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 7 CONSUMER ADVOCACY GROUP, INC.

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
 9 COUNTY OF LOS ANGELES

11 CONSUMER ADVOCACY GROUP, INC.  
 12 Plaintiff,  
 13 v.  
 14 THOMPSON ROOF CO. INC.; et al.,  
 15 Defendants.

Case No. BC 363759  
**[PROPOSED] CONSENT JUDGMENT AS  
 TO PLAINTIFF CONSUMER  
 ADVOCACY GROUP, INC. AND  
 DEFENDANT SPECIALTY ROOFING,  
 dba ROOFING SPECIALISTS, INC.**

Date action filed: December 20, 2006  
 Trial date: Not set

19 Plaintiff, CONSUMER ADVOCACY GROUP, INC., (referred to herein as "CAG"),  
 20 and defendant SPECIALTY ROOFING dba ROOFING SPECIALISTS, INC. (referred to  
 21 herein as "Settling Defendant"), enter into this Consent Judgment as follows:

- 22 1. **Introduction.**  
 23 1.1 CAG is an entity based in Los Angeles, California that seeks to promote  
 24 awareness of exposures to toxic chemicals and improve human health by reducing or  
 25 eliminating hazardous substances contained in consumer and industrial products.  
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1           1.2     Plaintiff CAG alleges that Settling Defendant is a California corporation that  
2 employs ten or more persons, or has employed ten or more persons during the relevant  
3 limitations period, and acts primarily as a roofing contractor.

4           1.3     Settling Defendant uses roofing materials, some of which contain asphalt or coal  
5 tar, the use of which is alleged to expose persons to acetaldehyde; arsenic (inorganic arsenic  
6 compounds, including oxides); benz[a]anthracene; benzene; benzo[a]pyrene;  
7 benzo[b]fluoranthene; benzo[k]fluoranthene; beryllium and beryllium compounds; 1,3-  
8 butadiene; cadmium and cadmium compounds; carbazole; chromium (hexavalent compounds);  
9 chrysene; dibenz[a,j]acridine; dibenz[a,h]anthracene; dibenzo[a,e]pyrene; dibenzo[a,h]pyrene;  
10 dibenzo[a,i]pyrene; dibenzo[a,l]pyrene; dichloromethane (methylene chloride); formaldehyde  
11 (gas); indeno[1,2,3-cd]-pyrene; lead and lead compounds; 5-methylchrysene; nickel and nickel  
12 compounds; silica, crystalline; tetrachloroethylene (perchloroethylene); toluene diisocyanate;  
13 trichloroethylene; carbon disulfide; mercury and mercury compounds; and toluene (hereinafter  
14 the "Covered Chemicals").

15           1.4     The Covered Chemicals are identified as substances listed in the regulations  
16 promulgated under the California Safe Drinking Water and Toxic Enforcement Act, California  
17 Health & Safety Code sections 25249.5 *et seq.* ("Proposition 65") as chemicals known to the  
18 State of California to cause cancer and/or reproductive harm. A list of the roofing products that  
19 consist of, contain or result in exposure to either asphalt or coal tar and are covered by this  
20 Consent Judgment (the "Materials") is provided in Exhibit A. Some of the Materials are heated  
21 and/or delivered to the place of application using a kettle, tank truck or other equipment. Tank  
22 trucks and kettles are collectively referred to herein as "Heating and Delivery Equipment."

23           1.5     In February 2006, Plaintiff served public enforcement agencies and Settling  
24 Defendant with a document entitled "60-Day Notice of Violation" (the "Notice"), which  
25 provided public enforcers and the Settling Defendant with notice that Settling Defendant was  
26 alleged to have violated Proposition 65 by failing to warn its employees and other persons in  
27

1 California that the Materials used by Settling Defendant expose those persons to the Covered  
2 Chemicals.

3 1.6 On December 20, 2006, CAG brought an action in the public interest captioned  
4 as *Consumer Advocacy Group v. Thompson Roof Co. Inc., et al., et al.*, in the Los Angeles  
5 County Superior Court, Case No. BC 363759 (hereinafter the "Action"), naming SPECIALTY  
6 ROOFING, dba ROOFING SPECIALISTS, INC, *et al.*, as defendants, and alleging that Settling  
7 Defendant and John Doe defendants violated Health & Safety Code section 25249.6 by  
8 exposing employees and other persons to chemicals listed pursuant to Proposition 65 contained  
9 in the Materials without providing "clear and reasonable" warnings. Such alleged exposures  
10 constitute "consumer product," "occupational" and "environmental" exposures within the  
11 meaning of the Proposition 65 implementing regulations set forth at California Code of  
12 Regulations, title 22, section 12601, subdivisions (b), (c) and (d), respectively.

13 1.7 For purposes of this Consent Judgment only, the parties stipulate that this Court  
14 has jurisdiction over the allegations of violations contained in CAG's Complaint and Notice,  
15 that the Court has personal jurisdiction over Settling Defendant as to the acts alleged in CAG's  
16 Complaint and Notice, that venue is proper in the County of Los Angeles and that this Court has  
17 jurisdiction to enter this Consent Judgment as a full settlement and resolution of the allegations  
18 contained in CAG's Complaint and Notice, and of all claims which were or could have been  
19 raised by any person or entity based on whole or in part, directly or indirectly, on the facts  
20 alleged in the Notice, in CAG's Complaint, or arising therefrom or related thereto.

21 1.8 The parties enter into this Consent Judgment pursuant to a settlement of certain  
22 disputed claims between the parties as alleged in CAG's Complaint and Notice for the purpose  
23 of avoiding prolonged and costly litigation between the parties hereto. By execution of this  
24 Consent Judgment, the parties do not admit any fact, conclusion of law, issue of law or violation  
25 of law, including, but not limited to, any fact, conclusion of law, issue of law, or violation of  
26 law suggesting or demonstrating any violations of Proposition 65 or any other statutory,  
27 common law or equitable requirements relating to the Materials. Nothing in this Consent

1 Judgment shall be construed as an admission by the parties of any fact, conclusion of law, issue  
2 of law or violation of law. Nor shall compliance with the Consent Judgment constitute or be  
3 construed as an admission by the parties of any fact, conclusion of law, issue of law, or violation  
4 of law. Nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy,  
5 argument or defense the parties may have in this or any other or future legal proceedings.  
6 Nothing in this Consent Judgment shall preclude CAG from opposing any argument.  
7 Nevertheless, Settling Defendant's obligations, responsibilities and duties shall remain as set  
8 forth in this Consent Judgment unless a modification has been entered by a court of law as set  
9 forth in Paragraph 12, below.

10 **2. Injunctive Relief.**

11 2.1 Settling Defendant agrees to provide Proposition 65 warnings and to take actions  
12 intended to prevent, reduce and mitigate exposure to the Covered Chemicals arising from using  
13 the Materials, in the manner prescribed below.

14 2.2 Within ninety (90) days after entry of this Consent Judgment, Settling Defendant  
15 shall provide Proposition 65 warnings to its own California employees who use the Materials by  
16 fully incorporating Proposition 65 warnings into the chemical hazard warnings and training  
17 provided in its hazard communication training plans, as part of compliance with the California  
18 Hazard Communication Standard under California Code of Regulations, title 8, section 5194.

19 Such warnings shall include the Proposition 65 warning set forth in Exhibit B, attached hereto.

20 2.3 Within ninety (90) days after entry of this Consent Judgment, Settling Defendant  
21 shall post a Proposition 65 warning sign conspicuously at each of its California places of  
22 business where employees who are likely to handle, use, or store the Materials or prepare the  
23 Materials for application, are likely to see and read the warning sign, such as a locker room  
24 where such employees store their gear or in the proximity of a time clock where such employees  
25 check in and out on a regular basis. For the purposes of this Consent Judgment, such places of  
26 business shall not include job sites at which services may be performed, but which are not

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1 owned and operated by Settling Defendant. The Proposition 65 warning sign shall set forth the  
2 following warning statement:

3 **WARNING: CHEMICALS KNOWN TO THE STATE OF**  
4 **CALIFORNIA TO CAUSE CANCER AND BIRTH DEFECTS OR**  
5 **OTHER REPRODUCTIVE HARM**

6 Asphalt, coal tar, and other roofing or waterproofing materials contain  
7 chemicals that are known to the State of California to cause cancer and/or  
8 reproductive hazards. Exposure to these chemicals occurs during the  
9 installation, repair or removal of roofing and waterproofing materials  
10 containing asphalt, coal tar, or other bituminous binders and other types of  
11 roofing or waterproofing materials. Exposures may occur not only from  
12 the roofing or waterproofing materials you are working with but also from  
13 the solvents, mastics, cements, sealants, caulking compounds and other  
14 products and equipment that may be used in the operation. Always  
15 familiarize yourself with the hazards of the materials and equipment you  
16 are using and follow the precautions indicated on product labels, Material  
17 Safety Data Sheets and your health and safety training program.

18 The parties agree that this warning shall be deemed "clear and reasonable" for purposes of  
19 Proposition 65 and the Proposition 65 implementing regulations set forth at California Code of  
20 Regulations, title 22, section 12601(a) for any chemical contained in the Materials or to which  
21 exposure occurs from use of the Materials, to the extent that such chemical presently is or in the  
22 future may become listed under Proposition 65, whether as a carcinogen or reproductive toxin or  
23 both.

24 2.4 CAG maintains that environmental and consumer product and service exposures  
25 occur as a result of the presence of Covered Chemicals in the Materials, and that warnings for  
26 such exposures are required. Settling Defendant disputes this. In recognition of the measures  
27 adopted in Subparagraph 2.5 below and the effect those measures will have, and in  
28 consideration for the adoption of these measures, the parties have agreed that warnings for  
29 consumer product and service exposures and environmental exposures are not required.

30 2.5 The parties agree that Settling Defendant shall institute certain measures in order  
31 to reduce or mitigate alleged occupational, environmental or consumer exposure to the Covered  
32 Chemicals arising from the use of the Materials. The parties agree to these measures with the  
33 mutual understanding and expectation that such measures will be effective to reduce and  
34 mitigate exposure to the Covered Chemicals arising from the use of the Materials to or within

1 the levels such that warnings for "consumer product/service" or "environmental" exposures,  
 2 within the meaning of the Proposition 65 implementing regulations set forth at California Code  
 3 of Regulations, title 22, section 12601, subdivisions (b) and (d), respectively, would not be  
 4 required. Within ninety (90) days after entry of this Consent Judgment, Settling Defendant that  
 5 uses Heating and Delivery Equipment shall do the following:

- 6           2.5.1 ensure that Heating and Delivery Equipment with a capacity greater than  
 7                   200 gallons will have operational thermostatic heating controls.
- 8           2.5.2 incorporate the following instructions in its chemical hazard training plan  
 9                   for employees, as part of its compliance with the California Hazard  
 10                   Communication Standard, set forth at California Code of Regulations,  
 11                   title 8, section 5194.
- 12           2.5.2.1 Employees shall restrict access to Heating and Delivery  
 13                   Equipment in which Materials are being heated for application  
 14                   to those employees whose job responsibilities require them to  
 15                   be present.
- 16           2.5.2.2 Employees shall not heat any Material to a temperature that is  
 17                   higher than the manufacturer's specifications for that material.
- 18           2.5.2.3 Employees shall verify the temperature of heated Materials  
 19                   with a thermometer on a regular basis, to ensure that the  
 20                   Materials are not being heated higher than the applicable  
 21                   manufacturer's specifications.
- 22           2.5.2.4 Employees will work upwind from Heating and Delivery  
 23                   Equipment whenever it is practical to do so.
- 24           2.5.2.5 Employees will keep kettle lids closed except when necessary  
 25                   to: (i) add or remove Materials from the kettles, (ii) check the  
 26                   temperature of the Materials in the kettles; (iii) the check the  
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volume or quality of the Material in the kettles; or (iv) perform similar activities.

2.5.2.6 Employees shall position Heating and Delivery Equipment as close to the point of application as practical in order to minimize heat loss.

Settling Defendant shall train its employees in the physical and health hazards of the Materials and other substances in their work area(s), and the measures that they can take to protect themselves from these hazards, including specific procedures that the employer has implemented to protect employees from exposure to hazardous substances, such as appropriate work practices, emergency procedures and personal protective equipment to be used. Settling Defendant shall periodically monitor its employees' conduct to promote full compliance with all the requirements of this Subparagraph 2.5.

2.6 Within ninety (90) days after entry of this Consent Judgment, Settling Defendant shall provide the Attorney General with a sworn statement indicating that it has adopted a model training program, that (a) complies with the terms of this Consent Judgment, and (b) includes model warnings, educational program materials and monitoring timetables and procedures that have already been submitted to the Attorney General.

3. **Monetary Relief.**

**Payment in Lieu of Civil Penalties.** 3.1 Payment in Lieu of Civil Penalty Pursuant to California Code of Regulations, title 11, section 3203, subdivision (b). Settling Defendant shall pay CAG, a corporation commenced for the purpose of furthering environmental causes, the sum of \$500.00. Payment shall be to "Consumer Advocacy Group, Inc." CAG will use the payment for such projects and purposes related to environmental protection, worker health and safety, or reduction of human exposure to hazardous substances (including administrative and litigation costs arising from such projects), as CAG may choose.

3.1 **Other Payments.** The parties recognize and agree that monetary relief other than payments under Health and Safety Code section 25249.7(b), or in addition to such

1 payments, might be imposed or required if the Settling Defendant was found liable in this  
2 matter. Such monetary relief might include payments denominated as restitution, disgorgement  
3 of profits, attorneys' fees and costs, investigative costs, or other payments, as such payments  
4 might be imposed under the Civil Procedure Code, or any other law. Nevertheless, as  
5 consideration for Settling Defendant's agreement to adopt the measures set forth in Paragraph 2  
6 above, CAG agrees to accept a single payment from Settling Defendant in the amount set forth  
7 in Paragraph 3.1, above, in complete satisfaction of any claim for such monetary relief, and  
8 Settling Defendant agrees to pay this amount.

9       **3.2 Manner of Payment.** The payment amount identified in section 3.1 above shall  
10 be made payable to "Consumer Advocacy Group, Inc." Payment may be sent to Yeroushalmi &  
11 Associates, 3700 Wilshire Boulevard, Suite 480, Los Angeles, California, 90010 (Attn: Reuben  
12 Yeroushalmi, Esq.). CAG agrees to provide its address and federal tax identification number to  
13 Settling Defendant prior to such payment.

14       **3.3 Satisfaction of Claims/No Admissions.** The payment that Settling Defendant  
15 makes pursuant to this Paragraph 3 shall be in consideration for the full, final and complete  
16 satisfaction of all claims for civil penalties or restitution for the alleged violations regarding the  
17 Materials, up to and including the date of entry of this Judgment. Making this payment shall not  
18 be construed as an admission by Settling Defendant of any fact, conclusion of law, issue of law,  
19 or violation of law. Nor shall compliance with the Consent Judgment constitute or be construed  
20 as an admission by Settling Defendant of any fact, conclusion of law, issue of fact, law or  
21 violation of law.

22 **4. Payment of CAG's Attorneys' Fees and Costs.**

23       **4.1 Attorneys' Fees Payment.** Settling Defendant shall pay CAG attorneys' fees  
24 and costs as follows in the amount of \$4,500.

25       **4.2 Manner of Payment.** The above-required attorneys' fees and costs payment  
26 shall be made payable to Yeroushalmi & Associates, 3700 Wilshire Boulevard, Suite 480, Los  
27 Angeles, California, 90010 (Attn: Reuben Yeroushalmi, Esq.).

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1           **4.3 Satisfaction of Claims/No Admissions.** The payment that Settling Defendant  
2 makes pursuant to this Paragraph 4 shall be in consideration for the full, final and complete  
3 satisfaction of all claims for attorneys' fees or costs related to the alleged violations regarding  
4 the Materials. Making these payments shall not be construed as an admission by Settling  
5 Defendant of any fact, conclusion of law, issue of law, or violation of law. Nor shall  
6 compliance with the Consent Judgment constitute or be construed as an admission by Settling  
7 Defendant of any fact, conclusion of law, issue of fact, law or violation of law.

8           **5. Additional Enforcement Actions; Continuing Obligations.**

9           By entering into this Consent Judgment, CAG does not waive any right to take further  
10 enforcement actions regarding any violations not covered by the Action or this Consent  
11 Judgment. Nothing in this Consent Judgment shall be construed as diminishing Settling  
12 Defendant's continuing obligation to comply with Proposition 65 in their future activities.

13           **6. Enforcement of Consent Judgment.**

14           CAG may, by motion or order to show cause before the Superior Court of Los Angeles,  
15 enforce the terms and conditions contained in this Consent Judgment. In any action brought by  
16 CAG to enforce this Consent Judgment, CAG may seek whatever fines, costs, attorneys' fees,  
17 penalties or remedies are provided by law for failure to comply with the Consent Judgment.  
18 Where said failure to comply constitutes future violations of Proposition 65 or other laws,  
19 independent of the Consent Judgment and/or those alleged in the Complaints, CAG is not  
20 limited to enforcement of this Consent Judgment, but may seek in another action, subject to  
21 satisfaction of any procedural requirements, including notice requirements, whatever fines,  
22 costs, attorneys' fees, penalties or remedies are provided by law for failure to comply with  
23 Proposition 65 or other laws. However, the rights of Settling Defendant to defend itself and its  
24 actions in law or equity shall not be abrogated or reduced in any fashion by the terms of this  
25 Paragraph and Settling Defendant shall be entitled to raise any and all applicable defenses  
26 and/or counterclaims arising in law or equity against CAG, and seek such costs, damages, and  
27 attorneys' fees as may apply. In any action to enforce the terms of this Consent Judgment, the

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CONSENT JUDGMENT

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1 prevailing party shall be entitled to and shall collect from the other party its costs and reasonable  
2 attorneys' fees.

3 **7. Application of Consent Judgment.**

4 This Consent Judgment shall apply to, be binding upon and inure to the benefit of, the  
5 parties, including CAG and Settling Defendant, its divisions, subdivisions, subsidiaries, and  
6 affiliates and the successors or assigns of each of them.

7 **8. Claims Covered.**

8 Except as provided below, this Consent Judgment is a final and binding resolution  
9 between CAG and Settling Defendant, satisfying and releasing Settling Defendant from any and  
10 all claims, causes of action, damages, costs, penalties or attorneys' fees based upon alleged  
11 violations of:

12 Proposition 65, or  
13 any other statutory or common law,  
14 that arise from Settling Defendant's failure to provide clear and reasonable warnings, pursuant  
15 to Proposition 65, that roofing operations cause exposure to the following:

- 16 the Materials,
- 17 any other material containing asphalt or coal tar or any of their
- 18 constituents, or
- 19 any Covered Chemicals present in or released from the Materials,
- 20 asphalt or coal tar.

21 This Consent Judgment shall not resolve any claim for chemicals, if any, that are  
22 contained in the Materials and are added to the Proposition 65 list of chemicals known to the  
23 State to cause cancer, or the list of chemicals known to the State to cause reproductive toxicity,  
24 after the entry of judgment. The list of Materials to be governed by this Consent Judgment (*i.e.*,  
25 for which Settling Defendant must comply with the terms and provisions of this Consent  
26 Judgment) is set forth as Exhibit A attached to this Consent Judgment.

27 **9. Mutual Releases of Claims.**

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1           9.1   **CAG's Release of Settling Defendant.** This Consent Judgment shall constitute  
2 a release from CAG on behalf of itself, its agents, representatives, attorneys and assigns, by  
3 which they waive all rights to institute or participate in, directly or indirectly, any form of legal  
4 action, and release all claims, liabilities, obligations, losses, costs, expenses, penalties, fines and  
5 damages, against Settling Defendant, and its directors, officers, employees, parent companies,  
6 sister companies, subsidiaries, or any other affiliated person who may use, maintain or sell the  
7 Materials, and the successors and assigns of any of them, whether under Proposition 65 based  
8 upon Settling Defendant's failure to warn about exposure to chemicals listed under Proposition  
9 65, or under any other law, before and after the entry of this Consent Judgment, resulting from  
10 the sale, distribution, marketing or use of any of the Materials

11           CAG acknowledges that it has read and waives the provisions of California Civil Code §  
12 1542:

13                           **"A GENERAL RELEASE DOES NOT EXTEND TO**  
14                           **CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR**  
15                           **SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE**  
16                           **TIME OF EXECUTING THE RELEASE, WHICH IF**  
17                           **KNOWN BY HIM OR HER MUST HAVE MATERIALLY**  
18                           **AFFECTED HIS OR HER SETTLEMENT WITH THE**  
19                           **DEBTOR."**

20           CAG understands and acknowledges the significance of this waiver of Section 1542 of  
21 the Civil Code is that even if it discovers additional claims or causes of action, CAG will not be  
22 able to enforce or prosecute those claims or causes of action. Furthermore, CAG acknowledges  
23 that it intends these consequences even as to claims or causes of action that may exist as of the  
24 date of this release but which CAG does not know exist, and which, if known, would materially  
25 affect CAG's decision to execute this release, regardless of whether CAG's lack of knowledge  
26 is a result of ignorance, oversight, error, negligence, or any other cause.

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1           9.2    **Settling Defendant's Release of CAG.** Settling Defendant by this Consent  
2 Judgment, releases and waives all rights to institute any form of legal action against CAG and  
3 its attorneys or representatives, for all actions or statements made by CAG, and its attorneys or  
4 representatives, in the course of seeking enforcement of Proposition 65 through CAG's  
5 Complaint against Settling Defendant as to the Materials that are the subject of the Notice and  
6 CAG's Complaint.

7           Settling Defendant acknowledges that it has read and waives the provisions of California  
8 Civil Code § 1542:

9                   **"A GENERAL RELEASE DOES NOT EXTEND TO**  
10                   **CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR**  
11                   **SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE**  
12                   **TIME OF EXECUTING THE RELEASE, WHICH IF**  
13                   **KNOWN BY HIM OR HER MUST HAVE MATERIALLY**  
14                   **AFFECTED HIS OR HER SETTLEMENT WITH THE**  
15                   **DEBTOR."**

16           Settling Defendant understands and acknowledges the significance of this waiver of  
17 Section 1542 of the Civil Code is that even if it discovers additional claims or causes of action,  
18 Settling Defendant will not be able to enforce or prosecute those claims or causes of action.  
19 Furthermore, Settling Defendant acknowledges that it intends these consequences even as to  
20 claims or causes of action that may exist as of the date of this release but which Settling  
21 Defendant does not know exist, and which, if known, would materially affect Settling  
22 Defendant's decision to execute this release, regardless of whether Settling Defendant's lack of  
23 knowledge is a result of ignorance, oversight, error, negligence, or any other cause.

24    10.    **Entire Agreement.**

25           This Consent Judgment contains the sole and entire agreement and understanding of the  
26 parties with respect to the entire subject matter hercof, and any and all prior discussions,  
27 negotiations, commitments and understandings related hercto. No representations, oral or  
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1 otherwise, express or implied, other than those contained herein have been made by any party  
2 hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be  
3 deemed to exist or to bind any of the parties.

4 **11. Authorization.**

5 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the  
6 party he or she represents to enter into this Consent Judgment on behalf of the party represented  
7 and legally to bind that party.

8 **12. Modification.**

9 12.1 This Consent Judgment may be modified from time to time by express written  
10 agreement of the parties, with the approval of the Court, or by an order of this Court in  
11 accordance with law.

12 12.2 If (1) the Attorney General or CAG subsequently agree in a settlement or  
13 judicially entered injunction or consent judgment (i) that certain Materials do not require a  
14 warning under Proposition 65, or (ii) that a modified warning for the Materials is appropriate, or  
15 (iii) to injunctive relief concerning the use, manufacture and/or sale of the Materials that differs  
16 from that imposed in this Consent Judgment, or (2) a court of competent jurisdiction renders a  
17 final judgment in a case brought by the Attorney General or CAG (i) that eliminates such a  
18 warning requirement for Materials, or (ii) that modifies such a warning requirement for the  
19 Materials, or (iii) that imposes injunctive relief concerning the use, manufacture and/or sale of  
20 the Materials that differs from that imposed in this Consent Judgment, then Settling Defendant  
21 shall be entitled to submit evidence to CAG demonstrating that the Materials come within the  
22 scope of the agreement or ruling and (i) do not require a warning under Proposition 65, or (ii)  
23 require a modified warning under Proposition 65, or (iii) require different injunctive relief under  
24 Proposition 65.

25 12.3 CAG and Settling Defendant shall have ninety (90) days from the date on which  
26 a Settling Defendant submits such evidence to CAG in which to confer and decide concerning  
27 whether (1) to eliminate the warning requirement set forth in Paragraph 2 above or (2) otherwise

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1 to eliminate or modify the injunctive relief provisions of this Consent Judgment. If the parties  
2 agree that the Materials used by Settling Defendant come within the scope of the agreement or  
3 ruling, then they shall jointly move the Court for such modification.

4       12.4 If the parties are unable to agree on the elimination or modification of the  
5 warning requirement of this Consent Judgment, or are unable to agree on the elimination or  
6 modification of any of the injunctive relief provisions of this Consent Judgment, Settling  
7 Defendant may file a motion with the Court, seeking the elimination or modification of the  
8 warning requirement, or the dissolution or modification of the injunctive relief provisions of this  
9 Consent Judgment, based on the agreement or the ruling. In any motion by Settling Defendant  
10 under this Paragraph 12, the burden of proving, based on the agreement or ruling, (1) that the  
11 Materials do not require a warning, or (2) that the warning should be modified, or (3) that the  
12 injunctive relief provisions of this Consent Judgment should be eliminated or modified shall  
13 remain on Settling Defendant.

14       12.5 This Paragraph 12 shall not apply to the monetary relief provisions of this  
15 Consent Judgment.

16 **13. Entry of Consent Judgment Required.**

17       This Consent Judgment shall be null and void, and be without any force or effect, unless  
18 entered by the Court in this matter. If the Consent Judgment is not entered by the Court, the  
19 execution of this Consent Judgment by Settling Defendant or CAG shall not be construed as an  
20 admission by Settling Defendant or CAG of any fact, conclusion of law, issue of law, or  
21 violation of law.

22 **14. Retention of Jurisdiction.**

23       This Court shall retain jurisdiction of this matter to implement the Consent Judgment.

24 **15. Severability.**

25       In the event that any of the provisions of this Consent Judgment are held by a court of  
26 competent jurisdiction to be unenforceable, the validity of the enforceable provisions shall not  
27 be adversely affected.

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1 16. **Attorneys' Fees.**

2 In the event that a dispute arises with respect to any provision(s) of the Consent  
3 Judgment, and such disputes are resolved by the Court or through mediation, arbitration or other  
4 alternative dispute resolution proceeding, the prevailing party in such action or proceeding shall  
5 be entitled to recover costs and reasonable attorneys' fees.

6 17. **Governing Law.**

7 The terms of this Consent Judgment shall be governed by the laws of the State of  
8 California.

9 18. **Notices.**

10 18.1 **All correspondence to CAG shall be mailed to:**

11 Reuben Yeroushalmi  
12 Yeroushalmi & Associates  
13 3700 Wilshire Blvd., Suite 480  
Los Angeles, CA 90010

14 18.2 **All correspondence to Settling Defendant shall be mailed to:**

15 Settling Defendant's registered agent  
16 with copy to

17 Stanley W. Landfair  
18 McKenna Long & Aldridge LLP  
19 101 California Street  
41st Floor  
20 San Francisco, CA 94111  
21 Tel.: 415-267-4000  
Fax: 415-267-4198

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19. Counterparts and Facsimile.

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

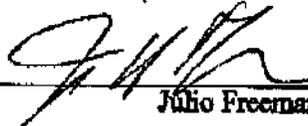
AGREED TO:

AGREED TO:

DATE:

DATE: 10/5/07

Lyn Marcus

  
Julio Freeman

President  
CONSUMER ADVOCACY GROUP, INC.

SPECIALTY ROOFING dba ROOFING  
SPECIALISTS, INC.  
Defendant

AGREED AS TO FORM:

AGREED AS TO FORM:

YEROUSHALMI & ASSOCIATES

MCKENNA LONG & ALDRIDGE LLP

Reuben Yeroushalmi

  
Stanley W. Landfair

Attorneys for Plaintiff  
CONSUMER ADVOCACY GROUP, INC.

Attorneys for Defendants  
SPECIALTY ROOFING dba ROOFING  
SPECIALISTS, INC.

DATE:

DATE: Oct 8, 2007

CONSENT JUDGMENT

19. **Counterparts and Facsimile.**

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

**AGREED TO:**

**AGREED TO:**

DATE: 10/11/07

DATE: \_\_\_\_\_

*Lyn Marcus*  
Lyn Marcus

\_\_\_\_\_  
Julio Freeman

President  
CONSUMER ADVOCACY GROUP, INC.

SPECIALTY ROOFING dba ROOFING  
SPECIALISTS, INC.  
Defendant

**AGREED AS TO FORM:**

**AGREED AS TO FORM:**

YEROUSHALMI & ASSOCIATES

MCKENNA LONG & ALDRIDGE LLP

*Reuben Yeroushalmi*  
Reuben Yeroushalmi

\_\_\_\_\_  
Stanley W. Landfair

Attorneys for Plaintiff  
CONSUMER ADVOCACY GROUP, INC.

Attorneys for Defendants  
SPECIALTY ROOFING dba ROOFING  
SPECIALISTS, INC.

DATE: 10/12/2007

DATE: \_\_\_\_\_

**EXHIBIT A**

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The Materials, as defined at Paragraph 1.4, include all roofing products that consist of, contain or result in exposure to asphalt or coal tar, and any equipment used in the storage, installation, repair, removal, and transportation of such products whose use may cause persons to be exposed to asphalt or coal tar, including specifically, but not exclusively, the products and equipment listed below:

- |                     |   |
|---------------------|---|
| Binders             | Insulation materials  |
| Felts               | Substrates  |
| Base sheets         | Roofing kettles   |
| Cap sheets          | Tank trucks   |
| Surfacing materials | Vehicles used to tow roofing kettles to, from, and within job sites |
| Membrane systems    | Torches   |
| Shingles            | Hot-air welders   |
| Roll roofing        | Other heating equipment   |
| Felt underlayments  | Spreaders   |
| Flashings           | Felt-laying machines  |
| Coatings            | Roof removal equipment, including but not limited to roof cutters   |
| Mastics             | Hand tools  |
| Cements             |   |
| Adhesives           |   |
| Caulking compounds  |   |

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**EXHIBIT B**

**WARNING: CHEMICALS KNOWN TO THE STATE OF CALIFORNIA TO CAUSE CANCER AND BIRTH DEFECTS OR OTHER REPRODUCTIVE HARM**

Asphalt, coal tar, and other roofing or waterproofing materials contain chemicals that are known to the State of California to cause cancer and/or reproductive hazards. Exposure to these chemicals occurs during the installation, repair or removal of roofing and waterproofing materials containing asphalt, coal tar, or other bituminous binders and other types of roofing or waterproofing materials. Exposures may occur not only from the roofing or waterproofing materials you are working with but also from the solvents, mastics, cements, sealants, caulking compounds and other products and equipment that may be used in the operation. Always familiarize yourself with the hazards of the materials and equipment you are using and follow the precautions indicated on product labels, Material Safety Data Sheets and your health and safety training program.

I have read and understand the above warning.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Employee Name (printed)