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7	José R. Allen, State Bar No. 122742	0.4		
8				
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10	Facsimile: (415) 984-2698			
ΙΙ	Attorneys for Defendants BUSCH ENTERTAINMENT CORPORATION	and		
12	SEA WORLD, INC.			
13				
14	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
15	FOR THE CITY AND COUNTY OF SAN FRANCISCO			
16	UNLIMITED CIVIL JURISDICTION			
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18	RUSSELL BRIMER	Case No. CGC-05-447598		
19	Plaintiff,	STIPULATION AND [PROPOSED]		
20	v.	ORDER RE: CONSENT JUDGMENT		
21	BUSCH ENTERTAINMENT CORPORATION; SEA WORLD, INC.; and			
22	DOES 1 through 150, inclusive.			
23	Defendants.]		
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STIPULATION AND [PROPOSED] ORDER RE: CONSENT JUDGMENT

1.1 Russell Brimer, Busch Entertainment Corporation and Sea World, Inc.

This Consent Judgment is entered into by and between plaintiff Russell Brimer (hereinafter "Brimer" or "Plaintiff") and defendants Busch Entertainment Corporation and Sea World, Inc. (hereafter "Busch" or "Defendants), with Brimer and Busch collectively referred to as the "Parties."

1.2 Plaintiff

Brimer is an individual residing in California who seeks to promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products.

1.3 Defendants

Busch employs ten or more persons in the course of doing business for purposes of Proposition 65.

1.4 General Allegations

Brimer alleges that Busch has manufactured, distributed and/or sold in the State of California glass and ceramic containers intended for the consumption of food or beverages with colored artwork or designs on the exterior that contain lead. Lead is listed pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §§ 25249.6 et seq. ("Proposition 65"), as a chemical known to the State of California to cause birth defects and other reproductive harm. Lead shall be referred to herein as the "Listed Chemical."

1.5 Product Description

The products that are covered by this Consent Judgment are defined as follows: mugs and other ceramic containers intended for the consumption of food or beverages with colored artwork or designs containing lead, as well as all glassware intended for the consumption of food or beverages with colored artwork or designs containing lead. All such products shall be referred to herein as the "Products."

1.6 Notice of Violation

On or about September 27, 2005, Brimer served Busch and various public enforcement

agencies with a document entitled "60-Day Notice of Violation" (the "Notice") that provided Busch and such public enforcers with notice that alleged that Busch was in violation of California Health & Safety Code § 25249.6 for failing to warn consumers and customers that the Products that Busch sold exposed users in California to the Listed Chemical.

1.7 Complaint

On December 13, 2005, Brimer, who is acting in the interest of the general public in California, filed a complaint (hereafter referred to as the "Complaint" or the "Action") in the Superior Court in and for the City and County of San Francisco against Busch, and Does 1 through 150, (Brimer v. Busch Entertainment Corporation, et al., Case No. CGC-05-447598) alleging violations of California Health & Safety Code § 25249.6 based on the alleged exposures to the Listed Chemical contained in the Products sold by Busch.

1.8 No Admission

Busch denies the material factual and legal allegations contained in Brimer's Notice and Complaint and maintains that all products that it has sold and distributed 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 by Busch of any fact, finding, issue of law, or violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an admission by Busch of any fact, finding, conclusion, issue of law or violation of law, such being specifically denied by Busch. However, this Section shall not diminish or otherwise affect the obligations, responsibilities and duties of Busch under this Consent Judgment.

1.9 Consent to Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Busch as to the allegations contained in the Complaint, that venue is proper in the County of San Francisco and that this Court has jurisdiction to enter and enforce the provisions of this Consent Judgment.

1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean June 1, 2007.

2. INJUNCTIVE RELIEF: WARNINGS AND REFORMULATION

2.1 Product Warnings

After the Effective Date, Busch shall not sell, ship or offer to be shipped for sale in California Products containing the Listed Chemical unless such Products are sold or shipped with a clear and reasonable warning or exempt pursuant to Section 2.2.

A warning shall be deemed to be clear and reasonable if it utilizes the language set out in this Section 2.1. Any warning issued for Products pursuant to this Section 2.2 below 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, for Products shipped directly to an individual in California, before use. Any warning issued pursuant to Section 2.1 shall be provided in a manner such that the consumer or user understands to which *specific* product the warning applies, so as to minimize if not eliminate the chance that an overwarning situation will arise.

Sections 2.1(a)-(b) describes Busch's options for satisfying the warning obligations depending on the manner of sale:

(a) Retail Store Sales

(i) **Product Labeling.** Busch may perform its warning obligations by ensuring that a warning is affixed to the packaging, labeling or directly on the Product that states:

WARNING: This product contains lead, a chemical known to the State of California to cause birth defects and other reproductive harm.

obligations by insuring that signs are posted at its retail outlets in the State of California where the Products are sold. Point-of-sale warnings shall be provided through one or more signs posted in close proximity to the point of display of the Products that states:

WARNING: The following glassware or ceramic products sold in this establishment contain lead, a chemical known to the State of California to cause birth defects or other reproductive harm.

[list products for which warning is given]

	(b)	Mail Order Catalog and Internet Sales.	Busch shall satisfy its warning
obligations fo	or Produ	acts that are sold by mail order catalog or from	n the internet to California
residents, by	providi	ng, at its option, a warning: (i) in the mail or	der catalog; (ii) on the website;
or (iii) with t	he Prod	uct when it is shipped to an address in Californ	rnia. Warnings given in the mai
order catalog	or on th	ne website shall identify the specific Product	to which the warning applies as
further speci:	fied in S	sections 2.1(b)(i), (ii) or (iii) as applicable:	

(i) Mail Order Catalog. Any warning provided in a mail order catalog must be in the same type size or larger as the product description text within the catalog. The following warning shall be provided on the same page and in the same location as the display and/or description of the Product:

WARNING: This product contains lead, a chemical known to the State of California to cause birth defects and other reproductive harm.

Where it is impracticable to provide the warning on the same page and in the same location as the display and/or description of the Product, Busch may utilize a designated symbol to cross reference the applicable warning ("Designated Symbol") and shall provide the following language on the inside of the front cover of the catalog or on the same page as any order form for the Product(s):

WARNING: Products identified with this symbol ▼and offered for sale in this catalog contain lead, a chemical known to the State of California to cause birth defects and other reproductive harm.

The Designated Symbol (shown on Exhibit A attached hereto) must appear on the same page and in close proximity to the display and/or description of the Product. On each page where the Designated Symbol appears, Busch must provide a header or footer directing the consumer to the warning language and definition of the Designated Symbol.

If Busch elects to provide warnings in the mail order catalog, then the warnings must be included in all catalogs provided to consumers in California offering to sell one or more Products printed after July 1, 2007.

(ii) Internet Web Sites and Pages. A warning may be given in conjunction with the sale of the Product via the internet, provided it appears either: (a) on the same web page on which the Product is displayed; (b) on the same web page as the order form for the Product; (c) on the same page as the price for any Product; or (d) on one or more web pages displayed to a purchaser during the checkout process. The following warning statement shall be used and shall appear in any of the above instances adjacent to or immediately following the display, description, or price of the Product for which it is given in the same type size or larger as the product description text:

WARNING: This product contains lead, a chemical known to the State of California to cause birth defects and other reproductive harm.

Alternatively, the Designated Symbol may appear adjacent to or immediately following the display, description or price of the Product for which a warning is being given, provided that the following warning statement also appears elsewhere on the same web page:

WARNING: Products identified on this page with the following symbol contain lead, a chemical known to the State of California to cause birth defects and other reproductive harm: ▼

the internet, a warning may be provided with the Product when it is shipped directly to an individual in California, by either: (a) affixing the following warning language to the packaging, labeling or directly to a specific Product; (b) inserting a warning card measuring at least 4" x 6" in the shipping carton which contains the following warning language; or (c) by placing the following warning statement on the packing slip or customer invoice on the line directly below the description of the Product on the packing slip or customer invoice:

WARNING: This product contains lead, a chemical known to the State of California to cause birth defects and other reproductive harm.

Alternatively, Busch may place the following language on the packing slip or invoice and specifically identifying the Product in lettering of the same size or larger as the description of the Product:

WARNING: The following product(s) contain lead, a chemical known to the State of California to cause birth defects or other reproductive

harm:

[list products for which warning is given].

The Defendants shall, in any of these instances, in conjunction with providing the warning, also inform the consumer, in a conspicuous manner, that he or she may return the Product for a full refund (including shipping costs for both the receipt and the return of the Product) within thirty (30) days of his or her receipt of the Product.

2.2 Exceptions

The warning requirements set forth in Section 2.1 shall not apply to:

- (i) Any Products received in inventory before the Effective Date;
- (ii) Reformulated Products (as defined in Section 2.3 below); or
- (iii) any Product released by the terms of the Court approved settlement agreements in *Brimer v. The Boelter Companies*, et al. (San Francisco Superior Court Case No. CGC-05-440811) and *Leeman v. Arc International* (San Francisco Superior Court Case No. CGC-03-418025.)

2.3 <u>Lead Content Standards</u>

Lead free Products are defined as follows: any Product with decorations that contain six one-hundredths of one percent (0.06%) or less of lead as measured either before or after the material is fired onto (or otherwise affixed to) the Product using a test method of sufficient sensitivity to establish a limit of quantitation of less than 600 parts per million ("ppm"). All Products with exterior decorations that extend into the "Lip-and-Rim Area²" must only utilize decorating materials that contain two one-hundredths of one percent (0.02%) or less of lead by weight using a sample size of the material in question measuring approximately 50-100 mg and a test method of sufficient sensitivity to establish a limit of quantitation of less than 200 ppm. The

¹If the decoration is tested after it is affixed to the Product, the percentage of the Listed Chemical by weight must relate only to the decorating material and must not only include any quantity attributable to non-decorating material.

²"Lip-and-Rim Area" is defined as the exterior top twenty (20) millimeters of a hollowware food or beverage Product.

warning specified in Section 2.1 above shall not be required for Lead Free Products.

2.4 Lead Free Products Goals

Busch shall endeavor to achieve the goal that at least eighty percent (80%) of the Products offered for sale in California by June 1, 2008, shall qualify as Lead Free Products or be otherwise exempt from the warning requirements pursuant to 2.2(iii).³

3. MONETARY PAYMENTS

3.1 Penalties Pursuant to Health & Safety Code § 25249.7(b)

The total penalty amount shall be \$10,000 which shall be paid by Busch as set forth herein. Pursuant to Health & Safety Code § 25249.7(b), Busch shall pay \$5,000 to be delivered as soon and expeditiously as possible but in no event later than 15 days after the date of the Court's approval of the Consent Judgment. The second payment of \$5,000 shall be payable on or before July 1, 2008. The second payment shall be waived in the event that Busch certifies in writing under penalty of perjury with supporting facts and documentation, not later than June 1, 2008, that it has achieved the goal set forth in Section 2.4. Said payments shall be made payable to the "HIRST & CHANLER LLP in Trust For Russell Brimer" and shall be delivered to plaintiff's counsel at the following address:

HIRST & CHANLER LLP Attn: Proposition 65 Controller 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710

3.2 Apportionment of Penalties Received

All penalty monies received shall be apportioned by Brimer in accordance with Health & Safety Code § 25192, with 75% of these funds remitted by Brimer to the State of California's Office of Environmental Health Hazard Assessment and the remaining 25% of these penalty monies retained by Brimer as provided by Health & Safety Code § 25249.12(d). Brimer shall bear all responsibility for apportioning and paying to the State of California the appropriate civil penalties paid in accordance with this Section.

³Achievement of the goal provided for in this Section 2.4 shall exclusively be enforced through Section 3.1 below.

The Parties acknowledge that Brimer and his counsel offered to resolve this dispute

without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving

this fee issue to be resolved after the material terms of the agreement had been settled. Busch then

expressed a desire to resolve the fee and cost issue shortly after the other settlement terms had

been finalized. The Parties then attempted to (and did) reach an accord on the compensation due

to Brimer and his counsel under the private attorney general doctrine codified at California Code

of Civil Procedure §1021.5 for all work performed through the Court's approval of this agreement.

Under the private attorney general doctrine, Busch shall reimburse Brimer and his counsel for fees

and costs incurred as a result of investigating, bringing this matter to Busch's attention, litigating

and negotiating a settlement in the public interest and seeking the Court's approval of the

settlement agreement. Busch shall pay Brimer and his counsel \$45,000 for all attorneys' fees,

expert and investigation fees, litigation and related costs. The payment shall be made payable to

HIRST & CHANLER LLP and shall be delivered as soon and expeditiously as possible but in no

event later than 15 days after the date of the Court's approval of the Consent Judgment, at the

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HIRST & CHANLER LLP Attn: Proposition 65 Controller 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565

5. RELEASE OF ALL CLAIMS

following address:

5.1 Release of Busch and Downstream Customers

In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to Sections 3 and 4, Brimer, on behalf of himself, his past and current agents, representatives, attorneys, successors and/or assignees, and in the interest of the general public, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims, including, without limitation, all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses or expenses (including, but not limited to, investigation fees, expert fees and

attorneys' fees) of any nature whatsoever, whether known or unknown, fixed or contingent (collectively "Claims"), against Busch and each of its downstream distributors, wholesalers, licensors, licensees, auctioneers, retailers, franchisees, dealers, customers, owners, purchasers, users, parent companies, corporate affiliates, subsidiaries, and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees, and sister and parent entities, (collectively "Releasees"). This release is limited to those claims that arise under Proposition 65, as such claims relate to Busch's alleged failure to warn about consumer or occupational exposures to or identification of the Listed Chemical contained in the Products.

The Parties further understand and agree that this release shall not extend upstream to any entities that manufactured the Products or any component parts thereof, or any distributors or suppliers who sold the Products or any component parts thereof to Busch.

5.2 Busch's Release of Brimer

Busch waives any and all claims against Brimer, his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Brimer and his attorneys and other representatives, whether in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against it in this matter, and/or with respect to the Products.

6. <u>COURT APPROVAL</u>

This Consent Judgment is not effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved and entered by the Court within one year after it has been fully executed by all Parties, in which event any monies that have been paid to Plaintiff, or his counsel pursuant to Section 3 and/or Section 4 above, shall be refunded within fifteen (15) days after receiving written notice from Busch that the one-year period has expired.

7. <u>SEVERABILITY</u>

If, subsequent to court approval of this Consent Judgment, any of the provisions of this Consent Judgment are held by a court to be unenforceable, the validity of the enforceable provisions remaining shall not be adversely affected.

8. ATTORNEYS' FEES

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In the event that, after Court approval: (1) Busch or any third party seeks modification of this Consent Judgment pursuant to Section 14 below; or (2) Brimer takes reasonable and necessary steps to enforce the terms of this Consent Judgment, Brimer shall be entitled to seek his reasonable attorneys' fees and costs pursuant to CCP §1021.5.

9. 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 by reason of law generally, or as to the Products, then Busch shall provide written notice to Brimer of any asserted change in the law, and shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are so affected.

10. NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to this Consent Judgment shall be in writing and personally delivered or sent by: (i) first-class, (registered or certified mail) return receipt requested; or (ii) overnight courier on any Party by the other party at the following addresses:

To Busch:

Patrick T. Stokes Legal Department ANHEUSER-BUSCH, INC. One Busch Place St. Louis, MO 63118-1852

With a Copy to:

José R. Allen, Esq. SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP Four Embarcadero Center, Suite 3800 San Francisco, CA 94111-4144

To Brimer:

Proposition 65 Coordinator HIRST & CHANLER LLP 2560 Ninth Street, Suite 214 Berkeley, CA 94710-2565

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

11. COUNTERPARTS; FACSIMILE SIGNATURES

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

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

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

13. ADDITIONAL POST EXECUTION ACTIVITIES

Brimer and Busch agree to mutually employ their best efforts to support the entry of this Agreement as a Consent Judgment and obtain approval of the Consent Judgment by the Court in a timely manner. The Parties acknowledge that, pursuant to Health & Safety Code § 25249.7, a noticed motion is required to obtain judicial approval of this Consent Judgment. Accordingly, the Parties agree to file a Joint Motion to Approve the Agreement ("Joint Motion"), within a reasonable period of time after the Execution Date (*i.e.*, not to exceed thirty (30) days unless otherwise agreed to by the Parties' counsel based on unanticipated circumstances). Busch shall have no additional responsibility to Plaintiff's counsel pursuant to Code of Civil Procedure § 1021.5 or otherwise with regard to reimbursement of any fees and costs incurred with respect to the preparation and filing of the Joint Motion and its supporting declaration or with regard to Plaintiff's counsel appearing for a hearing thereon.

14. **MODIFICATION**

This Consent Judgment may be modified only: (1) by written agreement of the Parties and upon entry of a modified Consent Judgment by the Court thereon; or (2) upon a successful motion of any Party and entry of a modified Consent Judgment by the Court. The Attorney General shall be served with notice of any proposed modification to this Consent Judgment at least fifteen (15) days in advance of its consideration by the Court.

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15. <u>AUTHORIZATION</u>

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

AGREED TO:	AGREED TO:
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By: Plaintiff Russell Brimer	By: 2/22/07
Plantoff Russell Brimer	Defendant Busch Entertainment Corp.
	Date: 2/22/01
	By: Kull Ufast Defendant Sea World Inc.
APPROVED AS TO FORM:	APPROVED AS TO FORM:
Date: 2/15/07	Date: 3/9/07
HIRST & CHANLER ULP	SKADDEN, ARPS, SLATE, MEAGHER &
By: My Miles	FLOMILI
By: D. Joshua Voorhees	José R. Allen
Attorneys for Plaintiff RUSSELL BRIMER	Attorneys for Defendants BUSCH ENTERTAINMENT CORP. and SEA WORLD INC.
IT 18 SO ORDERED.	
Date:	JUDGE OF THE SUPERIOR COURT
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Exhibit A

If Defendants elect to use the warning symbol system set forth in Sections 2.1(b)(i) or (ii), Defendants will use the following Designated Symbol [Yellow Triangle] to identify Products containing the Listed Chemical which are sold through their catalogs or on their website:

