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|                      | 6<br>7<br>8<br>9      | DAVID WILLIAMS (SBN 144479) BRIAN ACREE (SBN 202505) 370 Grand Avenue, Suite 5 Oakland, CA94610 Telephone: (510) 271-0826 Facsimile: (510) 271-0829 davidhwilliams@earthlink.net brianacree@earthlink.net   |   |  |
|                      | 11<br>12              | Attorneys For Plaintiff MATEEL ENVIRONMENTAL JUSTICE FOUNDATION   |   |  |
|                      | 13                    | SUPERIOR COURT OF THE STATE OF CALIFORNIA   |   |  |
|                      | 14                    | COUNTY OF SAN FRANCISCO   |   |  |
|                      | 15                    |   |   |  |
|                      | 16                    | MATEEL ENVIRONMENTAL JUSTICE FOUNDATION,  | ) Case No. CGC-11-512045                          |  |
|                      | 17                    | Plaintiff,  | ) CONSENT JUDGMENT AS TO                          |  |
|                      | 18                    | v.  | ) SAMAR COMPANY, INC. AND<br>) MANLEY PERFORMANCE |  |
|                      | 19                    | LEHR INCORPORATED, et al.,  | ) PRODUCTS, INC.                                  |  |
|                      | 20                    | Defendants.   | {   |  |
|                      | 21                    |   | }   |  |
|                      | 22                    | . INTRODUCTION  |   |  |
|                      | 23                    | 1. INTRODUCTION  1.1 On June 28, 2011, the Mateel Environmental Justice Foundation ("Plaintiff MEJF") acting on behalf of itself and the general public, filed a Complaint for civil penalties and injunctive relief ("Complaint") in San Francisco Superior Court, Case No. CGC-11-512045, |   |  |
|                      | 24                    |   |   |  |
|                      | 25                    |   |   |  |
|                      | 26<br>27              | against Samar, Inc. ("Samar"), Manley Performance Products, Inc., ("Manley") (collectively  |   |  |
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|                      |                       | CONSENT JUDGMENT  |   |  |

referred to as "Settling Defendants") and others. The Complaint alleges, among other things, that Settling Defendants violated provisions of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code Sections 25249.5, et seq. (Proposition 65) by failing to give clear and reasonable warnings to those residents of California who handle and use products made of, or incorporate parts made of, brass and/or bronze, that handling and use of these products causes those residents to be exposed to lead and/or lead compounds. Lead is known to the State of California to cause cancer and/or birth defects or other reproductive harm. The Complaint was based upon a 60-Day Notice letter, dated November 20, 2008, sent by MEJF to Samar, and a 60-Day Notice letter dated March 3, 2011, sent by MJEF to Manley. Copies of both 60-Day Notice letters also were sent to the California Attorney General, all District Attorneys, and all City Attorneys with populations exceeding 750,000.

1.2 Settling Defendants are businesses that employ more than ten persons, and manufacture, distribute and/or market brass tools, including but not limited to air hoses and air hose accessories (as to Samar) and including but not limited to fishing scales and other fishing tools (as to Manley) (collectively "Brass Products"). Brass Products contain components manufactured from brass that contains lead and/or lead compounds. Pursuant to Health and Safety Code Section 25249.8, lead and lead compounds are chemicals known to the State of California to cause cancer and reproductive toxicity. Plaintiff MEJF alleges that Brass Products with components containing lead-containing brass that are sold by Settling Defendants for use in California require a warning under Proposition 65, pursuant to Health and Safety Code Section 25249.6. Settling Defendants deny that their products violate any statute, rule or regulation and deny that a warning is required. For purposes of this Consent Judgment only, the parties stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction over Settling Defendants as to the acts alleged in the Complaint, that venue is proper in the County of San Francisco and that this Court has jurisdiction to enter this Consent Judgment as a full settlement and resolution of the allegations contained in the Complaint and of

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all claims which were or could have been raised by any person or entity based in whole or in part, directly or indirectly, on the facts alleged therein or arising therefrom or related to.

- 1.3 This Consent Judgment resolves claims that are denied and disputed. The parties enter into this Consent Judgment pursuant to a full and final settlement of any and all claims between the parties for the purpose of avoiding prolonged litigation. The Settling Defendants deny all material, factual, and legal allegations contained in the 60-Day Notice letters and the Complaint, and maintain that all of the products they have manufactured, imported, distributed, shipped, offered for sale and/or sold in California, including any products that are the subject of this Consent Judgment, have been and are in compliance with all laws. Nothing in this Consent Judgment or any actions taken to comply with it shall be construed as an admission by any Released Entity of any fact, finding, conclusion, issue of law, or any wrongdoing, misconduct, culpability or violation of law, the same being specifically denied, nor may this Consent Judgment or compliance with it be used as evidence of any wrongdoing, misconduct, culpability or liability on the part of any Released Entity in this action or in any other action or proceeding.
  - 1.4 For purposes of this Consent Judgment, the term "Covered Products" means Brass Products as described in paragraph 1.2, that contain one or more components manufactured from brass, and that are manufactured, marketed or sold by Settling Defendants.
    - 1.5 The term "Effective Date" means 90 days after entry of this Consent Judgment.

# 2. <u>SETTLEMENT PAYMENTS</u>

2.1 In settlement of all of the claims that are alleged, or could have been alleged, in the Complaint concerning Covered Products, Samar and Manley each shall pay \$8,062 to the Klamath Environmental Law Center ("KELC") to cover Plaintiff's attorneys' fees. Additionally, Samar and Manley each shall pay \$1,000 to the Ecological Rights Foundation, and \$1,000 to Californians for Alternatives to Toxics, for use toward reducing exposures to toxic chemicals and other pollutants, and toward increasing consumer, worker and community awareness of health hazards posed by lead and other toxic chemicals. The parties agree and acknowledge that the

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charitable contributions made pursuant to this section shall not be construed as a credit against the personal claims of absent third parties for restitution against the defendant.

- 2.2 Samar and Manley each shall also pay \$500 in civil penalties. Mateel waives its entitlement to 25% of this amount, and thus the entire amount of civil penalties shall be made payable, pursuant to the statute, to the Office of Environmental Health Hazard Assessment (OEHHA).
- 2.3 The above described payments shall be forwarded by Settling Defendants to their respective counsel so that they are received at least 5 days prior to the hearing date scheduled for approval of this Consent Judgment. Settling Defendants' counsel shall notify Klamath Environmental Law Center, via email, upon receipt of the funds. If the Consent Judgment is not approved with 120 days of the date scheduled for approval, the above described payments shall be returned and the provisions of this Consent judgment shall become null and void. If the Consent Judgment is approved and entered by the Court, on that day Settling Defendant's counsel shall ensure the above described payments are delivered, via UPS or FedEx for next business day delivery, to Klamath Environmental Law Center.

### 3. ENTRY OF CONSENT JUDGMENT

3.1 The parties hereby request that the Court promptly enter this Consent Judgment.

Upon entry of the Consent Judgment, Settling Defendants and MEJF waive their respective rights to a hearing or trial on the allegations of the Complaint.

# 4. MATTERS COVERED BY THIS CONSENT JUDGMENT

- 4.1 As to alleged exposures to lead or lead compounds from Covered Products, this Consent Judgment provides a full release of liability on behalf of the Public Interest to Samar and Manley, (as well as their past, present and future parents, subsidiaries affiliates, predecessors, successors, and assigns "Released Entities"), as to all claims and matters raised in the Notices of Violation.
- 4.2 As to alleged exposures to lead or lead compounds from Covered Products and any failure to warn of such exposures, MEJF, by and on behalf of itself and its respective agents,

successors and assigns, waives any and all rights to institute any form of legal action, and releases all claims against Settling Defendants and the Released Entities, and all of their respective parents, subsidiaries or affiliates, and all of their suppliers, customers, distributors, wholesalers, retailers, or any other person in the course of doing business, and the successors and assigns of any of them, who may use, maintain, distribute or sell the Covered Products, whether, under Proposition 65, any statute, common law or otherwise, arising out of or resulting from, or related directly or indirectly to, in whole or in part, the Covered Products, including but not limited to any exposure to, or failure to warn with respect to, the Covered Products (referred to collectively in this paragraph as the "Claims"). In furtherance of the foregoing, as to alleged exposures to Covered Products, MEJF hereby waives any and all rights and benefits which it now has, or in the future may have, conferred upon it with respect to the Claims by virtue of the provisions of section 1542 of the California Civil Code, which provides as follows:

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

4.3 MEJF understands and acknowledges that the significance and consequence of this waiver of California Civil Code section 1542 is that even if MEJF suffers future damages arising out of or resulting from, or related directly or indirectly to, in whole or in part, the Covered Products, including but not limited to any exposure to, or failure to warn with respect to exposure to, lead or lead compounds from Covered Products, MEJF will not be able to make any claim for those damages against the Settling Defendants or the Released Entities. Furthermore, MEJF acknowledges that it intends these consequences for any such Claims as may exist as of the date of this release but which MEJF does not know exist, and which, if known, would materially affect their decision to enter into this Consent Judgment, regardless of whether their lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

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ENFORCEMENT OF JUDGMENT

- 5.1 The terms of this Consent Judgment shall be enforced exclusively by the parties hereto. The parties may, by noticed motion or order to show cause before the Superior Court of San Francisco County, giving the notice required by law, enforce the terms and conditions contained herein. A Party may enforce any of the terms and conditions of this Consent Judgment only after that Party first provides 30days notice to the Party allegedly failing to comply with the terms and conditions of this Consent Judgment and attempts to resolve such Party's failure to comply in an open and good faith manner.
- 5.2 In any proceeding brought by either party to enforce this Consent Judgment, such party may seek whatever fines, costs, penalties or remedies as may be provided by law for any violation of Proposition 65 or this Consent Judgment.

## 6. MODIFICATION OF JUDGMENT

- 6.1 This Consent Judgment may be modified only upon written agreement of the parties and upon entry of a modified Consent Judgment by the Court thereon, or upon motion of any party as provided by law and upon entry of a modified Consent Judgment by the Court.
- 6.2 If, with respect to brass containing lead, the Attorney General of the State of California or Plaintiff permit any other reformulation standard by way of settlement or compromise with any other person in the course of doing business, or any other entity, or if another reformulation standard for brass is incorporated by way of final judgment as to any other person in the course of doing business, or any other entity, then Settling Defendants are entitled to seek a modification to this Consent Judgment on the same terms as provided in those settlements, compromises or judgments.

## 7. **INJUNCTIVE RELIEF**

7.1 The requirements of this paragraph 7 shall apply only to Covered Products that are manufactured by Settling Defendants after the Effective Date.

- 7.2 As to any Covered Product that contains a component made from brass that contains lead as an intentionally added ingredient, where such brass comes into contact with the user, a warning that contains one of the following warning statements shall be provided:
- (a) "WARNING: This product contains chemicals, including lead, known to the State of California to cause birth defects and other reproductive harm. Wash hands after handling" or
- (b) "WARNING: Handling the brass parts of this product will expose you to lead, a chemical known to the State of California to cause birth defects and other reproductive harm. Wash hands after handling."

The word "WARNING" shall be in bold text, and the phrase "Wash hands after handling" shall be in bold italic text.

- printed on the Covered Product itself or to the Covered Product's packaging, labeling, or instruction booklet, if any. The warning shall be prominently affixed to or printed on the Covered Product or packaging, labeling, or instruction booklet, and displayed with such conspicuousness, as compared with other words, statements, designs, or devices on the Covered Product, or its packaging, labeling, or instruction booklet, as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use. For purposes of this paragraph, a warning may be contained in the same section of the packaging, labeling, or instruction booklet that contains other safety warnings, if any, concerning the use of the Covered Product, or near its displayed price and/or UPC code. The type size of the warning must be legible, but need not be any larger than any other warning provided for the Covered Product, and its relative size may take into account the nature, immediacy, and acuteness of the risks for which other warnings are provided.
- (d) Notwithstanding the above, Settling Defendants and any of their downstream customers may continue to sell-through products that are currently in stock and that

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carry the following warning statement: "Warning: This product contains chemicals known by the State of California to cause cancer, birth defects, or other reproductive harm."

# TERMINATION AND RETENTION OF JURISDICTION

This Court shall retain jurisdiction of this matter to implement and enforce the 8.1 terms this Consent Judgment.

# **AUTHORITY TO STIPULATE**

Each signatory to this Consent Judgment certifies that he or she is fully authorized 9.1 by the party he or she represents to enter into this Consent Judgment and to execute it on behalf of the party represented and legally to bind that party.

### **DUTIES LIMITED TO CALIFORNIA** 10.

This Consent Judgment shall have no effect on Covered Products sold outside the 10.1 State of California.

### SERVICE ON THE ATTORNEY GENERAL 11.

KELC shall serve a copy of this Consent Judgment, signed by both parties, on the 11.1 California Attorney General on behalf of the parties so that the Attorney General may review this Consent Judgment prior to its submittal to the Court for approval. No sooner than forty five (45) days after the Attorney General has received the aforementioned copy of this Consent Judgment, and in the absence of any written objection by the Attorney General to the terms of this Consent Judgment, the parties may then submit it to the Court for approval.

#### **ENTIRE AGREEMENT** 12.

This Consent Judgment contains the sole and entire agreement and understanding 12.1 of the parties with respect to the entire subject matter hereof and any and all prior discussions, negotiations, commitments and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any party hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the parties.

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| 8  | WILLIAM VERICK                             |  |
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|  | COMPETER WINDOWS                           |  |

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| 7                                      | WILLIAM VERICK                                 |  |
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| 9                                      | DATED;SAMAR COMPANY, INC.                      |  |
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| 11<br>12                               | ITS: PRESIDENT                                 |  |
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