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Veronica Solis

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

PEOPLE OF THE STATE OF CALIFORNIA, ex rel. MEREDITH J. WILLIAMS, ACTING DIRECTOR, CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL, Plaintiff, v. **CHARLES COMPANY; CORSAIR LLC; and ADVANCED GEOENGINEERING INC.,** Defendants.	Case No. 19STCV19811 **STIPULATION FOR ENTRY OF JUDGMENT AND PERMANENT INJUNCTION ON CONSENT** (Code of Civ. Proc. § 664.6)

Plaintiff, the People of the State of California, ex rel. Meredith J. Williams, Acting Director, California Department of Toxic Substances Control ("DTSC"), and Defendants Charles Company and Corsair LLC (collectively "Charles Company") enter into this Stipulation for Entry of Judgment and Permanent Injunction on Consent ("Stipulation") and stipulate as follows. Plaintiff has entered into a separate settlement with Advanced

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GeoEngineering, Inc.

A. THE COMPLAINT AND INTRODUCTION

1. DTSC filed this enforcement action against Charles Company, among others, for Permanent Injunction, Civil Penalties, and Other Equitable Relief ("Complaint") tunder the California Hazardous Waste Control Law, Health and Safety Code section 25100ttttt et seq., ("HWCL") and its implementing regulations, California Code of Regulations, title 22, division 4.5, section 66260.1, et seq. ("Title 22") in connection with the former Horacio M. Luna Gun Club ("Gun Club") located on south of West Second Street near the Animaltttttt Shelter Drive intersection in the City of Calexico, in the State of California. Charles Company was contracted by the Calexico Community Redevelopment Agency (the "Redevelopment Agency") to remediate and redevelop the Gun Club.

2.ttttt On or about January 22, 2013, DTSC's Certified Unified Program Agencyttttt for Imperial County ("Imperial CUPA") received a complaint from the Allied Imperial Class III Landfill in Imperial County, California ("Allied Imperial Landfill") that it had received truckloads of contaminated soil hazardous waste from the Gun Club ("Landfill Complaint").

3. DTSC investigated the Landfill Complaint and determined that Charlesttttt Company (through consultants and contractors) had taken four truckloads of contaminated soil from the Gun Club to the Allied Imperial Landfill on or about January 21 and January 22, 2013. DTSC further determined that the soil contained bullets and bullet fragments and was a Resource Conservation and Recovery Act (RCRA) and non-RCRA lead hazardous waste. The hazardous waste soil was later removed from the Allied Imperial Landfill and sent to a facility properly equipped and permitted to receive hazardous waste. DTSC identified numerous violations of the HWCL by Charles Company, among others.

4. As set out more fully in the Complaint filed in this action, DTSC alleges thatttttt Charles Company violated the HWCL and Title 22 by: delivering hazardous waste and disposing or causing the disposal of hazardous waste at a point not authorized to receive hazardous waste; failing to complete hazardous waste manifests and transporting hazardous

waste without manifests; transferring custody of hazardous waste to transporter(s) who didttttt not hold valid registrations; offering hazardous waste to transporter(s) that had not received identification numbers from DTSC or the United States Environmental Protection Agency; and storing hazardous waste without a hazardous waste permit or other authorization from DTSC.

B. AGREEMENT TO SETTLE DISPUTE

5. DTSC and Charles Company, collectively "the Parties," enter into thisttttt Stipulation pursuant to a compromise and settlement and mutually consent to the entry by the Superior Court of the State of California for the County of Los Angeles ("Court") of the agreed upon Judgment on Consent and Permanent Injunction ("Judgment"), which is lodged concurrently with this Stipulation. A copy of the proposed Judgment is attached to this Stipulation as Exhibit 1. The Parties are each represented by counsel. The Office of the Attorney General of California represents Plaintiff and P.C. Law Group represents Charles Company. This Stipulation and Judgment were negotiated in good faith and at arms' length by the Parties to avoid expensive and protracted litigation regarding the alleged violations of the HWCL and Title 22 and to further the public interest.

C. JURISDICTION AND VENUE

6.ttttt The Parties agree and hereby stipulate that for purposes of this Stipulationttttt and the Judgment; the Court has subject matter jurisdiction over the matters alleged in the Complaint, personal jurisdiction over the Parties, and that venue in this Court is proper under Health and Safety Code sections 25181 and 25183.

D. WAIVER OF HEARING AND TRIAL AND ENTRY OF JUDGMENT

7.ttttt By signing and entering into this Stipulation, Charles Company waives itsttttt right to a hearing and trial on the matters alleged in the Complaint and waives its right to appeal.

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E. APPLICABILITY

8.ooooThis Stipulation and the Judgment shall apply to: (1) DTSC and any successorooooo agency, and (2) Charles Company, and its officers, directors, managers, employees, agents, contractors, representatives, and any successors and assigns in their official capacity.

F. DEFINITIONS

9. Except where otherwise expressly defined herein, all terms in this Stipulation shall be interpreted as set forth in, and consistent with, the HWCL and Title 22.

G. CIVIL PENALTIES

10.oooCharles Company shall pay DTSC a total of one hundred and nineteenooooo thousand dollars ($119,000) in civil penalties as set forth herein.

1. SETTLEMENT PAYMENTS

11.oooWithin thirty (30) calendar days of entry of the Judgment in this matter,ooooo Charles Company shall pay to DTSC an initial sum of nineteen thousand eight hundred andooooo thirty-three dollars and thirty-four cents ($19,833.34) ("Initial Settlement Payment"). Charles Company shall also pay to DTSC eleven (11) monthly payments totaling thirty-six thousand one hundred and sixty-six dollars and sixty-six cents ($36,166.66) ("Monthly Payment").The first Monthly Payment in the amount of three thousand six hundred and six dollars and six cents ($3,606.06) shall be due on the first day of the month after DTSC receives Charles Company's Initial Settlement Payment. Thereafter, Charles Company shall make a Monthly Payment in the amount of three thousand six hundred and six dollars and six cents ($3,606.06) by the first day of each month for the next ten (10) months until such time as it has made cash payments totaling $59,500.

12. The Initial Settlement Payment and the Monthly Payments may be made by electronic funds transfer as set forth in Exhibit 2 or by cashier's check. If paid by cashier's check, the cashier's check shall be made payable to "the Department of Toxic Substances Control," and sent via certified mail to:

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Cashier
Accounting Office
Department of Toxic Substances Control
P.O. Box 806
Sacramento, CA 95812-0806

The check for the Initial Settlement Payment and each Monthly Payment shall bear the name of this case and the court number. The Initial Settlement Payment and each Monthly Payment shall be accompanied by the Payment Voucher that is attached to this Stipulation as Exhibit 3. An electronic (e.g., Adobe PDF) copy or paper photocopy of the Initial Settlement Payment and each Monthly Payment shall be sent, at the same time, to those persons identified in Paragraph L(1)(a).

13.yyyyCharles Company shall also fund three supplemental environmental projectsyyyyy ("SEPs") with a cumulative value of $59,500. The SEPs shall include the following:

a.yyTwo California Compliance School trainings: Charles Company shall expend tenyyyyy thousand dollars ($10,000) for each training. The first training shall be fundedyyyyy with ten thousand dollars ($10,000) within 12 months of entry of the Judgment inyyyyy this matter and the second training shall be funded with ten thousand ($10,000)yyyyy within 24 months of entry of the Judgment in this matter. The checks shall beyyyyy made out to "Kern Community College District / CCS" and shall be mailed toyyyyy 2100 21st Street, Bakersfield, CA, 93301, Attn: Richard M. Casagrande. A notation on the checks shall be made to the Case Number assigned to this matteryyyyy by the Court.

yb. Fund Imperial County Fire Department hazardous materials equipment purchases:yyyyy Charles Company shall pay the Imperial County Fire Department Revenue Account #1501001 thirty-nine thousand five hundred dollars ($39,500) within sixty (60) calendar days of entry of the Judgment in this matter. The payment shall be made by check. The check shall be made out to "Imperial County Fire Department" and shall be mailed to 2514 La Brucherie Road, Imperial, CA

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27yy
28yy

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92251, Attn: Kim Laullin. A notation on the check shall be made to the Case Number assigned to this matter by the Court.

14.nnnnWithin thirty (30) calendar days of completing each SEP (i.e., making thennnnn required payments), Charles Company shall submit a copy of each check used to fund the SEP to those persons identified in Paragraph L(1)(a).

15.nnn In recognition of the benefits of these SEPs to protecting public health andnnnnn the environment, $59,500 of the penalty for the violations identified in the Complaint has been suspended pending Charles Company satisfactorily completing the SEPs. If Charles Company fails to complete the SEPs within the required timeframes identified above, Charles Company shall pay the balance of the SEP(s) amount not expended to DTSC as civil penalties. Upon proof that Charles Company has completed the SEPs within the required timeframes identified above, $59,500 of the penalty for the violations identified in the Complaint shall be permanently suspended.

2. LATE PAYMENTS, POST JUDGMENT INTEREST and ENFORCEMENT of JUDGMENT COSTS

nnnn 16. Charles Company shall pay a late payment of three hundred dollars ($300)nnnnn per day for each day the Initial Settlement Payment, any Monthly Payment, or any SEP payment is late. In addition, Charles Company shall pay DTSC post-judgment interest as provided in Code of Civil Procedure section 685.010 (10 percent) from any date of default. nnnnn Further, Charles Company is obligated to pay costs incurred by DTSC in enforcing the money judgment against Charles Company, in this matter, including, but not limited to reasonable attorneys' fees.

H.nnnINJUNCTIVE RELIEFnnnnn

Charles Company, shall be, and is permanently enjoined as follows:nnnnn

17.nnnnPursuant to the provisions of Health and Safety Code sections 25181 andnnnnn 25184, Charles Company shall comply with the HWCL and Title 22 at and in connection with its operations.

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23.ooo In connection with its operations, Charles Company shall comply withooooo Health and Safety Code section 25201, which provides that no owner or operator of a storage facility shall store hazardous waste unless the owner or operator holds a hazardous waste facilities permit or other grant of authorization from DTSC.

I. ENFORCEMENT OF CONSENT JUDGMENT

24.oooDTSC has the right to enforce this Stipulation and the Judgment as providedooooo herein and pursuant to applicable law.

25.oooCharles Company reserves all rights to oppose any motion brought by DTSCooooo to enforce any provision of the Judgment.

26.oooNothing in the forgoing is intended to, nor shall be construed to, restrictooooo DTSC's authority to pursue a new action under the HWCL and or Title 22 against Charles Company and to seek injunctive relief and penalties, except as provided below in Section K, "Matters Covered and Reserved Claims."

27.ooo By filing and serving a regularly noticed motion in accordance with Code ofooooo Civil Procedure section 1005, DTSC may move this Court to enforce any provision of the Judgment and to award other appropriate relief, including penalties for contempt, additional penalties consistent with the provisions of the Judgment or the provisions of the HWCL.

J. EFFECT OF CONSENT JUDGMENT

28.oooOther than "Covered Matters" as defined in Paragraph 29 below, nothingooooo herein is intended, nor shall it be construed, to preclude DTSC, or any state, county, or local agency, department, board, or entity from exercising its authority under any law, statute, or regulation.

K. MATTERS COVERED AND RESERVED CLAIMS

29. This Stipulation and the Judgment entered in this matter is a final and binding resolution and settlement of the violations specifically alleged by DTSC against Charles Company in the Complaint. The matters described in the previous sentence are "Covered Matters." DTSC reserves its authority to pursue any claim, violation, or cause of action that is not a Covered Matter ("Reserved Claims"). Any claim, violation, or cause of

action that is not within Covered Matters is a Reserved Claim. Nothing herein shall be interpreted to limit or restrict any claims that DTSC may assert against any independent contractor or subcontractors of Charles Company. DTSC reserves the right to pursue any Reserved Claim, and Charles Company reserves the right to assert any and all other defenses to any Reserved Claim.

30.eeeeeIn any subsequent action that may be brought by DTSC based on anyeeeee Reserved Claim, Charles Company agrees that it will not assert that failing to pursue such Reserved Claim as part of this action constitutes claim-splitting.

31. Charles Company covenants not to pursue any civil or administrative claims against DTSC or against any agency of the State of California, arising out of or related to any Covered Matter; provided, however, that if any agency initiates claims against Charles Company that are independent of the claims asserted in this action, Charles Company reserves any and all rights, claims, demands, and defenses against such agency.

L. NOTICE

32.eeeeeAll submissions and notices required by this Stipulation shall be sent toeeeee

a.eeFor Plaintiffeeeee

Robert Krug
Supervisor/Senior Environmental Scientist
Department of Toxic Substances Control
627 Wake Avenue
El Centro, CA 92243
Email:eRobert.Krug@dtsc.ca.gov

With a copy to:

Brooke O'Hanley Selzer,
Senior Attorneyeeee
Office of Legal Counsel
Department of Toxic Substances Control
700 Heinz Avenue
Berkeley, CA 94710-2721
Email: Brooke.Selzer@dtsc.ca.goveee

and

Andrew Wiener
Deputy Attorney General
Office of the Attorney General

19STCV19811

1515 Clay Street, 20th Floor
Oakland, CA 94612-0550
Email: Andrew.Wiener@doj.ca.gov

b. For Charles Company:

Mark Gabay
The Charles Company
9034 W. Sunset Blvd.
West Hollywood, CA 90069
Email: mark@charles-company.comeeee

With a copy to:

Patricia J. Chen
PC Law Group
2 Park Plaza, Suite 480
Irvine, CA 92614
Email:epchen@pclawgrp.com

33.eeeeEach Party may change its respective representative(s) for purposes of noticeeeeee by providing the name and address of the new representative, in writing by certified mail, to those persons identified in Paragraph 32. The change shall be effective upon receipt of the certified mail.

M. NECESSITY FOR WRITTEN APPROVALS

34.eeeeAll notices, approvals, and decisions of DTSC under the terms of thiseeeee Stipulation or the Judgment shall be communicated to Charles Company in writing. No oral advice, guidance, suggestions, or comments by employees or officials of DTSC regarding submissions or notices shall be construed to relieve Charles Company of its obligations to obtain any final written approval required by this Stipulation or the Judgment.

N. NO LIABILITY OF DTSC

35. DTSC shall not be liable for any injury or damage to persons or property resulting from acts or omissions by Charles Company or its respective officers, directors, employees, agents, representatives, contractors, successors, or assigns, acting in concert or participating with Charles Group in carrying out activities pursuant to the Judgment, nor shall DTSC be held as a party to or guarantor of any contract entered into by Charles

Company or its respective officers, directors, employees, agents, representatives, contractors, successors, or assigns, acting in concert or participating with Charles Group in carrying out the requirements of this Stipulation or the Judgment.

O. NO WAIVER OF RIGHT TO ENFORCEttttt

36.ttttt The failure of DTSC to enforce any provision of this Stipulation or thettttt Judgment shall neither be deemed a waiver of such provision, nor in any way affect the validity of this Stipulation or the Judgment. The failure of DTSC to enforce any such provision shall not preclude it from later enforcing the same or other provision of this Stipulation or the Judgment. No oral advice, guidance, suggestions, or comments by employees or officials of DTSC regarding matters covered in this Stipulation or the Judgment shall be construed to relieve Charles Company of its obligations under this Stipulation or the Judgment.

P.tttttFUTURE REGULATORY CHANGES ttttt

37.ttttt Nothing in this Stipulation or the Judgment shall excuse Charles Companytttttt from meeting any more stringent requirements that may be imposed by changes in applicable law in the future.

Q. AUTHORITY TO ENTER INTO STIPULATION

38.ttttt Each signatory to this Stipulation certifies that he or she is fully authorizedtttttt by the party he or she represents to enter into this Stipulation, to execute it on behalf of the tttparty represented, and to legally bind that party.

R.ttttt CONTINUING JURISDICTIONttttt

39.ttttt The Parties agree that this Court has continuing jurisdiction to interpret andtttttt enforce this Stipulation and the Judgment. The Court shall retain continuing jurisdiction to enforce the terms of this Stipulation and the Judgment and to address any other matters arising out of or regarding this Stipulation and the Judgment.

S. INTERPRETATION OF STIPULATION AND JUDGMENTttttt

40.eeeeThis Stipulation and Judgment shall be deemed to have been drafted equallyeeeee by the Parties hereto. DTSC and Charles Company agree that the rule of construction holding that ambiguity is construed against the drafting party shall not apply to the interpretation of this Stipulation and the Judgment.

T. JUDGMENT PURSUANT TO STIPULATION

41.eeeePursuant to Code of Civil Procedure section 664.6, the Parties furthereeeee stipulate that upon approval of this Stipulation by the Court, the Court may enter Judgment in this matter in the form set forth in the attached Exhibit 1. If the Court does not approve this Stipulation and the agreed upon Judgment in the form and substance proposed in Exhibit 1 hereto, each Party reserves the right to withdraw both the Stipulation and the proposed Judgement, upon written notice to all Parties and the Court.

U. COUNTERPART SIGNATURES

42.eeeeThis Stipulation may be executed in several counterpart originals, each of eeeee which taken together shall constitute an integrated document.

V. INTEGRATION

43.eeeeThis Stipulation and the Judgment constitutes the entire agreement betweeneeeee DTSC and Charles Company with respect to the Covered Matters and may not be amended or supplemented except as provided for in this Stipulation or the Judgment. No oral representations have been made or relied on other than as expressly set forth herein.

W. MODIFICATION OF JUDGMENT

44.eeeeThis Stipulation and the Final Judgment may be amended or supplementedeeeee only pursuant to a written agreement signed by the Parties, followed by written approval by the Court, or by order of the Court following the filing of a duly noticed motion.

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X. COSTS AND ATTORNEYS' FEES

45.ssssssExcept as otherwise provided in this Stipulation and the Judgment, eachsssss Party to this Stipulation and the Judgment shall bear its own costs and attorneys' fees.

IT IS SO STIPULATED

Plaintiff, PEOPLE OF THE STATE OF CALIFORNIA, ex rel. Meredith J. Williams, Acting Director, California Department of Toxic Substances Control

DATED: 6/3/19

By: Signature on File
Keith Kihara, Chie
Enforcement and Emergency Response Division
Hazardous Waste Management Program
Plaintiff People of the State of California, ex rel. Meredith J. Williams, Acting Director, California Department of Toxic Substances Controlsssss

Charles Company

Signature on Filesss

~~By:~~ [redacted]
Mark Gabay
Charles Company and Corsair LLC

Title: President

Approved as to form by:

PC Law Group

[redacted] Signature on File

Patricia J. Chen
Attorney for The Charles Company and Corsair LLC

Date: 5/28/19

XAVIER BECERRA
Attorney General of California

David Zonana
Supervising Deputy Attorney General

[redacted] Signature on File

Andrew Wiener
Deputy Attorney General

Date: 6/6/19

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EXHIBIT 1

XAVIER BECERRA
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Supervising Deputy Attorney General
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Attorneys for Plaintiff, People of the State of California, ex rel. Meredith J. Williams, Acting Director, California Department of Toxic Substances Control

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

PEOPLE OF THE STATE OF CALIFORNIA, ex rel. MEREDITH J. WILLIAMS, ACTING DIRECTOR, CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL, Plaintiff, **v.** **CHARLES COMPANY; CORSAIR LLC; and ADVANCED GEOENGINEERING,** Defendant.	Case No. 19STCV19811 **[PROPOSED] JUDGMENT AND PERMANENT INJUNCTION ON CONSENT**

Having reviewed the Stipulation for Entry of Order and Judgment on Consent (the "Stipulation") executed by Plaintiff the People of the State of California, ex rel. Meredith J. Williams, Acting Director, California Department of Toxic Substances Control ("DTSC") and Defendants Charles Company and Corsair LLC (collectively "Charles Company"), and good cause appearing herein, the Court finds that the settlement between the Plaintiff and the Defendants as set forth in the Stipulation is fair and in the public interest and approves the Stipulation.

Accordingly, the Court enters this Judgment on Consent on the terms set forth in the Stipulation.

IT IS SO ORDERED AND ADJUDGED.

DATED: _____

_____
HON. JUDGE OF THE SUPERIOR COURT

19STCV19811