

FILED Evan J. Smith, Esquire (SBN 242352) Ryan P. Cardona, Esquire (SBN 302113) ALAMEDA COUNTY BRODSKY & SMITH, LLC 9595 Wilshire Blvd., Ste. 900 NOV 15 2016 Beverly Hills, CA 90212 Telephone: (877) 534-2590 CLERK, OF THE SUPERIOR COURT Facsimile: (310) 247-0160 5 Attorneys for Plaintiff 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 **COUNTY OF ALAMEDA** 9 10 Case No. RG15784540 ANTHONY FERREIRO, PROPOSED CONSENT JUDGMENT 11 Plaintiff, 12 Judge: Stephen Pulido VS. 13 Dept.: 16 **BRIGGS MEDICAL SERVICE** 14 COMPANY, THE HOME DEPOT, INC., Hearing Date: November 15, 2016 and HOME DEPOT, U.S.A., INC., 15 Hearing Time: 3:00 PM Defendants. 16 Reservation #: R-1784711 17 18 19 20 21 22 23 24 25 26 27 28

[PROPOSED] CONSENT JUDGMENT

1. Introduction

- On May 21, 2015, Anthony Ferreiro ("Ferreiro") served Briggs Medical Service Company ("Briggs"), The Home Depot Inc., Home Depot U.S.A., Inc. (collectively, "Home Depot"), and various public enforcement agencies with a document entitled "Notice of Violation of California Health & Safety Code § 25249.6, *et seq.*" (the "May 21st Notice"). The May 21st Notice provided Briggs and such others, including public enforcers, with notice that alleged that Briggs was in violation of California Health & Safety Code § 25249.6 ("Proposition 65"), for failing to warn consumers and customers that Health Smart Hand Held Shower hoses, Item No. 523-1583-1900HS, UPC Nc. 0 4129811583 0 ("Health Smart Shower Hoses") exposed users in California to the chemical Diisononyl phthalate (DINP). No public enforcer has diligently prosecuted the allegations set forth in the May 21st Notice.
- 1.2 On March 14, 2016, Ferreiro served Briggs, D-M-S Holdings, Inc. ("DMS"), CVS Health Corporation, CVS Pharmacy, Inc. (collectively, "CVS") and various public enforcement agencies with a document entitled "Notice of Violation of California Health & Safety Code § 25249.6, et seq." (the "March 14th Notice"). The March 14th Notice provided Briggs Medical and such others, including public enforcers, with notice that alleged that Briggs Medical was in violation of Proposition 65 for failing to warn consumers and customers that No-Skid Bath Mats, UPC No. 041298017400 ("Bath Mats") exposed users in California to the chemical Di(2-ethylhexyl) phthalate (DEHP). No public enforcer has diligently prosecuted the allegations set forth in the March 14th Notice.
- 1.3 On May 12, 2016, Ferreiro served Briggs, DMS, and various public enforcement agencies with a document entitled "Notice of Violation of California Health & Safety Code § 25249.6, et seq." (the "May 12th Notice"). The May 12th Notice provided Briggs, DMS and such others, including public enforcers, with notice that alleged that Briggs was in violation of Proposition 65 for failing to warn consumers and customers that walking canes, UPC No. 0 4129801301 3 ("Walking Canes") exposed users in California to the chemical DEHP. No public enforcer has diligently prosecuted the allegations set forth in the May 12th Notice.
 - 1.4 Ferreiro is sometimes referred to herein as "Plaintiff." Briggs and DMS are

collectively referred to herein as "Briggs Medical." Together, Plaintiff and Briggs Medical are referred to herein as, the "Parties."

- 1.5 The May 21st Notice, the March 14th Notice, and the May 12th Notice are collectively referred to as, the "Notice."
- 1.6 The Health Smart Shower Hoses, Bath Mats, and the Walking Canes are collectively referred to herein as, the "Products."
- 1.7 On September 3, 2015, Ferreiro filed a Complaint for Civil Penalties and Injunctive Relief ("Complaint") in Alameda County Superior Court, Case No. RG15784540, against Briggs and Home Depot alleging violations of Proposition 65 (the "Action").
- 1.8 Briggs and DMS are each a corporation that employs more than ten persons under California Health and Safety Code §25249.6 and offered the Products for sale within the State of California.
- 1.9 Ferreiro's Complaint alleges, among other things, that Briggs sold the Health Smart Shower Hoses in California and/or to California citizens, that the Health Smart Shower Hoses contains DINP, and that the resulting exposure violated provisions of Proposition 65, by knowingly and intentionally exposing persons to a chemical known to the State of California to cause both cancer without first providing a clear and reasonable warning to such individuals.
- 1.10 For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction over Briggs as to the acts alleged in the Complaint, that venue is proper in the County of Alameda, and that this Court has jurisdiction to enter this Consent Judgment as a resolution of the allegations contained in the Complaint.
- 1.11 The Parties enter into this Consent Judgment pursuant to a full settlement of disputed claims between the Parties as alleged in the Complaint for the purpose of avoiding prolonged litigation. By execution of this Consent Judgment, Briggs Medical does not admit any violation of Proposition 65 and specifically denies that it has committed any such violation.

 Nothing in this Consent Judgment shall be construed as an admission by Briggs Medical of any fact, issue of law or violation of law, nor shall compliance with the Consent Judgment constitute

or be construed as an admission by Briggs Medical of any fact, issue of law, or violation of law. Nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy or defense that Briggs Medical may have in any other future legal proceeding. However, this paragraph shall not diminish or otherwise affect the obligations, responsibilities and duties of Briggs Medical under this Consent Judgment.

1.12 For purposes of this Consent Judgment, the term "Effective Date" shall mean the date that the Consent Judgment is entered by the Court.

2. Injunctive Relief

- 2.1 Commencing thirty (30) days after the Effective Date, and continuing thereafter,
 Briggs Medical shall only ship, sell, or offer for sale in California, Reformulated Product pursuant
 to Section 2.2 or Product that is labeled with a clear and reasonable warning pursuant to Section
 2.3. Briggs Medical and their downstream retailers shall have no obligation to label Products that
 entered the stream of commerce prior to the Effective Date or within thirty (30) days after the
 Effective Date. For purposes of this Settlement Agreement, a "Reformulated Product" is Product
 that is in compliance with the standard set forth below in section 2.2.
- 2.2 "Reformulated Product" shall mean Product that contains less than or equal to 1,000 parts per million ("ppm") of DEHP and DINP when analyzed pursuant to CPSC-CH-C1001-09.3 Standard Operating Procedure for Determination of Phthalates method.
- 2.3 Commencing thirty (30) days after the Effective Date, Briggs Medical shall, for all Products it sells or distributes and that is intended for sale in California and that is not a Reformulated Product, provide clear and reasonable warnings as set forth in subsections 2.3(a) and (b) below. The warning shall be prominently placed with such conspicuousness as compared with other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions before purchase or use. Each warning shall be provided in a manner such that the consumer or user understands to which specific Product the warning applies, so as to minimize the risk of consumer confusion.

(a) Retail Store Sales

(i) Product Labeling. Briggs Medical shall affix a warning to the

packaging, labeling or directly on each Product sold in retail outlets in California by Briggs Medical or any person selling the Products that states:

(1) For Product Containing DEHP:

[PROPOSITION 65] WARNING:

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

The bracketed text may, but is not required to, be used.

(2) For Product Containing DINP:

[PROPOSITION 65] WARNING:

This product contains a chemical known to the State of California to cause cancer.

The bracketed text may, but is not required to, be used.

(ii) Point of Sale Warnings. Alternatively to the Product Labeling set forth in Section 2.3(a)(i) above, Briggs Medical may provide warning signs in the form below to its customers in California with instructions to post the warning signs in close proximity to the point of display of the Product. Such instruction sent to Briggs Medical customers shall be sent by certified mail, return receipt requested.

[PROPOSITION 65] WARNING:

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

The bracketed text may, but is not required to, be used.

directly sells Product via mail order catalog directly to consumers located in California after the Effective Date that is not a Reformulated Product, Briggs Medical shall provide a warning for such Product sold via mail order catalog to such California residents. A warning that is given in a mail order catalog shall be in the same type size or larger than the Product description text within the catalog. The following warning shall be provided on the same page and in the same location as the display and/or description of the Product that states:

(1) For Product Containing DEHP:

[PROPOSITION 65] WARNING:

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

The bracketed text may, but is not required to, be used.

(2) For Product Containing DINP:

[PROPOSITION 65] WARNING:

This product contains a chemical known to the State of California to cause cancer.

The bracketed text may, but is not required to, be used.

The bracketed text may, but is not required to, be used. Where it is impracticable to provide the warning on the same page and in the same location as the display and/or description of the Product, Briggs Medical may utilize a designated symbol to cross reference the applicable warning and shall define the term "designated symbol" with the following language on the inside of the front cover of the catalog or on the same page as any order form for the Product:

[PROPOSITION 65] WARNING: Certain products identified with this symbol ▼ and offered for sale in this catalog contain a chemical known to the State of California to cause cancer, birth defects or other reproductive harm.

The bracketed text may, but is not required to, be used. The designated symbol must appear on the same page and in close proximity to the display and/or description of the Product. On each page where the designated symbol appears, Briggs must provide a header or footer directing the consumer to the warning language and definition of the designated symbol.

Products via the internet directly to consumers located in California after the Effective Date that is not a Reformulated Product, Briggs Medical shall provide a warning for such Product sold via the internet to such California residents. A warning that is given on the internet shall be in the same type size or larger than the Product description text and shall be given in conjunction with the direct sale of the Product. The warning shall appear either: (a) on the same web page on which the Product is displayed; (b) on the same web page as the order form for the Product; (c) on the same page as the price for the Product; or (d) on one or more web pages displayed to a

purchaser during the checkcut process. A warning shall be provided that states:

(1) For Product Containing DEHP:

[PROPOSITION 65] WARNING:

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

The bracketed text may, but is not required to, be used.

(2) For Product Containing DINP:

[PROPOSITION 65] WARNING:

This product contains a chemical known to the State of California to cause cancer.

The bracketed text may, but is not required to, be used.

2.4 Briggs may, but is not required, to use the alternative warning as set forth in this Section 2.4 (the "Alternative Warning") on all Products if it has knowledge that the Products will expose users to more than one chemical on identified on the Proposition 65 chemical list. Crown Briggs shall affix the Alternative Warning to the packaging, labeling or directly on each Product manufactured, distributed, and/or sold in California by Briggs, or any person selling the Product that states:

[PROPOSITION 65] WARNING:

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

The bracketed text may, but is not required to, be used.

3. Entry of Consent Judgment

- 3.1 The Parties hereby request that the Court promptly enter this Consent Judgment.

 Upon entry of this Consent Judgment, the Parties waive their respective rights to a hearing or trial on the allegations of the Complaint and 60-Day Notice.
- 3.2 In the event that the Attorney General objects or otherwise comments on one or more provisions of this Consent Judgment, the Parties agree to take reasonable steps to satisfy such concerns or objections.

4. Matters Covered By This Consent Judgment

Judgment is a final and binding resolution between Ferreiro, acting on his own behalf, and on behalf of the public and in the public interest, Briggs Medical, and shall have preclusive effect such that no other person or entity, whether purporting to act in his, her, or its interests or the public interest shall be permitted to pursue and/or take any action with respect to any violation of Proposition 65 that was alleged in the Complaint, or that could have been brought pursuant to the Notice against Briggs Medical or its downstream retailers of the Product, including but not limited to Home Depot and CVS ("Proposition 65 Claims"). As to alleged exposures to DEHP and/or DINP in the Products, compliance with the terms of this Consent Judgment by Briggs Medical is deemed sufficient to satisfy all obligations concerning compliance by Briggs Medical and its downstream retailers, including but not limited to Home Depot and CVS, with the requirements of Proposition 65 with respect to the Products.

- 4.2 Plaintiff's Release of Additional Claims. As to Ferreiro for and in his individual capacity only, this Consent Judgment shall have preclusive effect such that he shall not be permitted to pursue and/or take any action with respect to any other statutory or common law claim, to the fullest extent that any such claim was or could have been asserted by him against Briggs Medical or any and all downstream retailers of the Products, including but not limited to Home Depot and CVS, based on their exposure of Ferreiro to DEHP and/or DINP in the Products, or their failure to provide a clear and reasonable warning of exposure to Ferreiro as well as any other claim based in whole or in part on the facts alleged in the Complaint and the Notice, whether based on actions committed by Briggs Medical or their downstream retailers of the Products, including but not limited to CVS and Home Depot ("Phthalate Exposure Claims").
- 4.3 Waiver of Rights Under Section 1542 of the California Civil Code. As to Ferreiro's public release of Proposition 65 Claims set forth in Section 4.1 ("Public Release") and his individual release of Phthalate Exposure Claims set forth in Section 4.2 ("Individual Release"), Ferreiro, acting on his own behalf and on behalf of the public with respect to the Public Release and acting in his individual capacity with respect to the Individual Release, waives

28 6. Modification of Judgment

all rights to institute any form of legal action, and releases all claims against Briggs Medical and their downstream retailers (including Home Depot, CVS, their parents, subsidiaries, affiliates, assigns, and acquiring entities of any of them, who may use, maintain, distribute or sell the Products) for the Proposition 65 Claims and the Phthalate Exposure Claims (referred to collectively in this Section as "Claims"). In furtherance of the foregoing, Ferreiro, acting on his own behalf and on behalf of the public with respect to the Public Release and acting in his individual capacity with respect to the Individual Release, waives any and all rights and benefits which he now has, or in the future may have, conferred upon him with respect to the Claims by virtue of the provisions of § 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 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 SETTLEMENT WITH THE DEBTOR.

4.4 **Briggs Medical's Release of Plaintiff Ferreiro.** Briggs Medical behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against Ferreiro, his attorneys, and other representatives for any and all actions taken or statements made (or those that could have been taken or made) by Ferreiro and his attorneys and other representatives, whether in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against Briggs Medical in this matter.

5. Enforcement of Judgment

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 Alameda County, giving the notice required by law, enforce the terms and conditions contained herein. In any proceeding brought by either party to enforce this Consent Judgment, such party may seek whatever fines, costs, penalties or remedies as may be provided by law for any violation of Proposition 65 or this Consent Judgment.

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

6.2 Should any court enter final judgment in a case brought by Ferreiro or the People involving the Products that sets forth standards defining when Proposition 65 warnings will or will not be required ("Alternative Standards"), or if the California Attorney General's office otherwise provides written endorsement (i.e., a writing that is circulated by the Attorney General that is not intended for the purpose of soliciting further input or comments) of Alternative Standards applicable to products that are of the same general type and function as the Products and constructed from the same materials, Briggs Medical shall be entitled to seek a modification of this Consent Judgment on sixty (60) days' notice to Ferreiro so as to be able to utilize and rely on such Alternative Standards in lieu of those set forth in Section 2 of this Consent Judgment. Ferreiro shall not unreasonably contest any proposed application to effectuate such a modification provided that the Products for which such a modification is sought are of the same general type and function as those to which the Alternative Standards apply.

7. Settlement Payment

7.1 In settlement of all the claims referred to in this Consent Judgment, and without any admission of liability therefore, Briggs shall make the following monetary payments:

7.1.1 Initial Civil Penalty. Within seven (7) business days of the Effective Date, Briggs Medical shall pay a total of \$4,000.00 in civil penalties in accordance with this Section. The Initial Civil Penalty payment will be allocated in accordance with California Health & Safety Code §§ 25249.12(c)(1) and (d), with 75% of the funds remitted to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the civil penalty remitted to Ferreiro. Within seven (7) business days of the Effective Date, Briggs Medical shall issue two separate checks for the civil penalty payment to (a) "OEHHA" in the amount of \$3,000.00; and (b) "Brodsky & Smith, LLC in Trust for Ferreiro" in the amount of \$1,000.00. Payment owed to Ferreiro pursuant to this Section shall be delivered to the following. payment address:

Evan J. Smith, Esquire Brodsky & Smith, LLC Two Bala Plaza, Suite 510 Bala Cynwyd, PA 19004

Payment owed to OEHHA (EIN: 68-0284486) pursuant to this Section shall be delivered directly to OEHHA (Memo Line "Prop 65 Penalties") at one of the following address(es):

For United States Postal Service Delivery:

Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
P.O. Box 4010
Sacramento, CA 95812-4010

For Non-United States Postal Service Delivery:

Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
1001 I Street
Sacramento, CA 95814

A copy of the check payable to OEHHA shall be mailed to Brodsky & Smith, LLC at the address set forth above as proof of payment to OEHHA.

7.1.2 Final Civil Penalty. Sixty (60) days after the Effective Date, Briggs Medical shall make a final civil penalty payment of \$4,000.00 on the same terms as set forth in Section 7.1.1 pertaining to the Initial Civil Penalty. Pursuant to Title 11 California Code of Regulations, Section 3203(c), Ferreiro agrees that the Final Civil Penalty payment shall be waived in its entirety if, on or before the Final Civil Penalty payment is due, an officer of Briggs Medical provides Ferreiro with a signed declaration certifying that all Products it ships for sale or distributes for sale in California as of the date of its certification are Reformulated Products or are marked with the warnings required by this Consent Judgement (hereinafter "Labeled Product") and that Briggs Medical will continue to offer only Reformulated Products or Labeled Products in California in the future. The option to provide a declaration certifying its complete early reformulation or labeling of the Products in lieu of making the Final Civil Penalty payment otherwise required by this Section is a material term, and time is of the essence.

7.1.3 Attorney Fees and Costs. In addition to the payment above, Briggs

1	Medical shall pay \$36,000.00 to Brodsky & Smith, LLC ("Brodsky & Smith") as complete	
2	reimbursement for Ferreiro's attorneys' fees and costs, including any investigation and laboratory	
3	costs or expert fees, incurred in the course of bringing the Complaint and in enforcing Proposition	
4	65, including without limitation, preparation of the 60-Day Notice letter and discussions with the	
5	office of the Attorney General. Payment shall be made within seven (7) business days of the	
6	Effective Date and sent to the address for Brodsky & Smith set forth in Section 7.1.1, above.	
7	8.	Notices
8	8.1	Any and all notices between the Parties provided for or permitted under this
9	Agreement, or by law, shall be in writing and personally delivered or sent by: (i) first-class	
10	(registered or certified mail) return receipt requested; or (ii) overnight or two-day courier on any	
11	party by the other party to the following addresses:	
12	For Briggs:	
13		Rusty M. Selmont, Esq.
14	Ervin Cohen & Jessup LLP 9401 Wilshire Boulevard, Ninth Floor Beverly Hills, CA 90212-2974 For Ferreiro:	
15		
16		
17		Evan J. Smith BRODSKY & SMITH, LLC
18		9595 Wilshire Blvd., Suite 900 Beverly Hills, CA 90212
19	Any party, from time to time, may specify in writing to the other party a change of address to	
20	which all not	ices and other communications shall be sent.
21	9.	Authority to Stipulate
22	9.1	Each signatory to this Consent Judgment certifies that he or she is fully authorized
23	by the party he or she represents to enter into this Consent Judgment and to execute it on behalf of	
24	the party represented and legally to bind that party.	
25	10.	Counterparts
26	10.1	This Stipulation may be signed in counterparts and shall be binding upon the
27	Parties and Home Depot hereto as if all said Parties executed the original hereof.	
28	11.	Retention of Jurisdiction

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

12. Service on the Attorney General

12.1 Ferreiro shall serve a copy of this Consent Judgment, signed by both Parties and Home Depot, on the California Attorney General on behalf of the Parties so that the Attorney general may review this Consent Judgment prior to its submittal to the Court for Approval. No sooner than forty-five (45) days after the Attorney General has received the aforementioned copy of this Consent Judgment, and in the absence of any written objection by the Attorney General to the terms of this Consent Judgment, the Parties may then submit it to the Court for Approval.

13. Entire Agreement

13.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties and Home Depot with respect to the entire subject matter hereof, and any and all discussions, negotiations, commitment and understandings related thereto. 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 or Home Depot.

14. Governing Law and Construction

14.1 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.

15. **Court Approval** 15.1 If this Consent Judgment is not approved by the Court, it shall be of no force or effect, and cannot be used in any proceeding for any purpose. IT IS SO STIPULATED: Dated: _ 1/08/16 Dated: 9/29/16 Anthony Ferreiro Briggs Mydigal Service Co. & D-M-S Holdings, Inc. IT IS SO ORDERED, ADJUDGED AND DECREED: Dated: __//~/5-2016 Judge of Superior Court Stephen Pulido