### State of California - Department of Justice - Attorney General's Office - Proposition 65 Enforcement Reporting

FORM JUS 1502 (03-01) Attention: Prop 65 Coordinator, 1515 Clay Street, Suite 2000, Oakland, CA 94612

PRIVATE ENFORCEMENT FILING - Health and Safety Code section 25249.7(e) and (f)

### REPORT OF ENTRY OF JUDGMENT

Please	print or type required information	☐ Original Filing ☐ Supplement	ntal Filing	
	PLAINTIFF(S)			
	DEFENDANT(S) INVOLVED IN JUDGMENT			
PARTIES TO THE ACTION				
μо	COURT DOCKET NUMBER		COURT NAME	
CASE	SHORT CASE NAME			
	INJUNCTIVE RELIEF			
REPORT INFO	PAYMENT: CIVIL PENALTY	PAYMENT: ATTORNEYS FEES	PAYMENT: OTHER	Á l'O
R	DATE SUBMITTED TO COURT	IS JUDGMENT PURSUANT TO SETTLEMENT?	IF YES, DATE SETTLEMENT WAS REPORTED TO ATTORNEY GENERA	AI S
l PC	/ /	☐ Yes ☐ No	/ / /	
R				For Internal Use Only
FILER INFO	NAME OF CONTACT			
	ORGANIZATION			TELEPHONE NUMBER
	ADDRESS			FAX NUMBER
	CITY	STATE ZIP	E-MAIL ADDRESS	

**FILING INSTRUCTIONS:** This form can be completed online and printed. If electronic filing is not available, mail the completed form with a copy of the judgment to the attention of the Prop 65 Coordinator at the address shown above. If you need additional space to complete this form please use an attachment.



LAW OFFICE OF DANIEL N. GREENBAUM 1 Daniel N. Greenbaum, Esq. (SBN 268104) 2 The Hathaway Building JUL 0 6 2018 7120 Hayvenhurst Avenue, Suite 320 3 CLERK OF THE SUPERIOR COURT Van Nuys, CA 91406 Telephone: (818) 809-2199 4 Deputy Facsimile: (424) 243-7689 5 Email: dgreenbaum@greenbaumlawfirm.com 6 Attorney for Plaintiff SHEFA LMV, INC. 7 FOLEY & LARDNER LLP 8 Michael E. Delehunt, Esq. (SBN 70619) 9 Megan O. Curran, Esq. (SBN 273052) 555 California Street, Suite 1700 10 San Francisco CA 94104 Telephone: (415) 984-9820 11 Email: mdelehunt@foley.com; mcurran@foley.com 12 Attorneys for DEFENDANT ARLINGTON 13 SPECIALTIES, INC. 14 15 SUPERIOR COURT OF THE STATE OF CALIFORNIA 16 COUNTY OF ALAMEDA 17 Case No.: RG18891148 SHEFA LMV, INC., 18 Dept.: 21 Hon. Winifred Smith Bog MCW 1 NY 5) Plaintiff, 19 VS. 20 [PRONED] CONSENT JUDGMENT ARLINGTON SPECIALTIES, INC.; and 21 AS TO ARLINGTON SPECIALTIES, DOES 1 through 100, Inclusive, INC. 22 Defendants. 23 Action Filed: January 30, 2018 24 25 26 27 28 [PROPOSED] CONSENT JUDGMENT AS TO ARLINGTON SPECIALTIES, INC.

4838-4653-6800.3

 chemical known to the state to cause cancer or reproductive toxicity.

#### 1.6 Notice of Violation

On May 26, 2017, Shefa served Defendant and the requisite public enforcement agencies with a 60-Day Notice of Violation (the "Notice") alleging that Defendant violated Proposition 65 when it failed to warn its customers and consumers in California that the Covered Products expose users to DEHP. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice.

### 1.7 Complaint

On January 30, 2018, Shefa filed a complaint in the Superior Court in and for the County of Alameda against Defendant and DOES 1-100, alleging violations of California Health & Safety Code § 25249.6, based on exposures to DEHP contained in the Covered Products sold in the State of California (the "Complaint").

#### 1.8 No Admission

Defendant denies the material, factual, and legal allegations contained in the Notice and Complaint and maintains that all the products it has manufactured, sold, or distributed for sale in California, including the Covered Products, have been, and are, in compliance with all laws.

Nothing in this Consent Judgment shall be construed as an admission by Defendant 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 by Defendant of any fact, finding, conclusion of law, issue of law, or violation of law, the same being specifically denied by Defendant. This section shall not, however, diminish or otherwise affect Defendant's obligations, responsibilities, and duties under this Consent Judgment.

#### 1.9 Consent to Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Defendant as to the allegations in the Complaint, that venue is proper in the County of Alameda, the Defendant agrees that it employs or has employed ten or more persons during time periods relevant to the Complaint and that this Court has jurisdiction over the Parties to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65.

#### 3. MONETARY SETTLEMENT TERMS

- 3.1 Payment from Defendant. Within ten (10) business days of the Effective Date,
  Defendant shall make the Total Settlement Payment of \$17,500.00.
- 3.2 Allocation of Payments. The Total Settlement Payment shall be paid in three (3) separate checks made payable and allocated as follows:
- 3.2.1 Civil Penalty. Defendant shall pay \$2,000.00 as a civil penalty pursuant to Health & Safety Code § 25249.7(b). The civil penalty shall be apportioned in accordance with Health & Safety Code § 25249.12 (25% to Shefa and 75% to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA")). Accordingly, the OEHHA portion of the civil penalty payment in the amount of \$1,500.00 shall be made payable to OEHHA and associated with taxpayer identification number 68-0284486. This payment shall be delivered as follows:

### For United States Postal Service Delivery:

Attn: Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
P.O. Box 4010, MS #19B
Sacramento, CA 95812-4010

#### For Non-United States Postal Service Delivery:

Attn: Mike Gyurics Fiscal Operations Branch Chief Office of Environmental Health Hazard Assessment 1001 I Street, MS #19B Sacramento, CA 95814

The Shefa portion of the civil penalty payment in the amount of \$500.00 shall be made payable to Shefa LMV, Inc. and associated with taxpayer identification number 81-0907002. This payment shall be delivered to the Law Office of Daniel N. Greenbaum, 7120 Hayvenhurst Ave, Suite 320, Van Nuys, CA 91406.

3.2.2 Attorney's Fees and Costs. A reimbursement of Shefa's attorney's fees and costs in the amount of \$15,500.00 payable to the "Law Office of Daniel N. Greenbaum,"

Covered Products manufactured, sold, or distributed for sale by Defendant prior to the Effective Date. The releases in Section 4.2 are provided in Shefa's individual capacity and are not releases on behalf of the public.

#### 4.3 Defendant's Release of Shefa

Defendant, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waive any and all claims that it may have against Shefa and its attorneys and other representatives, for any and all actions taken or statements made by Shefa and its attorneys and other representatives in the course of investigating the claims set forth in the Complaint or otherwise seeking to enforce Proposition 65 against it in this matter.

#### 4.4 Release of Unknown Claims

It is possible that other claims not known to the Parties arising out of the facts contained in the Notice, or alleged in the Complaint, relating to the Covered Products, will hereafter be discovered or developed. Shefa, on behalf of itself only, acknowledges that this Consent Judgment is expressly intended to cover and include all such claims through and including ninety (90) days after the Effective Date, including all rights of action therefor. Shefa acknowledges that the claims released in Sections 4.1 and 4.2 may include unknown claims, and nevertheless Shefa intends to release such claims, and in doing so waives California Civil Code § 1542, which reads as follows:

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.

Shefa understands and acknowledges that the significance and consequence of this waiver of California Civil Code § 1542 is that, even if Shefa 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 to, the Covered Products, Shefa will not be able to make any claim for those damages against Defendant or any of the Releasees.

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### 9. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)

Plaintiff agrees to comply with the reporting form requirements referenced in California Health & Safety Code § 25249.7(f).

### 10. POST-EXECUTION ACTIVITIES

The Parties acknowledge that, pursuant to California Health & Safety Code § 25249.7(f), Shefa is obligated to file a noticed motion to obtain judicial approval of this Consent Judgment.

Upon the Parties' execution of this Consent Judgment, Shefa promptly shall proceed to submit this Consent Judgment to the Court with a motion seeking Court approval.

#### 11. MODIFICATION

This Consent Judgment may only be modified by a written instrument executed by the Party or Parties to be bound thereby, and after approval by the Court upon a noticed motion. Any motion to modify shall be served on all Parties and the Office of the Attorney General.

#### 12. DISPUTE RESOLUTION

If Shefa determines at a future date that a violation of this Consent Judgment has occurred, Shefa shall provide notice to Defendant. Prior to bringing any action to enforce any requirement of this Consent Judgment, the party alleging a violation of this Consent Judgment shall provide the other party with written notice of the grounds for such allegation together with all supporting information as well as a complete demand for the relief sought. The Parties shall then meet and confer regarding the basis for the allegation to resolve the matter informally, including providing the party alleged to be in violation with a reasonable opportunity of at least thirty (30) days to cure any alleged violation. Should such attempt at informal resolution fail, the party alleging a violation may file its lawsuit seeking the proposed relief.

#### 13. AUTHORIZATION

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

### [PROPOSED] JUDGMENT

Please note that on July 6, 2018 at // Am, Plaintiff Shefa LMV Inc.'s ("Plaintiff") Motion for Court Approval of Settlement Agreement and Entry of Consent Judgment as to Defendant Arlington Specialties, Inc. came for hearing before this Court in Department 21, the Honorable Winifred Smith presiding. Counsel for Plaintiff did [not] appear; counsel for Defendant did [not] appear.

After full consideration of the points and authorities and related pleadings submitted, the Court GRANTED Plaintiff's Motion pursuant to and in accordance with Health & Safety Code §25249.7(f)(4). The Court reviewed the above Settlement Agreement and makes the following findings pursuant to Health & Safety Code § 25249.7(f)(4):

- a. The injunctive relief required by the Settlement Agreement complies with Health &
   Safety Code § 25249.7;
- b. The reimbursement of fees and costs to be paid pursuant to the Settlement Agreement is reasonable under California law; and
  - c. The civil penalty amount to be paid pursuant to Settlement Agreement is reasonable.

The Settlement Agreement is hereby approved, and the clerk is directed to ENTER JUDGMENT in accordance with the terms of the Settlement Agreement above.

7/6/18 Date

Judge of the Superior Court