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6	Attorneys for Plaintiff LAURENCE VINOCUR	•	
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8	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
9	COUNTY OF SAN MATEO		
10	UNLIMITED CIVIL JURISDICTION		
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13	LAURENCE VINOCUR,	Case No. 16CIV00791	
14	Plaintiff,	[PROPOSED] CONSENT JUDGMENT	
15	٧.	(Health & Safety Code § 25249.6 et seq. and Code Civ. Proc. § 664.6)	
16	FLIR SYSTEMS, INC., et al.,	, ,	
17	Defendants.		
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# 1. <u>INTRODUCTION</u>

#### 1.1 Parties

This Consent Judgment is entered into by and between plaintiff Laurence Vinocur ("Vinocur"), and FLIR Systems, Inc. ("FLIR"), with Vinocur and FLIR each individually referred to as a "Party" and collectively as the "Parties."

#### 1.2 Plaintiff

Vinocur 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 Defendant

FLIR 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

Vinocur alleges that FLIR imports, sells, or distributes for sale in California multimeters with vinyl/PVC components that contain di(2-ethylhexyl)phthalate ("DEHP") without first providing the exposure warning required by Proposition 65. DEHP is listed pursuant to Proposition 65 as a chemical known to cause birth defects or other reproductive harm.

#### 1.5 Product Description

For purposes of this Consent Judgment "Products" are defined as multimeters with vinyl/PVC components containing DEHP that are imported, sold, or distributed for sale in California by FLIR, including, but not limited to, the *Extech Instruments A Flir Company Mini Analog MultiMeter*, #38073, UPC #7 93950 38073 4.

## 1.6 Notice of Violation

On April 27, 2016, Vinocur served FLIR, and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice") alleging that FLIR violated Proposition 65 by failing to warn its customers and consumers in California of the health hazards associated with exposures to DEHP

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from the Products. No public enforcer has commenced and is diligently prosecuting an action to enforce the violations alleged in the Notice.

#### 1.7 Complaint

On August 5, 2016, Vinocur filed the instant action. Thereafter, on August 9, 2016 Vinocur filed the First Amended Complaint ("Complaint"), the operative pleading in this action, naming FLIR 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

FLIR denies the material, 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 FLIR'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 FLIR as to the allegations in the Complaint, that venue is proper in the County of San Mateo, 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 Court grants the motion for approval of the Consent Judgment contemplated by Section 5.

#### 2. INJUNCTIVE RELIEF: REFORMULATED PRODUCTS

Commencing on the Effective Date and continuing thereafter, FLIR agrees to only manufacture for sale, import for sale, or purchase for sale in California, Reformulated

Products. For purposes of this Consent Judgment, "Reformulated Products" are defined as Products containing DEHP in a maximum concentration of 1,000 parts per million (0.1%) in any accessible component (i.e.., any component that may be touched during a reasonably foreseeable use) when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or equivalent methodologies utilized by federal or state agencies for the purpose of determining DEHP content in a solid substance.

# 3. MONETARY SETTLEMENT TERMS

# 3.1 Civil Penalty Payments

Pursuant to Health and Safety Code section 25249.7(b), and in settlement of all the claims referred to in the Notice, Complaint, and this Consent Judgment, FLIR shall pay civil penalties in accordance with this Section 3.1. 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 penalty paid to the California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining twenty-five percent (25%) of the penalty retained by Vinocur. Vinocur's counsel shall be responsible for delivering OEHHA's portion of any penalty payment(s) made under this Consent Judgment.

# 3.1.1 Initial Civil Penalty

FLIR shall make an initial civil penalty payment of \$4,000. FLIR shall provide its payment in a two checks for the following amounts made payable to (a) "OEHHA" in the amount of \$3,000; and (b) "Laurence Vinocur, Client Trust Account" in the amount of \$1,000.

#### 3.1.2 Final Civil Penalty

On April 15, 2017, FLIR shall make a final civil penalty payment of \$9,000. Pursuant to title 11 California Code of Regulations section 3203(c), Vinocur agrees that the final civil penalty payment shall be waived in its entirety if, no later than April 1, 2017, an officer of FLIR provides Vinocur with a signed declaration certifying that, as of the date of the declaration, all of the Products FLIR is shipping for sale, or distributing for sale in California, are Reformulated Products, and that FLIR will continue to offer only Reformulated Products in California in the future. Unless waived FLIR shall provide its payment in two checks for the following amounts made payable to (a) "OEHHA" in the amount of \$6,750; and (b) "Laurence Vinocur, Client Trust Account" in the amount

of \$2,250. The option to certify to complete reformulation in lieu of making the final civil penalty payment required by this Section is a material term, and time is of the essence.

# 3.2 Reimbursement of Attorney's Fees and Costs

The parties acknowledge that Vinocur 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, the Parties negotiated the compensation due to Vinocur 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 through the mutual execution of this Consent Judgment, and court approval of the same, but exclusive of fees and costs on appeal, if any. Under these legal principles, FLIR shall pay \$31,000 for all fees and costs incurred by Vinocur investigating, bringing this matter to FLIR's attention, litigating and negotiating a settlement in the public interest.

# 3.3 Payment Timing; 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. Within fifteen days of the date that this Consent Judgment is fully executed by the Parties, with the exception of the final civil penalty payment required by Section 3.1.2, all payments shall be delivered to FLIR's counsel and held in trust until the Effective Date. FLIR's counsel shall provide Vinocur's counsel with written confirmation upon its receipt of the settlement payments. Within five days of the Effective Date, FLIR's counsel shall deliver the initial civil penalty and attorneys' fee reimbursement payments to Vinocur's counsel. In the event that the final civil penalty payment required by subsection 3.1.2 has not been waived and becomes due prior to the Effective Date, the penalty payment shall be tendered to FLIR's counsel when due, held in trust until, and disbursed within five days after, the Effective Date.

# 3.4 Payment Address

All payments required by this Consent Judgment shall be delivered to:

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 Vinocur's Public Release of Proposition 65 Claims

Vinocur, acting on his own behalf and in the public interest, Vinocur releases FLIR and its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Releasees"), and each entity to whom FLIR directly or indirectly distributes or sells the Products including, without limitation, its downstream customers, distributors, wholesalers, and retailers ("Downstream Releasees") for any violation arising under Proposition 65 pertaining to the failure to warn about exposures to DEHP from Products sold or distributed for sale by FLIR 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 DEHP from Products sold or distributed for sale by FLIR after the Effective Date.

# 4.2 Vinocur's Individual Release of Claims

Vinocur, in his individual capacity only and *not* in any representative capacity, also provides a release to FLIR, 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 Vinocur of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DEHP in Products sold or distributed for sale by FLIR before the Effective Date.

## 4.3 FLIR's Release of Vinocur

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

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# 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 it is not approved and entered by the Court within one year after it has been fully executed by the Parties, or by such additional time as the Parties may agree in writing.

# 6. REPRESENTATIONS REGARDING SALES

FLIR represents that the sales data for the Products and other information it provided to Vinocur is truthful to the best of its knowledge and a material factor upon which Vinocur has relied to negotiate the civil penalties assessed pursuant to Health & Safety Code § 25249.7 in this Consent Judgment.

# 7. <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.

# 8. 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, or is otherwise rendered inapplicable by reason of law generally or as to the Products, then FLIR may provide written notice to Vinocur 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.

### 9. 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:

For FLIR:

Andrew Teich, President FLIR Systems, Inc. 27700 SW Parkway Avenue Wilsonville, OR 97070 with a copy to:

William F. Tarantino, Esq. Morrison Foerster 425 Market Street San Francisco, CA 94105-2482 ļ

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For Vinocur:

Proposition 65 Coordinator The Chanler Group 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2

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.

# 10. COUNTERPARTS; FACSIMILE SIGNATURES

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

## 11. POST EXECUTION ACTIVITIES

Vinocur 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 is required to obtain judicial approval of the settlement, which motion Moore shall draft and file. 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, supporting the motion for approval, responding to any objection that any third-party may file or lodge, and appearing at the hearing before the Court if so requested.

#### 12. MODIFICATION

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

1	13. <u>AUTHORIZATION</u>	
2	The undersigned are authorized to execute this Consent Judgment and acknowledge that they	
3	have read, understand, and agree to all of the terms and conditions contained herein.	
4	AGREED TO:	AGREED TO:
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6	Date: 12/1/2016	Date: 11 / 30 / 16
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8	By: Davese	B
9	LAURENCE VINOCUR	Todd M. DuChene Senior Vice President, General Counsel
10		& Secretary
1		FLIR SYSTEMS, INC.
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	II.	CONSENT JUDGMENT