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4 An Association of Independent Law Corporations
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9 Attorneys for Plaintiff
10 CONSUMER ADVOCACY GROUP, INC.

11 **SUPERIOR COURT OF CALIFORNIA**
12 **COUNTY OF LOS ANGELES – CENTRAL DISTRICT**

13 CONSUMER ADVOCACY GROUP, INC., in
14 the public interest,

15 Plaintiff,

16 vs.

17 GROCERY OUTLET, INC., a California
18 Corporation; GROCERY OUTLET
19 BARGAIN MARKET, a business entity form
20 unknown, and DOES 1-30 Inclusive,

21 Defendants.

Case No. 19-ST-CV-18554

[PROPOSED] CONSENT JUDGMENT

Judge: Hon. Malcom Mackey

Dept.: 55

Trial Date: May 31, 2022

1 **I. INTRODUCTION**

2 1.1 This Consent Judgment is entered into by and between Plaintiff, CONSUMER
3 ADVOCACY GROUP, INC. ("Plaintiff" or "CAG") acting on behalf of itself and in the interest of
4 the public, and Defendant, GROCERY OUTLET, INC. ("Defendant" or "Grocery Outlet") with
5 each a Party to the action and collectively referred to as "Parties."

6 **1.2 Defendant and Covered Products**

7 1.2.1 CAG alleges that Grocery Outlet is a California corporation which employs
8 ten or more persons. For purposes of this Consent Judgment only, Grocery Outlet is deemed a
9 person in the course of doing business in California and subject to the provisions of the Safe
10 Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §§ 25249.6
11 et seq. ("Proposition 65").

12 1.2.2 CAG alleges that Grocery Outlet manufactures, causes to be manufactured,
13 sells, and/or distributes Ground Cinnamon, Ground Ginger, umbrella, and car mount products in
14 California.

15 **1.3 Listed Chemicals**

16 1.3.1 Lead and Lead Compounds ("Lead") have been listed by the State of
17 California as known to cause cancer and birth defects or other reproductive harm.

18 1.3.2 Bis(2-ethylhexyl) phthalate ("DEHP") has been listed by the State of
19 California as known to cause cancer and reproductive harm.

20 **1.4 Notices of Violation**

21 1.4.1 On or about October 15, 2018, CAG served Grocery Outlet and various
22 public enforcement agencies with a document titled "60-Day Notice of Intent to Sue for Violation
23 of the Safe Drinking Water and Toxic Enforcement Act of 1986" (AG#2018-01870) ("Notice") that
24 provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for
25 failing to warn individuals in California of exposures to Lead contained in ground cinnamon
26 products sold by Grocery Outlet in California. No public enforcer has commenced or diligently
27 prosecuted the allegations set forth in the Notice.

28 1.4.2 On or about November 30, 2018, CAG served Grocery Outlet and various

1 public enforcement agencies with a document titled "60-Day Notice of Intent to Sue for Violation
2 of the Safe Drinking Water and Toxic Enforcement Act of 1986" (AG#2018-02191) ("Notice") that
3 provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for
4 failing to warn individuals in California of exposures to DEHP contained in certain umbrella
5 products sold by Grocery Outlet in California. No public enforcer has commenced or diligently
6 prosecuted the allegations set forth in the Notice.

7 1.4.3 On or about December 21, 2018, CAG served Grocery Outlet and various
8 public enforcement agencies with a document titled "60-Day Notice of Intent to Sue for Violation
9 of the Safe Drinking Water and Toxic Enforcement Act of 1986" (AG#2018-02322) ("Notice") that
10 provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for
11 failing to warn individuals in California of exposures to DEHP contained in certain window car
12 mount products sold by Grocery Outlet in California. No public enforcer has commenced or
13 diligently prosecuted the allegations set forth in the Notice.

14 1.4.4 On or about April 5, 2019, CAG served Grocery Outlet and various public
15 enforcement agencies with a document titled "60-Day Notice of Intent to Sue for Violation of the
16 Safe Drinking Water and Toxic Enforcement Act of 1986" (AG#2019-00782) ("Notice") that
17 provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for
18 failing to warn individuals in California of exposures to Lead contained in ground ginger products
19 sold by Grocery Outlet in California. No public enforcer has commenced or diligently prosecuted
20 the allegations set forth in the Notice.

21 1.4.5 On or about April 22, 2019, CAG served Grocery Outlet and various public
22 enforcement agencies with a document titled "60-Day Notice of Intent to Sue for Violation of the
23 Safe Drinking Water and Toxic Enforcement Act of 1986" (AG#2019-00662) ("Notice") that
24 provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for
25 failing to warn individuals in California of exposures to Lead contained in ground cinnamon
26 products sold by Grocery Outlet in California. No public enforcer has commenced or diligently
27 prosecuted the allegations set forth in the Notice.

28 **1.5 Complaint**

1 1.5.1 On May 29, 2019, CAG filed a Complaint against Grocery Outlet for civil
2 penalties and injunctive relief in Los Angeles County Superior Court, Case No. 19STCV18554
3 alleging that Defendant violated Proposition 65 for allegedly failing to give clear and reasonable
4 warnings of alleged exposure to Lead and DEHP from umbrellas and window car mounts and Lead
5 from ground cinnamon

6 1.5.2 On September 27, 2019, CAG filed its First Amended Complaint against
7 Grocery Outlet for civil penalties and injunctive relief in Los Angeles County Superior Court, Case
8 No. 19STCV18554 adding further allegations that Defendant violated Proposition 65 for allegedly
9 failing to give clear and reasonable warnings of alleged exposure to Lead from ground ginger and
10 ground cinnamon.

11 **1.6 Consent to Jurisdiction**

12 For purposes of this Consent Judgment only, the Parties stipulate that this Court has
13 jurisdiction over the allegations of violations contained in the Complaint, personal jurisdiction over
14 Grocery Outlet as to the acts alleged in the Complaint, that venue is proper in the County of Los
15 Angeles, and that this Court has jurisdiction to enter this Consent Judgment as a full settlement and
16 resolution of the allegations against Grocery Outlet contained in the Complaint, and of all claims
17 which were or could have been raised by any person or entity based in whole or in part, directly or
18 indirectly, on the facts alleged therein or arising therefrom or related thereto.

19 **1.7 No Admission**

20 This Consent Judgment resolves claims that are denied and disputed. The Parties enter into
21 this Consent Judgment pursuant to a full and final settlement of any and all claims between the
22 Parties for the purpose of avoiding prolonged litigation. Nothing in this Consent Judgment shall be
23 construed as an admission by the Parties of any material allegation in the Notices or the Complaint,
24 or of any fact, conclusion of law, issue of law or violation of law of any kind, including without
25 limitation, any admission concerning any alleged or actual violation of Proposition 65 or any other
26 statutory, regulatory, common law, or equitable doctrine, including but not limited to the meaning
27 of the terms "knowingly and intentionally expose" or "clear and reasonable warning" as used in
28 Health and Safety Code section 25249.6. Nothing in this Consent Judgment, nor compliance with its

1 terms, shall constitute or be construed as an admission by the Parties of any fact, conclusion of law,
2 issue of law, or violation of law, or of fault, wrongdoing, or liability by Grocery Outlet, its officers,
3 directors, employees, or parent, subsidiary or affiliated corporations, or be offered or admitted as
4 evidence in any administrative or judicial proceeding or litigation in any court, agency, or forum.
5 Furthermore, nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy,
6 argument, or defense the Parties may have in any other or future legal proceeding, except as
7 expressly provided in this Consent Judgment.

8 **2. DEFINITIONS**

9 **2.1 "Covered Products" means:**

10 2.1.1 Ground Cinnamon, identified as "El Monte Spices;" "Canela Molida (Ground
11 Cinnamon);" "net wt. 1 oz. (28g);" "Packed and Distributed by: El Monte Spices, El Monte, CA
12 91731;" "Production de Sri Lanka;" "6 37298 00029 2" (collectively, "Ground Cinnamon).

13 2.1.2 Umbrellas, identified as "Multicolor Umbrella;" "Ultra Violet Protection;"
14 "\$3.99" "Elsewhere \$7.99;" "Grocery Outlet bargain market;" "Distributed by: Grocery Outlet Inc.
15 Emeryville, CA 94608;" "Made in China;" "#7664716;" "317XVIII021;" "7 63562 03942 9"
16 (collectively, "Umbrellas").

17 2.1.3 Windshield Car Mount with Plastic Suction Cup, identified as "EdgeHome ®
18 Universal Windshield Car Mount"; "360 Rotation, 3.3 Inch Expansion, Universal"; "Lot No. 026-
19 00644"; "Item# E-407"; "UPC 8 188801 01407 8"; "Made in China" (collectively, "Car Mounts").

20 2.1.4 Ground Ginger, identified as "Sweet Heart;" "Ground Ginger;" "Ajénjible
21 Molido;" "net wt. 3 oz. (85g);" "The Source of Natural Food;" "Product of China;" "Distributed by:
22 Sweet Heart Group, City of Industry, CA 91745;" "www.sweetheartgroup.info;" "0 17360 10372 2"
23 (collectively, "Ground Ginger").

24 Ground Cinnamon, Umbrellas, Car Mounts, and Ground Ginger are referred to collectively
25 as "Covered Products." The Covered Products are limited to those sold by or supplied by Grocery
26 Outlet.

27 2.2 "Effective Date" means the date that this Consent Judgment is approved by the
28 Court.

- 1 2.3 "Lead" means Lead and Lead Compounds.
- 2 2.4 "DEHP" means Bis(2-ethylhexyl) phthalate.
- 3 2.5 "Listed Chemicals" means Lead and DEHP.
- 4 2.6 "Notices" means Plaintiff's October 15, 2018 Notice, November 30, 2018 Notice,
- 5 December 21, 2018 Notice, April 5, 2019 Notice and April 22, 2019 Notice.

6 **3. INJUNCTIVE RELIEF & CLEAR AND REASONABLE WARNINGS**

7 **3.1 Reformulation Standard**

8 As of sixty (60) days after the Effective Date (the "Compliance Date"), (a) Grocery Outlet
9 shall not distribute, sell or offer for sale (i) Umbrellas or Car Mounts Covered Products in
10 California unless the Covered Products contain DEHP in concentrations less than 0.1 percent by
11 weight (1,000 parts per million) (ii) Ground Cinnamon unless the level of Lead does not exceed
12 200ppb, or (iii) Ground Ginger unless the level of Lead does not exceed 720 ppb. or (b) the
13 respective Covered Product is distributed, sold, or offered for sale with a clear and reasonable
14 warning as described in Section 3.2. The provisions of this Section 3 shall not apply to any Covered
15 Products that have been sold or distributed by Grocery Outlet or in Grocery Outlet inventory prior
16 to the Compliance Date.

17 **3.2 Clear And Reasonable Warnings**

18 For any Covered Products, in existing inventory, that exceeds their respective levels of DEHP or
19 Lead that are sold in California after the Effective Date, Defendant must provide a Proposition 65
20 compliant warning for the Covered Products as set forth below. Any warning provided pursuant to
21 this section shall be affixed to the packaging of, or directly on, the Covered Products, and be
22 prominently placed with such conspicuousness as compared with other words, statements, designs,
23 or devices as to render it likely to be read and understood by an ordinary individual under
24 customary conditions before purchase or use. A symbol consisting of a black exclamation point in a
25 yellow equilateral triangle with a bold black outline shall precede the text of the warning. The
26 symbol shall be placed to the left of the text of the warning, in a size no smaller than the height of
27 the word "WARNING". The Parties agree that the following warning language shall constitute
28 compliance with Proposition 65 with respect to the alleged DEHP and Lead in the Covered Products

1 distributed and/or sold by Defendant after the Effective Date, as applicable to the respective
2 chemical at issue:

3 ⚠ WARNING: This product can expose you to chemicals including [DEHP] which are
4 known to the State of California to cause cancer and birth defects or other
5 reproductive harm. For more information go to www.P65Warnings.ca.gov.

6 Or

7 ⚠ WARNING: Consuming this product can expose you to chemicals including [Lead]
8 which are known to the State of California to cause cancer and birth defects or other
9 reproductive harm. For more information go to www.P65Warnings.ca.gov/food.

10 Where the sign, label for the Covered Product is not printed using the color yellow, the
11 symbol may be printed in black and white. In the event that Grocery Outlet sells Covered Products
12 via an internet website to customers located in California, the warning requirements of this section
13 shall be satisfied if the foregoing warning appears either: (a) on the same web page on which a
14 Covered Product is displayed and/or described; (b) on the same page as the price for the Covered
15 Product; (c) on one or more web pages displayed to a purchaser prior to purchase during the
16 checkout process, or (d) a hyperlink to the warning is placed in any of the foregoing pages.

17 4. **SETTLEMENT PAYMENT**

18 4.1 **Payment and Due Date:** Within twenty (20) days after the Effective Date, Defendant
19 shall pay a total of One hundred and two thousand, and three hundred and thirty dollars
20 (\$102,330.00) as set forth below in Sections 4.1.1., 4.1.2, 4.1.3, and 4.2, in full and complete
21 settlement of any and all claims for civil penalties, damages, attorney's fees, expert fees or any other
22 claim for costs, expenses or monetary relief of any kind for claims that were or could have been
23 asserted in the Notices or Complaint.

24 4.1.1 **Civil Penalty:** In consideration of the fact that Proposition 65 requires
25 warnings, and the Defendant has agreed to reformulate certain Covered Products, in lieu of
26 warnings, Plaintiff has agreed to a lower penalty amount of twelve thousand seven hundred and
27 eighty dollars (\$12,780.00). Defendant shall issue two separate checks totaling as follows for
28 alleged civil penalties pursuant to Health & Safety Code§ 25249.12:

(a) Defendant will issue one check made payable to the State of California's

1 Office of Environmental Health Hazard Assessment ("OEHHA") in the amount of nine thousand
2 five hundred and eighty-five dollars (\$9,585.00) and representing 75% of the total civil penalty and
3 Defendant will issue a second check to CAG in the amount of three thousand one hundred and
4 ninety-five dollars (\$3,195.00) representing 25% of the total civil penalty;

5 (b) Separate 1099s shall be issued for each of the above payments: Defendant
6 will issue a 1099 to OEHHA, P.O. Box 4010, Sacramento, CA 95184 (EIN: 680284486) in the
7 amount of nine thousand five hundred and eighty-five dollars (\$9,585.00). Defendant will also issue
8 a 1099 to CAG in the amount of three thousand one hundred and ninety-five dollars (\$3,195.00) and
9 deliver it to CAG c/o Yeroushalmi & Yeroushalmi, 9100 Wilshire Boulevard, Suite 240W, Beverly
10 Hills, California 90212.

11 4.1.2 Additional Settlement Payments: Grocery Outlet shall issue one check for
12 Nine thousand five hundred and fifty dollars (\$9,550.00) to "Consumer Advocacy Group, Inc."
13 pursuant to Health & Safety Code§ 25249.7(b) and California Code of Regulations, Title 11 §
14 3203(d). CAG will use this portion of the Total Settlement Payment as follows, eighty-five percent
15 (85%) for fees of investigation, purchasing and testing for Proposition 65 Listed Chemicals in
16 various products, and for expert fees for evaluating exposures through various mediums, including
17 but not limited to consumer product, occupational, and environmental exposures to Proposition 65
18 Listed Chemicals, and the cost of hiring consulting and retaining experts who assist with the
19 extensive scientific analysis necessary for those files in litigation and to offset the costs of future
20 litigation enforcing Proposition 65 but excluding attorney fees; fifteen percent (15%) for
21 administrative costs incurred during investigation and litigation to reduce the public's exposure to
22 Proposition 65 Listed Chemicals by notifying those persons and/or entities believed to be
23 responsible for such exposures and attempting to persuade those persons and/or entities to
24 reformulate their products or the source of exposure to completely eliminate or lower the level of
25 Proposition 65 Listed Chemicals including but not limited to costs of documentation and tracking of
26 products investigated, storage of products, website enhancement and maintenance, computer and
27 software maintenance, investigative equipment, CAG's member's time for work done on
28 investigations, office supplies, mailing supplies and postage. Within 30 days of a request from the

1 Attorney General, CAG shall provide to the Attorney General copies of documentation
2 demonstrating how the above funds have been spent. CAG shall be solely responsible for ensuring
3 the proper expenditure of such additional settlement payment.

4 4.1.3 Reimbursement of Attorney Fees and Costs: Defendant shall pay eighty
5 thousand dollars (\$80,000) payable to "Yeroushalmi & Yeroushalmi" as complete reimbursement
6 for any and all reasonable investigation fees and costs, attorneys' fees, expert fees, and any and all
7 other costs and expenses incurred as a result of investigating, bringing this matter to the Grocery
8 Outlet's attention, litigating, negotiating settlement in the public interest, and seeking and obtaining
9 court approval of this Consent Judgment.

10 4.2 Other than the payment to OEHHA described above, all payments referenced in
11 paragraphs 4.1.1, 4.1.2, and 4.1.3 above, shall be delivered to: Reuben Yeroushalmi, Yeroushalmi
12 & Yeroushalmi, 9100 Wilshire Blvd., Suite 240W, Beverly Hills, CA 90212. The payment to
13 OEHHA shall be delivered directly to Office of Environmental Health Hazard Assessment, Attn:
14 Mike Gyurics, 1001 I Street, Mail Stop 12-B, Sacramento, California 95812.

15 **5. MATTERS COVERED BY THIS CONSENT JUDGMENT**

16 5.1 This Consent Judgment is a full, final, and binding resolution between CAG, on
17 behalf of itself and in the public interest, and Grocery Outlet and their officers, directors, insurers
18 employees, parents, shareholders, divisions, subdivisions, subsidiaries, partners, affiliates, sister
19 companies, and their successors and assigns, any and all Independent Operators of Grocery Outlet
20 (business entities who enter into an Independent Operator Agreement with Grocery Outlet) as well
21 as the Independent Operator's officers, directors, insurers employees, parents, shareholders,
22 divisions, subdivisions, subsidiaries, partners, affiliates, sister companies, and their successors and
23 assigns, and all entities to whom Grocery Outlet directly or indirectly distributes or sells Covered
24 Products, including, but not limited to, downstream distributors, downstream wholesalers,
25 customers, retailers, franchisees, cooperative members, licensees, and the successors and assigns of
26 any of them, who may use, maintain, distribute or sell Covered Products (all the aforementioned
27 collectively "Releasees"), of all claims for alleged or actual violations of Proposition 65 for alleged
28 exposures to the Listed Chemicals from the Covered Products manufactured, distributed or sold in

1 California up through the Effective Date as set forth in the Notices and Complaint. Releasees'
2 compliance with this Consent Judgment shall constitute compliance with Proposition 65 with
3 respect to alleged exposures to the Listed Chemicals from the Covered Products sold by Releasees
4 in California after the Effective Date. Nothing in this Section affects CAG's right to commence or
5 prosecute an action under Proposition 65 against any person other than Releasees.

6 5.2 CAG on behalf of itself, its past and current agents, representatives, attorneys,
7 successors, and/or assignees, hereby waives all rights to institute, participate in, or encourage,
8 directly or indirectly, any form of legal action, and releases all claims, including, without limitation,
9 all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations,
10 damages, costs, fines, penalties, losses, or expenses (including, but not limited to, investigation fees,
11 expert fees, and attorneys' fees) of any nature whatsoever, whether known or unknown, fixed or
12 contingent (collectively "Claims"), against the Releasees arising from any actual or alleged
13 violation of Proposition 65 or any other statutory or common law claim regarding the Covered
14 Products manufactured, distributed or sold by the Releasees through the Effective Date regarding
15 any actual or alleged failure to warn about exposure to the Listed Chemicals from the Covered
16 Products. In furtherance of the foregoing, CAG on behalf of itself only, hereby waives any and all
17 rights and benefits which it now has, or in the future may have, conferred upon it with respect to
18 Claims regarding the Covered Products manufactured, distributed or sold by the Releasees through
19 the Effective Date arising from any violation of Proposition 65 or any other statutory or common
20 law regarding the failure to warn about exposure to the Listed Chemicals from the Covered
21 Products by virtue of the provisions of section 1542 of the California Civil Code, which provides as
22 follows:

23 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
24 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
25 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE
26 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
27 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED
28 PARTY.

CAG understands and acknowledges that the significance and consequence of this waiver of

1 California Civil Code section 1542 is that even if CAG suffers future damages arising out of or
2 resulting from, or related directly or indirectly to, in whole or in part, Claims arising from any
3 violation of Proposition 65 or any other statutory or common law regarding the Covered Product
4 manufactured, distributed or sold by the Releasees through the Effective Date regarding the failure
5 to warn about actual or alleged exposure to the Listed Chemicals from the Covered Products, CAG
6 will not be able to make any claim for those damages, penalties or other relief against the Releasees.
7 Furthermore, CAG acknowledges that it intends these consequences for any such Claims arising
8 from any violation of Proposition 65 or any other statutory or common law regarding the failure to
9 warn about exposure to the Listed Chemicals from the Covered Products as may exist as of the date
10 of this release but which CAG does not know exist, and which, if known, would materially affect
11 their decision to enter into this Consent Judgment, regardless of whether their lack of knowledge is
12 the result of ignorance, oversight, error, negligence, or any other cause.

13 **6. ENTRY OF CONSENT JUDGMENT**

14 6.1 CAG shall, upon the time periods set forth in Section 9 below, file a motion seeking
15 approval of this Consent Judgment pursuant to California Health & Safety Code § 25249.7(f). The
16 Parties will act in good faith in order to obtain the Court's approval of this Consent Judgment. Upon
17 entry of the Consent Judgment, CAG and Grocery Outlet waive their respective rights to a hearing
18 and trial on the allegations in the Notice and Complaint. The Parties shall make all reasonable
19 efforts possible to have the Consent Judgment approved by the Court.

20 6.2 If this Consent Judgment is not approved in full by the Court: (a) this Consent
21 Judgment and any and all prior agreements between the Parties merged herein shall terminate and
22 become null and void, and the actions shall revert to the status that existed prior to the execution
23 date of this Consent Judgment; (b) no term of this Consent Judgment or any draft thereof, or of the
24 negotiation, documentation, or other part or aspect of the Parties' settlement discussions, shall have
25 any effect, nor shall any such matter be admissible in evidence for any purpose in this Action,
26 or in any other proceeding; and (c) the Parties agree to meet and confer to determine whether to
27 modify the terms of the Consent Judgment and to resubmit it for approval.

28

1 **7. MODIFICATION OF JUDGMENT**

2 7.1 This Consent Judgment may be modified only upon written agreement of the Parties
3 and upon entry of a modified Consent Judgment by the Court thereon, or upon motion of any Party
4 as provided by law and upon entry of a modified Consent Judgment by the Court.

5 7.2 Any Party seeking to modify this Consent Judgment shall attempt in good faith to
6 meet and confer with the other Party prior to filing a motion to modify the Consent Judgment.

7 **8. RETENTION OF JURISDICTION**

8 8.1 This Court shall retain jurisdiction of this matter to implement and enforce the terms
9 of this Consent Judgment under Code of Civil Procedure § 664.6.

10 8.2 In any proceeding brought by either Party to enforce this Consent Judgment, the
11 prevailing party shall be entitled to recover its reasonable attorney's fees and costs.

12 **9. SERVICE ON THE ATTORNEY GENERAL**

13 9.1 CAG shall, within five (5) days after final execution of this Consent Judgment serve
14 a copy of the fully executed version on the California Attorney General so that the Attorney General
15 may review this Consent Judgment prior to its submittal to the Court for approval. Unless the
16 Attorney General within forty-five (45) days after CAG has served a copy to the Attorney General,
17 CAG shall, within five (5) days after the end of such forty-five (45) days period, file with the Court
18 its motion to approve the Consent Judgment.

19 **10. ATTORNEY FEES**

20 10.1 Except as specifically provided in Sections 4.1.3 and 8.2, each Party shall bear its
21 own attorneys' fees and costs in connection with the claims resolved in this Consent Judgment.

22 **11 GOVERNING LAW**

23 11.1 The validity, construction and performance of this Consent Judgment shall be
24 governed by the laws of the State of California, without reference to any conflicts of law provision
25 of California law.

26 11.2 In the event that Proposition 65 is repealed, preempted, or is otherwise rendered
27 inapplicable by reason of law generally, or if any of the provisions of this Consent Judgment are
28 rendered inapplicable or are no longer required as a result of any such repeal or preemption, or

1 rendered inapplicable by reason of law generally as to the Covered Products, then Grocery Outlet
2 may provide written notice to CAG of any asserted change in the law, and shall have no further
3 obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Covered
4 Products are so affected. Nothing in this Consent Judgment shall be interpreted to relieve Grocery
5 Outlet from any obligation to comply with any other pertinent state or federal law or regulation.

6 11.3 The Parties, including their counsel, have participated in the preparation of this
7 Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties. This
8 Consent Judgment was subject to revision and modification by the Parties and has been accepted
9 and approved as to its final form by all Parties and their counsel. Accordingly, any uncertainty or
10 ambiguity existing in this Consent Judgment shall not be interpreted against any Party as a result of
11 the manner of the preparation of this Consent Judgment. Each Party to this Consent Judgment
12 agrees that any statute or rule of construction providing that ambiguities are to be resolved against
13 the drafting Party should not be employed in the interpretation of this Consent Judgment and, in this
14 regard, the Parties hereby waive California Civil Code § 1654.

15 **12. EXECUTION AND COUNTERPARTS**

16 12.1 This Consent Judgment may be executed in counterparts and by means of facsimile
17 or portable document format (pdf), which taken together shall be deemed to constitute one
18 document and have the same force and effect as original signatures.

19 **13. NOTICES**

20 13.1 Any notices under this Consent Judgment shall be by delivery of First Class Mail.
21 If to CAG:

22 Reuben Yeroushalmi
23 Yeroushalmi & Yeroushalmi
24 9100 Wilshire Boulevard, Suite 240W
25 Beverly Hills, CA 90212

26 If to Defendant Grocery Outlet:

27 Joshua Bloom
28 Environmental General Counsel
1220 University Avenue
Berkeley, CA 94704

1 **14. AUTHORITY TO STIPULATE**

2 14.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized
3 by the Party he or she represents to enter into this Consent Judgment and to execute it on behalf of
4 the Party represented and legally to bind that party.

5
6 **AGREED TO:**

7 Grocery Outlet, Inc.

8 By: Aisha Barbeau

9 Name: Aisha Barbeau

10 Title: Deputy General Counsel

11 Dated: 2/18/22

6 **AGREED TO:**

7 Consumer Advocacy Group

8 By: Michael Marcus

9 Name: Michael Marcus

10 Title: Director

11 Dated: 02/17/2022

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05/20/2022

Sherri R. Carter, Executive Officer / Clerk of Court
By: S. Ontiveros Deputy

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14 California.

15 **1.3 Listed Chemicals**

16 1.3.1 Lead and Lead Compounds ("Lead") have been listed by the State of
17 California as known to cause cancer and birth defects or other reproductive harm.

18 1.3.2 Bis(2-ethylhexyl) phthalate ("DEHP") has been listed by the State of
19 California as known to cause cancer and reproductive harm.

20 **1.4 Notices of Violation**

21 1.4.1 On or about October 15, 2018, CAG served Grocery Outlet and various
22 public enforcement agencies with a document titled "60-Day Notice of Intent to Sue for Violation
23 of the Safe Drinking Water and Toxic Enforcement Act of 1986" (AG#2018-01870) ("Notice") that
24 provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for
25 failing to warn individuals in California of exposures to Lead contained in ground cinnamon
26 products sold by Grocery Outlet in California. No public enforcer has commenced or diligently
27 prosecuted the allegations set forth in the Notice.

28 1.4.2 On or about November 30, 2018, CAG served Grocery Outlet and various

1 public enforcement agencies with a document titled "60-Day Notice of Intent to Sue for Violation
2 of the Safe Drinking Water and Toxic Enforcement Act of 1986" (AG#2018-02191) ("Notice") that
3 provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for
4 failing to warn individuals in California of exposures to DEHP contained in certain umbrella
5 products sold by Grocery Outlet in California. No public enforcer has commenced or diligently
6 prosecuted the allegations set forth in the Notice.

7 1.4.3 On or about December 21, 2018, CAG served Grocery Outlet and various
8 public enforcement agencies with a document titled "60-Day Notice of Intent to Sue for Violation
9 of the Safe Drinking Water and Toxic Enforcement Act of 1986" (AG#2018-02322) ("Notice") that
10 provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for
11 failing to warn individuals in California of exposures to DEHP contained in certain window car
12 mount products sold by Grocery Outlet in California. No public enforcer has commenced or
13 diligently prosecuted the allegations set forth in the Notice.

14 1.4.4 On or about April 5, 2019, CAG served Grocery Outlet and various public
15 enforcement agencies with a document titled "60-Day Notice of Intent to Sue for Violation of the
16 Safe Drinking Water and Toxic Enforcement Act of 1986" (AG#2019-00782) ("Notice") that
17 provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for
18 failing to warn individuals in California of exposures to Lead contained in ground ginger products
19 sold by Grocery Outlet in California. No public enforcer has commenced or diligently prosecuted
20 the allegations set forth in the Notice.

21 1.4.5 On or about April 22, 2019, CAG served Grocery Outlet and various public
22 enforcement agencies with a document titled "60-Day Notice of Intent to Sue for Violation of the
23 Safe Drinking Water and Toxic Enforcement Act of 1986" (AG#2019-00662) ("Notice") that
24 provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for
25 failing to warn individuals in California of exposures to Lead contained in ground cinnamon
26 products sold by Grocery Outlet in California. No public enforcer has commenced or diligently
27 prosecuted the allegations set forth in the Notice.

28 **1.5 Complaint**

1 1.5.1 On May 29, 2019, CAG filed a Complaint against Grocery Outlet for civil
2 penalties and injunctive relief in Los Angeles County Superior Court, Case No. 19STCV18554
3 alleging that Defendant violated Proposition 65 for allegedly failing to give clear and reasonable
4 warnings of alleged exposure to Lead and DEHP from umbrellas and window car mounts and Lead
5 from ground cinnamon

6 1.5.2 On September 27, 2019, CAG filed its First Amended Complaint against
7 Grocery Outlet for civil penalties and injunctive relief in Los Angeles County Superior Court, Case
8 No. 19STCV18554 adding further allegations that Defendant violated Proposition 65 for allegedly
9 failing to give clear and reasonable warnings of alleged exposure to Lead from ground ginger and
10 ground cinnamon.

11 **1.6 Consent to Jurisdiction**

12 For purposes of this Consent Judgment only, the Parties stipulate that this Court has
13 jurisdiction over the allegations of violations contained in the Complaint, personal jurisdiction over
14 Grocery Outlet as to the acts alleged in the Complaint, that venue is proper in the County of Los
15 Angeles, and that this Court has jurisdiction to enter this Consent Judgment as a full settlement and
16 resolution of the allegations against Grocery Outlet contained in the Complaint, and of all claims
17 which were or could have been raised by any person or entity based in whole or in part, directly or
18 indirectly, on the facts alleged therein or arising therefrom or related thereto.

19 **1.7 No Admission**

20 This Consent Judgment resolves claims that are denied and disputed. The Parties enter into
21 this Consent Judgment pursuant to a full and final settlement of any and all claims between the
22 Parties for the purpose of avoiding prolonged litigation. Nothing in this Consent Judgment shall be
23 construed as an admission by the Parties of any material allegation in the Notices or the Complaint,
24 or of any fact, conclusion of law, issue of law or violation of law of any kind, including without
25 limitation, any admission concerning any alleged or actual violation of Proposition 65 or any other
26 statutory, regulatory, common law, or equitable doctrine, including but not limited to the meaning
27 of the terms "knowingly and intentionally expose" or "clear and reasonable warning" as used in
28 Health and Safety Code section 25249.6. Nothing in this Consent Judgment, nor compliance with its

1 terms, shall constitute or be construed as an admission by the Parties of any fact, conclusion of law,
2 issue of law, or violation of law, or of fault, wrongdoing, or liability by Grocery Outlet, its officers,
3 directors, employees, or parent, subsidiary or affiliated corporations, or be offered or admitted as
4 evidence in any administrative or judicial proceeding or litigation in any court, agency, or forum.
5 Furthermore, nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy,
6 argument, or defense the Parties may have in any other or future legal proceeding, except as
7 expressly provided in this Consent Judgment.

8 **2. DEFINITIONS**

9 **2.1 "Covered Products" means:**

10 2.1.1 Ground Cinnamon, identified as "El Monte Spices;" "Canela Molida (Ground
11 Cinnamon);" "net wt. 1 oz. (28g);" "Packed and Distributed by: El Monte Spices, El Monte, CA
12 91731;" "Production de Sri Lanka;" "6 37298 00029 2" (collectively, "Ground Cinnamon).

13 2.1.2 Umbrellas, identified as "Multicolor Umbrella;" "Ultra Violet Protection;"
14 "\$3.99" "Elsewhere \$7.99;" "Grocery Outlet bargain market;" "Distributed by: Grocery Outlet Inc.
15 Emeryville, CA 94608;" "Made in China;" "#7664716;" "317XVIII021;" "7 63562 03942 9"
16 (collectively, "Umbrellas").

17 2.1.3 Windshield Car Mount with Plastic Suction Cup, identified as "EdgeHome ®
18 Universal Windshield Car Mount"; "360 Rotation, 3.3 Inch Expansion, Universal"; "Lot No. 026-
19 00644"; "Item# E-407"; "UPC 8 188801 01407 8"; "Made in China" (collectively, "Car Mounts").

20 2.1.4 Ground Ginger, identified as "Sweet Heart;" "Ground Ginger;" "Ajénjible
21 Molido;" "net wt. 3 oz. (85g);" "The Source of Natural Food;" "Product of China;" "Distributed by:
22 Sweet Heart Group, City of Industry, CA 91745;" "www.sweetheartgroup.info;" "0 17360 10372 2"
23 (collectively, "Ground Ginger").

24 Ground Cinnamon, Umbrellas, Car Mounts, and Ground Ginger are referred to collectively
25 as "Covered Products." The Covered Products are limited to those sold by or supplied by Grocery
26 Outlet.

27 2.2 "Effective Date" means the date that this Consent Judgment is approved by the
28 Court.

- 1 2.3 "Lead" means Lead and Lead Compounds.
- 2 2.4 "DEHP" means Bis(2-ethylhexyl) phthalate.
- 3 2.5 "Listed Chemicals" means Lead and DEHP.
- 4 2.6 "Notices" means Plaintiff's October 15, 2018 Notice, November 30, 2018 Notice,
- 5 December 21, 2018 Notice, April 5, 2019 Notice and April 22, 2019 Notice.

6 **3. INJUNCTIVE RELIEF & CLEAR AND REASONABLE WARNINGS**

7 **3.1 Reformulation Standard**

8 As of sixty (60) days after the Effective Date (the "Compliance Date"), (a) Grocery Outlet
9 shall not distribute, sell or offer for sale (i) Umbrellas or Car Mounts Covered Products in
10 California unless the Covered Products contain DEHP in concentrations less than 0.1 percent by
11 weight (1,000 parts per million) (ii) Ground Cinnamon unless the level of Lead does not exceed
12 200ppb, or (iii) Ground Ginger unless the level of Lead does not exceed 720 ppb. or (b) the
13 respective Covered Product is distributed, sold, or offered for sale with a clear and reasonable
14 warning as described in Section 3.2. The provisions of this Section 3 shall not apply to any Covered
15 Products that have been sold or distributed by Grocery Outlet or in Grocery Outlet inventory prior
16 to the Compliance Date.

17 **3.2 Clear And Reasonable Warnings**

18 For any Covered Products, in existing inventory, that exceeds their respective levels of DEHP or
19 Lead that are sold in California after the Effective Date, Defendant must provide a Proposition 65
20 compliant warning for the Covered Products as set forth below. Any warning provided pursuant to
21 this section shall be affixed to the packaging of, or directly on, the Covered Products, and be
22 prominently placed with such conspicuousness as compared with other words, statements, designs,
23 or devices as to render it likely to be read and understood by an ordinary individual under
24 customary conditions before purchase or use. A symbol consisting of a black exclamation point in a
25 yellow equilateral triangle with a bold black outline shall precede the text of the warning. The
26 symbol shall be placed to the left of the text of the warning, in a size no smaller than the height of
27 the word "WARNING". The Parties agree that the following warning language shall constitute
28 compliance with Proposition 65 with respect to the alleged DEHP and Lead in the Covered Products

1 distributed and/or sold by Defendant after the Effective Date, as applicable to the respective
2 chemical at issue:

3 ⚠ WARNING: This product can expose you to chemicals including [DEHP] which are
4 known to the State of California to cause cancer and birth defects or other
5 reproductive harm. For more information go to www.P65Warnings.ca.gov.

6 Or

7 ⚠ WARNING: Consuming this product can expose you to chemicals including [Lead]
8 which are known to the State of California to cause cancer and birth defects or other
9 reproductive harm. For more information go to www.P65Warnings.ca.gov/food.

10 Where the sign, label for the Covered Product is not printed using the color yellow, the
11 symbol may be printed in black and white. In the event that Grocery Outlet sells Covered Products
12 via an internet website to customers located in California, the warning requirements of this section
13 shall be satisfied if the foregoing warning appears either: (a) on the same web page on which a
14 Covered Product is displayed and/or described; (b) on the same page as the price for the Covered
15 Product; (c) on one or more web pages displayed to a purchaser prior to purchase during the
16 checkout process, or (d) a hyperlink to the warning is placed in any of the foregoing pages.

17 4. **SETTLEMENT PAYMENT**

18 4.1 Payment and Due Date: Within twenty (20) days after the Effective Date, Defendant
19 shall pay a total of One hundred and two thousand, and three hundred and thirty dollars
20 (\$102,330.00) as set forth below in Sections 4.1.1., 4.1.2, 4.1.3, and 4.2, in full and complete
21 settlement of any and all claims for civil penalties, damages, attorney's fees, expert fees or any other
22 claim for costs, expenses or monetary relief of any kind for claims that were or could have been
23 asserted in the Notices or Complaint.

24 4.1.1 Civil Penalty: In consideration of the fact that Proposition 65 requires
25 warnings, and the Defendant has agreed to reformulate certain Covered Products, in lieu of
26 warnings, Plaintiff has agreed to a lower penalty amount of twelve thousand seven hundred and
27 eighty dollars (\$12,780.00). Defendant shall issue two separate checks totaling as follows for
28 alleged civil penalties pursuant to Health & Safety Code§ 25249.12:

(a) Defendant will issue one check made payable to the State of California's

1 Office of Environmental Health Hazard Assessment ("OEHHA") in the amount of nine thousand
2 five hundred and eighty-five dollars (\$9,585.00) and representing 75% of the total civil penalty and
3 Defendant will issue a second check to CAG in the amount of three thousand one hundred and
4 ninety-five dollars (\$3,195.00) representing 25% of the total civil penalty;

5 (b) Separate 1099s shall be issued for each of the above payments: Defendant
6 will issue a 1099 to OEHHA, P.O. Box 4010, Sacramento, CA 95184 (EIN: 680284486) in the
7 amount of nine thousand five hundred and eighty-five dollars (\$9,585.00). Defendant will also issue
8 a 1099 to CAG in the amount of three thousand one hundred and ninety-five dollars (\$3,195.00) and
9 deliver it to CAG c/o Yeroushalmi & Yeroushalmi, 9100 Wilshire Boulevard, Suite 240W, Beverly
10 Hills, California 90212.

11 4.1.2 Additional Settlement Payments: Grocery Outlet shall issue one check for
12 Nine thousand five hundred and fifty dollars (\$9,550.00) to "Consumer Advocacy Group, Inc."
13 pursuant to Health & Safety Code§ 25249.7(b) and California Code of Regulations, Title 11 §
14 3203(d). CAG will use this portion of the Total Settlement Payment as follows, eighty-five percent
15 (85%) for fees of investigation, purchasing and testing for Proposition 65 Listed Chemicals in
16 various products, and for expert fees for evaluating exposures through various mediums, including
17 but not limited to consumer product, occupational, and environmental exposures to Proposition 65
18 Listed Chemicals, and the cost of hiring consulting and retaining experts who assist with the
19 extensive scientific analysis necessary for those files in litigation and to offset the costs of future
20 litigation enforcing Proposition 65 but excluding attorney fees; fifteen percent (15%) for
21 administrative costs incurred during investigation and litigation to reduce the public's exposure to
22 Proposition 65 Listed Chemicals by notifying those persons and/or entities believed to be
23 responsible for such exposures and attempting to persuade those persons and/or entities to
24 reformulate their products or the source of exposure to completely eliminate or lower the level of
25 Proposition 65 Listed Chemicals including but not limited to costs of documentation and tracking of
26 products investigated, storage of products, website enhancement and maintenance, computer and
27 software maintenance, investigative equipment, CAG's member's time for work done on
28 investigations, office supplies, mailing supplies and postage. Within 30 days of a request from the

1 Attorney General, CAG shall provide to the Attorney General copies of documentation
2 demonstrating how the above funds have been spent. CAG shall be solely responsible for ensuring
3 the proper expenditure of such additional settlement payment.

4 4.1.3 Reimbursement of Attorney Fees and Costs: Defendant shall pay eighty
5 thousand dollars (\$80,000) payable to "Yeroushalmi & Yeroushalmi" as complete reimbursement
6 for any and all reasonable investigation fees and costs, attorneys' fees, expert fees, and any and all
7 other costs and expenses incurred as a result of investigating, bringing this matter to the Grocery
8 Outlet's attention, litigating, negotiating settlement in the public interest, and seeking and obtaining
9 court approval of this Consent Judgment.

10 4.2 Other than the payment to OEHHA described above, all payments referenced in
11 paragraphs 4.1.1, 4.1.2, and 4.1.3 above, shall be delivered to: Reuben Yeroushalmi, Yeroushalmi
12 & Yeroushalmi, 9100 Wilshire Blvd., Suite 240W, Beverly Hills, CA 90212. The payment to
13 OEHHA shall be delivered directly to Office of Environmental Health Hazard Assessment, Attn:
14 Mike Gyurics, 1001 I Street, Mail Stop 12-B, Sacramento, California 95812.

15 **5. MATTERS COVERED BY THIS CONSENT JUDGMENT**

16 5.1 This Consent Judgment is a full, final, and binding resolution between CAG, on
17 behalf of itself and in the public interest, and Grocery Outlet and their officers, directors, insurers
18 employees, parents, shareholders, divisions, subdivisions, subsidiaries, partners, affiliates, sister
19 companies, and their successors and assigns, any and all Independent Operators of Grocery Outlet
20 (business entities who enter into an Independent Operator Agreement with Grocery Outlet) as well
21 as the Independent Operator's officers, directors, insurers employees, parents, shareholders,
22 divisions, subdivisions, subsidiaries, partners, affiliates, sister companies, and their successors and
23 assigns, and all entities to whom Grocery Outlet directly or indirectly distributes or sells Covered
24 Products, including, but not limited to, downstream distributors, downstream wholesalers,
25 customers, retailers, franchisees, cooperative members, licensees, and the successors and assigns of
26 any of them, who may use, maintain, distribute or sell Covered Products (all the aforementioned
27 collectively "Releasees"), of all claims for alleged or actual violations of Proposition 65 for alleged
28 exposures to the Listed Chemicals from the Covered Products manufactured, distributed or sold in

1 California up through the Effective Date as set forth in the Notices and Complaint. Releasees'
2 compliance with this Consent Judgment shall constitute compliance with Proposition 65 with
3 respect to alleged exposures to the Listed Chemicals from the Covered Products sold by Releasees
4 in California after the Effective Date. Nothing in this Section affects CAG's right to commence or
5 prosecute an action under Proposition 65 against any person other than Releasees.

6 5.2 CAG on behalf of itself, its past and current agents, representatives, attorneys,
7 successors, and/or assignees, hereby waives all rights to institute, participate in, or encourage,
8 directly or indirectly, any form of legal action, and releases all claims, including, without limitation,
9 all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations,
10 damages, costs, fines, penalties, losses, or expenses (including, but not limited to, investigation fees,
11 expert fees, and attorneys' fees) of any nature whatsoever, whether known or unknown, fixed or
12 contingent (collectively "Claims"), against the Releasees arising from any actual or alleged
13 violation of Proposition 65 or any other statutory or common law claim regarding the Covered
14 Products manufactured, distributed or sold by the Releasees through the Effective Date regarding
15 any actual or alleged failure to warn about exposure to the Listed Chemicals from the Covered
16 Products. In furtherance of the foregoing, CAG on behalf of itself only, hereby waives any and all
17 rights and benefits which it now has, or in the future may have, conferred upon it with respect to
18 Claims regarding the Covered Products manufactured, distributed or sold by the Releasees through
19 the Effective Date arising from any violation of Proposition 65 or any other statutory or common
20 law regarding the failure to warn about exposure to the Listed Chemicals from the Covered
21 Products by virtue of the provisions of section 1542 of the California Civil Code, which provides as
22 follows:

23 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
24 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
25 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE
26 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
27 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED
28 PARTY.

CAG understands and acknowledges that the significance and consequence of this waiver of

1 California Civil Code section 1542 is that even if CAG suffers future damages arising out of or
2 resulting from, or related directly or indirectly to, in whole or in part, Claims arising from any
3 violation of Proposition 65 or any other statutory or common law regarding the Covered Product
4 manufactured, distributed or sold by the Releasees through the Effective Date regarding the failure
5 to warn about actual or alleged exposure to the Listed Chemicals from the Covered Products, CAG
6 will not be able to make any claim for those damages, penalties or other relief against the Releasees.
7 Furthermore, CAG acknowledges that it intends these consequences for any such Claims arising
8 from any violation of Proposition 65 or any other statutory or common law regarding the failure to
9 warn about exposure to the Listed Chemicals from the Covered Products as may exist as of the date
10 of this release but which CAG does not know exist, and which, if known, would materially affect
11 their decision to enter into this Consent Judgment, regardless of whether their lack of knowledge is
12 the result of ignorance, oversight, error, negligence, or any other cause.

13 **6. ENTRY OF CONSENT JUDGMENT**

14 6.1 CAG shall, upon the time periods set forth in Section 9 below, file a motion seeking
15 approval of this Consent Judgment pursuant to California Health & Safety Code § 25249.7(f). The
16 Parties will act in good faith in order to obtain the Court's approval of this Consent Judgment. Upon
17 entry of the Consent Judgment, CAG and Grocery Outlet waive their respective rights to a hearing
18 and trial on the allegations in the Notice and Complaint. The Parties shall make all reasonable
19 efforts possible to have the Consent Judgment approved by the Court.

20 6.2 If this Consent Judgment is not approved in full by the Court: (a) this Consent
21 Judgment and any and all prior agreements between the Parties merged herein shall terminate and
22 become null and void, and the actions shall revert to the status that existed prior to the execution
23 date of this Consent Judgment; (b) no term of this Consent Judgment or any draft thereof, or of the
24 negotiation, documentation, or other part or aspect of the Parties' settlement discussions, shall have
25 any effect, nor shall any such matter be admissible in evidence for any purpose in this Action,
26 or in any other proceeding; and (c) the Parties agree to meet and confer to determine whether to
27 modify the terms of the Consent Judgment and to resubmit it for approval.

28

1 **7. MODIFICATION OF JUDGMENT**

2 7.1 This Consent Judgment may be modified only upon written agreement of the Parties
3 and upon entry of a modified Consent Judgment by the Court thereon, or upon motion of any Party
4 as provided by law and upon entry of a modified Consent Judgment by the Court.

5 7.2 Any Party seeking to modify this Consent Judgment shall attempt in good faith to
6 meet and confer with the other Party prior to filing a motion to modify the Consent Judgment.

7 **8. RETENTION OF JURISDICTION**

8 8.1 This Court shall retain jurisdiction of this matter to implement and enforce the terms
9 of this Consent Judgment under Code of Civil Procedure § 664.6.

10 8.2 In any proceeding brought by either Party to enforce this Consent Judgment, the
11 prevailing party shall be entitled to recover its reasonable attorney's fees and costs.

12 **9. SERVICE ON THE ATTORNEY GENERAL**

13 9.1 CAG shall, within five (5) days after final execution of this Consent Judgment serve
14 a copy of the fully executed version on the California Attorney General so that the Attorney General
15 may review this Consent Judgment prior to its submittal to the Court for approval. Unless the
16 Attorney General within forty-five (45) days after CAG has served a copy to the Attorney General,
17 CAG shall, within five (5) days after the end of such forty-five (45) days period, file with the Court
18 its motion to approve the Consent Judgment.

19 **10. ATTORNEY FEES**

20 10.1 Except as specifically provided in Sections 4.1.3 and 8.2, each Party shall bear its
21 own attorneys' fees and costs in connection with the claims resolved in this Consent Judgment.

22 **11 GOVERNING LAW**

23 11.1 The validity, construction and performance of this Consent Judgment shall be
24 governed by the laws of the State of California, without reference to any conflicts of law provision
25 of California law.

26 11.2 In the event that Proposition 65 is repealed, preempted, or is otherwise rendered
27 inapplicable by reason of law generally, or if any of the provisions of this Consent Judgment are
28 rendered inapplicable or are no longer required as a result of any such repeal or preemption, or

1 rendered inapplicable by reason of law generally as to the Covered Products, then Grocery Outlet
2 may provide written notice to CAG of any asserted change in the law, and shall have no further
3 obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Covered
4 Products are so affected. Nothing in this Consent Judgment shall be interpreted to relieve Grocery
5 Outlet from any obligation to comply with any other pertinent state or federal law or regulation.

6 11.3 The Parties, including their counsel, have participated in the preparation of this
7 Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties. This
8 Consent Judgment was subject to revision and modification by the Parties and has been accepted
9 and approved as to its final form by all Parties and their counsel. Accordingly, any uncertainty or
10 ambiguity existing in this Consent Judgment shall not be interpreted against any Party as a result of
11 the manner of the preparation of this Consent Judgment. Each Party to this Consent Judgment
12 agrees that any statute or rule of construction providing that ambiguities are to be resolved against
13 the drafting Party should not be employed in the interpretation of this Consent Judgment and, in this
14 regard, the Parties hereby waive California Civil Code § 1654.

15 **12. EXECUTION AND COUNTERPARTS**

16 12.1 This Consent Judgment may be executed in counterparts and by means of facsimile
17 or portable document format (pdf), which taken together shall be deemed to constitute one
18 document and have the same force and effect as original signatures.

19 **13. NOTICES**

20 13.1 Any notices under this Consent Judgment shall be by delivery of First Class Mail.
21 If to CAG:

22 Reuben Yeroushalmi
23 Yeroushalmi & Yeroushalmi
24 9100 Wilshire Boulevard, Suite 240W
25 Beverly Hills, CA 90212

26 If to Defendant Grocery Outlet:

27 Joshua Bloom
28 Environmental General Counsel
1220 University Avenue
Berkeley, CA 94704

1 **14. AUTHORITY TO STIPULATE**

2 14.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized
3 by the Party he or she represents to enter into this Consent Judgment and to execute it on behalf of
4 the Party represented and legally to bind that party.

5
6 **AGREED TO:**

7 Grocery Outlet, Inc.

8 By: Aisha Barbeau

9 Name: Aisha Barbeau

10 Title: Deputy General Counsel

11 Dated: 2/18/22

12
13 **AGREED TO:**

14 Consumer Advocacy Group

15 By: Michael Marcus

16 Name: Michael Marcus

17 Title: Director

18 Dated: 02/17/2022

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