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8 Attorneys for Plaintiff,
9 CONSUMER ADVOCACY GROUP, INC.

10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

11 **COUNTY OF ALAMEDA**

12 CONSUMER ADVOCACY GROUP, INC.,
13 in the public interest,
14 Plaintiff,

15 v.

16 WEEE! INC., a Delaware Corporation;
17 KAM LEE YUEN TRADING CO, INC., a
18 California Corporation;
19 UNITED KANBOO USA, CORP., a
20 California Corporation;
21 SEOUL SHIK POOM, INC. DBA SEOUL
22 TRADING USA CO., a New York
23 Corporation;
24 FOODNET SUPERMARKET, INC., a
25 California Corporation;
26 and DOES 1-70,

27 Defendants.

CASE NO. 23CV043992

**[PROPOSED] AMENDED CONSENT
JUDGMENT**

Health & Safety Code § 25249.5 *et seq.*

Complaint Filed: September 14, 2023

28 **1. INTRODUCTION**

1.1 CAG This Consent Judgment is entered into by and between Plaintiff, Consumer
Advocacy Group, Inc. (referred to as “CAG”) acting on behalf of itself and in the public
interest, and Defendant Kam Lee Yuen Trading Co, Inc. (“Kam Lee” or “Settling Defendant”),

1 each a party to the action and collectively referred to as “Parties” or individually referred to as
2 “Party.”

3 **1.2 Defendants and Covered Products**

4 1.2.1 CAG alleges that Kam Lee Yuen Trading Co, Inc., is a California Corporation
5 which employs ten or more persons. For purposes of this Consent Judgment only, Kam Lee is
6 deemed a person in the course of doing business in California and subject to the provisions of
7 the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code
8 §§ 25249.6 *et seq.* (“Proposition 65”).

9 1.2.2 CAG alleges that Settling Defendant manufactures, sells, and/or distributes
10 consumer products in California.

11 **1.3 Listed Chemicals**

12 1.3.1 Lead and Lead Compounds (hereinafter “Lead”) are known to the State of
13 California to cause cancer and/or birth defects or other reproductive harm.

14 1.3.2 Cadmium and Cadmium Compounds (hereinafter “Cadmium”) are known to
15 the State of California to cause cancer and/or birth defects or other reproductive harm.

16 1.3.3 Inorganic Arsenic Compounds and Inorganic Arsenic Oxides (hereinafter,
17 collectively, “Arsenic”) is known to the State of California to cause cancer and/or birth defects
18 or other reproductive harm.

19 **1.4 Notices of Violation**

20 1.4.1 On or about October 15, 2021, CAG served a “60-Day Notice of Intent to Sue
21 for Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986” (AG# 2021-
22 02600) (“October 15, 2021 Notice”) that provided Kam Lee with notice of alleged violations of
23 Health & Safety Code § 25249.6 for failing to warn individuals in California of exposures to
24 Lead and Arsenic contained in Dried Seaweed including but not limited to “Dried Seaweed
25 (Strips)”; “Net Weight 3oz (8g)”; “UPC 6 63836 01150 5”; “Product of China”. No public
26 enforcer has commenced or diligently prosecuted the allegations set forth in the October 15,
27 2021 Notice.

1 1.4.2 On or about October 29, 2021, CAG served a “60-Day Notice of Intent to Sue
2 for Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986” (AG# 2021-
3 02769) (“October 29, 2021 Notice”) that provided retailer defendant AA Marketplace with
4 notice of alleged violations of Health & Safety Code § 25249.6 for failing to warn individuals
5 in California of exposures to Lead and Arsenic contained in Shrimp Sauce including but not
6 limited to “Fine Shrimp Sauce”; “Net Wt 8 oz (227 g)”; “UPC 0 2071728008 3”; “Made in
7 China”. No public enforcer has commenced or diligently prosecuted the allegations set forth in
8 the October 29, 2021 Notice.

9 1.4.3 On or about July 6, 2022, CAG served a “60-Day Notice of Intent to Sue for
10 Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986” (AG# 2022-01491)
11 (“July 6, 2022 Notice”) that provided Kam Lee with notice of alleged violations of Health &
12 Safety Code § 25249.6 for failing to warn individuals in California of exposures to Lead and
13 Arsenic contained in Dried Seaweed including but not limited to "Dried Seaweed Strips"; "Net
14 Wt. 3 oz (85 g)"; "Lot No. KLY-1007"; "Best Before June-10-2022"; "Distributed by K.L.Y
15 Trading Co., Inc."; "DV 1150"; "UPC 6 63836 011505". No public enforcer has commenced or
16 diligently prosecuted the allegations set forth in the July 6, 2022 Notice.

17 1.4.4 On or about July 6, 2022, CAG served a “60-Day Notice of Intent to Sue for
18 Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986” (AG# 2022-01492)
19 (“July 6, 2022 Notice”) that provided Kam Lee with notice of alleged violations of Health &
20 Safety Code § 25249.6 for failing to warn individuals in California of exposures to Lead and
21 Arsenic contained in Dried Seaweed including but not limited to "Dried Seaweed Strips"; "Net
22 Wt. 3 oz (85 g)"; "Lot No. KLY-1007"; "Best Before June-10-2022"; "Distributed by K.L.Y
23 Trading Co., Inc."; "DV 1150"; "UPC 6 63836 011505". No public enforcer has commenced or
24 diligently prosecuted the allegations set forth in the July 6, 2022 Notice.

25 1.4.5 On or about November 3, 2022, CAG served a “60-Day Notice of Intent to Sue
26 for Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986” (AG# 2022-
27 02656) (“November 3, 2022 Notice”) that provided Kam Lee with notice of alleged violations
28

1 of Health & Safety Code § 25249.6 for failing to warn individuals in California of exposures to
2 Lead, Arsenic, and Cadmium contained in Dried Shrimp including but not limited to "Twin
3 Fish Brand"; "Dried Shrimp"; "Net Wt. 4 oz (113.5g)"; "Packed in U.S.A."; "Distributed by
4 K.L.Y. Trading Co., Inc."; "DS0030"; "UPC 6 63836 00030 1". No public enforcer has
5 commenced or diligently prosecuted the allegations set forth in the November 3, 2022 Notice.

6 1.4.6 On or about December 2, 2022, CAG served a "60-Day Notice of Intent to Sue
7 for Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986" (AG# 2022-
8 02883) ("December 2, 2022 Notice") that provided Kam Lee with notice of alleged violations
9 of Health & Safety Code § 25249.6 for failing to warn individuals in California of exposures to
10 Lead, Arsenic, and Cadmium contained in Dried Seaweed including but not limited to: (i)
11 "Twin Fish Brand"; "Dried Seaweed"; "Net Wt. 2.82 oz (80 g)"; "Best Before: October-15-
12 2023"; "Distributed By: K.L.Y. Trading Co., Inc."; "Product of China"; "DV 1097"; "UPC 6
13 63836 01097 3"; (ii) "Twin Fish Brand"; "Dried Seaweed Strips"; "Net Wt. 3 oz (85 g)";
14 "Distributed By: K.L.Y. Trading Co., Inc."; "Product of China"; "Best Before: October-15-
15 2023"; "Lot No. KLY – 1012"; "DV 1150"; "UPC 6 63836 01150 5"; and (iii) "Twin Fish
16 Brand"; "Dried Seaweed Slice"; "Net Wt. 6 oz (170 g)"; "Distributed By: K.L.Y. Trading Co.,
17 Inc."; "Product of China"; "Best Before: March-12-2023"; "Lot No. KLY – 1010"; "DV
18 0175"; "UPC 6 63836 00175 9". No public enforcer has commenced or diligently prosecuted
19 the allegations set forth in the December 2, 2022 Notice.

20 1.4.7 On or about December 2, 2022, CAG served a "60-Day Notice of Intent to Sue
21 for Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986" (AG# 2022-
22 02884) ("December 2, 2022 Notice II") that provided Kam Lee with notice of alleged
23 violations of Health & Safety Code § 25249.6 for failing to warn individuals in California of
24 exposures to Lead and Arsenic contained in Five Spice including but not limited to "Twin Fish
25 Brand"; "Dried 5 Spice Powder"; "Net Wt. 3oz (85g)"; "Distributed By K.L.Y. Trading Co.,
26 Inc."; "Product of China"; "SP 0050"; "UPC 6 63836 00050 9". No public enforcer has
27 commenced or diligently prosecuted the allegations set forth in the December 2, 2022 Notice II.

1 1.4.8. On or about December 16, 2022, CAG served a “60-Day Notice of Intent to Sue
2 for Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986” (AG# 2022-
3 03039) (“December 16, 2022 Notice”) that provided Kam Lee with notice of alleged violations
4 of Health & Safety Code § 25249.6 for failing to warn individuals in California of exposures to
5 Lead and Arsenic contained in Cinnamon Powder including but not limited to "Twin Fish";
6 "Dried Cinnamon Powder"; "Net Wt. 2 oz (56.7g)"; "Product of China"; "Distributed By
7 K.L.Y. Trading Co., Inc."; "SP 1207"; "UPC 6 63836 01207 6". No public enforcer has
8 commenced or diligently prosecuted the allegations set forth in the December 16, 2022 Notice.

9 **1.5 Complaints**

10 1.5.1 July 1, 2022 CAG filed a Complaint for civil penalties and injunctive relief
11 (“Complaint 1”) in Los Angeles County Superior Court, Case No. 22STCV21441 against
12 retailer defendant AA Marketplace and other parties. Complaint 1 alleges, among other things,
13 that retailer defendant AA Marketplace violated Proposition 65 for allegedly failing to give
14 clear and reasonable warnings of alleged exposure to Listed Chemicals from Covered Products.

15 1.5.2 On June 2, 2023, CAG filed a Complaint for civil penalties and injunctive relief
16 in Los Angeles County Superior Court, Case No. 23STCV12567, against Kam Lee and other
17 parties (“Complaint 2”). Complaint 2 alleges, among other things, that Kam Lee violated
18 Proposition 65 for allegedly failing to give clear and reasonable warnings of alleged exposure
19 to Listed Chemicals from Covered Products.

20 1.5.3 On September 14, 2023, CAG filed a Complaint for civil penalties and
21 injunctive relief in Alameda County Superior Court, Case No. 23CV043992, against Kam Lee
22 and other parties. On October 27, 2023, CAG filed a First Amended Complaint in this action
23 (“Complaint 3”). Complaint 3 alleges, among other things, that Kam Lee violated Proposition
24 65 for allegedly failing to give clear and reasonable warnings of alleged exposure to Listed
25 Chemicals from Covered Products.

26 **1.6 Consent to Jurisdiction**

27 For purposes of this Consent Judgment only, the Parties stipulate that this Court has
28 jurisdiction over the allegations of violations contained in the Complaints, personal jurisdiction

1 over Kam Lee as to the acts alleged in the Complaints, that venue is proper in the County of
2 Alameda, and that this Court has jurisdiction to enter this Consent Judgment as a full settlement
3 and resolution of the allegations against Kam Lee contained in the Complaints, and of all claims
4 which were or could have been raised by any person or entity based in whole or in part, directly
5 or indirectly, on the facts alleged therein or arising therefrom or related thereto.

6 **1.7 No Admission**

7 This Consent Judgment resolves claims that are denied and disputed. The Parties enter
8 into this Consent Judgment pursuant to a full and final settlement of any and all claims between
9 the Parties for the purpose of avoiding prolonged litigation. Nothing in this Consent Judgment
10 shall be construed as an admission by the Parties of any material allegation in the Notices or the
11 Complaints, or of any fact, conclusion of law, issue of law or violation of law of any kind,
12 including without limitation, any admission concerning any alleged or actual violation of
13 Proposition 65 or any other statutory, regulatory, common law, or equitable doctrine, including
14 but not limited to the meaning of the terms “knowingly and intentionally expose” or “clear and
15 reasonable warning” as used in Health and Safety Code section 25249.6. Nothing in this Consent
16 Judgment, nor compliance with its terms, shall constitute or be construed as an admission by the
17 Parties of any fact, conclusion of law, issue of law, or violation of law, or of fault, wrongdoing,
18 or liability by Kam Lee, its officers, directors, employees, or parent, subsidiary or affiliated
19 corporations, or be offered or admitted as evidence in any administrative or judicial proceeding
20 or litigation in any court, agency, or forum. Moreover, the reformulation limits identified in
21 section 3.1 are the result of negotiation and are only to be used in this Consent Judgment for these
22 Covered Products. The reformulation limits may not be used for any other purpose in any other
23 matter and are not an admission that the consumption rates that may be calculated therefrom are
24 actual or reasonable consumption rates. Furthermore, nothing in this Consent Judgment shall
25 prejudice, waive or impair any right, remedy, argument, or defense the Parties may have in any
26 other or future legal proceeding, except as expressly provided in this Consent Judgment.

1 **2. DEFINITIONS**

2 2.1 “Covered Products” means Dried Seaweed, Dried Shrimp, Five Spice, and
3 Cinnamon Powder. The Covered Products are limited to the UPC numbers identified below.

4 2.2 “Covered Products” means products specifically identified in Paragraphs 1.4.1
5 to 1.4.7 sold or supplied by Defendant.

6 2.3 “Effective Date” means the date that this Consent Judgment is approved by the
7 Court.

8 2.4 “Lead” means Lead and Lead Compounds.

9 2.5 “Arsenic” means Inorganic Arsenic Oxides and Inorganic Arsenic Compounds.

10 2.6 “Cadmium” means Cadmium and Cadmium Compounds.

11 2.7 “Listed Chemicals” means:

12 Lead as to: Dried Seaweed, Shrimp Sauce, Dried Shrimp, Five Spice, and
13 Cinnamon Powder.

14 Arsenic as to: Dried Seaweed, Shrimp Sauce, Dried Shrimp, Five Spice, and
15 Cinnamon Powder.

16 Cadmium as to: Dried Seaweed and Dried Shrimp.

17 2.8 “Complaints” means Complaint 1, Complaint 2, and Complaint 3.

18 2.9 “Notices” means the October 15, 2021 Notice; October 29, 2021 Notice; July 6,
19 2022 Notice; November 3, 2022 Notice; December 2, 2022 Notice; December 2, 2022 Notice
20 II; and December 16, 2022 Notice.

21 **3. INJUNCTIVE RELIEF/REFORMULATION**

22 3.1 After the Effective Date, Defendant shall not sell in California, offer for sale in
23 California, or ship for sale in California any of the Covered Products unless the level of the
24 Listed Chemicals does not exceed the levels specified below, unless Proposition 65 compliant
25 warnings are used as set forth in the following paragraphs.

26 3.1.1 Seaweed: Lead of 75 parts per billion (“parts per billion” is hereinafter
27 referred to as “ppb”), Cadmium of 85 ppb, Arsenic of 15 ppb.

28 3.1.2 Dried Shrimp: Lead of 40 ppb, Cadmium of 85 ppb, Arsenic of 15 ppb.

1 3.1.3 Five Spice: Lead of 34ppb, Arsenic of 20 ppb.

2 3.1.4 Ground Cinnamon: Lead of 200ppb, Arsenic of 20 ppb.

3 3.1.5 Shrimp Sauce: Lead of 20ppb, Arsenic of 10 ppb.

4 3.2 For any Covered Products that exceeds their respective levels of Lead,
5 Cadmium, and/or Arsenic that are placed into the stream of commerce in California after the
6 Effective Date, Defendant must provide a Proposition 65 compliant warning for the Covered
7 Products as permitted by Proposition 65 and its implementing regulations or as set forth below.
8 Any warning provided pursuant to this section shall be affixed to the packaging of, or directly
9 on, the Covered Products, and be prominently placed with such conspicuousness as compared
10 with other words, statements, designs, or devices as to render it likely to be read and
11 understood by an ordinary individual under customary conditions before purchase or use. The
12 warning must be set off from other surrounding information, enclosed in a box. Where the
13 packaging of the Covered Product or a sign referring to the Covered Product includes consumer
14 information as defined by California Code of Regulations title 27 §25600.1(c) in a language
15 other than English, the warning must also be provided in that language in addition to English.
16 Should Defendant sell or distribute any Covered Product through the internet, the warning will
17 be posted in the manner provided for with respect to internet sales, as provided for in 27 CCR
18 sections 25601 and 25602, as they may be subsequently amended. The Parties agree that the
19 following warning language shall constitute compliance with Proposition 65 with respect to the
20 alleged Lead, Cadmium, and Arsenic in the Covered Products placed into the steam of
21 commerce by Defendant after the Effective Date:

22 For Covered Products containing Lead:

23 **WARNING:** Consuming this product can expose you to Lead, a
24 chemical known to the State of California to cause cancer and birth
25 defects or other reproductive harm. For more information go to
www.P65Warnings.ca.gov/food.

26 or

27 For Covered Products containing Cadmium:

1 **WARNING:** Consuming this product can expose you to Cadmium, a
2 chemical known to the State of California to cause cancer and birth
3 defects or other reproductive harm. For more information go to
4 www.P65Warnings.ca.gov/food.

5 or

6 For Covered Products containing Inorganic Arsenic:

7 **WARNING:** Consuming this product can expose you to Inorganic
8 Arsenic, a chemical known to the State of California to cause cancer
9 and birth defects or other reproductive harm. For more information go
10 to www.P65Warnings.ca.gov/food.

11 3.3 For any Covered Products still existing in the Defendant's inventory as of the
12 Effective Date, Defendant shall place a Proposition 65 compliant warning on them, unless the
13 Covered Products does not exceed their respective levels of Lead, Cadmium, and Arsenic. Any
14 warning provided pursuant to this section shall comply with the warning requirements under
15 Section 3.2 above. Products already distributed to Downstream Releasees prior to the Effective
16 Date may continue to be sold through as is.

17 3.4 Changes in the law and regulations applicable to Prop 65 occurring after this
18 date shall be incorporated into the terms of this Consent Judgment.

19 **4. SETTLEMENT PAYMENT**

20 4.1.1 Payment and Due Date: Within ten (10) days of the Effective Date, Kam Lee
21 shall pay a total of three hundred thousand dollars and zero cents (\$300,000.00) in full and
22 complete settlement of any and all claims for civil penalties, damages, attorney's fees, expert
23 fees or any other claim for costs, expenses or monetary relief of any kind for claims that were
24 or could have been asserted in the Notices or Complaints identified in Sections 1.4 and 1.5, as
25 follows:

26 4.1.2 **Civil Penalty:** Kam Lee shall issue two separate checks totaling sixty-eight
27 thousand five hundred and eighty dollars (\$68,580.00) as follows for alleged civil penalties
28 pursuant to Health & Safety Code § 25249.12:

 Kam Lee will issue one check made payable to the State of California's Office of
Environmental Health Hazard Assessment ("OEHHA") in the amount of fifty-one thousand
four hundred and thirty-five dollars (\$51,435.00) representing 75% of the total civil penalty and

1 Kam Lee will issue a second check to CAG in the amount of seventeen thousand one hundred
2 and forty-five dollars (\$17,145.00) representing 25% of the total civil penalty;

3 Separate 1099s shall be issued for each of the above payments: Kam Lee will issue a
4 1099 to OEHHA, P.O. Box 4010, Sacramento, CA 95184 (EIN: 68-0284486) in the amount of
5 \$51,435.00. Kam Lee will also issue a 1099 to CAG in the amount of \$17,145.00 and deliver it
6 to CAG c/o Yeroushalmi & Yeroushalmi, 9100 Wilshire Boulevard, Suite 240W, Beverly
7 Hills, California 90212.

8 **4.1.3 Additional Settlement Payments:** Kam Lee shall issue one check for fifty-one
9 thousand four hundred and twenty dollars (\$51,420.00) to “Consumer Advocacy Group, Inc.”
10 pursuant to Health & Safety Code § 25249.7(b) and California Code of Regulations, Title 11 §
11 3203(d). CAG will use this portion of the Total Settlement Payment as follows, eighty percent
12 (80%) for fees of investigation, purchasing and testing for the Proposition 65 Listed Chemical
13 in various products, and for expert fees for evaluating exposures through various mediums,
14 including but not limited to consumer product, occupational, and environmental exposures to
15 the Proposition 65 Listed Chemical, and the cost of hiring consulting and retaining experts who
16 assist with the extensive scientific analysis necessary for those files in litigation and to offset
17 the costs of future litigation enforcing Proposition 65 but excluding attorney fees; twenty
18 percent (20%) for administrative costs incurred during investigation and litigation to reduce the
19 public’s exposure to the Proposition 65 Listed Chemicals by notifying those persons and/or
20 entities believed to be responsible for such exposures and attempting to persuade those persons
21 and/or entities to reformulate their products or the source of exposure to completely eliminate
22 or lower the level of the Proposition 65 Listed Chemicals including but not limited to costs of
23 documentation and tracking of products investigated, storage of products, website enhancement
24 and maintenance, computer and software maintenance, investigative equipment, CAG’s
25 member’s time for work done on investigations, office supplies, mailing supplies and postage
26 Within 30 days of a request from the Attorney General, CAG shall provide to the Attorney
27 General copies of documentation demonstrating how the above funds have been spent. CAG
28

1 shall be solely responsible for ensuring the proper expenditure of such additional settlement
2 payment.

3 **4.1.4 Reimbursement of Attorney Fees and Costs:** Kam Lee shall issue a check in
4 the amount of one hundred and eighty thousand dollars (\$180,000.00) payable to “Yeroushalmi
5 & Yeroushalmi” as complete reimbursement for any and all reasonable investigation fees and
6 costs, attorneys’ fees, expert fees, and any and all other costs and expenses incurred as a result
7 of investigating, bringing this matter to the Settling Defendant’ attention, litigating, negotiating
8 a settlement in the public interest, and seeking and obtaining court approval of this Consent
9 Judgment.

10 Other than the payment to OEHHA described above, all payments referenced in
11 paragraphs 4.1.2, 4.1.3, and 4.1.4 above, shall be delivered to: Reuben Yeroushalmi,
12 Yeroushalmi & Yeroushalmi, 9100 Wilshire Blvd., Suite 240W, Beverly Hills, CA 90212. The
13 payment to OEHHA shall be delivered directly to Office of Environmental Health Hazard
14 Assessment, OEHHA, 1001 I Street, Mail Stop 12-B Sacramento, California 95812, Attn: Mike
15 Gyurics. Kam Lee shall provide written confirmation to CAG of the payment to OEHHA.

16 **5. MATTERS COVERED BY THIS CONSENT JUDGMENT**

17 5.1 This Consent Judgment is a full, final, and binding resolution between CAG, on
18 behalf of itself and in the public interest, and Kam Lee and its owners, officers, directors,
19 insurers, employees, parents, shareholders, divisions, subdivisions, subsidiaries, partners,
20 affiliates, sister companies, predecessors, and their successors and assigns (collectively,
21 “Defendant Releasees”), and all entities to whom Kam Lee directly or indirectly distributes or
22 sells Covered Products, including, but not limited to, downstream distributors, downstream
23 wholesalers, customers, retailers, marketplace hosts, franchisees, cooperative members,
24 licensees, and the successors and assigns of any of them, who may use, maintain, distribute or
25 sell Covered Products (“Downstream Defendant Releasees”), of all claims for alleged or actual
26 violations of Proposition 65 for alleged exposures to Listed Chemicals from Covered Products
27 up to and through the Effective Date as set forth in the Notices and Complaints. Kam Lee and
28 Defendant Releasees’ compliance with this Consent Judgment shall constitute compliance with

1 Proposition 65 with respect to alleged exposures to Listed Chemicals from Covered Products
2 sold by Defendant Releasees or Downstream Defendant Releasees after the Effective Date.
3 Nothing in this Section affects CAG’s right to commence or prosecute an action under
4 Proposition 65 against any person other than Settling Defendant, Defendant Releasees, or
5 Downstream Defendant Releasees.

6 5.2 CAG on behalf of itself, its past and current agents, representatives, attorneys,
7 successors, and/or assignees, hereby waives all rights to institute or participate in, directly or
8 indirectly, any form of legal action and releases all claims, including, without limitation, all
9 actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations,
10 damages, costs, fines, penalties, losses, or expenses (including, but not limited to, investigation
11 fees, expert fees, and attorneys’ fees) of any nature whatsoever, whether known or unknown,
12 fixed or contingent (collectively “Claims”), against Defendant Releasees and Downstream
13 Defendant Releasees arising from any actual or alleged violation of Proposition 65 or any other
14 statutory or common law claim regarding the Covered Products manufactured, distributed or
15 sold by the Defendant Releasees through the Effective Date regarding any actual or alleged
16 failure to warn about exposure to Listed Chemicals from Covered Products. In furtherance of
17 the foregoing, CAG on behalf of itself only, hereby waives any and all rights and benefits
18 which it now has, or in the future may have, conferred upon it with respect to Claims regarding
19 the Covered Products manufactured, distributed or sold by Defendant Releasees through the
20 Effective Date arising from any violation of Proposition 65 or any other statutory or common
21 law regarding the failure to warn about exposure to Listed Chemicals from the Covered
22 Products by virtue of the provisions of section 1542 of the California Civil Code, which
23 provides as follows:

24 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
25 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
26 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
27 RELEASE, AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
28 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
DEBTOR OR RELEASED PARTY.

CAG understands and acknowledges that the significance and consequence of this waiver of

1 California Civil Code section 1542 is that even if CAG suffers future damages arising out of or
2 resulting from, or related directly or indirectly to, in whole or in part, Claims arising from any
3 violation of Proposition 65 or any other statutory or common law regarding the Covered
4 Products manufactured, distributed or sold by the Released Parties through the Effective Date
5 regarding the failure to warn about actual or alleged exposure to the Listed Chemicals from the
6 Covered Products, CAG will not be able to make any claim for those damages, penalties or
7 other relief against Defendant Releasees and Downstream Defendant Releasees. Furthermore,
8 CAG acknowledges that it intends these consequences for any such Claims arising from any
9 violation of Proposition 65 or any other statutory or common law regarding the failure to warn
10 about exposure to the Listed Chemicals from the Covered Products as may exist as of the date
11 of this release but which CAG does not know exist, and which, if known, would materially
12 affect their decision to enter into this Consent Judgment, regardless of whether their lack of
13 knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

14 **6. ENTRY OF CONSENT JUDGMENT**

15 6.1 CAG shall file a motion seeking approval of this Consent Judgment pursuant to
16 California Health & Safety Code § 25249.7(f).

17 6.2 Upon entry of an order approving this Consent Judgment, the Complaint in this
18 action shall be deemed amended to include all the claims raised in the Notices outlined in
19 Section 1.4.

20 6.3 Within five business days of payment of all amounts due under paragraph 4,
21 CAG shall file requests for dismissal without prejudice for the claims contained in the Notices
22 as alleged in Complaint 1, Complaint 2, and Complaint 3.

23 6.3 If this Consent Judgment is not approved in full by the Court: (a) this Consent
24 Judgment and any and all prior agreements between the Parties merged herein shall terminate
25 and become null and void, and the actions shall revert to the status that existed prior to the
26 execution date of this Consent Judgment; (b) no term of this Consent Judgment or any draft
27 thereof, or of the negotiation, documentation, or other part or aspect of the Parties' settlement
28 discussions, shall have any effect, nor shall any such matter be admissible in evidence for any

1 purpose in this Action, or in any other proceeding; and (c) the Parties agree to meet and confer
2 to determine whether to modify the terms of the Consent Judgment and to resubmit it for
3 approval.

4 **7. MODIFICATION OF JUDGMENT**

5 This Consent Judgment may be modified only upon written agreement of the Parties
6 and upon entry of a modified Consent Judgment by the Court thereon, or upon motion of any
7 Party as provided by law and upon entry of a modified Consent Judgment by the Court.

8 Any Party seeking to modify this Consent Judgment shall attempt in good faith to meet
9 and confer with the other Party prior to filing a motion to modify the Consent Judgment.

10 **8. ENFORCEMENT OF JUDGMENT**

11 The terms of this Consent Judgment shall be enforced exclusively by the parties hereto.
12 The Parties may, by noticed motion or order to show cause before the Superior Court of
13 California, County of Los Angeles, giving the notice required by law, enforce the terms and
14 conditions contained herein.

15 **9. RETENTION OF JURISDICTION**

16 9.1 This Court shall retain jurisdiction of this matter to implement and enforce the
17 terms of this Consent Judgment under Code of Civil Procedure section 664.6.

18 9.2 In any proceeding brought by either Party to enforce this Consent Judgment, the
19 prevailing party shall be entitled to recover its reasonable attorney's fees and costs.

20 **10. SERVICE ON THE ATTORNEY GENERAL**

21 CAG shall serve a copy of this Consent Judgment, signed by both parties, on the
22 California Attorney General so that the Attorney General may review this Consent Judgment
23 prior to its submittal to the Court for approval. The hearing on CAG's motion to approve this
24 Consent Judgment shall be no sooner than forty-five (45) days after the Attorney General has
25 received the aforementioned copy of this Consent Judgment.

26 **11. ENTIRE AGREEMENT**

27 This Consent Judgment contains the sole and entire agreement and understanding of the
28 Parties with respect to the entire subject matter hereof and any and all prior discussions,

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

5 **12. ATTORNEY FEES**

6 Except as specifically provided in Sections 4.1.3 and 9.1 and 9.2, each Party shall bear
7 its own attorneys' fees and costs in connection with the claims resolved in this Consent
8 Judgment.

9 **13. GOVERNING LAW**

10 13.1 The validity, construction, terms, and performance of this Consent Judgment
11 shall be governed by the laws of the State of California, without reference to any conflicts of
12 law provisions of California law.

13 13.2 In the event that Proposition 65 is repealed, preempted, or is otherwise rendered
14 inapplicable by reason of law generally, or if any of the provisions of this Consent Judgment
15 are rendered inapplicable or are no longer required as a result of any such repeal or preemption,
16 or rendered inapplicable by reason of law generally as to the Covered Products or Listed
17 Chemicals, then Kam Lee may provide written notice to CAG of any asserted change in the
18 law, and shall have no further obligations pursuant to this Consent Judgment with respect to,
19 and to the extent that, the Covered Products are so affected. Nothing in this Consent Judgment
20 shall be interpreted to relieve Kam Lee from any obligation to comply with any other pertinent
21 state or federal law or regulation.

22 13.3 The Parties, including their counsel, have participated in the preparation of this
23 Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties.

24 13.4 This Consent Judgment was subject to revision and modification by the Parties
25 and has been accepted and approved as to its final form by all Parties and their counsel.
26 Accordingly, any uncertainty or ambiguity existing in this Consent Judgment shall not be
27 interpreted against any Party as a result of the manner of the preparation of this Consent
28 Judgment. Each Party to this Consent Judgment agrees that any statute or rule of construction

1 providing that ambiguities are to be resolved against the drafting Party should not be employed
2 in the interpretation of this Consent Judgment and, in this regard, the Parties hereby waive
3 California Civil Code section 1654.

4 **14. EXECUTION AND COUNTERPARTS**

5 This Consent Judgment may be executed in counterparts and by means of facsimile or
6 portable document format (pdf), which taken together shall be deemed to constitute one
7 document and have the same force and effect as original signatures.

8 **15. NOTICES**

9 Any notices under this Consent Judgment shall be by delivery of First-Class Mail.

10 If to CAG:

11 Reuben Yeroushalmi
12 reuben@yeroshalmi.com
13 Yeroushalmi & Yeroushalmi
14 9100 Wilshire Boulevard, Suite 240W
15 Beverly Hills, CA 90212

16 If to Defendant Kam Lee Trading Co., Inc.:

17 Corey M. Day
18 corey.day@stoel.com
19 Bao M. Vu
20 bao.vu@stoel.com
21 Stoel Rives LLP
22 500 Capitol Mall, Suite 1600
23 Sacramento, CA 95814

24 **AUTHORITY TO STIPULATE**

25 Each signatory to this Consent Judgment certifies that he or she is fully authorized by
26 the Party he or she represents to enter into this Consent Judgment and to execute it on behalf of
27 the Party represented and legally to bind that party.
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AGREED TO:


AGREED TO:

Date: March 11, 2024

Date: 3/7/2024, 2024

Michael Marcus

Name: Michael Marcus

Name: CHUCK LEUNG 

Title: Director

Title: PRESIDENT

CONSUMER ADVOCACY GROUP, INC.

KAM LEE YUEN TRADING CO., INC.

IT IS SO ORDERED.

Date: _____

JUDGE OF THE SUPERIOR COURT