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3 4	Santa Cruz, California 95061 Telephone: (831) 454-8216 Email: evenson@ecologylaw.com	±	
5 6 7 8	Christopher Sproul (Bar No. 126398) ENVIRONMENTAL ADVOCATES 5135 Anza Street San Francisco, California 94121 Telephone: (415) 533-3376, (510) 847-3467 Facsimile: (415) 358-5695 Email: csproul@enviroadvocates.com		
9 10	Counsel for Plaintiff, ECOLOGICAL RIGHTS FOUNDATION		
11	SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF SAN FRANCISCO		
12	ECOLOGICAL RIGHTS FOUNDATION,	Case No. CGC-18-564388	
13 14	Plaintiff, v.	[PROPOSED] CONSENT JUDGMENT	
15	BODUM USA, Inc., et al.	a	
16 17 -	Defendants.		
18 19 20 21	 INTRODUCTION On February 16, 2018, the Ecological Rights Foundation ("ERF") acting on behalf of itself and the general public, filed a Complaint for civil penalties and injunctive relief 		
22 23	("Complaint") in San Francisco Superior Court, Case No. CGC-18-564388 against defendant Kay Park-Rec Corporation, (also referred to herein as "Kay Park-Rec" or "Defendant"). The Complaint		
23 24	alleges, among other things, that Defendant violated provisions of the Safe Drinking Water and		
25	Toxic Enforcement Act of 1986, Health and Safety Code Sections 25249.5, <i>et seq.</i> (Proposition 65) by failing to give clear and reasonable warnings to those residents of California who use the		
26 27	charcoal grills and hibachis manufactured, distributed or sold by Defendant ("Covered Products"),		
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	CONSENT JUDGMENT		

that use of those products causes exposures to carbon monoxide. Carbon monoxide is a chemical known to the State of California to cause reproductive toxicity. The Complaint was based upon a 60-Day Notice letter, sent by ERF on September 1, 2017 to Kay Park-Rec, the California Attorney 4 General, all District Attorneys, and all City Attorneys with populations exceeding 750,000.

5 1.2 Defendant does not dispute that is a business that employs more than ten persons, 6 and manufactures, distributes, and sells Covered Products. Some Covered Products that Defendant distributes, markets and sells may use charcoal and the combustion of charcoal creates carbon 8 monoxide to be released into the air, causing inhalation exposures to those using or standing near 9 the Covered Products when they are in use. Pursuant to Health and Safety Code Section 25249.8, 10 carbon monoxide is a chemical known to the State of California to cause reproductive toxicity. 11 ERF alleges that Covered Products that are manufactured, distributed or sold by Defendant for use 12 in California require a warning under Proposition 65, pursuant to Health and Safety Code Section 13 25249.6. For purposes of this Consent Judgment, the parties stipulate that this Court has 14 jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction 15 over Kay Park-Rec Corporation, that venue is proper in the County of San Francisco, and that this 16 Court has jurisdiction to enter this Consent Judgment as a full settlement and resolution of the 17 allegations contained in the Complaint.

18 1.3 This Consent Judgment resolves claims that are denied and disputed. The parties 19 enter into this Consent Judgment pursuant to a full and final settlement of any and all claims 20 between the parties for the purpose of avoiding prolonged litigation. This Consent Judgment shall 21 not constitute an admission with respect to any material allegation of the Complaint, each and 22 every allegation of which Kay Park-Rec denies, nor may this Consent Judgment, or compliance 23 with it, be used as evidence of any wrongdoing, misconduct, culpability or liability on the part of 24 Kay Park-Rec.

25 1.4 The term "Effective Date" means the date that Defendant receives Notice that this 26 Consent Judgment was entered by the Court.

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1	2. <u>INJUNCTIVE RELIEF</u>	
2	2.1 Warnings on Covered Products	
3	No later than 120 days after the Effective Date, Covered Products offered for sale in	
4	California shall include one of the following warning statements:	
5	WARNING: Chemicals known to the State of California to cause birth defects or other	
6	reproductive harm, including carbon monoxide, are produced by combustion of charcoal	
7	when used with this product.	
8	Or,	
9	WARNING: This product can expose you to carbon monoxide, which is a combustion	
10	byproduct known to the State of California to cause birth defects or other reproductive	
11	harm. For more information go to www.P65Warnings.ca.gov.	
12	Or,	
13	WARNING: This product can expose you to chemicals including carbon monoxide,	
14	which are known to the State of California to cause birth defects or other reproductive	
15	harm. For more information go to www.P65Warnings.ca.gov.	
16	Or,	
17	Defendant, at its sole option, may use one of the following warnings if Defendant knows	
18	or has reason to believe that warnings for Covered Products also should identify a Proposition 65	
19	carcinogen:	
20	WARNING: Chemicals known to the State of California to cause cancer and birth	
21	defects or other reproductive harm, including [name of Proposition 65 carcinogen] and	
22	carbon monoxide, are produced by combustion of charcoal when used with this product.	
23	Or,	
24	WARNING: This product can expose you to chemicals including [name of Proposition	
25	65 carcinogen], which are known to the State of California to cause cancer, and carbon	
26	monoxide, which are known to the State of California to cause birth defects or other	
27	reproductive harm. For more information go to www.P65Warnings.ca.gov.	
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Settling Defendant also may, at its sole option, utilize the warning text options set forth in Title 27, California Code of Regulations, Section 25603 (b), as long as such warning identifies the reproductive toxicity endpoint.

4 The warning statements shall be affixed to or printed on packaging for Covered Products, 5 as well as printed in the Covered Products' instruction booklets (if any). The warnings shall be 6 displayed with such conspicuousness, as compared with other words, statements, designs, or 7 devices as to render them likely to be read and understood by an ordinary individual under 8 customary conditions of purchase or use. Warnings may be contained in the same section of the 9 instruction booklets that contains other safety warnings concerning the use of the Covered 10 Products. The type size of the warning must be legible, and no smaller than any other warning 11 provided with the Covered Products. The word "WARNING:" shall be in upper case letters and 12 bold text. Defendant may utilize a symbol consisting of a black exclamation point in a yellow 13 equilateral triangle with a bold black outline or a black exclamation point in a white triangle with 14 black border if no yellow is used in the section of the packaging, print or online material regarding 15 the Covered Products that contains other warning language regarding use of the Covered Products.

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2.2 **Reporting**

No later than 150 days after the Effective Date, Defendant shall provide a certification
signed by an officer or director of Defendant to ERF confirming its compliance with the warning
requirements of paragraph 2.1, and the payment to OEHHA pursuant to paragraphs 3.1.

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<u>SETTLEMENT PAYMENTS</u>

3.1 Civil Penalties and Payments In Lieu of Penalties

Pursuant to Health and Safety Code section 25249.7(b)(2), Kay Park-Rec shall pay
\$4,000 in civil penalties. The penalty payment will be allocated in accordance with California
Health and Safety Code section 25249.12(c)(1) & (d), with 75% of the penalty amount remitted
to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the
remaining 25% of the penalty amount paid to Ecological Rights Foundation. Defendant will
provide these payments in two checks for the following amounts made payable to: 1) "OEHHA"

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1 in the amount of \$3,000, and 2) "Ecological Rights Foundation" in the amount of \$1,000. 2 3.2 **Attorneys' Fees and Litigation Costs** 3 In settlement of all of the claims that are alleged, or could have been alleged, in the 4 Complaint concerning Covered Products, Kay Park-Rec shall pay \$18,000 to the Ecology Law 5 Center to cover Plaintiff's attorneys' fees and costs. 6 3.3 **Payments** 7 All Payments shall be sent no later than 10 days after the Effective Date via USPS certified 8 mail, return receipt requested, to the following addresses: All payments to Ecological Rights 9 Foundation and Ecology Law Center shall be delivered to: 10 Fredric Evenson Ecology Law Center 11 P.O. Box 1000 Santa Cruz, CA 95061 12 The payment to OEHHA shall be delivered to: 13 Mike Gyurics 14 Fiscal Operations Branch Chief Office of Environmental Health Hazard Assessment 15 P.O. Box 4010 Sacramento, CA 95812-4010 16 17 4. MATTERS COVERED BY THIS CONSENT JUDGMENT 18 4.1As to Covered Products, this Consent Judgment is a full, final and binding resolution between ERF, acting on behalf of itself and (as to those matters raised in the 60-Day 19 20 Notice Letter) acting in the public interest, on the one hand, and Kay Park-Rec, its parents, subsidiaries or affiliates, and all of their suppliers, customers, distributors, wholesalers, retailers, 21 22 and their respective parents, affiliates and subsidiaries or any other person in the course of doing 23 business, and the successors and assigns of any of them, who may use, maintain, distribute or sell 24 Covered Products ("Released Entities") of: (i) any violation of Proposition 65 (including but not 25 limited to the claims made in the Complaint); and (ii) any other statutory or common law claim to 26 the fullest extent that any of the foregoing described in (i) or (ii) were or could have been asserted 27 by any person or entity against Kay Park-Rec or any of the Released Entities, based on its or their 28

failure to provide clear and reasonable warnings of exposures to carbon monoxide from Covered
 Products. As to alleged exposures to carbon monoxide from Covered Products, compliance with
 the terms of this Consent Judgment resolves any issue, now and in the future, concerning
 compliance by Kay Park-Rec and the Released Entities, with the requirements of Proposition 65
 with respect to Covered Products, and any alleged resulting exposure.

6 4.2 It is possible that other claims not known to the Parties, arising out of the facts 7 alleged in the Notice or the Complaint and relating to the Covered Product, will develop or be 8 discovered. ERF on behalf of itself only, and Kay Park-Rec on behalf of itself only, acknowledge 9 that this Consent Judgment is expressly intended to cover and include all such claims up through 10 and including the Effective Date, including all rights of action therefor. ERF and Kay Park-Rec 11 acknowledge that the claims released above may include unknown claims, and nevertheless 12 waive California Civil Code Section 1542 as to any such unknown claims. California Civil Code 13 Section 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.

18 ERF on behalf of itself only, and Kay Park-Rec on behalf of itself only, acknowledge and
19 understand the significance and consequences of this specific waiver of California Civil Code
20 Section 1542.

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5. <u>ENTRY OF CONSENT JUDGMENT</u>

5.1 The parties hereby request that the Court promptly enter this Consent Judgment.
Upon entry of the Consent Judgment, Kay Park-Rec and ERF waive their respective rights to a
hearing or trial on the allegations of the Complaint.

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ENFORCEMENT OF JUDGMENT

6.1 The terms of this Consent Judgment shall be enforced exclusively by the parties
hereto. The parties may, by noticed motion or order to show cause before the Superior Court of

San Francisco County, giving the notice required by law, enforce the terms and conditions contained herein.

6.2 In any proceeding brought by either party to enforce this Consent Judgment, such party may seek whatever fines, costs, penalties or remedies as may be provided by law for any violation of Proposition 65 or this Consent Judgment.

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MODIFICATION OF JUDGMENT

7.1 This Consent Judgment may be modified only upon written agreement of the parties and upon entry of a modified Consent Judgment by the Court thereon, or upon motion of any party as provided by law and upon entry of a modified Consent Judgment by the Court.

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TERMINATION AND RETENTION OF JURISDICTION

11 8.1 This Court shall retain jurisdiction of this matter to implement and enforce the terms 12 this Consent Judgment.

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AUTHORITY TO STIPULATE

14 9.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the party he or she represents to enter into this Consent Judgment and to execute it on behalf of 16 the party represented and legally to bind that party.

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SERVICE ON THE ATTORNEY GENERAL

18 ERF shall serve a copy of this Consent Judgment, signed by both parties, on the 10.1 19 California Attorney General on behalf of the parties so that the Attorney General may review this 20 Consent Judgment prior to its submittal to the Court for approval. No sooner than forty five (45) 21 days after the Attorney General has received the aforementioned copy of this Consent Judgment, 22 and in the absence of any written objection by the Attorney General to the terms of this Consent 23 Judgment, the parties may then submit it to the Court for approval.

24 11.

ENTIRE AGREEMENT

25 This Consent Judgment contains the sole and entire agreement and understanding 11.1 26 of the parties with respect to the entire subject matter hereof and any and all prior discussions, 27 negotiations, commitments and understandings related hereto. No representations, oral or

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1 otherwise, express or implied, other than those contained herein have been made by any party 2 hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed 3 to exist or to bind any of the parties. 4 12. **GOVERNING LAW** 5 The validity, construction and performance of this Consent Judgment shall be 12.1 6 governed by the laws of the State of California, without reference to any conflicts of law provisions 7

of California law.

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EXECUTION AND COUNTERPARTS

13.1 This Consent Judgment may be executed in counterparts which taken together shall be deemed to constitute one document.

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COURT APPROVAL

12 If this Consent Judgment is not approved by the Court, it shall be of no force or 14.1 13 effect, and cannot be used in any proceeding for any purpose.

15. **NOTICES**

15.1 Any notices or payments due under this Consent Judgment shall be sent by USPS certified mail, return receipt requested.

If to Ecological Rights Foundation:

Fredric Evenson Ecology Law Center P.O. Box 1000 Santa Cruz, CA 95061

If to Kay Park-Rec Corporation:

Ann G. Grimaldi Grimaldi Law Offices 535 Mission, 14th Floor San Francisco, CA 94105

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2	IT IS SO STIPULATED:	
3 4	DATED: 8/6/18	ECOLOGICAL RIGHTS FOUNDATION
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6		BY: James Augolf JAMES LAMPORT, EXECUTIVE DIRECTOR
7		JAMES LAMPORT, EXECUTIVE DIRECTOR
8 9	DATED: July 30, 2018	KAY PARK-REC CORPORATION
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14	DATED:	D DECKEED.
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16		JUDGE OF THE SUPERIOR COURT
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	CONSENT JUDGMENT (KAY PARK-REC CORPORATION)	9