

2 3

4 5

6

7

9

8

10

11

12

٧.

13

14

15 16

17

18

19

20

21 22

23

24

25

26

27

28

SEP - 7 2018

CLERK OF THE SUPERIOR COURT

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF ALAMEDA

KIM EMBRY, an individual, Case No.: RG18896654 Plaintiff,

HAMPTON PRODUCTS INTERNATIONAL CORPORATION, a Delaware corporation; and DOES 1 through 100, inclusive,

Defendants.

Reservation No.: R-1954152

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

Date: August 29, 2018

Time: 2:30 p.m. **Dept.:** 518

Judge: Hon. Dennis Hayashi

Case Filed: March 14, 2018 Trial Date: None Set

1	Plaintiff Kim Embry and Defendant Hampton Products International Corporation agreed		
2	through their respective counsel to enter judgment pursuant to the terms of their settlement in the		
3	form of a stipulated judgment ("Consent Judgment"). This Court's issued an Order approving the		
4	Proposition 65 Settlement and Consent Judgment on August 29, 2018.		
5	IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to Health and		
6	Safety Code, section 25249.7(f)(4) and Code of Civil Procedure, section 664.6, judgment is		
7	hereby entered in accordance with the terms of the Consent Judgment attached hereto as Exhibi		
8	A. By stipulation of the parties, the Court will retain jurisdiction to enforce the settlement unde		
9	Code of Civil Procedure, section 664.6.		
10			
11	IT IS SO ORDERED.		
12			
13	Ω		
14	Dated: 9/7/18 Hon. Dennis Hayashi		
15	JUDGE OF THE SUPERIOR COURT		
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			

EXHIBIT A

1	NICHOLAS & TOMASEVIC, LLP Craig M. Nicholas (SBN 178444)		
2	Shaun Markley (SBN 291785) 225 Broadway, 19 th Floor		
3	San Diego, California 92101 Telephone: (619) 325-0492		
4	Facsimile: (619) 325-0496 Email: cnicholas@nicholaslaw.org		
5	Email: smarkley@nicholaslaw.org		
6	GLICK LAW GROUP, PC Noam Glick (SBN 251582)		
7.	Kelsey McCarthy (SBN 305372) 225 Broadway, Suite 2100		
8	San Diego, California 92101 Telephone: (619) 382-3400		
9	Facsimile: (619) 615-2193 Email: noam@glicklawgroup.com		
10	Attorneys for Plaintiff		
11	KIM EMBRY		
12	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
13	IN AND FOR THE COUNTY OF ALAMEDA		
14	KIM EMBRY, an individual	Case No.	
15	Plaintiff,	[PROPOSED] CONSENT JUDGMENT	
15 16	Plaintiff, v.	(Health & Safety Code § 25249.6 et seq. and	
	,		
16 17	v. HAMPTON PRODUCTS INTERNATIONAL CORPORATION and DOES 1 through 100,	(Health & Safety Code § 25249.6 et seq. and	
16 17 18	v. HAMPTON PRODUCTS INTERNATIONAL CORPORATION and DOES 1 through 100, inclusive	(Health & Safety Code § 25249.6 et seq. and	
16 17 18 19	v. HAMPTON PRODUCTS INTERNATIONAL CORPORATION and DOES 1 through 100, inclusive	(Health & Safety Code § 25249.6 et seq. and	
16 17 18 19 20	v. HAMPTON PRODUCTS INTERNATIONAL CORPORATION and DOES 1 through 100, inclusive	(Health & Safety Code § 25249.6 et seq. and	
16 17 18 19 20 21	v. HAMPTON PRODUCTS INTERNATIONAL CORPORATION and DOES 1 through 100, inclusive	(Health & Safety Code § 25249.6 et seq. and	
16 17 18 19 20 21 22	v. HAMPTON PRODUCTS INTERNATIONAL CORPORATION and DOES 1 through 100, inclusive	(Health & Safety Code § 25249.6 et seq. and	
16 17 18 19 20 21 22 23	v. HAMPTON PRODUCTS INTERNATIONAL CORPORATION and DOES 1 through 100, inclusive	(Health & Safety Code § 25249.6 et seq. and	
16 17 18 19 20 21 22 23 24	v. HAMPTON PRODUCTS INTERNATIONAL CORPORATION and DOES 1 through 100, inclusive	(Health & Safety Code § 25249.6 et seq. and	
16 17 18 19 20 21 22 23 24 25	v. HAMPTON PRODUCTS INTERNATIONAL CORPORATION and DOES 1 through 100, inclusive	(Health & Safety Code § 25249.6 et seq. and	

1. INTRODUCTION

1.1 Parties

This Consent Judgment is entered into by and between Kim Embry ("Embry") on one hand, and Hampton Products International Corporation ("Defendant") on the other hand (collectively the "Parties"). Defendant manufactures products under the brand name Keeper, among others.

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 contained in consumer products.

1.3 Defendant

Defendant 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 Defendant manufactures, imports, sells, and distributes for sale in California vinyl-coated hooks that contain di(2-ethylhexyl) phthalate ("DEHP"). Embry further alleges that Defendant does so without providing a sufficient health hazard warning as required by Proposition 65 and related regulations. Pursuant to Proposition 65, DEHP is listed as a chemical known to cause cancer and reproductive harm.

1.5 Product Description

For purposes of this Consent Judgment, the "Product" or "Products" are defined as vinyl-coated hooks that contain DEHP that are manufactured, imported, sold, or distributed for sale in California by Defendant and Releasees, defined *infra*. Such Products include but are not limited to hooks attached to bungee cords or sold separately for use with bungee cords, and utility hooks.

1.6 Notices of Violation

On October 30, 2017, Embry served Defendant, Orchard Supply Hardware, LLC (the proper name for which is Orchard Supply Company, LLC), 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 Defendant violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposures to DEHP contained in the Products. Embry sent an amended notice to the same individuals on November 9, 2017.

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

1.7 Complaint

On ______, Embry filed a Complaint against Defendant for the alleged violations of Health and Safety Code section 25249.6 that are the subject of the Notice ("Complaint").

1.8 No Admission

Defendant denies the material, factual, and legal allegations in the Notices and Complaint, and maintains that all of the products it has manufactured, imported, sold, and/or distributed for sale in California, including the 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 Defendant's obligations, responsibilities, and duties under this Consent Judgment.

1.9 Jurisdiction

For purposes of this Consent Judgment and the Complaint 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, 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.

1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" means the date on which the Court grants the motion for approval of this Consent Judgment, as discussed in Section 5.

2. <u>INJUNCTIVE RELIEF</u>

2.1 Reformulation and Warnings

Commencing ninety (90) days after the Effective Date, and continuing thereafter, Defendant agrees to manufacture or distribute for sale in California only (a) "Reformulated Products" pursuant to Section 2.2, or (b) Products that are labeled with a clear and reasonable warning pursuant to Section 2.3. Defendant and its downstream retailers shall have no obligation to reformulate or label Product that has been manufactured, distributed, offered for sale, or has otherwise entered the stream of commerce prior to the Effective Date.

2.2 Reformulation Standard

"Reformulated Product" shall mean Product that contains less than one thousand (1,000) parts per million of DEHP.

2.3 Clear and Reasonable Warnings

Except as set forth in Section 2.1, commencing ninety (90) days after the Effective Date, Defendant shall provide a clear and reasonable warning for any Product that it manufactures, distributes, or offers for sale in California that is not a Reformulated Product. Defendant shall provide the warning affixed to the packaging or labeling using language similar to the warning(s) below:

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

Or

(b) the text, "WARNING Cancer and Reproductive Harm - www.P65Warnings.ca.gov" accompanied by and placed to the right of a symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline sized to be no smaller than the word, "WARNING" as provided by regulations adopted on or about August 30, 2016.

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 is reasonably likely to understand to which specific Product the warning applies, so as to minimize the risk of consumer confusion.

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

3. MONETARY SETTLEMENT TERMS

3.1 Settlement Amount

Defendant shall pay forty six thousand dollars (\$46,000) 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 five thousand dollars (\$5,000) pursuant to Health and Safety Code section 25249.7(b) and attorney's fees and costs in the amount of forty one thousand dollars (\$41,000) pursuant to Code of Civil Procedure section 1021.5 and Health and Safety Code section 25249 et seq.

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.

All payments owed to Embry, shall be delivered to the following payment address:

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

All payments owed to OEHHA (EIN: 68-0284486) shall be delivered directly to OEHHA (Memo Line "Prop 65 Penalties") at the following addresses:

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

Defendant agrees to provide Embry's counsel with a copy of the check payable to OEHHA, simultaneous with its penalty payments to Embry.

26

27

28

The Parties, including Embry, will exchange completed IRS 1099, W-9, or other forms as required. Relevant information for Glick Law Group, N&T, and Embry are set out below:

- "Kim Embry" whose address and tax identification number shall be provided within five (5) days after this Settlement Agreement is fully executed by the Parties;
- "Glick Law Group" (EIN: 47-1838518) at the address provided in Section 3.2(a)(i);
- "Nicholas & Tomasevic" (EIN: 46-3474065) at the address provided in Section 3.2(a)(i); and
- "Office of Environmental Health Hazard Assessment" 1001 I Street, Sacramento, CA 95814.

3.3 Attorney's Fees and Costs

The portion of the settlement attributable to attorney's fees and costs shall be paid to Embry's counsel, who are entitled to attorney's fees and costs incurred by her in this action, including but not limited to investigating potential violations, bringing this matter to Defendant's attention, as well as litigating and negotiating a settlement in the public interest.

Defendant shall provide its payment to Embry's counsel in two checks, divided equally, payable to Glick Law Group, PC (\$20,500) and Nicholas & Tomasevic, LLP (\$20,500) respectively. The addresses for these two entities are:

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

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. CLAIMS COVERED AND RELEASED

4.1 Embry's Public Release of Proposition 65 Claims

For any claim or violation arising under Proposition 65 alleging a failure to warn about exposures to DEHP from Products manufactured, imported, sold, or distributed by Defendant prior

12.

to the Effective Date, Embry, acting on her own behalf and in the public interest, releases Defendant of any and all liability. This includes Defendant's parents, subsidiaries, affiliated entities under common ownership, its directors, officers, agents, employees, attorneys, and each entity to whom Defendant directly or indirectly distributes or sells the Products, including but not limited to, downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members and licensees (collectively, the "Releasees"). Releasees include Orchard Supply Company, LLC, its parent, and all subsidiaries and affiliates thereof and their respective employees, agents, and assigns that sell Defendant's Products. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to the alleged or actual failure to warn about exposures to DEHP from Products manufactured, imported, sold, or distributed by Defendant 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 Defendant and/or Releasees for failure to provide warnings for alleged exposures to DEHP contained in Products.

4.2 Embry's Individual Release of Claims

Embry, in her individual capacity, also provides a release to Defendant and/or 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 by Embry of any nature, character, or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DEHP in Products manufactured, imported, sold, or distributed by Defendant before the Effective Date.

4.3 Defendant's Release of Embry

Defendant, on its own behalf, and on behalf of Releasees as well as its past and current agents, representatives, attorneys, successors, and assignees, 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, otherwise seeking to enforce Proposition 65 against it, in this matter or with respect to the Products.

5. COURT APPROVAL

. 4

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 and apply within the state of California. In the event that Proposition 65 is repealed, or is otherwise rendered inapplicable for reasons, including but not limited to changes in the law, then Defendant may provide written notice to Embry of any asserted change, and shall have no further injunctive obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are so affected.

8. NOTICE

Unless specified herein, all correspondence and notice required by this Consent Judgment shall be in writing and sent by: (i) personal delivery; (ii) first-class, registered, or certified mail, return receipt requested; or (iii) a recognized overnight courier to the following addresses:

For Defendant: For Embry:

Robert S. Nicksin	Noam Glick
O'Melveny & Myers LLP	Glick Law Group, PC
400 South Hope Street, 18th Floor	225 Broadway, 21st Floor
Los Angeles, CA 90071	San Diego, CA 92101

Any Party may, from time to time, specify in writing to the other, a change of address to which all notices and other communications shall be sent.

9. <u>COUNTERPARTS; FACSIMILE SIGNATURES</u>

This Consent Judgment may be executed in counterparts and by facsimile signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

10. POST EXECUTION ACTIVITIES

. 6

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 the settlement, which motion Embry shall draft and file. In furtherance of obtaining such approval, the Parties agree to mutually employ their best 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, "best 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 only 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. <u>AUTHORIZATION</u>

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.

AGREED TO.	AGREED TO DI HAMPION PRODU
•	INTERNATIONAL CORPORATION:

Date: February 1, 2018

Ву: Д

KIM EMBRY

ate: / 30 20

[print name]

HAYWARD HALL OF JUSTICE

Case # RG18-896654 Case Name Embry V Hampton Products

DECLARATION OF SERVICE BY MAIL (C.C.P. 1013A (1), 2015.5)

My business address is 24405 Amador Street, Hayward, California 94544. I am, and was at the time the herein mentioned mailing took place, a citizen of the United States, employed in the County where said mailing occurred, over the age of eighteen years and not a party to the above entitled cause.

On September 7, 2018 I served the foregoing document by depositing a copy thereof, enclosed in a separate, sealed envelope, with the postage thereon fully prepaid, in the United States mail box at Hayward, County of Alameda, California, each of which envelopes was addressed respectively as follows:

Shaun Andrew Markley Nicholas & Tomasevic, LLP 225 Broadway, 19th Floor San Diego, CA 92101 Robert S. Nicksin O'Melveny & Myers LLP 400 South Hope Street Los Angeles, CA 90071

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

Executed on September 7, 2018, at Hayward, California.

(Signature of Declarant)