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SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

NOV - 9 2005

ALAN SLATER, Clerk of the Court

FILED

SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

NOV 10 2005

ALAN SLATER, Clerk of the Court

BY: KATHY P. PERAZA, DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

CONSUMER DEFENSE GROUP ACTION,

Plaintiffs,

v.

FDC MANAGEMENT, INC. AND DOES 1-100

Defendants.

CASE NO.: 05CC09789

AMENDED
~~FILED~~ STIPULATED CONSENT
JUDGMENT BETWEEN PLAINTIFF AND
DEFENDANT FDC MANAGEMENT INC.

1 1. INTRODUCTION

2 1.1 Plaintiff. Consumer Defense Group Action ("CDG") on its own behalf and as a
3 representative of the People of the State of California, is a California corporation. CDG is referred
4 to herein individually as "Plaintiff."

5 1.2 Defendants. The Defendants identified on Exhibit A hereto own, operate and/or
6 manage residential rental properties located throughout the State of California. (Plaintiffs and
7 Defendants may collectively be referred to as "the Parties.")

8 1.3 Covered Properties. The properties and facilities owned, operated and/or managed
9 by Defendants are referred to individually and collectively as the "Covered Properties." The
10 Covered Properties are identified in Exhibit B hereto.

11 1.4 Proposition 65. California Health and Safety Code Sections 25249.5 *et seq.*
12 ("Proposition 65") prohibits, among other things, a business consisting of ten or more employees
13 from knowingly and intentionally exposing an individual to chemicals that are known to the State of
14 California to cause cancer and/or birth defects or other reproductive harm without first providing a
15 clear and reasonable warning to such individuals. Exposures can occur as a result of a consumer
16 product exposure, an occupational exposure or an environmental exposure.

17 1.5 Proposition 65 Chemicals. The State of California has officially listed various
18 chemicals (as may be modified or supplemented from time to time) pursuant to Health and Safety
19 Code section 25249.8 as chemicals known to the State of California to cause cancer and/or
20 reproductive toxicity.

21 1.6 Plaintiffs' 60-Day Notice. More than sixty-five days before filing the Complaint in
22 this action, Plaintiff served on identified Defendants a document entitled "60-Day Notice of Intent
23 to Sue Pursuant to Health & Safety Code 25249.5" (the "Initial Notices"). The Initial Notices state,
24 among other things, that certain Defendants were in violation of Proposition 65 for knowingly and
25 intentionally exposing consumers, customers and employees of the subject residential rental
26 properties, as well as the public, to Proposition 65 listed chemicals without first providing a clear
27 and reasonable warning to such individuals.

1 More than sixty-five days before filing the Complaint in this action, Plaintiff served on Defendants
2 in this action a document entitled "Amended Notice by [Plaintiffs] of Intent to Sue Pursuant to
3 Health & Safety Code § 25249.6. The 60-Day Notices are directed to each Covered Property based
4 on the specific, individualized operations and activities conducted by the Defendants at each
5 Covered Property. The 60-Day Notices state, among other things, that Defendants were in violation
6 of Proposition 65 for knowingly and intentionally exposing individuals, including tenants, visitors,
7 guests, invitees, contractors and employees of the Covered Properties, as well as the public, to
8 certain Proposition 65 listed chemicals without first providing a clear and reasonable warning. Each
9 60-Day Notice to each Defendant distinctly specifies certain activities/operations and the associated
10 chemicals at each Covered Property for which Plaintiffs allege Proposition 65 violations.

11 1.6.1 Noticed Chemicals. "Noticed Chemicals" means Proposition 65 listed
12 chemicals which are the subject of Plaintiffs' 60-Day Notices as to some or all of the individual
13 Covered Properties, including "Excluded Chemicals" as defined in Section 1.6.3, below. The
14 Noticed Chemicals are: Tobacco products, tobacco smoke, secondhand tobacco smoke, their
15 constituent chemicals and their by-products including nicotine, benzene, and carbon monoxide;
16 carbon monoxide, soots, benzene, creosotes, acetaldehyde, arsenic, formaldehyde, ethyl alcohol,
17 mineral oils, toluene, lead and lead compounds (related to their presence in and release from
18 combustion products and materials, including charcoal, artificial logs, fire starters, charcoal lighter
19 fluid, kerosene and other liquid combustibles, sterno fuels, fireplaces, patio heaters, natural gas,
20 propane, candles and matches); crystalline silica, lead and lead compounds, cadmium and cadmium
21 compounds, cobalt metal, cobalt [II] oxide, asbestos, ceramic fibers, toluene, benzene, carbon
22 monoxide, formaldehyde, soots, tars, gasoline engine exhaust and its constituents, diesel engine
23 exhaust and its constituents, and dichloromethane (methylene chloride) (related to their presence in
24 and release from materials used in arts and crafts and other authorized tenant hobbies including
25 vehicle maintenance); fiberglass, benz[a]anthracene, chrysene, toluene diisocyanate, formaldehyde,
26 5-methylchrysene, nickel and nickel compounds, dichloromethane (methylene chloride), benzene,
27 lead, benzo[b]flouranthene, bezo[k]flouranthene, benzo[a]pyrene, indeno[1,2,3-c, d-]pyrene,
28 acetaldehyde, beryllium and beryllium compounds, arsenic, cadmium and cadmium compounds,

1 chromium (hexavalent compounds), tetrachloroethylene (perchloroethylene), trichloroethylene, and
2 dibenz[a,h]anthracene, carbon disulfide, mercury and mercury compounds, arsenic, crystalline
3 silica, vinyl chloride, di(2-ethylhexyl) phthalate, formaldehyde gas, ceramic fibers, arsenic and
4 arsenic compounds, inorganic oxides, pentachlorophenol, and creosote (related to their presence in
5 and release from structural construction materials); lead and lead compounds (related to their
6 presence in and release from potable water conveyance and dispensing systems); lead and lead
7 compounds, toluene, benzene, and crystalline silica (related to their presence in and release from
8 solvent-based, latex or water-based paints, adhesives, finishes and coatings); dichloromethane
9 (methylene chloride), toluene diisocyanate, soots, tars, mineral oils, lead and lead compounds,
10 cadmium, chromium (hexavalent compounds), nickel and nickel compounds, 1,3 butadiene, di(2-
11 ethylhexyl) phthalate, vinyl chloride, cobalt and cobalt oxide, benzene, and formaldehyde (related to
12 their presence in and release from furniture, furnishings and window treatments); vinyl chloride,
13 di(2-ethylhexyl) phthalate, lead and lead compounds, cadmium and cadmium compounds, cobalt
14 and cobalt oxide, diethylhexylphthalate, and mercury and mercury compounds (related to their
15 presence in and release from brass hardware, metal surfaces, electrical wiring, and electrical fixtures
16 and lamps); benzene, toluene, carbon monoxide, formaldehyde, acetaldehyde, soots, and tars
17 (related to their presence in and release from combustion sources using natural gas, liquid fuel
18 gases, and fuel oils); benzene, toluene, carbon monoxide, diesel exhaust and its constituents,
19 gasoline exhaust and its constituents (related to motor vehicle, engine powered maintenance
20 equipment and emergency generator exhaust, fueling operations, and transportation services);
21 benzene, toluene, styrene oxide, formaldehyde, nitriloacetic acid, ethylene oxide, ethylene glycol
22 monomethyl ether, tetrachloroethylene, crystalline silica, N-methyl pyrrolidone, dichloromethane
23 (methylene chloride), lead and lead compounds, p-dichloro benzene, mancozeb, nabam, arsenic
24 trioxide (inorganic arsenic oxide compound), resmethrin, chlorine and chlorine compounds,
25 chloroform, o-phenyl phenol, 1,4 dioxane, butylated hydroxyanisole, nitromethane,
26 trichloroethylene, hexavalent chromium compounds, nickel and certain nickel compounds, cadmium
27 and cadmium compounds, di(2-ethylhexyl) phthalate, vinyl chloride, asbestos, arsenic and its
28 inorganic oxides, and cobalt [II] oxide (related to their presence in and release from cleaning and

1 maintenance materials, and their presence in and release from building interior and exterior cleaning
2 and maintenance activities); lead acetate, lead, cadmium and cadmium compounds, arsenic and its
3 inorganic oxides, hexavalent chromium compounds, mercury and mercury compounds, 3,7,8-
4 tetrachlorodibenzo-p-dioxin, cobalt[II]oxide, hexachlorodibenzodioxin, nickel and certain nickel
5 compounds, polychlorinated biphenyls, polychlorinated dibenzofurans, radionuclides, crystalline
6 silica, benzene, toluene, p-dichlorobenzene, mancozeb, nabam, arsenic trioxide, myclobutanil,
7 triforine, resmethrin, fluazifopbutyl, thiophanatemethyl, and captan (related to their presence in and
8 release from pest control products, landscaping compounds and related maintenance materials, and
9 their presence in and release from landscaping activities); vinyl chloride, lead, and di(2-ethylhexyl)
10 phthalate (related to their presence in and release from electronics, electric equipment, wires and
11 batteries); formaldehyde, benzene, toluene diisocyanate, creosote, ethylene glycol monoethyl ether,
12 trichloroethylene, and carbon black (carbon black respirable sized aerosols and extracts) (related to
13 their presence in and release from office supplies and office equipment); chloroform, bromoform,
14 bromodichloro methane, crystalline silica, and ethylene oxide (related to their presence in and
15 release from pools and spas from sanitizing and maintenance activities); lead and lead compounds,
16 di(2-ethylhexyl) phthalate, and vinyl chloride (related to their presence in and release from exercise
17 rooms, hand tool handles and other plastic surfaces); p-dichlorobenzene, formaldehyde, benzene,
18 toluene, styrene oxide, formaldehyde, nitroacetic acid, ethylene oxide, ethylene oxide, ethylene
19 glycol monomethyl ether, tetrachloroethylene, crystalline silica, N-methyl pyrrolidone,
20 dichloromethane (methylene chloride), lead and lead compounds, p-dichloro benzene, mancozeb,
21 nabam, arsenic trioxide (inorganic arsenic oxide compound), resmethrin, chlorine and chlorine
22 compounds, chloroform, o-phenyl phenol, dichloromethane (methylene chloride), 1,4 dioxane,
23 butylated hydroxyanisole, inorganic arsenic compounds, nitromethane, trichloroethylene, hexavalent
24 chromium compounds, nickel and certain nickel compounds, cadmium and cadmium compounds,
25 di(2-ethylhexyl) phthalate, vinyl chloride, asbestos, arsenic and its inorganic oxides, and cobalt [II]
26 oxide (related to their presence at and release from indoor common areas, laundry rooms and public
27 restroom facilities); anabolic steroids, testosterone and its esters, streptomycin sulfate, mercury and
28 mercury compounds, methyl mercury, methyl mercury compounds, DDT and its isomers, 2,3,7,8-

1 tetrachloro dibenzo-p-dioxin (TCDD), poly-chlorinated biphenyls, chloroform, aflatoxins,
2 benzo(a)pyrene and other related polycyclic aromatic organic compounds, and acrylamide (based on
3 their presence in and release from various raw and cooked foods); ethyl alcohol in alcoholic
4 beverages (based on its presence in and release from alcoholic beverages); tetrachloroethylene,
5 benzene, toluene, and trichloroethylene (related to their presence in and release from dry cleaned
6 garments and dry cleaning facilities); and lead acetate, toluene, benzene, progesterone, mineral oils,
7 lead and lead compounds (related to their presence at release from salons).

8 The Noticed Chemicals are known to cause cancer and/or birth defects or other reproductive
9 harm and Plaintiffs allege require providing a clear and reasonable warning prior to exposing
10 individuals. This Consent Judgment covers as its subject matter those Noticed Chemicals which are
11 applicable to each Defendant at each property based on the 60-Day Notices.

12 1.6.2 Included Chemicals. "Included Chemicals" mean all Noticed Chemicals
13 except "Excluded Chemicals" in Section 1.6.3, below.

14 1.6.3 Excluded Chemicals. "Excluded Chemicals" mean, soots and tars, creosotes,
15 mineral oils (as relates only to their presence in certain combustion sources using natural gas,
16 propane, sterno fuels, candles and matches); lead acetate (as relates only to its presence at salons);
17 lead and lead compounds (as relates only to their presence in exercise rooms); anabolic steroids,
18 testosterone, streptomycine sulfate, 2,3,7,8-tetrachlorodibenzo-para-dioxin, and polychlorinated
19 dibenzo-p-dioxins (as relates only to the their presence in meats).

20 1.7 Plaintiffs' Lawsuit. On August 30, 2005, Plaintiffs filed a lawsuit in the Superior
21 Court of the State of California for the County of Orange entitled *Consumer Defense Group Action*
22 *v. FDC Management, and Does 1-10*, Orange County Superior Court Case No. 05CC09789, naming
23 Defendants listed on Exhibit A hereto ("Lawsuit"). Prior to submission of this Consent Judgment,
24 neither the Attorney General nor any of the other public officials served with the 60-Day Notices
25 have challenged those 60-Day Notices nor commenced any action in responses to such 60-Day
26 Notices. Plaintiff is acting on behalf of the general public as to the matters described in the Lawsuit
27 and the 60-Day Notices.

1 1.8 Defendants' Answer. Defendants filed a timely answer in the Lawsuit denying each
2 and every allegation set forth in the Lawsuit and asserting numerous affirmative defenses.

3 1.9 Purpose of Consent Judgment. In order to avoid continued and protracted litigation,
4 Plaintiff and Defendants wish to resolve issues raised by the 60-Day Notices and the Lawsuit as to
5 the Defendants and Covered Properties which are the subject of the Lawsuit, pursuant to the terms
6 and conditions described herein. In entering into this Consent Judgment, both Plaintiffs and
7 Defendants recognize that this Consent Judgment is a full and final settlement of all claims related
8 to the Noticed Chemicals, as separately applicable to each Covered Property raised in the 60-Day
9 Notices and the Lawsuit. Plaintiff and Defendants also intend that this Consent Judgment provide,
10 to the maximum extent permitted by law, *res judicata* and *collateral estoppel* protection for
11 Defendants against all other claims based on the same or similar allegations under Proposition 65.

12 1.10 No Admission. Defendants dispute that they have violated Proposition 65 as
13 described in the 60-Day Notices, the Lawsuit, or otherwise. Defendants contend that no warning is
14 required for the exposures Plaintiffs allege. Defendants further contend that many Covered
15 Properties have had compliant Proposition 65 notices in place, and that the existing notices that
16 Defendants have in place, fully comply with Proposition 65. Defendants have shared this
17 information with Plaintiffs regarding the various defenses Defendants could raise to the Proposition
18 65 claims. Plaintiffs dispute the Defendants' defenses. Based on the foregoing, nothing contained
19 in this Consent Judgment shall be deemed or construed as an admission by Plaintiffs or Defendants
20 that any action that Defendants may have taken, or failed to take, violates Proposition 65 or any
21 other provision of any other statute, regulation or principal of common law. Defendants expressly
22 deny any alleged violations of Proposition 65 and/or any other provision of any other statute,
23 regulation or principal of common law.

24 1.11 Effective Upon Final Determination. Defendants' willingness to enter into this
25 Consent Judgment is based upon the understanding that this Consent Judgment will fully and finally
26 resolve all claims related to the Noticed Chemicals for which a Proposition 65 warning is required
27 brought by Plaintiffs, and that this Consent Judgment will have *res judicata* and *collateral estoppel*
28 effect to the extent allowed by law with regards to the Proposition 65 allegations. Therefore,

1 Defendants expressly reserve the right to withdraw from this Consent Judgment at any time and for
2 any reason up until such time as the Consent Judgment becomes final. Defendants further expressly
3 reserve the right to withdraw from this Consent Judgment at any time and for any reason up until the
4 validity of this Consent Judgment is fully and finally resolved in Defendants' favor, including any
5 and all appeals.

6 2. JURISDICTION

7 2.1 Subject Matter Jurisdiction. For purposes of this Consent Judgment only, Plaintiffs
8 and Defendants stipulate that this Court has jurisdiction over the allegations of violations contained
9 in the Lawsuit.

10 2.2 Personal Jurisdiction. For purposes of this Consent Judgment only, Plaintiffs and
11 Defendants stipulate that this Court has personal jurisdiction over the Defendants as to the acts
12 alleged in the Lawsuit.

13 2.3 Venue. Venue is proper in the County of Orange for resolution of the allegations
14 made in the Lawsuit.

15 2.4 Jurisdiction to Enter Consent Judgment. This Court has jurisdiction to enter this
16 Consent Judgment as a full and final settlement and resolution of the allegations contained in the
17 60-Day Notices, the Lawsuit and all claims that were or could have been raised based on the facts
18 alleged therein or arising therefrom. This includes allegations relating to both Proposition 65 and
19 the Unfair Competition Act.

20 3. INJUNCTIVE RELIEF: CLEAR AND REASONABLE WARNINGS

21 3.1 Environmental, Occupational Exposure and Consumer Products Warnings - General.
22 Defendants, or many of them, maintain they have been in compliance with Proposition 65 warning
23 requirements because they post, and have posted, Proposition 65 warnings at the Covered
24 Properties. With regard to the alleged exposures to the Included Chemicals, Defendants agree that,
25 if and to the extent they have not already done so, they will institute and continue to maintain the
26 exposure warning methodology specified in this Section 3 (hereinafter, "Compliance
27 Methodology").
28

1 3.2 Definitions.

2 3.2.1 Residential Rental Properties. "Residential Rental Properties" means all
3 Covered Properties not included in the definition of Other Rental Facilities in Section 3.2.2, below.

4 3.2.2 Other Rental Facilities. "Other Rental Facilities" means those Covered
5 Properties that constitute (i) single family homes, (ii) vacation homes, (iii) cottages, (iv) duplexes,
6 (v) triplexes, (vi) buildings or rental facilities with fewer than five separate apartments or dwelling
7 units for rent, and (vii) buildings which contain a mix of owner occupied units and dwelling units
8 for rent (i.e., condominium developments). "Single family homes," "vacation homes," and
9 "cottages" shall mean those residential housing facilities that fall outside the definition of a
10 "common interest development" set forth in California Civil Code section 1351(c).

11 3.2.3 Tenants. "Tenants" shall mean all persons who rent dwelling units.

12 3.2.4 Guests. "Guests" shall mean all persons not included in the definition of
13 Tenants in Section 3.2.3, above.

14 3.3 Environmental Exposure Warnings.

15 3.3.1 Tenants of Residential Rental Properties. The Compliance Methodology
16 for environmental exposures for Tenants at Residential Rental Properties shall consist of: (i) a
17 warning as set forth in Section 3.3.1.a and 3.3.1.b, below, and (ii) an informational pamphlet,
18 brochure, or similar document (hereinafter "informational brochure") as set forth in Section 3.3.1.c,
19 below.

20 a. Location of Warnings. For Residential Rental Properties, the
21 warning specified in Section 3.3.1.b, below, shall be placed as follows:

22 (1) Enclosed (limited access) Residential Rental Properties.

23 Where entrances to individual units are on enclosed hallways and/or hallways which are open to
24 ambient air, warning signs shall be posted at public entrances to the building, including (i) entrances
25 (both vehicular and pedestrian) to parking garages, if any, and (ii) entrance to administrative offices,
26 if any.

27 (2) Non-Enclosed Residential Rental Properties. Warning signs

28 shall be posted at points of public entry, such as open entrances to the Residential Rental Property,

1 or on walls by pathways which provide access to apartment units, including entrances (both
2 vehicular and pedestrian) to parking garages, if any. Additionally, for non-enclosed Residential
3 Rental Properties, warning signs would be posted in public areas (i.e., pools, open spaces,
4 playgrounds, or community buildings), if such area can be accessed from a point other than a public
5 entrance to the property.

6 **Warning Language, Size and Format.**

7 (3) The warning sign language shall be substantially the
8 following:

9 **WARNING**

10 This Area Contains
11 Chemicals Known To The
12 State Of California To
13 Cause Cancer and Birth Defects
14 Or Other Reproductive Harm.

15

16 More Information On Specific
17 Exposures Has Been Provided
18 To Tenants And Is Available At
19 www.prop65apt.org

20 (4) The size and format of the warning language specified
21 above shall be in substantially the same manner as set forth in **Exhibit C** hereto, or larger. A
22 Defendant who has previously posted warning signs in the form of **Exhibit D** hereto may comply
23 with this provision by adding the "More Information On Specific Exposures Has Been Provided To
24 Tenants And Is Available At www.prop65apt.org" phrasing immediately below existing warning
25 signs. The text size shall be at least the same size as the existing warning sign text.

26 **b. Informational Brochure.**

27 (1) The language in the informational brochure concerning
28 identified exposures shall be substantially as set forth in **Exhibit E** hereto.

(2) Within ninety (90) days following the court's approval of
the Consent Judgment, Defendants shall provide existing Tenants of Residential Rental Properties
with a copy of the informational brochure.

1 (3) Beginning on the ninetieth (90) day following the court's
2 approval of the Consent Judgment, Defendants shall provide to all new Tenants of Residential
3 Rental Properties an informational brochure at the time each Tenant executes the initial rental or
4 lease agreement.

5 3.3.2 Tenants of Other Rental Facilities. The Compliance Methodology for
6 environmental exposures to Included Chemicals for Tenants at Other Rental Facilities shall consist
7 of providing an informational brochure as set forth above in Section 3.3.1.c.(1)-(3), above.

8 3.3.3 Guests of Residential Rental Properties. The Compliance Methodology for
9 environmental exposures to Included Chemicals for Guests at Residential Rental Properties shall
10 consist of a warning as set forth in Section 3.3.1.a. and 3.3.1.b., above.

11 3.3.4 Guests of Other Rental Facilities. The Compliance Methodology for
12 environmental exposures to Included Chemicals for Guests at Other Rental Facilities shall consist of
13 an informational brochure as set forth in Section 3.3.1.c.(1), above. Defendants shall comply with
14 this Section by delivering via first class mail one informational brochure yearly to each individual
15 dwelling unit at an Other Rental Facility. The mailed envelope shall be labeled: "TO ALL
16 OCCUPANTS/GUESTS." Defendants shall mail the first annual copy of the informational
17 brochure beginning within ninety (90) days following the court's approval of the Consent Judgment.

18 3.4 Occupational Exposure Warnings. The Compliance Methodology for occupational
19 exposures shall consist of the following:

20 3.4.1 Employees. Within ninety (90) days following the court's approval of the
21 Consent Judgment, Defendants shall place the warning sign and informational brochure specified in
22 Sections 3.3.1.b and 3.3.1.c.(1) on employee bulletin boards or in employee handbooks, if they
23 exist.

24 3.4.2 Independent Contractors. For purposes of this Consent Judgment,
25 independent contractors shall be considered the same as Guests of Residential Rental Properties.
26 Accordingly, Defendants who comply with Sections 3.3.3, above, are deemed to have provided
27 "clear and reasonable" warnings to independent contractors.

28 3.5 Consumer Product Warnings.

1 3.5.1 Foods and Non-Alcoholic Beverages. With respect to each Covered
2 Property where foods and/or non-alcoholic beverages are sold or served in common areas by
3 Defendants, the informational brochure set forth in Section 3.3.1.c., above, shall include
4 substantially the following.

5 a. WARNING:

6 Chemicals Known To The State Of California To Cause Cancer, Or Birth
7 Defects Or Other Reproductive Harm May Be Present In Foods Or Beverages
8 Sold Or Served Here.

9 3.5.2 Alcoholic Beverages. Nothing in this Consent Judgment shall be deemed to
10 enhance or diminish in any manner whatsoever the obligation of Defendants to comply fully with
11 Title 22, *California Code of Regulations*, section 12601(b)(1)(D) with respect to each Covered
12 Property which sells or serves alcoholic beverages of any kind in common areas. However,
13 Defendants who do not sell or serve alcoholic beverages in common areas, but permit tenants to
14 consume alcoholic beverages in these areas, are not required to provide a specific alcohol warning
15 under Title 22, *California Code of Regulations*, section 12601(b)(1)(D).

16 3.5.3 Other Consumer Products. With respect to other consumer product
17 exposures as defined in Title 22, *California Code of Regulations*, section 12601(b), Defendants
18 shall comply with Section 3.3 (Environmental Exposure Warnings) hereof. This Section, however,
19 shall not be deemed to apply with respect to consumer products that are sold or provided to tenants,
20 guests, employees or independent contractors in individual packaging or containers in which they
21 were received originally from the manufacturer or distributor.

22 3.6 Effect of Implementing and Maintaining the Compliance Methodology. This Court
23 finds, and the Parties agree, that entry of this Consent Judgment and providing the warnings and
24 informational brochure comprising the Compliance Methodology specified above in this Section 3
25 shall satisfy all requirements and obligations under Proposition 65 with respect to any and all actual
26 environmental, occupational, and consumer product exposures (as defined in subsection 3.5.3
27 above) to the Noticed Chemicals. The Court finds that the Compliance Methodology is clear and
28 reasonable.

1 3.7 Effect of Defendant Ceasing Ownership, Operation and/or Management of a Covered
2 Property. In the event a Defendant ceases ownership, operation and/or management of a Covered
3 Property, such Defendant is relieved of having to comply with the requirements of Sections 3.3, 3.4
4 or 3.5 hereof concerning the Covered Property.

5 3.8 Future Laws or Regulations. In lieu of complying with the requirements of Sections
6 3.3, 3.4 or 3.5 hereof, if: (a) any future federal law or regulation which governs the warnings
7 provided for herein preempts state authority with respect to said warning; or (b) any future warning
8 requirements with respect to the subject matter of said paragraphs is proposed by any industry
9 association and approved by the State of California; or (c) any future new State law or regulation
10 specifying a specific warning for the rental housing industry with respect to the subject matter of
11 said paragraphs, Defendants may comply with the warning obligations set forth in this Consent
12 Judgment by complying with such future federal or State law or regulation or such future warning
13 requirement upon notice to Plaintiffs.

14 3.9 Amendment to Proposition 65. In the event that there is any amendment to
15 Proposition 65 or regulations are adopted pursuant to Proposition 65, which would exempt
16 Defendants, the "Released Parties," as defined in Section 4.1 below, or the class to which
17 Defendants belong, from providing the warnings described herein, then, upon the adoption of such
18 amendment or regulation, and to the extent provided for in such amendment or regulation,
19 Defendants shall be relieved from their obligations to provide the warnings set forth herein.

20 **4. RELEASE AND CLAIMS COVERED**

21 4.1 Release. Except for such rights and obligations as have been created under this
22 Consent Judgment, Plaintiffs, on their own behalf and bringing an action "in the public interest"
23 pursuant to California Health and Safety Code Section 25249.7(d), and "acting for the general
24 public" pursuant to California Business and Professions Code section 17205, with respect to the
25 matters regarding the Noticed Chemicals alleged in the Lawsuit, do hereby fully, completely, finally
26 and forever release, relinquish and discharge: (a) Defendants, (b) the past, present, and future
27 owners, lessors, sublessors, lessees, sublessees, managers and operators of, and any others with any
28 interest in, the Covered Properties, and (c) the respective officers, directors, shareholders, affiliates,

1 subsidiaries, parent companies, agents, employees, attorneys, successors and assigns of the persons
2 and entities described in (a) and (b) immediately above (individually and collectively (a), (b) and (c)
3 are the "Released Parties") of and from any and all claims, actions, causes of action, demands,
4 rights, debts, agreements, promises, liabilities, damages, accountings, costs and expenses, whether
5 known or unknown, suspected or unsuspected, of every nature whatsoever which Plaintiffs or the
6 general public has or may have against the Released Parties, arising directly or indirectly out of any
7 fact or circumstance occurring prior to the date upon which the Judgment becomes final, including
8 any and all appeals, relating to alleged violations of the Unfair Competition Act and/or Proposition
9 65 by the Defendants and the Released Parties, being hereinafter referred to as the "Released
10 Claims." In sum, the Released Claims include any and all allegations made, or that could have been
11 made, by Plaintiffs and/or the general public with respect to the Noticed Chemicals relating to
12 Proposition 65 and the Unfair Competition Act for conduct prior to the date upon which the
13 Judgment becomes final.

14 4.2 Effect of Judgment. The Judgment is a full and final adjudication and judgment with
15 respect to all claims regarding the Noticed Chemicals asserted in the Lawsuit against the Released
16 Parties and each of them, and the Notices against Defendants regarding the Covered Properties,
17 including, but not limited to: (a) claims for any violations of Proposition 65 by the Released Parties
18 and each of them including, but not limited to, claims arising from consumer product,
19 environmental and occupational exposures to the Noticed Chemicals, wherever occurring and to
20 whomever occurring, through and including the date upon which the Judgment becomes final,
21 including any and all appeals; and (b) claims for violation of the Unfair Competition Act (Cal. Bus.
22 & Prof. Code § 17200, et seq.) arising from the foregoing circumstances, including, but not limited
23 to, Plaintiffs' asserted right to injunctive and monetary relief.

24 4.3 Intent of Parties. It is the intention of the Parties to this Agreement that, upon entry
25 of judgment and conclusion of any and all appeals or litigation relating to (i) this Consent Judgment
26 itself, and (ii) that this Consent Judgment shall be effective as a full and final accord and satisfaction
27 and release of each and every Released Claim. In furtherance of this intention, Plaintiffs
28

1 acknowledge that they are familiar with California Civil Code section 1542, which provides as
2 follows:

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

8 Plaintiffs hereby waive and relinquish all of the rights and benefits that Plaintiffs
9 have, or may have, under California Civil Code section 1542 (as well as any similar rights and
10 benefits which they may have by virtue of any statute or rule of law in any other state or territory of
11 the United States). Plaintiffs hereby acknowledge that they may hereafter discover facts in addition
12 to, or different from, those which they now know or believe to be true with respect to the subject
13 matter of this Consent Judgment and the Released Claims, but notwithstanding the foregoing, it is
14 Plaintiffs' intention hereby to fully, finally, completely and forever settle and release each, every and
15 all Released Claims, and that in furtherance of such intention, the release herein given shall be and
16 remain in effect as a full and complete general release, notwithstanding the discovery or existence of
17 any such additional or different facts.

18 4.4 Plaintiffs' Representations. Plaintiffs hereby represent and warrant to Defendants
19 and the Released Parties that (a) Plaintiffs have not previously assigned any Released Claim, and (b)
20 Plaintiffs have the right, ability and power to release each Released Claim.

21 4.5 No Further Force and Effect. Plaintiffs and Defendants hereby request that this
22 Court enter judgment pursuant to this Consent Judgment. In connection therewith, Plaintiffs and
23 Defendants waive their right, if any, to a hearing with respect to the entry of said judgment. In the
24 event that: (i) this Court denies the joint motion to approve the Consent Judgment brought by
25 Plaintiffs and Defendants pursuant to Health & Safety Code section 25249.7, as amended, (ii) a
26 decision by the court to approve the Consent Judgment is appealed and overturned in the California
27 Court of Appeal or the California Supreme Court, or (iii) a third party files litigation to contest the
28 validity of this Consent Judgment or against either Plaintiffs and/or Defendants relating to this
Consent Judgment, then upon notice by any one of the Parties hereto to the other Parties hereto, this
Consent Judgment shall not be of any further force or effect and the Parties shall be restored to their

1 respective rights and obligations as though this Consent Judgment had not been executed by the
2 Parties.

3 Defendants expressly reserve the right, upon notice to Plaintiffs, to withdraw from
4 this Consent Judgment at any time up until the Consent Judgment becomes final, including any and
5 all appeals or any other third-party litigation contesting the validity of this Consent Judgment.

6 **5. SETTLEMENT PAYMENTS**

7 **5.1 Defendants' Payments In Lieu of Penalties.** Within 10 days following execution of
8 this judgment, Plaintiff, a corporation formed for the purpose of furthering environmental causes,
9 shall have been paid the total sum of \$15,000.00 ("the Settlement Sum"). Plaintiff has represented
10 that all such payments are paid to Graham & Martin LLP as partial recompense for its attorneys'
11 fees and costs.

12 **5.2 Payment to Graham & Martin, LLP.** In an effort to defray Plaintiffs' expert fees and
13 costs, costs of investigation, attorneys' fees, or other costs incurred relating to this matter and the
14 Prior Lawsuits, the Settlement Sum will be paid to Graham & Martin LLP.

15 **5.3 Plaintiffs' Representations and Warranties.** Plaintiff expressly represents and
16 warrants that it is a corporation formed for the specific purposes of (a) protecting and educating the
17 public as to dangerous and harmful products and activities, (b) encouraging members of the public
18 to become involved in issues effecting the environment and the enforcement of environmental
19 statutes and regulations including, but not limited to, Proposition 65, and (c) instituting litigation to
20 enforce the provisions of Proposition 65. Plaintiff will use the proceeds from this settlement to
21 further those purposes. Plaintiff represents and warrants that it has fully complied with all
22 regulatory requirements regarding submissions to the Attorney General of all required notices and
23 certificates of merit pertaining to the Complaint and this Consent Judgment.

24 The Settlement Sum shall be paid within ten (10) days following the date this
25 Consent Judgment becomes final, including the expiration of the running of the statutory time
26 periods for any and all appeals to the validity of this Consent Judgment.

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1 **6. PRECLUSIVE EFFECT OF CONSENT JUDGMENT**

2 **6.1 Entry of Judgment.** Entry of judgment by the Court pursuant to this Consent
3 Judgment, *inter alia*:

4 i) Constitutes full and fair adjudication of all claims against Defendants,
5 including, but not limited to, all claims set forth in the Lawsuit, based upon alleged violations of
6 Proposition 65, as well as any other statute, provision of common law or any theory or issue which
7 arose from the alleged failure to provide warning of exposure to the Noticed Chemicals which may
8 be present at or on the Covered Properties and referred to in Section 1.6 and which are known to the
9 State of California to cause cancer and/or birth defects or other reproductive harm;

10 ii) Bars any and all other persons, on the basis of *res judicata*, the doctrine of
11 mootness and the doctrine of *collateral estoppel* from prosecuting against any Released Party any
12 Released Claims with respect to the Noticed Chemicals alleged in the Lawsuit based upon alleged
13 violations of Proposition 65 which arose from the alleged failure to provide warning of exposure to
14 the Noticed Chemicals which may be present at or on the Covered Properties and which are known
15 to the State of California to cause cancer and/or birth defects or other reproductive harm; and

16 iii) Constitutes full and fair adjudication of all claims against Defendants based
17 upon alleged violations of Proposition 65 which arose from the alleged failure to provide warning of
18 exposure to the Noticed Chemicals which may be present at or on the Covered Properties and which
19 are known to the State of California to cause cancer and/or birth defects or other reproductive harm.

20 **7. DISPUTES UNDER THE CONSENT JUDGMENT**

21 **7.1 Disputes.** In the event that a dispute arises with respect to any Party's compliance
22 with the terms of this Consent Judgment, the Parties shall meet, either in person or by telephone,
23 and endeavor to resolve the dispute in an amicable manner. No legal action may be taken to enforce
24 the provisions of the Judgment in the absence of such a good faith effort to resolve the dispute
25 before the taking of such action. In the event that legal proceedings are initiated to enforce the
26 provisions of the Judgment, however, the prevailing party in such proceeding may seek to recover
27 its costs and reasonable attorney's fees. As used in the preceding sentence, the term "prevailing
28 party" means a party who is successful in obtaining relief more favorable to it than the relief that the

1 other party was amenable to providing during the Parties' good faith attempt to resolve the dispute
2 that is the subject of such enforcement action.

3 **8. THIRD-PARTY LITIGATION**

4 **8.1 Duty to Cooperate.** In the event of any litigation, including but not limited to
5 opposition to entry of the Consent Judgment by this Court and any or all appeals relating thereto,
6 instituted by a third party or governmental entity or official, Plaintiffs and Defendants agree to
7 affirmatively cooperate in all efforts to defend against any such litigation.

8 **9. NOTICES**

9 **9.1 Written Notice Required.** Any and all notices between the Parties provided for or
10 permitted under this Consent Judgment, or by law, shall be in writing and shall be deemed duly
11 served:

- 12 i) When personally delivered to a party, on the date of such delivery; or
13 ii) When sent via facsimile to a party at the facsimile number set forth below, or
14 to such other or further facsimile number provided in a notice sent under the terms of this paragraph,
15 on the date of the transmission of that facsimile; or
16 iii) When deposited in the United States mail, certified, postage prepaid,
17 addressed to such party at the address set forth below, or to such other or further address provided in
18 a notice sent under the terms of this paragraph, five (5) days following the deposit of such notice in
19 the mails.

20 Notices pursuant to this paragraph shall be sent to the parties as follows:

21 (a) If to Plaintiffs:

22 Anthony G. Graham
23 Graham & Martin, LLP
24 950 South Coast Drive, Suite 220
Costa Mesa, California 92626
Facsimile Number: (714) 850-9390

25 (b) If to Defendants:

26 James Wohrman
27 FDC Management
28 2600 E. Nutwood Avenue
Suite 1000

1 Fullerton, CA 92831

2 or to such other place as may from time to time be specified in a notice to each of the
3 Parties hereto given pursuant to this paragraph as the address for service of notice on such party.

4 **10. INTEGRATION**

5 **10.1 Integrated Writing.** This Consent Judgment constitutes the final and complete
6 agreement of the Parties hereto with respect to the subject matter hereof and supersedes all prior or
7 contemporaneous negotiations, promises, covenants, agreements or representations concerning any
8 matters directly, indirectly or collaterally related to the subject matter of this Consent Judgment.
9 The Parties hereto have expressly and intentionally included in this Consent Judgment all collateral
10 or additional agreements which may, in any manner, touch or relate to any of the subject matter of
11 this Consent Judgment and, therefore, all promises, covenants and agreements, collateral or
12 otherwise, are included herein and therein. It is the intention of the parties to this Consent Judgment
13 that it shall constitute an integration of all their agreements, and each understands that in the event
14 of any subsequent litigation, controversy or dispute concerning any of its terms, conditions or
15 provisions, no party hereto shall be permitted to offer or introduce any oral or extrinsic evidence
16 concerning any other collateral or oral agreement between the Parties not included herein.

17 **11. TIMING**

18 **11.1 Time of Essence.** Time is of the essence in the performance of the terms hereof.

19 **12. COMPLIANCE WITH REPORTING REQUIREMENTS**

20 **12.1 Reporting Forms, Presentation to Attorney General.** The Parties agree to comply
21 with the reporting form requirements referenced in Health & Safety Code section 25249.7(f) and
22 Title 11, *California Code of Regulations*, sections 3303 and 3304.

23 **13. COUNTERPARTS**

24 **13.1 Counterparts.** This Consent Judgment may be signed in counterparts and shall be
25 binding upon the Parties hereto as if all of said Parties executed the original hereof.
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1 **14. WAIVER**

2 **14.1 No Waiver.** No waiver by any party hereto of any provision hereof shall be deemed
3 to be a waiver of any other provision hereof or of any subsequent breach of the same or any other
4 provision hereof.

5 **15. AMENDMENT**

6 **15.1 In Writing.** This Consent Judgment cannot be amended or modified except by a
7 writing executed by the Parties hereto that expresses, by its terms, an intention to modify this
8 Consent Judgment.

9 **16. SUCCESSORS**

10 **16.1 Binding Upon Successors.** This Consent Judgment shall be binding upon and inure
11 to the benefit of, and be enforceable by, the Parties hereto and their respective administrators,
12 trustees, executors, personal representatives, successors and permitted assigns.

13 **17. CHOICE OF LAWS**

14 **17.1 California Law Applies.** Any dispute regarding the interpretation of this Consent
15 Judgment, the performance of the Parties pursuant to the terms of this Consent Judgment, or the
16 damages accruing to a party due to any breach of this Consent Judgment shall be determined under
17 the laws of the State of California, without reference to principles of choice of laws.

18 **18. NO ADMISSIONS**

19 **18.1 Settlement Cannot Be Used as Evidence.** This Consent Judgment has been reached
20 by the Parties to avoid the costs of prolonged litigation. By entering into this Consent Judgment,
21 neither Plaintiffs nor Defendants admit any issue of fact or law, including any violations of
22 Proposition 65. The settlement of claims herein shall not be deemed an admission or concession of
23 liability or culpability by any party, at any time, for any purpose. Neither this Consent Judgment,
24 nor any document referred to herein, nor any action taken to carry out this Consent Judgment, shall
25 be construed as giving rise to any presumption or inference of admission or concession by
26 Defendants as to any fault, wrongdoing or liability whatsoever. Neither this Consent Judgment, nor
27 any of its terms or provisions, nor any of the negotiations or other proceedings connected with it,
28 nor any other action taken, to carry out this Consent Judgment, by any of the Parties hereto, shall be

1 referred to, offered as evidence, or received in evidence in any pending or future civil, criminal or
2 administrative action or proceeding, except in a proceeding to enforce this Consent Judgment, to
3 support using the doctrines of *res judicata* and *collateral estoppel*, to defend against the assertion of
4 the Released Claims or as otherwise required by law.

5 **19. REPRESENTATION**

6 **19.1 Construction of Consent Judgment.** Plaintiffs and Defendants each acknowledge and
7 warrant that they consulted counsel of their own selection in connection with the prosecution and
8 defense of the Lawsuit, the negotiations leading to this Consent Judgment and the drafting of this
9 Consent Judgment; and that in interpreting this Consent Judgment, the terms of this Consent
10 Judgment will not be construed either in favor of or against any party hereto.

11 **20. AUTHORIZATION**

12 **20.1 Authority to Enter Consent Judgment.** Each of the signatories hereto certifies that he
13 or she is authorized by the party he or she represents to enter into this Consent Judgment, to
14 stipulate to the Judgment, and to execute and approve the Judgment on behalf of the party
15 represented.

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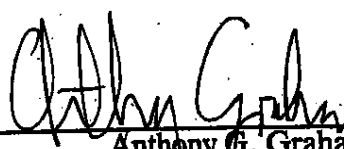
1 21. CONTINUING JURISDICTION

2 21.1 Continuing Jurisdiction. The Court shall retain jurisdiction to modify or amend this
3 Judgment as justice may require.

4 Approved as to form:

5
6 DATED: August 30, 2005

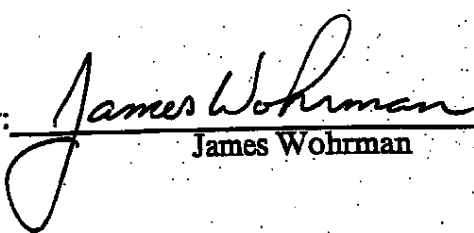
GRAHAM & MARTIN LLP

7
8 By: 

9 Anthony G. Graham
Attorneys for Plaintiff CONSUMER DEFENSE
GROUP ACTION

10 DATED: November 4, 2005

FDC MANAGEMENT

11
12 By: 

James Wohrman

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14
15 IT IS SO ORDERED.

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17 DATED: November 10, 2005

DAVID A. THOMPSON

Judge of the Superior Court
County of Orange

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EXHIBIT A

FDC

<u>PARTNERSHIP NAME:</u>	<u>PROPERTY/YEAR CONSTRUCTED:</u>	<u>ADDRESS:</u>	<u>UNITS:</u>
Barlow West, Ltd.	Barlow West 1972	1012 West 7th Street Upland, CA 91786	54
Claremont Investors, Ltd.	Brighton Park 1982	1415 Morton Circle Claremont, CA 91711	200
The Cambridge	Cambridge 1970	17171 Bolsa Chica Ave Huntington Beach, CA 92649	130
Canyon Pines, Ltd.	Canyon Pines 1974	655 N. Brea Blvd Brea, CA 92821	92
Fredricks Fund I	Casa Madrid 1979	273 W. Arrow Highway Azusa, CA 91702	88
Casa Monterey, Ltd.	Casa Monterey 1978	10108 Calle Marinero Spring Valley, CA 91977	116
Concord East, Ltd.	Concord East 1971	1040 West 7th Street Upland, CA 91786	54
Concord West, Ltd.	Concord West 1971	1080 West 7th Street Upland, CA 91786	54
Fresno Creekside Investors, LP	Creekside 1977	155 S. Argyle Road Fresno, CA 93727	80
Don Miguel Investors, Ltd.	Don Miguel 1984	9850 19th Street Alta Loma, CA 91737	200
El Cortez, Ltd.	El Cortez 1973	2230 West Orange Ave Anaheim, CA 92804	65
Pomona 210, Ltd.	El Sereno 1978	2870 North Towne Pomona, CA 91767	210
Fairway Village, Ltd	Fairway Village 1977	120 North Magnolia Anaheim, CA 92801	145
Foothill Village, Ltd. - Pomona	Foothill Village 1975	450 West Foothill Blvd Pomona, CA 91767	144
Harbour Lights Limited Partnership	Harbour Lights 1970	16700 Saybrook Lane Huntington Beach, CA 92649	342

FDC

<u>PARTNERSHIP NAME:</u>	<u>PROPERTY/YEAR CONSTRUCTED:</u>	<u>ADDRESS:</u>	<u>UNITS:</u>
La Madera	La Madera 1969	9900 Acacia Avenue Garden Grove, CA 92841	94
La Ramada * * Managed by Western Nat'l	La Ramada 1971	2901 E. Yorba Linda Blvd. Fullerton, CA 92831	124
Los Arbolitos, Ltd., Fresno	Los Arbolitos 1972	555 S. Argyle Fresno, CA 93727	128
Los Arbolitos, Ltd., Huntington Beach	Los Arbolitos 1972	8450 Atlanta Ave Huntington Beach, CA 92646	208
Los Arbolitos, Ltd., Oxnard	Los Arbolitos 1972	201 West Vineyard Ave Oxnard, CA 93030	192
Los Arbolitos - Riverside	Los Arbolitos 1972	1201 Blaine Street Riverside, CA 92507	96
Carmentia-Fredricks, Ltd.	Los Tomas 1981	11622 Carmerita Road Whittier, CA 90605	45
Fredricks Fund IV	Red Oak Villas 1986	11 Tennessee Street Redlands, CA 92373	120
The Oaks, Ltd.	The Oaks	9205 Carlton Oaks Drive Santee, CA 92071	50
The Timbers	Timbers	23333 Ridge Route Lake Forest, CA 92630	188
Timbers, Ltd., Riverside	Timbers 1974	1175 Blaine Street Riverside, CA 92507	112
Timbers I, Ltd., Upland	Timbers 1973	276 South Benson Upland, CA 91786	72
Camarillo 168, Ltd.	Villa Camarillo I 1979	645 Lantana Camarillo, CA 93010	168
Villa Camarillo, Ltd.	Villa Camarillo II 1979	645 Lantana Camarillo, CA 93010	164
Villa Camino, Ltd.	Villa Camino 1971	2051 Geneva Street Oceanside, CA 92054	196

<u>PARTNERSHIP NAME</u>	<u>PROPERTY/YEAR CONSTRUCTED</u>	<u>ADDRESS</u>	<u>UNITS</u>
Patrick M. Kelly & Frankie S.Kelly, Trustees of the Kelly Living Trust	Briar Villa	1318 E. Briardale Orange, CA 92865	30
David & Mary Homme & Patricia Vaughn	Sycamores	9249 Carlton Oaks Dr. Santee, CA 92071	80
David & Mary Homme & Patricia Vaughn	Woodbridge 1979	225 S. Argyle Fresno, CA 93727	72

EXHIBIT B

FDC

<u>PARTNERSHIP NAME:</u>	<u>PROPERTY/YEAR CONSTRUCTED:</u>	<u>ADDRESS:</u>	<u>UNITS:</u>
Barlow West, Ltd.	Barlow West 1972	1012 West 7th Street Upland, CA 91786	54
Claremont Investors, Ltd.	Brighton Park 1982	1415 Morton Circle Claremont, CA 91711	200
The Cambridge	Cambridge 1970	17171 Bolsa Chica Ave Huntington Beach, CA 92649	130
Canyon Pines, Ltd.	Canyon Pines 1974	655 N. Brea Blvd Brea, CA 92821	92
Fredricks Fund I	Casa Madrid 1979	273 W. Arrow Highway Azusa, CA 91702	88
Casa Monterey, Ltd.	Casa Monterey 1978	10108 Calle Marinero Spring Valley, CA 91977	116
Concord East, Ltd.	Concord East 1971	1040 West 7th Street Upland, CA 91786	54
Concord West, Ltd.	Concord West 1971	1080 West 7th Street Upland, CA 91786	54
Fresno Creekside Investors, LP	Creekside 1977	155 S. Argyle Road Fresno, CA 93727	80
Don Miguel Investors, Ltd.	Don Miguel 1984	9850 19th Street Alta Loma, CA 91737	200
El Cortez, Ltd.	El Cortez 1973	2230 West Orange Ave Anaheim, CA 92804	65
Pomona 210, Ltd.	El Sereno 1978	2870 North Towne Pomona, CA 91767	210
Fairway Village, Ltd	Fairway Village 1977	120 North Magnolia Anaheim, CA 92801	145
Foothill Village, Ltd. - Pomona	Foothill Village 1975	450 West Foothill Blvd Pomona, CA 91767	144
Harbour Lights Limited Partnership	Harbour Lights 1970	16700 Saybrook Lane Huntington Beach, CA 92649	342

FDC

<u>PARTNERSHIP NAME:</u>	<u>PROPERTY/YEAR CONSTRUCTED:</u>	<u>ADDRESS:</u>	<u>UNITS:</u>
La Madera	La Madera 1969	9900 Acacia Avenue Garden Grove, CA 92841	94
La Ramada * * Managed by Western Nat'l	La Ramada 1971	2901 E. Yorba Linda Blvd. Fullerton, CA 92831	124
Los Arbolitos, Ltd., Fresno	Los Arbolitos 1972	555 S. Argyle Fresno, CA 93727	128
Los Arbolitos, Ltd., Huntington Beach	Los Arbolitos 1972	8450 Atlanta Ave Huntington Beach, CA 92646	208
Los Arbolitos, Ltd., Oxnard	Los Arbolitos 1972	201 West Vineyard Ave Oxnard, CA 93030	192
Los Arbolitos - Riverside	Los Arbolitos 1972	1201 Blaine Street Riverside, CA 92507	96
Carmentia-Fredricks, Ltd.	Los Tomas 1981	11622 Carmenita Road Whittier, CA 90605	45
Fredricks Fund IV	Red Oak Villas 1986	11 Tennessee Street Redlands, CA 92373	120
The Oaks, Ltd.	The Oaks	9205 Carlton Oaks Drive Santee, CA 92071	50
The Timbers	Timbers	23333 Ridge Route Lake Forest, CA 92630	188
Timbers, Ltd., Riverside	Timbers 1974	1175 Blaine Street Riverside, CA 92507	112
Timbers I, Ltd., Upland	Timbers 1973	276 South Benson Upland, CA 91786	72
Camarillo 168, Ltd.	Villa Camarillo I 1979	645 Lantana Camarillo, CA 93010	168
Villa Camarillo, Ltd.	Villa Camarillo II 1979	645 Lantana Camarillo, CA 93010	184
Villa Camino, Ltd.	Villa Camino 1971	2051 Geneva Street Oceanside, CA 92054	196

<u>PARTNERSHIP NAME</u>	<u>PROPERTY/YEAR CONSTRUCTED</u>	<u>ADDRESS</u>	<u>UNITS</u>
Patrick M. Kelly & Frankie S. Kelly, Trustees of the Kelly Living Trust	Briar Villa	1318 E. Briardale Orange, CA 92865	30
David & Mary Homme & Patricia Vaughn	Sycamores	9249 Carlton Oaks Dr. Santee, CA 92071	80
David & Mary Homme & Patricia Vaughn	Woodbridge 1979	225 S. Argyle Fresno, CA 93727	72

EXHIBIT C

WARNING

**This Area Contains
Chemicals Known To The
State Of California To
Cause Cancer and Birth Defects
Or Other Reproductive Harm.**

**More Information On Specific
Exposures Has Been Provided
To Tenants And Is Available At
www.prop65apt.org**

EXHIBIT D

WARNING

**This Area Contains Chemicals
Known To The State Of California
To Cause Cancer and Birth Defects
Or Other Reproductive Harm.**

California Health & Safety Code Section 25249.6

EXHIBIT E

Sources of Chemical Exposures

California's Proposition 65 has identified hundreds of chemicals known to the State of California to cause cancer, and/or birth defects or other reproductive harm. The law requires that businesses with 10 or more employees warn you prior to knowingly and intentionally exposing you to any of these chemicals when the exposure is over a certain level. While many exposures are associated with industrial activities and chemicals, everyday items and even the air we breathe routinely contain many of these chemicals. This brochure provides warning and information regarding exposures to these chemicals that occur in this facility. In many instances, we do not have information specific to this facility. Instead we have relied upon experts in this field to tell us where and to which chemicals these exposures might occur. For other exposures to listed chemicals, enough is known to identify specific areas of exposure.

The regulations implementing Proposition 65 offer warnings for various circumstances. Some of those warnings you may see in this residential rental property include the following:

General - Warning: This Facility Contains Chemicals Known to the State of California To Cause Cancer, And Birth Defects Or Other Reproductive Harm.

Foods and Beverages - Warning: Chemicals Known To The State of California To Cause Cancer, Or Birth Defects Or Other Reproductive Harm May Be Present In Foods Or Beverages Sold Or Served Here.

Alcohol - Warning: Drinking Distilled Spirits, Beer, Coolers, Wine, And Other Alcoholic Beverages May Increase Cancer Risk, And, During Pregnancy, Can Cause Birth Defects.

CALIFORNIA APARTMENT ASSOCIATION

980 Ninth Street, Suite 200
Sacramento, CA 95814

(916) 447-7881

(800) 967-4222 - toll-free phone

(877) 999-7881 - toll-free fax

<http://www.ca-apartment.org>

California's Proposition 65 Warning

California's Proposition 65 (Safe Drinking Water and Toxic Enforcement Act of 1986) requires businesses with 10 or more employees to provide warnings prior to exposing individuals to chemicals known to the State to cause cancer, and/or birth defects or other reproductive harm.

These types of chemicals are found within this establishment. This brochure provides you with information on what chemicals are present and with your exposures to them might be.

Warning
This Facility Contains Chemicals Known to the State of California To Cause Cancer and/or Birth Defects Or Other Reproductive Harm.

JMBM LOGO

The law firm of **Jeffer, Mangels Butler & Marmaro LLP** assisted in preparing this brochure. For more information about JMBM go to www.jmbm.com or call (310) 203-8080 or (415) 398-8080.

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Second Hand Tobacco Smoke and Tobacco Products.

Tobacco products and tobacco smoke and its by-products contain many chemicals that are known to the State of California cause cancer, and birth defects or other reproductive harm. Smoking is permitted in certain common and private areas.

Furnishings, Hardware, and Electrical Components.

Room furnishings and building materials contain formaldehyde, which is known to the State of California cause cancer. Furniture, foams, brass keys, electrical power cords, carpeting, carpet padding, wall coverings, wood surfaces, and vinyl, contain a number of chemicals, including lead, and formaldehyde, known to cause cancer, and/or birth defects or other reproductive harm. Their presence in these materials can lead to exposures. Certain molds that may be present contain chemicals, including sterigmatocystin, known to the State of California to cause cancer.

Combustion Sources.

Combustion sources such as gas stoves, fireplaces, and barbeques contain or produce a large number chemicals, including acetaldehyde, benzene and carbon monoxide, known to the State of California to cause cancer, and/or birth defects or other reproductive harm which are found in the air of this complex. Any time organic matter such as gas, charcoal or wood is burned, Proposition 65-listed chemicals are released into the air.

Construction and Maintenance Materials.

Construction and maintenance materials contain Proposition 65-listed chemicals, such as roofing materials manufactured with vinyl chloride monomer, benzene and ceramic fibers, which are known to cause cancer, or birth defects or other reproductive harm. Construction materials used in walls, floors, ceilings and outside cladding contain chemicals, such as formaldehyde resin, asbestos, arsenic, cadmium and creosote, which are released as gases or vapors during normal degradation or deterioration, and as dust or particulate when disturbed during repairs, maintenance or renovation, all of which can lead to exposures.

Certain Products Used In Cleaning And Related Activities.

Certain cleaning products used for special cleaning purposes such as graffiti removal and spot and stain lifters contain chlorinated solvents including perchloroethylene and urinal odor cakes contain paradichlorobenzene which are Proposition 65-listed chemicals known to cause cancer or birth defects or other reproductive harm.

Swimming Pools and Hot Tubs.

The use and maintenance of a variety of recreational activities and facilities such as swimming pools and hot tubs where chlorine and bromine are used in the disinfecting process can cause exposures to chloroform and bromoform which are chemicals known to the State of California to cause cancer.

Paint and Painted Surfaces.

Certain paints and painted surfaces contain chemicals, such as lead and crystalline silica, known to the State of California cause cancer, birth defects or other reproductive harm. Lead-paint chips may be ingested and crystalline silica may be released into the air and lead to exposures.

Engine Related Exposures.

The operation and maintenance of engines, including automobiles, vans, maintenance vehicles, recreational vehicles, and other small internal combustion engines are associated with this residential rental facility. Motor vehicle rental fuels and engine exhaust contain many Proposition 65-listed chemicals, including benzene, carbon monoxide and, for diesel engines diesel exhaust, which are known to the State to cause cancer, and/or birth defects or other reproductive harm. In parking structures and garages, exhaust fumes can concentrate, increasing your exposures to these chemicals.

Pest Control and Landscaping.

Pests control and landscaping products used to control insects and weeds contain resmethrin, myclobutanol, trifluralin and arsenic trioxide which are known to the State to cause cancer and/or birth defects or other reproductive harm.

CERTIFICATE OF SERVICE

I am over the age of 18 and not a party to this case. I am a resident of or employed in the county where the mailing occurred. My business address is 950 South Coast Drive, Suite 220, Costa Mesa, California 92626.

I SERVED THE FOLLOWING:

- 1.) Motion for Approval of Settlement

by enclosing a true copy of the same in a sealed envelope addressed to each person whose name and address is shown below and depositing the envelope in the United States mail with the postage fully prepaid:

Date of Mailing: August 30, 2005

Place of Mailing: Costa Mesa, California

NAME AND ADDRESS OF EACH PERSON TO WHOM DOCUMENTS WERE MAILED:

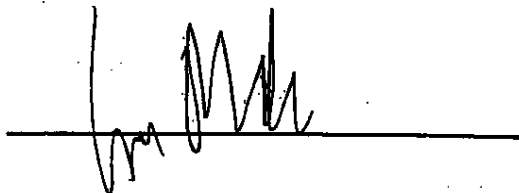
Ed Weil, Deputy Attorney General
Office of Proposition 65 Enforcement
1515 Clay Street, Suite 2000
Oakland, CA 94612-0550

Counsel for FDC Management:

James Woehrman
FDC Management
2600 E. Nutwood Avenue
Suite 1000
Fullerton, CA 92831

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: August 30, 2005



A handwritten signature in black ink, appearing to read 'James Woehrman', is written over a solid horizontal line.