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8	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
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10	COUNTY OF SAN FRANCISCO  UNLIMITED CIVIL JURISDICTION	
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13	JOHN MOORE,	Case No. CGC-17-557022
14	Plaintiff,	[PROPOSED] CONSENT JUDGMENT
15	v.	(Health & Safety Code § 25249.6 et seq. and Code Civ. Proc. § 664.6)
16	KWDZ MANUFACTURING, LLC, et al.,	Code Civ. Pioc. § 604.0 )
17	Defendants.	
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## 1. <u>INTRODUCTION</u>

#### 1.1 Parties

This Consent Judgment is entered into by and between plaintiff John Moore ("Moore"), and KWDZ Manufacturing, LLC ("KWDZ"), with Moore and KWDZ each individually referred to as a "Party" and collectively as the "Parties."

#### 1.2 Plaintiff

Moore 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

KWDZ 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

Moore alleges that KWDZ imports, sells, or distributes for sale in California belts 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 belts with vinyl/PVC components containing DEHP that are imported, sold, or distributed for sale in California by KWDZ, including, but not limited to, the *Beautees Faux Fur Vest with Belt, Style #8110913KBL59*, *RN#110135*.

#### 1.6 Notice of Violation

On December 6, 2016, Moore served KWDZ, and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice") alleging that KWDZ violated Proposition 65 by failing to warn its customers and consumers in California of the health hazards associated with exposures to

DEHP 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 February 9, 2017, Moore filed the instant action ("Complaint"), naming KWDZ 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

KWDZ 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 KWDZ'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 KWDZ as to the allegations 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" means the date on which the Court approves this Consent Judgment, including any unopposed tentative ruling granting approval of this Consent Judgment.

## 2. INJUNCTIVE RELIEF: REFORMULATION AND WARNINGS

#### 2.1 Commitment to Reformulate or Warn

Commencing within 30 days of the Effective Date and continuing thereafter, KWDZ shall only manufacture for sale, purchase for sale, or import for sale in California, Products that are either:

(a) Reformulated Products as defined by Section 2.2, below; or (b) Products that are offered by KWDZ with a clear and reasonable warning pursuant to Section 2.3.

#### 2.2 Reformulation Standard

For the purposes of this Consent Judgment, "Reformulated Products" are defined as Products that contain DEHP 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 DEHP content in a solid substance.

# 2.3 Clear and Reasonable Warning

Commencing within 30 days of the Effective Date and continuing thereafter, for any Products offered for sale in California by KWDZ that are not Reformulated Products, KWDZ agrees to only offer such Products for sale with a clear and reasonable warning in accordance with this Section. KWDZ further agrees that any warning used will be prominently placed in relation to the Product with such conspicuousness when compared with other words, statements, designs, or devises as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use. For purposes of this Consent Judgment, a clear and reasonable warning for the Products satisfying these criteria shall consist of a warning affixed directly to a Product or its accompanying labeling or packaging sold in California containing one of the following statements:

**WARNING:** This product can expose you to chemicals including DEHP, which is known to the State of California to cause birth defects or other reproductive harm.

**WARNING:** This product contains DEHP, a chemical known to the State of California to cause birth defects or other reproductive harm.

# 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, KWDZ shall pay \$1,500 in civil penalties. The penalty payment will be allocated in accordance with California Health and Safety Code section 25249.12(c)(1) & (d), with payment in two checks for the following amounts made payable to: (a) California Office of Environmental Health Hazard Assessment ("OEHHA") in the amount of \$1,125; and (b) "John Moore, Client Trust Account" in the amount of \$375.

## 3.2 Reimbursement of Attorney's Fees and Costs

The parties acknowledge that Moore 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 Moore 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, KWDZ shall pay \$11,500 for all fees and costs incurred by Moore investigating, bringing this matter to KWDZ'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 five (5) days of the date that this Consent Judgment is fully executed by the Parties, all payments due under this agreement shall be delivered to KWDZ's counsel and held in trust until the Effective Date. KWDZ's counsel shall provide Moore's counsel with written confirmation upon its receipt of the settlement payments. Within five days of the Effective Date, KWDZ's counsel shall deliver the civil penalty and attorneys' fee reimbursement payments to Moore's counsel.

## 3.4 Payment Address

Within five days of the Effective Date, 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. CLAIMS COVERED AND RELEASED

## 4.1 Moore's Public Release of Proposition 65 Claims

Moore, acting on his own behalf and in the public interest, Moore releases KWDZ and its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Releasees"), and each entity to whom KWDZ 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 KWDZ 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 KWDZ after the Effective Date.

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

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

# 4.3 KWDZ's Release of Moore

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

## 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 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. <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, or is otherwise rendered inapplicable by reason of law generally or as to the Products, then KWDZ may provide written notice to Moore 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

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 KWDZ:

Vera Campbell, President KWDZ Manufacturing, LLC 337 South Anderson Street Los Angeles, CA 90033

with a copy to:

Laura P. Worsinger, Esq. 333 South Grand Avenue Suite 2100 Los Angeles, CA 90071

For Moore:

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. 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.

## 10. POST EXECUTION ACTIVITIES

Moore 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.

# 11. 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.

## 12. AUTHORIZATION

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

9 AGREED TO:

**AGREED TO:** 

Date: 11/28/2017

Date: 11-27-2017

By: Vara RlampSell

By:

Vera Campbell, President

JOHN MOORE

KWDZ MANUFACTURING, LLC

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