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5	Attorney for Plaintiff, APS&EE, LLC	
6	CURERION COURT OF TU	IE CTATE OF CALIFORNIA
7	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
8	FOR THE COUNTY	Y OF LOS ANGELES
9		CACENO AACTOMIACTO
10	APS&EE, LLC, a limited liability company,	) CASE NO. 22STCV13578
11	Plaintiff,	[PROPOSED] CONSENT JUDGMENT
12	v.	Judge: Hon. David Sotelo
13	WORLD MARKET, LLC, a limited liability company, and DOES 1 through 100, inclusive,	Dept.: 40 Compl. Filed: April 25, 2022
14	Defendants.	Unlimited Jurisdiction
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### 1. RECITALS

#### 1.1 The Parties

- 1.1.1 This Consent Judgment is entered into by and between APS&EE, LLC ("Plaintiff") and World Market, LLC ("Defendant"). Plaintiff and Defendant shall hereinafter collectively be referred to as the "Parties".
- 1.1.2 Plaintiff is an organization based in California with an interest in protecting the environment, improving human health and the health of ecosystems, and supporting environmentally sound practices, which includes promoting awareness of exposure to toxic chemicals and reducing exposure to hazardous substances found in consumer products.
- 1.1.3 Plaintiff alleges that Defendant is a person in the course of doing business as the term is defined in California *Health & Safety Code* section 25249.6 et seq. ("Proposition 65").

### 1.2 Allegations

- 1.2.1 Plaintiff alleges that Defendant sold: (1) Jen Hewett mugs with exterior decorations, including "Fern DL" #26046358 (hereinafter, the "Mugs") (2) peacock trays, including 25753790, D1, 200648106 (hereinafter, the "Trays"), and (3) palm tree paper weights, including 25697964, D1, 200589265 (hereinafter, the "Paper Weights") in the State of California causing users in California to be exposed to unsafe levels of Lead without providing "clear and reasonable warnings", in violation of Proposition 65. The Mugs, Trays, and Paper Weights described in this paragraph shall hereinafter collectively be referred to as the "Products". Lead is potentially subject to Proposition 65 warning requirements because it is listed by the State of California as known to cause cancer and birth defects or other reproductive harm.
- 1.2.2 On February 15, 2022, Plaintiff provided a Sixty-Day Notice of Violation to Defendant and the various public enforcement agencies regarding the alleged violation of Proposition 65 with respect to the Mugs (the "February 15th Notice"). On March 7, 2022, Plaintiff provided a Sixty-Day Notice of Violation to Defendant and the various public enforcement agencies regarding the alleged violation of Proposition 65 with respect to the Trays, as well as an additional notice on the same date with respect to the Paper Weights (the "March

7th Notices"). The February 15th Notice and the March 7th Notices shall hereinafter collectively be referred to as the "Notices". On April 25, 2022, Plaintiff filed the instant action in the Superior Court for the County of Los Angeles, and on May 12, 2022, Plaintiff filed a First Amended Complaint alleging violations of Proposition 65 with respect to lead exposure from the Products (the "Complaint").

#### 1.3 **No Admissions**

Defendant denies all allegations in Plaintiff's Notice and Complaint and maintains that the Products have been, and are, in compliance with all laws, and that Defendant has not violated Proposition 65. This Consent Judgment shall not be construed as an admission of liability by Defendant but to the contrary as a compromise of claims that are expressly contested and denied. However, nothing in this section shall affect the Parties' obligations, duties, and responsibilities under this Consent Judgment.

#### 1.4 Compromise

The Parties enter into this Consent Judgment in order to resolve the controversy described above in a manner consistent with prior Proposition 65 settlements and consent judgments that were entered in the public interest and to avoid prolonged and costly litigation between them.

#### 1.5 **Jurisdiction And Venue**

For purposes of this Consent Judgment only, the Parties stipulate that the above-entitled Court has jurisdiction over Defendant as to the allegations in the Complaint, that venue is proper in Los Angeles County, and that this Court has jurisdiction to enter and enforce the provisions of this Consent Judgment pursuant to California Code of Civil Procedure ("CCP") § 664.6 and Proposition 65.

#### 1.6 **Effective Date**

The "Effective Date" shall be the date this Consent Judgment is approved and entered by the Court.

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#### 2. INJUNCTIVE RELIEF

#### 2.1 **Reformulation Standard**

As of the Effective Date, Defendant shall not manufacture, distribute, sell, offer for sale, or cause to have any of the Products sold in California unless (a) the Mugs contain no more than 1.0 microgram of lead based on a wipe sample collected using NIOSH Method 9100 from the part of the Mug that contains the Exterior Decorations, and the Trays and Paper Weights each contain no more than 100 parts per million (0.01%) of lead ("Reformulated Products"), or (b) any Product that does not meet the applicable reformulation standard is accompanied by a clear and reasonable warning as described below in Section 2.2. "Exterior Decorations" is defined as all colored artwork, designs and/or markings on the exterior surface of the Products.

#### 2.2 **Proposition 65 Warnings**

**2.2.1** For any Products that are not Reformulated Products, such Products shall be accompanied by a clear and reasonable warning. Defendant shall provide a warning statement substantially similar to the following:

"WARNING: This product can expose you to Lead which is known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov."

If Defendant has reason to believe the Products may expose consumers to additional chemicals listed under Proposition 65, then it may replace "Lead which is" with "chemicals, including Lead, which are" in the warning statement. The warning shall be accompanied by a symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline. Where the label for the product is not printed using the color yellow, the symbol may be printed in black and white. The symbol shall be placed to the left of the text of the warning, in a size no smaller than the height of the word "WARNING".

The Products shall carry said warning directly on each unit, label, or package, with such conspicuousness as compared with other words, statements or designs as to render it likely to be read and understood by an ordinary consumer prior to sale. A Product that is sold by Defendant on the internet to persons located in California shall also provide the warning message by a clearly marked hyperlink on the product display page, or otherwise prominently displayed to the purchaser before the purchaser completes his or her purchase of the Product. For Products that Defendant provides for a downstream entity to sell on the internet, Defendant shall include an instruction that the entity comply with the warning requirements of this section.

### 3. <u>PAYMENTS</u>

### 3.1 Civil Penalty Pursuant To Proposition 65

In settlement of all claims referred to in this Consent Judgment, Defendant shall pay a total civil penalty of three thousand dollars (\$3,000.00) to be apportioned in accordance with *Health and Safety Code* section 25249.12(c)(1) and (d), with 75% (\$2,250.00) for State of California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining 25% (\$750.00) for Plaintiff.

Defendant shall issue two (2) checks for the civil penalty: (1) a check or money order made payable to "OEHHA" in the amount of \$2,250.00; and (2) a check or money order made payable to "Law Offices of Lucas T. Novak" in the amount of \$750.00. Defendant shall remit the payments within five (5) business days of the Effective Date, to:

Lucas T. Novak, Esq. LAW OFFICES OF LUCAS T. NOVAK 8335 W Sunset Blvd., Suite 217 Los Angeles, CA 90069

#### 3.2 Reimbursement Of Plaintiff's Fees And Costs

Defendant shall reimburse Plaintiff's experts' and attorney's fees and costs incurred in prosecuting the instant action, for all work performed through entry of this Consent Judgment. Accordingly, Defendant shall issue a check or money order made payable to "Law Offices of Lucas T. Novak" in the amount of twenty-four thousand five hundred dollars (\$24,500.00). Defendant shall remit the payment within five (5) business days of the Effective Date, to:

Lucas T. Novak, Esq. LAW OFFICES OF LUCAS T. NOVAK 8335 W Sunset Blvd., Suite 217 Los Angeles, CA 90069

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### 4. RELEASES

#### 4.1 Plaintiff's Release Of Defendant

Plaintiff, acting in its individual capacity and in the public interest, in consideration of the promises and monetary payments contained herein, hereby releases Defendant, its parents, subsidiaries, shareholders, directors, members, officers, employees, attorneys, successors and assignees, as well as its upstream vendors and distributors (collectively "Releasees"), from any alleged Proposition 65 violation claims asserted in Plaintiff's Notices and/or Complaint regarding failure to warn about exposure to lead from the Products sold or distributed by Defendant before and up to the Effective Date.

#### 4.2 Defendant's Release Of Plaintiff

Defendant, by this Consent Judgment, waives all rights to institute any form of legal action against Plaintiff, its shareholders, directors, members, officers, employees, attorneys, experts, successors and assignees for actions or statements made or undertaken, whether in the course of investigating claims or seeking enforcement of Proposition 65 against Defendant in this matter. If any Releasee should institute any such action, then Plaintiff's release of said Releasee in this Consent Judgment shall be rendered void and unenforceable.

#### 4.3 Waiver Of Unknown Claims

Each of the Parties acknowledges that it is familiar with Section 1542 of California Civil Code which provides as follows:

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

Each of the Parties waives and relinquishes any right or benefit it has or may have under Section 1542 of California Civil Code or any similar provision under the statutory or non-statutory law of any other jurisdiction to the full extent that it may lawfully waive all such rights and benefits. The Parties acknowledge that each may subsequently discover facts in addition to, or different from, those that it believes to be true with respect to the claims released herein. The

Parties agree that this Consent Judgment and the releases contained herein shall be and remain effective in all respects notwithstanding the discovery of such additional or different facts.

### 5. <u>COURT APPROVAL</u>

Upon execution of this Consent Judgment by the Parties, Plaintiff shall file a noticed Motion for Approval and Entry of Consent Judgment in the above-entitled Court. This Consent Judgment is not effective until it is approved and entered by the Court. It is the intention of the Parties that the Court approve this Consent Judgment, and in furtherance of obtaining such approval, the Parties and their respective counsel agree to mutually employ their best efforts to support the entry of this agreement in a timely manner, including cooperating on drafting and filing any papers in support of the required motion for judicial approval.

### 6. <u>SEVERABILITY</u>

Should any part or provision of this Consent Judgment for any reason be declared by a Court to be invalid, void or unenforceable, the remaining portions and provisions shall continue in full force and effect.

### 7. GOVERNING LAW

The terms of this Consent Judgment shall be governed by the laws of the State of California.

### 8. NOTICE

All correspondence and notice required to be provided under this Consent Judgment shall be in writing and delivered personally or sent by first class or certified mail addressed as follows:

21	TO DEFENDANT:	TO PLAINTIFF:
23	Merrit M. Jones, Esq. BRYAN CAVE LEIGHTON PAISNER LLP Three Embarcadero Center, 7th Floor San Francisco, CA 94111	Lucas T. Novak, Esq. Law Offices of Lucas T. Novak 8335 W Sunset Blvd., Suite 217 Los Angeles, CA 90069
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## 9. <u>INTEGRATION</u>

This Consent Judgment constitutes the entire agreement between the parties with respect to the subject matter hereof and may not be amended or modified except in writing.

## 10. <u>COUNTERPARTS</u>

This Consent Judgment may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute the same document. Execution and delivery of this Consent Judgment by e-mail, facsimile, or other electronic means shall constitute legal and binding execution and delivery. Any photocopy of the executed Consent Judgment shall have the same force and effect as the originals.

#### 11. AUTHORIZATION

The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties. Each Party has read, understood, and agrees to all of the terms and conditions of this Consent Judgment. Each Party warrants to the other that it is free to enter into this Consent Judgment and is not subject to any conflicting obligation that will or might prevent or interfere with the execution or performance of this Consent Judgment by said Party.

AGREED TO: 10/10/22 menged Date: By: Authorized/Representative of APS&EE, LLC AGREED TO: Date: By: 

Dated: \_\_\_\_\_

JUDGE OF THE SUPERIOR COURT