1 2 3 4	Josh Voorhees, State Bar No. 241436 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565 Telephone: (510) 848-8880 Facsimile: (510) 848-8118	
5	Attorneys for Plaintiff WHITNEY R. LEEMAN, PH.D.	
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8	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
9	COUNTY OF SANTA CLARA	
10	UNLIMITED CIVIL JURISDICTION	
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12	WHITNEY R. LEEMAN, PH.D.,	Case No. 16CV291646
13	Plaintiff,	[PROPOSED] CONSENT JUDGMENT
14	v.	(Health & Safety Code § 25249.6 et seq.)
15	LISLE CORPORATION, et al.,	
16	Defendants.	
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1. <u>INTRODUCTION</u>

1.1 Parties

This Consent Judgment is entered into by and between plaintiff Whitney R. Leeman, Ph.D. ("Leeman"), and Lisle Corporation ("Lisle"), with Leeman and Lisle each individually referred to as a "Party" and collectively as the "Parties."

1.2 Plaintiff

Leeman is an individual residing in California who seeks 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 Lisle

Lisle employs ten or more individuals and is 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

Leeman alleges that Lisle manufactures, imports, sells, or distributes for sale in California, tools with vinyl/PVC grips that contain 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. Lisle denies Leeman's claims and maintains that Proposition 65 warnings are not required for the Products (as hereinafter defined).

1.5 **Product Description**

The products covered by this Consent Judgment are tools with vinyl/PVC grips containing DINP that are manufactured, imported, sold, or distributed for sale in California by Lisle including, but not limited to, *Lisle "Swivel Grip" Oil Filter Wrench*, #53500, *UPC* #0 83045 53500 3, hereinafter the "Products".

1.6 Notice of Violation

On or about August 10, 2015, Leeman served Lisle, and various public enforcement agencies with a document entitled "60-Day Notice of Violation" ("Notice") that provides the recipients with notice of alleged violations of Proposition 65 based on Lisle's alleged failure to warn consumers in

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27 28 California that their Products expose users to DINP. To the best of the Parties' knowledge, no public enforcer has commenced or is otherwise prosecuting the allegations set forth in the Notice.

1.7 **Complaint**

On February 17, 2016, Leeman filed the instant action ("Complaint") naming Lisle 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

Lisle denies the factual and legal allegations contained in the Notice and Complaint, and maintains that all of the products it has sold and 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 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 Lisle'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 Lisle as to the allegations contained in the Complaint, that venue is proper in the County of Santa Clara, 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.

INJUNCTIVE RELIEF: REFORMULATION 2.

2.1 **Reformulated Products**

On or before the Effective Date, and continuing thereafter, Lisle shall only manufacture for sale or purchase for sale in California, "Reformulated Products." For purposes of this Consent Judgment, Reformulated Products are Products 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.

3. MONETARY SETTLEMENT TERMS

3.1 Civil Penalty Payments

Pursuant to Health & Safety Code § 25249.7(b), in settlement of all the claims referred to in this Consent Judgment, Lisle shall pay \$8,000 in civil penalties, which 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") by Leeman, and twenty-five percent (25%) of the funds remitted to Leeman. Lisle shall make the civil penalty payment of \$8,000 payable to "Leeman, Client Trust Account."

3.2 Reimbursement of Attorney's Fees and Costs

The parties acknowledge that Leeman 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 reached, Lisle expressed a desire to resolve Leeman's fees and costs. The Parties then reached an accord on the reimbursement of Leeman's attorneys' fees and costs 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. Lisle shall pay \$30,750 for the fees and costs incurred by Leeman investigating, bringing this matter to Lisle's attention, litigating and negotiating a settlement in the public interest, which check shall be made payable to "The Chanler Group."

3.3 Payment Procedure

All payments required by this Consent Judgment shall be delivered to the following Address within ten (10) business days of the Effective Date. In the event that any payment required by this Consent Judgment is untimely, the Parties agree and acknowledge that (a) Lisle shall be liable to Leeman for 10% simple interest on any unpaid amount(s); (b) Leeman may seek to enforce Lisle's payment obligations under general contract principles and Code of Civil Procedure section

664.6; and (c) Leeman shall be entitled to any fees incurred recovering such settlement payments:

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

4. CLAIMS COVERED AND RELEASED

This Consent Judgment is a full, final and binding resolution as set forth in this Section 4.

4.1 Leeman's Public Release of Proposition 65 Claims

Leeman, on behalf of herself, her past and current agents, representatives, attorneys, successors, and/or assignees, and acting in a representative capacity in the public interest pursuant to Health & Safety Code § 25249.7(d), releases and waives all claims, causes of actions suits, liabilities, demands, obligations, damages, costs, fines, penalties, expenses (including, but not limited to, investigation fees, and attorneys' fees) or losses (collectively, "Claims"), against Lisle and it's parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Releasees") and each person or entity to whom it directly or indirectly distributes or sells the Products including, but not limited to, it's downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors and licensees ("Downstream Releasees") arising under Proposition 65 based on alleged unwarned exposures to DINP from Products sold or distributed by Lisle 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 failures to warn about DINP from the Products sold or distributed by Lisle after the Effective Date.

4.2 Leeman's Individual Release of Claims

Leeman, in her individual capacity on behalf of herself, her past and current agents, representatives, attorneys, successors, and/or assignees, and *not* in her representative capacity, also releases and waives all Claims against Releasees, and Downstream Releasees which shall be effective as a full and final accord and satisfaction, as a bar to all Claims of Leeman of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DINP in the Products sold or distributed for sale by Lisle before the Effective Date.

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4.3 The Parties agree that compliance with the terms of this Consent Judgment, specifically the injunctive relief set forth in Section 2, constitutes compliance with Proposition 65 by Lisle and Releasees with respect to any DINP in the Products.

4.4 Lisle's Release of Leeman

Lisle, on its own behalf, and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against Leeman and her attorneys and other representatives, for any and all actions taken or statements made by Leeman and her 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 the Parties. In the event that the Consent Judgment is not approved and entered by the Court as specified in this Section, Leeman shall return all settlement payments made by Lisle within fifteen (15) days' written notice by Lisle.

6. SEVERABILITY

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 if any of the provisions of this Consent Judgment are rendered inapplicable or no longer required as a result of any such repeal or preemption or rendered inapplicable by reason of law generally as to the Products, then Lisle may provide written notice to Leeman of any asserted change in the law, and shall have no further injunctive obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are so affected.

8. NOTICE

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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:

Lisle

Fred Lisle, President Lisle Corporation 807 East Main Street Clarinda, IA 51632 Sarah Esmaili, Esq. Arnold & Porter LLP 10th Floor, Three Embarcadero Center San Francisco, CA 94111-4024

Leeman

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, 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

Leeman agrees 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 by Leeman 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 approval of their settlement 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, supporting the motion, and appearing at the hearing before the Court.

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11. MODIFICATION

This Consent Judgment may be modified only by: (i) a written agreement of the Parties and entry of a modified consent judgment by the Court; or (ii) a successful motion or application of any Party, and the entry of a modified consent judgment by the Court.

12. <u>AUTHORIZATION</u>

The undersigned are authorized to execute this Consent Judgment and have read, understood, and agree to all of the terms and conditions contained herein.

AGREED TO:
Date: 4/21/16
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Byr McCl D DC

LISLE CORPORATION