1 2 3 4	Josh Voorhees, State Bar No. 241436 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710 Telephone: (510) 848-8880 Facsimile: (510) 848-8118		
5 6	Attorneys for Plaintiff ANTHONY E. HELD, PH.D., P.E.		
7	SUPERIOR COURT OF T	THE STATE OF CALIFORNIA	
8	COUNTY OF MARIN		
9	UNLIMITED CIVIL JURISDICTION		
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12	ANTHONY E. HELD, PH.D., P.E.,	Case No. CIV1502595	
13	Plaintiff,	[PROPOSED]CONSENT JUDGMENT	
14	V.	(Health & Safety Code § 25249.6 et seq.)	
15	V.		
16	AMMEX CORPORATION; et al.		
17	Defendants.		
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CONSENT JUDGMENT

## 1. <u>INTRODUCTION</u>

#### 1.1 Parties

This Consent Judgment is entered into by and between plaintiff Anthony E. Held, Ph.D., P.E. ("Held") and defendant AMMEX Corporation and its affiliates ("Ammex" or "Defendant"), with Held and Ammex each referred to individually as a "Party" and collectively as the "Parties."

#### 1.2 Plaintiff

Held 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

Ammex 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

Held alleges that Ammex manufactured, imported, sold and/or distributed for sale in California vinyl/PVC gloves that contain diisononyl phthalate ("DINP"), without first providing the requisite Proposition 65 warning. DINP is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer.

## 1.5 Product Description

The products covered by this Consent Judgment are vinyl/PVC gloves containing DINP, manufactured exclusively by or for Ammex and/or its affiliates and sold in California, including, but not limited to, the *GlovePlus by AMMEX 100 Vinyl Industrial Gloves Latex Free*, #IV48100, UPC #6 97383 40164 9 (hereinafter, the "Products").

# 1.6 Notice of Violation

On April 24, 2015, Held served Ammex and the requisite public enforcement agencies with a "60-Day Notice of Violation" ("Notice"), alleging that Ammex violated Proposition 65 when it failed to warn its customers and consumers in California that the Products expose users to DINP.

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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 16, 2015, Held filed the instant action (the "Complaint") naming Ammex as a defendant for the alleged violations of Health and Safety Code section 25249.6 that are the subject

of the Notice.

1.8 No Admission

The Parties enter into this Consent Judgment as a full and final settlement of all claims that

were raised in the Notice and Complaint, or that could have been raised in the Complaint, arising

out of the facts and/or conduct alleged therein. Ammex 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, and are completely safe for their intended use. Nothing in this Consent Judgment

shall be construed as an admission by Ammex 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 Ammex of any fact, finding, conclusion of law, issue of law, or violation of law.

This Section shall not, however, diminish or otherwise affect Ammex'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 Ammex 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" shall mean the date that

the Court enters this Consent Judgment.

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#### 2. INJUNCTIVE SETTLEMENT TERMS

Commencing on January 30, 2016 and continuing thereafter, Ammex 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 DINP 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 DINP content in a solid substance.

#### **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), in complete settlement of all the claims referred to in this Consent Judgment, Ammex shall pay a total of \$14,000 in civil penalties as specified in Sections 3.1.1 and 3.1.2 below. Each civil penalty payment shall be allocated according to Health and Safety Code section 25249.12(c)(1) and (d), with seventy-five percent (75%) of the funds paid to the California Office of Environmental Health Hazard Assessment ("OEHHA"), and twenty-five percent (25%) of the funds remitted to Held. Held and his counsel shall have sole responsibility for transmitting to OEHHA any required portions of the civil penalty payment.

#### 3.1.1 **Initial Civil Penalty.**

Ammex shall make an initial civil penalty payment of \$4,000. Defendant shall issue a check payable to "Rogers Joseph O'Donnell Client Trust Account" in the amount of \$4,000 to be held in trust by Rogers Joseph O'Donnell within ten days of the full execution of this Consent Judgment. Rogers Joseph O'Donnell shall provide The Chanler Group with written confirmation within five days of receipt that the funds have been deposited in a trust account. Within five business days of the date this Consent Judgment is approved by the Court, Rogers Joseph O'Donnell shall issue two separate checks to: (a) OEHHA, in the amount of \$3,000; and (b) "The

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Chanler Group in Trust for Anthony Held." in the amount of \$1,000. All penalty payments shall be delivered to the address listed in Section 3.3 below.

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# 3.1.2 Final Civil Penalty

On September 30, 2015, Ammex shall make a final civil penalty payment of \$10,000 sent to the address in Section 3.3 below. Pursuant to title 11 California Code of Regulations, section 3203(c), Held agrees that the final civil penalty payment shall be waived in its entirety if, no later than September 30, 2015, an officer of Ammex provides Held with written certification that all of the Products it is selling or distributing for sale in California as of the date of such certification are Reformulated Products as defined by Section 2.1, and that Ammex will continue to offer only Reformulated Products for sale in California in the future. The option to certify to expedited reformulation in lieu of making the final civil penalty payment required by this Section is a material term, and with regard to such term, time is of the essence. Ammex shall deliver its certificate, if any, to Held's counsel at the address provided in Section 3.3, below. In the event that Ammex does not timely certify its compliance or make the final civil penalty payment required by this Section, the Parties agree that Held may file a motion or application seeking an order compelling Ammex's compliance with this Section. The Parties further agree that should Held have to file such a motion, he shall be entitled to his reasonable attorneys' fees and costs pursuant to general contract principles and Code of Civil Procedure section 1021.5.

#### 3.2 Reimbursement of Attorneys' Fees and Costs

The Parties acknowledge that Held 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, Ammex expressed a desire to resolve Held's fees and costs. The Parties then attempted to (and did) reach an accord that Ammex will pay Held and his counsel \$29,500 in complete resolution of any claim for compensation due to Held 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 they performed 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.

Accordingly, Defendant shall issue a check payable to "Rogers Joseph O'Donnell" in the amount of \$29,500 to be held in trust by Rogers Joseph O'Donnell within ten days of the full execution of this Consent Judgment. Rogers Joseph O'Donnell shall provide The Chanler Group with written confirmation within five days of receipt that the funds have been deposited in a trust account.

Within five business days of the date this Consent Judgment is approved by the Court, Rogers Joseph O'Donnell shall issue a check in the amount of \$29,500 made payable to "The Chanler Group" and send it to the address set forth in Section 3.3 below.

## 3.3 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 Held's Release of Proposition 65 Claims

Held, acting on his own behalf and in the public interest, releases Ammex 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, their downstream distributors, wholesalers, customers, retailers, franchisers, franchisees, cooperative members, licensors and licensees ("Downstream Releasees") for any violations arising under Proposition 65 for unwarned exposures to DINP from Products manufactured, imported, distributed or sold by Ammex prior to the Effective Date, as set forth in the Notice and the Complaint. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by Ammex with respect to the alleged or actual failure to warn about exposures to DINP from Products manufactured, imported, sold or distributed for sale by Ammex after the Effective Date.

#### 4.2 Held's Individual Release of Claims

Held, in his individual capacity only and *not* in his representative capacity, on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees, also provides a release to Defendant, 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 any nature, character or kind, whether known or unknown, suspected or unsuspected, arising from their sale of Products manufactured, imported, distributed or sold by Ammex before the Effective Date.

Held acknowledges that he is familiar with Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Held, in his individual capacity only, and *not* in his representative capacity, expressly waives and relinquishes any and all rights and benefits which he may have under, or which may be conferred on him by the provisions of Section 1542 of the California Civil Code as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that he may lawfully waive such rights or benefits pertaining to Products manufactured, imported, distributed or sold by Ammex before the Effective Date..

#### 4.3 Ammex's Release of Held

Ammex, 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 Held and his attorneys and other representatives, for any and all actions taken or statements made by Held 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.

Ammex acknowledges that it is familiar with Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Ammex expressly waives and relinquishes any and all rights and benefits which it may have under, or which may be conferred on it by, the provisions of Section 1542 of the California Civil Code, as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that it may lawfully waive such rights or benefits pertaining to Products manufactured, imported, distributed or sold before the Effective Date..

## 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. Held and Ammex agree act in good faith 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 Held shall draft and file, and Ammex shall support, including by appearing at the hearing if so requested, and both Parties agree to submit any supplemental information reasonably requested by the Court to obtain approval and entry of this Consent Judgment. If any third-party objection to the motion is filed, Held and Ammex 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. <u>SEVERABILITY</u>

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 Ammex may provide Held 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 Ammex 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:

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#### **Ammex**

Held

Keyo Gold, President Ammex Corporation 1019 West James Street, Suite 200 Kent, WA 98032

J. Robert Maxwell, Esq. Rogers Joseph O'Donnel 311 California Street, 10th fl San Francisco, CA 94104

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Attn: Proposition 65 Coordinator The Chanler Group 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 Party a change of address to which all notices and other communications shall be sent.

#### 9. **ENTIRE AGREEMENT**

9.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, or understandings related thereto, if any, are hereby merged herein. No supplementation, modification, waiver, or termination of this Consent Judgment shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of

this Consent Judgment shall be deemed or shall constitute a waiver of any of the other provisions hereof whether or not similar, nor shall such waiver constitute a continuing waiver unless set forth in writing between the Parties.

# 10. <u>RETENTION OF JURISDICTION</u>

10.1 This Court shall retain jurisdiction of this matter to implement or modify the Consent Judgment and shall retain jurisdiction to enforce this Consent Judgment, or any provision hereof, under C.C.P. §664.6. Should either Party allege a violation of this Consent Judgment, the alleging Party agrees to provide written notice thereof, and to meet and confer and provide all relevant evidence of any alleged violation to the other Party. If the Parties cannot agree on an appropriate resolution of the alleged violation within 30 days of the written notice thereof and provision of all relevant evidence, either Party shall be free to move the Court to enforce the terms of this Consent Judgment.

# 11. 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.

## 12. COMPLIANCE WITH REPORTING REQUIREMENTS

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

## 13. <u>MODIFICATION</u>

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. Any Party seeking to modify this Consent Judgment or to allege a violation thereof shall first attempt in good faith to meet and confer with the other Party seeking a modification or alleging a violation prior to filing a motion to modify or enforce the Consent Judgment.

1	14.	14. <u>AUTHORIZATION</u>		
2	The undersigned are authorized to execute this Consent Judgment on behalf of their			
3	respective Parties and have read, understood, and agree to all of the terms and conditions of this			
4	Conse	nt Judgment.		
5			A CONTROL TIO	
6	AGR	EED TO:	AGREED TO:	
7	Date:	9/14/2015	Date:	
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9	By:	MEHONY & HELD DILL DE	By: Keyo Gold, President	
10	A	NTHONY E. HELD, PH.D., P.E.	AMMEX CORPORATION	
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1	14. <u>AUTHORIZATION</u>		
2	The undersigned are authorized to execute this Consent Judgment on behalf of their		
3	respective Parties and have read, understood, and agree to all of the terms and conditions of this		
4	Consent Judgment.		
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6	AGREED TO:	AGREED TO:	
7	Date:	Date: 9/8/15	
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9	By:ANTHONY E. HELD, PH.D., P.E.	By:	
10	ANTHONY E. HELD, PH.D., P.E.	Keyo Gold, President AMMEX CORPORATION	
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