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MAY 2 2 2019

THE SUPERIOR COURT Deputy

# SUPERIOR COURT OF THE STATE OF CALIFORNIA

#### IN AND FOR THE COUNTY OF ALAMEDA

KIM EMBRY, an individual,

Plaintiff,

v.

A. LOACKER USA, INC., a New York corporation; and DOES 1 through 100, inclusive,

Defendants.

Case No.: RG19001295 Reservation No.: R-2055236

AMENDED [PROPOSED] JUDGMENT PURSUANT TO TERMS OF PROPOSITION 65 SETTLEMENT AND CONSENT JUDGMENT

May 8, 2019 Date: Time: 9:00 a.m.

**Dept.**: 25

Judge: Ronni MacLaren

Case Filed: January 4, 2019 Trial Date: None set

1	Plaintiff Kim Embry and Defendant A. Loacker USA, Inc. agreed through their respective	
2	counsel to enter judgment pursuant to the terms of their settlement in the form of a stipulate	
3	judgment ("Consent Judgment"). This Court issued an Order approving the Proposition 6	
4	Settlement and Consent Judgment on May 22, 2019.	
5	IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to Health an	
6	Safety Code, section 25249.7(f)(4) and Code of Civil Procedure, section 664.6, judgment	
7	hereby entered in accordance with the terms of the Consent Judgment attached hereto as Exhib	
8	<b>A</b> .	
9	By stipulation of the parties, the Court will retain jurisdiction to enforce the settlement	
10	under Code of Civil Procedure, section 664.6.	
11		
12	IT IS SO ORDERED.	
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14		
15	Dated: May 22, 2019  Ronni Mac Jaren  Hon Ronni Mac Jaren	
16	/ / Hon. Ronni MacLaren JUDGE OF THE SUPERIOR COURT	
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# EXHIBIT A

1 2 3 4 5 6 7 8		THE STATE OF CALIFORNIA COUNTY OF ALAMEDA
9	KIM EMBRY, an individual	County of ALAMEDA  Case No. RG19001295
10	Plaintiff,	[PROPOSED] CONSENT JUDGMENT
11	v.	(Health & Safety Code § 25249.6 et seq. and
12	A. LOACKER USA, INC., a Delaware corporation, and DOES 1 through 100,	Code Civ. Proc. § 664.6)
13	inclusive	
14	Defendants.	
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#### 1. INTRODUCTION

#### 1.1 Parties

This Consent Judgment is entered into by and between Kim Embry ("Embry") and A. Loacker USA, Inc. ("Loacker") (collectively the "Parties").

#### 1.2 Plaintiff

Embry is an individual residing in California and acting in the interest of the general public. She seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances in consumer products.

#### 1.3 Defendant

Loacker employs ten or more individuals and is a "person in the course of doing business" for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6 *et seq*. ("Proposition 65").

#### 1.4 General Allegations

Embry alleges that Loacker manufactures, imports, sells, and distributes for sale wafer products that contain acrylamide. Embry further alleges that Loacker does so without providing a sufficient health hazard warning as required by Proposition 65 and related Regulations. Pursuant to Proposition 65, acrylamide is listed as a chemical known to cause cancer and reproductive harm.

#### 1.5 Covered Products

For purposes of this Consent Judgment "Covered Products" means all products containing wafer(s) that are manufactured, imported, sold, or distributed by Defendant Releasees, defined below, for sale in California.

#### 1.6 Releasees

"Releasees" means and includes: A. Loacker USA, Inc., its parents, subsidiaries, affiliated entities, directors, officers, employees, agents, shareholders, successors, assigns, insurers, and attorneys (the "Defendant Releasees") and all entities to which Defendant Releasees directly or indirectly distribute or sell Covered Products, including but not limited to distributors, wholesalers, customers, retailers, franchisees, licensors, and licensees, including but not limited to Tawa

On July 10, 2017, Embry served Loacker, Tawa Supermarket, Inc. dba 99 Ranch Market, the California Attorney General, and all other required public enforcement agencies with a 60-Day Notice of Violation of California Health and Safety Code section 25249.6 *et seq.* ("Notice"). The Notice alleged that Loacker violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposures to acrylamide contained in "Quadratini Almonds bite size Wafer cookies."

Supermarket, Inc. – dba 99 Ranch Market (the "Downstream Defendant Releasees").

No public enforcer has commenced or is otherwise prosecuting an action to enforce the violations alleged in the Notice.

#### 1.8 Complaint

On January 4, 2019, Embry filed a Complaint against Loacker alleging the violations of Health and Safety Code section 25249.6 that are the subject of the Notice ("Complaint").

#### 1.9 No Admission

Loacker denies the material factual and legal allegations of the Notice and Complaint, and maintains that all of the products it has manufactured, imported, sold, and/or distributed for sale in California, including Covered Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation of law, nor shall compliance with this Consent Judgment be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall not, however, diminish or otherwise affect Loacker's obligations, responsibilities, and duties under this Consent Judgment.

#### 1.10 Jurisdiction

For purposes of this Consent Judgment and the Complaint only, the Parties stipulate that this Court has jurisdiction over Loacker as to the allegations in the Complaint, that venue is proper in the County of Alameda, and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

# 

#### 1.11 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" means that date certain falling six calendar months after the date on which the Court grants the motion for approval and entry of this Consent Judgment, as discussed in Section 5.

#### 2. <u>INJUNCTIVE RELIEF</u>

#### 2.1 Reformulation of the Covered Products

Commencing on the Effective Date, and continuing thereafter, Defendant Releasees shall only manufacture, ship, sell, or offer for sale Covered Products that: (a) contain an average acrylamide concentration by weight (the "Average Level") of 115 parts per billion or less; or (b) are labeled with a clear and reasonable warning pursuant to Section 2.2. The Average Level shall be determined: (a) by randomly selecting and testing at least one sample each from five different lots of the product (or the maximum number of lots available for testing if less than five) that were produced on dates spread out roughly evenly over a period of at least 60 days; and (b) using tests performed by a laboratory accredited by the State of California, a federal agency, or a nationally recognized accrediting organization, using LC-MS/MS (Liquid Chromatograph-Mass Spectrometry).

#### 2.2 Clear and Reasonable Warnings

Commencing on the Effective Date and continuing thereafter, Defendant Releasees shall, for all Covered Products that do not contain an Average Level of 115 parts per billion or less, provide clear and reasonable warnings as set forth in Proposition 65 and related Regulations.

In the event that the Office of Environmental Health Hazard Assessment promulgates one or more regulations requiring or permitting warning text, permitting the absence of warning text, and/or permitting methods of transmission different than those set forth above, Defendant Releasees shall be entitled to use, at their discretion, such other warning text and/or method of transmission without being deemed in breach of this Consent Judgment.

#### 2.3 Sell-Through Period

Notwithstanding anything else in this Settlement Agreement, Covered Products that were manufactured before the Effective Date shall be subject to a full release of all liability pursuant to this Consent Judgment, without regard to when such Covered Products were, or are in the future, distributed

or sold to customers. The obligations of Defendant Releasees, do not apply to Covered Products manufactured before the Effective Date. Claims concerning those earlier manufactured products are released nonetheless.

#### 2.4 Court Approval of Less Onerous Compliance Measures

If a California court approves a Proposition 65 consent judgment concerning acrylamide for one or more competitors of any Defendant Releasee that provides for materially less onerous compliance measures, the Court, upon application by Loacker, shall modify this Consent Judgment to replace the more onerous compliance measures set forth herein with those less onerous compliance measures.

#### 3. MONETARY SETTLEMENT TERMS

#### 3.1 Settlement Amount

Loacker shall pay sixty thousand dollars (\$60,000) in settlement and total satisfaction of all the claims referred to in the Notice, the Complaint, and this Consent Judgment. This includes civil penalties in the amount of six thousand dollars (\$6,000) pursuant to Health and Safety Code section 25249.7(b) and attorney's fees and costs in the amount of fifty-four thousand dollars (\$54,000) pursuant to Code of Civil Procedure section 1021.5.

#### 3.2 Civil Penalty

The portion of the settlement attributable to civil penalties shall be allocated according to Health and Safety Code section 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid to the California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining twenty-five percent (25%) of the penalty paid to Embry individually.

The portion of the penalty owed to Embry (totaling \$1,500) shall be paid by one check payable to the Glick Law Group Client Trust Account and delivered to the following payment address:

Noam Glick Glick Law Group 225 Broadway, Suite 2100 San Diego, CA 92101

The portion of the penalty owed to OEHHA (EIN: 68-0284486) (totaling \$4,500) shall be delivered directly to OEHHA (Memo Line "Prop 65 Penalties") at the following addresses:

1	For United States Postal Service Delivery:	
2	Mike Gyurics	
3	Fiscal Operations Branch Chief Office of Environmental Health Hazard Assessment	
4	P.O. Box 4010 Sacramento, CA 95812-4010	
5	For Non-United States Postal Service Delivery:	
6	Mike Gyurics	
7	Fiscal Operations Branch Chief Office of Environmental Health Hazard Assessment	
8	1001 I Street Sacramento, CA 95814	
9	Loacker agrees to provide Embry's counsel with a convert the check poveble to OFILIA	
10	Loacker agrees to provide Embry's counsel with a copy of the check payable to OEHHA	
11	simultaneous with its penalty payments to Embry.	
12	Plaintiff and her counsel will provide completed IRS 1099, W-9, or other tax forms as required	
13	Relevant information is set out below:	
14	• "Glick Law Group" (EIN: 47-1838518) at the address provided in Section 3.2(a)(i);	
15	• "Nicholas & Tomasevic" (EIN: 46-3474065) at the address provided in Section 3.2(a)(i);	
16	and	
17	• "Office of Environmental Health Hazard Assessment" 1001 I Street, Sacramento, CA	
18	95814.	
19	3.3 Attorney's Fees and Costs	
20	The portion of the settlement attributable to attorney's fees and costs (\$54,000) shall be paid to	
21	Embry's counsel, who are entitled to attorney's fees and costs incurred by her in this action, including	
ı	but not limited to investigating potential violations, bringing this matter to Loacker's attention, as well	
22	as litigating and negotiating a settlement in the public interest.	
23	Loacker shall provide its payment to Embry's counsel in two checks, divided equally, payable	
24	to Glick Law Group, PC (\$27,000) and Nicholas & Tomasevic, LLP (\$27,000) respectively. The	
25	addresses for these two entities are:	
26	Noam Glick Glick Law Group	
27	225 Broadway, Suite 2100 San Diego, CA 92101	
28	- -	

Craig Nicholas Nicholas & Tomasevic, LLP 225 Broadway, 19th Floor San Diego, CA 92101

#### 3.4 Timing

The above-mentioned checks will be issued within fourteen (14) days of the Effective Date.

#### 4. <u>CLAIMS COVERED AND RELEASED</u>

#### 4.1 Embry's Public Release of Proposition 65 Claims

Embry, acting for the general public, releases each and all Releasees from all claims arising under Proposition 65, based on exposure to and/or failure to warn about exposure to, acrylamide from Covered Products manufactured, imported, sold, or distributed before the Effective Date.

Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to all alleged or actual failure(s) to warn about exposures to acrylamide from Covered Products that are manufactured, imported, sold, or distributed after the Effective Date. This Consent Judgment is a full, final and binding resolution of all claims that were or could have been asserted against Releasees for exposure to acrylamide from Covered Products and/or failure to warn about exposure to acrylamide from Covered Products.

#### 4.2 Embry's Individual Release of Claims

Embry, in her individual capacity, hereby releases each and all Releasees, which shall be a full and final accord and satisfaction of, as well as a bar to, all actions, causes of action, obligations, costs, expenses, attorney's fees, damages, losses, claims, liabilities, and demands of every nature, character, and kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to acrylamide in Covered Products manufactured, imported, sold, or distributed by Releasees before the Effective Date, and/or that were or could have been alleged or asserted in the Complaint.

#### 4.3 Loacker's Release of Embry

Loacker, for itself and the Defendant Releasees, hereby waives any and all claims against Embry and her attorneys and other representatives, for any and all actions taken or statements made by Embry and her attorneys and other representatives, whether in the course of investigating claims or otherwise, committed or omitted in the process of seeking to enforce Proposition 65 against it with

respect to Covered Products through the date of Loacker's execution of this Stipulation.

#### 5. <u>COURT APPROVAL</u>

This Consent Judgment is not effective until it is approved and entered by the Court and shall be null and void if it is not approved and entered by the Court within one year after it has been fully executed by the Parties, or by such additional time as the Parties may agree to in writing.

#### 6. SEVERABILITY

Subsequent to the Court's approval and entry of this Consent Judgment, if any provision is held by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

#### 7. GOVERNING LAW

The terms of this Consent Judgment shall be governed by the laws of the state of California as applied within the state. If Proposition 65 is repealed, or is otherwise rendered inapplicable for any reason, including but not limited to changes in the law, then Loacker shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Covered Products are so affected.

#### 8. NOTICE

Unless otherwise specified herein, all correspondence and notice required or permitted by this Consent Judgment shall be in writing and sent: (1) by personal delivery or by US Mail (first-class, registered, or certified mail, return receipt requested), or by a recognized overnight courier, to the physical address provided below, (2) with copies, not themselves constituting notice, emailed to each email address provided below:

#### If to Loacker:

#### If to Embry:

	· · · · · · · · · · · · · · · · · · ·	
22	Ray E. Gallo	Noam Glick
	Gallo I I P	Glick Law Group, PC
23	1604 Solano Ave., Suite B	225 Broadway, 21st Floor
	Berkeley, CA 94707	San Diego, CA 92101
24	rgallo@gallo.law	<b>3</b> ,
	dvalerian@gallo.law	
25	lcharisius@loacker.com	

Any Party may, from time to time, specify in writing to the other, a change of mailing or email addresses to which notices and other communications shall be sent. Any and all Notices shall be effective only if sent in compliance with this section, and after the emailed copies have been sent

without reported error.

#### 9. <u>COUNTERPARTS; DIGITAL SIGNATURES</u>

This Consent Judgment may be executed in counterparts and executed by digital, faxed, or otherwise reproduced signature. Each counterpart shall be deemed an original, and all counterparts taken together shall constitute one and the same document.

#### 10. POST EXECUTION ACTIVITIES

Embry agrees to comply with the reporting form requirements referenced in Health and Safety Code section 25249.7(f). The Parties further acknowledge that, pursuant to Health and Safety Code section 25249.7(f), a noticed motion is required to obtain judicial approval of this proposed settlement, which motion Embry shall draft and file. In furtherance of obtaining such approval, the Parties agree to mutually employ commercially reasonable efforts, including those of their counsel, to support the entry of this agreement as judgment, and to obtain judicial approval of their settlement in a timely manner. For purposes of this Section, "commercially reasonable efforts" shall include, at a minimum, supporting the motion for approval, responding to any objection that any third-party may make, and appearing at the hearing before the Court if so requested.

#### 11. MODIFICATION

This Consent Judgment may be modified by: (i) a written agreement of the Parties and entry of a modified consent judgment thereon by the Court; or (ii) a successful motion or application of any Party, and the entry of a modified consent judgment thereon by the Court.

#### 12. AUTHORIZATION

The undersigned are authorized to execute this Consent Judgment and acknowledge that they have read, understand, and agree to all of the terms and conditions contained herein.

1	AGREED TO:	AGREED TO:
2	Date: March 4, 2019	Date: February 25, 2019
3	By:KIM EMBRY	By: TJR /MMLP MOU
5		
6		Terrence J Rooney [print name] A. Loacker USA, Inc.
7		A DOD OVER A CITIO FORM
8	APPROVED AS TO FORM:	APPROVED AS TO FORM:
9	Date: March 4, 2019	Date: March 4, 2019
10	By: Noan Steel	
11	Noam Glick	By: Ray E. Galle
12	Counsel for Kim Embry	Counsel for A. Loacker USA, Inc.
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# CLERK'S CERTIFICATE OF SERVICE BY MAIL CCP 1013a(3)

CASE NAME:

Embry vs A. Loacker USA, Inc.

**ACTION NO.:** 

RG19001295

I certify that, I am not a party to the within action. I served the foregoing **ORDER** by depositing a true copy thereof in the United States mail in Oakland, California in a sealed envelope with postage fully prepaid thereon addressed to:

Nicholas & Tomasevic, LLP

Attn: Markley, Shaun Andrew

225 Broadway

19th Floor

San Diego, CA 92101

Gallo LLP

Attn: Valerian, Dominic R.

1604 Solano Ave.

Suite B

Berkeley, CA 94707

I declare under penalty of perjury that the following is true and correct.

Executed on May 22, 2019 at Oakland, California.

Chad Finke,

Executive Officer/Clerk

by <u>Pamela Greene</u>

Deputy Clerk