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10 CENTER FOR ENVIRONMENTAL
11 HEALTH

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF MARIN

10 CENTER FOR ENVIRONMENTAL
11 HEALTH,

12 Plaintiff,

13 v.

14 AMERICAN-DE ROSA LAMPARTS,
15 INC., *et al.*,

16 Defendants.

Case No. CV-081722

**[PROPOSED] CONSENT JUDGMENT AS
TO DEFENDANTS AMERICAN-DE ROSA
LAMPARTS, INC., AMERICAN-DE ROSA
LAMPARTS LLC, EUROFASE, INC.,
NORWELL MFG. CO., INC., and
PROGRESS LIGHTING, INC.**

1 **1. INTRODUCTION**

2 **1.1** On April 9, 2008, plaintiff Center for Environmental Health (“Plaintiff”),
3 acting in the public interest, filed a complaint in Marin County Superior Court, entitled Center for
4 *Environmental Health v. American-De Rosa Lamparts, Inc., et al.*, Marin County Superior Court
5 Case Number CV081722 (the “Action”), for civil penalties and injunctive relief pursuant to the
6 provisions of California Health & Safety Code §25249.5 et seq. (“Proposition 65”). Plaintiff’s
7 Complaint named American-De Rosa Lamparts LLC (formally known as American-De Rosa
8 Lamparts, Inc.), Eurofase, Inc., Norwell Mfg. Co. Inc., and Progress Lighting, Inc. (collectively,
9 “Settling Defendants”) as Defendants. Plaintiff and Settling Defendants are referred to
10 collectively as the “Parties.”

11 **1.2** Each Settling Defendant is a corporation that employs 10 or more persons
12 and that manufactured, distributed and/or sold light fixtures in the State of California.

13 **1.3** For purposes of this Consent Judgment, the term “Covered Product” shall
14 mean any lighting fixture that contains lead solder or other lead-containing materials in a manner
15 such that the lead would be touched during ordinary installation, cleaning, maintenance, or use.
16 For purposes of this definition, a “fixture” is any piece of lighting equipment that is intended to
17 be attached to the inside or outside of a building or otherwise placed on real estate.

18 **1.4** On or about January 8, 2008, Plaintiff served Settling Defendants and the
19 appropriate public enforcement agencies with the requisite 60-day notice that each Settling
20 Defendant is in violation of Proposition 65. Each of CEH’s notices and its Complaint in this
21 Action allege that Settling Defendants expose individuals who use or otherwise handle the
22 Covered Products to lead and/or lead compounds (referred to interchangeably herein as “Lead”),
23 chemicals known to the State of California to cause cancer, birth defects and other reproductive
24 harm, without first providing clear and reasonable warning to such persons regarding the
25 carcinogenicity and reproductive toxicity of Lead. The notice and Complaint allege that Settling
26 Defendants’ conduct violates Health & Safety Code §25249.6, the warning provision of
27 Proposition 65.
28

1 **1.5** For purposes of this Consent Judgment only, the parties stipulate that this
2 Court has jurisdiction over the subject matter of the violations alleged in the Complaint and
3 personal jurisdiction over Settling Defendants as to the acts alleged in the Complaint, that venue
4 is proper in the County of Marin, and that this Court has jurisdiction to enter this Consent
5 Judgment as a full and final resolution of all claims which were or could have been raised in the
6 Complaint against Settling Defendants based on the facts alleged therein.

7 **1.6** The Parties enter into this Consent Judgment pursuant to a settlement of
8 certain disputed claims between the Parties as alleged in the Complaint. By executing this
9 Consent Judgment, the Parties do not admit any facts or conclusions of law. It is the Parties'
10 intent that nothing in this Consent Judgment shall be construed as an admission by the Parties of
11 any fact, conclusion of law, issue of law or violation of law, nor shall compliance with the
12 Consent Judgment constitute or be construed as an admission by the Parties of any fact,
13 conclusion of law, issue of law, or violation of law. Nothing in this Consent Judgment shall
14 prejudice, waive or impair any right, remedy, argument or defense the Parties may have in this or
15 any other or future legal proceedings.

16 **2. COMPLIANCE**

17 **2.1 Option A - Reformulation.**

18 **2.1.1 Reformulation Standard.** By April 1, 2009 (the "Compliance
19 Date"), the Settling Defendants listed on Exhibit A attached hereto (collectively, the
20 "Reformulation Defendants") shall not sell or distribute for sale in California any Covered
21 Product that contains Lead in concentrations that exceed the Reformulation Standard set forth
22 herein. For purposes of this Consent Judgment only, the Reformulation Standard means that: (a)
23 the solder used on the Covered Products contains no more than 600 parts per million ("ppm")
24 Lead; and (b) any other component of the Covered Products that is likely to be touched, contacted
25 or handled by a Covered Product user during ordinary installation, cleaning, maintenance, or use
26 of the Covered Products, including but not limited to the glass plates and metal frames of the
27 Covered Products, contain no more than 600 ppm Lead.

1 **2.1.2 Certification of level from suppliers.** Each Reformulation
2 Defendant shall obtain written certification with corresponding test results from its suppliers of
3 the Covered Products certifying that the Covered Products meet the Reformulation Standard.
4 Within 60 days following the Compliance Date, the Reformulation Defendants shall not sell or
5 distribute for sale in California any Covered Product unless the Reformulation Defendants have
6 obtained the certification for such Covered Product as required under this section.

7 **2.2 Option B - Warnings.**

8 **2.2.1** By and after the Compliance Date, the Settling Defendants listed on
9 Exhibit B hereto (collectively, the “Warning Defendants”) shall use their best efforts to comply
10 with the Reformulation Standard. The Warning Defendants shall not be under any obligation to
11 meet the Reformulation Standard with respect to the Covered Products, so long as they comply
12 with the requirements in Sections 2.2.2, 2.2.3, and 2.2.4 below. However, to the extent any
13 Warning Defendant chooses to become a Reformulation Defendant after entry of this Consent
14 Judgment, the Warning Defendant need not comply with Sections 2.2.2, 2.2.3, and 2.2.4 below,
15 but must instead comply with Sections 2.1.1 and 2.1.2 above.

16 **2.2.2** The Warning Defendants shall not sell or distribute for sale in
17 California any Covered Product on or after the Compliance Date that contains Lead in
18 concentrations that exceed the Reformulation Standard unless such Covered Product bears a label
19 containing the Proposition 65 Warning Statement. For purposes of this Consent Judgment, the
20 term “Proposition 65 Warning Statement” shall mean a label which contains the following
21 language or language that meets the requirements of Proposition 65’s safe-harbor provisions of 22
22 Cal. Code Regs. §12601(b): “WARNING: This lighting fixture contains chemicals known to the
23 State of California to cause cancer, birth defects and/or other reproductive harm. Wash hands
24 after installing, handling, cleaning or otherwise touching this light fixture.”

25 **2.2.3** The warning statement required by section 2.2.2 shall be
26 prominently displayed on the front of the outside of the packaging, and shall be displayed
27 separate and apart from any other print. The warning must be displayed with such
28 conspicuousness, as compared with other words, statements, or designs as to render it likely to be

1 read and understood by an ordinary individual. The warning statement shall not be preceded,
2 followed, or surrounded by words, symbols, or other matter that reduces its conspicuousness or
3 that introduces, modifies, qualifies, or explains the required text, such as “legal notice required by
4 law.”

5 **2.3 Plaintiff’s Confirmatory Testing.** Plaintiff may, at its discretion, conduct
6 periodic testing of the Covered Products. Any such testing will be conducted pursuant to the Test
7 Protocol attached hereto as Exhibit C at an independent laboratory. In the event that Plaintiff’s
8 testing demonstrates Lead levels in excess of the Reformulation Standard for one or more
9 Covered Products (and, with respect to a Warning Defendant, such Covered Product is not
10 labeled with the warning required by section 2.2), Plaintiff shall inform the Settling Defendant
11 alleged to be in violation of the violation(s), including information sufficient to permit the
12 Settling Defendant to identify the Covered Product(s). Plaintiff and that Settling Defendant shall
13 then meet and confer in an attempt to informally resolve the alleged violation. Should the parties
14 be unable to informally resolve the alleged violation within 30 days, Plaintiff may thereafter file a
15 motion to enforce this Consent Judgment pursuant to Section 5.

16 **2.4 Stipulated Penalties.** In addition to any other remedies provided by law, a
17 Reformulation Defendant shall be liable for stipulated penalties if it violates the Reformulation
18 Standard and a Warning Defendant shall be liable for stipulated penalties if it fails to provide a
19 warning for a Covered Product that exceeds the Reformulation Standard. The stipulated penalty
20 shall be as follows for each unit of Covered Product for which Plaintiff produces a test result with
21 Lead levels exceeding the Reformulation Standard:

22	First Occurrence:	\$250
23	Second Occurrence:	\$500
24	Third Occurrence:	\$750
25	Thereafter:	\$1,000

26 **3. SETTLEMENT PAYMENTS**

27 **3.1 Amount of Payments.** The Settling Defendants shall each pay their
28 respective sums set forth in Exhibits A and B hereto as a settlement payment. Each Settling

1 Defendant is solely responsible for its individual payment and compliance. The funds paid by the
2 Settling Defendants shall be distributed as follows:

3 **3.1.1 Monetary Payment in Lieu of Penalty.** The sum of \$23,200.00
4 shall be paid to CEH in lieu of any penalty pursuant to Health and Safety Code § 25249.7(b).
5 CEH shall use such funds to continue its work protecting people from exposures to toxic
6 chemicals. As part of this work, CEH intends to conduct periodic testing of the Products as set
7 forth in section 2.3.

8 **3.1.2 Attorneys' Fees and Costs.** The sum of \$47,800.00 as
9 reimbursement of a portion of CEH's reasonable investigation fees and costs, attorneys' fees, and
10 any other costs incurred as a result of investigating, bringing this matter to Settling Defendants'
11 attention, litigating and negotiating a settlement in the public interest.

12 **3.2 Timing of Payments.** The payments required under this Section shall be
13 made by check payable to "Lexington Law Group, LLP Attorney Client Trust Account," and
14 shall be delivered to the address for notices to CEH set forth in Exhibit D hereto within ten (10)
15 days following the Court's entry of this Consent Judgment. Any failure of a Settling Defendant
16 to comply with the payment terms shall subject the Settling Defendant who has failed to comply
17 with payment terms to a stipulated late fee in the amount of \$50 for each day after the delivery
18 date the payment is received. The late fees required under this section shall be recoverable,
19 together with reasonable attorneys' fees, in an enforcement proceeding brought pursuant to
20 section 5 of this Consent Judgment.

21 **4. MODIFICATION OF CONSENT JUDGMENT**

22 **4.1** This Consent Judgment may be modified by written agreement of Plaintiff
23 and Settling Defendants, or upon motion of Plaintiff or any Settling Defendant as provided by
24 law.

25 **5. ENFORCEMENT OF CONSENT JUDGMENT**

26 **5.1** Plaintiff may, by motion or application for an order to show cause before
27 the Superior Court of the County of Marin, enforce the terms and conditions contained in this
28 Consent Judgment. Should Plaintiff prevail on any motion or application to enforce a material

1 violation of this Consent Judgment under this section, Plaintiff shall be entitled to its reasonable
2 attorneys' fees and costs incurred as a result of such motion or application from the Defendant
3 involved in the dispute. Should any Defendant prevail on any motion or application under this
4 section, that Defendant may be awarded its reasonable attorneys' fees and costs as a result of such
5 motion or application upon a finding by the court that CEH's prosecution of the motion or
6 application was not in good faith.

7 **6. APPLICATION OF CONSENT JUDGMENT**

8 **6.1** This Consent Judgment shall apply to and be binding upon the parties
9 hereto, their divisions, subdivisions and subsidiaries, and the successors or assigns of any of
10 them.

11 **7. CLAIMS COVERED**

12 **7.1** This Consent Judgment is a full, final and binding resolution between
13 Plaintiff and each Settling Defendant of any violation of Proposition 65 that could have been
14 asserted against Settling Defendants in the Complaint based on each Settling Defendant's failure
15 to warn about exposure to Lead contained in the Covered Products, with respect to any Covered
16 Products manufactured, distributed or sold by Settling Defendants on or prior to the date of entry
17 of this Consent Judgment. This release does not limit or effect the obligations of any party
18 created under this Consent Judgment.

19 **8. SEVERABILITY**

20 **8.1** In the event that any of the provisions of this Consent Judgment are held by
21 a court to be unenforceable, the validity of the enforceable provisions shall not be adversely
22 affected. The failure of any Settling Defendant to comply with the terms of this agreement shall
23 not impact the rights and obligations of the remaining Settling Defendants.

24 **9. GOVERNING LAW**

25 **9.1** The terms of this Consent Judgment shall be governed by the laws of the
26 State of California.

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10. RETENTION OF JURISDICTION

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

11. PROVISION OF NOTICE

11.1 All notices required pursuant to this Consent Judgment and correspondence shall be sent to the persons listed on Exhibit D hereto.

12. COURT APPROVAL

12.1 If this Consent Judgment is not approved by the Court, it shall be of no further force or effect.

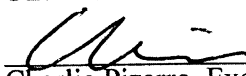
13. EXECUTION AND COUNTERPARTS

13.1 The stipulations to this Consent Judgment may be executed in counterparts and by means of facsimile, which taken together shall be deemed to constitute one document.

14. AUTHORIZATION

14.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the party he or she represents to stipulate to this Consent Judgment and to enter into and execute the Consent Judgment on behalf of the party represented and legally bind that party. The undersigned have read, understand and agree to all of the terms and conditions of this Consent Judgment. Except as explicitly provided herein, each party is to bear its own fees and costs.

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AGREED TO:
CENTER FOR ENVIRONMENTAL HEALTH

Charlie Pizarro, Executive Director
Center for Environmental Health
Dated: 2/17/2009

AMERICAN-DE ROSA LAMPARTS, LLC
f/k/a AMERICAN-DE ROSA LAMPARTS INC.

Dated: _____
Printed Name

Title

EUROFASE, INC.

Printed Name
Dated: _____
Title

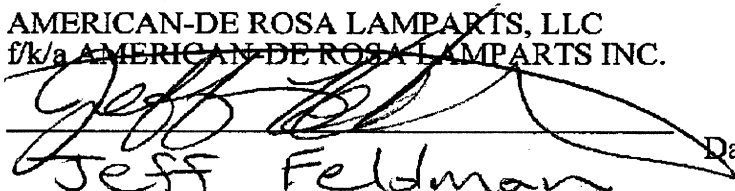
NORWELL MFG. CO. INC.

Printed Name
Dated: _____
Title

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AGREED TO:
CENTER FOR ENVIRONMENTAL HEALTH

Charlie Pizarro, Executive Director
Center for Environmental Health Dated: _____

AMERICAN-DE ROSA LAMPARTS, LLC
~~f/k/a AMERICAN-DE ROSA LAMPARTS INC.~~

Jeff Feldman Dated: 2-13-09
Printed Name
C.O.O.
Title

EUROFASE, INC.

Printed Name Dated: _____
Title

NORWELL MFG. CO. INC.

Printed Name Dated: _____
Title

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AGREED TO:

CENTER FOR ENVIRONMENTAL HEALTH

Charlie Pizarro, Executive Director
Center for Environmental Health

Dated: _____

AMERICAN-DE ROSA LAMPARTS, LLC
f/k/a AMERICAN-DE ROSA LAMPARTS INC.

Dated: _____

Printed Name

Title

EUROFASE, INC.

Printed Name

Dated: _____

Title

NORWELL MFG. CO. INC.

Alan Indursky

Alan Indursky

Dated: 2/9/09

Printed Name

CEO

Title

1 PROGRESS LIGHTING, INC.

2 *Scott H. Muse*

3 Scott H. Muse

4 Printed Name

Dated:

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5 Group Vice President

6 Title

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ORDER AND JUDGMENT

Based upon the stipulated Consent Judgment between Plaintiff and Settling Defendants,
the settlement is approved and judgment is hereby entered according to the terms herein.

Dated: _____

Judge, Superior Court of the State of California

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Exhibit A

(Reformulation Defendants)

Settling Defendant	Settlement Payment
Eurofase, Inc.,	\$12,000
Norwell Mfg. Co. Inc.	\$12,000
American-De Rosa Lamparts LLC (f/k/a American-De Rosa Lamparts, Inc.),	\$12,000

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Exhibit B
(Warning Defendants)

Settling Defendant	Settlement Payment
Progress Lighting, Inc.	\$35,000

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Exhibit C

(Test Methodology)

The following protocol shall be applied separately to each component of the Covered

Product:

- a) Comminute a small, representative, and discreet portion of the material to be analyzed.
- b) Prepare the sample for analysis using microwave digestion. Microwave digestion protocols from either of the following two methods may be used provided that the samples are completely digested:
 - 1. AOAC Official Method 999.10 (Lead, Cadmium, Zinc, Copper, and Iron in Foods)
 - 2. NIOSH 7082 (Lead by Flame AAS) Appendix – Microwave Digestion for Lead in

Paint Chips (and other matrices)

- c) Analyze the sample for total Lead (Pb) content using Graphite Furnace Atomic Absorption Spectrophotometry (GFAAS) or Inductively Coupled Plasma Mass Spectrometry (ICP-MS) using standard operating procedures.
- d) Lead content shall be expressed in parts per million (ppm).

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Exhibit D

(Persons to Receive Notice)

PLAINTIFF:	Center for Environmental Health
Notice to:	Howard Hirsch Lexington Law Group, LLP 1627 Irving Street San Francisco, CA 94122
SETTLING DEFENDANTS:	American-De Rosa Lamparts, Inc., American-De Rosa Lamparts, LLC, Eurofase, Inc., Norwell Manufacturing Co., Inc., Progress Lighting, Inc.
Notice to:	
Michael B. Fisher Buchalter Nemer 1000 Wilshire Boulevard, Suite 1500 Los Angeles, CA 90017-2457	