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FILED
Superior Court Of California
County Of Los Angeles

MAY 31 2017



SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

(Unlimited Jurisdiction)

ECOLOGICAL ALLIANCE, LLC, a California limited liability company,

Plaintiff,

WORLD AND MAIN (CRANBURY), LLC, a Delaware corporation; and DOES 1 through 10, inclusive,

Case No. BC659768

{PROPOSED} JUDGMENT

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Plaintiffs ECOLOGICAL ALLIANCE, LLC ("Plaintiff"), and Defendant WORLD AND MAIN (CRANBURY), LLC ("Defendant") have agreed through their respective counsel that judgment be entered in this Proposition 65 action pursuant to the terms of the Stipulated Consent Judgment executed by the parties and attached to this Judgment as **Exhibit 1**. After consideration of the papers submitted and arguments presented, the Court finds that the Stipulated Consent Judgment meets the criteria established by California Health & Safety Code § 25249.7, in that:

- 1. Any injunctive relief required by the Stipulated Consent Judgment complies with Proposition 65;
- 2. Any reimbursement of attorneys' fees and costs pursuant to the Stipulated Consent Judgment is reasonable under California law; and
- 3. Based on the criteria set forth in Health & Safety Code § 25249.7(b)(2), any civil penalty required by the Stipulated Consent Judgment is reasonable.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to Health & Safety Code § 25249.7(f)(4) and Code of Civil Procedure § 664.6, judgment is hereby entered in accordance with the terms of the Consent Judgment attached hereto as Exhibit 1.

MAY 3 1 2017 Dated:

JUDGE OF THE SUPERIOR COURT

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1 2 3 4	MIGUEL A. CUSTODIO, JR., STATE BAR NO. 2 VINEET DUBEY, STATE BAR NO. 243208 CUSTODIO & DUBEY LLP 448 S. Hill St., Suite 612 Los Angeles, CA 90013 Telephone: (213) 785-2909 Facsimile: (213) 785-2899	248744
5	ALLIANCE, LLC	
6 7		
8	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
9	COUNTY OF LOS ANGELES	
10	(Unlimited Jurisdiction)	
11	ECOLOGICAL ALLIANCE, LLC, a California	- !
12	limited liability company,	Case No.:
13	Plaintiff,	[PROPOSED] STIPULATED CONSENT JUDGMENT
14	ν.	
15 16	WORLD AND MAIN (CRANBURY), LLC, a Delaware limited liability company; and DOES 1 through 10, inclusive, Action Filed: Trial Date: Not Set	
17	Defendants.	
18		,
19	1. <u>INTRODUCTION</u>	
20	1.1 Parties	
21	This Stipulated Consent Judgment is entered into between Plaintiff Ecological Alliance,	
22	LLC ("Plaintiff" or "Ecological Alliance"), and Defendant World and Main (Cranbury), LLC	
23	("Defendant" or "World and Main").	
24	1.2 Plaintiff	
25	Ecological Alliance is a California limited liability company with its main office in Los	
26	Angeles, California, acting in this matter in the public interest.	
27	1.3 Defendant	
28	World and Main is a Delaware corporation that employs ten or more individuals and is a	
	[PROPOSED] STIPULATED CONSENT JUDGMENT	
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common ownership with, World and Main, and collectively they are referred to as "World and Main" or "Defendant." 1.4

General Allegations

Ecological Alliance alleges that World and Main manufactures, imports, sells, or distributes for sale in California the following categories and product types that expose consumers to Lead: Plumbing Hardware and Plumbing Accessories, Household and Decorative Hardware and Hardware Accessories, and Locks and Lock Accessories.

"person in the course of doing business" for purposes of the Safe Drinking Water and Toxic

Enforcement Act of 1986, California Health & Safety Code §§ 25249.6 et seq. ("Proposition 65").

Howard Berger Co. is predecessor to, and Jones Stephens Corporation an affiliate of and under

Product Description 1.5

The products covered under this Consent Judgment are Plumbing Hardware and Plumbing Accessories containing Lead, including Shower Rebuild Kits, UPC.# 753274850184, and Aqua Plumb Solid Brass Pencil Torch, MP1, UPC #730007213904; Household and Decorative Hardware and Hardware Accessories containing Lead, including Ultra Hardware Products Door Stop Hinge Pin, 70058, UPC #749694700581; and Locks and Lock Accessories containing Lead, including Mortise Cylinders, UPC #075877963031, Brass Padlocks, UPC #075877624000, and Log Lighter Keys (all such products collectively referred to as the "Covered Products").

1.6 **Notices of Violation**

On or about March 9, 2016, Plaintiff, through Plaintiff's counsel, served Defendant and the California Attorney General, the District Attorneys of every County in the State of California, and the City Attorneys for every City in the State of California with a population greater than 750,000 (collectively, "Public Prosecutor(s)") with a 60-Day Notice of Violation alleging that World and Main and other entities violated Proposition 65 by failing to warn consumers in California that Locks and Lock Accessories expose users to Lead. On or about March 23, 2016, Plaintiff, through Plaintiff's counsel, served Defendant (Howard Berger Co.) and Public Prosecutors with a 60-Day Notice of Violation alleging that World and Main and other entities violated Proposition 65 by failing to warn consumers in California that Locks and Lock Accessories expose users to Lead. On

or about April 8, 2016, Plaintiff, through Plaintiff's counsel, served Defendant (Howard Berger Co.) and Public Prosecutors with a 60-Day Notice of Violation alleging that World and Main and other entities violated Proposition 65 by failing to warn consumers in California that Plumbing Hardware and Plumbing Accessories expose users to Lead. On or about May 27, 2016, Plaintiff, through Plaintiff's counsel, served Defendant (Jones Stephens Corp.) and Public Prosecutors with a 60-Day Notice of Violation alleging that World and Main and other entities violated Proposition 65 by failing to warn consumers in California that Locks and Lock Accessories expose users to Lead. On or about March 1, 2017, Plaintiff, through Plaintiff's counsel served Defendant and Public Prosecutors with a Supplemental 60-Day Notice alleging that Defendant violated Proposition 65 by failing to warn consumers in California that Household and Decorative Hardware and Hardware Accessories, Locks and Lock Accessories, and Plumbing Hardware and Plumbing Accessories expose users to Lead. The aforementioned 60-Day notices and Supplemental Notice are collectively referred to as the "Notices."

1.7 Complaint

On or about May 1, 2017, Ecological Alliance filed the instant action naming World and Main as a Defendant for the alleged violations of Proposition 65 that are the subject of this Consent Judgment ("Complaint").

1.8 No Admission

Plaintiff and Defendant acknowledge that this matter involves disputed claims and wish to resolve their differences without incurring the time and expense of litigation, and with no admission of liability or the validity of any claim or defense. Specifically, World and Main denies the material, factual, and legal allegations in the Notices and Complaint, and maintains that products World and Main has sold and distributed for sale in California, including the Covered Products, have been, and are, in compliance with all applicable laws. Nothing in this Consent Judgment shall be construed as any admission of any fact, finding, conclusion of law, issue of law, or violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation of law. This Section

1.8 shall not, however, diminish or otherwise affect World and Main's obligations under this Consent Judgment.

1.9 Jurisdiction and Venue

For purposes of this Consent Judgment only, Plaintiff and Defendant (the "Parties") stipulate that: (1) this Court has jurisdiction over Defendant as to the allegations of violation contained in the Complaint; (2) venue is proper in the County of Los Angeles; and (3) this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims which were or could have been raised in the Complaint and of all claims which were or could have been raised by any person or entity based in whole or in part, directly or indirectly, on the facts alleged in the Notices, in the present action, or arising therefrom or related thereto, with respect to Covered Products, including any Proposition 65 claim arising out of an exposure to Covered Products (collectively, "Proposition 65 Claims").

1.10 "Effective Date" shall mean, with respect to this Consent Judgment, the date on which the Consent Judgment is approved and entered by the Court.

2. <u>INJUNCTIVE</u> RELIEF

2.1 Reformulated Products/Clear and Reasonable Warnings

Commencing no later than twelve (12) months from the Effective Date (the "Compliance Date"), and continuing thereafter, World and Main shall only purchase for sale, manufacture, sell, or distribute for sale, in California, Covered Products that (a) are "Reformulated Products," defined below in Section 2.2, or (b) bear a clear and reasonable warning in accordance with Section 2.3 below. The requirements set forth in this Section 2 shall not apply to any Covered Product that as of the Compliance Date is in the stream of commerce or is otherwise in World and Main's inventory stock as of such Date.

2.2 Reformulated Products

For purposes of this Consent Judgment, "Reformulated Products" are those products for which no Accessible Component Part of such Covered Product contains more than 100 parts per million ("ppm") of lead. For purposes of this Consent Judgment, "Accessible Component Part" shall mean any component of a Covered Product to which a person would be exposed to lead by

direct contact during normal use of the Covered Product.

2.3 Warning Option

Covered Products that are not Reformulated Products as set forth above in Section 2.2 shall be accompanied by a clear and reasonable warning in accordance with Section 2.1 above. Such warning shall be prominently placed in relation to the Covered Product with such conspicuousness when compared to other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use. Defendant shall provide the following warning statement (or other warning consistent with applicable regulations governing such warnings) on or within the unit packaging of such Covered Products, or affixed to the Covered Products, displayed in such a manner as to be reasonably calculated to be seen by the ordinary consumer:

WARNING: This product contains chemicals known to the state of California to cause cancer and birth defects or other reproductive harm.

For Covered Products sold or distributed by Defendant in bulk for sale or distribution in California, in lieu of warning statements on individual Covered Product units, Defendant may provide notice to downstream distributor/retailer customers of the Proposition 65 warning requirements set forth in this Sections 2.3. Such notice shall be included in the purchase/sale agreement, purchase orders, packaging material and/or other written or electronic transmittals as applicable for such customers.

3. MONETARY RELIEF

Plaintiff the total sum of \$48,000.00, which includes \$18,000.00 in civil penalties and \$30,000.00 in payment of Plaintiff's costs and reasonable attorney's fees. The \$18,000.00 civil penalty shall be apportioned pursuant to Health and Safety Code section 25249.12 (d), with 75% (\$13,500.00) paid to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA"), and 25% (\$4,500.00) payable to Plaintiff. Plaintiff shall provide the payment due to OEHHA within ten (10) business days of Plaintiff's receipt of Defendant's payment. Plaintiff shall provide to Defendant proof of such payment to OEHHA within five (5) business days of making such

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payment.

- 3.2 The payment of Plaintiff's costs and reasonable attorney's fees was agreed to under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure section 1021.5, and provided as compensation for the fees and costs incurred by Plaintiff in investigating, bringing this matter to World and Main's attention, litigating, negotiating a settlement in the public interest, and all actions necessary to result in the Court's approval and entry of this stipulated Consent Judgment.
- 3.3 The payment of \$48,000.00 specified in Section 3.1 shall be made by wire transfer to Plaintiff's counsel Custodio & Dubey LLP as follows, provided that no later than the Effective Date, Plaintiff shall provide to World and Main W-9 forms for each payee:

Bank:

Bank of America, N.A.

Routing Transit No.: 026009593 Account No.:

325054144600

Beneficiary:

Custodio & Dubey LLP

CLAIMS COVERED AND RELEASE

4.1 This Consent Judgment is a full, final, and binding resolution between Plaintiff, on behalf of itself, and acting in the public interest, and Defendant for any alleged violation of Proposition 65, and its implementing regulations, for failure to provide Proposition 65 warnings for the Covered Products, and fully resolves all claims that have been brought, or which could have been brought in this action, or in any other action, up to and including the Effective Date. Plaintiff on behalf of itself, and in the public interest, hereby releases and discharges Defendant. including Howard Berger Co. and Jones Stephens Corp., and their current and former parent companies, subsidiaries, divisions, suppliers, affiliates, importers, distributors and retailers (including, without limitation, Amazon.com and Do It Best), licensees and related entities, together with their respective current and former officers, directors, shareholders, employees, representatives, contractors, agents, divisions, insurers, successors, assigns and attorneys, as well as all other upstream and downstream entities in the distribution chain for any of the Covered Products, and the predecessors, successors, and assigns of each of them (all of the foregoing entities and individuals being referred to collectively herein as the "Released Parties"), from any

and all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs and expenses asserted, or that could have been asserted, with respect to any alleged violation of Proposition 65 arising from the failure to provide Proposition 65 warnings for any or all of the Covered Products, and/or any other claim alleged in this action, or which could have been alleged in this action, through and including the Effective Date.

- 4.2 Plaintiff, acting on its own behalf, and in the public interest pursuant to California Health and Safety Code § 25249.7(d), releases, waives, and forever discharges any and all claims against the Released Parties arising from any violation of Proposition 65 that has been or could have been asserted in the public interest regarding the failure to warn under Proposition 65 arising in connection with exposure to the Covered Products, manufactured, imported, distributed, offered for sale, sold and/or distributed in the State of California by Released Parties prior to the Effective Date.
- 4.3 It is possible that other claims not known to the Parties arising out of the facts alleged in the 60-Day Notice and/or in the Complaint, relating to the Covered Products, will hereafter be discovered or developed. Plaintiff, on behalf of itself only, on the one hand, and Defendant, on the other hand, acknowledge that this Consent Judgment is expressly intended to cover and include all such claims through and including the Effective Date, including all rights of action therefore. Plaintiff and Defendant acknowledge that the claims released in Sections 4.1 and 4.2 may include unknown claims, and nevertheless intend to release such claims, and in doing so waive California Civil Code § 1542 which reads 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 OR HER SETTLEMENT WITH THE DEBTOR.

4.4 Plaintiff understands and acknowledges that the significance and consequence of this waiver of California Civil Code § 1542 is that even if Plaintiff suffers future damages arising out of or resulting from, or related directly or indirectly to, in whole or in part, the Covered Products, including but not limited to any exposure to, or failure to warn with respect to exposure

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to, the Covered Products, Plaintiff will not be able to make any claim for those damages against any of the Released Parties.

Material compliance by Defendant with the terms of this Consent Judgment shall 4.5 constitute compliance with Proposition 65 with respect to the Covered Products.

5. **PROVISION OF NOTICE**

5.1 When any Party is entitled to receive any notice or writing under this Consent Judgment, the notice or writing shall be sent by first class certified mail with return receipt requested, or by electronic mail, as follows:

To Defendant:

Diane Garrity General Counsel World and Main 624A Half Acre Road Cranbury, NJ 08512 email: dianegarrity@worldandmain.com with a copy to

Joshua A. Bloom, Esq. Meyers Nave 555 12th Street, Suite 1500 Oakland, California 94607 email: jbloom@meyersnave.com

To Plaintiff:

Vineet Dubey Custodio & Dubey LLP 448 S. Hill St., Ste 612 Los Angeles, CA 90013 email: dubey@cd-lawyers.com

Any Party may modify the person and address to whom the notice is to be sent by 5.2 sending the other Party notice that is transmitted in the manner set forth in section 5.1.

6. **COURT APPROVAL**

Upon execution of his Consent Judgment by all Parties, Plaintiff shall prepare and 6.1 file, at its sole cost and expense, a Motion for Approval of this Consent Judgment that Defendant shall reasonably support. This Consent Judgment shall not become effective until approved and entered by the Court. If this Consent Judgment is not approved and entered by the Court within one year of the last date the Consent Judgment is executed by the Parties or such other date as may be mutually agreed to in writing by the Parties, it shall be of no force or effect, and shall not be introduced into evidence or otherwise used in any proceeding for any purpose.

7. GOVERNING LAW AND CONSTRUCTION

7.1 The terms of this Consent Judgment shall be governed by the laws of the State of California.

8. ENTIRE AGREEMENT

- 8.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter herein.
- 8.2 There are no warranties, representations, or other agreements between the Parties except as expressly set forth herein. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Consent Judgment have been made by any Party hereto.
- 8.3 No other agreements not specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto. Any agreements specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto only to the extent that they are expressly incorporated herein.
- 8.4 No amendment, supplementation, modification, waiver, or termination of this Consent Judgment shall be binding unless executed in writing by an authorized representative of each Party and approved by the Court.
- 8.5 No waiver of any of the provisions of this Consent Judgment shall be deemed or shall constitute a waiver of any of the other provisions hereof whether or not similar, nor shall such waiver constitute a continuing waiver.

9. <u>RETENTION OF JURISDICTION</u>

9.1 This Court shall retain jurisdiction of this matter to implement, enforce or modify the Consent Judgment.

10. NO EFFECT ON OTHER SETTLEMENTS

10.1 Nothing in this Consent Judgment shall preclude Plaintiffs from resolving any claim against another entity on terms that are different from those contained in this Consent Judgment.

11. **EXECUTION IN COUNTERPARTS**

11.1 This Consent Judgment may be executed in counterparts, each of which shall be deemed to be an original, and all of which, taken together, shall constitute the same document. Execution of the Consent Judgment by e-mail, facsimile, or other electronic means, shall constitute legal and binding execution and delivery. Any photocopy of the executed Consent Judgment shall have the same force and effect as the original

12. **AUTHORIZATION**

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The undersigned are authorized to stipulate to, enter into, and execute this Consent Judgment on behalf of their respective Party, and have read, understood, and agree to all of the terms and conditions of this Consent Judgment.

13, **SEVERABILITY**

If subsequent to Court approval of this Consent Judgment, any part or provision is declared by a Court to be invalid, void, or unenforceable, the remaining portions or provisions shall continue in full force and effect, but only to the extent the deletion of the provision deemed unenforceable does not materially affect or otherwise result in the effect of this Consent Judgment being contrary to the Parties' intent in entering into this Consent Judgment.

ATTORNEYS' FEES AND COSTS 14.

Except as provided under Sections 3.1 and 6.1 above, each Party shall bear its own 14.1 attorneys' fees and costs in this matter.

FULL AND FINAL SETTLEMENT 15.

The Parties intend this to constitute a full and final settlement and will request that it be entered as a final judgment.

AGREED TO:

AGREED TO:

AL ALLIANCE LLC

WORLD AND MAIN, LLC

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[PROPOSED] STIPULATED CONSENT HIDGMENT

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(PROOF OF SERVICE BY MAIL - 1031a, 2015.5 C.C.P.)

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am over the age of 18 years, not a party to the within entitled action; my business address is 448 S. Hill St., Suite 612, Los Angeles, CA 90013.

I served the foregoing [PROPOSED] JUDGMENT by placing a true copy thereof for collection and mailing, in accordance with the ordinary business practice of Custodio & Dubey LLP, located at 448 S. Hill St., Suite 612, Los Angeles, CA 90013, on May 9, 2017, enclosed in a sealed envelope, with postage fully prepaid addressed as follows:

Joshua A. Bloom, Esq. Meyers Nave 555 12th Street, Suite 1500 Oakland, CA 94607

Office of the Attorney General Attn: Proposition 65 Coordinator PO Box 70550 Oakland, CA 94612

I am readily familiar with our office's practice of collection and processing of correspondence for mailing; it is our practice to deposit correspondence with the United States Postal Service on the same day it is submitted for mailing.

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

May 23, 2017

Vineet Dubey