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14 SUPERIOR COURT FOR THE STATE OF CALIFORNIA
15 FOR THE COUNTY OF ALAMEDA

16 CENTER FOR ENVIRONMENTAL HEALTH, a
17 non-profit corporation,

18 Plaintiff,

19 v.

20 AMERIWOOD INDUSTRIES, INC., *et al.*,

21 Defendants.

22 LAURENCE VINOCUR,

23 Plaintiff,

24 v.

25 TRUE DESIGN, INC., *et al.*,

26 Defendants.
27
28

For Entry in Case Nos. RG-13673027 and
RG-13673582

**[PROPOSED] CONSENT
JUDGMENT AS TO
DEFENDANT MILLWORK
HOLDINGS CO., INC. DBA
TRUE DESIGNS, INC., TRUE
NORTH AMERICA INC., AND
TRUE INNOVATIONS LLC**

*Assigned for All Purposes to the Honorable
George Hernandez, Jr., Department 17*

1 **1. INTRODUCTION**

2 1.1. This Consent Judgment is entered into by Plaintiffs, Center for Environmental
3 Health (“CEH”), a non-profit corporation, and Laurence Vinocur (“Vinocur”), an individual, and
4 Defendants Millwork Holdings Co., Inc. and True Innovations LLC (collectively, “Defendant”)
5 to settle claims asserted by CEH and Vinocur against Defendant as set forth in their respective
6 complaints entitled *Center for Environmental Health v. Ameriwood Industries, Inc., et al.*
7 (Alameda County Superior Court Case No. RG-13673582), and *Laurence Vinocur v. True*
8 *Design, Inc., et al.* (Alameda County Superior Court Case No. RG-13673072) (collectively, the
9 “Actions”). CEH, Vinocur, and Defendant are each referred to individually as a “Party” and
10 collectively as the “Parties.”

11 1.2. On January 10, 2013, Vinocur served a “Notice of Violation” of the California
12 Safe Drinking Water and Toxic Enforcement Act of 1986 (“Proposition 65”) (the “First Vinocur
13 Notice”) on True Designs, Inc., the California Attorney General, the District Attorneys of every
14 County in the State of California, and the City Attorneys for every City in State of California
15 with a population greater than 750,000. The First Vinocur Notice alleges violations of
16 Proposition 65 with respect to the presence of tris (1,3-dichloro-2-propyl) phosphate (“TDCPP”)
17 in padded upholstered furniture manufactured, sold, and/or distributed for sale in California by
18 True Designs, Inc.

19 1.3. On June 19, 2013, Vinocur served a “Notice of Violation” of Proposition 65 (the
20 “Second Vinocur Notice”) on True Designs, Inc., the California Attorney General, the District
21 Attorneys of every County in the State of California, and the City Attorneys for every City in
22 State of California with a population greater than 750,000. The Second Vinocur Notice alleges
23 violations of Proposition 65 with respect to the presence of TDCPP in foam-padded upholstered
24 chairs and recliners, and di(2-ethylhexyl)phthalate (“DEHP”) in recliners with vinyl or polyvinyl
25 chloride components, manufactured, sold, and/or distributed for sale in California by True
26 Designs, Inc..

27 1.4. On July 17, 2013, CEH served a “Notice of Violation” of Proposition 65 (the
28 “First CEH Notice”) on True North America Inc. dba True Designs, Inc. and True Innovations

1 LLC, the California Attorney General, the District Attorneys of every County in the State of
2 California, and the City Attorneys for every City in State of California with a population greater
3 than 750,000. The First CEH Notice alleges violations of Proposition 65 with respect to the
4 presence of TDCPP in foam-cushioned upholstered furniture manufactured, distributed, and/or
5 sold by True North America Inc. dba True Designs, Inc. and True Innovations LLC.

6 1.5. Also on July 17, 2013, CEH served a “Notice of Violation” of Proposition 65 (the
7 “Second CEH Notice”) on True North America Inc. dba True Designs, Inc. and True Innovations
8 LLC, the California Attorney General, the District Attorneys of every County in the State of
9 California, and the City Attorneys for every City in State of California with a population greater
10 than 750,000. The Second CEH Notice alleges violations of Proposition 65 with respect to the
11 presence of lead and lead compounds in faux leather furniture manufactured, distributed, and/or
12 sold by True North America Inc. dba True Designs, Inc. and True Innovations LLC. The First
13 and Second Vinocur Notices, and the First and Second CEH Notices, are referred to collectively
14 as the “Notices.”

15 1.6. Defendant is a corporation that employs ten (10) or more persons. Defendant
16 Millwork Holdings Co., Inc. does business under the name of True Designs, and is the successor-
17 in-interest to defendants True North America Inc. and True Designs, Inc..

18 1.7. For purposes of this Consent Judgment only, the Parties stipulate that: (i) this
19 Court has jurisdiction over the allegations of violations contained in the Notices and Complaints
20 and personal jurisdiction over Defendant as to the acts alleged in the Complaints; (ii) venue is
21 proper in Alameda County; and (iii) this Court has jurisdiction to enter this Consent Judgment as
22 a full and final resolution of all claims which were or could have been raised in the Complaints
23 based on the facts alleged in the Notices and Complaints with respect to Covered Products
24 manufactured, distributed, and/or sold by Defendant.

25 1.8. The Parties enter into this Consent Judgment as a full and final settlement of all
26 claims that were or which could have been raised in the Complaints arising out of the facts or
27 conduct related to Defendant alleged therein. By execution of this Consent Judgment and
28 agreeing to comply with its terms, the Parties do not admit any fact, conclusion of law, or

1 violation of law, nor shall compliance with the Consent Judgment constitute or be construed as
2 an admission by the Parties of any fact, conclusion of law, or violation of law. Defendant denies
3 the material, factual, and legal allegations in the Notices and Complaints and expressly denies
4 any wrongdoing whatsoever. Except as specifically provided herein, nothing in this Consent
5 Judgment shall prejudice, waive, or impair any right, remedy, argument, or defense any Party
6 may have in this or any other pending or future legal proceedings. This Consent Judgment is the
7 product of negotiation and compromise and is accepted by the Parties solely for purposes of
8 settling, compromising, and resolving issues disputed in these Actions.

9 **2. DEFINITIONS**

10 2.1. “Accessible Component” means a component of a Covered Faux Leather Product
11 that may be touched or handled during a reasonably foreseeable use.

12 2.2. “Chemical Flame Retardant” means any halogenated or phosphorous-based
13 chemical compound used for the purpose of resisting or retarding the spread of fire. “Chemical
14 Flame Retardant” does not include any chemical that has been rated as a Benchmark 4 chemical
15 pursuant to Clean Production Action’s GreenScreen ([http://www.cleanproduction.org/
16 Green.Greenscreen.php](http://www.cleanproduction.org/Green.Greenscreen.php)).

17 2.3. “Covered Faux Leather Products” means faux leather furniture (*i.e.*, furniture with
18 a polyvinyl chloride or other soft plastic, vinyl, or synthetic leather component) manufactured,
19 distributed, and/or sold by Defendant in California.

20 2.4. “Covered Foam-Cushioned Products” means foam-cushioned upholstered
21 furniture, including, without limitation, chairs and recliners, manufactured, distributed, and/or
22 sold by Defendant in California.

23 2.5. “Covered Products” means Covered Foam-Cushioned Products and Covered Faux
24 Leather Products.

25 2.6. “DEHP Limit” means the maximum concentration of DEHP by weight specified
26 in Section 3.3.2.

27 2.7. “Effective Date” means the date on which the Court enters this Consent
28 Judgment.

1 2.8. “Lead Limits” means the maximum concentrations of lead and lead compounds
2 (“Lead”) by weight specified in Section 3.2.2.

3 2.9. “Listed Chemical Flame Retardants” means Tris(1,3-dichloro-2-propyl)
4 phosphate (“TDCPP”), Tris(2-chloroethyl) phosphate (“TCEP”), and Tris(2,3-dibromopropyl)
5 phosphate (“TDBPP”).

6 2.10. “Paint or other Surface Coatings” means a fluid, semi-fluid, or other material,
7 with or without a suspension of finely divided coloring matter, which changes to a solid film
8 when a thin layer is applied to a metal, wood, stone, paper, leather, cloth, plastic, or other
9 surface. This term does not include printing inks or those materials which actually become a part
10 of the substrate, such as the pigment in a plastic article, or those materials which are actually
11 bonded to the substrate, such as by electroplating or ceramic glazing.

12 2.11. “Reformulated Products” are Covered Products that comply with the Listed
13 Chemical Flame Retardant Limit, Lead Limits and DEHP Limit established by this Consent
14 Judgment.

15 2.12. “TB 117” means Technical Bulletin No. 117, entitled “Requirements, Test
16 Procedures and Apparatus for Testing the Flame Retardance of Filling Materials Used in
17 Upholstered Furniture,” dated March 2000.

18 2.13. “TB 117-2013” means the proposed Technical Bulletin 117-2013, entitled
19 “Requirements, Test Procedures and Apparatus for Testing the Smolder Resistance of Materials
20 Used in Upholstered Furniture,” released for review and public comment on February 8, 2013
21 (re-released on August 19, 2013) by the California Bureau of Electronic and Appliance Repair,
22 Home Furnishings and Thermal Insulation.

23 2.14. “TB 117-2013 Effective Date” means the date on which filling materials and
24 cover fabrics in upholstered furniture are required to meet the fire retardant requirements in TB
25 117-2013 pursuant to Section 1374 of Article 2 of Title 4 of the California Code of Regulations.

26 2.15. “Listed Chemical Flame Retardant Limit” means the maximum concentration of a
27 Listed Chemical Flame Retardant specified in Section 3.1.1.

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1 2.16. “Treated” means the addition or application of any Chemical Flame Retardant to
2 any polyurethane foam, cushioning, or padding used as filling material in any Covered Foam-
3 Cushioned Product.

4 2.17. “Untreated Foam” means polyurethane foam that has not been Treated with any
5 Chemical Flame Retardant.

6 **3. INJUNCTIVE RELIEF**

7 3.1. **TDCPP and Other Proposition 65-Listed Chemical Flame Retardants in**
8 **Covered Foam-Cushioned Products**

9 3.1.1. **Reformulation of Covered Foam-Cushioned Products.** As of the
10 Effective Date, Defendant shall not manufacture, or distribute, sell, or offer for sale in California
11 any Covered Foam-Cushioned Product that has a Manufacture Date that is on or later than the
12 Effective Date which has been intentionally Treated with or contains in excess of “No Detectable
13 Amount” of a Listed Chemical Flame Retardant means containing no more than 25 parts per
14 million (“ppm”) (the equivalent of 0.0025%) each of any Listed Chemical Flame Retardant,
15 when analyzed by an accredited laboratory pursuant to EPA testing methodologies 3545 and
16 8270C, or equivalent methodologies utilized by federal or state agencies to determine the
17 presence or absence of, or to measure the amount of, a Listed Chemical Flame Retardant in a
18 solid substance.

19 3.1.2. **Warnings for Products in Inventory.** Any Covered Foam-Cushioned
20 Products in which the polyurethane foam has been Treated with any Listed Chemical Flame
21 Retardant and which is manufactured prior to the Effective Date, but distributed, sold, or offered
22 for sale by Defendant in California after the Effective Date, shall be accompanied by a Clear and
23 Reasonable Warning that complies with Section 3.1.3.

24 3.1.3. **Proposition 65 Warnings.** A Clear and Reasonable Warning under this
25 Consent Judgment shall state:

26 **WARNING:** This product contains TDCPP [and/or TCEP and/or
27 TDBPP], a flame retardant chemical[s] known to the
28 State of California to cause cancer.¹

¹ The regulatory safe harbor warning language specified in 27 Cal. Code Regs § 25603.2 may also be used if Defendant employed it prior to the Effective Date. Should Defendant seek to use

1 A Clear and Reasonable Warning shall not be preceded by, surrounded by, or include any
2 additional words or phrases that contradict, obfuscate, or otherwise undermine the warning. The
3 warning statement shall be prominently displayed on the Covered Foam-Cushioned Product or
4 the packaging of the Covered Foam-Cushioned Product with such conspicuousness, as compared
5 with other words, statements, or designs as to render it likely to be read and understood by an
6 ordinary individual prior to sale. Any warning displayed on the bottom of an unpackaged
7 Covered Foam-Cushioned Product offered for sale to California consumers shall not be
8 considered a Clear and Reasonable Warning for purposes of this Section. For internet, catalog,
9 or any other sale where the consumer is not physically present and cannot see a warning
10 displayed on the Covered Foam-Cushioned Product or the packaging of the Covered Foam-
11 Cushioned Product prior to purchase or payment, the warning statement shall be displayed in
12 such a manner that it is likely to be read and understood prior to the authorization of or actual
13 payment.

14 **3.1.4. Warnings for Products in the Stream of Commerce.** For any Covered
15 Product that True Design sold to a retailer after October 31, 2011 (a) in which the polyurethane
16 foam has been Treated with TDCPP, and (b) for which True Design knows or has reason to
17 believe that (i) the retailer is holding such Covered Product in inventory for sale in California,
18 and (ii) a Proposition 65 warning is not already affixed to the Covered Product or is otherwise
19 being provided by the retailer, within 15 days following the Effective Date True Design shall
20 either send to the retailer warning materials that comply with Section 3.1.3 for such Covered
21 Products or direct the retailer to discontinue sale of the Covered Product in California.

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24 alternative warning language, other than the language specified above or the safe harbor warning
25 specified in 27 Cal. Code Regs § 25603.2, or seek to use an alternate method of transmission of
26 the warning, Defendant shall obtain the Court's approval of its proposed alternative and provide
27 CEH, Vinocur, and the Office of the Attorney General with timely notice and the opportunity to
28 comment or object before the Court acts on the request. In the event that Defendant's application
for Court approval of an alternative warning is contested by CEH or Vinocur, the prevailing Party
shall be entitled to its reasonable attorneys' fees associated with opposing or responding to the
opposition to the application. No fees shall be recoverable for the initial application seeking an
alternative warning.

1 **3.1.5. Specification To and Certification From Suppliers.** To ensure
2 compliance with the product reformulation provisions of this Consent Judgment, Defendant shall
3 issue specifications to its suppliers of polyurethane foam requiring that the polyurethane foam
4 has not been Treated with any Listed Chemical Flame Retardant. Defendant shall obtain and
5 maintain written certification from its suppliers of polyurethane foam confirming that all such
6 foam received by Defendant for distribution in California after the Effective Date has not been
7 Treated with any Listed Chemical Flame Retardant.

8 **3.2. Lead in Covered Faux Leather Products**

9 **3.2.1. Specification Compliance Date.** To the extent it has not already done so,
10 no more than thirty (30) days after the Effective Date, Defendant shall provide the Lead Limits
11 to its then-current suppliers of Covered Faux Leather Products and shall instruct each supplier to
12 use reasonable efforts to provide Covered Faux Leather Products that comply with the Lead
13 Limits on a nationwide basis.

14 **3.2.2. Lead Limits.** Commencing on the Effective Date, Defendant shall not
15 purchase, import, or manufacture any Covered Faux Leather Product that will be sold or offered
16 for sale to California consumers with an Accessible Component that exceeds the following Lead
17 Limits:

18 3.2.2.1. Paint or other Surface Coatings: 90 parts per million (“ppm”).

19 3.2.2.2. Polyvinyl chloride (“PVC”): 200 ppm.

20 **3.3. DEHP in Covered Faux Leather Products**

21 **3.3.1. Specification Compliance Date.** To the extent it has not already done so,
22 no more than thirty (30) days after the Effective Date, Defendant shall provide the DEHP Limits
23 to its then-current suppliers of Covered Faux Leather Products and shall instruct each supplier to
24 use reasonable efforts to provide Covered Faux Leather Products that comply with the DEHP
25 Limits on a nationwide basis.

26 **3.3.2. DEHP Limits.** Commencing on the Effective Date, Defendant shall not
27 purchase, import, or manufacture for sale in California any Covered Faux Leather Product that
28 will be sold or offered for sale to California consumers that contains more than 1,000 ppm DEHP

1 content by weight in any Accessible Component analyzed pursuant to EPA testing
2 methodologies 3580A and 8270C, or equivalent methodologies utilized by state or federal
3 agencies for the purpose of determining DEHP content in a solid substance.

4 **3.4. Market Withdrawal of Covered Products.** On or before the Effective Date,
5 Defendant shall have: (1) ceased shipping (i) the Covered Foam-Cushioned Products identified
6 in the First CEH Notice as non-exclusive exemplars, (ii) the Covered Faux Leather Products
7 identified in the Second CEH Notice as non-exclusive exemplars, (iii) the Covered Foam-
8 Cushioned Products identified in the First and Second Vinocur Notices as non-exclusive
9 exemplars, and (iv) the Covered Faux Leather Products identified in the Second Vinocur Notice
10 as non-exclusive exemplars (collectively, “Noticed Products”) to stores in California, and (2)
11 sent instructions to any customers offering Noticed Products for sale in California to cease doing
12 so and either to return all unsold Noticed Products to Defendant for destruction or disposal or to
13 destroy or dispose of such Noticed Products directly. Any destruction or disposal of Noticed
14 Products shall be in compliance with all applicable laws. Within ninety (90) days after the
15 Effective Date, Defendant shall certify to CEH and Vinocur that it has complied with the
16 requirements of this Section. If there is a dispute over the implementation of these requirements,
17 CEH, Vinocur, and Defendant shall meet and confer before seeking any remedy in court.

18 **4. PENALTIES AND PAYMENTS**

19 **4.1. Payments to CEH.** Defendant shall make an initial payment to CEH in the total
20 sum of forty thousand dollars (\$40,000), which shall be allocated as follows:

21 4.1.1. \$4,400 shall constitute a penalty pursuant to Cal. Health & Safety Code §
22 25249.7(b), such money to be apportioned by CEH in accordance with Cal. Health & Safety
23 Code § 25249.12.

24 4.1.2. \$6,000 shall constitute a payment in lieu of civil penalty pursuant to Cal.
25 Health & Safety Code § 25249.7(b) and 11 Cal. Code Regs § 3203(b). CEH will use such funds
26 to continue its work of educating and protecting the public from exposures to toxic chemicals,
27 including Chemical Flame Retardants and Lead. CEH may also use a portion of such funds to
28 monitor compliance with this Consent Judgment and to purchase and test Defendant’s products

1 to confirm compliance. In addition, as part of its Community Environmental Action and Justice
2 Fund, CEH will use four percent (4%) of such funds to award grants to grassroots environmental
3 justice groups working to educate and protect the public from exposures to toxic chemicals. The
4 method of selection of such groups can be found at the CEH website at
5 www.ceh.org/justicefund.

6 4.1.3. \$29,600 shall constitute reimbursement of CEH's reasonable attorneys'
7 fees and costs.

8 4.1.4. The payment required under this Section shall be made in three separate
9 checks. All of the payments shall be sent within 10 days following the Effective Date. The
10 payments required pursuant to Section 4.1.1 and 4.1.2 shall each be made payable to CEH and
11 mailed to CEH at the address set forth in Section 9 below. The payment required pursuant to
12 Section 4.1.3 shall be made payable to Lexington Law Group and mailed to Lexington Law
13 Group at the address set forth in Section 9 below.

14 4.1.5. **Additional Payment.** In the event that Defendant does not certify
15 compliance with Section 5.2, Defendant shall make an additional payment of \$17,500 to CEH 30
16 days following the TB 117-2013 Effective Date. This additional payment shall be allocated as
17 follows:

18 4.1.5.1. \$7,000 shall constitute a penalty pursuant to Cal. Health &
19 Safety Code § 25249.7(b), such money to be apportioned by CEH in accordance with Cal. Health
20 & Safety Code § 25249.12.

21 4.1.5.2. \$10,500 shall constitute a payment in lieu of civil penalty
22 pursuant to Cal. Health & Safety Code § 25249.7(b) and 11 Cal. Code Regs § 3203(b). CEH
23 will use such funds as set forth in Section 4.1.2.

24 4.2. **Payments to Vinocur.** Defendant shall pay to Vinocur the total sum of sixty-six
25 thousand dollars (\$66,000), which shall be allocated as follows:

26 4.2.1. \$18,000 shall constitute a penalty pursuant to Cal. Health & Safety Code §
27 25249.7(b), such money to be apportioned by Vinocur in accordance with Cal. Health & Safety
28 Code § 25249.12.

1 4.2.2. \$48,000 shall constitute reimbursement of Vinocur’s reasonable attorneys’
2 fees and costs.

3 4.2.3. **Additional Payment.** In the event that Defendant does not certify
4 compliance with Section 5.1, Defendant shall make an additional civil penalty payment of
5 \$20,000 to Vinocur no later than December 15, 2013. This additional civil penalty payment shall
6 be allocated in accordance with Cal. Health & Safety Code § 25249.12.

7 4.2.4. The payment required under subsections 4.2.1 and 4.2.2 shall be made in
8 three separate checks to be delivered within 10 days of the Effective Date and mailed to the
9 address set forth in Section 9.1.2(b) below. The payments required pursuant to Section 4.2.1
10 shall be made payable to “The Chanler Group in Trust for Laurence Vinocur” in the amount of
11 \$4,500, and to “OEHHA” in the amount of \$13,500. The payment required pursuant to Section
12 4.2.2 shall be made payable to “The Chanler Group.”

13 **5. OPTIONAL PENALTY REDUCTION CREDITS AND WAIVERS**

14 5.1. **Accelerated Reformulation Waiver.** The additional payment to Vinocur set
15 forth in Section 4.2.3 in the amount of \$20,000 shall be waived, if Defendant agrees that, as of
16 December 31, 2013, and continuing thereafter, Defendant will only manufacture, import, sell, or
17 distribute for sale in California, Reformulated Products as defined in Section 2.11 above. To
18 qualify for this waiver of additional payment to Vinocur, an officer of Defendant’s organization
19 must provide Vinocur with a written certification confirming timely compliance with the above
20 reformulation standards no later than December 15, 2013. The option to certify early
21 reformulation in lieu of making an additional payment to Vinocur constitutes a material term of
22 this Consent Judgment, and with regard to such term, time is of the essence.

23 5.2. **Additional Reformulation Waiver – Use of Untreated Foam.** The additional
24 payment to CEH set forth in Section 4.1.5 in the amount of \$17,500 shall be waived, if
25 Defendant agrees that, as of the TB 117-2013 Effective Date, Defendant will not manufacture,
26 import, sell, or distribute for sale in California any Covered Foam-Cushioned Product that has
27 been Treated with any Chemical Flame Retardant. To qualify for this waiver of additional
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1 payment to CEH, Defendant must provide written certification to CEH of its use of only
2 Untreated Foam within 30 days following the TB 117-2013 Effective Date.

3 **5.2.1. Specification To and Certification From Suppliers.** To ensure
4 compliance with the provisions of Section 5.2, to the extent that Defendant opts for additional
5 reformulation, Defendant shall directly or through its supply chain issue specifications to its
6 suppliers of polyurethane foam, cushioning, or padding used as filling material in any Covered
7 Foam-Cushioned Product requiring that such components shall use only Untreated Foam.
8 Defendant shall not be deemed in violation of the requirements of this Section 5.2.1 for any
9 Covered Foam-Cushioned Product to the extent: (a) it has relied on a written certification from
10 its vendor that supplied a Covered Foam-Cushioned Product or the polyurethane foam,
11 cushioning, or padding used as filling material in the Covered Foam-Cushioned Product is made
12 with only Untreated Foam, and/or (b) have obtained a test result from a certified laboratory
13 reporting that the Covered Foam-Cushioned Product's polyurethane foam, cushioning, or
14 padding used as filling material has been made with Untreated Foam. Defendant shall obtain and
15 maintain written certification(s) from its suppliers of polyurethane foam, cushioning, or padding
16 confirming that all such foam received by Defendant for distribution in California is Untreated
17 Foam.

18 **6. ENFORCEMENT OF CONSENT JUDGMENT**

19 6.1. CEH and/or Vinocur may, by motion or application for an order to show cause
20 before the Superior Court of Alameda County, enforce the terms and conditions contained in this
21 Consent Judgment. Prior to bringing any motion or application to enforce the requirements of
22 Sections 3 or 5 above, CEH and/or Vinocur shall provide Defendant with a Notice of Violation
23 and a copy of any test results which purportedly support CEH's and/or Vinocur's Notice of
24 Violation. The Parties shall then meet and confer regarding the basis for CEH's and/or
25 Vinocur's anticipated motion or application in an attempt to resolve it informally, including
26 providing Defendant a reasonable opportunity of at least thirty (30) days to cure any alleged
27 violation. Should such attempts at informal resolution fail, CEH and/or Vinocur may file its/his
28 enforcement motion or application. The prevailing Party on any motion to enforce this Consent

1 Judgment shall be entitled to its/his reasonable attorney's fees and costs incurred as a result of
2 such motion or application. This Consent Judgment may only be enforced by the Parties.

3 **7. MODIFICATION OF CONSENT JUDGMENT**

4 7.1. This Consent Judgment may only be modified by a written agreement of the
5 Parties, or upon motion brought by CEH, Vinocur, or Defendant, as provided by law, and the
6 subsequent entry of a modified judgment by the Court thereon.

7 **8. CLAIMS COVERED AND RELEASE**

8 8.1. This Consent Judgment is a full, final, and binding resolution between CEH and
9 Vinocur acting in the public interest, and Defendant and Defendant's parents, officers, directors,
10 shareholders, divisions, subdivisions, subsidiaries, partners, affiliated companies and their
11 predecessors, successors and assigns ("Defendant Releasees") and all entities to whom they
12 distribute or sell Covered Products including, but not limited to, distributors, wholesalers,
13 customers, retailers, franchisees, cooperative members, and licensees ("Downstream Defendant
14 Releasees") of all claims arising from any violation of Proposition 65 that have been or could
15 have been asserted in the public interest against Defendant, Defendant Releasees, and
16 Downstream Defendant Releasees, regarding the failure to warn about exposures to TDCPP,
17 DEHP, and/or Lead in the Covered Products manufactured, distributed, or sold by Defendant
18 prior to the Effective Date, as alleged in the Notices.

19 8.2. CEH and Vinocur, for themselves, release, waive, and forever discharge any and
20 all claims alleged in the in the Actions, or either complaint filed therein, against Defendant,
21 Defendant Releasees, and Downstream Defendant Releasees arising from any violation of
22 Proposition 65 that have been or could have been asserted regarding the failure to warn about
23 exposures to TDCPP, DEHP, and/or Lead in connection with Covered Products manufactured,
24 distributed, or sold by Defendant prior to the Effective Date, as alleged in the Notices.

25 8.3. Compliance with the terms of this Consent Judgment by Defendant and the
26 Downstream Defendant Releasees shall constitute compliance with Proposition 65 by Defendant,
27 Defendant Releasees, and Downstream Defendant Releasees with respect to any alleged failure
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1 to warn about TDCPP, DEHP, and/or Lead in Covered Products manufactured, distributed, or
2 sold by Defendant after the Effective Date.

3 8.4. Defendant, on its own behalf, and on behalf of its past and current agents,
4 representatives, attorneys, successors, and assignees, hereby waives any and all claims against
5 CEH and Vinocur and their attorneys and other representatives, for any and all actions taken or
6 statements made by CEH and Vinocur and their attorneys and other representatives, whether in
7 the course of investigating claims, otherwise seeking to enforce Proposition 65 against it in the
8 Complaints, or with respect to the Covered Products.

9 **9. PROVISION OF NOTICE**

10 9.1 When any Party is entitled to receive any notice under this Consent Judgment, the
11 notice shall be sent by first class and electronic mail as follows:

12 9.1.1. **Notices to Defendant.** The persons for Defendant to receive notices
13 pursuant to this Consent Judgment shall be:

14 Millwork Holdings Co., Inc.
15 Attn: General Counsel for LF USA, Inc.
16 350 Fifth Avenue, 9th Floor
17 New York, NY 10118

18 With a copy to:

19 Jeffrey B. Margulies
20 Fulbright & Jaworski LLP
21 555 South Flower Street, 41st Floor
22 Los Angeles, CA 90071

23 9.1.2. **Notices to Plaintiffs.** The persons for CEH and Vinocur to receive
24 notices pursuant to this Consent Judgment shall be:

25 9.1.2(a). For CEH:

26 Rick Franco
27 Center for Environmental Health
28 2201 Broadway, Suite 302
Oakland, California 94612
rick@ceh.org

with a copy to:

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Mark Todzo
Lexington Law Group
503 Divisadero Street
San Francisco, CA 94117
mtodzo@lexlawgroup.com

9.1.2(b). For Vinocur:

The Chanler Group
Attn: Proposition 65 Coordinator
2560 Ninth Street
Parker Plaza, Suite 214
Berkeley, CA 94710

9.2. Any Party may modify the person and address to whom the notice is to be sent by sending the other Parties notice by first class and electronic mail.

10. COURT APPROVAL

10.1. This Consent Judgment shall become effective on the Effective Date, provided however, that CEH and Vinocur shall cooperate on the preparation and filing of a Motion for Approval of this Consent Judgment, and Defendant shall support approval of such Motion, including appearing at the hearing on the motion if so requested.

10.2. If this Consent Judgment is not entered by the Court, it shall be of no force or effect and shall not be introduced into evidence or otherwise used in any proceeding for any purpose.

11. GOVERNING LAW AND CONSTRUCTION

11.1. The terms and obligations arising from this Consent Judgment shall be construed and enforced in accordance with the laws of the State of California.

12. ENTIRE AGREEMENT

12.1. This Consent Judgment contains the sole and entire agreement and understanding of CEH, Vinocur, and Defendant with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, or understandings related thereto, if any, are hereby merged herein and therein.

1 12.2. There are no warranties, representations, or other agreements between CEH,
2 Vinocur, and Defendant except as expressly set forth herein. No representations, oral or
3 otherwise, express or implied, other than those specifically referred to in this Consent Judgment
4 have been made by any Party hereto.

5 12.3. No other agreements not specifically contained or referenced herein, oral or
6 otherwise, shall be deemed to exist or to bind any of the Parties hereto. Any agreements
7 specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind
8 any of the Parties hereto only to the extent that they are expressly incorporated herein.

9 12.4. No supplementation, modification, waiver, or termination of this Consent
10 Judgment shall be binding unless executed in writing by the Party to be bound thereby.

11 12.5. No waiver of any of the provisions of this Consent Judgment shall be deemed or
12 shall constitute a waiver of any of the other provisions hereof whether or not similar, nor shall
13 such waiver constitute a continuing waiver.

14 **13. RETENTION OF JURISDICTION**

15 13.1. This Court shall retain jurisdiction of this matter to implement or modify the
16 Consent Judgment.

17 **14. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT**

18 14.1. Each signatory to this Consent Judgment certifies that he or she is fully authorized
19 by the Party he or she represents to stipulate to this Consent Judgment and to enter into and
20 execute the Consent Judgment on behalf of the Party represented and to legally bind that Party.

21 **15. NO EFFECT ON OTHER SETTLEMENTS**

22 15.1. Nothing in this Consent Judgment shall preclude CEH and/or Vinocur from
23 resolving any claim against another entity on terms that are different than those contained in this
24 Consent Judgment.

25 **16. EXECUTION IN COUNTERPARTS**

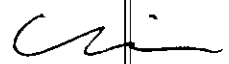
26 16.1. The stipulations to this Consent Judgment may be executed in counterparts and by
27 means of facsimile, which taken together shall be deemed to constitute one document.
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IT IS SO STIPULATED:

Dated: March 14, 2014

CENTER FOR ENVIRONMENTAL HEALTH



Signature

CHARLES PIZANO

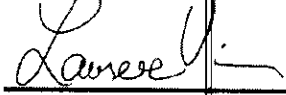
Printed Name

ASSOCIATE DIRECTOR

Title

Dated: March 11, 2014

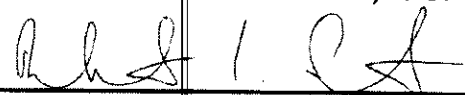
LAURENCE VINO CUR



Signature

Dated: 2-28, 2014

MILLWORK HOLDINGS CO., INC.



Signature

Robert K. Smits

Printed Name EVP - Secretary

Title

Dated: _____, 2014

TRUE INNOVATIONS LLC.

Signature

Printed Name

Title

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IT IS SO STIPULATED:

Dated: _____, 2014

CENTER FOR ENVIRONMENTAL HEALTH

Signature

Printed Name

Title

Dated: _____, 2014

LAURENCE VINOCUR

Signature

Dated: _____, 2014

MILLWORK HOLDINGS CO., INC.

Signature

Printed Name

Title

Dated: Mar 11, 2014

TRUE INNOVATIONS LLC.



Signature

ANTHONY SAI LEWNG KO

Printed Name

CFO

Title

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IT IS SO ORDERED, ADJUDGED, AND DECREED:

Dated: _____, 2014

Judge of the Superior Court of the State of
California, County of Alameda