1 2 3 4 5 6	Clifford Chanler, State Bar No. 135534 Chris Tuttle, State Bar No. 264545 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 Attorneys for Plaintiff RUSSELL BRIMER,	
7	ROSSELL BRIVIER,	
8	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
9	COUNTY OF SAN FRANCISCO	
10	UNLIMITED CIVIL JURISDICTION	
11		
12	RUSSELL BRIMER,	Case No. CGC15546663
13	Plaintiff,	[PROPOSED]CONSENT JUDGMENT
14	v.	(Health & Safety Code § 25249.6 et seq. and
15		Code of Civil Procedure § 664.6)
16	A.J. WHOLESALE DISTRIBUTORS, INC., et al.,	
17	Defendants.	
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

CONSENT JUDGMENT

1. INTRODUCTION

1.1 Parties

This Consent Judgment is entered into by and between plaintiff Russell Brimer ("Brimer") and defendant A.J. Wholesale Distributors, Inc. ("A.J. Wholesale"), with Brimer and A.J. Wholesale each referred to individually as a "Party" and collectively as the "Parties."

1.2 Plaintiff

Brimer is a resident of the State of California who seeks to promote awareness of exposures to toxic chemicals, and to improve human health by reducing or eliminating harmful substances contained in consumer and commercial products.

1.3 Defendant

A.J. Wholesale 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 and Safety Code section 25249.5 *et seq.* ("Proposition 65").

1.4 General Allegations

Brimer alleges that A.J. Wholesale manufactures, imports, sells and/or distributes for sale in California, ear muffs with vinyl/PVC components containing di(2-ethylhexyl)phthalate ("DEHP") and ear muffs containing Lead, without providing the health hazard warning that Brimer alleges is required by Proposition 65.

1.5 Product Description

The products covered by this Consent Judgment are ear muffs with vinyl/PVC components containing DEHP and earmuffs containing Lead, both including, but not limited to, the *Pit Bull 3Pc Protector Tool Set (Ear Muff)*, *Item No. TAIG0150* (collectively, "Products").

1.6 Notice of Violation

On March 31, 2015, Brimer served A.J. Wholesale and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice"), alleging that A.J. Wholesale violated Proposition 65 when it failed to warn its customers and consumers in California that the Products expose users to DEHP and Lead. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting an action to enforce the allegations set forth in the Notice.

1.7 Complaint

On July 1, 2015, Brimer commenced the instant action, naming A.J. Wholesale, among others, as a defendant for the alleged violations of Proposition 65 that are the subject of the Notice.

1.8 No Admission

A.J. Wholesale denies the material, factual, and legal allegations contained in the Notice and Complaint, and maintains that all of the products that it has sold or 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 by A.J. Wholesale 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 by A.J. Wholesale of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall not, however, diminish or otherwise affect A.J. Wholesale's 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 A.J. Wholesale as to the allegations contained in the Complaint, that venue is proper in the County of San Francisco, 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" shall mean the date that the Court grants the motion for approval of this Consent Judgment contemplated by Section 5.

2. <u>INJUNCTIVE SETTLEMENT TERMS</u>

Commencing on the Effective Date, and continuing thereafter, A.J. Wholesale shall only manufacture for sale, or purchase for sale in California, Reformulated Products. For purposes of this Consent Judgment, "Reformulated Products" are defined as Products with a maximum DEHP concentration 0.1 percent (1,000 parts per million) when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C, or other methodologies utilized by state or federal agencies for the purpose of determining DEHP content in a solid substance, and

Products containing a maximum of 100 parts per million of 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 less than 1.0 micrograms of Lead when analyzed pursuant to the NIOSH 9100 testing protocol.

3. MONETARY SETTLEMENT TERMS

3.1 Payments Pursuant to Health and Safety Code § 25249.7(b)(2)

Pursuant to Health and Safety Code section 25249.7(b)(2), and in settlement of all the claims referred to in this Consent Judgment, A.J. Wholesale shall pay \$2,500 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") and the remaining 25% of the penalty remitted to Brimer. Brimer's counsel shall be responsible for remitting A.J. Wholesale's penalty payment(s) under this Consent Judgment to OEHHA. A.J. Wholesale shall provide its payment in a single check made payable to "Russell Brimer, Client Trust Account" to be delivered to the address provided in Section 3.4, below.

3.2 Reimbursement of Attorneys' Fees and Costs

The Parties acknowledge that Brimer 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 the other settlement terms had been finalized, A.J. Wholesale expressed a desire to resolve Brimer's fees and costs. The Parties then negotiated a resolution of the compensation due to Brimer and his counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure § 1021.5. For all work performed through the mutual execution of this agreement and the Court's approval of the same, but exclusive of fees and costs on appeal, if any, A.J. Wholesale shall reimburse Brimer and his counsel \$23,500. A.J. Wholesale's payment shall be delivered to the address in Section 3.4 in the form of a check payable to "The Chanler Group." The reimbursement shall cover all fees and costs incurred by

5

6

7

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

Brimer investigating, bringing this matter to A.J. Wholesale's attention, litigating, and negotiating a settlement of the matter in the public interest.

3.3 Payment Timing

Within five business days of the Effective Date, A.J. Wholesale shall deliver all settlement payments to Brimer's counsel at the address provided in Section 3.4.

3.4 Payment Address

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. CLAIMS COVERED AND RELEASED

4.1 Brimer's Release of Proposition 65 Claims

Brimer, acting on his own behalf and in the public interest, releases A.J. Wholesale and their parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, agents, and attorneys ("Releasees") and each entity to whom they directly or indirectly distribute or sell the Products including, but not limited to, their downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors and licensees ("Downstream Releasees") for any violations arising under Proposition 65 for unwarned exposures to DEHP and Lead from the Products manufactured, imported, distributed or sold by A.J. Wholesale prior to the Effective Date, as set forth in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by A.J. Wholesale with respect to the alleged or actual failure to warn about exposures to DEHP and Lead from Products manufactured, sold or distributed for sale by A.J. Wholesale after the Effective Date.

4.2 Brimer's Individual Release of Claims

Brimer, in his individual capacity only and *not* in his representative capacity, also provides 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 Brimer of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DEHP and Lead in Products manufactured, imported, distributed or sold by A.J. Wholesale before the Effective Date.

4.3 A.J. Wholesale's Release of Brimer

A.J. Wholesale, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against Brimer 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 Brimer and his attorneys and other representatives in the course of investigating claims, 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 the Parties. Brimer and A.J. Wholesale agree to support the entry of this agreement as a judgment, and to obtain the Court's approval of their settlement in a timely manner. The Parties acknowledge that, pursuant to California Health and Safety Code section 25249.7(f), a noticed motion is required for judicial approval of this Consent Judgment, which motion Brimer shall draft and file and A.J. Wholesale shall support, including by appearing at the hearing if so requested. If any third-party objection to the motion is filed, Brimer and A.J. Wholesale agree to work together to file a reply and appear at any hearing. This provision is a material component of the Consent Judgment and shall be treated as such in the event of a breach.

6. **SEVERABILITY**

If, subsequent to the Court's approval and entry of this Consent Judgment as a 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 A.J. Wholesale may provide Brimer with written notice 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 A.J. Wholesale from its obligation to comply with any pertinent state or federal law or regulation.

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 any Party by the other at the following addresses:

To A.J. Wholesale: To Brimer:

Vuthisit Prapavat, President
A.J. Wholesale Distributors, Inc.

6925 North Paramount Boulevard #B
Long Beach, CA 90805

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

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. COUNTERPARTS, FACSIMILE AND PDF 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. COMPLIANCE WITH REPORTING REQUIREMENTS

Brimer and his counsel agree to comply with the reporting form requirements referenced in California Health and Safety Code section 25249.7(f).

11. MODIFICATION

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

12. <u>AUTHORIZATION</u>

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.

10 AGREED TO:

RUSSELL BRIMER.

Dated: 5/12/2016

AGREED TO:

 $\hbox{A.J. WHOLESALE DISTRIBUTORS, INC.}\\$

By: _____(Print Name)
Its: ____(Title)

Dated:

11. MODIFICATION

*

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

12. <u>AUTHORIZATION</u>

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.

AGREED TO:	AGREED TO:
RUSSELL BRIMER.	A.J. WHOLESALE DISTRIBUTORS, INC.
Dated:	By: D.XIM PMOVIM. Its: VPrint Name)
	Dated: (Title)