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JOHN MOORE

AUG 222012
CLERK OF XHE COURT

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

Case No. CGC-11-513304

## [PREHOSED] JUDGMENT PURSUANT <br> TO TERMS OF PROPOSITION 65 SETTLEMENT AND CONSENT JUDGMENT

Date: August 22, 2012
Time: 9:00 a.m.
Dept.: 608
Judge: Hon. Curtis E.A. Karnow

In the above-entitled action, Plaintiff John Moore and Defendant Trade Associates Group, Ltd., 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 California Health \& Safety Code § 25249.7(f)(4) and California 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.

IT IS SO ORDERED.

Dated: Argist 222012


CURTIS EA KARNOW

Exhibit 1

Stephen S. Sayad, State Bar No. 104866
Josh Voorhees, Sate Bar No. 241436
THE CHANLER GROUP
81 Throckmorton Ave, Suite 203
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Attorneys for Plaintiff JOHN MOORE

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE CITY AND COUNTY OF SAN FRANCISCO
UNLIMITED CIVII. JURISDICTION

JOHN MOORE,
Plaintiff,
v.

TRADE ASSOCIATES GROUP, ITD.; et al..
Defendants.

Case No. CGC-11-513304
[PROPOSED] CONSENT JUDGMENT
(Health \& Safety Code § 25249.6 et seq.)

## 1. INTRODUCTION

### 1.1 Parties

This Consent Judgment is entered into by and between plaintiff John Moore ("Moore" or "Plaintiff") and defendant Trade Associates Group, Ltd. ("Trade Associatcs" or "Defendant"), with Moore and Trade Associates 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 to improve human health by reducing or eliminating hazardous substances contained in consumer products.

### 1.3 Defendant

Trade Associates 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 Trade Associates sold coverings for books containing di(2ethylhexyl)phthalate ("DEHP") without first providing the clear and reasonable warning required by Proposition 65. DEHP is listed pursuant to Proposition 65 as a chemical known to the State of Califormia to cause birth defects and other reproductive harm.

### 1.5 Product Description

The products covered by this Consent Judgment are coverings for books manufactured, distributed, sold, or offered for sale in California by Trade Associates, including, but not limited to, the Tag Notebook, 96 Pages, $\$ 590231$ ( $\$ 025466673575$ ). All such items are referred to collectively as the "Products," or individually as a "Product."

### 1.6 Notice of Violation

On or about May 11, 2011, Moore served Trade Associates and various public enforcement agencies with a "60-Day Notice of Violation" ("Notice"), a document that informed Trade Associates and the public enforcers of Moore's allegation that Trade Associates was in violation of Proposition

65 for failing to warn its customers and consumers in California that the Products expose users to DEHP.

### 1.7 Complaint

On August II, 2011, Moore filed the instant action against Trade Associates ("Complaint") for the violations of Health \& Safety Code section 25249.6 alleged in the Notice. Pursuant to Health \& Safety Code section 25249.7 (d), Moore brings this action in the public interest.

### 1.8 No Admission

Trade Associates 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 Trade Associates. This section shall not, however, diminish or otherwise affect Trade Associates' 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 Trade Associates as to the allegations in the Complaint, that venue is proper in the City and County of San Francisco, and that this Court has jurisdiction to enter and enforce the provisions of this Consent Judgment.

### 1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean March 8, 2012.

## 2. INJUNCTIVE RELIEF: REFORMULATION

Beginning on the Effective Date and continuing thereafter, Trade Associates shall not ship, sell, or offer to ship for sale in California, any Product that contains more than 1,000 parts per million of DEHP in any accessible component (i.e., any component that may be touched or handled by a user during reasonably foreseeable use) analyzed pursuant to Environmental Protection Agency testing
methodologies 3580 A and 8270 C or equivalent methodologies used by federal or state agencics for the purpose of determining DEHP content in a solid substance.

## 3. MONETARY PAYMENTS

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

Pursuant to Health \& Safety Code section 25249.7(b), Trade Associates shall pay a civil penalty of $\$ 1,750$. The penalty amount reflects a credit of $\$ 5,500$ agreed to by Moore in response to Trade Associates' commitment to Proposition 65 compliance as set forth in Section 2.

The penalty shall be allocated according to Health \& Safety Code sections 25249.12 (c)(1) \& (d), with seventy-five percent (75\%) of the penalty payment earmarked for the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining twenty-five (25\%) of the penalty payment earmarked for Moore. Payment shall be delivered to Moore's counsel within fourteen (14) days of the Effective Date at the Payment Address provided in Section 3.3.

### 3.2 Reimbursement of Plaintiff'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. Shortly after all other settlement terms had been finalized, Trade Associates expressed a desire to resolve the issue. The Parties then attempted to (and did) reach an accord on the compensation due 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 exclusive of fees and costs that may be incurred on appeal, if any. Under these legal principles, Trade Associates shall pay $\$ 26,000$ for fees and costs incurred investigating, litigating, and enforcing this matter, including the fees and costs incurred (and to be incurred) negotiating a settlement, and moving the Court for, and obtaining its approval of, this Consent Judgment in the public interest. Payment shall be delivered to Moore's counsel within fourteen (14) days ol the Effective Date at the Payment Address provided in Section 3.3.

### 3.3 Payment Procedures

### 3.3.1 Payments Held in Trust

AIl payments made under this Consent Judgment shall be held in trust until the Court approves the settlement. The Parties acknowledge that Moore's counsel gave Trade Associates the option of depositing the funds into its attomey's trust account, but that Trade Associates elected to have The Chanler Group hold the settlement funds in trust until such time as the hearing of the motion for judicial approval of the settlement. Settlement funds delivered to The Chanler Group shall be in the form of three checks for the following amounts, made payable as follows:
(a) to "The Chanler Group in Trust for OEHHA" in the amount of $\$ 1,312.50$;
(b) to "The Chanler Group in Trust for John Moore" in the amount of $\$ 437.50$; and
(c) to "The Chanler Group in Trust" in the amount of $\$ 26,000$.

### 3.3.2 Issuance of 1099 Forms

After the Consent Judgment has been approved, Trade Associates shall issue three 1099 forms for the payments made pursuant Sections 3.1 and 3.2, as follows:
(a) one 1099 form to "Office of Environmental Health Ilazard Assessment", P.O. Box 4010 , Sacramento, CA 95814 (ENN: $68-0284486$ ) for civil penalties paid in the amount of $\$ 1,312.50$;
(b) a second 1099 form to "John Moore", whose address and tax identification number shall be furnished upon request after the date that this Consent Judgment is fully executed by the Parties, for civil penalties paid in the amount of $\$ 437.50$ : and (c) a third 1099 form to "The Chanler Group" (EIN: 94-3171522) for the reimbursement of Moore's fees and costs in the amount of $\$ 26,000$.

### 3.3.3 Payment Address

All payments and tax forms required by Sections 3.1,3.2, and 3.3.2 of this Consent
Judgment shall be delivered to Moore's counsel at the following address:
The Chanler Group
Attn: Proposition 65 Controller
2560 Ninth Street

## 4. CLAIMS COVERED AND RELEASED

### 4.1 Moore's Public Release of Proposition 65 Claims

Moore, acting on his own behalf and in the public interest, releases Trade Associates from all claims for violations of Proposition 65 up through the Effective Date based on exposures to DELIP from the Products as set forth in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to DEHP from the Products as set forth in the Notice.

### 4.2 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' fecs, 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 Trade Associates.

### 4.3 Trade Associates' Release of Moore

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

## 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 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 Sections 3.1 or 3.2 shall be refunded within fifteen (15) days after
receiving written notice from Trade Associates 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 provision is held by a court to be unenforccable, 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 Products, then Trade Associates may provide written notice to Moore of any asserted change in the law, and shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are so affected. Nothing in this Consent Judgment shall be interpreted to relieve Trade Associates from any obligation to comply with any pertinent state or federal toxics control laws.

## 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, registered or certified mail, return receipt requested; or (iii) a recognized overnight courier to one party by the other at the following addresses:

For Trade Associates:
Norman Glassberg, President
Trade Associates Group, Ltd.
1730 West Wrightwood Avenue
Chicago. IL 60614
with a copy to:
Levi Heath, Esq.
Barnes \& Thornburg L.. P
2049 Century Park East, Suite 3550
Los Angeles, CA 90067

For Moore:
Proposition 65 Coordinator
The Chanler Group
2560 Ninth Street
Parker Plaza, Suite 214
Berkeley, CA 94710
Any party may, from time to time, 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 portable document format (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. POST EXECUTION ACTIVITIES

Moore agrees to comply with the reporting form requirements referenced in Health \& Safety Code section 25249.7 ( f$)$. The Parties further acknowledge that, pursuant to Health \& Safety Code section $25249.7(1)(4)$, a noticed motion is required to obtain judicial approval of this Consent Judgment. In furtherance of obtaining such approval, Moore and Trade Associates and their respective counsel agree to mutually employ their best efforts to support the entry of this agreement as a Consent Judgment and to obtain judicial approval of the same 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.

## 11. MODIFICATION

This Consent Judgment may be modified only by: (i) the 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 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: $\qquad$
MARCH 9, 2012 th atm John Moore

## AGREED TO:

Date: $\qquad$

By:
Norman Glassberg, President Trade Associates Group, Ltd.

## 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: $\qquad$

By:
John Moore

AGREED TO:


