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	CENTÉR FOR ENVIRONMENTAL HEALTH			
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12	SUPERIOR COURT FOR THE STATE OF CALIFORNIA			
13	FOR THE COUNTY OF ALAMEDA			
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15				
16	CENTER FOR ENVIRONMENTAL HEALTH, a non-profit corporation,	Case No. RG-13683725		
17	Plaintiff,	[PROPOSED] CONSENT		
18	v.	JUDGMENT RE: AMINI INNOVATION CORP.		
19				
20	Britax Child Safety, Inc., et al.,			
21	Defendants.			
22				
23	1. Introduction			
24	1.1. This Consent Judgment is entered into by Plaintiff Center for Environmental			
25	Health, a non-profit corporation ("CEH"), and Defendant Amini Innovation Corp. ("Defendant")			
26	to settle claims asserted by CEH against Defendant as set forth in the operative Complaint in the			
27	matter Center for Environmental Health v. Britax Child Safety, Inc., et al., Alameda County			
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CONSENT JUDGMENT AS TO AMINI INNOVATION CORP. – CASE NO. RG-13683725

Superior Court Case No. RG-13683725 (the "Action"). CEH and Defendant are referred to collectively as the "Parties."

- 1.2. On June 18, 2013, CEH served a "Notice of Violation" (the "Notice") relating to the California Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65") on Defendant, the California Attorney General, the District Attorneys of every County in the State of California, and the City Attorneys for every City in State of California with a population greater than 750,000. The Notice alleges violations of Proposition 65 with respect to the presence of tris (1,3-dichloro-2-propyl) phosphate ("TDCPP") in foam-cushioned upholstered furniture manufactured, distributed, and/or sold by Defendant.
- 1.3. Defendant is a corporation that employs ten (10) or more persons and that manufactures, distributes, and/or sells Covered Products (as defined herein) in the State of California.
- 1.4. For purposes of this Consent Judgment only, the Parties stipulate that: (i) this Court has jurisdiction over the allegations of violations contained in the Notice and Complaint and personal jurisdiction over Defendant as to the acts alleged in the Complaint; (ii) venue is proper in the County of Alameda; and (iii) this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims which were or could have been raised in the Complaint based on the facts alleged in the Notice and Complaint with respect to Covered Products manufactured, distributed, and/or sold by Defendant.
- 1.5. The Parties enter into this Consent Judgment as a full and final settlement of all claims which were or could have been raised in the Complaint arising out of the facts or conduct related to Defendant alleged therein. By execution of this Consent Judgment and agreeing to comply with its terms, the Parties do not admit any fact, conclusion of law, or violation of law, nor shall compliance with the Consent Judgment constitute or be construed as an admission by the Parties of any fact, conclusion of law, or violation of law. Defendant denies the material, factual, and legal allegations in the Notice and Complaint and expressly denies any wrongdoing whatsoever. Except as specifically provided herein, nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy, argument, or defense either Party may have in this

or any other pending or future legal proceedings. This Consent Judgment is the product of negotiation and compromise and is accepted by the Parties solely for purposes of settling, compromising, and resolving issues disputed in this Action.

2. DEFINITIONS

- 2.1. "Chemical Flame Retardant" means any halogenated or phosphorous-based chemical compound used for the purpose of resisting or retarding the spread of fire. "Chemical Flame Retardant" does not include any chemical that has been rated as a Benchmark 4 chemical pursuant to Clean Production Action's GreenScreen (http://www.cleanproduction.org/ Green.Greenscreen.php).
- 2.2. "Covered Products" means foam-cushioned upholstered furniture manufactured, distributed, and/or sold by Defendant in California.
 - 2.3. "Effective Date" means the date on which the Court enters this Consent Judgment.
- 2.4. "Listed Chemical Flame Retardants" means Tris(1,3-dichloro-2-propyl) phosphate ("TDCPP"), Tris(2-chloroethyl) phosphate ("TCEP"), and Tris(2,3-dibromopropyl)phosphate ("TDBPP").
- 2.5. "Manufacture Date" means the date the Covered Product was manufactured and as may be indicated on a tag attached to the Covered Product.
- 2.6. "TB 117" means Technical Bulletin No. 117, entitled "Requirements, Test Procedures and Apparatus for Testing the Flame Retardance of Filling Materials Used in Upholstered Furniture," dated March 2000.
- 2.7. "TB 117-2013" means Technical Bulletin 117-2013, entitled "Requirements, Test Procedures and Apparatus for Testing the Smolder Resistance of Materials Used in Upholstered Furniture," approved on November 21, 2013 by the California Bureau of Electronic and Appliance Repair, Home Furnishings and Thermal Insulation.
- 2.8. "TB 117-2013 Effective Date" means the date on which filling materials and cover fabrics in upholstered furniture are required to meet the fire retardant requirements in TB 117-2013 pursuant to the amendments to Section 1374 of Article 2 of Title 4 of the California Code of Regulations.

- 2.9. "Treated" means the addition or application of any Chemical Flame Retardant to any polyurethane foam, cushioning, or padding used as filling material in any Covered Product.
- 2.10. "Untreated Foam" means polyurethane foam that has not been Treated with any Chemical Flame Retardant.

3. Injunctive Relief

- 3.1. **Reformulation of Covered Products.** Defendant shall comply with the following requirements to reformulate the Covered Products to eliminate exposures to TDCPP and other Chemical Flame Retardants arising from the use of the Covered Products:
- 3.1.1. **Listed Chemical Flame Retardants All Covered Products.** As of October 1, 2014, Defendant shall not distribute, sell, or offer for sale in California any Covered Product that has been Treated with any Listed Chemical Flame Retardant and which has a Manufacture Date that is on or later than October 1, 2014.
- 3.1.1.1. **Specification To and Certification From Suppliers**. To ensure compliance with the reformulation provisions of this Section 3.1.1, following October 1, 2014, Defendant shall directly or through its supply chain issue specifications to its suppliers of polyurethane foam, cushioning, or padding used as filling material in any Covered Product requiring that such components have not been Treated with Listed Chemical Flame Retardants in accordance with the requirements of this Section 3.1.1. Defendant shall obtain and maintain written certification(s) from its suppliers of polyurethane foam, cushioning, or padding confirming that all such foam received by Defendant for distribution in California has not been Treated with Listed Chemical Flame Retardants. Defendant shall not be deemed in violation of the requirements of this Section 3.1.1 for any Covered Product to the extent: (a) it has relied on a written certification from its vendor that supplied a Covered Product or the polyurethane foam, cushioning, or padding used as filling material in the Covered Product that such Covered Product, foam, cushioning or padding is made with only Untreated Foam, and/or, if such certification is not relied on or has previously been demonstrated to be invalid, (b) it has obtained a test result from an independent third party certified laboratory reporting that the Covered Product's

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A Clear and Reasonable Warning shall not be preceded by, surrounded by, or include any additional words or phrases that contradict, obfuscate, or otherwise undermine the warning. The warning statement shall be prominently displayed on the Covered Product or the packaging of the Covered Product with such conspicuousness, as compared with other words, statements, or designs as to render it likely to be read and understood by an ordinary individual prior to sale. For internet, catalog, or any other sale where the consumer is not physically present and cannot see a warning displayed on the Covered Product or the packaging of the Covered Product prior to purchase or payment, the warning statement shall be displayed in such a manner that it is likely to be read and understood prior to the authorization of or actual payment.

- 3.2. Optional Additional Reformulation – Use of Untreated Foam. In order Defendant to be eligible for a waiver of the additional penalty/payment in lieu of penalty payments set forth in Section 4.1.5 below, Defendant shall undertake the additional actions to reduce or eliminate the use of Chemical Flame Retardants set forth herein. As of October 1, 2014, Defendant shall not manufacture or cause to be manufactured for sale in California any Covered Product that has been Treated with any Chemical Flame Retardant. As of the TB 117-2013 Effective Date, Defendant shall not distribute, sell, or offer for sale in California any Covered Product that has been Treated with any Chemical Flame Retardant. In order to avoid the additional payments, Defendant must provide written certification to CEH of its use of only Untreated Foam within 30 days following the TB 117-2013 Effective Date.
- 3.2.1. **Specification To and Certification From Suppliers**. To ensure compliance with the reformulation provisions of this Section 3.2, to the extent that Defendant opts for additional reformulation, it shall directly or through its supply chain issue specifications to its suppliers of polyurethane foam, cushioning, or padding used as filling material in any

and the Office of the Attorney General with timely notice and the opportunity to comment or 25 26

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, 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.

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Covered Product requiring that such components shall use only Untreated Foam. Defendant shall not be deemed in violation of the requirements of this Section 3.2 for any Covered Product to the extent: (a) it has relied on a written certification from its vendor that supplied a Covered Product or the polyurethane foam, cushioning, or padding used as filling material in the Covered Product is made with only Untreated Foam, and/or (b) has obtained a test result from a certified laboratory reporting that the Covered Product's polyurethane foam, cushioning, or padding used as filling material has been made with Untreated Foam. Defendant shall obtain and maintain written certification(s) from its suppliers of polyurethane foam, cushioning, or padding confirming that all such foam received by Defendant for distribution in California is Untreated Foam.

4. PENALTIES AND PAYMENT

- 4.1. Defendant shall initially pay to CEH the total sum of sixty thousand dollars (\$60,000), which shall be allocated as follows:
- 4.1.1. \$6,600 shall constitute a penalty pursuant to Cal. Health & Safety Code § 25249.7(b), such money to be apportioned by CEH in accordance with Cal. Health & Safety Code § 25249.12.
- 4.1.2. \$9,000 shall constitute a payment in lieu of civil penalty pursuant to Cal. Health & Safety Code § 25249.7(b) and 11 C.C.R. § 3202(b). CEH will use such funds to continue its work of educating and protecting the public from exposures to toxic chemicals, including chemical flame retardants. CEH may also use a portion of such funds to monitor compliance with this Consent Judgment and to purchase and test Defendant's products to confirm compliance. In addition, as part of its Community Environmental Action and Justice Fund, CEH will use four percent (4%) of such funds to award grants to grassroots environmental justice groups working to educate and protect the public from exposures to toxic chemicals. The method of selection of such groups can be found at the CEH website at www.ceh.org/justicefund.
- 4.1.3. \$44,400 shall constitute reimbursement of CEH's reasonable attorneys' fees and costs.
- 4.1.4. The payments required under Sections 4.1.1-4.1.3 shall be made in three separate checks, all to be delivered within 10 days following the Effective Date. The payments

required pursuant to Sections 4.1.1 and 4.1.2 shall each be made payable to CEH. The payment required pursuant to Section 4.1.3 shall be made payable to Lexington Law Group. All checks shall be delivered to Mark Todzo at Lexington Law Group at the address set forth in Section 8.

- 4.1.5. In the event that Defendant elects not to certify its compliance with Section 3.2 in accordance with that Section, within 30 days following the TB 117-2013 Effective Date, Defendant must make an additional payment of \$24,000, which shall be paid in two separate checks, each payable to CEH, to be allocated as follows:
- 4.1.5.1. \$9,600 shall constitute a penalty pursuant to Cal. Health & Safety Code § 25249.7(b), such money to be apportioned by CEH in accordance with Cal. Health & Safety Code § 25249.12.
- 4.1.5.2. \$14,400 shall constitute a payment in lieu of civil penalty pursuant to Cal. Health & Safety Code § 25249.7(b) and 11 C.C.R. § 3202(b). CEH will use such funds to continue its work of educating and protecting the public from exposures to toxic chemicals, including chemical flame retardants. CEH may also use a portion of such funds to monitor compliance with this Consent Judgment and to purchase and test Defendant's products to confirm compliance. In addition, as part of its Community Environmental Action and Justice Fund, CEH will use four percent (4%) of such funds to award grants to grassroots environmental justice groups working to educate and protect the public from exposures to toxic chemicals. The method of selection of such groups can be found at the CEH website at www.ceh.org/justicefund.

5. Enforcement of Consent Judgment

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

motion or application. The prevailing party on any motion to enforce this Consent Judgment shall be entitled to its reasonable attorney's fees and costs incurred as a result of such motion or application. This Consent Judgment may only be enforced by the Parties.

6. MODIFICATION OF CONSENT JUDGMENT

6.1. This Consent Judgment may only be modified by written agreement of CEH and Defendant, or upon motion of CEH or Defendant as provided by law.

7. CLAIMS COVERED AND RELEASE

- 7.1. This Consent Judgment is a full, final, and binding resolution between CEH acting in the public interest and Defendant and Defendant's parents, officers, directors, shareholders, divisions, subdivisions, subsidiaries, and their respective successors and assigns ("Defendant Releasees") and all entities to whom they distribute or sell or have distributed or sold Covered Products including, but not limited to, distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees ("Downstream Defendant Releasees"), of all claims alleged in the Complaint in this Action arising from any violation of Proposition 65 that have been or could have been asserted in the public interest against Defendant and Downstream Defendant Releasees, regarding the failure to warn about exposure to TDCPP in the Covered Products manufactured, distributed, or sold by Defendant prior to the Effective Date.
- 7.2. CEH, for itself, releases, waives, and forever discharges any and all claims alleged in the Complaint against Defendant and Downstream Defendant Releasees arising from any violation of Proposition 65 that have been or could have been asserted regarding the failure to warn about exposure to TDCPP in connection with Covered Products manufactured, distributed, or sold by Defendant prior to the Effective Date.
- 7.3. Compliance with the terms of this Consent Judgment by Defendant and the Downstream Defendant Releasees shall constitute compliance with Proposition 65 by Defendant and Downstream Defendant Releasees with respect to any alleged failure to warn about TDCPP in Covered Products manufactured, distributed, or sold by Defendant after the Effective Date.

9.2. 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.

10. GOVERNING LAW AND CONSTRUCTION

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

11. ENTIRE AGREEMENT

- 11.1. This Consent Judgment contains the sole and entire agreement and understanding of CEH 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.
- 11.2. There are no warranties, representations, or other agreements between CEH and Defendant except as expressly set forth herein. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Consent Judgment have been made by any Party hereto.
- 11.3. No other agreements not specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto. Any agreements specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto only to the extent that they are expressly incorporated herein.
- 11.4. No supplementation, modification, waiver, or termination of this Consent Judgment shall be binding unless executed in writing by the Party to be bound thereby.
- 11.5. No waiver of any of the provisions of this Consent Judgment shall be deemed or shall constitute a waiver of any of the other provisions hereof whether or not similar, nor shall such waiver constitute a continuing waiver.

12. RETENTION OF JURISDICTION

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

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1 13. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT 2 13.1. 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 3 execute the Consent Judgment on behalf of the Party represented and to legally bind that Party. 4 5 14. NO EFFECT ON OTHER SETTLEMENTS 6 14.1. Nothing in this Consent Judgment shall preclude CEH from resolving any claim against another entity on terms that are different from those contained in this Consent Judgment. 7 8 15. **EXECUTION IN COUNTERPARTS** 9 15.1. The stipulations to this Consent Judgment may be executed in counterparts and by 10 means of facsimile, which taken together shall be deemed to constitute one document. 11 12 IT IS SO STIPULATED: 13 Dated: 15 Juy , 2014 CENTER FOR ENVIRONMENTAL HEALTH 14 15 16 17 18 19 20 Dated: ______, 2014 AMINI INNOVATION CORP. 21 22 23 24 Printed Name 25 26 Title 27 28 -12-

AUTHORITY TO STIPULATE TO CONSENT JUDGMENT 1 13. 13.1. Each signatory to this Consent Judgment certifies that he or she is fully authorized 2 by the Party he or she represents to stipulate to this Consent Judgment and to enter into and 3 execute the Consent Judgment on behalf of the Party represented and to legally bind that Party. 4 NO EFFECT ON OTHER SETTLEMENTS 5 14. 14.1. Nothing in this Consent Judgment shall preclude CEH from resolving any claim 6 against another entity on terms that are different from those contained in this Consent Judgment. 7 8 15. **EXECUTION IN COUNTERPARTS** 9 15.1. 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. 10 11 12 IT IS SO STIPULATED: 13 Dated: _____, 2014 CENTER FOR ENVIRONMENTAL HEALTH 14 15 16 17 Printed Name 18 Title 19 20 AMINI INNOVATION CORP. 21 22 23 24 Printed Name 25 26 Title 27 28 DOCUMENT PREPARED ON RECYCLED PAPER

CONSENT JUDGMENT AS TO AMINI INNOVATION CORP. - CASE NO. RG-13683725

1	It Is So Ordered, Adjudged, and Decreed:		
2	AND DECREED:		
3	Dated:	, 2014	
4			Judge of the Superior Court of the State of California, County of Alameda
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