1 2 3 4 5	Troy C. Bailey, State Bar No. 277424 Josh Voorhees, State Bar No. 241436 VOORHEES & BAILEY, LLP 535 Ramona Street; Suite 5 Palo Alto, CA 94301 Telephone: (650) 815-6022 Facsimile: (650) 618-1606 troy@voorheesbailey.com josh@voorheesbailey.com	
6	Attorneys for Plaintiff	
7	DENNIS JOHNSON	
8		
9	CLIDEDIOD COLIDE OF TH	
10	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
11	CITY AND COUNTY OF SANTA CLARA UNLIMITED CIVIL JURISDICTION	
12		
13		
14	DENNIS JOHNSON,	
15	Plaintiff,	
16	v.	Case No. 20-CV-370737
17	HOME ESSENTIALS & BEYOND, INC.; and	[PROPOSED] CONSENT JUDGMENT
18	DOES 1-150, inclusive,	(Health & Safety Code § 25249.6 et seq. and Code of Civil Procedure § 664.6)
19		,
20	Defendants.	
21		
22		
23		
24		
25		
26		
27		
28		

[PROPOSED] CONSENT JUDGMENT AS TO DEFENDANT HOME ESSENTIALS & BEYOND, INC.

1. INTRODUCTION

1.1 Parties

This Consent Judgment is entered into by and between plaintiff Dennis Johnson ("Johnson") and defendant Home Essentials & Beyond, Inc., ("Home Essentials"), with Johnson and Home Essentials each referred to individually as a "Party" and collectively as the "Parties."

1.2 Plaintiff

Johnson is a resident of the State of California who seeks to promote awareness of exposures to toxic chemicals, and to improve human health by reducing or eliminating harmful substances contained in consumer and commercial products.

1.3 Defendant

Home Essentials employs ten or more persons and is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code section 25249.6 *et seq.* ("Proposition 65").

1.4 General Allegations

Johnson alleges that Home Essentials manufactures, sells, and distributes for sale in California spoon rests containing lead. Lead is listed pursuant to Proposition 65 as a chemical known to cause birth defects and other reproductive harm. Johnson alleges that Home Essentials failed to provide the health hazard warnings required by Proposition 65 for exposures to lead.

1.5 Product Description

The products covered by this Consent Judgment are ceramic spoon rests containing lead that are manufactured, sold, or distributed for sale in California by Home Essentials including, but not limited to, the "Molly Hatch Spoon Rest; SKU 26-198733, (hereinafter "Products").

1.6 Notice of Violation

On February 19, 2020, Johnson served Home Essentials and the requisite public enforcement agencies with a 60-Day Notice of Violation, alleging that Home Essentials violated Proposition 65 when it failed to warn its customers and consumers in California of the health hazards associated with exposures to the Products. No public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notices.

1.7 Complaint

On September 14, 2020, Johnson commenced the instant action, naming Home Essentials as one of the defendants for alleged violations of Proposition 65 related unwarned exposures to lead on the Products ("Complaint").

1.8 No Admission

Home Essentials denies the material, factual, and legal allegations contained in the Notice and maintains that all of the products that it has sold and distributed in California, including the Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission by Home Essentials of any fact, finding, conclusion, issue of law, or violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an admission by Home Essentials of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Home Essentials. This Section shall not, however, diminish or otherwise affect Home Essentials' obligations, responsibilities, and duties under this Consent Judgment.

1.9 Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Home Essentials as to the allegations contained in the Complaint, that venue is proper in the County of Santa Clara, and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date that the Court grants the motion for approval of this Consent Judgment contemplated by Section 5, including any unopposed Tentative Ruling approving this Consent Judgment.

2. <u>INJUNCTIVE RELIEF: REFORMULATION</u>

2.1 Reformulation Standards

"Reformulated Products" are defined as those Products that: (a) contain no more than 90 parts per million ("ppm") lead in any decoration, colored artwork, designs and/or marking on the

surface of the Products when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3050B or equivalent methodologies utilized by federal or state agencies for the purpose of determining lead content in a solid substance, *and* (b) yield no more than 1.0 microgram of lead on any surface sampled and analyzed pursuant to the NIOSH 9100 testing protocol.

If the decoration is tested after it is affixed to the Lead Products, the percentage of the lead by weight must related only to the decorating materials and must not include any quantity attributable to non-decorating material (e.g., glass or ceramic substrate).

2.2 Reformulation Commitment

As of the Effective Date, Home Essentials shall not sell or offer the Products for sale in the State of California unless they are Reformulated Products. The Parties agree and intend that compliance with the terms of this Consent Judgment shall constitute compliance with Proposition 65 with respect to exposures to lead on the Products.

3. MONETARY SETTLEMENT TERMS

3.1 Civil Penalty Payment

Pursuant to Health and Safety Code section 25249.7(b)(2), and in settlement of all claims alleged in the Notice or referred to in this Consent Judgment, Home Essentials agrees to pay \$2,000 in civil penalties within two (2) business days of the Effective Date. 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 Johnson and delivered to the address in Section 3.3 herein. Home Essentials will provide its payment in two checks as follows: (1) "OEHHA" in the amount of \$1,500; and (2) "Dennis Johnson" in the amount of \$500.

3.2 Attorneys' Fees and Costs

The Parties acknowledge that Johnson and his counsel offered to resolve this dispute without reaching terms on the amount of attorney's fees and costs to be reimbursed, thereby leaving the issue to be resolved after the material terms of the agreement had been settled. Shortly after the other settlement terms had been reached, Home Essentials expressed a desire to resolve the

attorney's fees and costs. The Parties reached an accord on the compensation due to Johnson's counsel under general contract principles and the private attorney general doctrine codified at Code of Civil Procedure section 1021.5 for all work performed in this matter. Under these legal principles, within two (2) business days of the Effective Date, Home Essentials agrees to pay \$20,000, in the form of a check made payable to "Voorhees & Bailey, LLP," for all fees and costs incurred investigating, bringing this matter to the attention of Home Essentials' management, and

3.3 Payment Address

All payments under this Consent Judgment shall be delivered to the following address:

negotiating a settlement in the public interest, but exclusive of fees and costs on appeal, if any.

Voorhees & Bailey, LLP 990 Amarillo Avenue Palo Alto, CA 94303

4. CLAIMS COVERED AND RELEASED

4.1 Johnson's Release of Proposition 65 Claims

Johnson, acting on his own behalf and in the public interest, releases Home Essentials and its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Releasees") and each entity to whom Home Essentials directly or indirectly distributes or sells the Products including, but not limited to, its downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors and licensees, ("Downstream Releasees") for any violations arising under Proposition 65 for unwarned exposures to lead in the Products, manufactured, imported, distributed or sold by Home Essentials prior to the Effective Date, as set forth in the Notice. The Parties further understand and agree that this Section 4.1 release shall not extend upstream to any entities that manufactured the Products or any component parts thereof, or any distributors or suppliers who sold the Products or any component parts thereof to Home Essentials.

4.2 Johnson's Individual Release of Claims

Johnson, in his individual capacity only and *not* in his representative capacity, also provides a release to Home Essentials, Releasees, and Downstream Releasees which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs,

expenses, attorneys' fees, damages, losses, claims, liabilities and demands of Johnson ,and Johnson of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to lead in the Products manufactured, imported, distributed or sold by Home Essentials before the Effective Date. The Parties further understand and agree that this Section 4.2 release shall not extend upstream to any entities that manufactured the Products, or any component parts thereof, or any distributors or suppliers who sold the Products, or any component parts thereof to Home Essentials. Nothing in this Section affects Johnson's right to commence or prosecute an action under Proposition 65 against a Releasee that does not involve Home Essentials' Products.

4.3 Home Essentials' Release of Johnson

Home Essentials, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors and/or assignees, hereby waive any and all claims against Johnson and his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Johnson or his attorneys and other representatives, whether in the course of investigating claims, seeking to enforce Proposition 65 against it in this matter, or with respect to the Products.

5. COURT APPROVAL

This Consent Judgment is not effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved and entered by the Court within one year after it has been fully executed by all Parties. Johnson and Home Essentials agree to support the entry of this agreement as a judgment, and to obtain the Court's approval of their settlement in a timely manner. The Parties acknowledge that, pursuant to California Health and Safety Code section 25249.7(f), a noticed motion is required for judicial approval of this Consent Judgment, which motion Johnson and Johnson shall draft and file and Home Essentials shall support, appearing at the hearing if so requested. If any third-party objection to the motion is filed, Johnson and Home Essentials agree to work together to file a reply and appear at any hearing. This provision is a material component of the Consent Judgment and shall be treated as such in the event of a breach.

6. SEVERABILITY

If, subsequent to the execution of this Consent Judgment, any provision of this Consent Judgment is deemed by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

7. GOVERNING LAW

The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within the State of California. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Home Essentials may provide written notice to Johnson of any asserted change in the law and shall have no further injunctive obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are so affected.

8. <u>NOTICE</u>

Unless specified herein, all correspondence and notice required to be provided pursuant to this Consent Judgment shall be in writing and sent by: (a) personal delivery; (b) first-class, registered or certified mail, return receipt requested; or (c) a recognized overnight courier on any Party by the other at the following addresses:

For Home Essentials: For Johnson:

Avrom R. Vann, Esq.

Avrom R. Vann, P.C.

Attorney at Law

1211 Avenue of the Americas; 40th Floor
New York, NY 10036

Voorhees & Bailey, LLP
Proposition 65 Coordinator
535 Ramona Street; Suite 5
Palo Alto, CA 94301

Any Party may, from time to time, specify in writing to the other a change of address to which all notices and other communications shall be sent.

9. COUNTERPARTS; FACSIMILE AND PDF SIGNATURES

This Consent Judgment may be executed in counterparts and by facsimile or portable document format (PDF) signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

28 ||

10. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)

Johnson and his attorneys agree to comply with the reporting form requirements referenced in California Health and Safety Code section 25249.7(f).

11. MODIFICATION

This Consent Judgment may be modified only by: (i) a written agreement of the Parties and the entry of a modified Consent Judgment by the Court thereon; or (ii) upon a successful motion of any party and the entry of a modified Consent Judgment by the Court thereon.

12. <u>AUTHORIZATION</u>

The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties and have read, understand, and agreed to all of the terms and conditions of this Consent Judgment.

AGREED TO:	AGREED TO:
Date: January 24, 2022	Date:
By: DENNIS JOHNSON	By:, President/CEO

HOME ESSENTIALS

10. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)

Johnson and his attorneys agree to comply with the reporting form requirements referenced in California Health and Safety Code section 25249.7(f).

11. MODIFICATION

This Consent Judgment may be modified only by: (i) a written agreement of the Parties and the entry of a modified Consent Judgment by the Court thereon; or (ii) upon a successful motion of any party and the entry of a modified Consent Judgment by the Court thereon.

12. <u>AUTHORIZATION</u>

The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties and have read, understand, and agreed to all of the terms and conditions of this Consent Judgment.

AGREED TO:

Date: January 24, 2022

By: DENNIS JOKASON

AGREED TO:

Date: 2/1/2

ISIDORE GODINGER

, President/CEO

HOME ESSENTIALS