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6 Attorneys for Plaintiff  
7 PETER ENGLANDER

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SAN FRANCISCO  
UNLIMITED CIVIL JURISDICTION

PETER ENGLANDER,  
Plaintiff,  
v.  
KURT S. ADLER, INC., *et al.*,  
Defendants.

Case No. CGC-18-564284  
**[PROPOSED] CONSENT JUDGMENT**  
(Health & Safety Code § 25249.6 *et seq.* and  
Code Civ. Proc. § 664.6 )

1 **1. INTRODUCTION**

2 **1.1 Parties**

3 This Consent Judgment is entered into by and between plaintiff Peter Englander  
4 (“Englander”), and Kurt S. Adler, Inc. (“Adler”), with Englander and Adler each individually  
5 referred to as a “Party” and collectively as the “Parties.”

6 **1.2 Plaintiff**

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

10 **1.3 Defendant**

11 Adler employs ten or more individuals and is a “person in the course of doing business” for  
12 purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code  
13 section 25249.6 *et seq.* (“Proposition 65”).

14 **1.4 General Allegations**

15 Englander alleges that Adler imports, sells, or distributes for sale in California, Christmas  
16 Stockings that contain lead without first providing the exposure warning required by Proposition 65.  
17 lead is listed pursuant to Proposition 65 as a chemical known to cause birth defects or other  
18 reproductive harm.

19 **1.5 Product Description**

20 The term “Products,” as used herein, shall refer to any Christmas Stockings containing lead,  
21 that are distributed for sale in California by Adler, or an Authorized Retailer of Adler, including but  
22 not limited to the *Elf Christmas Stocking, EF7141, UPC #0 86131 27503 6*. For purposes of this  
23 Consent Judgment, “Authorized Retailer” is any customer of Adler’s with retail stores, warehouses,  
24 or distribution centers in California, or who Adler reasonably believes to conduct online sales via the  
25 internet in or into California, and to whom Adler either (a) directly sells the Products, or (b) has  
26 authorized as a reseller of its the Products.

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1           **1.6 Notice of Violation**

2           On August 1, 2017, Englander served Adler, and the requisite public enforcement agencies  
3 with a 60-Day Notice of Violation (“Notice”) alleging that Adler violated Proposition 65 by failing to  
4 warn its customers and consumers in California of the health hazards associated with exposures to  
5 lead from the Products. No public enforcer has commenced and is diligently prosecuting an action to  
6 enforce the violations alleged in the Notice.

7           **1.7 Complaint**

8           On February 13, 2018, Englander filed the instant action (“Complaint”), naming Adler as a  
9 defendant for the alleged violations of Health and Safety Code section 25249.6 that are the subject of  
10 the Notice.

11           **1.8 No Admission**

12           Adler denies the material, factual, and legal allegations contained in the Notice and  
13 Complaint, and maintains that all of the products it has sold and distributed for sale in California,  
14 including the Products, have been, and are, in compliance with all laws. Nothing in this Consent  
15 Judgment shall be construed as an admission of any fact, finding, conclusion of law, issue of law, or  
16 violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an  
17 admission of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall  
18 not, however, diminish or otherwise affect Adler’s obligations, responsibilities, and duties under this  
19 Consent Judgment.

20           **1.9 Jurisdiction**

21           For purposes of this Consent Judgment only, the Parties stipulate that this Court has  
22 jurisdiction over Adler as to the allegations in the Complaint, that venue is proper in the County of  
23 San Francisco, and that the Court has jurisdiction to enter and enforce the provisions of this Consent  
24 Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

25           **1.10 Effective Date**

26           For purposes of this Consent Judgment, the term “Effective Date” means the date on which  
27 the Court approves this Consent Judgment, including any unopposed tentative ruling granting  
28 approval of this Consent Judgment.

1 **2. INJUNCTIVE RELIEF: PRODUCT REFORMULATION AND WARNINGS**

2 **2.1 Commitment to Reformulate or Warn**

3 Commencing on the Effective Date and continuing thereafter, Adler agrees to only  
4 manufacture, import, distribute, sell or offer for sale in California, Products that are either (a)  
5 Reformulated Products as defined by Section 2.2, below, or (b) Products that bear a clear and  
6 reasonable health hazard warning pursuant to Section 2.3 below.

7 **2.2 Reformulation Standard**

8 “Reformulated Products” are Products that: (a) contain no more than 100 parts per million  
9 (“ppm”) lead when analyzed pursuant to U.S. Environmental Protection Agency testing  
10 methodologies 3050B and 6010B or equivalent methodologies utilized by federal or state agencies  
11 for the purpose of determining lead content in a solid substance; and (b) yield no more than 1.0  
12 microgram (“ug”) of lead when a wipe is applied to all surfaces according to NIOSH Test Method  
13 No. 9100.

14 **2.3 Clear and Reasonable Warnings**

15 Commencing on the Effective Date and continuing thereafter, for any Products sold or  
16 distributed for sale in California by Adler that are not Reformulated Products, Adler agrees to only  
17 sell or distribute such Products for sale in California with a clear and reasonable warning in  
18 accordance with this Section or Title 27 California Code of Regulations section 25602 and 25603.  
19 Adler further agrees that any warning used will be prominently placed in relation to the Products with  
20 such conspicuousness when compared with other words, statements, designs, or devices as to render  
21 it likely to be read and understood by an ordinary individual under customary conditions of purchase  
22 or use. For purposes of this Consent Judgment, a clear and reasonable warning for the Product  
23 satisfying the above criteria shall consist of a warning affixed directly to a Product or its  
24 accompanying labeling or packaging. A warning containing one of the following statements, which  
25 may include the parenthetical text at Adler’s option, shall be deemed clear and reasonable:  
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2           △ **WARNING:**       This product can expose you to chemicals  
3                                   including lead, which is known to the  
4                                   State of California to cause [cancer and] birth defects  
5                                   or other reproductive harm. For more  
6                                   information go to [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov).

7           △ **WARNING:**       [Cancer and] Reproductive harm - [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov).

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10 **3.    MONETARY SETTLEMENT TERMS**

11 **3.1   Civil Penalty Payments**

12       Pursuant to Health and Safety Code section 25249.7(b), and in settlement of all the claims  
13 referred to in the Notice, Complaint, and this Consent Judgment, Adler shall pay \$2,500 in civil  
14 penalties. The civil penalty payment shall be allocated according to Health and Safety Code section  
15 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid to the California Office  
16 of Environmental Health Hazard Assessment (“OEHHA”), and the remaining twenty-five percent  
17 (25%) of the penalty retained by Englander. Englander’s counsel shall be responsible for delivering  
18 OEHHA’s portion of any penalty payment(s) made under this Consent Judgment. Adler shall  
19 provide its payment in a check made payable to “Peter Englander, Client Trust Account” in the  
20 amount of \$625 and a check made payable to “OEHHA” in the amount of \$1,875 to be delivered to  
21 the address provided in Section 3.3, below.

22 **3.2   Reimbursement of Attorney’s Fees and Costs**

23       The parties acknowledge that Englander and his counsel offered to resolve this dispute  
24 without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving the  
25 issue to be resolved after the material terms of this Consent Judgment had been settled. Shortly after  
26 the other settlement terms had been finalized, the Parties negotiated the compensation due to  
27 Englander and his counsel under general contract principles and the private attorney general doctrine  
28 codified at California Code of Civil Procedure section 1021.5 for all work performed through the  
mutual execution of this Consent Judgment, and court approval of the same, but exclusive of fees and  
costs on appeal, if any. Under these legal principles, Adler shall pay \$25,000 for all fees and costs  
incurred by Englander investigating, bringing this matter to Adler’s attention, litigating and

1 negotiating a settlement in the public interest. Adler's payment shall be delivered to the address in  
2 Section 3.4 in a check payable to "The Chanler Group."

3 **3.3 Payment Timing**

4 In the event that any payment required by this Consent Judgment is untimely, the Parties  
5 agree and acknowledge that (a) Adler shall be liable to Englander for 10% simple interest per annum  
6 on any unpaid amount(s); (b) Englander may seek to enforce Adler's' payment obligations under  
7 general contract principles and Code of Civil Procedure section 664.6; and (c) Englander shall be  
8 entitled to reasonable fees incurred recovering such settlement payments pursuant to general contract  
9 principles and Code of Civil Procedure section 1021.5.

10 **3.4 Payment Address**

11 Within ten (10) days of the Effective Date, all payments required by this Consent Judgment  
12 shall be delivered to:

13 The Chanler Group  
14 Attn: Proposition 65 Controller  
15 2560 Ninth Street  
16 Parker Plaza, Suite 214  
17 Berkeley, CA 94710

18 **4. CLAIMS COVERED AND RELEASED**

19 **4.1 Englander's Public Release of Proposition 65 Claims**

20 Englander, acting on his own behalf and in the public interest, releases Adler and its parents,  
21 subsidiaries, affiliated entities under common ownership, directors, officers, employees, and  
22 attorneys ("Releasees"), and each entity to whom Adler directly or indirectly distributes or sells the  
23 Products including, without limitation, its downstream customers, distributors, wholesalers,  
24 licensors, licensees, and retailers ("Downstream Releasees") for any violation arising under  
25 Proposition 65 pertaining to the failure to warn about exposures to lead from Products sold or  
26 distributed for sale by Adler prior to the Effective Date, as set forth in the Notice. Compliance with  
27 the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to  
28 exposures to lead from Products sold or distributed for sale by Adler after the Effective Date.

1           **4.2     Englander’s Individual Release of Claims**

2           Englander, in his individual capacity only and *not* in any representative capacity, also  
3 provides a release to Adler, Releasees, and Downstream Releasees, which shall be effective as a full  
4 and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses,  
5 attorneys’ fees, damages, losses, claims, liabilities and demands of Englander of any nature, character  
6 or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual  
7 exposures to lead in Products sold or distributed for sale by Adler before the Effective Date.

8           **4.3     Adler’s Release of Englander**

9           Adler, on its own behalf, and on behalf of its past and current agents, representatives,  
10 attorneys, successors, and assignees, hereby waives any and all claims against Englander, and his  
11 attorneys and other representatives, for any and all actions taken or statements made by Englander,  
12 and his attorneys and other representatives, whether in the course of investigating claims, otherwise  
13 seeking to enforce Proposition 65 against it in this matter, or with respect to the Products.

14       **5.     COURT APPROVAL**

15           This Consent Judgment is not effective until it is approved and entered by the Court and shall  
16 be null and void if it is not approved and entered by the Court within one year after it has been fully  
17 executed by the Parties, or by such additional time as the Parties may agree in writing.

18       **6.     SEVERABILITY**

19           If, subsequent to the Court’s approval and entry of this Consent Judgment as a judgment, any  
20 provision is held by a court to be unenforceable, the validity of the remaining provisions shall not be  
21 adversely affected.

22       **7.     GOVERNING LAW**

23           The terms of this Consent Judgment shall be governed by the laws of the state of California  
24 and apply within the state of California. In the event that Proposition 65 is repealed, or is otherwise  
25 rendered inapplicable by reason of law generally or as to the Products, then Adler may provide  
26 written notice to Englander of any asserted change in the law, and shall have no further injunctive  
27 obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are  
28 so affected.

1 **8. NOTICE**

2 Unless specified herein, all correspondence and notice required by this Consent Judgment  
3 shall be in writing and sent by: (i) personal delivery; (ii) first-class, registered, or certified mail,  
4 return receipt requested; or (iii) a recognized overnight courier to the following addresses:

5 For Adler:

6 Cliff Adler  
7 Kurt S. Adler, Inc.  
8 122 East 42nd Street  
9 New York, NY 10168

9 For Englander:

10 Proposition 65 Coordinator  
11 The Chanler Group  
12 2560 Ninth Street  
13 Parker Plaza, Suite 214  
14 Berkeley, CA 94710-2565

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

15 **9. COUNTERPARTS; FACSIMILE SIGNATURES**

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

19 **10. POST EXECUTION ACTIVITIES**

20 Englander agrees to comply with the reporting form requirements referenced in Health and  
21 Safety Code section 25249.7(f). The Parties further acknowledge that, pursuant to Health and Safety  
22 Code section 25249.7(f), a noticed motion is required to obtain judicial approval of the settlement,  
23 which motion Englander shall draft and file. In furtherance of obtaining such approval, the Parties  
24 agree to mutually employ their best efforts, and those of their counsel, to support the entry of this  
25 agreement as judgment, and to obtain judicial approval of their settlement in a timely manner. For  
26 purposes of this Section, "best efforts" shall include, at a minimum, supporting the motion for  
27 approval, responding to any objection that any third-party may file or lodge, and appearing at the  
28 hearing before the Court if so requested.



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**11. MODIFICATION**

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

**12. AUTHORIZATION**

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

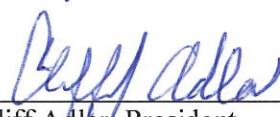
**AGREED TO:**

**AGREED TO:**

Date: 5/27/2018

Date: 5/3/18

By:   
PETER ENGLANDER

By:   
Cliff Adler, President  
KURT S. ADLER, INC.