1 2 3 4 5 6 7	Reuben Yeroushalmi (SBN 193981) Ben Yeroushalmi (SBN 232540) Peter T. Sato (SBN 238486) YEROUSHALMI & YEROUSHALMI An Association of Independent Law Corporations 9100 Wilshire Boulevard, Suite 240W Beverly Hills, California 90212 Telephone: 310.623.1926 Facsimile: 310.623.1930 Attorneys for Plaintiffs, Consumer Advocacy Group, Inc.				
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9	SUPERIOR COURT OF THE STATE OF CALIFORNIA				
10	COUNTY OF LOS ANGELES				
11	CONSUMER ADVOCACY GROUP, INC.,	CASE NO. BC580655			
12	in the interest of the Public,				
13 14	Plaintiff,	CONSENT JUDGMENT [PROPOSED]			
15	v.	Complaint filed: August 6, 2015			
16	BNB GLOBAL, a Maryland Corporation;	Department: 30 Judge: Hon. Barbara Scheper			
17	PALDO CO. LTD., a Republic of Korea Corporation; GREEN FARM MARKET, a				
18 19	Business Entity Form Unknown and DOES 1-20;				
20	Defendants.				
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22	1. INTRODUCTION				
23	1.1 This Consent Judgment is entered into by and between plaintiff Consumer				
24	Advocacy Group, Inc. ("CAG") acting on behalf of itself and in the interest of the public, and				
25	defendants BNB GLOBAL, ("BNB") and PALDO CO. LTD. ("PALDO") (BNB and PLADO are				
26	collectively referred to herewith as the "Defendants") with each a "Party" and collectively referred				
27	to as "Parties."				
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	CONSENT JUDGMENT [PROPOSED]				

1.2	It is alleged that Defendants named in the Complaint employ ten or more persons
are persons 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"), and mai	nufactured, distributed, and/or sold Seaweed, which includes but is not limited to,
(1) "Roasted	SEAWEED Snack; Roasted with Olive Oil; PRODUCT OF KOREA; Net WT.
0.17 oz (5 g)2	X12; DISTRIBUTED BY: C nature 16639 VALLEY AVE., CERRITOS, CA
90703; Barco	de: 7 00153 94247 8"; (2) "Roasted SEAWEED Snack; Roasted with Olive Oil;
PRODUCT C	OF KOREA; Net WT. 0.7 oz(20 g)X4; DISTRIBUTED BY: C nature 16639
VALLEY AV	E., CERRITOS, CA 90703; Barcode: 6 09722 64712 0" and (3) "PalDo Fun&Yur
ROASTED S	EAWEED, EXTRA CRISPY AND DELICIOUS; NET WEIGHT 5 g x 3;
MANUFACT	TUED FOR: PALDO CO., LTD 577, GANGNAM-DAERO, SEOCHO, SEOUL,
137-904 KOF	REA; PRODUCT OF KOREA; Barcode: 8 801128 542531" before the Effective
Date of this C	Consent Judgment.

1.3 Notice of Violation.

- 1.3.1 On or about September 5, 2014, CAG served Defendants BNB, Green Farm Supermarket, and various public enforcement agencies with documents entitled "60-Day Notice of Violation" (the "BNB September 5, 2014 Notice") that provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for failing to warn individuals in California of exposures to Lead contained in the Covered Products.
- 1.3.2 On or about September 5, 2014, CAG served Defendants PALDO, Green Farm Supermarket and various public enforcement agencies with documents entitled "60-Day Notice of Violation" (the "PALDO September 5, 2014 Notice") that provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for failing to warn individuals in California of exposures to Lead contained in the Covered Products.
- 1.3.3 On or about September 16, 2014, CAG served Defendants BNB, Green Farm Supermarket and various public enforcement agencies with documents entitled "60-Day Notice of Violation" (the "September 16, 2014 Notice") that provided the recipients with notice of

alleged violations of Health & Safety Code § 25249.6 for failing to warn individuals in California of exposures to Lead contained in the Covered Products.

- 1.3.4 On or about June 12, 2015, CAG served Defendants PALDO, Green Farm Supermarket and various public enforcement agencies with documents entitled "60-Day Notice of Violation" (the "June 12, 2015 Notice") that provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for failing to warn individuals in California of exposures to Lead contained in the Covered Products.
- 1.3.5 The BNB September 5, 2014 Notice, PALDO September 5, 2014 Notice, September 16, 2014 Notice and June 12, 2015 Notice are collectively referred to herewith as the "Notices."
- 1.3.6 No public enforcer has commenced or diligently prosecuted the allegations set forth in the Notices.

1.4 Complaint and Settlement.

- 1.4.1 On May 1, 2015, CAG filed a Complaint for civil penalties and injunctive relief ("Complaint") in Los Angeles Superior Court, Case No. BC580655. The Complaint alleges, among other things, that the named Defendants violated Proposition 65 by failing to give clear and reasonable warnings of exposure to Lead from the Covered Products.
- 1.4.2 On September 17, 2015, CAG filed a First Amended Complaint for civil penalties and injunctive relief ("FAC") in Los Angeles Superior Court, Case No. BC580655. The FAC alleges, among other things, that the named Defendants violated Proposition 65 by failing to give clear and reasonable warnings of exposure to Lead from the Covered Products.
- 1.4.3. On December 27, 2015, CAG and defendants PALDO and BNB entered into a settlement whereby Defendants shall pay a total of one-hundred and twenty-five thousand dollars (\$125,000.00) and perform the injunctive relief described herein for the release set forth in detail in hereinafter.

1.5 Consent to Jurisdiction

While otherwise disputed, for purposes of this Consent Judgment, the Parties consent that this Court has jurisdiction over the allegations of violations contained in the Complaint and

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personal jurisdiction over the named Defendants as to the acts alleged in the Complaint, that venue is proper in the City and County of Los Angeles and that this Court has jurisdiction to enter this Consent Judgment as a full settlement and resolution of the allegations contained in the Complaint and of all claims which were or could have been raised by any person or entity based in whole or in part, directly or indirectly, on the prior conduct of the Parties or on the facts alleged in the Complaint or arising therefrom or related to.

1.6 No Admission

- 1.6.1 This Consent Judgment resolves claims that are denied and disputed. The Parties enter into this Consent Judgment pursuant to a full and final settlement of any and all claims between the parties for the purpose of avoiding prolonged litigation. This Consent Judgment shall not constitute an admission with respect to any material allegation of the Complaint, each and every allegation of which Defendants deny including jurisdiction, nor may this Consent Judgment or compliance with it be used as evidence of any wrongdoing, misconduct, culpability or liability on the part of Defendants.
- 1.6.2 Nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy, argument, or defense the Parties may have in any other or future legal proceeding, except as expressly provided in this Consent Judgment.
- 1.6.3 This Consent Judgment is the product of negotiation and compromise and is accepted by the Parties, for purposes of settling, compromising, and resolving issues disputed in this Action, including future compliance by Defendants with Section 2 of this Consent Judgment.

2. **DEFINITIONS**

2.1 "Covered Products" means all Seaweed, which includes but is not limited to, (1) "Roasted SEAWEED Snack; Roasted with Olive Oil; PRODUCT OF KOREA; Net WT. 0.17 oz (5 g)X12; DISTRIBUTED BY: C nature 16639 VALLEY AVE., CERRITOS, CA 90703; Barcode: 7 00153 94247 8"; (2) "Roasted SEAWEED Snack; Roasted with Olive Oil; PRODUCT OF KOREA; Net WT. 0.7 oz(20 g)X4; DISTRIBUTED BY: C nature 16639 VALLEY AVE., CERRITOS, CA 90703; Barcode: 6 09722 64712 0" and (3) "PalDo Fun&Yum ROASTED SEAWEED, EXTRA CRISPY AND DELICIOUS; NET WEIGHT 5 g x 3; MANUFACTUED

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FOR: PALDO CO., LTD 577, GANGNAM-DAERO, SEOCHO, SEOUL, 137-904 KOREA; PRODUCT OF KOREA; Barcode: 8 801128 542531" sold, distributed, processed, packaged, produced, manufactured, and/or handled by Defendants.

- 2.2 "Effective Date" means the date that this Consent Judgment is approved by the Court.
 - 2.3 "Lead" means Lead and Lead Compounds.

INJUNCTIVE RELIEF/REFORMULATION

3.1 After the Effective Date, Defendants shall not sell, offer for sale in California, or ship for sale in California any Covered Products unless Defendants have either reformulated the Covered Products to the point where the level of Lead does not exceed more than 75 ppb (parts per billion) or if the Covered Products exceed 75 ppb, provided a Proposition 65 compliant warning on the Covered Products. Any warning provided pursuant to this section shall be affixed to the packaging of, or directly on, the Covered Products, and 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. The Parties agree that product labeling stating that:

WARNING: This product contains a chemical known to the State of California to cause cancer or birth defects or other reproductive harm. shall constitute compliance with Proposition 65 with respect to the Lead in the Covered

SETTLEMENT PAYMENT

Total Payment: Within 10 days after the Effective Date, Defendants shall pay a total of one-hundred and twenty-five thousand dollars (\$125,000.00) as follows:

4.1 Civil Penalties. Defendants shall issue two separate checks for a total amount of thirty thousand dollars (\$30,000.00) as penalties pursuant to Health & Safety Code § 25249.12: (a) one check made payable to the State of California's Office of Environmental Health Hazard Assessment (OEHHA) in the amount of \$22,500.00 representing 75% of the total penalty; and (b) one check to Consumer Advocacy Group, Inc. in the amount of \$7,500.00 representing 25% of the

total penalty. Two separate 1099s shall be issued for the above payments: The first 1099 shall be issued to OEHHA, P.O. Box 4010, Sacramento, CA 95184 (EIN: 68-0284486) in the amount of \$22,500.00. The second 1099 shall be issued in the amount of \$7,500.00 to CAG and delivered to: Yeroushalmi & Yeroushalmi, 9100 Wilshire Boulevard, Suite 240W, Beverly Hills, California 90212.

4.2 Payments in Lieu of Civil Penalties

Defendants also shall separately pay twenty thousand dollars (\$20,000.00) to CAG as a payment in lieu of civil penalty pursuant to Health & Safety Code \$25249.7(b) and California Code of Regulations, Title 11 \$ 3203(b). CAG will use this payment for investigation of the public's exposure to Proposition 65 listed chemicals through various means, laboratory fees for testing for Proposition 65 listed chemicals, expert fees for evaluating exposures through various mediums, including but not limited to consumer product, occupational, and environmental exposures to Proposition 65 listed chemicals, and the cost of hiring consulting and retained experts who assist with the extensive scientific analysis necessary for those files in litigation, as well as administrative costs incurred during the litigation, in order to reduce the public's exposure to Proposition 65 listed chemicals by notifying those persons and/or entities believed to be responsible for such exposures and attempting to persuade those persons and/or entities to reformulate their products or the source of exposure to completely eliminate or lower the level of Proposition 65 listed chemicals, thereby addressing the same public harm as allegedly in the instant Action.

- **4.3 Reimbursement of Attorneys' Fees and Costs:** Defendants shall pay seventy-five thousand dollars (\$75,000.00) to "Yeroushalmi & Associates" as reimbursement for the investigation fees and costs, testing costs, expert fees, attorney fees, and other litigation costs and expenses for all work performed through the approval of this Consent Judgment.
- **4.4** Payments pursuant to 4.1, 4.2 and 4.3 shall be delivered to: Reuben Yeroushalmi, Yeroushalmi & Yeroushalmi, 9100 Wilshire Blvd., Suite 240W, Beverly Hills, CA 90212 within the time agreed upon by the Parties.

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5. MATTERS COVERED BY THIS CONSENT JUDGMENT

- 5.1 This Consent Judgment is a full, final, and binding resolution between CAG on behalf of itself and in the public interest and Defendants and its officers, directors, insurers, employees, parents, shareholders, divisions, subdivisions, subsidiaries, partners, affiliates, sister companies, agents, contractors, vendors, licensors, including but limited to BNB and PALDO and their successors and assigns ("Defendant Releasees"), and each of their suppliers, customers, distributors, wholesalers, retailers, including but not limited to Green Farm Supermarket, and the successors and assigns of any of them who may use, maintain, distribute or sell Covered Products ("Downstream Defendant Releasees"), for all conduct of the named Defendants prior to the Effective Date based on alleged exposure to Lead from Covered Products as set forth in the Notice. Defendants and Defendant Releasees' compliance with this Consent Judgment shall constitute compliance with Proposition 65 with respect to exposure to Lead from Covered Products.
- 5.2 CAG on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, 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) of any nature whatsoever, whether known or unknown, fixed or contingent (collectively "Claims"), against Defendants, Defendant Releasees, and Downstream Defendant Releasees arising from any allegations of violation of Proposition 65 or any other statutory or common law regarding the failure to warn about exposure to Lead from Covered Products manufactured, distributed, or sold by Defendants and Defendant Releasees. furtherance of the foregoing, as to alleged exposures to Lead from Covered Products, CAG hereby waives any and all rights and benefits which it now has, or in the future may have, conferred upon it with respect to the Claims arising from any violation of Proposition 65 or any other statutory of common law regarding the failure to warn about exposure to Lead from Covered Products by virtue of the provisions of 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 FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM, MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

CAG understands and acknowledges that the significance and consequence of this waiver of California Civil Code section 1542 is that even if CAG suffers future damages arising out of or resulting from, or related directly or indirectly to, in whole or in part, the Claims arising from any alleged violation of Proposition 65 or any other statutory or common law regarding the failure to warn about exposure to Lead from Covered Products, including but not limited to any exposure to, or failure to warn with respect to exposure to Lead from the Covered Products, CAG will not be able to make any claim for those damages against Defendants or the Defendant Releasees or Downstream Defendant Releasees. Furthermore, CAG acknowledges that it intends these consequences for any such Claims arising from any alleged violation of Proposition 65 or any other statutory or common law regarding the failure to warn about exposure to Lead from Covered Products as may exist as of the date of this release but which CAG does not know exist, and which, if known, would materially affect their decision to enter into this Consent Judgment, regardless of whether their lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

6. ENFORCEMENT OF JUDGMENT

- 6.1 For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Defendants as to the allegations contained in the Complaint, that venue of the action in Los Angeles County is proper, and that this Court has jurisdiction to enter and enforce the provisions of this Consent Judgment, pursuant to Code of Civil Procedure section 664.6, as a full and binding resolution of all claims that were or could have been raised in the Complaint against Defendants based on the facts alleged therein and in the Notices
- **6.2 Notice of Violation.** Prior to bringing any motion, order to show cause, or other proceeding to enforce any alleged violation of Section 3.1 of this Consent Judgment, CAG shall provide a Notice of Violation ("NOV") to Defendants. The NOV shall include for each of the Newly Alleged Products ("Newly Alleged Products" means any Covered Product for which CAG

alleges a violation of the Consent Judgment after the Effective Date): the date(s) the alleged violation(s) was observed and the location at which the Newly Alleged Products were offered for sale, and shall be accompanied by all test data obtained by CAG regarding the Newly Alleged Products, including an identification of the component(s) of the Newly Alleged Products that were tested. Before any destructive testing of any Newly Alleged Products is conducted by or on behalf of CAG, CAG shall give Defendant(s) an opportunity to inspect and verify at reasonable times and places the authenticity of any Newly Alleged Product in violation of this Consent Judgment.

- 6.2.1 **Non-Contested NOV.** CAG shall take no further action regarding the alleged violation if, within 60 days of receiving such NOV, Defendants serve a Notice of Election ("NOE") that meets one of the following conditions:
- (a) The Newly Alleged Products were shipped by Defendants for sale in California before the Effective Date, or
- (b) Since receiving the NOV Defendants have taken corrective action by either (i) requesting that its customers in California remove the Newly Alleged Products identified in the NOV from sale in California and destroy or return the Newly Alleged Products to Defendants, or (ii) providing a clear and reasonable warning for the Newly Alleged Products identified in the NOV pursuant to 27 Cal. Code Regs. § 25603.
- 6.2.2 **Contested NOV.** Defendants may serve an NOE informing CAG of its election to contest the NOV within 60 days of receiving the NOV.
- (a) In its election, Defendants may request that the sample(s) of Covered Products tested by CAG be subject to additional confirmatory testing at an EPA-accredited laboratory.
- (b) If the confirmatory testing establishes that the Newly Alleged Products do not contain Lead in excess of the level allowed in Section 3.1, CAG shall take no further action regarding the alleged violation. If the testing does not establish compliance with Section 3.1, Defendants may withdraw its NOE to contest the violation and may serve a new NOE pursuant to Section 6.2.1.

- (c) If Defendants do not withdraw an NOE to contest the NOV, the Parties shall meet and confer for a period of no less than 30 days before CAG may seek an order enforcing the terms of this Consent Judgment.
- **6.3** In any proceeding brought by either Party to enforce this Consent Judgment, such party may seek whatever fines, costs, penalties or remedies as may be provided by law for any violation of this Consent Judgment.

7. ENTRY OF CONSENT JUDGMENT

- 7.1 CAG shall file a motion seeking approval of this Consent Judgment pursuant to California Health & Safety Code § 25249.7(f). Upon entry of the Consent Judgment, CAG and Defendants waive their respective rights to a hearing or trial on the allegations of the Complaint.
- 7.2 If this Consent Judgment is not approved in full by the Court, (a) this Consent Judgment and any and all prior agreements between the parties merged herein shall terminate and become null and void, and the actions shall revert to the status that existed prior to the execution date of this Consent Judgment; (b) no term of this Consent Judgment or any draft thereof, or of the negotiation, documentation, or other part or aspect of the Parties' settlement discussions, shall have any effect, nor shall any such matter be admissible in evidence for any purpose in this Action, or in any other proceeding; and (c) the Parties agree to meet and confer to determine whether to modify the terms of the Consent Judgment and to resubmit it for approval.

8. MODIFICATION OF JUDGMENT AND RIGHTS THEREUNDER

- **8.1** This Consent Judgment may be modified only upon written agreement of the Parties and upon entry of a modified Consent Judgment by the Court thereon, or upon motion of any Party as provided by law and upon entry of a modified Consent Judgment by the Court. Any Party may waive in writing any right it may have under this Consent Judgment.
- **8.2** Any Party seeking to modify this Consent Judgment shall attempt in good faith to meet and confer with the other Party prior to filing a motion to modify the Consent Judgment.

9. RETENTION OF JURISDICTION

9.1 This Court shall retain jurisdiction of this matter to implement and enforce the terms of this Consent Judgment under Code of Civil Procedure § 664.6.

10. DUTIES LIMITED TO CALIFORNIA

10.1 This Consent Judgment shall have no effect on Covered Products sold outside the State of California.

11. SERVICE ON THE ATTORNEY GENERAL

11.1 CAG shall serve a copy of this Consent Judgment, signed by both parties, on the California Attorney General so that the Attorney General may review this Consent Judgment prior to its submittal to the Court for approval. No sooner than forty-five (45) days after the Attorney General has received the aforementioned copy of this Consent Judgment, and in the absence of any written objection by the Attorney General to the terms of this Consent Judgment, the Parties may then submit it to the Court for approval.

12. ATTORNEY FEES

12.1 Except as specifically provided in Section 4.3 and 6.3, each Party shall bear its own costs and attorney fees in connection with this action.

13. GOVERNING LAW

- 13.1 The validity, construction and performance of this Consent Judgment shall be governed by the laws of the State of California, without reference to any conflicts of law provisions of California law.
- 13.2 The Parties, including their counsel, have participated in the preparation of this Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties. This Consent Judgment was subject to revision and modification by the Parties and has been accepted and approved as to its final form by all Parties and their counsel. Accordingly, any uncertainty or ambiguity existing in this Consent Judgment shall not be interpreted against any Party as a result of the manner of the preparation of this Consent Judgment. Each Party to this Consent Judgment agrees that any statute or rule of construction providing that ambiguities are to be resolved against the drafting Party should not be employed in the interpretation of this Consent Judgment and, in this regard, the Parties hereby waive California Civil Code § 1654.

1	14. EXECUTION AND COUNTERPARTS				
2	14.1 This Consent Judgment may be executed in counterparts and by means of facsimile				
3	or portable document format (PDF), which taken together shall be deemed to constitute one				
4	document.				
5	15. NOTICES				
6	15.1 Any notices under this Consent Judgment shall be by personal delivery or First				
7	Class Mail.				
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9	If to CAG: Rouber Versushelmi				
10	Reuben Yeroushalmi 9100 Wilshire Boulevard, Suite 240W				
11	Beverly Hills, CA 90212 (310) 623-1926				
12					
13	If to BNB Global Seong H. Kim				
14	Sheppard Mullin Richter & Hampton LLP 1901 Ave of the Stars, Suite 1600				
15	Los Angeles, CA 90067				
16	If to PalDo Co., Ltd.				
17	Seong H. Kim Sheppard Mullin Richter & Hampton LLP				
18	1901 Ave of the Stars, Suite 1600				
19	Los Angeles, CA 90067				
20	16. AUTHORITY TO STIPULATE				
21	16.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized				
22	by the party he or she represents to enter into this Consent Judgment and to execute it on behalf or				
23	the party represented and legally to bind that party.				
24	the party represented and legally to only that party.				
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	CONSENT JUDGMENT [PROPOSED]				

1	AGREED TO:	AGREED TO:
2	Date: 06/01/16, 2015	Date: May 31, 2016
3	Ci M	Me
4	By: What Marin	Ву:
5	Plaintiff, CONSUMER ADVOCACY	Defendant, BNB GLOBABL
6	GROUP, INC.	
7		AGREED TO:
8		Date:, 2015
9		
10		Ву:
11		Defendant, PALDO CO. LTD.
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13	IT IS SO ORDERED.	
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15	Date:	
16		JUDGE OF THE SUPERIOR COURT
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	CONSENT JU	13 DGMENT [PROPOSED]

1	AGREED TO:	AGREED TO:	
2	Date:, 2015	Date:	_, 2015
3			
4	Ву:	By:	
5	Plaintiff, CONSUMER ADVOCACY	Defendant, BNB GLOBABL	
6	GROUP, INC.		
7		AGREED TO:	
8		Date: May 31, 2016	
9		PALDO CO	T riking.
10		By: Choi jac mu	MED.
11		Defendant PALDO CO. LTD	E MOON
12			
13	IT IS SO ORDERED.		
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15	Date:		
16		JUDGE OF THE SUPERIOR CO	URT
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	CONSENT.	13 JUDGMENT [PROPOSED]	