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ALLIED RUBBER AND GASKET CO., INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

KEEP AMERICA SAFE AND BEAUTIFUL,

Plaintiff,

v.

ALLIED RUBBER AND GASKET CO.,
INC.; and DOES 1-30, inclusive,

Defendants.

Case No. CGC-23-609799

[PROPOSED] CONSENT JUDGMENT

(Health & Safety Code § 25249.6 et seq. and
Code of Civil Procedure § 664.6)

Case filed: October 16, 2023
Trial: Vacated

1 **1. INTRODUCTION**

2 This Consent Judgment is entered into by and between plaintiff Keep America Safe and
3 Beautiful (“KASB”) and defendant Allied Rubber and Gasket Co., Inc. (“ARGCO”), with KASB and
4 ARGCO each individually referred to as a “Party” and collectively, as the “Parties,” to resolve the
5 allegations in the March 17, 2023, 60-Day Notice of Violation (“Notice”) in compliance with the Safe
6 Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code § 25249.6 *et seq.*
7 (“Proposition 65”).

8 **1.1 The Parties**

9 KASB is a California-based non-profit organization proceeding in the public interest pursuant
10 to California Health & Safety Code § 25249.7(d) to ensure that the presence chemicals known to the
11 State of California to cause cancer and birth defects or other reproductive harm is disclosed to
12 California consumers or that such chemicals are eliminated from consumer products sold in
13 California entirely. ARGCO is a person in the course of doing business for purposes of California
14 Health & Safety Code § 25249.11(b).

15 **1.2 Consumer Product Description**

16 KASB alleges ARGCO manufactures, imports, sells, or distributes for sale, in or into
17 California, Valves with Vinyl/PVC grips containing di(2-ethylhexyl) phthalate (“DEHP”) including,
18 but not limited to, the *Ball Valve 600# 3/8” NPT Thread Full Port UL, AGA, SKU: 6520401UL6*.
19 KASB has further alleged that ARGCO has done so without providing the warning KASB alleges is
20 required by California Health & Safety Code § 25249.5 *et seq.* (“Proposition 65”). DEHP is listed
21 pursuant to Proposition 65 as a chemical known to cause cancer and birth defects or other
22 reproductive harm. All such Valves with Vinyl/PVC Grips manufactured, distributed sold and/or
23 offered for sale by ARGCO shall be referred to hereinafter as the “Products.”

24 **1.3 Notice of Violation**

25 On May 17, 2023, KASB served ARGCO, the Office of the Attorney General of the State of
26 California (“OAG”), and all requisite public enforcement agencies with a 60-Day Notice of
27 Violation (“Notice”). In the Notice, KASB alleges ARGCO violated Proposition 65 by failing to
28 warn its customers and consumers in California that the Products can expose users and other

1 individuals to DEHP. No public enforcer has commenced and is diligently prosecuting an action to
2 enforce the allegations set forth in the Notice.

3 **1.4 Complaint**

4 On October 16, 2023, KASB filed the captioned lawsuit (“Complaint”). The Complaint
5 names ARGCO as a defendant and states a single cause of action for the alleged violations of
6 Proposition 65 that are the subject of the Notice.

7 **1.5 No Admission**

8 ARGCO denies the material, factual and legal allegations contained in the Notice and
9 Complaint and maintains all products it sold or distributed for sale in California, including the
10 Products, comply with all laws. No term of this Consent Judgment nor ARGCO’s compliance with
11 its terms shall be deemed an admission by ARGCO of any fact, finding, legal issue or conclusion, or
12 violation of any law. This Section shall not, however, diminish or otherwise affect ARGCO’s
13 obligations, responsibilities, and duties under this Consent Judgment.

14 **1.6 Jurisdiction**

15 For purposes of this Consent Judgment only, the Parties stipulate this Court has jurisdiction
16 over ARGCO as to the allegations in the Complaint. Venue is proper in the San Francisco Superior
17 Court, and that the Court has jurisdiction to enter and enforce the terms and provisions of this
18 Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

19 **1.7 Effective Date**

20 The term “Effective Date” means the date on which KASB’s counsel serves ARGCO with a
21 notice of entry of order and judgment confirming the Court has approved this Consent Judgment and
22 entered judgment according to its terms.

23 **2. INJUNCTIVE RELIEF: REFORMULATION & WARNINGS**

24 **2.1 Agreement to Provide Reformulated Products or Warnings**

25 Commencing on the Effective Date and continuing thereafter, all Products ARGCO
26 manufactures, imports, sells, ships, or distributes for sale in or into California, directly or through
27 one or more third party retailers or online via e-commerce marketplaces, shall meet the
28 Reformulation Standard for Reformulated Products defined in Section 2.2, below, or comply with

the warning requirements set forth in Section 2.3, below.

2.2 Reformulation Standard

For purposes of this Consent Judgment, “Reformulated Products” are defined as Products containing DEHP in a maximum concentration of no more than 0.1 percent (1,000 parts per million) in any “accessible component” (i.e., any component that may be touched, handled or otherwise contacted by an individual during a reasonably foreseeable use) when analyzed by a laboratory accredited by the State of California, a federal agency, or a nationally recognized accrediting organization (the “Reformulation Standard”).

For purposes of compliance with the 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. Environmental Protection Agency methodology 8270D, or other methodologies utilized by federal or state government agencies to determine phthalate content in a solid substance.

2.3 Clear and Reasonable Warnings

Commencing on the Effective Date and continuing thereafter, all Products, that are not Reformulated Products, provided for sale to (a) customers in California and (b) customers with nationwide distribution and e-commerce platforms in accordance with this Section shall have a warning on them pursuant to Title 27, California Code of 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 an ordinary individual under customary conditions before purchase or use and shall be provided in a manner such that it is clearly associated with the specific Product to which the warning applies. Where a consumer product sign, label or shelf tag used to provide a warning includes consumer information in language(s) other than English, the warning or notice must also be provided in the other language(s) in addition to English.

(a) Long Form DEHP Warning. The Warning for DEHP in excess of the Reformulation Standard set forth in Section 2.2 shall consist of the following statement:

1 **⚠ WARNING:** This product can expose you to di(2-ethylhexyl) phthalate (DEHP),
2 a chemical known to the State of California to cause cancer and
3 birth defects or other reproductive harm. For more information go
4 to www.P65Warnings.ca.gov

5 A warning provided pursuant to this Section 2 must print the word “**WARNING:**” in all capital
6 letters and in bold font. The warning symbol to the left of the word “**WARNING:**” must be a black
7 exclamation point in a yellow equilateral triangle with a black outline, except if the labeling does not
8 use yellow, then the symbol may be in black and white.

9 **(b) Short Form DEHP Warnings.** ARGCO may alternatively use the following
10 short-form warning language (“Short-Form Warning”) for DEHP in excess of the Reformulation
11 Standard set forth in Section 2.2, as applicable, as long as it is allowed under Proposition 65
12 implementing regulations:

13 (i) ARGCO may use the following Short-Form Warning for Products
14 containing DEHP in excess of the Reformulation Standard set forth in Section 2.2 currently in its
15 inventory or those Products manufactured prior to January 1, 2028:

16 **⚠ WARNING:** Cancer and Reproductive Harm – www.P65Warnings.ca.gov

17
18 (ii) The following Short-Form Warning may be used on Covered Products
19 containing DEHP in excess of the Reformulation Standard set forth in Section 2.2 containing DEHP
20 manufactured and labeled at any time after the Effective Date but shall be required, as long as it is
21 allowed under Proposition 65 implementing regulations, including on or after January 1, 2028.

22 **⚠ WARNING [or] CA WARNING [or] CALIFORNIA WARNING:** Risk of
23 cancer and reproductive harm from exposure to di(2-ethylhexyl) phthalate
24 (DEHP). See www.P65Warnings.ca.gov.

25 **(c) Product Label Warnings**

26 ARGCO shall include the warning statement in Section 2.4(a) on the Product label affixed to
27 the Products in the same manner as other consumer information or warning materials on the Products.
28 The entire warning shall appear in a type size of at least 6-point type and no smaller than the largest

1 type size used for other consumer information on the Products. For purposes of this Consent
2 Judgment, “Product label” means a display of written, printed or graphic material that is printed on or
3 affixed to a Product or its immediate container or wrapper.

4 **(d) Internet Warning**

5 ARGCO shall also provide the warning statement in Section 2.3 (a) by prominently displaying,
6 or requiring the warning to be prominently displayed on third party websites or by downstream retailers
7 or distributors with e-commerce platforms, to the consumer during the purchase of any of the Products
8 without requiring customers to seek out the warning. The warning or a clearly marked hyperlink to the
9 warning using the word “**WARNING**” given in conjunction with the sale of the Products via the
10 internet shall appear on the same web page on which each Product is displayed. The warning shall
11 appear in the same type size or larger than other consumer information provided for each Product. For
12 purposes of this Consent Judgment, a warning is not prominently displayed if the purchaser must search
13 for it in the general content of the website. For customers with third-party websites that ARGCO
14 reasonably believes sell products into California, as a condition of sale, ARGCO shall notify the sellers
15 that the Products must be accompanied by a warning, prior to and as a condition of sale in or into
16 California and shall supply the warning requirements as detailed in this Section.

17 **3. MONETARY SETTLEMENT TERMS**

18 **3.1 Civil Penalty**

19 Pursuant to Health and Safety Code § 25249.7(b), ARGCO agrees to pay a civil penalty of
20 \$2,000 within 15 business days of the Effective Date. ARGCO’s civil penalty payment will be
21 allocated according to Health and Safety Code § 25249.12(c)(1) and (d), with seventy-five percent
22 (75%) of the penalty paid to the California Office of Environmental Health Hazard Assessment
23 (“OEHHA”), and the remaining twenty-five percent (25%) retained by KASB. ARGCO shall issue its
24 payment in two checks made payable to: (a) “OEHHA” in the amount of \$1,500; and (b) “Keep
25 America Safe and Beautiful” in the amount of \$500. KASB’s counsel shall remit and disburse to
26 OEHHA and KASB their respective portions of ARGCO’s civil penalty payment.

3.2 Reimbursement of Attorneys' Fees and Costs

After the Parties finalized all other material settlement terms, they negotiated ARGCO's reimbursement to KASB and its counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure section 1021.5. ARGCO's payment under this Section covers all work performed through the mutual execution and reporting of this Consent Judgment to the OAG and obtaining an entry of judgment pursuant its terms. Within 15 business days of the Effective Date, ARGCO shall issue a check in the amount of \$21,500, payable to "Seven Hills LLP" for all fees and other costs incurred investigating, bringing this matter to ARGCO's attention, litigating, negotiating a settlement in the public interest, obtaining the Court's approval and entry of judgment according to its terms pursuant to Section 5, and reporting the settlement to the OAG. KASB releases ARGCO from any other claim or demand for any attorney's fees or costs in connection with this matter. KASB shall bear all fees and costs it has or will incur in connection with this matter in excess of the \$21,500 payable by ARGCO under this Section 3.2.

3.3 Payments

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

Seven Hills LLP
Attn: Laralei Paras, Esq.
4 Embarcadero Center, Suite 1400
San Francisco, CA 94111

4. CLAIMS COVERED AND RELEASED

4.1 KASB's Public Release of Proposition 65 Claims

This Consent Judgment is a full, final, and binding resolution of all claims KASB alleged or could have alleged arising out of the allegations in the Notice and Complaint. KASB, acting on its own behalf, in the public interest, and on behalf of its past and current agents, representatives, attorneys, successors and assignees ("Releasers") releases ARGCO, its past and present parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, attorneys, and each entity to whom ARGCO directly or indirectly distributes or sells the Products including its downstream distributors, wholesalers, marketplace hosts, customers, retailers, franchisees,

1 cooperative members, and licensees (“Releasees”), if any, based on ARGCO’s alleged failure to
2 provide a clear and reasonable warning regarding alleged or actual exposures to DEHP in Products
3 manufactured, processed, distributed, sold and/or offered for sale in California before the Effective
4 Date, as set forth in the Notice and Complaint. The Parties agree compliance with Section 2 of this
5 Consent Judgment shall be deemed compliance with Proposition 65 with respect to alleged or actual
6 exposures to DEHP in Products. The Parties further understand and agree this Section 4.1 release
7 shall not extend upstream to any entity who manufactured, distributed, or otherwise supplied the
8 Products, or any component part(s) thereof, to ARGCO. Nor shall this release extend downstream to
9 any Releasee ARGCO instructs, pursuant to Section 2.3, to provide a warning on Products that are
10 not Reformulated Products and who and fails to do so. Nothing in this Section affects KASB’s right
11 to commence or prosecute an action under Proposition 65 against a Releasee that does not involve
12 ARGCO’s Products.

13 **4.2 KASB’s Private Release of Proposition 65 Claims**

14 In further consideration of the promises and agreements set forth herein, KASB on its own
15 behalf as an individual nonprofit corporation and *not* on behalf of the public in California, and on
16 behalf of its past and current agents, representatives, attorneys, successors, and/or assignees, hereby
17 waives all rights it may have to institute or participate, directly or indirectly, in any form of legal
18 action, and it releases all claims it may have, including, without limitation, all actions, and causes of
19 action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties,
20 losses, or expenses including, but not exclusively, investigation fees, expert fees, and attorneys’ fees
21 arising under Proposition 65 with respect to DEHP and/or any other phthalates in Products
22 manufactured, distributed, sold and/or offered for sale by ARGCO and/or Releasees prior to the
23 Effective Date. As with the Section 4.1 release, above, the Parties understand and agree this Section
24 4.2 release shall not extend upstream to any entity who manufactured, distributed, or otherwise
25 supplied the Products or any component party thereof to ARGCO. Nor shall this extend downstream
26 to any Releasees who have been instructed by ARGCO, pursuant to Section 2.3, to provide a
27 warning on Products that are not Reformulated Products and fail to do so. Nothing in this Section
28

1 affects KASB's right to commence or prosecute an action under Proposition 65 against a Releasee
2 that does not involve ARGCO's Products.

3 **4.3 ARGCO's Release of KASB**

4 ARGCO, on its own behalf and on behalf of its past and current agents, representatives,
5 attorneys, successors, and assignees, hereby waives any claim against KASB and its attorneys and
6 other representatives, for any action taken or statement made (or those that could have been taken or
7 made) by KASB and its attorneys and other representatives, whether in the course of investigating
8 claims or otherwise seeking to enforce Proposition 65 against it in this matter with respect to the
9 Products.

10 **4.4 Mutual Waiver of California Civil Code § 1542**

11 KASB on its own behalf as a nonprofit corporation, and *not* in the public interest, on the one
12 hand, and ARGCO, on the other hand, each acknowledge that the claims in this Consent Judgment
13 include all known and unknown claims pertaining to the failure to warn of exposures to DEHP in
14 Products sold in California before the Effective Date, except as provided in Section 4.1, above, and
15 each waives the provisions of California Civil Code section 1542 as to any unknown claims pertaining
16 to the alleged failure to warn of exposures to DEHP in the Products sold in California that may have
17 existed prior to and including the Effective Date, except as provided in Section 4.2. California Civil
18 Code section 1542 reads as follows:

19 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR
20 RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER
21 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.

22 The Parties acknowledge and understand the significance and consequences of this specific waiver
23 of California Civil Code section 1542 and agree to waive the same as well as any statute of similar
24 import or meaning of any other jurisdiction.

25 **5. COURT APPROVAL**

26 Pursuant to California Health and Safety Code § 25249.7(f)(4), KASB shall file a motion for
27 judicial approval of this Consent Judgment. The Parties agree to cooperate in good faith to support
28

the entry of this agreement as a judgment pursuant to the terms of this Consent Judgment, and Plaintiff agrees to seek judicial approval of the settlement in a timely manner.

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.

7. GOVERNING LAW

The terms of this Agreement shall be governed by the laws of the State of California and apply within California. If Proposition 65 is repealed, preempted, or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then ARGCO may notify KASB and the Parties shall meet and confer in good faith for a period of no less than thirty (30) days to enter a modified judgment pursuant to Section 12, below. In the event the Parties seek to modify this agreement KASB, and its counsel further agree to comply with the "Reporting Requirements" set forth in Section 9, below. Nothing in this Agreement shall be interpreted to relieve Triunfo from its obligation to comply with any state or federal law or regulation.

8. NOTICE

Unless specified herein, all correspondence and notice required by this Consent Judgment shall 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:

For ARGCO:

James Stoddard, CEO
Allied Rubber and Gasket Co., Inc.
3145 Tiger Run Ct. #105
Carlsbad, CA 92010

For KASB:

Laralei Paras, Esq.
SEVEN HILLS LLP
4 Embarcadero Center, Suite 1400
San Francisco, CA 94111

With a copy to:

David A. Diepenbrock, Esq.
WEINTRAUB TOBIN
400 Capitol Mall, 11th Floor
Sacramento, CA 95814

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

1 **9. COUNTERPARTS AND ELECTRONIC SIGNATURES**

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

5 **10. COMPLIANCE WITH REPORTING REQUIREMENTS**

6 KASB and its counsel agree to comply with the reporting form requirements referenced in
7 California Health and Safety Code § 25249.7(f).

8 **11. ENTIRE AGREEMENT**

9 This Consent Judgment contains the sole and entire agreement and understanding of the
10 Parties with respect to the subject matter hereof, and all prior discussions, negotiations,
11 commitments, or understandings, if any, are hereby merged herein. No warranty, representation, or
12 other agreement exists between the Parties except those expressly set forth herein. No
13 representation, oral or otherwise, express or implied, other than those specifically referred to in this
14 Consent Judgment have been made by either Party. No other agreement not specifically contained
15 herein shall be deemed to exist or bind either Party or the Releasees and Releasors defined herein.

16 **12. MODIFICATION**

17 This Consent Judgment may be modified only by: (i) a written agreement of the Parties
18 (which agreement shall not be unreasonably withheld) and the entry of a modified Consent Judgment
19 by the Court thereon; or (ii) upon a successful motion of any party and the entry of a modified
20 Consent Judgment by the Court thereon. No Party shall seek modification of this Consent Judgment
21 without first providing written notice to the other Party of the basis for the modification sought, and
22 meeting and conferring in good faith prior to moving the Court for an order modifying the Consent
23 Judgment.

24 In the event the Parties or either Party seek(s) modification of this Consent Judgment by
25 written agreement or on noticed motion by the Court, the Party or Parties shall provide the OAG with
26 no less than 45 days' notice of their intended revision(s) to the Consent Judgment prior to any hearing
27 by the Court on a motion for approval of such modification.
28

1 **13. AUTHORIZATION**

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

5
6 **AGREED TO**

7 Dated: 5/5/2025

8
9 By: 

10 Lance Nguyen, CEO
11 KEEP AMERICAN SAFE AND
12 BEAUTIFUL

13
14 **AGREED TO:**

15 Dated: 4-10-2025

16
17 By: 

18 James Stoddard, CEO
19 ALLIED RUBBER AND GASKET CO.,
20 INC.