1 WILLIAM VERICK, SBN 140972 **ENDORSED** FREDRIC EVENSON, SBN 198059 FILED KLAMATH ENVIRONMENTAL LAW CENTER San Francisco County Superior Court **424 First Street** 3 Eureka, CA 95501 (707) 268-8900 JAN 0 7 2011 Telephone: 4 Facsimile: (707) 268-8901 E-mail: wverick@igc.org 5 DAVID WILLIAMS, SBN 144479 6 BRIAN ACREE, SBN 202505 PUBLIC INTERÉST LAWYERS GROUP 7 370 Grand Avenue, Suite 5 Oakland, CA 94610 (510) 647-1900 (510) 647-1905 8 Telephone: Facsimile: 9 E-mail: davidhwilliams@earthlink.net 10 Attorneys for Plaintiff MATEEL ENVIRONMENTAL JUSTICE 11 FOUNDATION 12 SUPERIOR COURT OF THE STATE OF CALIFORNIA 13 FOR THE COUNTY OF SAN FRANCISCO 14 15 MATEEL ENVIRONMENTAL Case No. CGC-10-502288 16 JUSTICE FOUNDATION,, **CONSENT JUDGMENT AS TO** 17 Plaintiff. DEFENDANT NORDIC PRODUCTS. INC. 18 NORDIC PRODUCTS, INC., 19 20 Defendant. 21 1. INTRODUCTION 22 1.1 On August 5, 2010, the MATEEL ENVIRONMENTAL JUSTICE 23 FOUNDATION ("Mateel") acting on behalf of itself and the general public, filed a 24 Complaint for civil penalties and injunctive relief ("Complaint") in San Francisco County 25 Superior Court, Case No. CGC-10-502288, against Defendant Nordic Products, Inc. 26 ("Nordic" or "Defendant"). The Complaint alleges, among other things, that Defendant 27 violated provisions of the Safe Drinking Water and Toxic Enforcement Act of 1986, 28 CONSENT JUDGMENT MATEEL V. NORDIC CASE NO. CGC-10-502288

Health and Safety Code Sections 25249.5, et seq. ("Proposition 65"). In particular, Mateel alleges that Nordic has knowingly and intentionally exposed persons to cookware and cookware accessories (collectively hereinafter, "cookware") that utilize fittings made of brass containing lead and/or lead compounds (hereinafter "leaded brass"), 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, birth defects and other reproductive harm.

- 1.2 On May 13, 2010, Mateel sent a 60-Day Notice of Violation ("Notice") to Nordic, the California Attorney General, all California District Attorneys, and all City Attorneys of California cities that have populations exceeding 750,000.
- 1.3 Nordic is a business that employs ten or more persons and manufactures, distributes, and/or markets leaded brass cookware, 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 leaded brass fittings on cookware manufactured, distributed, sold and/or marketed by Nordic for use in California require a warning under Proposition 65.
- 1.4 For purposes of this Consent Judgment, the term "Covered Products" shall be defined as cookware and cookware accessories that utilize leaded-brass parts and/or fittings, to the extent such products are distributed and sold within the state of California, and that are manufactured, distributed, marketed and/or sold by Nordic, regardless of whether they bear Nordic labels. "Covered Products" does not include any product used to cook or store food if, in the normally intended use of the product, leaded brass contacts food while the food is being cooked or stored.

1.5 For purposes of this Consent Judgment, the parties stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction over Nordic as to the acts alleged in the 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 resolution of the allegations contained in the 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.

1.6 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 Complaint, each and every allegation of which Nordic denies, nor may this Consent Judgment or compliance with it be used as evidence of any wrongdoing, misconduct, culpability or liability on the part of Nordic or any other Defendant.

#### 2. <u>SETTLEMENT PAYMENT</u>

- 2.1 In settlement of all of the claims referred to in this Consent Judgment against the Settling Defendant, Nordic shall pay \$15,000 to the Klamath Environmental Law Center ("KELC") to cover Mateel's attorneys' fees and costs.
- 2.2 Additionally, Nordic shall pay \$5,000 to the Ecological Rights Foundation and \$5,000 to Californians for Alternatives to Toxics. Both are California non-profit environmental organizations that advocate for workers' and consumers' safety, and for awareness and reduction of toxic exposures. The payments specified in paragraphs 2.1 and 2.2 shall be forwarded by Nordic so they are received at least 5 days prior to the hearing date scheduled for approval of this Consent Judgment. In the event the Consent Judgment is not approved within 120 days of the date scheduled for approval, the above-described payments shall be returned and the provisions of this Consent Judgment shall become null and void.

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# 3. ENTRY OF CONSENT JUDGMENT

3.1 The parties hereby request that the Court promptly enter this Consent Judgment. Upon entry of the Consent Judgment, Nordic and Mateel waive their respective rights to a hearing or trial on the allegations of the Complaint.

## 4. MATTERS COVERED BY THIS CONSENT JUDGMENT

- 4.1 As to lead exposures allegedly caused by Covered Products, this Consent Judgment is a final and binding resolution between Mateel, acting on behalf of itself and the public interest, and Nordic, 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 any person or entity against Nordic based upon, arising out of or relating to Nordic's 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 Complaint, whether based on actions committed by Nordic, or by any other Defendant or entity within the chain of distribution, including, but not limited to, manufacturers, wholesale or retail sellers or distributors and any other person in the course of doing business. As to lead exposures allegedly caused by Covered Products, compliance with the terms of this Consent Judgment resolves any issue, now and in the future, concerning compliance by Nordic and its parents, subsidiaries or affiliates, predecessors, officers, directors, employees, and all of their manufacturers, customers, distributors, wholesalers, retailers or any other person in the course of doing business, and the successors and assigns of any of these who may manufacture, use, maintain, distribute, market or sell Covered Products, with the requirements of Proposition 65.
- 4.2 As to lead exposures allegedly caused by Covered Products, Mateel, acting on behalf of itself and the public interest, and its agents, successors and assigns, waives all rights to institute any form of legal action, and releases all claims against Nordic and its parents, subsidiaries or affiliates, predecessors, officers, directors, employees, and all of its customers, manufacturers, distributors, wholesalers, retailers or any other person in the

course of doing business, and the successors and assigns of any of them, who may manufacture, use, maintain, distribute or sell the Covered Products, whether 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 Notice Letter. In furtherance of the foregoing, Mateel, acting on behalf of itself 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 suffers future damages arising out of or resulting from, or related directly or indirectly to, in whole or in part, the Covered Products, it will not be able to make any claim for those damages against Nordic, its parents, subsidiaries or affiliates, predecessors, officers, directors, employees, and all of its customers, manufacturers, distributors, wholesalers, retailers or any other person in the course of doing business, and the successors and assigns of any of them, who may manufacture, use, maintain, distribute or sell the Covered Products. Furthermore, Mateel acknowledges that it intends these consequences for any such claims which may exist as of the date of this release but which Mateel does not know exist, and which, if known, would materially affect its decision to enter into this Consent Judgment, regardless of whether its lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

#### 5. <u>ENFORCEMENT OF JUDGMENT</u>

5.1 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.

#### 6. MODIFICATION OF JUDGMENT

Except as provided for in Paragraph 7.2(c), 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.

#### 7. INJUNCTIVE RELIEF - CLEAR AND REASONABLE WARNING

- 7.1 Covered Products shall be deemed to comply with Proposition 65 and be exempt from any Proposition 65 warning requirements if the brass parts and/or fittings that are part of the Covered Products meet the following criteria: (a) the brass alloy from which the brass fittings are made shall have no lead as an intentionally added constituent; and (b) the brass alloy from which the brass fittings are made shall have a lead content by weight of no more than 0.03% (300 parts per million, or "300 ppm"). Nordic may comply with the above requirements by relying on information obtained from its suppliers regarding the content of the brass alloy from which the brass fittings are made, provided such reliance is in good faith. Obtaining test results showing that the lead content is no more than 0.03%, using a method of sufficient sensitivity to establish a limit of quantification (as distinguished from detection) of less than 300 ppm shall be deemed to establish good faith reliance.
- 7.2 Covered Products that do not meet the warning exemption standard set forth in Section 7.1 of the Consent Judgment shall be accompanied by a warning as described in paragraph 7.3 below. The warning requirements set forth in paragraph 7.3 shall apply only to: (1) Covered Products that Nordic ships for distribution after 270 days after entry

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of this Consent Judgment ("the Effective Date"); and (2) Covered Products manufactured, distributed, marketed, sold or shipped for sale or use inside the State of California.

- 7.3 Nordic shall provide Proposition 65 warnings as follows:
  - (a) Defendant Nordic shall provide either of the following warning statements:

WARNING: This product contains lead, a chemical known to the State of California to cause cancer and birth defects or other reproductive harm. Do not place your hands in your mouth after handling the product. Wash your hands after touching this product.

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WARNING: This product contains one or more chemicals, including lead, that are known to the State of California to cause cancer and birth defects or other reproductive harm. Wash hands after handling.

The word "WARNING" shall be in bold. The words "Wash hands after handling" shall be in bold and italicized.

Nordic shall provide such warning with the unit package of the Covered Products. Such warning shall be prominently affixed to or printed on each Covered Product's label or package. The warning shall be at least the same size as the largest of any other safety warnings, if any, on the product container. If printed on the label itself, the warning shall be contained in the same section that states other safety warnings, if any, concerning the use of the product.

- **(b)** The requirements for product labeling, set forth in subparagraph (a) above are imposed pursuant to the terms of this Consent Judgment. The parties recognize that product labeling is not the exclusive method of providing a warning under Proposition 65 and its implementing regulations.
- (c) If Proposition 65 warnings for lead or lead compounds should no longer be required, Nordic shall have no further warning obligations

pursuant to this Consent Judgment. In the event that Nordic ceases to implement or modifies the warnings required under this Consent Judgment (because of a change on the law or otherwise), Nordic shall provide written notice to Mateel (through KELC) of its intent to do so, and of the basis for its intent, no less than thirty (30) days in advance. Mateel shall notify Nordic in writing of any objection within thirty (30) days of its receipt of such notice, or such objection by Mateel shall be waived.

#### 8. <u>AUTHORITY TO STIPULATE</u>

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. <u>RETENTION OF JURISDICTION</u>

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

#### 10. ENTIRE AGREEMENT

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.

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2	12. <u>COURT APPROVAL</u>
3	If this Consent Judgment is not approved by the Court, it shall be of no force
4	or effect, and cannot be used in any proceeding for any purpose.
5	IT IS SO STIPULATED:
6	D. I WED
7	DATED:  MATEEL ENVIRONMENTAL JUSTICE FOUNDATION
8	hall man blove by
9	William Verick
10	CEO Mateel Environmental Justice Foundation,
11	Klamath Environmental Law Center
12	DATED: 11 /17/10 NORDIC CORPORATION
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14	By: Kirsten Miller Its: President
15	"Yasiden+
16 17	IT IS SO ORDERED, ADJUDGED AND DECREED:
18	CHARLOTTE WALTER WOOLARD
19	TIDGE OF THE SUPERIOR COURT
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	CONSENT JUDGMENT MATEEL V. NORDIC CASE NO. CGC-10-502288