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

CENTER FOR ENVIRONMENTAL HEALTH,)	Case No. RG 15-765388
)	
Plaintiff,)	[PROPOSED] CONSENT JUDGMENT
)	AS TO BRITISH WHOLESALE
v.)	IMPORTS, INC.
)	
JAMES KEILLER & SONS LIMITED, <i>et al.</i> ,)	
)	
Defendants.)	
)	
)	

1. INTRODUCTION

1.1 The Parties to this Consent Judgment are the Center For Environmental Health (“CEH”), a California non-profit corporation, and British Wholesale Imports, Inc. (“Settling Defendant”). CEH and Settling Defendant (the “Parties”) enter into this Consent Judgment to settle certain claims asserted by CEH against Settling Defendant as set forth in the operative complaint (“Complaint”) in the above-captioned matter. This Consent Judgment covers the lead

1 content of jam, marmalade, and preservatives containing ginger (“Covered Products”) that are
2 sold, distributed, or offered for sale by Settling Defendant in the State of California.

3 1.2 On February 18, 2016, CEH provided a 60-day Notice of Violation of Proposition
4 65 to the California Attorney General, the District Attorneys of every county in California, the
5 City Attorneys of every California city with a population greater than 750,000, and to Settling
6 Defendant, alleging that Settling Defendant violated Proposition 65 by exposing persons to lead
7 and lead compounds (“Lead”) contained in Covered Products without first providing a clear and
8 reasonable Proposition 65 warning.

9 1.3 Settling Defendant is a corporation or other business entity that manufactures,
10 distributes, sells, or offers for sale Covered Products that are sold in the State of California or has
11 done so in the past.

12 1.4 On April 7, 2015, CEH filed the Complaint in the above-captioned matter. On
13 June 6, 2016, CEH filed a Doe Amendment under Code of Civil Procedure §474 naming Settling
14 Defendant as a defendant in the action.

15 1.5 For purposes of this Consent Judgment only, the Parties stipulate that this Court
16 has jurisdiction over the allegations of violations contained in the Complaint and personal
17 jurisdiction over Settling Defendant as to the acts alleged in the Complaint, that venue is proper
18 in the County of Alameda, and that this Court has jurisdiction to enter and enforce this Consent
19 Judgment as a full and final resolution of all claims which were or could have been raised in the
20 Complaint based on the facts alleged therein with respect to Covered Products manufactured,
21 distributed, and/or sold by Settling Defendant.

22 1.6 Nothing in this Consent Judgment is or shall be construed as an admission by the
23 Parties of any fact, conclusion of law, issue of law, or violation of law, nor shall compliance with
24 the Consent Judgment constitute or be construed as an admission by the Parties of any fact,
25 conclusion of law, issue of law, or violation of law. Nothing in this Consent Judgment shall
26 prejudice, waive or impair any right, remedy, argument, or defense the Parties may have in any
27 other pending or future legal proceedings. This Consent Judgment is the product of negotiation
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1 and compromise and is accepted by the Parties solely for purposes of settling, compromising, and
2 resolving issues disputed in this Action.

3 **2. INJUNCTIVE RELIEF**

4 2.1 **Reformulation of Covered Products.** As of the date this Consent Judgment is
5 entered by the Court (the “Effective Date”), Settling Defendant shall not purchase, manufacture,
6 ship, sell or offer for sale Covered Products that will be sold or offered for sale in California that
7 contain a concentration of more than forty (40) parts per billion (“ppb”) Lead by weight (the
8 “Reformulation Level”), such concentration to be determined by use of a test performed by an
9 accredited laboratory using inductively coupled plasma mass spectrometry (ICP-MS) equipment
10 with a level of detection of at least ten (10) ppb that meets standard laboratory QA/QC
11 requirements.

12 2.2 **Warnings for Covered Products.**

13 2.2.1 **Warning Option.** A Covered Product manufactured, shipped, sold, or
14 offered for sale by Defendant may, as an alternative to meeting the Reformulation Level, be sold
15 or offered for retail sale in California with a Clear and Reasonable Warning that complies with
16 the provisions of Section 2.2.2. A Clear and Reasonable Warning may only be provided for a
17 Covered Product if Defendant has in their possession a test result demonstrating that such
18 Covered Product does not meet the Reformulation Level.

19 2.2.2 **Proposition 65 Warnings.** A Clear and Reasonable Warning under this
20 Consent Judgment shall state:

21 WARNING: This product contains lead, a chemical known to the State of
22 California to cause cancer and birth defects or other reproductive harm.

23 This statement shall be prominently displayed on the Covered Product, on the
24 packaging of the Covered Product, or on a placard or sign provided that the statement is
25 displayed with such conspicuousness, as compared with other words, statements, or designs, as to
26 render it likely to be read and understood by an ordinary individual prior to sale. If the statement
27 is displayed on a placard or sign where the Covered Product is offered for sale, the warning
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1 placard or sign must enable an ordinary individual to easily determine which specific Covered
2 Products the warning applies to, and to differentiate between that Covered Product and other
3 products to which the warning statement does not apply. For internet, catalog, or any other sale
4 where the consumer is not physically present, the warning statement shall be displayed in such a
5 manner that it is likely to be read and understood by an ordinary individual prior to the
6 authorization of or actual payment.

7 **3. ENFORCEMENT**

8 3.1 **General Enforcement Provisions.** CEH may, by motion or application for an
9 order to show cause before this Court, enforce the terms and conditions contained in this Consent
10 Judgment. Any action to enforce alleged violations of Section 2.1 by Settling Defendant shall be
11 brought exclusively pursuant to this Section 3, and be subject to the meet and confer requirement
12 of Section 3.2.4 if it's applicable.

13 3.2 **Enforcement of Reformulation Commitment.**

14 3.2.1 Notice of Violation. In the event that CEH identifies a Covered Product
15 that was sold or offered for sale to California consumers with a best-by or sell-by (or equivalent)
16 date or other code that reflects that the Covered Product was manufactured on or after the
17 Effective Date, and for which CEH has laboratory test results showing that the Covered Product
18 has a Lead level exceeding the Reformulation Level, CEH may issue a Notice of Violation
19 pursuant to this Section.

20 3.2.2 Service of Notice of Violation and Supporting Documentation.

21 3.2.2.1 Subject to Section 3.2.1, the Notice of Violation shall be sent to the
22 person(s) identified in Section 7.2 to receive notices for Settling Defendant, and must be served
23 within sixty (60) days of the later of the date the Covered Products at issue were purchased or
24 otherwise acquired by CEH or the date that CEH can reasonably determine that the Covered
25 Products at issue were manufactured, shipped, sold, or offered for sale by Settling Defendant,
26 provided, however, that CEH may have up to an additional sixty (60) days to send the Notice of
27 Violation if, notwithstanding CEH's good faith efforts, the test data required by Section 3.2.2.2

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1 below cannot be obtained by CEH from its laboratory before expiration of the initial sixty (60)
2 day period.

3 3.2.2.2 The Notice of Violation shall, at a minimum, set forth: (a) the date
4 the alleged violation was observed; (b) the location at which the Covered Products were offered
5 for sale; (c) a description of the Covered Products giving rise to the alleged violation, including
6 the name and address of the retail entity from which the sample was obtained and if available
7 information that identifies the product lot; and (d) all test data obtained by CEH regarding the
8 Covered Products and supporting documentation sufficient for validation of the test results,
9 including any laboratory reports, quality assurance reports, and quality control reports associated
10 with testing of the Covered Products.

11 3.2.3 Notice of Election of Response. No more than thirty (30) days after
12 effectuation of service of a Notice of Violation, Settling Defendant shall provide written notice to
13 CEH whether it elects to contest the allegations contained in a Notice of Violation (“Notice of
14 Election”). Failure to provide a Notice of Election within thirty (30) days of effectuation of
15 service of a Notice of Violation shall be deemed an election to contest the Notice of Violation.

16 3.2.3.1 If a Notice of Violation is contested, the Notice of Election shall
17 include all then-available documentary evidence regarding the alleged violation, including all test
18 data, if any is available. If Settling Defendant or CEH later acquires additional test or other data
19 regarding the alleged violation, it shall notify the other party and promptly provide all such data
20 or information to the party.

21 3.2.4 Meet and Confer. If a Notice of Violation is contested, CEH and Settling
22 Defendant shall meet and confer to attempt to resolve their dispute. Within thirty (30) days of
23 serving a Notice of Election contesting a Notice of Violation, and if no enforcement action or
24 application has been filed by CEH pursuant to Section 3.1, Settling Defendant may withdraw the
25 original Notice of Election contesting the violation and serve a new Notice of Election to not
26 contest the violation, provided, however, that, in this circumstance, Settling Defendant shall pay
27 \$2,500 in addition to any payment required under this Consent Judgment. At any time, CEH may
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1 withdraw a Notice of Violation, in which case for purposes of this Section 3.2 the result shall be
2 as if CEH never issued any such Notice of Violation. If no informal resolution of a Notice of
3 Violation results within thirty (30) days of a Notice of Election to contest, CEH may file an
4 enforcement motion or application pursuant to Section 3.1. In any such proceeding, CEH may
5 seek whatever fines, costs, penalties, attorneys' fees, or other remedies are provided by law for
6 failure to comply with the Consent Judgment.

7 3.2.5 Non-Contested Notices. If Settling Defendant elects to not contest the
8 allegations in a Notice of Violation, it shall identify on a confidential basis to CEH (by proper
9 name, address of principal place of business, and telephone number) the person or entity that sold
10 the Covered Products to Settling Defendant and the manufacturer or ingredient suppliers and
11 other entities in the upstream chain of distribution of the Covered Product, provided that such
12 information is reasonably available. In addition, Settling Defendant shall undertake corrective
13 action(s) and make payments, if any, as set forth below.

14 3.2.5.1 Settling Defendant shall include in its Notice of Election a detailed
15 description with supporting documentation of the corrective action(s) that it has undertaken or
16 proposes to undertake to address the alleged violation. Any such correction shall, at a minimum,
17 provide reasonable assurance that all Covered Products having the same lot number as that of the
18 Covered Product identified in CEH's Notice of Violation (the "Noticed Covered Products") will
19 not be thereafter sold or offered for sale to California consumers, that the Noticed Covered
20 Products are removed from the California market and that Settling Defendant has sent instructions
21 to any retailers or customers that offer the Noticed Covered Products for sale to cease offering the
22 Noticed Covered Products for sale to California consumers and to either return all such Noticed
23 Covered Products to Settling Defendant for destruction, or to directly destroy such Noticed
24 Covered Products. Settling Defendant shall keep and make available to CEH for inspection and
25 copying records any correspondence regarding the market withdrawal and destruction of the
26 Noticed Covered Products. If there is a dispute over the corrective action, Settling Defendant and
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1 CEH shall meet and confer before seeking any remedy in court. In no case shall CEH issue more
2 than one Notice of Violation per manufacturing lot of a type of Covered Product.

3 3.2.5.2 If the Notice of Violation is the first, second, third, or fourth Notice
4 of Violation received by Settling Defendant under Section 3.2.1 that was not successfully
5 contested or withdrawn, then Settling Defendant shall pay \$15,000 for each Notice of Violation.
6 If Settling Defendant has received more than four (4) Notices of Violation under Section 3.2.1
7 that were not successfully contested or withdrawn, then Settling Defendant shall pay \$25,000 for
8 each Notice of Violation. If Settling Defendant produces with its Notice of Election test data for
9 the Covered Product that: (i) was conducted prior to the date CEH purchased the Covered
10 Product that is the subject of the Notice of Violation; (ii) was conducted on the same or same type
11 of Covered Product; and (iii) demonstrates Lead levels below the Reformulation Level, then any
12 payment under this Section shall be reduced by fifty percent (50%).

13 3.2.6 Payments. Any payments under Section 3.2 shall be made by check
14 payable to the “Lexington Law Group” and shall be paid within thirty (30) days of service of a
15 Notice of Election triggering a payment and which shall be used as reimbursement for costs for
16 investigating, preparing, sending, and prosecuting Notices of Violation, and to reimburse
17 attorneys’ fees and costs incurred in connection with these activities.

18 3.3 **Repeat Violations.** If Settling Defendant has received four (4) or more Notices of
19 Violation concerning the same type of Covered Product that were not successfully contested or
20 withdrawn in any twelve (12) month period then, at CEH’s option, CEH may seek whatever
21 fines, costs, penalties, attorneys’ fees, or other remedies that are provided by law for failure to
22 comply with the Consent Judgment. Prior to seeking such relief, CEH shall meet and confer with
23 Settling Defendant for at least thirty (30) days to determine if Settling Defendant and CEH can
24 agree on measures that Settling Defendant can undertake to prevent future violations.

25 **4. PAYMENTS**

26 4.1 **Payments by Settling Defendant.** Within five (5) days of the entry of this
27 Consent Judgment, Settling Defendant shall pay the total sum of \$17,500 as a settlement payment

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1 as further set forth in this Section.

2 4.2 **Allocation of Payments.** The total settlement amount for Settling Defendant shall
3 be paid in four (4) separate checks in the amounts specified below and delivered as set forth
4 below. Any failure by Settling Defendant to comply with the payment terms herein shall be
5 subject to a stipulated late fee to be paid by Settling Defendant in the amount of \$100 for each
6 day the full payment is not received after the applicable payment due date set forth in Section 4.1.
7 The late fees required under this Section shall be recoverable, together with reasonable attorneys'
8 fees, in an enforcement proceeding brought pursuant to Section 3 of this Consent Judgment. The
9 funds paid by Settling Defendant shall be allocated as set forth below between the following
10 categories and made payable as follows:

11 4.2.1 \$2,270 as a civil penalty pursuant to Health & Safety Code § 25249.7(b).

12 The civil penalty payment shall be apportioned in accordance with Health & Safety Code §
13 25249.12 (25% to CEH and 75% to the State of California's Office of Environmental Health
14 Hazard Assessment ("OEHHA")). Accordingly, the OEHHA portion of the civil penalty
15 payment for \$1,700 shall be made payable to OEHHA and associated with taxpayer identification
16 number 68-0284486. This payment shall be delivered as follows:

17 For United States Postal Service Delivery:
18 Attn: Mike Gyurics
19 Fiscal Operations Branch Chief
20 Office of Environmental Health Hazard Assessment
 P.O. Box 4010, MS #19B
 Sacramento, CA 95812-4010

21 For Non-United States Postal Service Delivery:
22 Attn: Mike Gyurics
23 Fiscal Operations Branch Chief
24 Office of Environmental Health Hazard Assessment
 1001 I Street, MS #19B
 Sacramento, CA 95814

25 The CEH portion of the civil penalty payment for \$570 shall be made
26 payable to the Center For Environmental Health and associated with taxpayer identification
27 number 94-3251981. This payment shall be delivered to Lexington Law Group, 503 Divisadero

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1 Street, San Francisco, CA 94117.

2 4.2.2 \$3,400 as a payment in lieu of civil penalty to CEH pursuant to Health &
3 Safety Code § 25249.7(b), and California Code of Regulations, Title 11, § 3203(b). CEH shall
4 use such funds to continue its work educating and protecting people from exposures to toxic
5 chemicals, including heavy metals. In addition, as part of its Community Environmental Action
6 and Justice Fund, CEH will use four percent (4%) of such funds to award grants to grassroots
7 environmental justice groups working to educate and protect people from exposures to toxic
8 chemicals. The method of selection of such groups can be found at the CEH web site at
9 www.ceh.org/justicefund. The payment pursuant to this Section shall be made payable to the
10 Center For Environmental Health and associated with taxpayer identification number 94-
11 3251981.

12 4.2.3 \$11,830 as a reimbursement of a portion of CEH's reasonable attorneys'
13 fees and costs. The attorneys' fees and cost reimbursement check shall be made payable to the
14 Lexington Law Group and associated with taxpayer identification number 94-3317175. This
15 payment shall be delivered to Lexington Law Group, 503 Divisadero Street, San Francisco, CA
16 94117.

17 **5. MODIFICATION AND DISPUTE RESOLUTION**

18 5.1 **Modification.** This Consent Judgment may be modified from time to time by
19 express written agreement of the Parties, with the approval of the Court, or by an order of this
20 Court upon motion and in accordance with law.

21 5.2 **Notice; Meet and Confer.** Any Party seeking to modify this Consent Judgment
22 shall attempt in good faith to meet and confer with all affected Parties prior to filing a motion to
23 modify the Consent Judgment.

24 **6. CLAIMS COVERED AND RELEASE**

25 6.1 This Consent Judgment is a full, final, and binding resolution between CEH on
26 behalf of itself and the public interest and Settling Defendant and its parents, subsidiaries,
27 affiliated entities that are under common ownership, directors, officers, employees, agents,

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1 shareholders, successors, assigns, and attorneys (“Defendant Releasees”), and all entities to
2 which Settling Defendant directly or indirectly distributes or sells Covered Products, including
3 but not limited to distributors, wholesalers, customers, retailers, franchisees, licensors, and
4 licensees (“Downstream Defendant Releasees”), of any violation of Proposition 65 based on
5 failure to warn about alleged exposure to Lead contained in Covered Products that were sold,
6 distributed, or offered for sale by Settling Defendant prior to the Effective Date.

7 6.2 CEH, for itself and its agents, successors, and assigns, releases, waives, and
8 forever discharges any and all claims against Settling Defendant, Defendant Releasees, and
9 Downstream Defendant Releasees arising from any violation of Proposition 65 or any other
10 statutory or common law claims that have been or could have been asserted by CEH individually
11 or in the public interest regarding the failure to warn about exposure to Lead arising in connection
12 with Covered Products manufactured, distributed, or sold by Settling Defendant prior to the
13 Effective Date.

14 6.3 Compliance with the terms of this Consent Judgment by Settling Defendant and
15 Defendant Releasees shall constitute compliance with Proposition 65 by Settling Defendant,
16 Defendant Releasees, and Downstream Defendant Releasees with respect to any alleged failure to
17 warn about Lead in Covered Products manufactured, distributed, or sold by Settling Defendant
18 after the Effective Date.

19 **7. PROVISION OF NOTICE**

20 7.1 When CEH is entitled to receive any notice under this Consent Judgment, the
21 notice shall be sent by first class and electronic mail to:

22 Eric S. Somers
23 Lexington Law Group
24 503 Divisadero Street
25 San Francisco, CA 94117
26 esomers@lexlawgroup.com

27 7.2 When Settling Defendant is entitled to receive any notice under this Consent
28 Judgment, the notice shall be sent by first class and electronic mail to:

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John Bamberger
British Wholesale Importers, Inc.
5711 Corsa Avenue
Westlake Village, CA 91362
john@bwi-imports.com

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

8. COURT APPROVAL

8.1 This Consent Judgment shall become effective upon the date signed by CEH and Settling Defendant, whichever is later, provided however, that CEH shall prepare and file a Motion for Approval of this Consent Judgment and Settling Defendant shall support approval of such Motion.

8.2 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.

9. GOVERNING LAW AND CONSTRUCTION

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

10. ATTORNEYS' FEES

10.1 A Party who unsuccessfully brings or contests an action arising out of this Consent Judgment shall be required to pay the prevailing Party's reasonable attorneys' fees and costs unless the unsuccessful Party has acted with substantial justification. For purposes of this Consent Judgment, the term substantial justification shall carry the same meaning as used in the Civil Discovery Act of 1986, Code of Civil Procedure §§2016.010, *et seq.*

10.2 Notwithstanding Section 10.1, a Party who prevails in a contested enforcement action brought pursuant to Section 3 may seek an award of attorneys' fees pursuant to Code of Civil Procedure §1021.5 against a Party that acted with substantial justification. The Party seeking such an award shall bear the burden of meeting all of the elements of §1021.5, and this provision shall not be construed as altering any procedural or substantive requirements for

1 obtaining such an award.

2 10.3 Nothing in this Section 10 shall preclude a party from seeking an award of
3 sanctions pursuant to law.

4 **11. ENTIRE AGREEMENT**

5 11.1 This Consent Judgment contains the sole and entire agreement and understanding
6 of the Parties with respect to the entire subject matter hereof, and any and all prior discussions,
7 negotiations, commitments, or understandings related thereto, if any, are hereby merged herein
8 and therein. There are no warranties, representations, or other agreements between the Parties
9 except as expressly set forth herein. No representations, oral or otherwise, express or implied,
10 other than those specifically referred to in this Consent Judgment have been made by any Party
11 hereto. No other agreements not specifically contained or referenced herein, oral or otherwise,
12 shall be deemed to exist or to bind any of the Parties hereto. Any agreements specifically
13 contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the
14 Parties hereto only to the extent that they are expressly incorporated herein. No supplementation,
15 modification, waiver, or termination of this Consent Judgment shall be binding unless executed in
16 writing by the Party to be bound thereby. No waiver of any of the provisions of this Consent
17 Judgment shall be deemed or shall constitute a waiver of any of the other provisions hereof
18 whether or not similar, nor shall such waiver constitute a continuing waiver.

19 **12. RETENTION OF JURISDICTION**

20 12.1 This Court shall retain jurisdiction of this matter to implement or modify the
21 Consent Judgment.

22 **13. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT**

23 13.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized
24 by the Party he or she represents to stipulate to this Consent Judgment and to enter into and
25 execute the Consent Judgment on behalf of the Party represented and legally to bind that Party.

26 **14. NO EFFECT ON OTHER SETTLEMENTS**

27 14.1 Nothing in this Consent Judgment shall preclude CEH from resolving any claim
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1 against an entity that is not Settling Defendant on terms that are different than those contained in
2 this Consent Judgment.

3 **15. EXECUTION IN COUNTERPARTS**

4 15.1 The stipulations to this Consent Judgment may be executed in counterparts and by
5 means of facsimile or portable document format (pdf), which taken together shall be deemed to
6 constitute one document.

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IT IS SO STIPULATED:


Dated: <u>1 July</u> , 2016	CENTER FOR ENVIRONMENTAL HEALTH  _____ Signature <u>Charlene Pizzano</u> _____ Printed Name <u>ASSOCIATE DIRECTOR</u> _____ Title
Dated: _____, 2016	BRITISH WHOLESALE IMPORTS, INC. _____ Signature _____ Printed Name _____ Title

**IT IS SO ORDERED, ADJUDGED,
AND DECREED**

Dated: _____
Judge of the Superior Court

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IT IS SO STIPULATED:

<p>Dated: _____, 2016</p>	<p>CENTER FOR ENVIRONMENTAL HEALTH</p> <p>_____ Signature</p> <p>_____ Printed Name</p> <p>_____ Title</p>
<p>Dated: <u>June 22</u>, 2016</p>	<p>BRITISH WHOLESALE IMPORTS, INC.</p> <p> Signature</p> <p><u>John Bamberg</u> Printed Name</p> <p><u>CEO BWT Inc.</u> Title</p>

**IT IS SO ORDERED, ADJUDGED,
AND DECREED**

Dated: _____
Judge of the Superior Court