1 Clifford A. Chanler, State Bar No. 135534 Jennifer E. Henry, State Bar No. 208221 2 THE CHANLER GROUP 2560 Ninth Street 3 Parker Plaza, Suite 214 Berkeley, CA 94710 Telephone: (510) 848-8880 4 Facsimile: (510) 848-8118 5 Attorneys for Plaintiff RUSSELL BRIMER 6 7 J. Robert Maxwell, State Bar No. 143203 ROGERS JOSEPH O'DONNELL 8 311 California Street, 10th Floor San Francisco, CA 94104 Telephone: (415) 956-2828 9 Facsimile: (415) 956-6457 10 Attorneys for Defendants BROOKSTONE, INC.; 11 BROOKSTONE COMPANY, INC. 12 SUPERIOR COURT OF THE STATE OF CALIFORNIA 13 COUNTY OF SANTA CLARA - UNLIMITED CIVIL JURISDICTION 14 15 Case No. 110 CV 172362 RUSSELL BRIMER. 16 PROPOSED JUDGMENT Plaintiff, 17 PURSUANT TO STIPULATION AND ORDER RE: CONSENT JUDGMENT v. 18 BROOKSTONE, INC.; BROOKSTONE February 1, 2010 Date: 19 COMPANY, INC., et al., Time: 9:00 a.m. Dept.: 20 Defendants. Action Filed: May 20, 2010 21 22 23 24 25 26

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In the above-entitled action, Plaintiff RUSSELL BRIMER and Defendants BROOKSTONE, INC. and BROOKSTONE COMPANY, INC. having agreed through their respective counsel that judgment be entered pursuant to the terms of the Proposition 65 settlement agreement in the form of a Stipulation and [Proposed] Order Re: Consent Judgment ("Consent Judgment") entered into by the parties, and following issuance of an order approving this Proposition 65 settlement agreement and entering the Consent Judgment on February 1, 2010,

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 A. 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: 2/1/11

UDGE OF THE SUPERIOR COURT

Patricia Lucas

1	Clifford A. Chanler, State Bar No. 135534	
2	Jennifer E. Henry, State Bar No. 208221 THE CHANLER GROUP	
3	2560 Ninth Street Parker Plaza, Suite 214	
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9	Telephone: (415) 956-2828 Facsimile: (415) 956-6457	
10	Attorneys for Defendants	
11	BROOKSTONE, INC.; BROOKSTONE COMPANY, INC.	
12	OLDEDVOD GOLDE OF TH	
13	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
14	COUNTY OF SANTA CLARA	
15	UNLIMITED CIVIL JURISDICTION	
16	RUSSELL BRIMER,	Case No. 110 CV 172362
17	Plaintiff,	
18	v.	[PROPOSED] CONSENT JUDGMENT
19	BROOKSTONE, INC.; BROOKSTONE	
20	COMPANY, INC., et al.,	Health & Safety Code §25249.6
21	Defendants.	
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1. INTRODUCTION

1.1 Russell Brimer, Brookstone, Inc. and Brookstone Company, Inc.

This Consent Judgment is entered into by and between Russell Brimer (hereinafter "Brimer" or "Plaintiff") and Brookstone, Inc. and Brookstone Company, Inc. (hereinafter collectively "Brookstone" or "Defendant"), with Brimer and Brookstone collectively referred to as the "Parties."

1.2 Plaintiff

Brimer 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 Defendants

Brookstone 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

Brimer alleges that Brookstone has manufactured, distributed and/or sold in the State of California luggage tags that contain lead without providing Proposition 65 warnings. Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause birth defects and other reproductive harm. Lead is referred to herein as the "Listed Chemical."

1.5 Product Description

The products that are covered by this Consent Judgment are defined as follows: luggage tags containing the Listed Chemical such as, but not limited to, *Brookstone Luggage Tags*, *Orange*, #598219 (#8 83594 01382 9). All such luggage tags containing the Listed Chemical are referred to hereinafter as the "Products."

1.6 Notice of Violation

On or about February 12, 2010, Brimer served Brookstone and various public enforcement agencies with documents entitled "60-Day Notice of Violation" ("Notice") that provided Brookstone and public enforcers with notice of alleged violations of Proposition 65 for failing to warn consumers

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that the Products exposed users in California to the Listed Chemical. To the best of the parties' knowledge, no public enforcer has diligently prosecuted the allegations set forth in the Notices.

1.7 Complaint

On or about May 20, 2010, Brimer, who was and is acting in the interest of the general public in California, in the Superior Court in and for the County of Santa Clara, filed a complaint against Brookstone alleging violations of Proposition 65 based on the alleged exposures to the Listed Chemical contained in the Products manufactured, distributed and/or offered for sale in California by Brookstone ("Complaint").

1.8 No Admission

This Consent Judgment resolves claims that are denied and disputed by Defendant. 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. Brookstone denies the material, factual and legal allegations contained in Brimer's Notice and Complaint and maintains that all Products that it has manufactured, sold and/or distributed in California have been and are in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission by Brookstone of any fact, finding, issue of law, or violation of law; nor shall compliance with this Consent Judgment constitute or be construed as an admission by Brookstone of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Brookstone. However, this section shall not diminish or otherwise affect Brookstone's obligations, responsibilities, or 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 Brookstone as to the allegations contained in the Complaint, that venue is proper in the County of Santa Clara, 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 August 5, 2010.

2. INJUNCTIVE RELIEF: REFORMULATION

2.1 Reformulation Commitment

Brookstone hereby commits that one hundred percent (100%) of the Products that it manufactures, sells or ships after the Effective Date for sale in California, shall contain less than or equal to 1.0 microgram of lead when using a wipe test pursuant to NIOSH Test Method 9100, and less than 100 parts per million ("ppm") of the Listed Chemical when analyzed pursuant to Environmental Protection Agency ("EPA") testing methodologies 3050B and 6010B or any other method allowed by a federal or state agency to assess the content of lead in a consumer product.

3. MONETARY PAYMENTS

3.1 Payments Pursuant to Health & Safety Code § 25249.7(b)

3.1.1. In settlement of all claims related to the Products and Listed Chemical referred to in the Complaint, and this Consent Judgment, pursuant to Health & Safety Code § 25249.7(b), Brookstone shall pay civil penalties of \$ 4,000 ("Civil Penalty").

Brookstone shall issue two separate checks for the Civil Penalty payment pursuant to Health & Safety Code § 25192: (a) one check made payable to "The Chanler Group in Trust For The State of California's Office of Environmental Health Hazard Assessment (OEHHA)" in the amount of \$3,000, representing 75% of the total penalty; and (b) one check to "The Chanler Group in Trust for Russell Brimer" in the amount of \$1,000, representing 25% of the total penalty. Two separate 1099s shall be issued for the above payments: (a) OEHHA, P.O. Box 4010, Sacramento, CA, 95814 (EIN: 68-0284486); and (b) Russell Brimer, whose information shall be provided five (5) calendar days before the payment is due.

Payment shall be delivered to Brimer's counsel on or before August 5, 2010 at the following address:

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

4. REIMBURSEMENT OF FEES AND COSTS

4.1 Attorney Fees and Costs.

The Parties acknowledge that Brimer 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 fee issue to be resolved after the material terms of the agreement had been settled. Brookstone 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 Brimer and his counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure (C.C.P.) § 1021.5, for all work performed through the mutual execution of this agreement. Under these legal principles, Brookstone shall reimburse Brimer's counsel for fees and costs, incurred as a result of investigating, bringing this matter to Brookstone's attention, negotiating a settlement in the public interest, and obtaining court approval of the settlement. Brookstone shall pay Brimer and his counsel \$45,800 for all attorneys' fees, expert and investigation fees, and related costs. The payment shall be issued in a third separate check made payable to "The Chanler Group" and shall be delivered on or before August 5, 2010, at the following address:

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

Brookstone shall issue a separate 1099 for fees and cost paid in the amount of \$ 45,800 to The Chanler Group, 2560 Ninth Street, Parker Plaza, Suite 214, Berkeley, California, 94710 (EIN: 20-3929984).

5. RELEASE OF ALL CLAIMS

5.1 Brimer's Release of Brookstone

In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to Sections 3 and 4 above, Brimer on behalf of himself and in his representative capacity, 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 attorney's fees) of any nature whatsoever, whether known or unknown, fixed or contingent (collectively "claims"), against Brookstone and each of its wholesalers, licensors, licensees, import partners, auctioneers, retailers, distributors, franchisees, dealers, customers, owners, purchasers, users, parent companies, predecessors, successors, corporate affiliates, subsidiaries, and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees, (collectively "Releasees") that arise under Proposition 65 or any other statutory or common law claims that could have been asserted in the public interest, as such claims relate to Brookstone's and/or the Releasees' alleged failure to warn about exposures to the Listed Chemical contained in the Products. Brookstone's compliance with this Consent Judgment shall constitute compliance with Proposition 65 for Brookstone and its Releasees with respect to the Listed Chemical in the Products after the Effective Date.

Brimer also, on behalf of himself, his past and current successors, and/or assignees and *not* in his representative capacity, provides a general 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, known or unknown, suspected or unsuspected, against Defendant and its Releasees arising under Proposition 65, as such claims relate to Defendant and its Releasees' alleged failure to warn about exposures to or identification of any chemicals listed under Proposition 65 contained in any products sold by Defendant or its Releasees. Brimer 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 FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

Brimer, in his individual capacity only and *not* in his representative capacity, and on behalf of himself, his past and current successors, and/or assignees 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 of the released matters.

5.2 Brookstone's Release of Brimer

Brookstone, on behalf of itself and its Releasees, waives any and all claims against Brimer, his attorneys, and other representatives for any and all actions taken by Brimer and his attorneys and other representatives, whether in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against them in this matter, and/or with respect to the Products.

Defendant also provides a general 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 Defendant of any nature, character or kind, known or unknown, suspected or unsuspected, arising out of the subject matter of the Action. Defendant 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 FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

Defendant 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.

6. 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 nine months after it has been fully executed by all parties, in which event any monies that have been provided to Brimer, and/or his counsel pursuant to Section 3 and/or Section 4 above, shall be refunded within fifteen (15) days after receiving written notice from Brookstone that the nine month 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. In the event that Proposition 65 is repealed, preempted, or is otherwise rendered inapplicable by reason of law generally, or as to the Listed Chemical or Products specifically, then Brookstone may provide written notice to Brimer 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.

9. NOTICES

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

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For Brookstone:

General Counsel Brookstone One Innovation Way Merrimack, NH 03054

With a copy to:

J. Robert Maxwell, Esq. Rogers Joseph O'Donnell 311 California Street, 10th Floor San Francisco, CA 94104

For Brimer:

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

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. The Parties intend and agree that this Consent Judgment shall be given full effect for purposes of precluding claims regarding the Listed Chemical contained in the Products against Brookstone and its Releasees under Proposition 65 as covered under the release in Section 5 of this Consent Judgment.

10. COUNTERPARTS; FACSIMILE SIGNATURES

This Consent Judgment may be executed in counterparts and by facsimile and by electronic signature or pdf, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

11. COMPLIANCE WITH HEALTH & SAFETY CODE §25249.7(f)

Brimer agrees to comply with the reporting form requirements referenced in California Health & Safety Code §25249.7(f).

12. ADDITIONAL POST EXECUTION ACTIVITIES

The parties acknowledge that, pursuant to Health & Safety Code §25249.7, a noticed motion is required to obtain judicial approval of this Consent Judgment. In furtherance of obtaining such approval, Brimer and Brookstone (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. Brimer shall prepare and file all documents necessary to obtain court approval of this Consent Judgment. For purposes of this paragraph, best efforts shall include, at a minimum, cooperating on the drafting and filing any papers in support of the required motion for judicial approval.

13. 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.

14. AUTHORIZATION

The undersigned are authorized to execute this Consent Judgment on behalf of their respective parties and have read, understood, and agree to all of the terms and conditions hereof.

AGREED TO:	AGREED IO:
Date: 7-20-D	Date:
By: Plaintiff RUSSELL BRIMER	
	BROOKSTONE, INC.; BROOKSTONE COMPANY, INC.
IT IS SO ORDERED.	
Date:	
	JUDGE OF THE SUPERIOR COURT

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. Brimer shall prepare and file all documents necessary to obtain court approval of this Consent Judgment. For purposes of this paragraph, best efforts shall include, at a minimum, cooperating on the drafting and filing any papers in support of the required motion for judicial approval.

13. 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.

14. AUTHORIZATION

The undersigned are authorized to execute this Consent Judgment on behalf of their respective parties and have read, understood, and agree to all of the terms and conditions hereof.

14	AGREED TO:	AGREED TO:
15	Date:	Date: July 19,2010
16 17 18	By:	BROOKSTONE, INC. BROOKSTONE COMPANY, INC. By: Name: Phillp W. Roizin Title: Executive Vice tresident, Operations and
19		Title: Executive Vice President, Operations and Chief Financial Officer
20 21	IT IS SO ORDERED.	•
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23	Date:	
24		JUDGE OF THE SUPERIOR COURT
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