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1 2 3 4 5 6 7 8 9	Laralei Paras, State Bar No. 203319 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 Attorneys for Plaintiff RUSSELL BRIMER Elizabeth V. McNulty, State Bar No. 192455 ARCHER NORRIS, PLC 4695 MacArthur Court, Suite 350 Newport Beach, CA 92660 Telephone: (949) 975-8200 Facsimile: (949) 975-8210	
10 11	Attorneys for Defendant RITE AID CORPORATION	
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13	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
14	COUNTY OF ALAMEDA	
15	UNLIMITED CIVIL JURISDICTION	
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17	RUSSELL BRIMER,	Case No. RG14733162
18	Plaintiff,	
19	v.	[PROPOSED] CONSENT JUDGMENT
20	RITE AID CORPORATION; et al.,	(Hoolth & Sofoty Code & 25240 6 at sea.)
21	Defendants.	(Health & Safety Code § 25249.6 et seq.)
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1. INTRODUCTION

1.1 Parties

This Consent Judgment is entered into by and between plaintiff, Russell Brimer ("Brimer"), and defendant, Rite Aid Corporation ("Rite Aid"), with Brimer and Rite Aid each referred to individually as a "Party" and collectively as the "Parties."

1.2 Plaintiff

Brimer is an individual residing in California who seeks to promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products.

1.3 Defendant

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

1.4 General Allegations

Brimer alleges that Rite Aid has manufactured, imported, distributed, sold and/or offered for sale in the State of California, water sprayers with metal nozzles containing lead. Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause birth defects and other reproductive harm.

1.5 Product Description

The products that are covered by this Consent Judgment are defined as water sprayers with metal nozzles including, but not limited to, *Rite Aid Home & Garden Water Sprayer, Item 9018648-MMXIII, (UPC #6 55759 32465 7)*, manufactured, imported, distributed, sold and/or offered for sale by Rite Aid in the State of California, hereinafter "Products."

1.6 Notice of Violation

On December 30, 2013, Brimer served Rite Aid and various public enforcement agencies with a document entitled "60-Day Notice of Violation" ("Notice") that provided the recipients with notice that Rite Aid was in violation of California Health & Safety Code § 25249.6 for failing to warn

consumers that its Products exposed users in the State of California to lead. No public enforcer has diligently prosecuted the allegations set forth in the Notice.

1.7 Complaint

On July 16, 2014, Brimer filed the instant action ("Complaint") against Rite Aid for the alleged violations of Health & Safety Code § 25249.6 that are the subject of the Notice.

1.8 No Admission

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

1.9 Consent to Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that the Court has jurisdiction over Rite Aid as to the allegations in the Complaint, that venue is proper in Alameda County, and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment.

1.10 Execution Date

For purposes of this Consent Judgment, the term "Execution Date" shall mean the date the Consent Judgment is signed by all Parties.

1.11 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date the Consent Judgment is approved by the Court.

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

Commencing on the Execution Date, Rite Aid shall only sell, ship or offer for sale in California Products that are: (1) sold or shipped with one of the clear and reasonable warnings set

forth in subsections 2.1(a) and (b); or (2) exempt pursuant to Section 2.2 as Reformulated Products as defined in Section 2.3.

2.1 Product Warnings: Retail Store Sales.

Each warning shall be prominently placed with such conspicuousness as compared with other words, statements, designs or devices as to render it likely to be read and understood by an ordinary individual under customary conditions before purchase or use. Each warning shall be provided in a manner such that the consumer or user understands to which specific Product(s) the warning applies, so as to minimize the risk of consumer confusion.

(a) **Product Labeling**. Rite Aid may affix a warning to the packaging, labeling or directly on any Products that are not Reformulated Products sold in retail outlets in California that states:

WARNING: This product contains lead, a chemical known to the State of California to cause birth defects or other reproductive harm.

For Products that contain, in addition to lead, any Proposition 65-listed carcinogen, Rite Aid may employ the following warning statement:

WARNING: This product contains chemicals known to the State of California to cause cancer, and birth defects or other reproductive harm.

(b) **Point-of-Sale Warnings**. Alternatively, Rite Aid may provide warning signs in the form below to its retailers in California with instructions to post the signs in close proximity to the point of display of any such Products for the benefit of its retailers' customers.

WARNING: This product contains lead, a chemical known to the State of California to cause birth defects or other reproductive harm.

Where any such Products are sold in proximity to other like items or to those that do not require a warning (e.g., Reformulated Products as defined in Section 2.3), the following statement must be used:

WARNING: The following product(s) contain lead, a chemical known to the State of California to cause birth defects or other reproductive harm.

[list product(s) for which warning is required]

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2.2 **Exceptions to Warning Requirements**

The warning requirements set forth in Section 2.1 shall not apply to Reformulated Products (as defined in Section 2.3 below).

2.3 **Reformulation Standards**

Reformulated Products are defined as those Products that contain no more than 90 parts per million lead content by weight in any accessible component (i.e., any component that can be touched during reasonably a foreseeable use) when analyzed pursuant to Environmental Protection Agency ("EPA") testing methodologies 3050B and 6010B, and that yield a result of no more than 1.0 micrograms of lead when sampled pursuant to the NIOSH 9100 testing protocol and analyzed pursuant to EPA testing methodologies 3050B and 6010B, or equivalent methodologies used by federal or state agencies to determine lead content in a solid substance.

Vendor Notification Requirement 2.4

To the extent is has not already done so, no more than ten (10) days after the Execution Date, Rite Aid shall provide the reformulation standards specified in section 2.3 for Reformulated Products to any and all of its vendors of Products and of accessible component parts used in the Products that will be sold or offered for sale to California consumers, and shall instruct each vendor to use its best efforts to provide only Reformulated Products, as defined in Section 2.3.

3. **MONETARY PAYMENTS**

3.1 Civil Penaltics Pursuant to Health & Safety Code § 25249.7(b)

In settlement of all the claims referred to in this Consent Judgment, Rite Aid shall pay a total of \$25,500 in civil penalties in accordance with this Section. Each penalty payment will be allocated in accordance with California Health & Safety Code § 25249.12(c)(1) & (d), with 75% of the funds remitted to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty remitted to Brimer, as follows:

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3.1.1 Initial Civil Penalty. Within five (5) days of the Effective Date, Rite Aid shall pay an initial civil penalty in the amount of \$7,500, in two separate checks made payable as follows: (a) "OEHHA" in the amount of \$5,625; and (b) "Russell Brimer, Client Trust Account" in the amount of \$1,875. All penalty payments shall be delivered to the addresses listed in Section 3.3 below.

3.1.2 Final Civil Penalty. On or before November 1, 2014, Rite Aid shall pay a final civil penalty of \$18,000, in two separate checks for made payable as follows: (a) "OEHHA" in the amount of \$13,500; and (b) "Russell Brimer, Client Trust Account" in the amount of \$4,500. The final civil penalty shall be waived in its entirety, however, if, no later than September 15, 2014, an officer of Rite Aid provides Brimer with written certification that, as of the Execution Date and continuing into the future, Rite Aid has met the reformulation standard specified in Section 2.3 above, such that all Products manufactured, imported, sold and/or distributed for sale in California by Rite Aid are Reformulated Products. The certification in lieu of a final civil penalty payment provided by this Section is a material term, and time is of the essence.

3.2 Reimbursement of Brimer's Fees and Costs

The Parties acknowledge that Brimer and his counsel offered to resolve this dispute without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving the issue to be resolved after the material terms of the agreement had been settled. Shortly after all other settlement terms had been finalized, Rite Aid expressed a desire to resolve the fee and costs issue. The Parties then attempted to (and did) reach an accord on the compensation due Brimer and his counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure § 1021.5 for all work performed in this matter exclusive of fees and costs incurred on appeal, if any. Under these legal principles, Rite Aid shall pay \$31,200 for fees and costs incurred investigating, litigating, and enforcing this matter, including the fees and costs incurred (and to be incurred) drafting, negotiating, and obtaining the Court's approval of this Consent Judgment in the public interest.

1	3.3 Payment Procedures		
2	3.3.1 Issuance of Payments.		
3	(a) All payments owed to Plaintiff and his counsel, pursuant to Sections		
4	3.1 and 3.2 shall be delivered to the following payment address:		
5	The Chanler Group Attn: Proposition 65 Controller		
6	2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710		
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8	(b) All payments owed to OEHHA (EIN: 68-0284486), pursuant to		
9	Sections 3.1 and 3.2 shall be delivered directly to OEHHA (Memo line "Prop 65 Penalties") at one of		
10	the following addresses, as appropriate:		
11	For United States Postal Service Delivery:		
12	Mike Gyurics Fiscal Operations Branch Chief		
13	Office of Environmental Health Hazard Assessment P.O. Box 4010		
14	Sacramento, CA 95812-4010		
15	For Non-United States Postal Service Delivery:		
16	Mike Gyurics		
17	Fiscal Operations Branch Chief Office of Environmental Health Hazard Assessment 1001 I Street		
18	Sacramento, CA 95814		
19	3.3.2 Proof of Payment to OEHHA. A copy of each check payable to OEHHA shall		
20	be mailed, simultaneous with payment, to The Chanler Group at the address set forth in Section		
21	3.3.1(a) above, as proof of payment to OEHHA.		
22	4. <u>CLAIMS COVERED AND RELEASED</u>		
23	4.1 Brimer's Release of Proposition 65 Claims		
24	Brimer, acting on his own behalf and in the public interest, releases Rite Aid from all claims		
25	for violations of Proposition 65 up through the Effective Date based on exposures to lead from the		
26	Products as set forth in the Notice. Compliance with the terms of this Consent Judgment constitutes		
27	compliance with Proposition 65 with respect to exposures to lead from the Products sold by Rite		
28	Aid before the Effective Date as set forth in the Notice.		

Brimer, in his individual capacity only and *not* in his representative capacity, also provides a release herein which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands of Brimer of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to lead in the Products imported, manufactured, sold or distributed for sale by Rite Aid before the Effective Date.

4.2 Rite Aid's Release of Brimer

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

5. <u>COURT APPROVAL</u>

This Consent Judgment is not effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved and entered by the Court within one year after it has been fully executed by all Parties.

6. SEVERABILITY

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

7. GOVERNING LAW

The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within the State of California. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or if any of the provisions of this Settlement Agreement are rendered inapplicable or no longer required as a result of any such repeal or preemption or rendered inapplicable by reason of law generally as to the Products, then Rite Aid shall provide written notice to Brimer of any asserted change in the law, and shall have no further obligations pursuant to this Settlement Agreement with respect to, and to the extent that, the Products

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8. NOTICES

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are so affected. Nothing in this Settlement Agreement shall be interpreted to relieve Rite Aid from any obligation to comply with any pertinent state or federal toxics control law.

Unless specified herein, all correspondence and notices required to be provided pursuant to this Settlement Agreement shall be in writing and (i) personally delivered, (ii) sent by first-class (registered or certified mail) return receipt requested, or (iii) sent by overnight courier, to one party

For Rite Aid:

Ron Chima Senior Counsel Rite Aid Corporation

by the other party at the following addresses:

Rite Aid Corporation 30 Hunter Lane

Camp Hill, PA 17011

For Brimer:

Proposition 65 Coordinator The Chanler Group 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565

With a copy on behalf of Rite Aid to:

Elizabeth V. McNulty Archer Norris, PLC 4695 MacArthur Court, Suite 350 Newport Beach, CA 92660

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

9. COUNTERPARTS; FACSIMILE SIGNATURES

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

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

Brimer agrees to comply with the reporting form requirements referenced in California Health & Safety Code § 25249.7(f). The Parties further acknowledge that, pursuant to California Health & Safety Code § 25249.7(f)(4), a noticed motion is required to obtain judicial approval of the settlement. In furtherance of obtaining such approval, Brimer and Rite Aid agree to mutually employ their best efforts, and those of their counsel, to support the entry of this agreement as a Consent Judgment and to obtain judicial approval of the settlement in a timely manner. For purposes of this

section, "best efforts" shall include, at a minimum, cooperating on the drafting and filing of the necessary moving papers and supporting the motion for judicial approval.

11. **MODIFICATION**

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

12. **AUTHORIZATION**

The undersigned are authorized to execute this Consent Judgment and have read, understood, and agree to all of the terms and conditions contained herein.

AGREED TO:

Date: 100.3-2014	Date:
No.	D.
Russell Brimer	By: Ron Chima
	Senior Counsel Rite Aid Corporation

3	II. MODIFICATION		
4	This Consent Judgment may be modified only by: (i) a written agreement of the Parties and		
5	upon entry of a modified consent judgment by the Court thereon; or (ii) upon a successful motion or		
6	application of any Party and the entry of a modified consent judgment by the Court.		
7	12. <u>AUTHORIZATION</u>		
8	The undersigned are authorized to execute this Consent Judgment and have read, understood,		
9	and agree to all of the terms and conditions contained herein.		
10	AGREED TO: AGREED TO:		
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12	Date: Date:		
13	By:		
14	Russell Brimer Ron Chima Senior Counsel		
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