Brian C. Johnson, State Bar No. 235965 1 Josh Voorhees, State Bar No. 241436 THE CHANLER GROUP 2560 Ninth Street **ENDORSED** 3 Parker Plaza, Suite 214 FILED
San Francisco County Superior Count Berkeley, CA 94710-2565 4 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 JUN 2 6 2012 5 Attorneys for Plaintiff **CLERK OF THE COURT** JOHN MOORE 6 LESLEY FISCELLA Deputy Clerk 7 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 COUNTY OF SAN FRANCISCO 11 UNLIMITED CIVIL JURISDICTION 12 13 JOHN MOORE, Case No. CGC-11-514766 14 PROPOSEDT JUDGMENT PURSUANT Plaintiff, TO TERMS OF PROPOSITION 65 15 SETTLEMENT AND CONSENT ٧. JUDGMENT 16 C & S WHOLESALE GROCERS, INC.; et Date: June 26, 2012 17 al., Time: 9:30 a.m. Dept.: 302 18 Defendants. Judge: Hon. Harold E. Kahn 19 20 21 22 23 24 25 26 27 28

[PROPOSED] JUDGMENT PURSUANT TO TERMS OF PROP. 65 SETTLEMENT AND CONSENT JUDGMENT

In the above-entitled action, Plaintiff, John Moore, and Defendant, C&S Wholesale Grocers, 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,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to Health & Safety Code § 25249.7(f)(4) and Code of Civil Procedure § 664.6, Judgment is 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 § 664.6.

HAROLD KAHN

JUDGE OF THE SUPERIOR COURT

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12	Attorneys for Defendant  C&S WHOLESALE GROCERS, INC.	
13	ods whollstill site of the	
14	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
15	COUNTY OF SAN FRANCISCO	
16	UNLIMITED CIVIL JURISDICTION	
17		
18	JOHN MOORE,	Case No. CGC-11-514766
19	Plaintiff,	
	v.	[PROPOSED] CONSENT JUDGMENT
20	**	
21	C & S WHOLESALE GROCERS, INC.; et al.,	Health & Safety Code § 25249.6 et seq.
22	Defendants.	
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## 1. INTRODUCTION

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#### 1.1 Parties

This Consent Judgment is entered into by and between John Moore ("Moore") and C & S Wholesale Grocers, Inc. ("C & S"), with Moore and C & S 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

C & S 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

Moore alleges that C & S sold or distributed for sale in California footwear containing excessive amounts of di(2-ethylhexyl)phthalate ("DEHP") and di-n-butyl phthalate ("DBP") without first providing the "clear and reasonable" exposure warnings required by Proposition 65. DEHP and DBP are listed pursuant to Proposition 65 as chemicals known to the state of California to cause birth defects and other reproductive harm.

## 1.5 Product Description

The product that is covered by this Consent Judgment, and to which this Consent Judgment is specifically limited, is the *Caribbean Cartel Lds Metallic Flex Zori, Article* #1200W (#8 02668 01200 1) model of footwear which contains DBP and/or DEHP and was manufactured and supplied to C & S by Touchsport Footwear USA, Inc., and sold in California by C & S (hereafter the "Product").

## 1.6 Notice of Violation

On April 8, 2011, Moore served C & S and various public enforcement agencies with a 60-Day Notice of Violation ("Notice"), a document that informed the recipients of Moore's allegation

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that C & S was allegedly in violation of Proposition 65 for failing to warn its customers and consumers in California that the Product exposes users to DEHP and DBP.

#### 1.7 Complaint

On September 30, 2011, Moore filed the instant action ("Complaint") against C & S for the violations of Health & Safety Code § 25249.6 alleged in the Notice.

#### 1.8 No Admission

C & S 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 Product, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission by C & S 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 C & S. This section shall not, however, diminish or otherwise affect C & S'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 C & S as to the allegations in the Complaint, that venue is proper in the county of San Francisco, and that this Court has jurisdiction to enter and enforce the provisions of the Consent Judgment.

#### 1.10 **Effective Date**

For purposes of this Consent Judgment, the term "Effective Date" shall mean March 9, 2012.

#### 2. **INJUNCTIVE RELIEF**

Commencing on the Effective Date and continuing thereafter, C&S shall not ship, sell, or offer to ship for sale in California any Product that is not "Phthalate Free." For purposes of this Consent Judgment, "Phthalate Free" shall mean Products containing either DEHP or DBP in concentrations less than 1,000 parts per million (0.1%) when using a method of detection and analysis authorized under Tit. 27 Cal. Code Regs. § 25900.

# 3. MONETARY PAYMENTS

# 3.1 Civil Penalty Payment Pursuant to Health & Safety Code § 25249.7(b)

Pursuant to Health & Safety Code § 25249.7(b), C & S shall pay a civil penalty of \$3,500. This amount reflects a credit of \$5,500 agreed to by Moore in response to C & S's commitment to Proposition 65 compliance, including only selling or distributing for sale in California a Product that complies with the DEHP and DBP content standards established by Section 2. The penalty payment shall be allocated according to Health & Safety Code § 25249.12(c)(1) & (d), with seventy-five percent (75%) of the penalty amount earmarked for the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining twenty-five percent (25%) earmarked for Moore.

### 3.2 Reimbursement of Moore's 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 the issue to be resolved after the material terms of the agreement had been settled. C & S 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 § 1021.5 for all work performed in this matter. Under these legal principles, C & S shall pay \$28,500, for all fees and costs incurred investigating, litigating and enforcing this matter, including the fees and costs incurred (and yet to be incurred) drafting, negotiating, and obtaining the Court's approval of this Consent Judgment in the public interest.

# 3.3 Payment Address

All payments required by the settlement shall be held in trust by counsel to C & S, and shall be delivered to Moore's counsel within five days of date of the judicial approval hearing contemplated by section 5 at the following address:

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

# 4. <u>CLAIMS COVERED AND RELEASED</u>

# 4.1 Full, Final and Binding Resolution of Proposition 65 Allegations

This Consent Judgment is a full, final, and binding resolution between Plaintiff and Defendant, of any violation of Proposition 65 that was or could have been asserted by Plaintiff against Defendant, its parents, subsidiaries, affiliated entities that are under common ownership, directors, officers, employees, attorneys, and each entity to whom Defendant 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 and DBP contained in the Products that were manufactured, distributed, or sold by Defendant prior to the Effective Date.

# 4.2 Moore's Public Release of Proposition 65 Claims

Moore, acting on his own behalf and in the public interest, releases C & S and the Releasees from all claims for violations of Proposition 65 up through the Effective Date based on exposures to DEHP and/or DBP from the Product as set forth in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to the DBP and DEHP from the Product as set forth in the Notice.

### 4.3 Moore's Individual Release of Claims

Moore, 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 any nature, character, or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DEHP and/or DBP contained in the Product sold or distributed for sale in California by C & S or the Releasees.

Moore further acknowledges that he is familiar with Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Moore, in his individual capacity only and *not* in his representative capacity, on behalf of himself and his agents, attorneys, representatives, successors and assigns, expressly waives and relinquishes any and all rights and benefits which he may have under, or which may be conferred on him by the provisions of Section 1542 of the California Civil Code as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that he may lawfully waive such rights or benefits pertaining to the released matters. In furtherance of such intention, the release hereby given shall be and remain in effect as a full and complete release notwithstanding the discovery or existence of any such additional or different claims or facts arising out exposures to DBP and DEHP from the Product.

#### 4.4 C & S's Release of Moore

C & S on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives any and all claims against Moore and 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, seeking to enforce Proposition 65 against it in this matter, or with respect to the Product.

C & S further acknowledges that it is familiar with Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

C & S, on behalf of itself, and its past and current its owners, subsidiaries, affiliates, sister and related companies, employees, shareholders, directors, insurers, attorneys, successors, and assigns expressly waives and relinquishes any and all rights and benefits which it may have under, or which may be conferred on it by the provisions of Section 1542 of the California Civil Code, as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that it may lawfully waive such rights or benefits pertaining to the released matters. In furtherance of such intention, the release hereby given shall be and remain in effect as a full and complete release notwithstanding the discovery or existence of any such additional or different claims or facts arising out of the released matters.

## 5. COURT APPROVAL

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 within one year after it has been fully executed by the Parties, in which event any monies that have been provided to Moore or his counsel pursuant to sections 3.1 and/or 3.2 shall be refunded within fifteen days of receiving written notice from C & S that the one-year period has expired and the Consent Judgment has not been approved and entered by the Court.

## 6. SEVERABILITY

If, subsequent to the execution of this Consent Judgment, any of its provisions are held 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, preempted, or is otherwise rendered inapplicable by reason of law generally, or as to the Product, then C & S shall have no further obligations pursuant to this Consent Judgment, with respect to, and to the extent that, the Product is so affected.

### 8. 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,

1	registered, or certified mail, return receipt requested, or (iii) a recognized overnight courier on any		
2	party by the other party at the following addresses:		
3	For C & S:		
4	Bryan Granger		
5	Vice President of Compliance & Government Relations C&S Wholesale Grocers, Inc. 7 Corporate Drive Keene, NH 03431		
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7	With a copy to:		
8	Daniel Fox, Esq.  K&L Gates  A Embarcodom Conton Suita 1200		
9	4 Embarcadero Center, Suite 1200 San Francisco, CA 94111		
10	For Moore:		
11	Proposition 65 Coordinator The Chanler Group		
12	2560 Ninth Street		
13	Parker Plaza, Suite 214 Berkeley, CA 94710		
14	Any party may, from time to time, specify in writing to the other party a change of address to which		
15	all notices and other communications shall be sent.		
16	9. <u>COUNTERPARTS; FACSIMILE SIGNATURES</u>		
17	This Consent Judgment may be executed in counterparts and by facsimile or portable		
18	document format (PDF) signature, each of which shall be deemed an original, and all of which,		
19	when taken together, shall constitute one and the same document.		
20	10. POST EXECUTION ACTIVITIES		
21	Moore agrees to comply with the reporting form requirements referenced in California		
22	Health & Safety Code § 25249.7(f). In addition, the Parties acknowledge that, pursuant to		
23	California Health & Safety Code § 25249.7, a noticed motion is required to obtain judicial approval		
24	of this Consent Judgment. In furtherance of obtaining such approval, Moore and C & S and their		
25	respective counsel agree to mutually employ their best efforts to support the entry of this agreement		
26	as a Consent Judgment and obtain approval of the Consent Judgment by the Court in a timely		
27	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.

# **MODIFICATION** 11. This Consent Judgment may only be modified by: (i) written agreement of the Parties and upon entry of a modified consent judgment by the Court; or (ii) upon a successful motion or application of any party and 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 of this Consent Judgment. AGREED TO: **AGREED TO:** Bryan Granger, Vice President of Compliance & Government Relations, C & S WHOLESALE GROCERS, INC. JOHN MOORE Date: MARCH 13, 2012 Date:

# 11. MODIFICATION

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

# 12. <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	By Bryan Ganger, Vice President of Compliance & Government Relations, C & S WHOLESALE GROCERS, INC.
Date:	Date: 3/14/12