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12	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
13	FOR THE COUNTY OF SAN FRANCISCO		
14			
15	MATEEL ENVIRONMENTAL JUSTICE FOUNDATION,,	Case No. CGC 06- 456753	
16	Plaintiff,	CONSENT JUDGMENT AS TO DEFENDANT WEBER-STEPHEN	
17	V.	PRODUCTS, CO.	
18	ENERCO GROUP, INC., ET AL		
19	Defendants.		
20			
21	Plaintiff MATEEL ENVIRONMENTAL JUSTICE FOUNDATION ("Plaintiff"),		
22	on the one hand, and Defendant, WEBER-STEPHEN ("WEBER") on the other hand,		
23	enter into, and request that the Court approve the following settlement, and order it to be		
24	entered as a stipulated Consent Judgment	•	
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26	1. RECITALS		
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CONSENT JUDGMENT

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On November 3, 2006, the MATEEL ENVIRONMENTAL JUSTICE 1.1 FOUNDATION ("Mateel") acting on behalf of itself and the general public, filed a complaint for civil penalties and injunctive relief in San Francisco County Superior Court, Case No.CGC-06-456753. The complaint, as amended, (hereafter referenced as "First Amended Complaint") names, inter alia, defendant Weber Stephen Products, Co. ("Settling Defendant"). For purposes of this Consent Judgment, Settling Defendant shall include Weber Stephen Products Co. and its parents, subsidiaries or affiliates. The First Amended Complaint alleges, among other things, that Settling Defendant violated provisions of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code Sections 25249.5, et seq. ("Proposition 65"). In particular, Mateel alleges that Settling Defendant has knowingly and intentionally exposed persons to the leaded brass components of hoses designed to be used with portable propane or natural gas devices such as barbeque grills, camp stoves, camp lanterns, and portable heaters, that these components are made of brass containing lead and/or lead compounds without first providing a clear and reasonable warning to such individuals. Lead and lead compounds are chemicals known to the State of California to cause cancer and birth defects or other reproductive harm.

- 1.2 On July 27, 2006, a 60-Day Notice letter ("Notice Letter") was sent by Mateel to Settling Defendant, the California Attorney General, all California District Attorneys, and all City Attorneys of every California City with populations exceeding 750,000.
- 1.3 On or about June 28, 2007, Plaintiff previously settled and resolved all of its claims in this action relating to 4 to 40 lb. propane cylinders equipped with overfill protection devices (OPDs), including any valves and valve Hand Wheels that are incorporated with such cylinders (collectively the "Propane Tank Claims") that are or were manufactured by defendants Fiesta Gas Grills, LLC, Manchester Tank & Equipment Co., Wolfedale Engineering Limited, and Worthington Cylinder Corporation (collectively the "Propane Tank Settling Defendants"), regardless of whether they bear their labels.

The parties agree that any and all Propane Tank Claims that plaintiff asserted or could have asserted against Weber Stephen Products, Co. and its parents, subsidiaries or affiliates have already been fully and finally resolved pursuant to the terms of the settlement with the Propane Tank Settling Defendants because as far as Mateel is aware any and all Weber Propane Tank products were manufactured by one or more of the Propane Tank Settling Defendants.

- 1.4 The Settling Defendant is a business that employs ten or more persons and manufactures, distributes, and/or markets products within the State of California. Some of those products are alleged to contain lead and/or lead compounds. Lead and lead compounds are chemicals known to the State of California to cause cancer, and lead is a chemical known to the State of California to cause reproductive toxicity pursuant to Health and Safety Code Section 25249.9. Under specified circumstances, products containing lead and/or lead compounds that are sold or distributed in the State of California are subject to the Proposition 65 warning requirement set forth in Health and Safety Code Section 25249.6. Plaintiff Mateel alleges that the Leaded Brass valve hose ends of the adaptor hoses manufactured, distributed, sold and/or marketed by Settling Defendant for use in California require a warning under Proposition 65.
- 1.5 For purposes of this Consent Judgment, the term "Covered Products" shall be defined as hoses, and their component parts, designed to be used with portable propane or natural gas operated devices, such as barbeque grills, heaters, stoves, and lamps, to the extent such products are distributed and sold within the state of California, which are manufactured, distributed, marketed and/or sold by the Settling Defendant, regardless of whether they bear the label of the Settling Defendant.
- 1.6 For purposes of this Consent Judgment, the parties stipulate that this Court has jurisdiction over the allegations of violations contained in the First Amended Complaint and personal jurisdiction over Settling Defendant as to the acts alleged in the First Amended Complaint, that venue is proper in the County of San Francisco and that this Court has jurisdiction to enter this Consent Judgment as a full settlement and 08918.004.727189v1Mateel v. Enerco Group et al. Case No 3

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resolution of the allegations contained in the First Amended Complaint and of all claims that were or could have been raised by any person or entity based in whole or in part, directly or indirectly, on the facts alleged therein or arising therefrom or related thereto.

1.7 This Consent Judgment resolves claims that are denied and disputed. The parties enter into this Consent Judgment pursuant to a full and final settlement of any and all claims between the parties for the purpose of avoiding prolonged litigation. This Consent Judgment shall not constitute an admission with respect to any material allegation of the First Amended Complaint, which Settling Defendant has generally denied, nor may this Consent Judgment or compliance with it be used as evidence of any wrongdoing, misconduct, culpability or liability on the part of Settling Defendant or any other Defendant.

2. <u>REMEDIAL OBLIGATIONS</u>

- 2.1 If, 90 days after this Consent Judgment has been entered by the Court, Covered Products are manufactured or packaged by Settling Defendant for retail sale to take place in California and use leaded brass ends or fittings with the adaptor hoses such that a leaded brass component is designed to be hand tightened or hand manipulated on either the gas or propane source end of the hose or the gas operated device end of the hose, a warning that complies with this section shall be provided.
- 2.2 LANGUAGE OF WARNING: If a warning is required, it shall be worded using either of the following statements:

PROP 65 WARNING: This product contains chemicals, including lead and lead compounds, known to the State of California to cause [cancer, and] birth defects or other reproductive harm. Wash your hands after handling this product.

or

PROP 65 WARNING: Handling the brass material on this product exposes you to lead, a chemical known to the State of California to cause [cancer, and] birth

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2.3 PLACEMENT OF WARNING:

Unless the Covered Product is sold as described in subsection (ii) (i) below, the warning shall be contained in the same section of the label that contains other safety warnings, if any, concerning the use of the Covered product, near the displayed price and/or UPC code, or on its own label. Such warning shall be prominently affixed to or printed on each such Covered Product, its label or package, and displayed with such conspicuousness, as compared to other words, statements or designs on the label(s) or package as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase and use. With respect to the preceding sentence, the type size of the warning must be legible, but otherwise need not be larger than the other warning language used in conjunction with the Covered Products in question and its relative size may take into account the nature, immediacy, and acuteness of the risks for which other warnings are given. The word "WARNING" shall be in bold. The words "Wash hands after handling this product" shall be italicized.

(ii) OWNERS MANUAL WARNING:

If the Covered Product is sold to be used with and as part of the same packaging and single purchase of a product that (a) may cause serious injury or bodily harm unless used as directed; or (b) is sophisticated, difficult to understand or install, set-up, or assemble; or (c) has one or more features a consumer must read about in order to know how to use the product, the warning may be placed in the owner's manual for the larger inclusive product. The parties agree that a propane operated barbecue would be an

A reference in the warnings to cancer is at the option of Settling Defendant.

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example of the type of product that would meet the criteria set forth above and if the Covered Product is sold in conjunction with a propane operated barbecue, the warning may be placed in the owner's manual for the barbecue.

3. MONETARY PAYMENT

- 3.1 In settlement of all of the claims referred to in this Consent Judgment against the Settling Defendant, within five (5) business days of receiving notice that the Court has entered this Consent Judgment, Settling Defendant shall pay \$20,000 to the Klamath Environmental Law Center ("KELC") to cover a portion of Mateel's attorneys' fees and costs. The payment shall be sent by confirmed delivery to Klamath Environmental Law Center, 424 First Street, Eureka, California 95501.
- the Court, Settling Defendant shall pay \$7,500 to the Ecological Rights Foundation and \$7,500 to Californians for Alternatives to Toxics for work informing the California Consumers about the hazards of and exposures to toxic chemicals and for work to reduce exposures to and pollution from toxic chemicals. Both are California non-profit environmental organizations that advocate for workers' and consumers' safety, and for awareness and reduction of toxic exposures. Both payments shall be sent by confirmed delivery to Klamath Environmental Law Center, 424 First Street, Eureka, California 95501. Klamath shall within a commercially reasonable time forward the payments to the identified entities along with an instruction as to the limitations on the use of the funds.

4. ENTRY OF CONSENT JUDGMENT

The parties hereby request that the Court promptly enter this Consent Judgment. Plaintiff shall expeditiously prepare and file the papers to request that the Court approve of, sign, and enter this Consent Judgment. Upon entry of the

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Consent Judgment, Settling Defendant and Mateel waive their respective rights to a hearing or trial on the allegations of the First Amended Complaint.

5. RELEASES AND MATTERS COVERED BY THIS CONSENT JUDGMENT

5.1 This Consent Judgment is a final and binding resolution between Mateel, acting on behalf of itself and, as to those matters included in the 60 Day Notice Letter, on behalf of the general public, and Settling Defendant, of: (i) any violation of Proposition 65 with respect to the Covered Products, and (ii) any other statutory or common law claim, to the fullest extent that any of the foregoing described in (i) or (ii) were or could have been asserted by Mateel (or as to those matters included in and chemicals identified in the 60 Day Notice Letter were or could have been asserted any person or entity) against the Settling Defendant based upon, arising out of or relating to Settling Defendant's compliance or lack of compliance with Proposition 65, or regulations promulgated thereunder, with respect to the Covered Products, and any other claim based in whole or part on the facts alleged in the First Amended Complaint, whether based on actions committed by Settling Defendant, or by (a) any other entity within the chain of distribution of the Covered Products, including, but not limited to, manufacturers, wholesale or retail sellers or distributors and any other person in the course of doing business, or (b) any entity that manufactured, sold, or distributed the Covered Products. As to those chemicals identified in the 60 Day Notice Letter, compliance with the terms of this Settlement resolves any issue, now and in the future, concerning compliance or lack of compliance with the requirements of Proposition 65 by Settling Defendant and its parents, subsidiaries or affiliates, predecessors, officers, directors, employees, and all manufacturers, customers, distributors, wholesalers, retailers or any other person in the course of doing business involving the Covered Products, and the successors and assigns of any of these who may manufacture, use, maintain, distribute, market or sell Covered Products.

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5.2 As to alleged exposures to Covered Products, Mateel, acting on behalf of itself and its agents, successors and assigns, and as to those matters included in the 60 Day Notice Letters on behalf of the general public, forever waives and relinquishes all rights to institute any form of legal action, and forever waives and releases all claims against Settling Defendant and its parents, subsidiaries, affiliates, predecessors, officers, directors, employees, and all customers, manufacturers, distributors, wholesalers, retailers and all other persons, and the successors and assigns of any of them, who, in the course of doing business involving the Covered Products, may manufacture, use, maintain, distribute or sell the Covered Products, whether such claims arise under Proposition 65 or otherwise, arising out of or resulting from, or related directly or indirectly to, in whole or in part, the Covered Products and claims identified in Mateel's 60 Day Notice Letter and/or the First Amended Complaint. In furtherance of the foregoing, Mateel, acting on behalf of itself and the general public, hereby waives any and all rights and benefits which it now has, or in the future may have, conferred upon it with respect to the Covered Products by virtue of the provisions of Section 1542 of the California Civil Code, which provides as follows:

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

Mateel understands and acknowledges that the significance and consequence of this waiver of California Civil Code Section 1542 is that even if Mateel or any member of the general public suffers future damages arising out of or resulting from, or related directly or indirectly to, in whole or in part, the claims raised in the 60 Day Notice or the First Amended Complaint regarding the Covered Products, neither Mateel nor any member of 08918.004.727189v1 Mateel v. Enerco Group et al. Case No

the general public will be able to make any claim for those damages against the Settling 1 2 Defendant, its parents, subsidiaries, affiliates, predecessors, officers, directors, employees, 3 or any manufacturers, distributors, wholesalers, retailers or any other person, or the 4 successors or assigns of any of them, who, in the course of doing business involving the Covered Products, may manufacture, use, maintain, distribute or sell the Covered 5 6 Products. Furthermore, Mateel acknowledges that it intends these consequences for any 7 such claims which may exist as of the date of this release but which Mateel does not know 8 exist, and which, if known, would materially affect its decision to enter into this 9 Settlement, regardless of whether its lack of knowledge is the result of ignorance. 10 oversight, error, negligence, or any other cause.

6. ENFORCEMENT OF JUDGMENT

The terms of this Consent Judgment shall be enforced exclusively by the parties hereto. The parties may, by noticed motion or order to show cause before the Superior Court of San Francisco County, giving the notice required by law, enforce the terms and conditions contained herein.

7. <u>MODIFICATION OF JUDGMENT</u>

This Consent Judgment may be modified only upon written agreement of the parties and upon entry of a modified Consent Judgment by the Court thereon, or upon motion of any party as provided by law and upon entry of a modified Consent Judgment by the Court.

8. AUTHORITY TO STIPULATE

Each signatory to this Consent Judgment certifies that he or she is fully authorized by the party he or she represents to enter into this Consent Judgment and to execute it on behalf of the party represented and legally to bind that party.

9. RETENTION OF JURISDICTION

This Court shall retain jurisdiction of this matter to implement the Consent Judgment.

10. ENTIRE AGREEMENT

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This Consent Judgment contains the sole and entire agreement and understanding of the parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any party hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the parties.

11. GOVERNING LAW

The validity, construction and performance of this Consent Judgment shall be governed by the laws of the State of California, without reference to any conflicts of law provisions of California law.

12. <u>FEES AND EXPENSES</u>

The parties acknowledge and agree that, except as set provided in Section 3.1 of this Consent Judgment, each party shall bear all of its own costs, expenses, consultant and expert fees, and attorney's fees arising out of and/or in connection with the litigation, the negotiation, drafting and execution of this Consent Judgment, and all matters arising out of and/or connected therewith.

In the event any action or proceeding is brought to enforce this Consent Judgment, the prevailing party shall be entitled to reasonable and necessary attorney's fees, expenses, and costs incurred in such subsequent action or proceeding, in addition to all other relief to which that party may be entitled.

13. <u>COMPLIANCE WITH HEALTH & SAFETY CODE SECTION</u> 25249.7(F)

Mateel agrees to comply with the reporting form and approval requirements referenced in Health & Safety Code Section 25249.7(f) and as implemented by various regulations.

14. <u>COURT APPROVAL</u>

If this Consent Judgment is not approved by the Court, it shall be immediately rescinded

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1	without further action by the parties, shall be of no force or effect, and may not be used in any		
2	proceeding for any purpose.		
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4	IT IS SO-STIPULATED AND AGREED:		
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6	DATED:	O. W. W. L. C. V. L. C. V.	
7		William Verick	
8		CEO Mateel Environmental Justice Foundation, Klamath Environmental Law Center	
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10	DATED:	WEBER-STEPHEN PRODUCTS, CO.,	
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12		By: Its:	
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15	IT IS SO ORDERED, ADJUDGED AND DECREED:		
16	DATED: 191 0 9 2008		
17	DATED: JAN 2 2 2008	PETER J. BUSCH	
18		JUDGE OF THE SUPERIOR COURT	
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CONSENT JUDGMENT

1	without further action by the parties, shall be of no force or effect, and may not be used in any		
2	proceeding for any purpose.		
3	proceeding for any purpose.		
4	IT IS SO STIPULATED AND AGREED:		
5	TI IS SO STIT CENTED AND ITCASED		
6	DATED:	MATEEL ENVIRONMENTAL JUSTICE FOUNDATION	
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8		William Verick CEO Mateel Environmental Justice Foundation, Klamath Environmental Law Center	
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10	DATED:	WEBER-STEPHEN PRODUCTS, CO.,	
11	11/5/2007	\bigcirc - \bigcirc	
12		By: JAMES C. STEPHEN Its: PRESIDENT	
13		Its: V PRESIDENT	
14			
15	IT IS SO ORDERED, ADJUDGED AND DECREED:		
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