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5	Attorneys for Plaintiffs JOHN MOORE and ANTHONY E. HELD, PH.D., P.E.					
7 8		THE STATE OF CALIFORNIA Y OF MARIN				
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11	JOHN MOORE, et al.,	Case No. CIV1500844				
12	Plaintiff,	[PROPOSED] CONSENT JUDGMENT				
13	V.	AS TO D.W.L. INTERNATIONAL TRADING, INC. AND OKABASHI				
14	UNILEVER UNITED STATES, INC., et al.,	BRANDS, INC.				
15	Defendants.	(Health & Safety Code § 25249.6 et seq.)				
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1. <u>INTRODUCTION</u>

1.1 Parties

This Consent Judgment is entered into by and between: John Moore ("Moore") and D.W.L. International Trading, Inc. ("D.W.L."); and Anthony E. Held, Ph.D., P.E. ("Held") and Okabashi Brands, Inc. ("Okabashi"). D.W.L. and Okabashi are referred to collectively hereinafter as "Defendants", and Moore and Held are referred to collectively hereinafter as "Plaintiffs"). Moore, Held, D.W.L., and Okabashi are each individually referred to herein as a "Party" and collectively as the "Parties."

1.2 Plaintiffs

Plaintiffs are each individuals residing in California seeking to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products.

1.3 Defendants

Defendants each employ ten or more individuals and are each 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

Moore alleges that DWL manufactures, imports, sells, or distributes for sale in California, vinyl/PVC gloves that contain diisononyl phthalate ("DINP") without first providing the exposure warning required by Proposition 65. Further, Held alleges that Okabashi manufactures, imports, sells, or distributes for sale in California, vinyl/PVC footwear containing diisononyl phthalate ("DINP") without first providing the exposure warning required by Proposition 65. DINP is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer.

1.5 Product Description

As to D.W.L., the products covered by this Consent Judgment are vinyl/PVC gloves containing DINP including, but not limited to, the *Winco Disposable Vinyl Gloves*, *Style # GLV-M*, #53, *UPC No. 8 11642 01756 7*, manufactured, imported, sold, or distributed for sale in California by

D.W.L., hereinafter the "Gloves".

As to Okabashi, the products covered by this Consent Judgment are vinyl/PVC footwear containing DINP including, but not limited to, the *Okabashi Flip Flops Maui*, *UPC No. 0 42929* 91023 7, manufactured, imported, sold, or distributed for sale in California by Okabashi, hereinafter the "Footwear".

1.6 Notice of Violation

On or about December 22, 2014, Moore served D.W.L. and certain requisite public enforcement agencies with a "60-Day Notice of Violation" ("Glove Notice") alleging that D.W.L. violated Proposition 65 by failing to warn its customers and consumers in California that the Gloves expose users to DINP.

On that same date, Held served Okabashi and certain requisite public enforcement agencies with a "60-Day Notice of Violation" ("Footwear Notice") alleging that Okabashi violated Proposition 65 by failing to warn its customers and consumers in California that the Footwear exposes users to DINP.

The Footwear Notice and the Glove Notice are hereinafter referred to as the "Notices".

To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notices.

1.7 Complaint

On March 5, 2015, Plaintiffs filed an instant action ("Complaint"), naming various defendants for Proposition 65 allegations concerning exposures to DINP in California. Among them, D.W.L. was named for its alleged violations of Health and Safety Code section 25249.6 that are the subject of the Glove Notice, and Okabashi was named for its alleged violations of Health and Safety Code section 25249.6 that are the subject of the Footwear Notice.

1.8 No Admission

D.W.L. denies the material, factual, and legal allegations contained in the Glove Notice and Complaint, and it maintains that all of the products that it has sold and distributed for sale in California, including the Gloves, have been, and are, in compliance with all laws.

Okabashi denies the material, factual, and legal allegations contained in the Footwear Notice and Complaint, and it maintains that all of the products that it has sold and distributed for sale in California, including the Footwear, have been, and are, in compliance with all laws. Okabashi further asserts that it has reformulated the Products to eliminate all phthalates, including DINP, to ensure continued compliance with Proposition 65.

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 Defendants' obligations, responsibilities, and duties under this Consent Judgment.

1.9 Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Defendants as to the allegations contained in the Complaint, that venue is proper in the County of Marin, and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" means the date on which the Motion for Approval of the Consent Judgment is granted by the Court.

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

2.1 Okabashi

Commencing on the Effective Date, and continuing thereafterOkabashi shall only manufacture for sale, import for sale, sell, or distribute for sale, in California, "Reformulated Products."

As to Okabashi Reformulated Products are Footwear containing DINP in concentrations less than 0.1 percent (1,000 parts per million) when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or other methodology utilized by federal or state government agencies for the purpose of determining DINP content in a solid substance.

2.2 **DWL**

2.2.1 Reformulated Products

Except as set forth below, commencing on December 31, 2015, and continuing thereafter, D.W.L. shall only purchase for sale, or manufacture for sale in California, "Reformulated Products." As to D.W.L. Reformulated Products are Gloves that contain DINP in concentrations less than 0.1 percent (1,000 parts per million) when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or other methodology utilized by federal or state government agencies for the purpose of determining DINP content in a solid substance.

2.2.2 **Product Warnings**

DWL represents that for all non-Reformulated Products manufactured for sale or purchased for sale into California before the Effective Date, it applied the following warning directly on the Product:

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CALIFORNIA RESIDENTS PROPOSITION 65 WARNING: Parts of this product may contain chemicals known to the State of California to cause cancer or birth defects or other reproductive harm. A variety of factors can affect your personal risk of cancer or other reproductive harm. You can obtain more information about Proposition 65 on http://www.oehha.ca.gov/prop65.html.

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This interim warning shall not be used or applied to any Products manufactured for sale or purchased for sale into California after the Effective Date. DWL may sell all units currently in inventory with the interim warning. Products manufactured after the Effective Date shall be Reformulated Products pursuant to section 2.2.1 or shall utilize the warning set forth in Section 2.2.3 below.

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1		2.2.3	As of the E	Effective Date, DW	L shall apply the following warning to all non-
2	Reformulated Products DWL imports, manufactures, or distributes for sale in California that are not				
3	currently in DV	currently in DWL's inventory, which inventory bears the warning set forth in Section 2.2.2. The			
4	warning shall be placed directly on the Product:				
5				WARNING	
6			1.		This product contains DINP, a phthalate wn to the State of California to cause cancer
7					OR
8			2.	WARNING: to the State of	This product contains a chemical known California to cause cancer.
10					OR
11			3.		This product contains chemicals known California to cause cancer.
12 13			4.	WARNING:	OR This product contains chemicals known California to cause cancer and birth defects and
14				other reproduc	ctive harm. ¹
15	The warning shall be provided on the packaging of the Products, or on the Products, with su				
16	conspicuousness as to be likely to be seen by a typical consumer under ordinary conditions of use.				
17	The warning called for in this section 2.2.3 shall not be placed on the bottom of the Product.				
18	3.	MON	ETARY SE	TTLEMENT TE	<u>RMS</u>
19	3.1	Civil I	Penalty Pay	ment	
20	Pursuant to Health & Safety Code § 25249.7(b), in settlement of all the claims referred to in				
21	this Consent Judgment, Defendants shall pay \$6,000 in civil penalties. The civil penalty payment				
22	shall be allocated according to Health and Safety Code section 25249.12(c)(1) and (d), with seventy				
23	five percent (75%) of the funds paid to the California Office of Environmental Health Hazard				
24	Assessment ("OEHHA") and twenty-five percent (25%) of the funds remitted to Plaintiffs.				
25	DWL shall deliver one half of the civil penalty in a single check made payable to "Moore,				
26	Client Trust A	ccount'	' in the amo	unt of \$3,000. Ok	cabashi shall deliver one half of the civil penalty in
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 1 For warning option 3 and 4, the plural of the word "chemicals" shall only be used where DWL is aware of multiple listed chemicals with the associated harms.

a single check made payable to "Held, Client Trust Account" in the amount of \$3,000. Plaintiffs' counsel shall be responsible for delivering OEHHA's portion of the penalty payments to OEHHA. D.W.L and Okabashi shall only each be responsible for half of the civil penalty payment. Failure of one Party to make any payment required under this Consent Judgment shall have no effect whatsoever on any other Party.

3.2 Reimbursement of Attorney's Fees and Costs

The parties acknowledge that Plaintiffs and their 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, Defendants expressed a desire to resolve Plaintiffs' fees and costs. The Parties then attempted to (and did) reach an accord on the compensation due to Plaintiffs and their 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. On or before the Effective Date, Defendants shall each pay \$16,000 for a total of \$32,000 in attorneys' fees and costs incurred by Plaintiffs investigating, bringing this matter to Defendants' attention, litigating and negotiating a settlement in the public interest. Each defendant shall pay one half of the fees and costs. D.W.L and Okabashi shall only each be responsible for half of the civil penalty payment. Failure of one Party to make any payment required under this Consent Judgment shall have no effect whatsoever on any other Party.

3.3 Payments Held in Trust

All payments due under this Consent Judgment shall be held in trust until such time as the Court approves the Parties' settlement. All payments due under this agreement shall be delivered within five (5) days of the date that this Consent Judgment is fully executed by the Parties, and held in trust by Plaintiffs' counsel until the Court grants the motion for approval of this Consent Judgment contemplated by Section 5. Within two business days of the Court's approval of this Consent Judgment, Defendants' counsel shall tender the initial civil penalty payments and attorneys' fee and costs reimbursements required by Sections 3.1 and 3.2.

3.4 Payment Address

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All payments 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. <u>CLAIMS COVERED AND RELEASED</u>

4.1 Plaintiffs' Public Release of Proposition 65 Claims

Plaintiffs, each acting on his own behalf and in the public interest, release Defendants and their parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Releasees") and each entity to whom it directly or indirectly distributes or sells the Gloves sold by D.W.L. or the Footwear sold by Okabashi including, but not limited to, downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors and licensees ("Downstream Releasees") for any violations arising under Proposition 65 for unwarned exposures to DINP from the Gloves sold by D.W.L. or to DINP from the Footwear sold by Okabashi prior to the Effective Date, as set forth in the Notice.

4.2 Plaintiffs' Individual Release of Claims

Plaintiffs, each in his individual capacity only and *not* in his representative capacity, also provide a release to Defendants, 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 Plaintiffs of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DINP in the Gloves sold or distributed for sale by D.W.L. and in the footwear sold or distributed by Okabashi, before the Effective Date.

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4.3 Defendants' Release of Plaintiffs

Defendants, each on its own behalf, and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waive any and all claims against Plaintiffs and their attorneys and other representatives, for any and all actions taken or statements made by Plaintiffs and their 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 Gloves sold by D.W.L. and the Footwear sold by Okabashi.

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 Defendants may provide written notice to Plaintiffs 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 Gloves and the Footwear are so affected. Nothing in this Consent Judgment shall be interpreted to relieve Defendants from any obligation to comply with any pertinent state or federal toxics control laws.

8. NOTICE

Unless specified herein, all correspondence and notice 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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Defendants

David Li, President D.W.L. International Trading Inc. 65 Industrial Road Lodi, NJ 07644 Shelley Hurwitz, Esq. Holland & Knight 400 South Hope Street, 8th Floor Los Angeles, CA 90071 Attorneys for D.W.L. and Okabashi

Bahman Irvani, Chief Executive Officer Kerry Cunningham, Executive Vice President Okabashi Brands, Inc. 4823 Roy Carlson Boulevard, Suite A Buford, GA 30518

Plaintiffs

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

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Any Party may, from time to time, specify in writing to the other, 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

Plaintiffs agree 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, the parties agree to mutually employ their best efforts, and those of their counsel, to support the entry of this agreement as judgment, and to obtain judicial

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1	approval of their settlement in a timely manner. For purposes of this Section, "best efforts" shall						
2	include, at a minimum, cooperating on the drafting and filing of the necessary moving papers,						
3	supporting the motion, and appearing at the hearing before the Court.						
4	11.	11. MODIFICATION					
5		This Consent Judgment may be modified	only by: (i) a written agreement of the Parties and				
6	entry of a modified consent judgment by the Court; or (ii) a successful motion or application of any						
7	Party, and the entry of a modified consent judgment by the Court.						
8	12. <u>AUTHORIZATION</u>						
9	The undersigned are authorized to execute this Consent Judgment and have read, understood						
10	and agree to all of the terms and conditions contained herein.						
11	AGI	REED TO:	AGREED TO:				
12			11 anhar 10, 2015				
13	Date	e: <u>11/13/2015</u>	Date: November 19, 2015				
14	By:	Ma alon	By:				
15	J	John Moore	David Li, President D.W.L. International Trading Inc.				
16	ACI	REED TO:	-				
17	AGI	REED TO:	AGREED TO:				
18 19	Date	e:_11/12/2015	Date: //. 23. 2015				
20		A					
21	By:_	Anthony E. Held, Ph.D., P.E.	By: B. Frian Bahman Irvani, Chief Executive Officer				
22		<i>y</i> -	Okabashi Brands, Inc.				
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