1 Laralei S. Paras, State Bar No. 203319 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 3 Berkeley, CA 94710 Superior Court of California County of San Francisco Telephone: (510) 848-8880 Facsimile: (510) 848-8118 4 laralei@chanler.com FEB 2 6 2019 5 CLERK OF THE COURT Attorneys for Plaintiff 6 JOHN MOORE Deputy Clerk 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 COUNTY OF SAN FRANCISCO 10 UNLIMITED CIVIL JURISDICTION 11 12 JOHN MOORE, Case No. CGC-18-569699 13 Plaintiff, [PROPOSED] JUDGMENT PURSUANT 14 TO TERMS OF PROPOSITION 65 SETTLEMENT AND CONSENT v. 15 **JUDGMENT** LB MARKETING, INC.; et al., 16 Date: February 26, 2019 Defendants. Time: 9:30 a.m. 17 Dept.: 302 Judge: Hon. Harold E. Kahn. 18 ETHAN P. SCHULMAN Reservation No.: 01040226-04 19 20 21 22 23 24 25 26 27

In the above entitled action, Plaintiff John Moore and Defendants LB Marketing, Inc. and Best Buy Co., Inc. having agreed through their respective counsel that Judgment be entered pursuant to the terms of their settlement agreement in the form of a [Proposed] Consent Judgment (Consent Judgment), and following this Court's issuance of an Order approving their Proposition 65 Settlement and Consent Judgment on February 26, 2019.

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

IT IS SO ORDERED.

Dated: Feb. 26, 20/9

JUDGE OF THE SUPERIOR COURT

ETHAN P. SCHULMAN

# EXHIBIT A

1 2 3 4 5 6 7	Clifford A. Chanler, State Bar No. 135534 Laralei S. Paras, State Bar No. 203319 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 clifford@chanler.com laralei@chanler.com Attorneys for Plaintiff JOHN MOORE	
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9	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
10	COUNTY OF SAN FRANCISCO	
11	UNLIMITED CIVIL JURISDICTION	
12		
13	JOHN MOORE,	Case No. CGC-18-569699
14	Plaintiff,	CONSENT JUDGMENT
15	V.	(Health & Safety Code § 25249.6 et seq. and
16	LB MARKETING, INC.; BEST BUY CO.,	Code of Civil Procedure § 664.6)
17	INC.; et al.,	
18	Defendants.	
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	CONSENT	I JUDGMENT

#### 1. INTRODUCTION

#### 1.1 Parties

This Consent Judgment is entered into by and between plaintiff John Moore (Moore) and defendants LB Marketing, Inc. (LB Marketing) and Best Buy Co., Inc. (Best Buy), with Moore, LB Marketing, and Best Buy each referred to individually as a "Party" and collectively as the "Parties."

#### 1.2 Plaintiff

Moore is a resident of the State of California who seeks to promote awareness of exposures to toxic chemicals, and to improve human health by reducing or eliminating harmful substances contained in consumer products.

#### 1.3 Defendants

Both LB Marketing and Best Buy are, individually, a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code § 25249.5 et seq. (Proposition 65).

## 1.4 General Allegations

Moore alleges that LB Marketing and/or Best Buy manufactures, imports, sells and/or distributes for sale in California vinyl headlamp cords and other portable lighting products with vinyl components containing di(2-ethylhexyl)phthalate (DEHP), and that it does so without providing the health hazard warning that Moore alleges is required by Proposition 65. 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 vinyl headlamp cords and other portable lighting products with vinyl components containing DEHP including, but not limited to, the *Police Security Elite Blackout Headlamp, 99434, UPC #7 04673 99434 4,* manufactured, imported, or purchased for resale by LB Marketing and distributed, sold, and/or offered for sale in the State of California (hereinafter the "Products").

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### 1.6 Notice of Violation

On May 31, 2018, Moore served LB Marketing and Best Buy and the requisite public enforcement agencies with a 60-Day Notice of Violation (Notice), alleging that LB Marketing and Best Buy violated Proposition 65 when it failed to warn its customers and consumers in California that the Products expose users to DEHP. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting an action to enforce the allegations set forth in the Notice.

## 1.7 Complaint

On September 13, 2018, Moore commenced the instant action (Complaint), naming LB Marketing and Best Buy, each individually, as defendants for the alleged violations of Proposition 65 that are the subject of the Notice.

#### 1.8 No Admission

LB Marketing and Best Buy deny the material, factual and legal allegations contained in the Notice and Complaint and maintain that they have not violated Proposition 65. Nothing in this Consent Judgment shall be construed as, nor shall compliance with this Consent Judgment constitute or be construed as, an admission by LB Marketing or Best Buy of any fact, finding, conclusion of law, issue of law, or violation of law, such being specifically denied by Defendants. This section shall not, however, diminish or otherwise affect LB Marketing's or Best Buy's obligations, responsibilities, and duties under this Consent Judgment.

#### 1.9 Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over LB Marketing and Best Buy as to the allegations contained in the Complaint, that venue is proper in the County of San Francisco, and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure § 664.6.

#### 1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date this Consent Judgment is entered as a Judgment of the Court.

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# 2. INJUNCTIVE RELIEF: REFORMULATION OR WARNINGS

# 2.1 Commitment to Reformulate or Provide Warnings

Commencing Effective Date and continuing thereafter, LB Marketing shall only manufacture for sale, purchase for sale, or import for sale in California or to customers where the ultimate customer is in California Products that are Reformulated Products as defined by Section 2.2 or sold with a clear and reasonable warning in accordance with Sections 2.3 through 2.6.

#### 2.2 Reformulation Standard

"Reformulated Products" are Products containing DEHP in concentrations of less than 0.1 percent (1,000 parts per million) in each accessible component when analyzed by a laboratory accredited by the State of California, a federal agency, or a nationally recognized accrediting organization. For purposes of compliance with this reformulation standard, testing samples shall be prepared and extracted using Consumer Product Safety Commission (CPSC) methodology CPSC-CH-C1001.09.3 or U.S. Environmental Protection Agency (EPA) testing methodologies 3580A and analyzed using EPA methodology 8270D, or other equivalent methodologies utilized by federal or state government agencies to determine phthalate content in a solid substance.

#### 2.3 Clear and Reasonable Warnings

Commencing on or before the Effective Date, LB Marketing shall provide clear and reasonable warnings for all Products provided for sale to customers in California in accordance with this Section pursuant to Title 27, California Code of Regulations, § 25600, et seq. 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 and shall be provided in a manner such that it is clearly associated with the specific Product to which the warning applies. Where a consumer product sign, label or shelf tag used to provide a warning includes consumer information in a language other than English, the warning must also be provided in that language in addition to English.

CONSENT JUDGMENT

(a) Warning. The warning shall consist of the following statement (Warning):

⚠ WARNING: This product can expose you to chemicals including di(2-ethylhexyl)phthalate (DEHP), which is known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.

(b) Short-Form Warning. LB Marketing may, but is not required to, use the following short-form warning as set forth in this subsection 2.3(b) (Short-Form Warning), and subject to the additional requirements in Sections 2.5 and 2.6, as follows:

△ WARNING: Cancer and Reproductive Harm – www.P65Warnings.ca.gov

# 2.4 Product Warnings

LB Marketing shall affix a warning to the Product label or otherwise directly on each Product provided for sale in retail outlets in California or sold via mail order catalog and/or the internet to customers located in California. For the purpose of this agreement, "Product label" means a display of written, printed or graphic material that is printed on or affixed to a Product or its immediate container or wrapper. The entire warning shall appear in a type size of at least 6-point type and no smaller than the largest type size used for other consumer information on the product. The warning shall consist of either the Warning, or the Short-Form Warning described in subsection 2.3(a) or (b), respectively.

# 2.5 Mail Order Catalog Warnings

In the event that, after the Effective Date, LB Marketing prints new catalogs and sells Products via mail order through such catalogs to customers located in California, LB Marketing shall provide a warning for each Product both on the Product label in accordance with Section 2.4, and in the catalog in a manner that clearly associates the warning with the specific Product being purchased. Any warning provided in a mail order catalog shall be in the same type size or larger than other consumer information provided for the Product within the catalog and shall be provided on the same page and in the same location as the display and/or description of the Product. The catalog warning may use the Short-Form Warning content described in Section 2.3(b) if the warning provided on the Product label also uses the Short-Form Warning content.

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# 2.6 Internet Warnings

If, after the Effective Date, LB Marketing sells Products via the internet to customers located in California, LB Marketing shall provide warnings for each Product both on the Product label in accordance with Section 2.4, and by prominently displaying the warning to the customer prior to completing the purchase or during the purchase of the Products without requiring customers to seek out the warning. The Warning or a clearly marked hyperlink to the Warning using the word "WARNING" given in conjunction with the sale of the Products via the internet shall appear either:

(a) on the same web page on which the Product is displayed; (b) on the same web page as the order form for the Product; or (c) on one or more web pages displayed to a purchaser during the checkout process. The warning shall appear in any of the above instances adjacent to or immediately following the display or description of the Product for which it is given in the same type size or larger than the Product description text. The internet warning may use the Short-Form Warning content described in Section 2.3(b) if the warning provided on the Product label also uses the Short-Form Warning content.

#### 2.7 Products in the Stream of Commerce

The requirements in Sections 2.1 through 2.6 shall not apply to any Product sold by LB Marketing before the Effective Date.

## 3. MONETARY SETTLEMENT TERMS

#### 3.1 Civil Penalty Payments

Pursuant to Health and Safety Code § 25249.7(b), and in settlement of all claims referred to in the Notice, Complaint, and this Consent Judgment, LB Marketing agrees to pay \$6,000 in civil penalties. LB Marketing's civil penalty payment will be allocated according to Health and Safety Code § 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid to the California Office of Environmental Health Hazard Assessment (OEHHA), and the remaining twenty-five percent (25%) of the penalty payment retained by Moore. LB Marketing shall issue its payment in two checks made payable to (a) "OEHHA" in the amount of \$4,500; and (b) "John Moore, Client Trust Account" in the amount of \$1,500. Moore's counsel shall be responsible for delivering OEHHA's portion of the penalty payment.

# 3.2 Reimbursement of Attorneys' Fees and Costs

The parties acknowledge that Moore and his counsel offered to resolve this dispute without reaching terms on their fees and costs. Shortly after the other settlement terms had been finalized, the Parties negotiated the compensation to be paid 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 through the mutual execution of this Consent Judgment and court approval of the same, but exclusive of fees and costs on appeal, if any. LB Marketing agrees to pay \$27,000 by a check made payable to "The Chanler Group" for all fees and costs incurred investigating, bringing this matter to LB Marketing's attention, litigating, and negotiating a settlement in the public interest.

# 3.3 Payment Timing; Payments Held in Trust

All payments due under this Consent Judgment shall be held in trust until the Court approves the Parties' settlement. LB Marketing shall deliver its civil penalty and attorneys' fee reimbursement payments to its counsel within fifteen (15) days of the date that this Consent Judgment is fully executed by the Parties. LB Marketing's counsel shall provide Moore's counsel with written confirmation following its receipt of the settlement funds. Thereafter, LB Marketing's counsel shall hold the settlement funds in trust until the Court grants the motion for approval of this Consent Judgment contemplated by Section 5 and shall disburse the funds to Moore's counsel within five (5) days after the Effective Date.

#### 3.4 Payment Address

All payments required by this Consent Judgment shall be delivered to the following address:

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

#### 4. CLAIMS COVERED AND RELEASED

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

Moore, acting on his own behalf and in the public interest, releases LB Marketing and its parents, shareholders, subsidiaries, affiliated entities under common ownership, directors, officers,

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employees, successors and assigns, and attorneys (collectively, Defendant Releasees) and each entity to whom LB Marketing directly or indirectly distributes or sells the Products including, but not limited to, its downstream distributors, wholesalers, customers, retailers (including, but not limited to, Best Buy), franchisers, cooperative members, licensors and licensees (collectively, Downstream Releasees) for any violations arising under Proposition 65 for unwarned exposures to DEHP from the Products manufactured, imported, distributed or sold by LB Marketing prior to the Effective Date, as set forth in the Notice and Complaint. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by LB Marketing with respect to the alleged or actual failure to warn about exposures to DEHP from Products manufactured, sold or distributed for sale by LB Marketing after the Effective Date.

#### 4.2 Moore's Individual Release of Claims

Moore, in his individual capacity only and not in his representative capacity, also provides a release to LB Marketing, Defendant Releasees, and Downstream Releasees 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, contracts, debts, rights, suits, claims, liabilities and demands of Moore of any nature, character or kind, whether known or unknown, suspected or unsuspected, in law or in equity, fixed or contingent, now or in the future, arising out of alleged or actual exposures to DEHP in Products manufactured, imported, distributed or sold by LB Marketing before the Effective Date. Nothing in Section 4 affects Moore's right to commence or prosecute an action under Proposition 65 against a Releasee or Downstream Releasee that does not involve LB Marketing's Products.

#### 4.3 LB Marketing's and Best Buy's Release of Moore

LB Marketing, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors and/or assignees, and Best Buy, on its own behalf and on behalf of 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

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representatives in the course of investigating claims, seeking to enforce Proposition 65 against it in this matter, or with respect to the Products.

#### 5. **COURT APPROVAL**

This Consent Judgment 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. Moore, LB Marketing, and Best Buy agree to support the entry of this agreement as a judgment, and to obtain the Court's approval of their settlement in a timely manner. The Parties acknowledge that, pursuant to California Health and Safety Code § 25249.7(f)(4), a noticed motion is required for judicial approval of this Consent Judgment, which motion Moore shall draft and file, subject to approval by LB Marketing and Best Buy. In furtherance of obtaining such approval, the Parties agree to mutually employ their best efforts, and those of their counsel, to support the entry of this agreement as a judgment, and to obtain judicial approval of their settlement in a timely manner. For purposes of this section, "best efforts" shall include, at a minimum, supporting the motion for approval, responding to any objection that any third-party may file or lodge, and appearing at the hearing before the Court if so requested.

If this Consent Judgment is not approved by the Court, the Parties agree to meet and confer on how to proceed and if such agreement is not reached within forty-five (45) days, the case shall proceed on its normal course.

If the Court approves this Consent Judgment and it is reversed or vacated by an appellate court, the Parties shall meet and confer as to whether to modify the terms of this Consent Judgment. If, within sixty (60) days of reversal or vacation by an appellate court, the Parties do not jointly agree on a course of action to take, the case shall proceed on its normal course on the trial court's calendar.

#### 6. **SEVERABILITY**

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

#### 7. **GOVERNING LAW**

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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 LB Marketing or Best Buy may provide Moore with written notice of any asserted change in the law, and shall have no further injunctive 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 LB Marketing or Best Buy from its obligation to comply with any pertinent state or federal law or regulation.

#### 8. NOTICES

Unless specified herein, all correspondence and notices required by this Consent Judgment shall be in writing and sent by: (a) personal delivery, (b) first-class registered or certified mail, return receipt requested; or (c) a recognized overnight courier to any Party by the other at the following addresses:

To LB Marketing:	To Best Buy:	To Moor

Douglas Kaye, CEO	ATTN: General Counsel
LB Marketing, Inc.	Legal Department
8480 Holcomb Bridge Rd Ste 100	Best Buy Co., Inc.
Alpharetta, GA 30022	7601 Penn Avenue South
111pmmotas, 011 30022	Richfield, MN 55423

With a Copy To:

Heather Sager, Esq. Vedder Price (CA), LLP 275 Battery Street, Suite 2464 San Francisco, CA 94111

Brett Heinrich, Esq. Dana Mehlman, Esq. Vedder Price LLP 222 North LaSalle Street Chicago, IL 60601

re:

Attn: Proposition 65 Coordinator The Chanler Group 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565

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.

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# 9. COUNTERPARTS, FACSIMILE AND PDF 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. <u>COMPLIANCE WITH REPORTING REQUIREMENTS</u>

Moore and his counsel agree to comply with the reporting form requirements referenced in California Health and Safety Code § 25249.7(f).

# 11. ENTIRE AGREEMENT

This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, or understandings related thereto, if any, are hereby merged herein and therein. There are no warranties, representations, or other agreements between the Parties except as expressly set forth herein. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Consent Judgment have been made by any Party hereto. No other agreements not specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto.

## 12. MODIFICATION

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

1	13. <u>AUTHORIZATION</u>		
2	The undersigned are authorized to execute this Consent Judgment on behalf of their		
3	respective Parties and have read, understood, a	nd agreed to all of the terms and conditions of this	
4	Consent Judgment.		
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6	AGREED TO:	AGREED TO:	
7	Date: 10/00/0010	Date	
8	Date: 12/20/2018	Date:	
9	By: A a o	Ву:	
ιο	JOHN MOORE	Douglas Kaye, CEO LB MARKETING, INC.	
11		LD MARKETHO, INC.	
12		AGREED TO:	
13		Date:	
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15		Ву:	
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17		(Please Print Name)	
18		(Please Print Title)	
19		BEST BUY CO., INC.	
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1	13. <u>AUTHORIZATION</u>			
2	The undersigned are authorized to execute this Consent Judgment on behalf of their			
3	respective Parties and have read, understood, and agreed to all of the terms and conditions of this			
4	Consent Judgment.	Consent Judgment.		
5				
6	AGREED TO:	AGREED TO:		
7	Date:	Date: 12-21-18		
8				
9	By: JOHN MOORE	By:		
10	JOHN MOORE	Douglas Kaye, CEO LB MARKETING, INC.		
11	- -	·		
12		AGREED TO:		
13		Date:		
14				
15		Ву:		
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17		(Please Print Name)		
18		(Please Print Title)		
19		BEST BUY CO., INC.		
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# 13. **AUTHORIZATION** The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties and have read, understood, and agreed to all of the terms and conditions of this Consent Judgment. AGREED TO: **AGREED TO:** Date: \_\_\_\_\_ Date: By: By: Douglas Kaye, CEO JOHN MOORE LB MARKETING, INC. AGREED TO: (Please Print Name) BEST BUY CO., INC.

CONSENT JUDGMENT

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