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Counsel for Plaintiff, **ECOLOGICAL RIGHTS FOUNDATION** 

#### SUPERIOR COURT OF THE STATE OF CALIFORNIA **COUNTY OF SAN FRANCISCO**

ECOLOGICAL RIGHTS FOUNDATION.

Case No. CGC-18-571717

Plaintiff,

٧.

YODER SMOKERS, INC., et al.,

Defendants.

[PROPOSED] CONSENT JUDGMENT AS TO YODER SMOKERS, INC.

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#### 1. INTRODUCTION

1.1 On November 30, 2018, the Ecological Rights Foundation ("ERF") acting on behalf of itself and the general public, filed a Complaint for civil penalties and injunctive relief ("Complaint") in San Francisco Superior Court, Case No. 571717, against defendant Yoder Smokers, Inc. ("Yoder" or "Defendant"). The Complaint alleges, among other things, that Defendant violated the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code Sections 25249.5, et seq. (Proposition 65) by failing to give clear and reasonable warnings to those residents of California who use Yoder branded wood, charcoal and wood pellet grills and smokers ("Covered Products") because use of those products causes exposures to carbon monoxide. Carbon monoxide is a chemical listed under Proposition 65 as known to the State of

California to cause reproductive toxicity. The Complaint was based upon a 60-Day Notice letter, sent by ERF on December 4, 2017 to Defendant, All Things BBQ, LLC, the California Attorney General, all District Attorneys, and all City Attorneys with populations exceeding 750,000.

- 1.2 Defendant is a business that employs more than ten persons and either manufactures, and/or distributes, and/or sells Covered Products to residents of California. The Complaint alleges use of the Covered Products creates carbon monoxide released into the air, causing inhalation exposures to those using, or standing near the Covered Products. ERF alleges that Covered Products that are either manufactured, and/or distributed, and/or sold by Defendant for use in California require a warning under Proposition 65, pursuant to Health and Safety Code Section 25249.6. For purposes of this Consent Judgment, the parties stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction over Yoder Smokers, Inc., that venue is proper in the County of San Francisco, and that this Court has jurisdiction to enter this Consent Judgment as a full settlement and resolution of the allegations contained in the Complaint and the 60 Day Notice Letters.
- 1.3 This Consent Judgment resolves claims that are denied and disputed. The parties enter into this Consent Judgment pursuant to a full and final settlement of any and all claims between the parties for the purpose of avoiding prolonged litigation. This Consent Judgment shall not constitute an admission against interest with respect to any material allegation of the Complaint, each and every allegation of which Yoder denies, nor may this Consent Judgment, or compliance with it, be used as evidence of any wrongdoing, misconduct, culpability or liability on the part of Yoder.
- 1.4 The term "Effective Date" means the date Plaintiff serves notice on Defendant that this Consent Judgment is entered by the Court.

## 2. <u>INJUNCTIVE RELIEF</u>

## 2.1 Warnings on Covered Products

Covered Products that are manufactured, that Defendant distributes for sale in California, and/or sells in California on or after the date which is ninety (90) days after the Effective

Or,

Date shall include one of the following warning options: **WARNING¹**: Combustion byproducts produced when using this product include carbon monoxide, a chemical known to the State of California to cause birth defects or other reproductive harm. Or.

**WARNING**: This product can expose you to carbon monoxide, which is a combustion byproduct known to the State of California to cause birth defects or other reproductive harm. For more information go to <a href="https://www.P65Warnings.ca.gov">www.P65Warnings.ca.gov</a>.

WARNING: Combustion byproducts near this grill include carbon monoxide, a chemical

known to the State of California to cause birth defects or other reproductive harm.

The warning statements shall be affixed to, or attached via a secure hang tag, or printed on all Covered Products themselves, or on the immediate packaging of the Covered Products, and also in the instruction booklets. The type size of the warning must be legible, and no smaller than any other warning provided with the Covered Products. The word "WARNING:" shall be in upper case letters and bold text. Defendant may utilize a symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline. The warning shall be set forth in their instruction booklets, and displayed with such conspicuousness, as compared with other words, statements, or designs in the instruction booklets so as to render them likely to be read and understood by an ordinary individual under customary conditions of purchase or use. Warnings may be contained in the same section of the instruction booklets that contains other safety warnings concerning the use of the Covered Products. If the product labels, hang tag, or immediate packaging, or the instruction booklets are printed only in black and white, then color need not be used in the equilateral triangle, if used.

Defendant may use the phrases "Proposition 65" or "California Proposition 65" in front of the word WARNING, provided the font and boldface text used as are the same as are used for the word WARNING.

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#### 2.2 Reporting

No later than 120 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.

#### 3. **SETTLEMENT PAYMENTS**

#### 3.1 Civil Penalties and Payments In Lieu of Penalties

Pursuant to Health and Safety Code section 25249.7(b)(2), Yoder shall pay \$2,000 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" in the amount of \$1,500, and 2) "Ecological Rights Foundation" in the amount of \$500.

#### 3.2 Attorneys' Fees and Litigation Costs

In settlement of all of the claims that are alleged, or could have been alleged, in the Complaint concerning Covered Products, Yoder shall pay \$21,500 to the Ecology Law Center to cover Plaintiff's attorneys' fees and costs.

#### 3.3 **Payments**

All Payments shall be sent no later than 10 business days after the Effective Date via USPS certified mail, return receipt requested, or via Federal Express or another courier with a tracking and receipt confirmation system to the following addresses: All payments to Ecological Rights Foundation and Ecology Law Center shall be delivered to:

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

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The payment to OEHHA shall be delivered to:

Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
P.O. Box 4010
Sacramento, CA 95812-4010.

Plaintiff shall cooperate in providing taxpayer identification information prior to the Effective Date to allow for timely processing of the payments.

# 4. MATTERS COVERED BY THIS CONSENT JUDGMENT

- 4.1 As to Covered Products, this Consent Judgment is a final and binding resolution between ERF, acting on behalf of itself and (as to those matters raised in the 60-Day Notice Letter) acting in the public interest, and Yoder of: (i) any violation of Proposition 65 (including but not limited to the claims made in the Complaint); and (ii) any other statutory or common law claim to the fullest extent that any of the foregoing described in (i) or (ii) were or could have been asserted by any person or entity against Yoder or its parents, subsidiaries or affiliates, and all of their suppliers, manufacturers, customers, distributors (including All Things BBQ, LLC), wholesalers, retailers, or any other person in the course of doing business, and the predecessors, successors and assigns of any of them, who may use, maintain, distribute or sell Covered Products ("Released Entities"), based on its or their failure to provide clear and reasonable warnings of exposures to carbon monoxide from Covered Products and ERF hereby releases all of the foregoing claims against all the released entities up through and including the Effective Date. After the Effective Date compliance by Defendant with the terms of this Consent Judgment constitutes compliance with Proposition 65 by any Released Party with regard to any alleged exposures to carbon monoxide from Covered Products.
- 4.2 It is possible that other claims not known to the parties, arising out of the facts alleged in the 60 Day Notice Letter or the Complaint and relating to the Covered Products, will develop or be discovered. ERF on behalf of itself only, and Defendant on behalf of itself only, acknowledge that this Consent Judgment is expressly intended to cover and include all such claims up through and including the Effective Date, including all rights of action therefor. ERF and Yoder

acknowledge that the claims released above may include unknown claims, and nevertheless waive California Civil Code Section 1542 as to any such unknown claims. California Civil Code 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.

ERF on behalf of itself only, and Yoder on behalf of itself only, acknowledge and understand the significant and consequences of this specific waiver of California Civil Code Section 1542.

#### 5. ENTRY OF CONSENT JUDGMENT

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

#### 6. **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 this Consent Judgment.

## 7. 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. Copies of any motion to modify this Consent Judgment shall be served on the Office of the Attorney General.

# 8. <u>TERMINATION AND RETENTION OF JURISDICTION</u>

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

### 9. <u>AUTHORITY TO STIPULATE</u>

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 the party represented and legally to bind that party.

## 10. SERVICE ON THE ATTORNEY GENERAL

10.1 ERF shall serve a copy of this Consent Judgment, signed by both parties, on the California Attorney General on behalf of the parties so that the Attorney General may review this Consent Judgment prior to its submittal to the Court for approval. No sooner than forty five (45) days after the Attorney General has received the aforementioned copy of this Consent Judgment, and in the absence of any written objection by the Attorney General to the terms of this Consent Judgment, Plaintiff may then submit it to the Court for approval. If the Attorney General tenders a written objection, the Plaintiff may seek judicial approval only if both parties concur in seeking such approval.

## 11. ENTIRE AGREEMENT

11.1 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 and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any party hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the parties.

## 12. GOVERNING LAW

12.1 The validity, construction and performance of this Consent Judgment shall be governed by the laws of the State of California, without reference to any conflicts of law provisions

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19		JUDGE OF THE SUPERIOR COURT
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17	DATED:	
16	IT IS SO ORDERED, ADJUDGED	O AND DECREED:
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13		ITS: JoemPhillips, PresiDent
12		BY: OLVA
11	7 v j	
10	DATED: December 8,9018	YODER SMOKERS, INC.
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8		JAMES LAMPORT, EXECUTIVE DIRECTOR
6 7		Ecological Rights Foundation  BY: James Kungent, EXEC. DIR.
5		Ecological Kights foundation
4	2018	ECOLOGICAL RIGHTS FOUNDATION
3	DATED: DECEMBER 3,	
2	IT IS SO STIPULATED:	
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