#### State of California - Department of Justice - Attorney General's Office - Proposition 65 Enforcement Reporting

FORM JUS 1501 (03-01) Attention: Prop 65 Coordinator, 1515 Clay Street, Suite 2000, Oakland, CA 94612

PRIVATE ENFORCEMENT FILING - Health and Safety Code section 25249.7(e) and (f)

## REPORT OF SETTLEMENT Original Filing Supplemental Filing Corrected Filing

| Please                | print or type required information                            | Original Filing Supple                                     | mental Filin | g 🔽 Corre    | ected Filing             |                       |         |
|-----------------------|---|--|--------------|--------------|--------------------------|-----------------------|---------|
|                       | Shefa LMV Inc.  |  |              |              |                          |                       |         |
|                       |   |  |              |              |                          |                       |         |
| Z                     | DEFENDANT(S) INVOLVED IN SETTLEMENT <b>Weaver Leather LLC</b> | Ī  |              |              |                          |                       |         |
| CTIC                  |   |  |              |              |                          |                       |         |
| <u> </u>              |   |  |              |              |                          |                       |         |
| 5                     |   |  |              |              |                          |                       |         |
| PARTIES TO THE ACTION |   |  |              |              |                          |                       |         |
| PAR                   |   |  |              |              |                          |                       |         |
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|                       |   |  |              |              |                          |                       |         |
|                       | COURT DOCKET NUMBER BC654447                                  |  | COURT NAM    | E<br>ngeles  | County                   | Superio               | r Court |
| CASE                  | SHORT CASE NAME<br>Shefa v. Weaver Lea                        |  | 205 11.      | 90205        |                          | Jupor 10.             |         |
|                       |   |  |              |              |                          |                       |         |
| 10                    | INJUNCTIVE RELIEF Warning label                               |  |              |              |                          |                       |         |
| REPORT INF            | PAYMENT: CIVIL PENALTY \$2,500                                | \$22,500   | 0.0          | NT: OTHER    |                          | Only                  |         |
| ORT                   |   | <br>TER ENTRY OF JUDGMENT BY<br>EPORT OF ENTRY OF JUDGMENT | _            | SETTLEMENT S |                          | al Use                |         |
| REF                   | Yes O No MUST BE S  | SUBMITTED TO ATTORNEY GENER                                |              | / /          |                          | For Internal Use Only |         |
|                       |   |  |              |              |                          |                       |         |
|                       | NAME OF CONTACT  Daniel N. Greenbaum                          |  |              |              |                          |                       |         |
| <br>  #;o             | ORGANIZATION Law Office of Daniel Greenbaum                   |  |              | TELEPHONE NO | JMBER<br><b>809-2199</b> |                       |         |
| FILER                 | ADDRESS 7120 Hayvenhurst Ave., Suite 320                      |  |              | FAX NUMBER   | 243-7698                 |                       |         |
|                       | CITY Nuys   | STATE ZIP E-MAIL ADDRESS dgreenbaum@green                  |              |              | baumlaw                  | firm.com              |         |
|                       | -   |  |              |              |                          |                       |         |

**FILING INSTRUCTIONS:** This form can be completed online and printed. If electronic filing is not available, mail the completed form with a copy of the settlement to the attention of the Prop 65 Coordinator at the address shown above. If you need additional space to complete this form please use an attachment.

| 1     | LAW OFFICE OF DANIEL N. GREENBAUN<br>Daniel N. Greenbaum, Esq. (SBN 268104) | M  |  |  |  |
|-------|---|--|--|--|--|
| 2     | The Hathaway Building 7120 Hayvenhurst Avenue, Suite 320                    |  |  |  |  |
| 3     | Van Nuys, CA 91406  |  |  |  |  |
| 4     | Telephone: (818) 809-2199 Facsimile: (424) 243-7689                         |  |  |  |  |
| 5     | Email: dgreenbaum@greenbaumlawfirm.com                                      |  |  |  |  |
| 6     | Attorney for Plaintiff SHEFA LMV, INC.                                      |  |  |  |  |
| 7     | MILLER & MARTIN PLLC  |  |  |  |  |
| 8     | Edward N. Boehm, Esq. 832 Georgia Ave.                                      |  |  |  |  |
| 9     | Volunteer Building, Suite 1200  |  |  |  |  |
| 10    | Chattanooga TN 37402 Telephone: (423) 785-8272                              |  |  |  |  |
| 11    | Facsimile: (423) 321-1508 Email: Ned.Boehm@millermartin.com                 |  |  |  |  |
| 12    | Attorney for Defendant WEAVER LEATHER, LLC                                  |  |  |  |  |
| 13    | SUPERIOR COURT OF THE STATE OF CALIFORNIA                                   |  |  |  |  |
| 14    |   | Y OF LOS ANGELES   |  |  |  |
| 15    | TOR THE COUNT   | 1 OF EOS ANGLEES   |  |  |  |
| 16    | SHEFA LMV, INC.,  | Case No. BC654447  |  |  |  |
| 17    | Plaintiff,  | Hon. Gregory Alarcon<br>Dept. 36                         |  |  |  |
| 18    | V.  | •  |  |  |  |
| 19    | WEAVER LEATHER, LLC; and DOES 1 through 10, Inclusive,                      | [PROPOSED] CONSENT JUDGMENT AS<br>TO WEAVER LEATHER, LLC |  |  |  |
| 20    | Defendants.   |  |  |  |  |
| 21    |   | Action filed: March 15, 2017                             |  |  |  |
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| 28    |   | ENT AS TO WEAVER LEATHER, LLC                            |  |  |  |
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- 1.1 The parties to this Consent Judgment are Shefa LMV, Inc. ("Shefa") and Weaver Leather, LLC ("Settling Defendant") (collectively the "Parties").
- 1.2 The products covered by this Consent Judgment are leather, cotton, and nylon products with brass fittings manufactured, distributed and/or sold by Settling Defendant that contain lead and or lead compounds ("Lead" or "Pb"), including but not limited to Leather Steady Tab Lead, ¾" x 6"; UPC 793721101063 ("Covered Products").
- 1.3 On or about August 2, 2016, Shefa mailed a 60-Day Notice of Violation under Proposition 65 (The Safe Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code §§ 25249.5, *et seq.*) ("Notice") to Settling Defendant, the California Attorney General, the District Attorneys of every County in the State of California, and the City Attorneys for every City in the State of California with a population greater than 750,000.
- 1.4 The Notice alleges violations of Proposition 65 with respect to the presence of Lead in certain of the Covered Products sold, distributed and/or manufactured by Settling Defendant.
- 1.5 On or about March 15, 2017, Shefa filed the Complaint in the instant matter ("Complaint") alleging Proposition 65 violations as to the Covered Products sold in California by Settling Defendant.
- 1.6 Settling Defendant denies the claims of alleged violations asserted against it in the Complaint and denies that it has any liability under Proposition 65.
- 1.7 For purposes of this Consent Judgment only, the Parties stipulate that: (i) this Court has jurisdiction over the allegations of violations contained in the operative Complaint applicable to Settling Defendant and personal jurisdiction over Settling Defendant as to the acts alleged in the Complaint; (ii) venue is proper in the County of Los Angeles; and (iii) this Court has jurisdiction to enter this Consent Judgment.
- 1.8 Nothing in this Consent Judgment is or shall be construed as an admission by the Parties of any fact, conclusion of law, issue 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, issue of law, or violation of law.

- 1.9 Nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy, argument, or defense the Parties may have in any other legal proceeding.
- 1.10 This Consent Judgment is the product of negotiation and compromise and is accepted by the Parties for purposes of settling, compromising, and resolving issues disputed in this action.
- 1.11 The term "Effective Date" means the date on which this Consent Judgment is approved and entered by the Court.
- 1.12 Shefa shall file a dismissal as to the entire case within (thirty) 30 days after entry of this Consent Judgment.

#### 2. INJUNCTIVE RELIEF

- 2.1 **Warning Requirement.** Warnings in accordance with Section 2.2 shall be given for Covered Products containing lead (Pb) that are manufactured ninety (90) days after the Effective Date that Settling Defendant sells in California, markets or distributes for sale in California, or offers for sale to a third party for retail sale in California. For purposes of Section 2 and this entire Consent Judgment, Covered Products will not be considered to "contain lead (Pb)" if they are manufactured using low lead brass or brass that contains zero amounts of lead.
- 2.2 **Proposition 65 Warnings.** Covered Products are compliant with Proposition 65 and this Consent Judgment if warnings are provided on the product label or packaging in accordance with Sections 2.3 and 2.4.
- 2.3 **Product Labeling.** Warnings that are affixed to the packaging, labeling, or directly on each Covered Product sold at retail in California, shall state:

<sup>&</sup>lt;sup>1</sup> Brass alloy containing 0.25% or less lead is known as "low lead" brass, as opposed to the more typical alloy which contains 5% lead.

#### **CALIFORNIA PROPOSITION 65 WARNING:**

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

- 2.4 **Warning Placement.** Each warning shall be prominently placed with such conspicuousness as compared with other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use. The warning must be at least the same size as the largest of any other health or safety warnings appearing on the product label, as applicable, of such product. To the extent any subsequent revisions to Proposition 65 or its implementing regulations require additional or different warning language, Settling Defendant may revise the above warning to comply with such new law or regulations.
- 2.5 **Sell Through Period.** Settling Defendant will have six (6) months from the Effective Date sell any inventory of Covered Products that does not comply with the warning requirements above.

#### 3. SETTLEMENT PAYMENTS

- **Payment from Defendant**. Within ten (10) business days of the Effective Date, Defendant shall make the Total Settlement Payment of \$25,000.00
- 3.2 Allocation of Payments. The Total Settlement Payment shall be paid in three(3) separate checks made payable and allocated as follows:
  - 3.2.1 Civil Penalty. Defendant shall pay \$2,500.00 as a civil penalty pursuant to Health & Safety Code § 25249.7(b). The civil penalty shall be apportioned in accordance with Health & Safety Code § 25249.12 (25% to Shefa and 75% to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA")). Accordingly, the OEHHA portion of the civil penalty payment in the amount of \$1,875.00 shall be made payable to OEHHA and associated

| 1  | with taxpayer identification number 68-0284486. This payment shall                               |  |  |  |
|----|--|--|--|--|
| 2  | be delivered as follows:   |  |  |  |
| 3  | For United States Postal Service Delivery:   |  |  |  |
| 4  | Attn: Mike Gyurics Fiscal Operations Branch Chief  |  |  |  |
| 5  | Office of Environmental Health Hazard Assessment P.O. Box 4010, MS #19B                          |  |  |  |
| 6  | Sacramento, CA 95812-4010  |  |  |  |
| 7  | For Non-United States Postal Service Delivery:   |  |  |  |
| 8  | Attn: Mike Gyurics Fiscal Operations Branch Chief  |  |  |  |
| 9  | Office of Environmental Health Hazard Assessment<br>1001 I Street, MS #19B                       |  |  |  |
| 10 | Sacramento, CA 95814   |  |  |  |
| 11 | The Shefa portion of the civil penalty payment in the amount of                                  |  |  |  |
| 12 | \$625.00 shall be made payable to Shefa LMV, Inc. and associated with                            |  |  |  |
| 13 | taxpayer identification number 81-0907002. This payment shall be delivered                       |  |  |  |
| 14 | to the Law Office of Daniel N. Greenbaum, 7120 Hayvenhurst Ave, Suite                            |  |  |  |
| 15 | 320, Van Nuys, CA 91406.   |  |  |  |
| 16 | 3.2.2 Attorneys' fees and Costs. A reimbursement of Shefa's attorney's fees                      |  |  |  |
| 17 | and costs in the amount of \$22,500.00 payable to the "Law Office of                             |  |  |  |
| 18 | Daniel N. Greenbaum," and associated with taxpayer identification                                |  |  |  |
| 19 | number 46-4580172. This payment shall be delivered to the Law Office                             |  |  |  |
| 20 | of Daniel N. Greenbaum, 7120 Hayvenhurst Ave, Suite 320, Van Nuys,                               |  |  |  |
| 21 | CA 91406.  |  |  |  |
| 22 | 4. CLAIMS COVERED AND RELEASED   |  |  |  |
| 23 | 4.1 Full and Binding Resolution of Proposition 65 Allegations: This Consent                      |  |  |  |
| 24 | Judgment is a full, final, and binding resolution between:                                       |  |  |  |
| 25 | (i) Shefa on behalf of itself and the public interest; and                                       |  |  |  |
| 26 | (ii) Settling Defendant and its affiliates ("affiliate" means a person or entity who             |  |  |  |
| 27 | directly or indirectly owns or controls, is owned or controlled by, or is under common ownership |  |  |  |
|    | 1  |  |  |  |

or control with, Settling Defendant), former affiliates, and its current and past directors, officers, shareholders, employees and attorneys ("Defendant Releasees"), and each entity to whom (or from whom) any of them directly or indirectly distribute, receive for distribution and/or sell Covered Products, including but not limited to distributors, wholesalers, customers, retailers (including, but not limited to, Amazon.com, Inc.), franchisees, cooperative members, licensors, and licensees ("Distributor Releasees"); of any violation of Proposition 65 that was or could have been asserted in the Complaint against Settling Defendant, Defendant Releasees, and Distributor Releasees, based on failure to warn about alleged exposure to lead contained in Covered Products shipped, distributed or sold by Settling Defendant prior to ninety (90) days after the Effective Date.

- 4.2 **Individual Release:** Shefa, on behalf of itself, its past and current agents, representatives, attorneys, and successors and/or assignees, and **not** in its representative capacity, hereby provides a release that shall be effective as a full and final accord and satisfaction, as a bar to all Claims under Proposition 65, Bus. & Prof. Code §§ 17200 et seq., or any other statutory or common law, that are or may be asserted against Settling Defendant, Defendant Releasees, and Distributor Releasees, whether known or unknown, suspected or unsuspected, arising out of alleged exposures to, and/or failure to warn of alleged exposures to, lead in Covered Products shipped, distributed or sold by Settling Defendant and that were manufactured less than ninety (90) days after the Effective Date.
- 4.3 General Release: It is possible that other Claims not known to the Parties arising out of the facts alleged in the Notice or the Complaint will develop or be discovered. Shefa, on behalf of itself, its past and current agents, representatives, attorneys, and successors and/or assigns, and *not* in its representative capacity, acknowledges that this Consent Judgment is expressly intended to cover and include all such Claims, including all rights of action therefor. Shefa has full knowledge of the contents of Civil Code § 1542. Shefa acknowledges that the Claims released in Sections 4.1 and 4.2 include unknown Claims, and Shefa nevertheless waives Civil Code § 1542 as to any such unknown Claims. Civil Code § 1542 reads 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.

Shefa, on behalf of itself, its past and current agents, representatives, attorneys, and successors and/or assignees, and **not** in its representative capacity, acknowledges and understands the significance and consequences of this specific waiver of Civil Code § 1542.

- 4.4 Compliance with the terms of this Consent Judgment by Settling Defendant shall constitute compliance with Proposition 65 by Settling Defendant, Defendant Releasees, and Distributor Releasees with respect to any alleged failure to warn about lead in Covered Products that were distributed or sold by Settling Defendant and that were manufactured more than ninety (90) days after the Effective Date.
- 4.5 Nothing in this Section 4 affects Shefa's right to commence or prosecute an action under Proposition 65 against any person other than Settling Defendant, Defendant Releasees, or Distributor Releasees.

#### 5. ENFORCEMENT

- 5.1 The Parties may, by motion or application for an order to show cause before the Superior Court of Los Angeles County, enforce the terms and conditions contained in this Consent Judgment.
- 5.2 Prior to bringing any motion or application to enforce the requirements of Section 2 above, Shefa shall provide Settling Defendant with a Notice of Violation and proof of purchase and a copy of any test results which purportedly support the Notice of Violation.
- 5.3 The Parties shall then meet and confer regarding the basis for the anticipated motion or application in an attempt to resolve it informally, including providing Settling Defendant with a reasonable opportunity of at least thirty (30) days to cure any alleged violation.
- 5.4 Should such attempts at informal resolution fail, Shefa may file an enforcement motion or application.

### 12 11. OTHER TERMS

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

effect and shall never be introduced into evidence or otherwise used in any proceeding for any

purpose other than to allow the Court to determine if there was a material breach of Section 10.2.

- 11.2 This Consent Judgment shall apply to and be binding upon Shefa, Settling Defendant, its affiliates, and successors or assigns of any of them.
- 11.3 This Consent Judgment contains the sole and entire agreement and understanding of the Parties 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.
- 11.4 There are no warranties, representations, or other agreements between the Parties except as expressly set forth herein.
- 11.5 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.
- 11.6 This Court shall retain jurisdiction of this matter to implement or modify the Consent Judgment.

|         | 11.7      | The stipulations to this Consent Judgment may be executed in counterparts and    |
|---------|-----------|--|
| by mea  | ans of fa | acsimile or portable document format (pdf), which taken together shall be deemed |
| to con: | stitute o | ne document  |

- 11.8 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the Party he or she represents to stipulate to this Consent Judgment and to enter into and execute the Consent Judgment on behalf of the Party represented and legally to bind that Party.
- 11.9 The Parties, including their counsel, have participated in the preparation of this Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties.
- 11.10 This Consent Judgment was subject to revision and modification by the Parties and has been accepted and approved as to its final form by all Parties and their counsel.
- 11.11 Accordingly, any uncertainty or ambiguity existing in this Consent Judgment shall not be interpreted against any Party as a result of the manner of the preparation of this Consent Judgment.
- 11.12 Each Party to this Consent Judgment agrees that any statute or rule of construction providing that ambiguities are to be resolved against the drafting Party should not be employed in the interpretation of this Consent Judgment and, in this regard, the Parties hereby waive Civil Code § 1654.

# 12. REQUEST FOR FINDINGS, APPROVAL OF SETTLEMENT AND ENTRY OF CONSENT JUDGMENT

- 12.1 This Consent Judgment will be brought before this Court upon the request of the Parties. The Parties request the Court to review this Consent Judgment and to make the following findings pursuant to Health & Safety Code § 25249.7(f)(4):
  - a. The injunctive relief required by the Consent Judgment complies with Health & Safety Code § 25249.7;
  - b. The reimbursement of fees and costs to be paid pursuant to the Consent Judgment is reasonable under California law; and

| 1 2 | 1                          | aid pursuant to Consent Judgment is reasonable. |
|-----|----------------------------|---|
| 3   | 3 AGREED TO:               |   |
| 4   | •                          | EALING IX G                                     |
| 5   | 5 Dated: 04/18/2017 SHE    | FA LMV, LLC                                     |
| 6   | 6 By:                      | - Yhlisho                                       |
| 7   |                            | V   |
| 8   |                            |   |
| 9   |                            |   |
| 11  | Batea: 4   13   2011       | AVER LEATHER, LLC                               |
| 12  | By:                        | Carlos Mullet<br>Chief Financial Officer        |
| 13  | 3                          | Carlos Mullet                                   |
| 14  | 4                          | Chief Financial Officer                         |
| 15  | 5                          |   |
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| 28  | Page                       | 11  |
|     | [PROPOSED] CONSENT JUDGMEN | I AS TO WEAVER LEATHER, LLC                     |

## ORDER AND JUDGMENT Based upon the stipulated Consent Judgment between Shefa LMV, LLC and Weaver Leather, LLC, the settlement is approved and the clerk is directed to enter judgment in accordance with the terms herein. Dated: \_\_\_\_ Judge of the Superior Court Page **12** [PROPOSED] CONSENT JUDGMENT AS TO WEAVER LEATHER, LLC