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6 CENTER FOR ENVIRONMENTAL HEALTH  
7

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

10  
11 CENTER FOR ENVIRONMENTAL, )  
HEALTH, a non-profit corporation, )

12 )  
Plaintiff, )

13 )  
v. )

14 )  
15 WORLD RICHMAN )  
MANUFACTURING CORPORATION, )  
and Defendant DOES 1 through 200, )  
16 inclusive; )

17 )  
Defendants. )  
18 )

CASE NO. CIV-1006651

**[PROPOSED] CONSENT JUDGMENT AS  
TO DEFENDANT WORLD RICHMAN  
MANUFACTURING CORPORATION**

1           **1. INTRODUCTION**

2           **1.1**     On December 22, 2010, Plaintiff Center for Environmental Health  
3 (“CEH”), a non-profit corporation acting in the public interest, filed a complaint in Marin County  
4 Superior Court, entitled *Center for Environmental Health v. World Richman Manufacturing*  
5 *Corporation*, Marin County Superior Court Case Number CIV-1006651 (the “Action”), for civil  
6 penalties and injunctive relief pursuant to the provisions of California Health & Safety Code  
7 §25249.5 et seq. (“Proposition 65”).

8           **1.2**     Plaintiff alleges that Defendant World Richman Manufacturing  
9 Corporation (“World Richman” or “Defendant”) is a “person in the course of doing business”  
10 under Proposition 65 and manufactures, distributes and/or sells camera cases (the “Products”) in  
11 the State of California. World Richman and CEH are referred to collectively herein as the  
12 Parties.

13           **1.3**     On or about October 13, 2010, CEH served World Richman and the  
14 appropriate public enforcement agencies with the requisite 60-day notice that World Richman is  
15 in violation of Proposition 65. CEH’s notice and the Complaint in this Action allege that World  
16 Richman exposes individuals who use or otherwise handle the Products to lead and/or lead  
17 compounds (referred to interchangeably herein as “Lead”), chemicals known to the State of  
18 California to cause cancer, birth defects and other reproductive harm, without first providing  
19 clear and reasonable warning to such persons regarding the carcinogenicity and reproductive  
20 toxicity of Lead. The notice and Complaint allege that World Richman’s conduct violates  
21 Health & Safety Code §25249.6, the warning provision of Proposition 65.

22           **1.4**     For purposes of this Consent Judgment only, the Parties stipulate that this  
23 Court has jurisdiction over the subject matter of the violations alleged in CEH’s Complaint and  
24 personal jurisdiction over World Richman as to the acts alleged in CEH’s Complaint, that venue  
25 is proper in the County of Marin, and that this Court has jurisdiction to enter this Consent  
26 Judgment as a full and final resolution of all claims which were or could have been raised in the  
27 Complaint based on the facts alleged therein.

1                   **1.5**     The Parties enter into this Consent Judgment effective on the date when  
2 this Consent Judgment is approved by the Court by the signing of the Order below, and  
3 conditional upon such approval, pursuant to a settlement of certain disputed claims between the  
4 Parties as alleged in the Complaint. By executing this Consent Judgment, the Parties do not  
5 admit any facts or conclusions of law. It is the Parties’ intent that nothing in this Consent  
6 Judgment shall be construed as an admission by the Parties of any fact, conclusion of law, issue  
7 of law or violation of law, nor shall compliance with the Consent Judgment constitute or be  
8 construed as an admission by the Parties of any fact, conclusion of law, issue of law, or violation  
9 of law. Nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy,  
10 argument or defense the Parties may have in any other or future legal proceedings. This Consent  
11 Judgment is the product of negotiation and compromise and is accepted by the parties, for  
12 purposes of settling, compromising and resolving issues disputed in this action, including future  
13 compliance by World Richman with Section 2 of this Consent Judgment, and shall not be used  
14 for any other purpose, or in any other matter.

15                   **2.       COMPLIANCE - REFORMULATION**

16                   **2.1       Lead Reformulation.** 30 days after the date when the Court signs the  
17 Order below approving this Consent Judgment (the “Compliance Date”), World Richman shall  
18 not ship, sell or offer for sale, any Product that contains any component, or is made of any  
19 material, that exceeds the following Lead limits:

20                               **2.1.1** Paint or other Surface Coatings: 90 parts per million (“ppm”).

21                               **2.1.2** Polyvinyl chloride (“PVC”): 200 ppm.

22                               **2.1.3** All other materials: 300 ppm.

23                   **2.2       Supplier Specifications and Testing.** World Richman shall include in its  
24 specifications a requirement that suppliers provide Products that comply with the Lead content  
25 requirements of Section 2.1 of this Consent Judgment. World Richman shall request from its  
26 suppliers of the Products test results demonstrating that the Products meet the requirements of  
27 Section 2.1.

1                   **2.3 Pre-market testing.** On or before the Compliance Date, World Richman,  
2 itself or through its suppliers or agents, shall test a representative sample of each of the various  
3 materials used in the Products it is currently offering for sale to determine whether such Products  
4 comply with the levels of lead as set forth in Section 2.1 of this Consent Judgment. Such testing  
5 shall be conducted by an independent laboratory.

6                   **2.4 Confirmatory testing by CEH.** CEH intends to conduct periodic testing  
7 of the Products. Such testing shall be conducted by an independent laboratory. In the event that  
8 CEH's testing demonstrates Lead levels in excess of the requirements of Section 2.1 for any  
9 Products sold in California, CEH shall inform World Richman of the alleged violation(s),  
10 including information sufficient to permit World Richman to identify the Product(s) and where  
11 they were purchased. CEH will also provide any available information so that World Richman  
12 can determine the date the products were sold, and a copy of any test results supporting CEH's  
13 claim of violation. If the Products were sold by World Richman before the Compliance Date  
14 World Richman shall not need to take any corrective action nor be in violation of this Consent  
15 Judgment. If the Products were sold by World Richman after the Compliance Date, World  
16 Richman shall, within twenty (20) days following such notice, provide CEH at the address listed  
17 in Section 11, with: (a) information demonstrating its compliance with Sections 2.2 and 2.3 of  
18 this Consent Judgment; and (b) a detailed description of corrective action that it has undertaken  
19 or proposes to undertake to address the alleged violation. If there is a dispute over the  
20 sufficiency of the proposed corrective action or its implementation, CEH shall promptly notify  
21 World Richman and the Parties shall meet and confer before CEH seeks the intervention of the  
22 Court to resolve the dispute. This remedy is in addition to any other remedies available to  
23 enforce the terms of this Consent Judgment.

24                   **2.5 Documentation.** The results of all testing performed and obtained from  
25 suppliers pursuant to this Consent Judgment shall be retained by World Richman for a period of  
26 three years from the date of the testing and shall be made available to CEH upon request.

27                   **2.6 Products in the Stream of Commerce.** Defendant's Products that have  
28 been manufactured, distributed, shipped, sold, or that are otherwise in the stream of commerce

1 prior to the Compliance Date shall be released from any claims that were brought or that could  
2 be brought by CEH in the Complaint, as though they were Covered Claims within the meaning  
3 of Section 7.1, below.

### 4 **3. SETTLEMENT PAYMENTS**

5 **3.1** Within ten (10) days of entry of this Consent Judgment, World Richman  
6 shall pay a total of \$23,750 as a settlement payment. Any failure by World Richman to comply  
7 with the payment terms herein shall be subject to a stipulated late fee in the amount of \$100 for  
8 each day after the delivery date the payment is received. The late fees required under this section  
9 shall be recoverable, together with reasonable attorneys' fees, in an enforcement proceeding  
10 brought pursuant to section 5 of this Consent Judgment. The total amount paid by World  
11 Richman shall be allocated by CEH as follows:

12 **3.1.1 Penalty:** The sum of \$2,375 in penalties pursuant to Health and  
13 Safety Code § 25249.7(b). This payment shall be made by check payable to Center for  
14 Environmental Health. CEH shall provide seventy-five percent (75%) of the civil penalty to the  
15 Safe Drinking Water and Toxic Enforcement Fund in accordance with Health and Safety Code  
16 § 25249.12.

17 **3.1.2 Monetary Payment in Lieu of Penalty:** \$6,875 shall be paid to  
18 CEH in lieu of any penalty pursuant to Health and Safety Code § 25249.7(b). This payment  
19 shall be made by check payable to Center for Environmental Health. CEH shall use such funds  
20 to continue its work protecting people from exposures to toxic chemicals. As part of this work,  
21 CEH intends to conduct periodic testing of the Products as set forth in Section 2.4. In addition,  
22 as part of its Community Environmental Action and Justice Fund, CEH will use four percent of  
23 such funds to award grants to grassroots environmental justice groups working to educate and  
24 protect people from exposures to toxic chemicals. The method of selection of such groups can  
25 be found at the CEH web site at [www.ceh.org/justicefund](http://www.ceh.org/justicefund).

26 **3.1.3 Attorneys' Fees and Costs:** \$14,500 shall be used to reimburse  
27 CEH and its attorneys for a portion of their reasonable investigation fees and costs, attorneys'  
28 fees, and any other costs incurred as a result of investigating, bringing this matter to World

1 Richman’s attention, litigating and negotiating a settlement in the public interest, and securing  
2 entry of this Consent Judgment. This payment shall be made by check payable to Lexington  
3 Law Group.

4 **4. MODIFICATION OF CONSENT JUDGMENT**

5 **4.1** This Consent Judgment may be modified by written agreement of CEH  
6 and World Richman, or upon motion of CEH or World Richman as provided by law.

7 **5. ENFORCEMENT OF CONSENT JUDGMENT**

8 **5.1** Either Party may, by motion or application for an order to show cause  
9 before the Superior Court of the County of Marin, enforce the terms and conditions contained in  
10 this Consent Judgment. Should the moving party prevail on any motion, application for an order  
11 to show cause or other proceeding to enforce a violation of this Consent Judgment, the moving  
12 party shall be entitled to its reasonable attorneys’ fees and costs incurred as a result of such  
13 motion or application.

14 **6. APPLICATION OF CONSENT JUDGMENT**

15 **6.1** This Consent Judgment shall apply to and be binding upon the Parties  
16 hereto, their divisions, subdivisions and subsidiaries, and the successors or assigns of any of  
17 them.

18 **7. RELEASE**

19 **7.1** This Consent Judgment is a full, final and binding resolution between  
20 CEH acting on behalf of itself and in the public interest, and Defendant and its parents,  
21 shareholders, divisions, subdivisions, subsidiaries, partners, affiliates and their successors and  
22 assigns (“Defendant Releasees”), and those to whom Defendant Releasees distribute or sell the  
23 Products, including but not limited to distributors, wholesalers, customers, retailers, franchisees,  
24 cooperative members, and licensees (“Downstream Defendant Releasees”), of any violation of  
25 Proposition 65 or any other statutory or common law claims that have been or could have been  
26 asserted in the public interest against Defendant, Defendant Releasees, and Downstream  
27 Defendant Releasees regarding the alleged failure to warn about alleged exposures to lead  
28 resulting from any Products manufactured, distributed or sold by Defendant on or prior to the

1 date of entry of this Consent Judgment (“Covered Claims”).

2           **7.2** CEH, its directors, officers, employees and attorneys, for themselves and  
3 acting on behalf of the public interest pursuant to Health & Safety Code § 25249.7(d), hereby  
4 release, waive and forever discharge any and all Covered Claims that have been or could have  
5 been asserted in the public interest against Defendant, Defendant Releasees and Downstream  
6 Defendant Releasees.

7           **7.3** Compliance with the terms of this Consent Judgment by Defendant and  
8 Defendant Releasees shall constitute compliance by that Defendant, its Defendant Releasees and  
9 their Downstream Defendant Releasees with Proposition 65 for purposes of exposures to lead  
10 from Products manufactured, distributed or sold by Defendant after the Compliance Date.

11           **8. SEVERABILITY**

12           **8.1** In the event that any of the provisions of this Consent Judgment are held  
13 by a court to be unenforceable, the validity of the enforceable provisions shall not be adversely  
14 affected.

15           **9. GOVERNING LAW**

16           **9.1** The terms of this Consent Judgment shall be governed by the laws of the  
17 State of California. Nothing in this Consent Judgment shall in any way affect any rights that  
18 World Richman might have against any other party.

19           **10. RETENTION OF JURISDICTION**

20           **10.1** This Court shall retain jurisdiction of this matter to implement and enforce  
21 the terms this Consent Judgment.

22           **11. PROVISION OF NOTICE**

23           **11.1** All notices required pursuant to this Consent Judgment and  
24 correspondence shall be sent to the following:

25 For CEH:           Howard Hirsch  
26                       Lexington Law Group  
27                       503 Divisadero Street  
28                       San Francisco, CA 94117

1 For World Richman: David Huang  
2 World Richman Manufacturing Corp.  
3 2505 Bath Road  
4 Elgin, IL 60124

5 With copy to: James Robert Maxwell  
6 Rogers Joseph O'Donnell  
7 311 California Street  
8 10<sup>th</sup> Floor  
9 San Francisco, CA 94104

10 **12. COURT APPROVAL**

11 **12.1** If this Consent Judgment is not approved by the Court within nine months,  
12 it shall be of no further force or effect, and CEH will return all money paid by World Richman  
13 within 15 days of its written request. CEH will prepare and file a Motion for Approval of this  
14 Consent Judgment. The Parties agree to support a Motion for Approval of this Consent  
15 Judgment. In the event that World Richman contends that Proposition 65 is repealed, preempted  
16 or is otherwise rendered inapplicable by reason of law, or as to the Products, World Richman  
17 may provide written notice to CEH. The parties will thereafter meet and confer in good faith and  
18 if they cannot agree as to the continuing applicability of Proposition 65, any dispute hereunder  
19 will be submitted to the Court.

20 **13. ATTORNEYS' FEES**

21 **13.1** Except as otherwise provided in this Modified Consent Judgment, each  
22 Party shall bear its own attorneys' fees and costs.

23 **14. EXECUTION AND COUNTERPARTS**

24 **14.1** The stipulations to this Consent Judgment maybe executed in counterparts  
25 and by means of facsimile or portable document format (pdf), which taken together shall be  
26 deemed to constitute one document.

27 **15. AUTHORIZATION**

28 **15.1** 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



1 party. The undersigned have read, understand and agree to all of the terms and conditions of this  
2 Consent Judgment. Except as provided herein, each party is to bear its own fees and costs.

3

4 **AGREED TO:**

5

CENTER FOR ENVIRONMENTAL HEALTH

Dated: Sept 22, 2011

6



7

Signature

8



9

Printed Name

10



11

Title

12

13 WORLD RICHMAN MANUFACTURING  
CORPORATION

Dated: \_\_\_\_\_, 2011

14

15

Signature

16

17

Printed Name

18

19

Title

20

21

**ORDER AND JUDGMENT**

22

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

24

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

25

26

\_\_\_\_\_  
Judge, Superior Court of the State of California

27

28

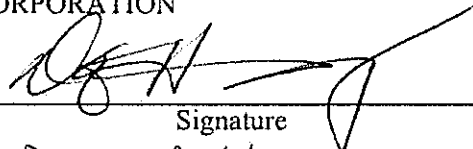
1 party. The undersigned have read, understand and agree to all of the terms and conditions of this  
2 Consent Judgment. Except as provided herein, each party is to bear its own fees and costs.

3  
4 **AGREED TO:**

5 CENTER FOR ENVIRONMENTAL HEALTH Dated: \_\_\_\_\_, 2011

6  
7 \_\_\_\_\_  
Signature  
8  
9 \_\_\_\_\_  
Printed Name  
10  
11 \_\_\_\_\_  
Title

12 WORLD RICHMAN MANUFACTURING Dated: 9/23, 2011  
13 CORPORATION

14   
15 \_\_\_\_\_  
Signature  
16 David Huang  
17 \_\_\_\_\_  
Printed Name  
18 President  
19 \_\_\_\_\_  
Title

20  
21 **ORDER AND JUDGMENT**

22 Based upon the stipulated Consent Judgment between the Parties, the settlement is  
23 approved and judgment is hereby entered according to the terms herein.

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

25  
26 \_\_\_\_\_  
27 Judge, Superior Court of the State of California