1 Clifford A. Chanler, State Bar No. 135534 Brian C. Johnson, State Bar No. 235965 2 THE CHANLER GROUP **ENDORSED** 2560 Ninth Street FILED San Francisco County Superior Court 3 Parker Plaza, Suite 214 Berkeley, CA 94710-2565 Telephone:(510) 848-8880 4 JUN 1 3 2011 Facsimile: (510) 848-8118 5 CLERK OF THE COURT Attorneys for Plaintiff BY: __ GINA GONZALES JOHN MOORE 6 Deputy Clerk 7 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 COUNTY OF SAN FRANCISCO 11 UNLIMITED CIVIL JURISDICTION 12 13 14 JOHN MOORE, Case No. CGC-10-503423 115 Plaintiff, [PROPOSED] JUDGMENT PURSUANT TO **TERMS OF PROPOSITION 65** SETTLEMENT AND CONSENT v. **JUDGMENT** PIONEER PHOTO ALBUMS, INC.; and Date: June 13, 2011 DOES 1-150, inclusive, Time: 9:30 a.m. മ Dept.: 301 19 Defendants. Judge: Hon. Peter J. Busch 20 21 22 23 24 25 26 27 28

JUDGMENT PURSUANT TO TERMS OF PROPOSITION 65 SETTLEMENT AND CONSENT JUDGMENT

Plaintiff John Moore and Defendant Pioneer Photo Albums, Inc., having agreed through their respective counsel that a judgment be entered pursuant to the terms of the Consent Judgment entered into by the parties in resolution of this Proposition 65 action, and following the issuance of an order approving the Parties' settlement agreement on June 10, 2011.

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 hereby 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: 6/(3/1)

JUDGE OF THE SUPERIOR COURT
PETER J. BUSCH

1 2 3 4 5	Clifford A. Chanler, State Bar No. 135534 Brian C. Johnson, State Bar No. 235965 Josh Voorhees, State Bar No. 241436 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710 Telephone: (510) 848-8880 Facsimile: (510) 848-8118	
6 7	Attorneys for Plaintiff JOHN MOORE	
8 9 10	Michael J. Stiles, State Bar No. 179214 STILES LAW GROUP 800 E. Colorado Blvd., Suite 210 Pasadena, CA 91101 Telephone: (626) 243-5599 Facsimile: (626) 389-0599	
11 12	Attorneys for Defendant PIONEER PHOTO ALBUMS, INC.	
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14	CUDEDIOD COURT OF THE	
15	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
16	FOR THE COUNTY OF SAN FRANCISCO	
17	UNLIMITED CIVI	L JURISDICTION
18	JOHN MOORE,	Case No. CGC-10-503423
19	Plaintiff,	
20	V.	[PROPOSED] CONSENT JUDGMENT
21	PIONEER PHOTO ALBUMS, INC.; and DOES	
22	1–150, inclusive,	Health & Safety Code § 25249.6
23	Defendants.	
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1. <u>INTRODUCTION</u>

1.1 John Moore, and Pioneer Photo Albums, Inc.

This Consent Judgment is entered into by and between John Moore ("Moore") and Pioneer Photo Albums, Inc. ("Pioneer"), with Moore and Pioneer 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

Pioneer 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 Pioneer has sold in the State of California books with soft covers containing di(2-ethylhexyl)phthalate ("DEHP"). DEHP is listed pursuant to Proposition 65 as a chemical known to the State of California to cause birth defects or other reproductive harm. DEHP is also referred to herein as the "Listed Chemical."

1.5 Product Description

The products that are covered by this Consent Judgment are defined as books with soft covers containing the Listed Chemical including, but not limited to, *Frame Cover Album, Style No. KZ-46* (#0 23602 02402 1). All such items shall be referred to herein as the "Products."

1.6 Notice of Violation

On June 17, 2010, Moore served Pioneer and various public enforcement agencies with a document entitled "60-Day Notice of Violation" ("Notice") that provided Pioneer and such public enforcers with notice that alleged Pioneer was in violation of Proposition 65 for failing to warn consumers and customers that the Products exposed users in California to DEHP.

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1.7 Complaint

On September 10, 2010, Moore, who alleges that he was and is acting in the interest of the general public in California, filed the instant action in the San Francisco Superior Court ("Complaint"), naming Pioneer as a defendant and alleging violations of Proposition 65 by Pioneer based on the alleged exposures to DEHP contained in the Products it manufactured, distributed, and/or offered for sale in California.

1.8 No Admission

Pioneer 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 by Pioneer of any fact, finding, conclusion, issue of law, or violation of law; nor shall compliance with this Consent Judgment constitute or be construed as an admission by Pioneer of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Pioneer. However, this section shall not diminish or otherwise affect the obligations, responsibilities, and duties of Pioneer 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 Pioneer as to the allegations contained 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 this Consent Judgment.

1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean April 1, 2011.

2. <u>INJUNCTIVE RELIEF: WARNINGS AND REFORMULATION</u>

2.1 <u>Reformulation Commitment</u>

After the Effective Date, Pioneer shall only distribute, sell, or offer for sale in California "Reformulated Products." For purposes of this Consent Judgment, Reformulated Product shall mean Products containing DEHP in concentrations less than 0.1 percent (1,000 parts per million) when analyzed pursuant to Environmental Protection Agency testing methodologies 3580A and 8270C or

presence of the Listed Chemical in a given sample.

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MONETARY PAYMENTS 3.

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

equivalent methodologies utilized by federal or state agencies for the purpose of determining the

Pursuant to Health & Safety Code § 25249.7(b), and in settlement of all claims alleged in the Notice and Complaint and referred to in this Consent Judgment, Pioneer shall pay civil penalties in the amount of \$10,000 in combined penalty payments and credits. Because of Pioneer's cooperation in the resolution of this action, and its commitment to only offer Reformulated Products pursuant to Section 2.1 above, Moore agrees to apply an automatic credit of \$5,500 to the total civil penalty. Thereafter, Pioneer agrees to pay the sum of \$4,500. The penalty shall be apportioned in accordance with California Health & Safety Code §§ 25249.12(c)(1) & (d), with seventy-five percent of the amount remitted to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining twenty-five percent paid to Moore.

Pioneer shall issue two checks for the penalty payment: (a) one check made payable to "The Chanler Group in Trust for OEHHA" in the amount of \$3,375; and (b) one check to The Chanler Group in Trust for John Moore in the amount of \$1,125. Two 1099 forms shall also be issued for the above-payments to: (a) Office of Environmental Health Hazard Assessment, P.O. Box 4010, Sacramento, CA 95814 (EIN: 68-0284486); and (b) John Moore, whose information shall be provided upon request five days before the payment is due.

The penalty payment shall be delivered to Moore's counsel within five days of the Effective Date at the following address:

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

REIMBURSEMENT OF FEES AND COSTS

4.1 **Attorney 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 this fee

issue to be resolved after the material terms of the agreement had been settled. Pioneer 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 ("CCP") § 1021.5, for all work performed through the mutual execution of this Agreement. Defendants shall pay \$30,000 for fees and costs incurred by Moore as a result of investigating, bringing this matter to its attention, and negotiating a settlement in the public interest. This figure includes Moore's future fees and costs including attorney's fees to be incurred in seeking judicial approval of this Consent Judgment as well as any other legal work performed after the execution of this Consent Judgment incurred in an effort to obtain finality of the case. However, in the event a third party were to appeal entry of this Consent Judgment, Plaintiff and his counsel shall be entitled to seek their reasonable attorney's fees and costs associated with all appellate work defending the entry of judgment pursuant to CCP § 1021.5.

The payment for reimbursement of fees and costs shall be made payable to "The Chanler Group" and shall be delivered within five days of the Effective Date at the following address:

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

A third 1099 form shall be issued to "The Chanler Group" (EIN: 94-3171522) for the reimbursement of Plaintiff's fees and costs pursuant to this Section.

5. <u>RELEASE OF ALL CLAIMS</u>

5.1 Moore's Release of Pioneer

In further consideration of the promises and agreements herein contained, and for the payments to be made pursuant to Sections 3.1 and 4.1 above, Moore, on behalf of himself, 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, causes of action, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses (including, but

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Pioneer.

5.2 Pioneer's Release of Moore

Pioneer 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 or otherwise seeking enforcement of Proposition 65 against it in this matter, and/or with respect to the Products.

not limited to, investigation fees, expert fees, and attorneys' fees) of any nature whatsoever, whether

known or unknown, fixed or contingent, at law or in equity (collectively "Claims"), against Pioneer

auctioneers, retailers, franchisees, dealers, customers, owners, purchasers, users, parent companies,

principals, partners, members, attorneys, representatives, shareholders, agents, and employees, and

sister and parent entities (collectively "Releasees"). This release is limited to those Claims that arise

under Proposition 65, as such Claims relate to Pioneer's alleged failure to warn about exposures to or

identification of the Listed Chemical contained in the Products. The Parties further agree that this

release shall not extend upstream to any entities that manufactured the Products or any component

parts thereof, or to any distributors or suppliers who sold Products or any component parts thereof to

and each of its past and current downstream distributors, wholesalers, licensors, licensees,

corporate affiliates, and subsidiaries, and their respective past and current officers, directors,

6. <u>COURT APPROVAL</u>

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 and/or Section 4.1 above shall be refunded within fifteen (15) days after receiving written notice from Pioneer that the one-year period has expired and the Consent Judgment has not been approved by the Court.

7. <u>SEVERABILITY</u>

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 Products, then Pioneer 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 Pioneer from any obligation to comply with any pertinent state or federal toxics control laws.

9. <u>NOTICES</u>

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:

For Pioneer:

Michael J. Stiles, Esq. Stiles Law Group 800 Colorado Boulevard, Suite 210 Pasadena, CA 91101

For Moore:

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.

10. <u>COUNTERPARTS; FACSIMILE SIGNATURES</u>

This Consent Judgment may be executed in counterparts and by facsimile, 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)

Moore 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 California Health & Safety Code § 25249.7, a noticed motion is required to obtain judicial approval of this Consent Judgment. In furtherance of obtaining such approval, Moore and Pioneer 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. 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.

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**

AGREED TO:

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

AGREED TO:

JOHN MOORE	PIONEER PHOTO ALBUMS, INC.
ph E. alon	By:
	Its:
Date: MARCH 28, 2011	Date:

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14. <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 hereof.

AGREED TO:	AGREED TO:
JOHN MOORE	PIONEER PHOTO ALBUMS, INC.
	Its: PRESIPENT
Date:	Date: 3/30/11