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6	KEEP ÁMERICA SAFE AND BEAUTIFUL		
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8 9	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
9	COUNTY OF SAN FRANCISCO		
10	UNLIMITED CIVIL JURISDICTION		
12			
13	KEEP AMERICA SAFE AND BEAUTIFUL,	Case No. CGC-22-599578	
14	Plaintiff,	[PROPOSED] CONSENT JUDGMENT	
15	V.	(Health & Safety Code § 25249.6 et seq. and	
16	LIFETIME BRANDS, INC.; and DOES 1- 30, inclusive,	Code of Civil Procedure § 664.6)	
17	Defendants.		
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20	CONSENT JUDGMENT		
	sf-5975163		

#### 1. **INTRODUCTION**

This Consent Judgment is entered into by and between plaintiff Keep America Safe and Beautiful ("KASB") and defendant Lifetime Brands, Inc. ("Lifetime Brands"), with KASB and Lifetime Brands each individually referred to as a "Party" and collectively, as the "Parties," to resolve the allegations in the April 7, 2021 60-Day Notice of Violation in compliance with the Safe Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code § 25249.6 et seq. ("Proposition 65").

1.1

### **The Parties**

KASB is a California-based non-profit organization proceeding in the public interest pursuant to California Health & Safety Code § 25249.7(d) to ensure that chemicals known to the State of California to cause cancer, birth defects, or other reproductive harm are disclosed or eliminated from consumer products sold in California. Lifetime Brands is a person in the course of doing business for purposes of California Health & Safety Code § 25249.11(b).

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#### 1.2 **Consumer Product Description**

KASB alleges that Lifetime Brands manufactures, imports, sells, or distributes for sale in or into California the following faux leather product containing di(2ethylhexyl) phthalate ("DEHP"): Built New York City Tote Neoprene Shoulder Bag (Black); Model# 5157664, ASIN# B00U3DFVVM, UPC# 8 44983 03875 5 (the "Products"), without providing the health hazard warning KASB alleges is required by Proposition 65. DEHP is listed pursuant to Proposition 65 as a chemical known to the State of California to cause birth defects or other reproductive harm.

#### 1.3 **Notices of Violation**

On April 7, 2021, KASB served Lifetime Brands, the California Attorney General, and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice"), alleging Lifetime Brands violated Proposition 65 by failing to warn its customers and consumers in California the Products can expose users to DEHP.

#### 1.4 Complaint

On May 10, 2022, KASB commenced the instant action, naming Lifetime Brands as a defendant for the alleged violation of Proposition 65 that is the subject of the Notice.

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#### 1.5 **No Admission**

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

#### 1.6 Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate this Court has jurisdiction 10 over Lifetime Brands as to the allegations contained in the Complaint; venue is proper in San Francisco 12 County; and the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment, 13 pursuant to Proposition 65 and Code of Civil Procedure § 664.6.

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#### 1.7 **Execution Date**

The term "Execution Date" means the date all parties have signed this Consent Judgment.

1.8 **Effective Date** 

The term "Effective Date" means the date on which the Court approves this Consent Judgment and enters Judgment pursuant to its terms.

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### 2. **INJUNCTIVE RELIEF: REFORMULATION AND WARNINGS**

### 2.1 **Commitment to Reformulate or Warn**

Commencing on the Execution Date and continuing thereafter, all Products Lifetime Brands manufactures, imports, sells, ships, or distributes for sale in or into California, directly or through one or more third party retailers or e-commerce marketplaces, shall either meet the Reformulation Standard for Reformulated Products, as defined by Section 2.2, or be accompanied by a clear and reasonable warning pursuant to the following Sections 2.3 through 2.5.

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### 2.2 **Reformulation Standard**

27 For purposes of this Consent Judgment, "Reformulated Products" are defined as Products containing di(2-ethylhexyl) phthalate ("DEHP") in a maximum concentration of less than 0.1 percent 28

(1,000 parts per million) when analyzed by a laboratory accredited by the State of California, a federal 2 agency, or a nationally recognized accrediting organization. For purposes of compliance with this 3 reformulation standard, testing samples shall be prepared and extracted using Consumer Product Safety Commission ("CPSC") methodology CPSC CH-C1001.09.4 and analyzed using U.S. 4 Environmental Protection Agency methodology 8270D, or other methodologies utilized by federal or 5 6 state government agencies to determine phthalate content in a solid substance.

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#### 2.3 **Clear and Reasonable Warnings**

Lifetime Brands shall provide clear and reasonable warnings for all Products provided for sale 9 to customers in California in accordance with this Section pursuant to Title 27 California Code of 10 Regulations § 25600, et seq. Each warning shall be prominently placed with such conspicuousness as compared with other words, statements, or designs as to render it likely to be read and understood by 12 an ordinary individual under customary conditions before purchase or use and shall be provided in a 13 manner such that it is clearly associated with the specific Product to which the warning applies.

**Warning**. The Warning shall consist of the following statement: **(a)** 

expose **WARNING**: This product can you to di(2-ethylhexyl)phthalate [DEHP], which is known to the State of California to cause birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.

Short-Form Warnings. Lifetime Brands may, but is not required to, use the **(b)** following short-form warning ("Short-Form"), subject to the additional requirements set forth in Sections 2.4 and 2.5:

WARNING: Reproductive Harm - www.P65Warnings.ca.gov.

(c) Foreign Language Requirement. Where a consumer product sign, label or shelf tag used to provide a warning includes consumer information, as that term is defined in Title 27 California Code of Regulations § 25600.1(c) ("Consumer Information"), in languages other than English, then the warning must also be provided in those languages in addition to English.

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### **Product Warnings**

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Lifetime Brands shall affix a warning to the Product label or otherwise directly on each Product

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provided for sale to consumers located in California and to customers with retail outlets in California or nationwide distribution. For purposes of this Consent Judgment, "Product label" means a display of written, printed or graphic material that is printed on or affixed to each of a Product or its immediate A warning provided pursuant to Section 2.3(a) must print the word container or wrapper. "WARNING:" in all capital letters and in bold font. The warning symbol to the left of the word "WARNING:" must be a black exclamation point in a yellow equilateral triangle with a black outline, except, if the labeling does not use the color yellow, then the symbol may be in black and white. The entire warning shall appear in a type size of at least 6-point type and no smaller than the largest type size used for other Consumer Information on the Products.

#### 2.5 **Internet Warnings**

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If, after the Effective Date, Lifetime Brands sells Products via the internet, through its own website, affiliated websites, or a third-party website, to consumers located in California or to customers 12 13 with nationwide distribution and e-commerce websites, Lifetime Brands shall provide warnings for 14 each Product both on the Product label, in accordance with Section 2.4, and by prominently displaying, 15 or requiring the warning to be prominently displayed, on affiliated websites, third-party websites or by retail customers, to the consumer during the purchase of the Products without requiring customers to 16 17 seek out the warning. The warning or a clearly marked hyperlink to the warning using the word "WARNING", given in conjunction with the sale of the Products via the internet, shall appear either: 18 19 (a) on the same web page on which the Products are displayed; (b) on the same web page as the virtual 20 cart displaying the Products; (c) on the same page as the price for the Products; or (d) on one or more web pages displayed to a purchaser during the checkout process. The warning shall appear, in any of 22 the above instances, adjacent to or immediately following the display, description, or price of the 23 Products for which it is given in the same type size or larger than other consumer information provided 24 for the Products. For internet warnings, Lifetime Brands may use the Short-Form, supra at Section 25 2.3(b), if the warning provided on the Product label also uses the Short-Form. For third-party websites, 26 as a condition of sale, Lifetime Brands shall notify sellers the Products must be accompanied by a 27 warning, prior to and as a condition of sale, in or into California, and shall supply the warning 28 requirements, as detailed above.

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### MONETARY SETTLEMENT TERMS

#### 3.1 **Civil Penalty**

Pursuant to Health and Safety Code § 25249.7(b), Lifetime Brands agrees to pay a civil penalty of \$1,000 within fifteen (15) business days of the Effective Date. Lifetime Brands' civil penalty payment will be allocated according to Health and Safety Code § 25249.12(c)(1) and (d), with seventyfive percent (75%) of the penalty paid to the California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining twenty-five percent (25%) retained by KASB. Lifetime Brands shall issue its payment in two checks made payable to: (a) "OEHHA" in the amount of \$750; and (b) "Seven Hills in Trust for Keep America Safe and Beautiful" in the amount of \$250. KASB's counsel shall deliver to OEHHA and KASB their respective portions of the penalty payment.

#### 3.2 **Reimbursement of Attorneys' Fees and Costs**

12 KASB and its counsel offered to resolve the allegations in the Notice and Complaint without reaching terms on the amount of reimbursement of attorneys' fees and costs. The Parties negotiated 14 and reached an accord on the amount of reimbursement to be paid to KASB's counsel, under general contract principles and the private attorney general doctrine, codified at California Code of Civil 16 Procedure § 1021.5, for all work performed through the mutual execution and reporting of this Consent Judgment to the Office of the California Attorney General and entry of Judgment pursuant its terms, 18 but exclusive of fees and costs on appeal, if any. Within fifteen (15) business days of the Effective 19 Date, Lifetime Brands shall issue a check payable to "Seven Hills LLP" for \$15,000 for all fees and costs incurred in investigating, bringing this matter to Lifetime Brands' attention, litigating, 20 negotiating a settlement in the public interest, obtaining the Court's approval of its terms pursuant to Section 5, and reporting to the California Attorney General.

#### 3.3 **Payments**

All payments payable and due under this Consent Judgment shall be delivered to KASB's counsel at the following address:

Seven Hills LLP Attn: Kimberly Gates Johnson 4 Embarcadero Center, Suite 1400 San Francisco, CA 94111

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### **CLAIMS COVERED AND RELEASED**

### 4.1 KASB's Release of Proposition 65 Claims

This Consent Judgment is a full, final and binding resolution between KASB, on behalf of itself and in the public interest, and Lifetime Brands, of any violation of Proposition 65 that was or could have been asserted by KASB on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, against Lifetime Brands, its past and present directors, officers, shareholders, employees, agents, subsidiaries, divisions, affiliates, assignees, attorneys, and each entity to whom Lifetime Brands directly or indirectly distributes or sells Products, including, but not limited to, downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees (collectively, "Releasees"), based on their failure to warn, arising under Proposition 65, about alleged exposures to DEHP contained in Products that were manufactured, distributed, sold and/or offered for sale by Lifetime Brands in California before the Effective Date, as alleged in the Notice and Complaint. The Parties further agree that compliance with Section 2 of this Consent Judgment shall be deemed compliance with Proposition 65 with respect to alleged exposures to DEHP in the Products.

In further consideration of the promises and agreements herein contained, KASB, on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives all of KASB's rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims that KASB may have, including, without limitation, all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses including, but not exclusively, investigation fees, expert fees, and attorneys' fees arising under Proposition 65 with respect to DEHP in the Products manufactured, distributed, sold and/or offered for sale by Lifetime Brands, before the Effective Date (collectively, "Claims"), against Lifetime Brands and Releasees.

The Parties further understand and agree this Section 4.1 release shall not extend upstream to any entities who manufactured the Products or any component parts thereof, nor to any distributors or suppliers who sold the Products or any component parts thereof to Lifetime Brands. Nor shall this Section 4.1 release apply to any downstream, third-party websites that fail to communicate Product warnings, as set forth in Section 2, after the Effective Date. Nothing in this Section affects KASB's right to commence or prosecute an action under Proposition 65 against a Releasee that does not involve Lifetime Brands' Products.

#### 4.2 Lifetime Brands' Release of KASB

Lifetime Brands, on behalf of itself, its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against KASB and its attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made), whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against him in this matter with respect to the Products.

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#### 5. **COURT APPROVAL**

11 Pursuant to California Health and Safety Code § 25249.7(f)(4), KASB shall file a noticed motion for judicial approval of this Consent Judgment. The Parties agree to mutually employ their best 12 13 efforts, and those of their counsel, to support the entry of a judgment pursuant to the terms of this 14 Consent Judgment, and to judicial approval of their settlement in a timely manner. For purposes of this section, "best efforts" shall include, at a minimum, supporting the motion for approval, responding to 15 16 any third-party objection, and appearing at the hearing before the Court if so requested.

#### 6. SEVERABILITY

If, subsequent to the Court's approval and entry of this Consent Judgment as a 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.

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# **GOVERNING LAW**

The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within California. In the event that Proposition 65 is repealed, preempted, or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Lifetime Brands may provide KASB with written notice 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 26 Products are so affected. Nothing in this Consent Judgment shall be interpreted to relieve Lifetime 28 Brands from its obligation to comply with any pertinent state or federal law or regulation.

CONSENT JUDGMENT

# 1 8. <u>NOTICE</u>

2 Unless specified herein, all correspondence and notice required by this Consent Judgment shall 3 be in writing and sent by: (i) first-class registered or certified mail, return receipt requested; or (ii) a recognized overnight courier to any Party by the other at the following addresses: 4 5 For Lifetime Brands: For KASB: 6 Robert B. Kay, Chief Executive Officer Kimberly Gates Johnson, Partner Lifetime Brands, Inc. SEVEN HILLS LLP 7 1000 Stewart Avenue 4 Embarcadero Center, Suite 1400 Garden City, NY 11530-4814 San Francisco, CA 94111 8 With a copy to: 9 William F. Tarantino 10 MORRISON & FOERSTER LLP 425 Market St. 11 San Francisco, CA 94105 12 Any Party may, from time to time, specify in writing to the other Party a change of address to which 13 all notices and other communications shall be sent. 14 9. **COUNTERPARTS AND PDF SIGNATURES** 15 This Consent Judgment may be executed in counterparts and by portable document format 16 (PDF) signature, each of which shall be deemed an original and, all of which, when taken together, 17 shall constitute one and the same document. 18 10. **COMPLIANCE WITH REPORTING REQUIREMENTS** 19 KASB and its counsel agree to comply with the reporting form requirements referenced in 20 California Health and Safety Code § 25249.7(f). 21 11. **ENTIRE AGREEMENT** 22 This Consent Judgment contains the sole and entire agreement and understanding of the Parties 23 with respect to the entire subject matter hereof. There are no warranties, representations, or other 24 agreements between the Parties except as expressly set forth herein. No representations, oral or 25 otherwise, express or implied, other than those specifically referred to in this Consent Judgment have 26 been made by any Party hereto. No other agreements not specifically contained or referenced herein, 27 oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto. 28

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# 12. 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.

### 13. <u>AUTHORIZATION</u>

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

### **AGREED TO:**

### **AGREED TO:**

9 Date: May 30, 2024 Date: 07/04/2024 10 11 12 By: By: Robert Kay, CEO Lance Nguyen, Chief Executive Officer 13 Lifetime Brands, Inc. Keep America Safe and Beautiful 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 9 CONSENT JUDGMENT sf-5975163