

Josh Voorhees, State Bar No. 241436 1 Rachel S. Doughty, State Bar No. 255904 2 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 3 Berkeley, CA 94710 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 4 5 Attorneys for Plaintiff JOHN MOORE 6 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 9 COUNTY OF ALAMEDA 10 UNLIMITED CIVIL JURISDICTION 11 12 Case No. RG11564500 JOHN MOORE, 13 Plaintiff, PROPOSED JUDGMENT PURSUANT 14 TO TERMS OF PROPOSITION 65 SETTLEMENT AND [PROPOSED] v. 15 CONSENT JUDGMENT BENSUSSEN DEUTSCH & ASSOCIATES, 16 INC.; and DOES 1-150, inclusive, January 24, 2012 Date: Time: 3:45 p.m. 17 Defendants. Dept. FRANK ROESCH 18 Judge: Hon. Yvonne Gonzalez Rogers 19 Reservation No. R-1239302 20 21 22 23 24 25 26 27

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Plaintiff John Moore and Defendant Bensussen Deutsch & Associates, Inc., having agreed through their respective counsel that Judgment be entered pursuant to the terms of their settlement agreement in the form of a Consent Judgment, and following this Court's issuance of an Order approving this Proposition 65 settlement and Consent Judgment on January 24, 2012.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to Health & Safety Code section 25249.7, subdivision (f)(4), and Code of Civil Procedure section 664.6, judgment is hereby entered in accordance with the terms of the Consent Judgment attached hereto as Exhibit 1. By stipulation of the parties, the Court will retain jurisdiction to enforce the settlement under Code of Civil Procedure section 664.6.

IT IS SO ORDERED.

Dated: FEB - 6 2012

UDGE OF THE SUPERIOR COURT

Josh Voorhees, State Bar No. 241436 Rechel S. Doughty, State Bor No. 355904		
2	Rachel S. Doughty, State Bar No. 255904 THE CHANLER GROUP 2560 Ninth Street	
3	Parker Plaza, Suite 214	
4	Berkeley, CA 94710 Telephone: (510) 848-8880 Facsimile: (510) 848-8118	
5	radiamet (370) 510 5110	
6	Attorneys for Plaintiff JOHN MOORE	
7	<i>*</i>	
8	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
9	COUNTY OF ALAMEDA	
10	UNLIMITED CIV	VIL JURISDICTION
11	,	
12	JOHN MOORE,	Case No. RG11564500
13	Plaintiff,	[PROPOSED] CONSENT JUDGMENT
14	v.	
15	BENSUSSEN DEUTSCH & ASSOCIATES, INC.; and DOES 1-150, inclusive,	(Cal. Health & Saf. Code, § 25249.6 et seq.)
16	Defendants.	
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1.

INTRODUCTION

1.1 John Moore and Bensussen Corp.

This Consent Judgment is entered into by and between John Moore (hereinafter "Moore") and Bensussen Deutsch & Associates, Inc. (hereinafter "Bensussen"), with Moore and Bensussen collectively referred to as the "Parties."

1.2 Plaintiff

Moore 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

Moore alleges that Bensussen 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 section 25249.6 et seq. ("Proposition 65").

1.4 General Allegations

Moore alleges that Bensussen has manufactured, distributed, and/or offered for sale in California cases for mobile electronic devices containing di(2-ethylhexyl)phthalate ("DEHP") without the requisite Proposition 65 warnings. DEHP 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 cases for mobile electronic devices containing DEHP, including but not limited to: Game Boy Advance SP Game Folio (#6 17885 93564 0), manufactured, distributed, or sold by Bensussen in California ("Products").

1.6 Notice of Violation

On December 21, 2010, Moore served Bensussen and various public enforcement agencies with a document entitled 60-Day Notice of Violation ("Notice") that provided Bensussen and such public enforcers with notice that alleged that Bensussen was in violation of Proposition 65 for failing to warn consumers and customers that its Products exposed users in California to DEHP.

1.7 Complaint

On March 8, 2011, Moore filed a complaint in the Alameda County Superior Court (the "Complaint"), naming Bensussen as a defendant and alleging violations of Proposition 65 based on the allegations in the Notice.

1.8 No Admission

Bensussen denies the factual and legal allegations contained in the Notice and Complaint, and maintains that all products that it has sold in California have been and are in compliance with all laws, including, without limitation, Proposition 65. Nothing in this Consent Judgment shall be construed as an admission by Bensussen of any fact, finding, conclusion, issue of law, or violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an admission by Bensussen of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Bensussen. However, this Section shall not diminish or otherwise affect Bensussen'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 this Court has jurisdiction over Bensussen as to the allegations contained in the Complaint, that venue is proper in the County of Alameda, and that this Court has jurisdiction to enter and enforce the provisions of this Consent Judgment, pursuant to California Code of Civil Procedure section 664.6, as a full and binding resolution of all claims which were or could have been raised in the Complaint against Bensussen based on the facts alleged therein and in the Notice.

1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean September 20, 2011.

2. INJUNCTIVE RELIEF

2.1 Reformulation Standards

As of the Effective Date and except as provided below, Bensussen shall not ship, sell, or offer to be shipped for sale in California, any Product unless it is a "Reformulated Product," which is a Product containing DEHP in concentrations less than 1,000 parts per million (the "DEHP

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2.2 Election of Extension

product is not reasonably commercially feasible.

The December 1, 2011 deadline for meeting the DEHP Standard imposed pursuant to Section 2.1 above shall be extend to March 1, 2012, subject to the same conditions as the original December 1, 2011 deadline set forth in Section 2.1, if Bensussen provides a written notification of election of extension to Moore on or before December 1, 2011. Upon such election, and accompanying the notification of election, Bensussen shall pay the additional penalty set forth in Section 3.2 below. After March 1, 2012, Benssussen shall not, under any circumstances, ship, sell or offer to be shipped for sale in California any Product that does not meet the DEHP Standard.

Standard") in each accessible component when analyzed pursuant to U.S. Environmental Protection

Agency testing methodologies 3580A and 8270C or any other methodology utilized by federal or

Bensussen may ship, sell or offer to be shipped for sale in California, until December 1, 2011 and

meet the DEHP Standard, if the following conditions are met: (i) no Reformulated Product or

not thereafter, except upon election of extension as provided by Section 2.2, a Product that does not

equivalent DEHP-free substitute product is "reasonably commercially feasible;" (ii) the Product is

not primarily intended for use by individuals twelve years of age or younger; and (iii) Bensussen

2.1 whether a Reformulated Product or equivalent DEHP-free substitute product is "reasonably

commercially feasible" shall be a determination within the sole discretion of Bensussen, after

DEHP-free product; cost of the Reformulated Product or equivalent DEHP-free product; and

performance characteristics of the Reformulated Product or equivalent DEHP-free product,

including but not limited to performance, safety, and stability. Upon request, Bensussen shall

produce to plaintiff records demonstrating that a Reformulated Product or equivalent DEHP-free

considering the following factors: availability and supply of a Reformulated Product or equivalent

complies with the warning requirements set forth in Section 2.3 below. For purposes of this Section

state agencies for the purpose of determining DEHP content in a solid substance. However

2.3 Product Warnings

Commencing on the Effective Date, Bensussen shall, for all Products sold in California that do not meet the DEHP Standard, provided the conditions in Section 2.1 are met, provide clear and

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reasonable warnings as set forth in subsections 2.2(a) and (b). 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 the warning applies, so as to minimize the risk of consumer confusion.

(a) Retail Store Sales.

(i) Product Labeling. Bensussen shall affix a warning to the packaging, labeling, or directly on each Product sold in retail outlets in California by Bensussen or any person selling the Products, that states:

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

(ii) Point-of-Sale Warnings. Alternatively, Bensussen may provide warning signs in the form below to its customers in California with instructions to post the warnings in close proximity to the point of display of the Products. Such instruction sent to Bensussen's customers shall be sent by certified mail.

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

Where more than one Product is sold in proximity to other like items or to those that do not require a warning (e.g., Reformulated Products as defined in Section 2.1), the following statement must be used:

WARNING: The following products contain DEHP, a phthalate chemical known to the State of California to cause birth defects and other reproductive harm:

[list products for which warning is required]

¹ For purposes of the Consent Judgment, "sold in proximity" shall mean that the Product and another product are offered for sale close enough to each other that the consumer, under customary conditions of purchase, could not reasonably determine which of the two products is subject to the warning sign.

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2	Products via mail order of
3	Effective Date, and that a
4	Products sold via mail or
5	catalog; or (2) on the we
6	identify the specific Prod
7	and (ii).
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23	and/or description of the
24	must provide a header or
25	decignated symbol

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(b) Mail Order Catalog and Internet Sales. In the event that Bensussen sells
Products via mail order catalog and/or the internet, to customers located in California, after the
Effective Date, and that are not Reformulated Products, Bensussen shall provide a warning for such
Products sold via mail order catalog or the internet to California residents: (1) in the mail order
catalog; or (2) on the website. Warnings given in the mail order catalog or on the internet shall
dentify the specific Product to which the warning applies as further specified in Sections 2.2(b)(i)
and (ii).

(i) Mail Order Catalog Warning. Any warning provided in a mail order catalog must be in the same type size or larger than the Product description text within the catalog. The following warning shall be provided on the same page and in the same location as the display and/or description of the Product:

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

Where it is impracticable to provide the warning on the same page and in the same location as the display and/or description of the Product, Bensussen may utilize a designated symbol to cross reference the applicable warning and shall define the term "designated symbol" with the following ranguage on the inside of the front cover of the catalog or on the same page as any order form for the Product(s):

WARNING: Certain products identified with this symbol

▼ and offered for sale in this catalog contain

DEHP, a phthalate chemical known to the

State of California to cause birth defects and

other reproductive harm.

The designated symbol must appear on the same page and in close proximity to the display and/or description of the Product. On each page where the designated symbol appears, Bensussen must provide a header or footer directing the consumer to the warning language and definition of the designated symbol.

(ii) Internet Website Warning. A warning may be given in conjunction with the sale of the Products via the internet, when the sale is to a consumer in California, provided it appears either: (a) on the same web page on which a Product is displayed: (b) on the same web page

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as the order form for a Product; (c) on the same page as the price for any Product; or (d) on one or more web pages displayed to a purchaser during the checkout process. The following warning statement shall be used and shall appear in any of the above instances adjacent to or immediately following the display, description, or price of the Product for which it is given in the same type size or larger than the Product description text:

> WARNING: This product contains DEHP, a phthalate chemical known to the State of California to cause birth defects and other reproductive harm.

Alternatively, the designated symbol may appear adjacent to or immediately following the display, description, or price of the Product for which a warning is being given, provided that the following warning statement also appears elsewhere on the same web page, as follows:

> WARNING: Products identified on this page with the following symbol V contain DEHP. a phthalate chemical known to the State of California to cause birth defects and other reproductive harm.

3. **MONETARY PAYMENTS**

3.1 Civil Penalty

Bensussen shall make an initial payment of \$ 32,500 to be apportioned in accordance with Health & Safety Code section 25249.12. subdivisions (c)(1) and (d), with 75% of these funds remitted to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of these penalty monies remitted to Moore as provided by Health & Safety Code section 25249.12, subdivision (d). Bensussen shall issue two checks for the penalty payment: (a) one check made payable to "The Chanler Group in Trust for OEHHA" in the amount of \$ 24,375, representing 75% of the total penalty, and (b) one check to "The Chanler Group in Trust for John Moore" in the amount of \$ 8,125, representing 25% of the total penalty. Two 1099s shall be issued for the above payments. The first 1099 shall be issued to the Office of Environmental Health Hazard Assessment, P.O. Box 4010, Sacramento, CA 95814 (EIN: 68-0284486) in the amount of \$ 24,375. The second 1099 shall be issued to Moore in the amount of \$ 8,125, whose address and tax identification number shall be furnished upon request. The payments shall be delivered within ten (10) days of the Effective Date, to the Payment Address set forth in

Section 3.3.

3.2 Additional Civil Penalty upon Election of Extension

Bensussen shall pay, at the time it provides notification of the election of extension, a second civil penalty of \$70,000, to be apportioned in accordance with Health & Safety Code section 25249.12, subdivisions (c)(1) and (d), as described above.

3.3 Payment Address

All payments, unless waived, shall be delivered to the following Payment Address:

The Chanler Group Attn: Proposition 65 Controller 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710

4. REIMBURSEMENT OF FEES AND COSTS

The Parties acknowledge that Moore 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 this fee issue to be resolved after the material terms of the agreement had been settled. Bensussen then expressed a desire to resolve the fee and cost issue shortly after the other settlement terms had been finalized. The Parties then attempted to (and did) reach an accord on the compensation due to Moore and his counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure section 1021.5, for all work performed in this matter, except fees that may be incurred on appeal. Under these legal principles, Bensussen shall pay the amount of \$55,000 for fees and costs incurred as a result of investigating, bringing this matter to Bensussen's attention, and negotiating a settlement in the public interest. Bensussen shall issue a separate 1099 for fees and costs (EIN: 94-3171522) and shall make the check payable to "The Chanler Group." Payment shall be delivered on or before September 30, 2011, at the Payment Address.

5. CLAIMS COVERED AND RELEASED

5.1 Full, Final and Binding Resolution of Proposition 65 Allegations

This Consent Judgment is a full, final and binding resolution between Moore, on behalf of himself and the public, and Bensussen, of any violation of Proposition 65 that was or could have been

asserted by Moore against Bensussen, its parents, subsidiaries, affiliated entities that are under common ownership, directors, officers, employees, attorneys, and each entity to whom Bensussen directly or indirectly distributes or sells Products, including but not limited to downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, licensors, and licensees ("Releasees"), based on their failure to warn about alleged exposures to DEHP contained in the Products that were sold by Bensussen.

5.2 Moore's Public Release of Proposition 65 Claims

In further consideration of the promises and agreements herein contained, Moore on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees, and in the interest of the general public, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims, including, without limitation, all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses--including, but not limited to, investigation fees, expert fees, and attorneys' fees, but exclusive of fees and costs on appeal--limited to and arising under Proposition 65 with respect to DEHP in the Products sold by Bensussen (collectively "claims"), against Bensussen and Releasees.

5.3 Moore's Individual Release of Claims

Moore also, in his individual capacity only and not in his representative capacity, 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 plaintiff of any nature, character or kind, whether known or unknown, suspected or unsuspected, limited to and arising out of alleged or actual exposures to DEHP in the Products manufactured, distributed or sold by Bensussen.

5.4 Bensussen's Release of Moore

Bensussen on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives any and all claims against Moore, his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Moore and his attorneys and other representatives, whether in the course of investigating

claims or otherwise seeking to enforce Proposition 65 against it in this matter with respect to the Products.

6. COURT APPROVAL

This Consent Judgment is not effective until it is approved and entered by the Court and

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, in which event any monies that have been provided to Moore or his counsel pursuant to Section 3 and/or Section 4 above shall be refunded within fifteen (15) days after receiving written notice from Bensussen that the one-year period has expired.

7. SEVERABILITY

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

8. 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.

9. NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to this Consent Judgment shall be in writing and sent by (i) personal delivery, (ii) first-class, registered or certified mail, return receipt requested, or (iii) overnight courier on any party by the other party at the following addresses:

For Bensussen:

Murray Valenc, President John Rostas, Chief Operating Officer
Bensussen Corp. 15525 Woodin ville - Red mond Rd. NE
3700 Desire Parkway
New Orleans, LA 70126 Woodin ville, WA 98072

For Moore:

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

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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.

COUNTERPARTS; FACSIMILE SIGNATURES 10.

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.

POST EXECUTION ACTIVITIES 11.

Moore agrees to comply with the reporting form requirements referenced in California Health & Safety Code section 25249.7, subdivision (f). In addition, the Parties acknowledge that, pursuant to California Health & Safety Code section 25249.7, a noticed motion is required to obtain judicial approval of this Consent Judgment. In furtherance of obtaining such approval, Moore and Bensussen and their respective counsel agree to mutually employ their best efforts to support the entry of this agreement as a Consent Judgment and obtain approval of the Consent Judgment by the Court in a timely manner. For purposes of this section, best efforts shall include, at a minimum, cooperating on the drafting and filing of any papers in support of the required motion for judicial approval.

12. **MODIFICATION**

This Consent Judgment may be modified only: (1) by written agreement of the Parties and upon entry of a modified consent judgment by the Court thereon; or (2) upon a successful motion of any party and entry of a modified consent judgment by the Court. The Attorney General shall be served with notice of any proposed modification to this Consent Judgment at least fifteen (15) days in advance of its consideration by the Court.

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13. <u>AUTHORIZATION</u>

The undersigned are authorized to execute this Consent Judgment and have read, understood, and agree to all of the terms and conditions of this Consent Judgment. AGREED TO: **AGREED TO:** By: JOHN MOORE BENSUSSEN DEUTSCH & ASSOCIATES, INC Date: SepremBER. 16. 2011 Oct 7, 2011 Date: