1 2 3 4	Josh Voorhees, State Bar No. 241436 Troy C. Bailey, State Bar No. 277424 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565 Telephone: (510) 848-8880 Facsimile: (510) 848-8118			
5 6	Attorneys for Plaintiff MARK MOORBERG			
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8	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
9	COUNTY OF MARIN			
10	UNLIMITED CIVIL JURISDICTION			
11				
12	MARK MOORBERG,	) Case No.: CIV1504130		
13	Plaintiff,	) ) [PROPOSED] CONSENT JUDGMENT		
14	v.	) [FROFOSED] CONSENT JUDGMENT		
15	LIBERTY GLOVE, INC.; and DOES 1-150, inclusive,	) )		
16	Defendants.	) )		
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[PROPOSED] CONSENT JUDGMENT				

# 1. <u>INTRODUCTION</u>

## 1.1 Mark Moorberg and Liberty Glove, Inc.

This Consent Judgment is entered into by and between Mark Moorberg ("Moorberg" or "Plaintiff"), and Liberty Glove, Inc. ("Liberty Glove" or "Defendant"), with Plaintiff and Defendant collectively referred to as the "Parties."

## 1.2 Mark Moorberg

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

## 1.3 <u>Liberty Glove, Inc.</u>

Moorberg alleges that Liberty Glove 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.* ("Proposition 65").

# 1.4 General Allegations

Moorberg alleges that Liberty Glove has manufactured, imported, distributed and/or sold vinyl/PVC gloves containing Diisononyl phthalate ("DINP") without the requisite Proposition 65 warnings. DINP is listed under Proposition 65 as a chemical known to cause cancer.

# 1.5 **Product Description**

The products that are covered by this Consent Judgment are vinyl/PVC gloves containing DINP including, but not limited to, *Duraskin Powder-Free Vinyl Disposable Gloves, UPC #7*44897 01055 0 that are manufactured, imported, sold and/or distributed for sale in California by Liberty Glove (hereinafter the "Products").

# 1.6 Notice of Violation

On December 22, 2014, Moorberg served Liberty Glove and various public enforcement agencies, with a document entitled "60-Day Notice of Violation" (the "Notice") that provided the recipients with notice of alleged violations of Proposition 65 based on Liberty Glove's alleged failure to warn consumers that the Products exposed users in California to DINP. To the best of the Parties' knowledge, no public enforcer has prosecuted the allegations set forth in the Notice.

### 1.7 Complaint

On November 12, 2015, Moorberg filed a complaint in the Superior Court in and for the County of Marin against Liberty Glove and Does 1 through 150, *Moorberg v. Liberty Glove, Inc., et al.*, Case No. CIV1504130 ("Complaint" or "Action"), alleging violations of Proposition 65, based on the alleged exposures to DINP contained in certain vinyl/PVC gloves sold by Liberty Glove.

### 1.8 No Admission

Liberty Glove denies the material, factual and legal allegations contained in Moorberg's Notice and Complaint and maintains that all products that it has sold, manufactured, imported and/or distributed 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 by Liberty Glove 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 Liberty Glove of any fact, finding, conclusion, issue of law, or violation of law. Nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy, argument or defense the Parties may have in other legal proceedings. This Consent Judgment is the product of negotiation and compromise and is accepted by the Parties for the purpose of settling, compromising and resolving disputed issues.

### 1.9 Consent to Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the Parties 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.

#### 1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall the date this Consent Judgment is entered by the Court, including any unopposed Tentative Ruling.

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

#### 2.1 <u>Reformulated Products</u>

Commencing on the Effective Date, Liberty Glove shall only sell, offer for sale, or distribute

for sale in California, Reformulated Products, or Products that contain a clear and reasonable warning pursuant to Section 2.2. For purposes of this Consent Judgment, "Reformulated Products" are defined as those Products containing DINP 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 the DINP content in a solid substance.

## 2.2 Clear and Reasonable Warnings

Commencing on the Effective Date for all Products that are not Reformulated Products, Liberty Glove agrees that it will only offer such Products for sale or shipment in California with a clear and reasonable warning pursuant to this Section. However, the Parties understand and agree that Liberty Glove has implemented a warning program prior to the execution of this Consent Judgment and, as such, any Products that contain a warning under the existing warning program, and any Products that have been ordered under the existing warning program (and therefore will contain Liberty Glove's current warning), shall be exempt from meeting the warning requirements of this section. Liberty Glove further agrees that the warning will 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. For purposes of this Consent Judgment, a clear and reasonable warning shall consist of a warning affixed to the packaging, label, tag, or directly to the Product, or, for internet or mail order catalogue sales, in accordance with Section 2.3(a), and such warnings shall contain the following statement:

**WARNING:** This product contains DINP, a chemical known to the State of California to cause cancer.

Or, if the Product contains a Proposition 65-listed chemical in addition to DINP, that is known to cause birth defects and other reproductive harm:

1 2	WARNING: This product contains chemicals that are known to the State of California to cause cancer and birth defects and other reproductive		
3	harm.		
4	(a) Mail Order Catalog and Internet Sales. In the event that Liberty Glove		
5	sells Products via mail order catalog and/or the internet, to customers located in California, printed		
6	or ordered after the Effective Date, that are not Reformulated Products, Liberty Glove shall provide		
7	warnings for such Products sold via mail order catalog or the internet to California residents.		
8	Warnings given in the mail order catalog or on the internet shall identify the <i>specific</i> Product to		
	which the warning applies as further specified in Sections 2.2(a)(i) and (ii).		
9	(i) Mail Order Catalog Warning. Any warning provided in a mail		
10	order catalog shall be in the same type size or larger than the Product description text within the		
11	catalog. The following warning shall be provided on the same page and in the same location as the		
12 13	display and/or description of the Product:		
14 15	WARNING: This product contains DINP, a chemical known to the State of California to cause cancer.		
16	Or, if the Product contains a Proposition 65-listed chemical in addition to DINP, that is known to cause birth defects and other reproductive harm:		
17 18	WARNING: This product contains chemicals that are known to the State of California to cause cancer and birth defects and other reproductive		
19	harm.		
20	Where Liberty Glove reasonably determines that it is impracticable to provide the warning		
21	on the same page and in the same location as the display and/or description of the Product, Liberty		
22	Glove may utilize a designated symbol to cross reference the applicable warning and shall define		
23	the term "designated symbol" with the following language on the inside of the front cover of the		
24			
25	catalog or on the same page as any order form for the Product(s):		
26	WARNING: Certain products identified with this symbol ▼ and offered for sale in this catalog contain DINP,		
27	and offered for safe in this catalog contain DINF, a chemical known to the State of California to cause cancer.		
20			

Or, if the Product contains a Proposition 65-listed chemical in addition to DINP, that is known to cause birth defects and other reproductive harm:

WARNING: This product contains chemicals that are known to the State of California to cause cancer and birth defects and other reproductive harm.

### 3. PENALTIES PURSUANT TO HEALTH & SAFETY CODE § 25249.7(b)

In settlement of all the claims referred to in this Consent Judgment, Liberty Glove shall pay a total of \$8,000 in civil penalties in accordance with this Section. The penalty payment will be allocated in accordance with California Health & Safety Code § 25249.12(c)(1) & (d), with 75% of the funds remitted to the California Office of Environmental Health Hazard Assessment ("OEHHA") by Moorberg.

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

Within five days of the Effective Date, Liberty Glove shall make an initial civil penalty payment of \$4,000. Liberty Glove shall provide its payment in a single check made payable to "Mark Moorberg, Client Trust Account" to be delivered to the address provided in Section 3.3, below.

### **3.2** Final Civil Penalty

Liberty Glove shall pay a final civil penalty of \$4,000 on or before December 31, 2016. The final civil penalty shall be waived in its entirety, however, if, no later than December 15, 2016, an officer of Liberty Glove provides Moorberg with written certification that, as of the date of such certification, Liberty Glove has met the reformulation standard specified in Section 2.1 above, such that all Products it sells, offers for sale, or distributes for sale in California by Liberty Glove, other than those in Liberty Glove's inventory and part of Liberty Glove's current warning program as of the Effective Date, are Reformulated Products and that Liberty Glove will continue to sell, offer for sale, or distribute for sale in California only Reformulated Products, Moorberg must receive any such certification on or before December 15, 2016. The certification in lieu of a final civil penalty payment provided by this Section is a material term, and time is of the essence. In the event that Liberty Glove has not delivered the above certification in lieu of the final civil penalty, Liberty

Glove shall issue a check for its final civil penalty to "Mark Moorberg, Client Trust Account" in the amount of \$4,000.

### 3.3 Reimbursement of Plaintiff's Fees and Costs

The Parties acknowledge that Moorberg 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 fee issue to be resolved after the material terms of the agreement had been settled. Liberty Glove 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 Moorberg 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 (and to be performed) in this matter, except fees that may be incurred in connection with a third-party, including the Office of the Attorney General, appeal (if any). Under these legal principles, Liberty Glove shall pay the amount of \$25,000 to reimburse Moorberg's 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. This payment shall be made to "The Chanler Group," within five (5) business days of the Effective Date.

#### 3.4 Payment Procedures

All payments owed to Moorberg and his counsel, pursuant to Sections 3.1 through 3.3, shall be delivered to the following payment address:

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

## 4. <u>CLAIMS COVERED AND RELEASED</u>

## 4.1 <u>Moorberg's Release of Proposition 65 Claims</u>

Moorberg acting on his own behalf and in the public interest releases Liberty Glove, its parents, subsidiaries, affiliated entities under common ownership, directors, officers, stockholders, employees, attorneys, and each entity to whom Liberty Glove directly or indirectly distributes or

sells Products, including, but not limited, to downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, licensors, and licensees (collectively the "Defendant Releasees"), from all claims for violations of Proposition 65 based on their failure to warn about alleged exposures to DINP contained in the Products that were manufactured, distributed, or sold by Liberty Glove prior to the Effective Date. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to DINP from the Products as set forth in the Notice.

## 4.2 Moorberg's Individual Release of Claims

Moorberg 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 plaintiff of any nature, character or kind, whether known or unknown, suspected or unsuspected, limited to and arising out of alleged or actual exposures to Proposition 65 Listed Chemicals in the Products manufactured, distributed or sold by Defendant Releasees.

# 4.3 Liberty Glove's Release of Moorberg

Liberty Glove on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives any and all claims against Moorberg, his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Moorberg and his attorneys and other representatives prior to the Effective Date, 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. <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 all Parties.

### 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, preempted or is otherwise rendered inapplicable by reason of law generally, or if any of the provisions of this Consent Judgment are rendered inapplicable by preemption or reason of law generally as to the Products, or, in the event that a court of competent jurisidiction or an agency of the State of California determines that products that contain DINP do not require Proposition 65 warnings, then all of Liberty Glove's obligations set forth in this Consent Judgment to either reformulate the Products or provide warnings on the Products shall terminate and Liberty Glove shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are so affected.

#### 8. NOTICES

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 Liberty Glove:

Saul Jaffe, Esq.

Claremont Law Group, Inc.
618 W Baseline Road
Claremont, CA 91711

To Moorberg:

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. COUNTERPARTS; FACSIMILE SIGNATURES

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

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

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

## 11. ADDITIONAL POST EXECUTION ACTIVITIES

Moorberg and Liberty Glove agree to mutually employ their best efforts to support the entry of this agreement as a Consent Judgment and obtain approval of the Consent Judgment by the Court in a timely manner. The Parties acknowledge that, pursuant to California Health & Safety Code § 25249.7, a noticed motion is required to obtain judicial approval of this Consent Judgment, which Moorberg shall draft and file, and Liberty Glove shall not oppose. If any third party objection to the noticed motion is filed, Moorberg and Liberty Glove shall work together to file a joint reply and appear at any hearing before the Court. This provision is a material component of the Consent Judgment and shall be treated as such in the event of a breach.

## 12. <u>MODIFICATION</u>

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

1	13. <u>AUTHORIZATION</u>		
2	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.		
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4			
5			
6	AGREED TO:	AGREED TO:	
7 8	Date: May 36, 3016	Date:	
9	Date. May 18 8078	Date.	
10	By:	By:	
11	Plaintiff, Mark Moorberg	Michael Young, President Liberty Glove, Inc.	
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1	13. <u>AUTHORIZATION</u>		
2	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.		
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6 7	AGREED TO:	AGREED TO:	
8	Date:	Date: 5-25-16	
9			
10	By: Plaintiff, Mark Moorberg	By: Michael Young, Provident	
11		Liberty Glove, Inc.	
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