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MARK MOORBERG

SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF MARIN UNLIMITED CIVIL JURISDICTION

MARK MOORBERG, Plaintiff,
v.

HOME ESSENTIALS \& BEYOND, INC., et al.,

Defendants.

Case No. CIV1600202
CONSENT JUDGMENT
(Health \& Safety Code § 25249.6et seq.and Code of Civil Procedure § 664.6)

## 1. INTRODUCTION

### 1.1 Parties

This Consent Judgment is entered into by and between plaintiff Mark
Moorberg,("Moorberg") and defendant Home Essentials \& Beyond, Inc.("Home Essentials"), with Moorberg and Home Essentials each referred to individually as a "Party" and collectively as the "Parties."

### 1.2 Plaintiff

Moorberg 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 and commercial products.

### 1.3 Defendant

Home Essentials 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 and Safety Code section 25249.5 et seq. ("Proposition 65 ").

### 1.4 General Allegations

Moorberg alleges that Home Essentials manufactures, imports, sells and/or distributes for sale in California, magnifying glasses with vinyl/PVC handles containing di(2-ethylhexyl)phthalate ("DEHP"), and that it does so without providing the health hazard warning that Moorberg alleges is required by Proposition 65.

### 1.5 Product Description

The products covered by this Consent Judgment are magnifying glasses with vinyl/PVC handles containing DEHP, including, but not limited to, the 6 Asst Magnifying Glass Assortment A, \#69572, UPC \#7 8646069572 6(collectively, "Products").

### 1.6 Notice of Violation

On June 26, 2015, Moorberg served Home Essentials and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice"), alleging that Home Essentials 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 January 19, 2016, Moorberg commenced the instant action, naming Home Essentials, among others, as a defendant for the alleged vioiations of Proposition 65 that are the subject of the Notice.

### 1.8 No Admission

Home Essentials denies the material, factual, and legal allegations contained in the Notice and Complaint, and maintains that all of the products that it has sold or distributed for sale 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 Home Essentialsof 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 by Home Essentials of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall not, however, diminish or otherwise affect Home Essentials'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 Home Essentials as to the allegations contained in the Complaint, that venue is proper in the County of Marin, 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 section 664.6 .

### 1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date that the Court grants the motion for approval of this Consent Judgment contemplated by Section 5 .

## 2. INJUNCTIVE RELIEF: REFORMULATED PRODUCTS

Commencing on the Effective Date and continuing thereafter, Home Essentials agrees to only manufacture for sale or purchase for sale in or into California, "Reformulated

Products." For purposes of this Settlement Agreement, "Reformulated Products" shall mean Products containing less than or equal to 1,000 parts per million (0,1\%) DEHP in each component when analyzed pursuant to Environmental Protection Agency testing methodologies 3580A and 8270 C or equivalent methodologies utilized by federal or state agencies for the purpose of determining DEHP content in a solid substance. As of the Effective Date, Home Essentials represents that it is not currently offering the Products for sale in California, but agrees that if it recommences sales, it will only offer Reformulated Products.

## 3. MONETARY SETTLEMENT TERMS

### 3.1 Civil Penalty Payment Pursuant to Health and Safety Code § 25249.7(b)(2)

Pursuant to Health and Safety Code section 25249.7 (b)(2), and in settlement of all the claims referred to in this Consent Judgment, Home Essentials shall pay $\$ 3,000$ in civil penalties in accordance with this Section. This penalty payment will be allocated in accordance with California Health \& Safety Code § 25249.12(c)(1) \& (d), with 75\% of the funds remitted to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25\% of the penalty remitted to Moorberg. Moorberg's counsel shall be responsible for remitting Home Essentials's penalty payment(s) under this Consent Judgment to OEHHA. Home Essentials shall provide its payment in a single check made payable to "Mark Moorberg, Client Trust Account" to be delivered to the address provided in Section 3.4, below.

### 3.2 Reimbursement of Attorneys' Fees and Costs

The Parties acknowledge that Moorberg 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 the other settlement terms had been finalized, Home Essentials expressed a desire to resolve Moorberg's fees and costs. The Parties then negotiated a resolution of the compensation due to Moorberg and his counsel under general contract principles and the private attomey general doctrine codified at California Code of Civil Procedure $\S 1021.5$. For all work performed through the mutual execution of this agreement and the Court's approval of the same, but exclusive of fees and costs on appeal, if any (other than fees and costs on a appeal taken directly or indirectly by

Moorberg), Home Essentials shall reimburse Moorberg and his counsel \$16,500. Home Essentials' payment shall be delivered to the address in Section 3.4 in the form of a check payable to "The Chanler Group." The reimbursement shall cover all fees and costs incurred by Moorberg investigating, bringing this matter to Home Essentials' attention, litigating, and negotiating a settlement of the matter in the public interest.

### 3.3 Payment Timing; Payments Held in Trust

Home Essentials shall deliver all payments required by this Consent Judgment to its counsel within one week of the date that this agreement is fully executed by the Parties. Home Essentials's counsel shall confirm receipt of settlement funds in writing to Moorberg's counsel and, thereafter, hold the amounts paid in trust until such time as the Court grants the motion for approval of the Parties' settlement contemplated by Section 5. Within five (5) days of the receipt by Home Essentials counsel of notice of the Effective Date,Home Essentials's counsel shall mail all settlement payments it has held in trust to Moorberg's counsel at the address provided in Section 3.4.

### 3.4 Payment Address

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

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

## 4. CLAIMS COVERED AND RELEASED

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

Moorberg, acting on his own behalf and in the public interest, releases Home Essentials and their parents, subsidiaries, affiliated entities under common ownership, directors, officers, ernployees, and attorneys ("Releasees") and each entity to whom they directly or indirectly distribute or sell the Products including, but not limited to, their downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors and licensees
("Downstream Releasees") for any violations arising under Proposition 65 for unwarned exposures to DEHP from the Products manufactured, imported, distributed or sold by Home Essentials prior to the Effective Date, as set forth in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by Home Essentials with respect to the alleged or actual failure to warn about exposures to DEHP from Products manufactured, sold or distributed for sale by Home Essentials after the Effective Date.

### 4.2 Moorberg'sIndividual Release of Claims

Moorberg, in his individual capacity only and not in his representative capacity, also provides a release to Defendants, 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, claims, liabilities and demands of Moorberg of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DEHP in Products manufactured, imported, distributed or sold by Home Essentials before the Effective Date.

### 4.3 Home Essentials's Release of Moorberg

Home Essentials, 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 Moorberg 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 Moorberg and his attorneys and other 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 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 theParties. Moorberg and Home Essentialsagree 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 section 25249.7(f), a noticed motion is required for judicial approval of this Consent Judgment,
which motion Moorberg shall draft and file and Home Essentials shall support, including by appearing at the hearing if so requested. If any third-party objection to the motion is filed, Moorberg and Home Essentialsagree to work together to file a reply and appear at any hearing. This provision is a material component of the Consent Judgment and shall be treated as such in the event of a breach.

## 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

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 Home Essentialsmayprovide Moorberg with written noticeof 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 Home Essentialsfrom its obligation to comply with any pertinent state or federal law or regulation.

## 8. NOTICE

Unless specified herein, all correspondence and notice required by 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 any Party by the other at the following addresses:

To Home Essentials:
Izidore Godinger, President Home Essentials \& Beyond, Inc. 200 Theodore Conrad Drive Jersey City, NJ07305

## To Moorberg:

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

A simultaneous copy of any notice to Home Essentials shall be sent to Avrom R. Vann, Esquire, AVROM R. VANN, P.C., 1211 Avenue of the Americas, 40 th Floor, New York, New York 10036-8718.

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, FACSUMHLE AND PDP 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. COMPLIANCE WITH REPORTING REOUIREMENTS

Moorberg and his counsel agree to comply with the reporting form requirements referenced in Califomia Health and Safety Code section 25249.7(f).

## 11. MODIFICATION

This Consent Judgment may be modified only by: (i) a written agreement of the Parties and the entry of a modified Consent Judgment by the Court thereon; or (ii) upon a successful motion of any party upon notice to the other party of a minimum of twenty five (25) days, and the entry of a modified Consent Judgment by the Court thereon.

## 12. 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 of this Consent Judgment.

AGREED TO:

MARKMOORBERG

Dated: $\qquad$ March 22, 2016 By: Isidore Godinger

Its: President

Dated: March 2, 2016

