Reuben Yeroushalmi (SBN 193981) Peter Sato (SBN 238486) CONFORMED Akaash Gupta (SBN 265592) YEROUSHALMI & ASSOCIATES Los Augelus Superior Court 9100 Wilshire Boulevard, Suite 610 E Beverly Hills, CA 90212 JAN 05 2011 Telephone: (310) 623-1926 Facsimile: (310) 623-1930 John A. Clerke, Exocutive Officer/Clerk Email: reuben@yeroushalmi.com Attorneys for Plaintiff CONSUMER ADVOCACY GROUP, INC. Thomas M. Donnelly (SBN 136546) Lara T. Kollios (SBN 235395) JONES DAY 555 California Street, 26th Floor San Francisco, CA 94104 Telephone: (415) 626-3939 Facsimile: (415) 875-5700 Email: tmdonnelly@jonesday.com 11 Attorneys for Defendants 12 WOODSTREAM CORPORATION, DR. T'S NATURE PRODUCTS, INC., BURKARD NURSERIES, INC., and PARKVIEW NURSERY, INC. 13 14 SUPERIOR COURT OF THE STATE OF CALIFORNIA 15 COUNTY OF LOS ANGELES 16 CONSUMER ADVOCACY GROUP, INC., in CASE NO. BC427432 the public interest, 17 |PROPOSED|-STIPULATED CONSENT Plaintiff. 18 JUDGMENT: [PROPOSED] ORDER v. 19 Health & Safety Code § 25249.5 et seg. WOODSTREAM CORPORATION, a 20 Pennsylvania corporation; DR. T'S NATURE ACTION FILED: December 4, 2009 PRODUCTS, INC., a Georgia corporation; TRIAL DATE: February 2, 2011 21 BURKARD INDUSTRIES, INC., a California corporation; PARKVIEW NURSERY, INC., a 22 California corporation; and DOES 1-40; 23 Defendants. 24 25 26 27

[PROPOSED] STIPULATED CONSENT JUDGMENT

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1. INTRODUCTION

- 1.1 On December 4, 2009, plaintiff, the Consumer Advocacy Group, Inc. ("CAG"), a non-profit corporation, initiated this action by filing its original Complaint for civil penalties and injunctive relief pursuant to the provisions of Cal. Health & Safety Code § 25249.5, et seq. ("Proposition 65"). CAG claimed that certain products manufactured and/or sold by defendants contain crystalline silica, a chemical listed under Proposition 65 as a potential carcinogen, and thus require a Proposition 65 warning. CAG's original Complaint named Woodstream Corporation. Dr. T's Nature Products, Inc., Burkard Industries, Inc., and Parkview Nursery, Inc., as defendants. After receiving evidence from the defendants that one of the products at issue in the original Complaint, Concern Diatomaceous Earth, does not contain crystalline silica, CAG filed its First Amended Complaint on July 16, 2010, which removed all claims and allegations regarding Concern Diatomaceous Earth. As a result, by order entered on August 17, 2010, the Court dismissed all claims as to original defendant Burkard Nurseries, Inc., without prejudice. Thus, the only defendants remaining in this action are Woodstream Corporation, Dr. T's Nature Products, Inc., and Parkview Nursery, Inc. (hereinafter referred to collectively as "Defendants"). CAG and the Defendants shall sometimes be referred to individually as a "Party" or collectively as the "Parties."
- 1.2 Each of the Defendants employs ten or more persons. Defendant Woodstream Corporation arranges the manufacture of Dr. T's Nature Products Mole Out Mole Repelling Granules, and Dr. T's Nature Products Mosquito Repelling Granules (hereinafter referred to as the "Products"), which have been sold in California. Defendant Parkview Nursery has sold Mole Out in California. CAG alleges that the Products contain crystalline silica, which is listed as a potential carcinogen by the State of California under Proposition 65.
- 1.3 On or about January 21, 2009, CAG served all Defendants and the appropriate public enforcement agencies with a Notice of Intent to Sue, claiming that Defendants were in violation of Proposition 65 in regard to Dr. T's Nature Products Mole Out Mole Repelling Granules. On or about August 12, 2010, CAG served Defendants Woodstream Corporation and

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- 1.4 CAG's Notices of Intent to Sue and the operative Complaint in this action allege that Defendants expose persons in California to crystalline silica without first providing clear and reasonable warnings, in violation of Cal. Health & Safety Code § 25249.6. Defendants deny all material allegations of the Notices of Intent to Sue and the operative Complaint, have asserted numerous affirmative defenses, and specifically deny that the Products require a Proposition 65 warning or otherwise cause harm to any person.
- 1.5 For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the allegations of violations contained in the operative Complaint and personal jurisdiction over Defendants as to the acts alleged in the operative Complaint, that venue is proper in the County of Los Angeles, and that this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims which were or could have been asserted in this action based on the facts alleged in the Notices of Intent to Sue or the operative Complaint.
- 1.6 The Parties have entered into this Consent Judgment in order to settle, compromise and resolve disputed claims and thus avoid prolonged and costly litigation. Nothing in this Consent Judgment shall constitute or be construed as an admission by any of the Parties, or by any of their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers, distributors, wholesalers, or retailers, of any fact, conclusion of law, issue of law, violation of law, fault, wrongdoing, or liability, including without limitation, any admission concerning any alleged violation of

Proposition 65 or any other statutory, regulatory, common law, or equitable doctrine, or the meaning of the terms "knowingly and intentionally expose" or "clear and reasonable warning" as used in Cal. Health & Safety Code § 25249.6, nor shall this Consent Judgment be offered or admitted as evidence in any administrative or judicial proceeding or litigation in any court, agency, or forum.

- 1.8 Except as expressly set forth herein, nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy, argument, or defense the Parties may have in any other or future legal proceeding unrelated to these proceedings.
- 1.9 The Effective Date of this Consent Judgment shall be the date on which it is entered as a judgment by this Court.

2. PROPOSITION 65 COMPLIANCE – CEASE SALES OR PROVIDE WARNINGS

- 2.1 Defendants have represented to CAG that, upon receipt of the respective Notices of Intent to Sue from CAG, they have not sold or distributed the Products in California.

 Defendants shall not resume sales or distribution of either Product in California, unless they provide a Proposition 65-compliant warning (as set forth in Section 2.2 below) or secure a determination from this Court or the California Office of Health Hazard Assessment that no such warning is required.
- 2.2 The warning required by Section 2.1 above shall comply with the "safe harbor" warning methods set out in 27 Cal. Code Regs. § 25601 et seq.

3. SETTLEMENT PAYMENT

3.1 Within ten (10) days of the Effective Date, Woodstream Corporation (on behalf of all Defendants) shall pay a total of Eighteen Thousand Dollars (\$18,000) to Yeroushalmi & Associates, CAG's attorneys, inclusive of all potential civil penalties, attorneys' fees, and costs. CAG shall apply this entire payment as partial reimbursement of its investigation fees and costs, attorneys' fees, and other costs it has incurred in investigating, bringing this matter to Defendants' attention, litigating, and negotiating a settlement in the public interest.

4. MODIFICATION OF CONSENT JUDGMENT

4.1 This Consent Judgment may be modified only by written agreement and stipulation of the Parties, or upon noticed motion filed by any Party, followed by entry of a modified consent judgment by the Court.

5. ENFORCEMENT OF CONSENT JUDGMENT

5.1 Any Party may, by motion or application for an order to show cause filed with this Court, enforce the terms and conditions contained in this Consent Judgment. The prevailing party shall be entitled to its reasonable attorneys' fees and costs associated with such motion or application.

6. APPLICATION OF CONSENT JUDGMENT

6.1 This Consent Judgment shall apply to and be binding upon the Parties, and their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers, distributors, wholesalers, retailers, and all other entities in the distribution chain down to the consumer of either Product, the predecessors, successors and assigns of any of them, and the general public.

7. BINDING EFFECT, CLAIMS COVERED AND RELEASED

7.1 This Consent Judgment is a full, final, and binding resolution between CAG, on behalf of itself, the general public, and in the public interest, and Defendants, of any alleged violation of Proposition 65 or its implementing regulations, and fully and finally resolves all claims that have been or could have been asserted in this action against any of the Defendants, for failure to provide Proposition 65 warnings for the Products regarding crystalline silica. CAG, on behalf of itself, the general public, and in the public interest, hereby releases and discharges Defendants, and their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers, distributors, wholesalers, retailers, and all other entities in the distribution chain down to the consumer of either Product, and the predecessors, successors and assigns of any of them (collectively, "Released Parties"), from any and all claims asserted, or that could have been asserted, in this action arising

1	from or related to the alleged failure to provide Proposition 65 warnings for the Products regarding				
2	crystalline silica. CAG, on behalf of itself only, hereby releases and discharges the Released				
3	Parties from any and all known and unknown past, present, and future rights, claims, causes of				
4	action, suits, damages, penalties, liabilities, injunctive relief, declaratory relief, and attorneys' fees				
5	costs, and expenses arising from or related to the claims asserted, or that could have been asserted				
6	under state or federal law, regarding the Products or the facts alleged in the Notices of Intent to				
7	Sue or the operative Complaint, including without limitation any and all claims concerning				
8	exposure of any person to Proposition 65-listed chemicals in the Products. Compliance with the				
9	terms of this Consent Judgment shall constitute compliance by the Released Parties with				
10	Proposition 65 with respect to exposures to crystalline silica contained in the Products. This				
11	release does not limit or affect the obligations of any Party created under this Consent Judgment.				
12	7.2 <u>Unknown Claims</u> . It is possible that other injuries, damages, liability, or				
13	claims not now known to the Parties arising out of the facts alleged in the Notices of Intent to Sue				
14	or the operative Complaint and relating to the Products will develop or be discovered. This				
15	Consent Judgment is expressly intended to cover and include all such injuries, damages, liability,				

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

CAG acknowledges and understands the significance and consequences of this specific waiver of Cal. Civil Code § 1542.

16 and claims, including all rights of action therefor. CAG has full knowledge of the contents of Cal.

Section 7.1 above may include unknown claims, and nevertheless waives Cal. Civil Code § 1542

Civil Code § 1542. CAG, on behalf of itself only, acknowledges that the claims released in

as to any such unknown claims. Cal. Civil Code § 1542 reads as follows:

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8. SEVERABILITY

8.1 In the event that any of the provisions of this Consent Judgment are held by a court to be unenforceable, the validity of the enforceable provisions shall not be adversely affected.

9. NOTICE AND CURE

- 9.1 No action to enforce this Consent Judgment may be commenced, and no notice of violation related to any Product may be served or filed against any of the Defendants by CAG, unless the Party seeking enforcement or alleging violation notifies the other Parties of the specific acts alleged to breach this Consent Judgment at least ninety (90) days before serving or filing any motion, action, or notice of violation. Any notice to Defendants must contain (1) the name of the product, (2) specific dates when the product was sold in California without the warning specified in Section 2 of this Consent Judgment, (3) the store or other place at which the product was available for sale to California consumers, and (4) any other evidence or other support for the allegations in the notice.
- 9.2 Within 30 days of receiving the notice described in Section 9.1, Defendants shall either (1) withdraw the product from sales in California, (2) provide the warning described in Section 2 for the product, or (3) refute the information provided under Section 9.1. Should the Parties be unable to resolve the dispute, any Party may seek relief under Section 5 of this Consent Judgment.

10. GOVERNING LAW

10.1 The terms and conditions of this Consent Judgment shall be governed by and construed in accordance with the laws of the State of California.

11. PROVISION OF NOTICE

11.1 All notices required by this Consent Judgment shall be sent to the following.

For Consumer Advocacy Group, Inc.:

Reuben Yeroushalmi YEROUSHALMI & ASSOCIATES 9100 Wilshire Boulevard, Suite 610 E Beverly Hills, CA 90212

Facsimile No: (310) 623-1930

1	For Defendants:				
2	Thomas M. Donnelly Jones Day				
	555 California Street, 26 th Floor San Francisco, CA 94104 Facsimile No: (415) 875-5700				
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5	12.	COURT APPROVAL			
6	12.1	If this Stipulated Consent Judgment is not approved by the Court, it shall be void			
7	and have no force or effect.				
8	12.2	CAG shall comply with Calif. Health & Safety Code § 25249.7(f) and with 11			
9	Calif. Code Regs. § 3003.				
10	13.	EXECUTION AND COUNTERPARTS			
11	13.1	This Stipulated Consent Judgment may be executed in counterparts, which taken			
12	together shall be deemed to constitute one document. A facsimile of .pdf signatures shall be				
13	construed as valid as the original signatures.				
14	14.	AUTHORIZATION			
15	14.1	Each signatory to this Consent Judgment certifies that he or she is fully authorized			
16	by the Party he or she represents to stipulate to the terms and conditions of this Consent Judgme				
17	to enter into and execute this Consent Judgment on behalf of the Party represented, and legally to				
18	bind that Party to this Consent Judgment. The undersigned have read, understand and agree to a				
19	of the terms and conditions of this Consent Judgment. Except as explicitly provided herein, each				
20	Party shall be	ear its own fees and costs.			
21		TO THE CALCAL CROSS BACK			
22	CONSUMER ADVOCACY GROUP, INC.				
23	Am	Marcus Pro Dated: 10/15/10			
24	Lyn Marcus, President				
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	1	WOODSTREAM CORPORATION
	2	Dated: Ozfobru 14, 2010
	3	Peter W. Klein, Vice President
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	5	DR. T'S NATURE PRODUCTS, INC.
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	7	Peter W. Klein, Vice President
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	9	PARKVIEW NURSERY, INC.
	10	Jun Jun Dated: 10/14/2010
: .	11/	Vim Traver, President
	12	
	13	ORDER AND JUDGMENT
	14	Based upon the Parties' stipulation, and good cause appearing therefor, this Consent
	15	Judgment is approved and judgment is hereby entered according to its terms.
	16	IT IS SO ORDERED, ADJUDGED AND DECREED.
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	18	Dated:
	19	Judge, Superior Court of the State of California
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	21	SFI-651648v1 Woodstream/CAG/Consent Judgment
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