shall be made payable, as follows:

- (i) One check made payable to "The Chanler Group in Trust for OEHHA" in the amount of \$3,750;
- (ii) One check made payable to "The Chanler Group in Trust for Dr.

could have been asserted by Dr. Held against Hilsinger, its parents, subsidiaries, affiliated

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representatives, shareholders, agents and each entity to whom Hilsinger directly or indirectly distributes or sells Products, including but not limited to past and present downstream distributors, wholesalers, customers, retailers, franchisees, auctioneers, dealers, cooperative members, licensors, licensees, 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 (collectively "Releasees"), based on their failure to warn about alleged exposures to DEHP contained in the Products, limited to and arising under the May 11, 2011 Notice, that were manufactured, distributed, sold or offered for sale by Hilsinger.

4.2 Dr. Held's Public Release of Proposition 65 Claims

In further consideration of the promises and agreements herein contained, including without limitation the payments to be made pursuant to Sections 3.1, 3.2 and 3.3 above, Dr. Held 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, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses -- including, but not limited to, investigation fees, expert fees, and attorneys' fees, but exclusive of fees and costs on appeal whether fixed or contingent, limited to and arising under the May 11, 2011 Notice with respect to DEHP in the Products sold by Hilsinger (collectively "claims"), against Hilsinger and Releasees.

4.3 Dr. Held's Individual Release of Claims

Dr. Held also, in his individual capacity only and *not* in his representative capacity, provides a 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 Dr. Held of any nature, character or kind, whether known or

unknown, suspected or unsuspected, limited to and arising out of alleged or actual exposures to DEHP in the Products manufactured, distributed or sold by Hilsinger.

4.4 Hilsinger's Release of Dr. Held

Hilsinger on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives any and all claims against Dr. Held, his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Dr. Held and his attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter with respect to the Products.

5. 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 Dr. Held or his counsel pursuant to Section 3 above, shall be refunded within fifteen (15) days after the one-year period has expired.

6. 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.

7. **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 or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Hilsinger shall provide written notice to Dr. Held 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.

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8. 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 Hilsinger:

Joshua A. Bloom Barg, Coffin, Lewis & Trapp, LLP 350 California Street, 22nd Floor San Francisco, CA 94104-1435

With a copy to:

Robert Nahmias The Hilsinger Company 33 West Bacon Street Plainville, MA 02762

To Dr. Held:

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

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.

9. <u>COUNTERPARTS; FACSIMILE SIGNATURES</u>

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.

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

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

11. ADDITIONAL POST EXECUTION ACTIVITIES

Dr. Held shall prepare and file all documents necessary to obtain Court approval of this Consent Judgment. The Parties acknowledge that, pursuant to Health & Safety Code § 25249.7,

1 a Motion to Approve the Agreement ("Noticed Motion") is required to obtain judicial approval 2 of this Consent Judgment. Dr. Held shall make best efforts to provide to Hilsinger for review 3 no later than thirty (30) days after the Complaint is filed a draft Motion to Approve the Consent 4 Judgment and supporting papers, and shall make best efforts to file such motion and supporting 5 papers no later than forty (40) days after the Complaint is filed. In furtherance of obtaining 6 such approval, Dr. Held, Hilsinger, and their respective counsel, agree to mutually employ their 7 best efforts, including at a minimum that Hilsinger join in or file a joinder in the Noticed 8 Motion and participate in any oral argument before the Court on the hearing of the Noticed 9 Motion, to support the entry of this agreement as a Consent Judgment and obtain approval of the 10 Consent Judgment by the Court in a timely manner. 11 **12. MODIFICATION** 12 This Consent Judgment may be modified only: (1) by written agreement of the parties 13 and upon entry of a modified Consent Judgment by the Court thereon; or (2) upon a successful 14 motion of any party and entry of a modified Consent Judgment by the court. 15 **13. AUTHORIZATION** 16 The undersigned are authorized to execute this Consent Judgment on behalf of their 17 respective parties and have read, understood, and agree to all of the terms and conditions of this 18 Consent Judgment. //// 19 20 //// 21 //// 22 //// 23 ////

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14. 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.

	AGREED TO:		AGREED TO:
Date	: 10/7/11	Date:	
By:	Unihory & Kell- Plaintiff ANTHONY E. HELD, Ph.D., P.E.	By:	Defendant THE HILSINGER COMPANY

14. ENTIRE AGREEMENT

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	AGREED TO:		AGREED TO:
Date:		Date	: 10/12/11
Ву:	Plaintiff ANTHONY E. HELD, Ph.D., P.E.	Ву:	Defendant THE HILSINGER COMPANY ROBELT T. NAMMAS