1 2 3 4 5 6	Brian C. Johnson, State Bar No. 235965 Josh Voorhees, State Bar No. 241436 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 Attorneys for Plaintiff PETER ENGLANDER	
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9	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
10	COUNTY OF SANTA CLARA	
11	UNLIMITED CIVIL JURISDICTION	
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14	PETER ENGLANDER,	Case No. 113CV239935
15	Plaintiff,	IDDODOSEDI CONSENT HIDCMENT
16	V.	[PROPOSED] CONSENT JUDGMENT
17	WEEMS INDUSTRIES, INC.; et al.,	(Health & Safety Code § 25249.6 et seq.)
18	Defendants.	
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1. INTRODUCTION

1.1 Parties

This Consent Judgment is entered into by and between plaintiff, Peter Englander ("Englander"), and defendant, Weems Industries, Inc. d/b/a Legacy Company ("Legacy"), with Englander and Legacy each individually referred to as a "Party" and collectively as the "Parties."

1.2 Plaintiff

Englander 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

Legacy 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, Health and Safety Code section 25249.6 *et seq.* ("Proposition 65").

1.4 General Allegations

Englander alleges that Legacy sold grease guns with hand grips containing lead without first providing the exposure warning required by Proposition 65. Lead is listed pursuant to Proposition 65 as a chemical known to the state of California to cause birth defects or other reproductive harm.

1.5 Product Description

The products that are covered by this Consent Judgment are grease guns with hand grips containing lead that are imported, manufactured, sold, or distributed for sale by Legacy in California including, but not limited to, the *Legacy Workforce PRO Heavy Duty Grease Gun, L1355 (#0 92329 01355 7)* ("Products").

1.6 Notice of Violation

On or about August 1, 2012, Englander served Legacy and certain requisite public enforcement agencies with a "60-Day Notice of Violation" ("Notice") alleging that Legacy was in violation of Proposition 65 for failing to warn its customers and consumers in California that the Products expose users to lead.

1.7 Complaint

On January 22, 2013, Englander filed the instant action against Legacy ("Complaint") for the alleged violations of Health and Safety Code section 25249.6 that are the subject of the Notice.

1.8 No Admission

Legacy denies the material, factual, and legal allegations contained in the Notice and Complaint, and it maintains that all of the products that it has sold and distributed for sale 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 of any fact, finding, conclusion of law, issue of law, or violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall not, however, diminish or otherwise affect Legacy' 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 Legacy as to the allegations in the Complaint, that venue is proper in Santa Clara County, 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 February 15, 2013.

2. <u>INJUNCTIVE RELIEF: REFORMULATED PRODUCTS</u>

Commencing on July 1, 2013, and continuing thereafter, Legacy shall only purchase for sale, manufacture for sale, or distribute for sale in California "Reformulated Products." For purposes of this Consent Judgment, Reformulated Products contain a maximum of 100 parts per million (0.01%) lead by weight in any accessible component (i.e., any component that can be touched or handled during reasonably a foreseeable use) when analyzed pursuant to Environmental Protection Agency testing methodologies 3050B and/or 6010B, and that yield a result of more than 1.0 micrograms of lead when sampled and analyzed pursuant to the NIOSH 9100 testing protocol, or by equivalent

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methodology utilized by state and federal agencies for purposes of determining lead content in a solid substance.

3. MONETARY SETTLEMENT TERMS

3.1 Payments pursuant to Health and Safety Code § 25249.7(b)

In settlement of all the claims referred to in this Consent Judgment, Legacy shall pay \$16,500 in civil penalties. Each civil penalty payment shall be allocated according to Health and Safety Code section 25249.7(c)(1) and (d) with seventy-five percent (75%) of the funds paid to the California Office of Environmental Health Hazard Assessment and twenty-five percent (25%) of the funds remitted to Englander. All civil penalty payments shall be delivered to the payment addresses provided in section 3.3.1.

3.1.1 Initial Civil Penalty

Within five days of the Effective Date, Legacy shall make an initial civil penalty payment of \$4,500. Legacy shall provide its payment in two checks for the following amounts made payable to: (a) "OEHHA" in the amount of \$3,375; and (b) "The Chanler Group in Trust for Peter Englander" in the amount of \$1,125.

Final Civil Penalty 3.1.2

On or before September 1, 2013, Legacy shall make a final civil penalty payment of \$12,000. Pursuant to title 11 California Code of Regulations, section 3203(c), the final civil penalty payment shall be waived in its entirety if, no later than May 1, 2013, an officer of Legacy provides Englander with written certification that all of the Products purchased for sale or manufactured for sale by Legacy as of such date, in California are Reformulated Products, and that Legacy will continue to offer only Reformulated Products in California. The written certification of reformulation in lieu of the final civil penalty payment required by this section is a material term, and time is of the essence. Unless waived, Legacy shall issue two checks for the following amounts payable to: (a) "OEHHA" in the amount of \$9,000; and (b) "The Chanler Group in Trust for Peter Englander" in the amount of \$3,000.

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3.2 Reimbursement of Fees and Costs

The parties acknowledge that Englander 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 the issue to be resolved after the material terms of this Consent Judgment had been settled. Shortly after the other settlement terms had been finalized, Legacy expressed a desire to resolve the fee and cost issue. The Parties then attempted to (and did) reach an accord on the compensation due to Englander 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 through the mutual execution of this Consent Judgment. Legacy shall pay \$27,500 for fees and costs incurred as a result of investigating, bringing this matter to Legacy' attention, and negotiating a settlement in the public interest. Legacy payment of fees and costs shall be delivered within five days of the Effective Date to the payment address provided in section 3.3.1.

3.3 Payment Procedures

3.3.1. Payment Addresses

(a) All payments to Englander and The Chanler Group shall be delivered to the following address:

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

(b) All payments to OEHHA (EIN: 68-0284486) made pursuant to section 3.1, shall be delivered directly to OEHHA (Memo line "Prop 65 Penalties") at the following address:

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

With a copy of the checks payable to OEHHA mailed to The Chanler Group at the address payment address provided in section 3.3.1(a), as proof of payment to OEHHA.

- (a) Legacy agrees to provide appropriate 1099 form documentation for the civil penalties paid to OEHHA. The form shall be transmitted to the "Office of Environmental Health Hazard Assessment," 1001 I Street, Sacramento, CA 95814 (EIN: 68-0284486);
- (b) For the civil penalties paid to Englander, Legacy agrees to issue a 1099 form to "Peter Englander," whose address and tax identification number shall be furnished after this Consent Judgment is fully executed by the Parties.
- (b) For the reimbursement of fees and costs pursuant to section 3.2, Legacy shall issue a separate 1099 form to "The Chanler Group" (EIN: 94-3171522).

4. CLAIMS COVERED AND RELEASED

4.1 Englander's Public Release of Proposition 65 Claims

Englander, acting on his own behalf and in the public interest, releases Legacy and its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Releasees") and each entity to whom they directly or indirectly distribute or sell the Products, including but not limited to its downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors and licensees ("Downstream Releasees") for any violations arising under Proposition 65 for unwarned exposures to lead from the Products sold by Legacy prior to the Effective Date, as set forth in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to lead from the Products.

4.2 Englander's Individual Release of Claims

Englander, in his individual capacity only and *not* in his representative capacity, also provides a release to Legacy, Releasees, and Downstream Releasees 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 Englander of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to lead in the Products sold or distributed for sale by Legacy before the Effective Date.

4.3 Legacy' Release of Englander

Legacy, on its own behalf, and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against Englander and his attorneys and other representatives, for any and all actions taken or statements made by Englander and his attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against it in this matter, or with respect to the Products.

5. <u>COURT APPROVAL</u>

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 the Parties.

6. <u>SEVERABILITY</u>

If, subsequent to the Court's approval and entry of this Consent Judgment as a judgment, any provision is held by a court to be unenforceable, the validity of the remaining provisions 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, preempted, or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Legacy may provide written notice to Englander 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 Legacy from any obligation to comply with any pertinent state or federal toxics control laws.

8. NOTICES

Unless specified herein, all correspondence and notices required by this Consent Judgment shall be in writing and sent by: (i) personal delivery; (ii) first-class, registered, or certified mail, return receipt requested; or (iii) a recognized overnight courier to the following addresses:

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For Legacy:

Robert Weems, President Weems Industries, Inc. 6281 North Gateway Drive Marion, IA 52302

with a copy to:

Peter C. Riley, Esq. Tom Riley Law Firm, P.L.C. 4040 1st Avenue NE Cedar Rapids, IA 52402

For Englander:

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

Any Party may, from time to time, 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 or portable document format (PDF) signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

10. POST EXECUTION ACTIVITIES

Englander agrees to comply with the reporting form requirements referenced in Health and Safety Code section 25249.7(f). The Parties further acknowledge that, pursuant to Health and Safety Code section 25249.7(f), a noticed motion is required to obtain judicial approval of the settlement. In furtherance of obtaining such approval, Englander and Legacy agree to mutually employ their best efforts, and that of their counsel, to support the entry of this agreement as judgment, and to obtain judicial approval of their settlement in a timely manner. For purposes of this Section, "best efforts" shall include, at a minimum, cooperating on the drafting and filing of the necessary moving papers, and supporting the motion for judicial approval.

12. MODIFICATION

This Consent Judgment may be modified only by: (i) a written agreement of the Parties and upon entry of a modified consent judgment by the Court thereon; or (ii) upon a successful motion or application of any Party and the entry of a modified consent judgment by the Court.

13. AUTHORIZATION

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

AGREED TO:

AGREED TO:

Date: February 12, 2013

Date: 2 - 12 - 13

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PETER ENGLANDER

Robert Weems, President WEEMS INDUSTRIES, INC.