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3	Parker Plaza, Suite 214 Berkeley, CA 94710-2565		
4	Telephone: (510) 848-8880 Facsimile: (510) 848-8118		
5	Attorneys for Plaintiff		
6	PETER ENGLANDER		
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8	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
9	FOR THE COUNTY OF ALAMEDA		
10	UNLIMITED CIVIL JURISDICTION		
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13	PETER ENGLANDER,	Case No. RG12654342	
14	Plaintiff,	[PROPOSED] CONSENT JUDGMENT	
15	V.	[I ROI OSED] CONSENT JUDGMENT	
16	BLACK POINT PRODUCTS, INC.; STEREN ELECTRONICS	(Health & Safety Code § 25249.6 et seq.)	
17	INTERNATIONAL, LLC; et al.,		
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 defendants, Black Point Products, Inc. ("Black Point") and Steren Electronics International, LLC ("Steren"), with Englander and Black Point and Steren collectively referred to as the "Parties" and individually as a "Party."

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 Defendants

Black Point and Steren each employ ten or more persons and each is a person in the course of doing business for purposes of The Safe Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code § 25249.6 *et seq.* ("Proposition 65").

1.4 General Allegations

Englander alleges that Black Point and Steren sold hand tools with grips containing di(2-ethylhexyl) phthalate ("DEHP") without first providing the clear and reasonable warning required by Proposition 65. DEHP is listed pursuant to Proposition 65 as a chemical 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 hand tools with grips containing DEHP including, but not limited to, the *Steren Coax Crimp Tool*, *BV-67 (#0 14759 00567 4)*, manufactured and/or distributed or sold by Black Point and Steren directly or through others, to consumers in California (collectively, "Products").

1.6 Notices of Violation

On or about August 16, 2012, Englander served both Black Point and Steren, and various public enforcement agencies, with a "60-Day Notice of Violation" ("Notice"), a document that

informed the recipients of Englander's allegations that Black Point and Steren were in violation of Proposition 65 for failing to warn their customers and consumers in California that the Products expose users to DEHP.

1.7 Complaint

On October 31, 2012, Englander filed the instant action against Black Point and Steren ("Complaint") for the violations of Health & Safety Code § 25249.6 that are the subject of the Notice.

1.8 No Admission

Black Point and Steren deny the material, factual, and legal allegations contained in the Notice and Complaint, and maintain that all of the products that they have manufactured, distributed, and sold 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 Black Point's and Steren'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 Black Point and Steren as to the allegations in the Complaint, that venue is proper in Alameda County, and that the 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 January 15, 2013.

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

2.1 Reformulated Products

Commencing on the Effective Date and continuing thereafter, Black Point and Steren shall only ship, sell, or offer to ship for sale in California, Products that are Reformulated Products or that

are sold with a clear and reasonable warning pursuant to Section 2.2. For purposes of this Settlement Agreement, "Reformulated Products" are Products containing a maximum of 1,000 parts per million of DEHP when analyzed pursuant to EPA testing methodologies 3580A and 8270C, or equivalent methodologies utilized by state or federal agencies for the purpose of determining DEHP content in a solid substance.

2.2 Product Warnings

Commencing on the Effective Date and continuing thereafter, Black Point and Steren shall, for all Products that are not Reformulated Products as defined by Section 2.1, provide a clear and reasonable warning in compliance with this section. Each warning 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.

Black Point and Steren shall affix the warning to the Product packaging, labeling, or, if no packaging or labeling exists, directly on each Product sold in California that states:

WARNING: This product contains chemicals, including di(2-ethylhexyl) phthalate, known to the State of California to cause cancer and birth defects and other reproductive harm.

3. MONETARY PAYMENTS

3.1 Civil Penalty Payment

Black Point and Steren shall pay at total civil penalty of \$15,000 pursuant to the terms and conditions of this section, as follows:

3.1.1 Initial Civil Penalty. Black Point and Steren shall pay an initial civil penalty of \$6,000 pursuant to Health & Safety Code § 25249.7(b), on or before the Effective Date as set forth in Section 3.3.1. The penalty payments will be allocated according to Health & Safety Code § 25249.12 (c)(1) and (d), with seventy-five percent (75%) of the penalty amount earmarked for the

California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining twenty-five (25%) of the penalty amount earmarked for Englander.

\$9,000 within one-hundred and fifteen (115) days after the Effective Date, as provided by Section 3.3.2. The final civil penalty shall be waived in its entirety, however, if an officer of Black Point and Steren provides Englander with written certification that Black Point and Steren have met the Reformulation Standard specified in Section 2.1 above such that all Products manufactured, produced, assembled, imported, distributed, shipped, sold or offered to ship for sale in California are, as of the date of the certification, and will continue to be, Reformulated Products. Englander must receive any such certification within one-hundred (100) days after the Effective Date, and time is of the essence. The final civil penalty shall also be apportioned in accordance with California Health & Safety Code § 25249.12 (c) and (d), with 75% of these funds remitted to OEHHA and the remaining 25% of the penalty remitted to Englander.

3.2 Reimbursement of Englander's 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 the agreement had been settled. Shortly after all other settlement terms had been finalized, Black Point and Steren expressed a desire to resolve the fee and costs issue. The Parties then attempted to (and did) reach an accord on the compensation due Englander and his counsel under general contract principles and the private attorney general doctrine codified at Code of Civil Procedure § 1021.5 for all work performed in this matter exclusive of fees and costs incurred on appeal, if any. Under these legal principles, on or before the Effective Date, Black Point and Steren collectively shall pay \$35,000 for fees and costs incurred investigating, litigating, and enforcing this matter, including the fees and costs incurred (and yet to be incurred) drafting, negotiating, and obtaining the Court's approval of this Consent Judgment in the public interest.

3.3 Payment Procedures

3.3.1 Initial Payments

All payments made under this Consent Judgment shall be held in trust until the Court approves the settlement. The Parties acknowledge that Englander's counsel gave Black Point and Steren the option of depositing the funds into an attorney's trust account, but that Black Point and Steren elected to have The Chanler Group hold the settlement funds in trust until such time as the hearing of the motion for judicial approval. Settlement funds delivered to The Chanler Group shall be in the form of three checks for the following amounts, made payable to:

- (a) "The Chanler Group in Trust for OEHHA" in the amount of \$4,500;
- (b) "The Chanler Group in Trust for Peter Englander" in the amount of \$1,500; and
- (c) "The Chanler Group in Trust" in the amount of \$35,000.
- 3.3.2 Final Civil Penalty Payments. If the final civil penalty of \$9,000 referenced in Section 3.1.2 above is not waived, payments shall be delivered within one-hundred and fifteen (115) days of the Effective Date to The Chanler Group in two checks, as follows:
 - (a) One check made payable to "The Chanler Group in Trust for OEHHA" in the amount of \$6,750; and
 - (b) One check to "The Chanler Group in Trust for Peter Englander" in the amount of \$2,250.

3.3.3 Issuance of 1099 Forms

After the Consent Judgment has been approved, Black Point and/or Steren shall provide Englander's counsel with a separate 1099 form for each of its payments to:

(a) "Office of Environmental Health Hazard Assessment," P.O. Box 4010, Sacramento, CA 95814 (EIN: 68-0284486) for the civil penalty payment in the 2012 calendar year;

- (b) "Peter Englander," whose address and tax identification number shall be furnished upon request after this Consent Judgment has been fully executed by the Parties, for the civil penalty payment in the 2012 calendar year; and
- (c) "The Chanler Group" (EIN: 94-3171522) for the reimbursement of Englander's fees and costs pursuant to Section 3.2.
- (d) If the penalty of \$9,000 referenced in Section 3.1.2 above is paid, a fourth 1099 shall be issued to the Office of Environmental Health Hazard Assessment, P.O. Box 4010, Sacramento, CA 95814 (EIN: 68-0284486) in the amount of \$6,750; and
- (e) If the penalty of \$9,000 referenced in Section 3.1.2 above is paid, a fifth 1099 shall be issued to Englander in the amount of \$2,250, whose address and tax identification number shall be furnished upon request.

3.3.3 Payment Address

All payments and tax forms required by this Consent Judgment shall be delivered to the following address:

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

4. CLAIMS COVERED AND RELEASED

4.1 Englander's Public Release of Proposition 65 Claims

Englander, 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 Black Point and Steren and each of their respective parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Defendant Releasees") and each entity to whom they directly or indirectly distribute or sell the Products, distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors and licensees ("Downstream Defendant Releasees") of any violation of Proposition 65 that was or could have been asserted in the Complaint against Black

Point, Steren, Defendant Releasees and Downstream Defendant Releasees arising under Proposition 65 for unwarned exposures to DEHP contained in the Products manufactured, distributed, and sold by Black Point and Steren 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 DEHP from the Products manufactured, distributed, and sold by Black Point and Steren before the Effective Date, as set forth in the Notice and Complaint.

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 Black Point, Steren, Defendant Releasees and Downstream Defendant 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 DEHP in the Products manufactured, sold or distributed for sale by Black Point and Steren before the Effective Date.

4.3 Black Point's and Steren's Releases of Englander

Black Point and Steren, on behalf of themselves and on behalf of their past and current agents, representatives, attorneys, successors, and/or assignees, each hereby waive any and all claims against Englander and his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or 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. 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.

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6. <u>SEVERABILITY</u>

If, subsequent to the execution of this Consent Judgment, any provision of this Consent Judgment 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 Black Point and/or Steren 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 Black Point or Steren 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:

For Steren:

Darren E. Rawson, President Steren Electronics International, LLC 6260 Sequence Drive, Suite 110 San Diego, California 92121

For Black Point:

Tom Duenas, General Manager Black Point Products, Inc. 2000Wright Avenue Richmond, California 94804

For Englander:

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

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. COUNTERPARTS; FACSIMILE SIGNATURES

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 & Safety Code § 25249.7(f). The Parties further acknowledge that, pursuant to Health & Safety Code § 25249.7(f)(4), a noticed motion is required to obtain judicial approval of the settlement. In furtherance of obtaining such approval, Englander, Black Point, and Steren agree to mutually employ their best efforts to support the entry of their settlement as a Consent Judgment and to obtain judicial approval of the same 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.

11. 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.

12. **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.

1	AGREED TO:	AGREED TO:
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3	Date: January 15, 2013	Date: 1/13/13
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5	By:	Damen Rawson, President
6		STERENELECTRONICS INTERNATIONAL, LLC
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8		Date:
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5	By: PETER ENGLANDER	Darren Rawson, President
6		STERENELECTRONICS INTERNATIONAL, LLC
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10		By: Thomas Duens
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