| 1 2 3 4 | Fredric Evenson (State Bar No. 198059) ECOLOGY LAW CENTER P.O. Box 1000 Santa Cruz, California 95061 Telephone: (831) 454-8216 Email: evenson@ecologylaw.com | San Francisco County Superior Court MAY 1 5 2019 | | |
|------------------|--|--|--|--|
| 5 | Christopher Sproul (Bar No. 126398) | PLERK OF THE COURT | | |
| 6 | ENVIRONMENTAL ADVOCATES 5135 Anza Street | Deput Clerk | | |
| 7 | San Francisco, California 94121 Telephone: (415) 533-3376, (510) 847-3467 | | | |
| 8 | Facsimile: (415) 358-5695 Email: csproul@enviroadvocates.com | | | |
| 9 | Counsel for Plaintiff, | | | |
| 10 | ECOLOGICAL RIGHTS FOUNDATION | | | |
| 11 | SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF SAN FRANCISCO | | | |
| 12 | ECOLOGICAL RIGHTS FOUNDATION, | Case No. CGC-18-567066 | | |
| 13 | Plaintiff, | | | |
| 14 | v. | [PROPOSED] CONSENT JUDGMENT AS TO BERGHOFF INTERNATIONAL | | |
| 15 | BERGHOFF INTERNATIONAL, INC., et al., | INC. | | |
| 16 | | | | |
| 17 | Defendants. | | | |
| 18 | | | | |
| 19 | 1. <u>INTRODUCTION</u> | | | |
| 20 | 1.1 On June 8, 2018, the Ecological Rights Foundation ("ERF") acting on behalf of itself | | | |
| 21 | and the general public, filed a Complaint for civil penalties and injunctive relief ("Complaint") in | | | |
| 22 | San Francisco Superior Court, Case No. CGC-18-567066 against defendant Berghoff | | | |
| 23 | International, Inc. (also referred to herein as "Berghoff" or "Defendant"). The Complaint alleges, | | | |
| 24 | among other things, that Defendant violated provisions of the Safe Drinking Water and Toxic | | | |
| 25 | Enforcement Act of 1986, Health and Safety Code Sections 25249.5, et seq. (Proposition 65) by | | | |
| 26 | failing to give clear and reasonable warnings to those residents of California who use charcoal | | | |
| 27 | grills ("Covered Products"), that use of those products causes exposures to carbon monoxide. | | | |
| 28 | | | | |
| | CONSENT JUDGMENT (BERGHOFF INTERNATIONAL, INC.) | 1 | | |

Carbon monoxide is a chemical known to the State of California to cause reproductive toxicity. The Complaint was based upon a 60-Day Notice letter, sent by ERF on October 10, 2017 to Berghoff, the California Attorney General, all District Attorneys, and all City Attorneys with populations exceeding 750,000.

- 1.2 Defendant is a business that employs more than ten persons, and manufactures, distributes, and sells Covered Products. Some Covered Products that Defendant distributes, markets and sells may use charcoal and the combustion of charcoal creates carbon monoxide to be released into the air, causing inhalation exposures to those using or standing near the Covered Products when they are in use. Pursuant to Health and Safety Code Section 25249.8, carbon monoxide is a chemical known to the State of California to cause reproductive toxicity. ERF alleges that Covered Products that are manufactured, distributed or sold by Defendant for use in California require a warning under Proposition 65, pursuant to Health and Safety Code Section 25249.6. 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 Berghoff, 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.
- 1.3 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 Berghoff 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 Berghoff.
- 1.4 The term "Effective Date" means the date that Defendant receives Notice that this Consent Judgment was entered by the Court.

23°

2. INJUNCTIVE RELIEF

2.1 Warnings on Covered Products

As of the Effective Date, for all Covered Products offered for sale in California, Berghoff shall include one of the following warning statements:

WARNING: Chemicals known to the state of California to cause birth defects or other reproductive harm, including carbon monoxide, are produced by combustion of charcoal or wood when used with this product.

Or.

WARNING: Use of this product with charcoal or wood can expose you to carbon monoxide, which is a combustion byproduct known to the State of California to cause birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.

The warning statements shall be affixed to or printed on the Covered Products or their packaging, as well as printed in the Covered Products' instruction booklets (if any). The warnings shall be displayed with such conspicuousness, as compared with other words, statements, designs, or devices as to render them likely to be read and understood by an ordinary individual under customary conditions of purchase or use. Warnings may be contained in the same section of the instruction booklets that contain other safety warnings concerning the use of the Covered Products. The type size of the warning must be legible, and no smaller than any other warning provided with the Covered Products. The word "WARNING:" shall be in upper case letters and bold text. Berghoff may utilize a symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline or a black exclamation point in a white triangle with black border if no yellow is used in the section of the packaging, print or online material regarding the Covered Products that contains other warning language regarding use of the Covered Products.

3. <u>SETTLEMENT PAYMENTS</u>

3.1 Civil Penalties and Payments In Lieu of Penalties

Pursuant to Health and Safety Code section 25249.7(b)(2), Berghoff shall pay \$1,000 in

| 1 | civil penalties. The penalty payment will be allocated in accordance with California Health and | | | |
|----|--|--|--|--|
| 2 | Safety Code section 25249.12(c)(1) & (d), with 75% of the penalty amount remitted to the | | | |
| 3 | California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining | | | |
| 4 | 25% of the penalty amount paid to Ecological Rights Foundation. Defendant will provide these | | | |
| 5 | payments in two checks for the following amounts made payable to: 1) "OEHHA" in the amount | | | |
| 6 | of \$750 and 2) "Ecological Rights Foundation" in the amount of \$250. | | | |
| 7 | 3.2 Attorneys' Fees and Litigation Costs | | | |
| 8 | In settlement of all of the claims that are alleged, or could have been alleged, in the | | | |
| 9 | Complaint concerning Covered Products, Berghoff shall pay \$16,500 to the Ecology Law Center | | | |
| 10 | to cover Plaintiff's attorneys' fees and costs. | | | |
| 11 | 3.3 Payments | | | |
| 12 | The Payments to OEHHA and Ecological Rights Foundation, set forth in Section 3.1, shall | | | |
| 13 | be sent no later than 10 days after the Effective Date. The payment to Ecology Law Center, set | | | |
| 14 | forth in Section 3.2, shall be sent no later than March 1, 2019. All payments shall be sent via USPS | | | |
| 15 | certified mail, return receipt requested to the following addresses: | | | |
| 16 | All payments to Ecological Rights Foundation and Ecology Law Center shall be delivered to: | | | |
| 17 | Fredric Evenson | | | |
| 18 | Ecology Law Center P.O. Box 1000 | | | |
| 19 | Santa Cruz, CA 95061 | | | |
| 20 | The payment to OEHHA shall be delivered to: | | | |
| 21 | Mike Gyurics Fiscal Operations Branch Chief | | | |
| 22 | Office of Environmental Health Hazard Assessment P.O. Box 4010 | | | |
| 23 | Sacramento, CA 95812-4010 | | | |
| 24 | 4. <u>RELEASE OF ALL CLAIMS</u> | | | |
| 25 | 4.1 Release of Berghoff | | | |
| 26 | ERF acting on its own behalf and on behalf of its past and current agents, | | | |
| 27 | representatives, attorneys, successors and/or assignees (all of whom, collectively, are | | | |

defin 2 entit 3 who 4 but 1 5 coop 6 distr 7 (coll 8 Effe 9 use 6 10 clair

13.

defined as the "ERF Releasors"), releases Berghoff, and its parents, subsidiaries, affiliated entities, marketplaces directors, officers, agents, employees, attorneys and each entity to whom Berghoff directly or indirectly distributes or sells the Covered Products, including but not limited to, downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members and licensees and all other upstream and downstream entities in the distribution chain, and the predecessors, successors, and assigns of any of them (collectively, the "Releasees"), from all claims for violations of Proposition 65 through the Effective Date based on failure to warn about alleged exposures to carbon monoxide from use of the Covered Products. This settlement is a full, final and binding resolution of all claims that were or could have been asserted against Berghoff, and/or the Releasees for failure to provide warnings for alleged exposures to chemicals contained in the Covered Products.

In further consideration of the promises and agreements herein contained, and for the payment to be made pursuant to Section 3 above, the ERF Releasors provide a release herein which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands against Berghoff and/or any of the Releasees of any nature, character, or kind, whether known or unknown, suspected or unsuspected, limited to and arising out of the alleged or actual exposure to Proposition 65 chemicals from use of the Covered Products.

4.2 Berghoff's Release of ERF

Berghoff, on behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, hereby waive any and all claims against ERF, its attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by ERF and/or its attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter or with respect to the Products.

2 3

4

5

6 7

8

9

10

11

12

13

<u>. Toltina</u>

14 15

16

17 18

19

21

22

20

23

24

25 26

27

28

4.3 California Civil Code Section 1542

It is possible that other claims not known to the Parties arising out of the facts alleged in the Notice and relating to the Products will develop or be discovered. ERF on behalf of itself only, on one hand, and Berghoff, on the other hand, acknowledge that this Agreement is expressly intended to cover and include all such claims up through the Effective Date, including all rights of action therefor. The Parties acknowledge that the claims released in Sections 4.1 and 4.2 above may include unknown claims, and nevertheless waive California Civil Code section 1542 as to any such unknown claims.

California Civil Code section 1542 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.

ERF and Berghoff each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code section 1542.

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 San Francisco County, giving the notice required by law, enforce the terms and conditions contained herein.
- 5.2 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.

MODIFICATION OF JUDGMENT 6.

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. TERMINATION AND RETENTION OF JURISDICTION

7.1 This Court shall retain jurisdiction of this matter to implement and enforce the terms this Consent Judgment.

8. AUTHORITY TO STIPULATE

8.1 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. SERVICE ON THE ATTORNEY GENERAL

9.1 ERF shall serve a copy of this Consent Judgment, signed by both parties, 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.

10. ENTIRE AGREEMENT

10.1 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

11.1 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.

| 1 | 12. EXECUTION AND COUNTERPARTS | | | |
|---------------|---|--|--|--|
| 2 | 12.1 This Consent Judgment may be executed in counterparts which taken together shall | | | |
| 3 | be deemed to constitute one document. | | | |
| 4 | 13. | 13. <u>COURT APPROVAL</u> | | |
| 5 | 13.1 If this Consent Judgment is not approved by the Court, it shall be of no force or effect | | | |
| 6 | and cannot be used in any proceeding for any purpose. | | | |
| 7 | 14. <u>NOTICES</u> | | | |
| 8 | 14.1 Any notices or payments due under this Consent Judgment shall be sent by USPS | | | |
| 9 | certified mail, return receipt requested. | | | |
| 10 | | micro and the standard some of selection | in the minutes of the second o | |
| 11 | | If to Ecological Rights Foundation: | Fredric Evenson Ecology Law Center | |
| 12 | | , | P.O. Box 1000 Santa Cruz, CA 95061 | |
| 13 | | proposed and a second s | | |
| 14 | | If to Berghoff International, Inc.: | Elizabeth Coviello, Esq. Law Office of Elizabeth J. Coviello | |
| 15 | | | 7241 Little Road New Port Richey, Florida 34654 | |
| 16 | | 4 | 140 M. F. OTT. Telolich 2. Tollad 2.402.4 | |
| 17 | IT IS SO STIPULATED: | | | |
| 18 | TO A'T | ĒĒĎ: January 22 2010 | | |
| 19 | DATED: January 22, 2019 ECOLOGICAL RIGHTS FOUNDATION | | | |
| 20 | | E | Cocogreau Ny fuls foundation | |
| 21 | BY: James Kingent EXEC. DIR. JAMES LAMPORT, EXECUTIVE DIRECTOR | | | |
| 22. | | , | | |
| 23 | | | | |
| 24 25 | DAT | FED: BERG | HOFF INTERNATIONAL, INC. | |
| 26 | | | | |
| 27 | | Ву: | C por contract of the contract | |
| 28 | | Its: | DAY VANDENLANGENBERCH - CED | |
| <i>ب</i> ال). | | | | |

IT IS SO ORDERED, ADJUDGED AND DECREED: JUDGE OF THE SUPERIOR COURT ETHAN P. SCHULMAN CGC-18-567066 21.

CONSENT JUDGMENT (BERGHOFF INTERNATIONAL, INC.)