1 2	LAW OFFICES OF STEPHEN URE, PC STEPHEN URE, ESQ. (CSB# 188244) 1518 Sixth Avenue		
3	San Diego, CA 92101 Telephone: (619) 235-5400		
4	Facsimile: (619) 235-5404		
5	Attorneys for Plaintiff MAUREEN PARKER		
6			
7	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
8	COUNTY OF SAN DIEGO		
9	COUNTI OF SAN DIEGO		
10	MALIDEEN DADVED	Case No. xxxxxxxxxxx	
11	MAUREEN PARKER,	Cube 170, Amaminimum	
12	Plaintiff,	CONSENT JUDGMENT [PROPOSED]	
13	V.		
14	DYNO LLC d/b/a DYNO MERCHANDISE		
15	Defendant.		
16			
17			
18	1. INTRODUCTION		
19	1.1 On September xx, 2011, Plaintiff Maureen Parker ("Parker") filed a complaint		
20	("Complaint") in San Diego County Superior Court, entitled Maureen Parker v. DYNO LLC, in		
21	San Diego County Superior Court Case Number, for civil penalties and		
22	injunctive relief pursuant to the provisions of California Health & Safety Code §25249.5 et seq.		
23	("Proposition 65").		
24	1.2 The parties to this Consent Judgment ("Parties") are Parker and Defendant DYNO		
25	LLC, d/b/a Dyno Merchandise ("DYNO"), a company that employs 10 or more persons.		
26	1.3 On or about July 11, 2011, Parker served DYNO and the appropriate public		
27	enforcement agencies with a pre-suit notice ("60 Day Notice") pursuant to Health and Safety		
28		1 -	
DOCUMENT PREPARED ON RECYCLED PAPER	90162826.6 CONSENT JUDGMENT [PROPOSED]		

Code Section 25249.7(d), alleging that DYNO was in violation of Proposition 65. Parker's 60 Day Notice and the Complaint in this Action allege that DYNO has exposed persons to lead from safety pins without first providing clear and reasonable warnings. Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer, birth defects and other reproductive harm. The 60 Day Notice and Complaint allege that DYNO's conduct violates Health & Safety Code §25249.6, the warning provision of Proposition 65.

- 1.4 For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the subject matter of the violations alleged in the Complaint and personal jurisdiction over DYNO as to the acts alleged in the Complaint, that venue is proper in the County of San Diego, and that this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims which were or could have been raised in the Complaint based on the facts alleged therein.
- 1.5 DYNO denies the material factual and legal allegations contained in Parker's notice and in the Complaint. This Consent Judgment resolves claims that are denied and disputed by DYNO. The Parties enter into this Consent Judgment pursuant to a full and final settlement and resolution of any and all claims between the Parties for the purpose of avoiding prolonged litigation. By executing this Consent Judgment, the Parties do not admit any facts or conclusions of law. It is the Parties' intent that nothing in this Consent Judgment shall be construed as an admission by the Parties of any fact, conclusion of law, issue of law or violation of law, nor shall compliance with the Consent Judgment constitute or be construed as an admission by the Parties of any fact, conclusion of law, issue of law. Nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy, argument or defense the Parties may have in this or any other or future legal proceedings.

### 2. **DEFINITIONS**

2.1 The term "Covered Products" means Singer Safety Pins, including but not limited to UPC #s075691002213 and 075691002053, as well as 075691002060, 075691002244, 075691002251, 075691002268, 075691002947, 075691002961, 075691003029, 075691003043, 075691070717, 075691070748, 075691074609, 075691074708, 075691074807 07569003050,

90162826.6

07569003081, 075691032036, 075691001629, and 075691001636, which DYNO distributes for sale within the State of California.

2.2 The term "Effective Date" means the date on which this [Proposed] Consent Judgment is entered by the Court.

# 3. INJUNCTIVE RELIEF

- 3.1 A Covered Product shall either be a) reformulated pursuant to Section 3.2 or b) labeled with a warning as provided in Section 3.3. In addition, Covered Products that are reformulated pursuant to Section 3.2 and manufactured subsequent to 90 days after the Effective Date shall include on or in their packaging the date on which that product line was initially tested for compliance with the reformulation standards set forth in Section 3.2.
- Reformulation. A Covered Product shall be deemed to comply with Proposition 65 with regard to lead and be exempt from any Proposition 65 warning requirements for lead if the Covered Product does not exceed (a) 300 ppm lead by weight for Covered Products manufactured subsequent to 90 days after the Effective Date but before January 1, 2013; and (b) 100 ppm lead by weight for Covered Products manufactured on or subsequent to January 1, 2013.
- after the Effective Date that does not meet the applicable reformulation level of Section 3.2 shall contain a warning affixed to or printed on the Covered Product's packaging or labeling. The warning shall be displayed with such conspicuousness, as compared with other words, statements, designs, or devices on the Covered Product, or its packaging or labeling, as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use. The warning requirement shall not apply to any Covered Products that are already in the stream of commerce prior to or as of 90 days after the Effective Date. A warning provided under this Section shall state:

"WARNING: This product contains chemicals known to the State of California to cause birth defects or other reproductive harm."

90162826.6

## 4. SETTLEMENT PAYMENTS

- 4.1 In settlement and final resolution of all the claims referred to in this Consent Judgment, DYNO shall pay a settlement amount of \$25,000.00 to Parker, to be allocated by Parker as follows:
  - Code Section 25249.7(b). Pursuant to Health and Safety Code Section 25192.DYNO shall issue two separate checks for the payment: (1) one check made payable to ["The Law Offices of Stephen Ure, PC, in Trust for OEHHA"] in the amount of \$1,875.00 representing 75% of the civil penalty, and (2) one check made payable to ["The Law Offices of Stephen Ure, PC, in Trust for Maureen Parker"] in the amount of \$625.00 representing 25% of the civil 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) Maureen Parker, whose information shall be provided five calendar days before the payment is due.
  - 4.1.2 Attorneys' Fees and Costs: The parties reached an accord on the compensation due to Parker and her counsel under the private attorney general doctrine. Under these legal principles, DYNO shall reimburse Parker's counsel \$22,500.00 for their investigation fees and costs, attorneys' fees, and any other costs incurred as a result of investigating, bringing this matter to DYNO's attention, litigating and negotiating a settlement in the public interest, pursuant to Code of Civil Procedure Section 1021.5. This payment shall be issued in a third and separate check made payable to "Law Offices of Stephen Ure, PC" to be held in a client trust account until entry of this Consent Judgment by the court.
  - 4.2 **Timing of payments.** DYNO shall deliver the payments required under this section to the address set forth in Section 13 within ten days after the execution of this Consent Judgment by both parties, to be held in a client trust account. All amounts, penalties and attorneys fees and costs, shall remain in the trust account until this Consent Judgment has been entered by the court. Upon entry of this Consent Judgment, The Law Offices of Stephen Ure,

9

8

11

12

10

13

14

15

16

17 18

19

20 21

22

23 24

25

26

27

28

P.C. shall disburse the funds in the trust account to OEHHA, plaintiff, and plaintiff's counsel in accordance with Sections 4.1.1 and 4.1.2 as specified above.

#### RELEASE OF ALL CLAIMS 5.

Release of DYNO and Downstream Customers. This Consent Judgment is a 5.1 full, final and binding resolution between Parker on behalf of herself and the public interest and DYNO, and its parents, shareholders, divisions, subdivisions, subsidiaries, partners, sister companies, and affiliates, and their successors and assigns, and each of their officers, directors, attorneys, representatives, shareholders, agents and employees ("Defendant Releasees"), all entities to whom they directly or indirectly distribute or sell Covered Products, including but not limited to distributors, wholesalers, customers, retailers (including but not limited to Sears, K-Mart, CVS, and Rite-Aid), franchisees, cooperative members, auctioneers, dealers, owners, purchasers, users, and Defendant Releasee's licensors and licensees ("Downstream Defendant Releasees"), of any alleged violation of Proposition 65 that was or could have been asserted in the Complaint against DYNO, Defendant Releasees, and Downstream Defendant Releasees, based on failure to warn about alleged exposure to lead contained in any Covered Products manufactured prior to 90 days after the Effective Date.

In further consideration of the promises and agreements herein contained, the 5.2 injunctive relief commitments set forth in Section 3, and for the payments to be made pursuant to Section 4, Parker, on behalf of herself, her 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) of any nature whatsoever, whether known or unknown, fixed, or contingent (collectively "claims"), against the Defendant Releasees and the Downstream Defendant Releasees. This release applies to any claims that arise under Proposition 65 with respect to any chemicals listed under Proposition 65 in any products manufactured, distributed, or sold by DYNO as such claims relate to the alleged failure to warn - 5 -90162826.6

under Health & Safety Code Section 25249.6. Notwithstanding any other provision in this Consent Judgment, the release of claims by the general public is limited to those claims made in the 60 Day Notice. In furtherance of the foregoing, Parker, acting on behalf of herself and the general public, hereby waives any and all rights and benefits which it now has, or in the future may have, conferred upon it with respect to the Covered Products by virtue of the provisions of 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 FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

Parker understands and acknowledges that the significance and consequence of this waiver of California Civil Code Section 1542 is that even if Parker or any member of the general public suffers future damages arising out of or resulting from, or related directly or indirectly to, in whole or in part, the Covered Products, it will not be able to make any claim for those damages against Defendant Releasees or Downstream Defendant Releasees or any other person in the course of business involving the Covered Products and the successors and assigns of any of them, who may manufacture, use, maintain, distribute or sell the Covered Products. Furthermore, Parker acknowledges that she intends these consequences for any such claims which may exist as of the date of this release but which Parker does not know exist, and which, if known, would materially affect her decision to enter into this Consent Judgment, regardless of whether her lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

- 5.3 On behalf of itself and Defendant Releasees, DYNO waives all rights to institute any form of action against Parker, her attorneys, consultants, and representatives for all actions taken or statements made in the course of this Action prior to the date of the execution of this Consent Judgment.
- 5.4 Compliance with the terms of this Consent Judgment by DYNO shall constitute compliance with Proposition 65 with respect to lead in any Covered Products that are manufactured, shipped, or sold by DYNO subsequent to 90 days after the Effective Date.

6.1 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.

- 6.2 If the Court does not approve the Consent Judgment, the Parties shall meet and confer as to whether to modify the terms of this Consent Judgment or appeal the ruling. If the Parties do not jointly agree on a course of action to take, the case shall proceed on its normal course on the trial court's calendar.
- 6.3 If the Court approves this Consent Judgment and is reversed or vacated by an appellate court, the Parties shall meet and confer as to whether to modify the terms of this Consent Judgment. If the Parties do not jointly agree on a course of action to take, any monies that have been paid to Plaintiff and/or Plaintiff's counsel pursuant to Section 4 shall be refunded within 15 days after remittitur to the trial court, and the case shall proceed on its normal course on the trial court's calendar.

### 7. ENFORCEMENT

7.1 Any Party may, by motion or application for an order to show cause before this Court, enforce the terms and conditions contained in this Consent Judgment. A Party may enforce any of the terms and conditions of this Consent Judgment only after that Party first provides 30 days notice to the Party allegedly failing to comply with the terms and conditions of this Consent Judgment and attempts to resolve such Party's failure to comply in an open and good faith manner.

## 8. MODIFICATION

8.1 This Consent Judgment may be modified from time to time by express written agreement of the Parties, with the approval of the Court, or by an order of this Court upon motion and in accordance with law. A Party seeking to modify this Consent Judgment shall attempt in good faith to meet and confer with all affected Parties prior to filing a motion to modify the Consent Judgment.

6

9

10 11

12 13

14 15

16

17 18

19 20

21 22

23

24 25

26 27

28

ACCURACY OF SALES DATA 9.

DYNO understands that the sales data provided to counsel for Parker by DYNO was a material factor upon which Parker has relied to determine the amount of payments made pursuant to Health and Safety Code §25249.7(b) under this Agreement. DYNO represents that the sales data provided to plaintiff is true and accurate.

#### ENTIRE AGREEMENT 10.

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, or understandings related thereto, if any, are hereby merged herein and therein. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Consent Judgment have been made by any Party hereto. No supplementation, modification, waiver, or termination of this Consent Judgment shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of this Consent Judgment shall be deemed or shall constitute a waiver of any of the other provisions hereof whether or not similar, nor shall such waiver constitute a continuing waiver.

### GOVERNING LAW AND APPLICATION 11.

- The terms of this Consent Judgment shall be governed by the laws of the State of 11.1 California and shall apply within the State of California. In the event that Proposition 65 is repealed or otherwise rendered inapplicable by reason of law generally, or as to the Covered Products, then DYNO shall provide written notice to Parker of any asserted change in the law, and shall have no further obligations pursuant to this Settlement Agreement with respect to, and to the extent that, the Covered Products are so affected.
- This Consent Judgment shall apply to and be binding upon Parker and DYNO and its divisions, subdivisions, and subsidiaries, and the Parties' successors and assigns.
- The Parties, including their counsel, have participated in the preparation of this Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties. This Consent Judgment was subject to revision and modification by the Parties and has been accepted and approved as to its final form by all Parties and their counsel. Accordingly, any uncertainty or 90162826.6

1	ambiguity existing in this Consent Judgment shall not be interpreted against any Party as a result			
2	of the manner of the preparation of this Consent Judgment.			
3				
4		this matter to implement, modify, and		
		•		
5				
6		nsent Judgment and correspondence shall		
7		noent vaagment and correspond		
8	be sent to the following:			
9	9 For Parker:			
10	0			
11	Law Offices of Stephen Ure, PC 1518 Sixth Avenue			
12	San Diego, CA 92101			
13	For DYNO:			
14	II JIII 1410 J IIII LAI			
15	DYNO Merchandise 1571 W. Copans Rd., Suite 105, Pompano Beach, FL 33064-1513			
16	With a copy to:			
17	Andrea Sumits			
18	Holland & Knight LLP 50 California Street, Suite 2800			
19	San Francisco, CA 94111			
20				
21	<b>11</b>	effective upon entry by the Court. Parker		
22	shall prepare and file a Motion for Approval of this Consent Judgment pursuant to Health and			
23	Safety Code Section 25249.7(f).			
24	11	ved by the Court, it shall be of no further		
25	force or effect, and shall not be introduced into eviden	ce or otherwise used in any proceeding for		
26	any purpose.			
27	27			
28	[i			
RED	90162826.6 - 9 - CONSENT JUDGMENT [	PROPOSED]		
PER	CONSENT TOD SIMBATE	•		

#### ATTORNEY'S FEES 15.

j

2

3

5

6

7

9

10

11 12

13

14

15

16

17 18

19

15.1 A party who unsuccessfully brings or contests an action arising out of this Consent Judgment shall be required to pay the prevailing party's reasonable attorney's fees and costs unless the unsuccessful party has acted with substantial justification. For purposes of this Consent Judgment, the term substantial justification shall carry the same meaning as used in the Civil Discovery Act of 1986, Code of Civil Procedure Section 2016, et seq.

15.2 Nothing in this Section 15 shall preclude a Party from seeking an award of sanctions pursuant to law.

#### **EXECUTION AND COUNTERPARTS** 16.

16.1 The stipulations to this Consent Judgment may be executed in counterparts and by means of facsimile and/or portable document format (pdf), which taken together shall be deemed to constitute one document.

#### AUTHORIZATION 17.

17.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the party he or she represents to stipulate to this Consent Judgment and to enter into and execute the Consent Judgment on behalf of the party represented and legally bind that party. The undersigned have read, understand and agree to all of the terms and conditions of this Consent Judgment. Except as explicitly provided herein, each party is to bear its own fees and costs.

AGREED TO:

20 21

Dated: 10/24/11

22 23

24

25 26

27

28

90162826.6

- 10 -

Maureen Parker

CONSENT JUDGMENT [PROPOSED]

1	Dated: 10-21-11	DYNO LLC
2		By mys Wing
3		Name: AMES MOGNIHAN Title: PRESIDENT & CEO
5		Title: FRESIDENT & CEO
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24 25		
26		
27		
28		
	90162826.6	- 11 -

DOCUMENT PREPARED ON RECYCLED PAPER

CONSENT JUDGMENT [PROPOSED]