



August 8, 2013

DMS NOTICE
QC - 13 - 08
DISCARD: RETAIN

TO: WEIGHTS AND MEASURES OFFICIALS

SUBJECT: Plastics Settlements - E*Poly Star, Inc.; KP Supply, Inc.; Lexington Avenue Partners Delaware, Inc; Mercury Plastics, Inc.; TRM Manufacturing, Inc., and United Polymers, Inc.; and, W.W. Grainger, Inc.

Enclosed are Final Judgments and Permanent Injunctions issued against E*Poly Star, Inc.; KP Supply, Inc.; Lexington Avenue Partners Delaware, Inc; Mercury Plastics, Inc.; and W.W. Grainger, Inc. for manufacturing and selling polyethylene products (agricultural sheeting, can liners, or bags) that were determined to be short measure and incorrectly labeled in violation of California Business and Professions Codes 12024, 12602, 12603, and 12611. The cases were filed from October 2011 to August 2013 and were prosecuted by the District Attorney's Offices of Fresno, Los Angeles, Marin, Riverside, and Ventura Counties.

The following table summarizes the monetary value of these settlements:

Name	Cost Recovery	Civil Penalties	Cy Pres	Total Settlement
E*Poly Star, Inc.	\$ 10,000.00	\$ 90,000.00	-	\$100,000.00
KP Supply	\$ 9,323.50	\$ 17,750.00	-	\$ 27,073.50
Lexington Avenue Partners Delaware, Inc.	\$ 9,127.50	\$ 8,297.50	-	\$ 17,425.00
Mercury Plastics	\$ 12,395.00	\$ 58,000.00	-	\$ 70,395.00
TRM Manufacturing, Inc., and United Polymers, Inc.	\$ 50,985.51	\$ 239,014.49	\$ 20,000*	\$ 310,000.00
W.W. Grainger, Inc.	\$ 9,507.64	\$ 263,400.00	-	\$ 272,907.64

*Cy pres restitution was paid to the Consumer Protection Prosecution Trust Fund



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The lead counties for each of these cases is responsible to report these penalties in the County Monthly Report (CMR) and all participating counties should have separately recorded their individual investigative cost reimbursements in the appropriate columns on the report.

We appreciate the fine work done by the District Attorney's Offices along with State and county investigators that documented and caused to be prosecuted these violations. If you have any questions, please contact Kathy de Contreras, Supervising Special Investigator, at (916) 229-3047 or katherine.decontreras@cdfa.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Kristin J. Macey". The signature is written in a cursive, flowing style.

Kristin J. Macey
Director

cc: Gary Leslie, County/State Liaison, CDFSA

1 JACKIE LACEY, District Attorney
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2 Stanley P. Williams, State Bar No. 106658
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201 North Figueroa Street, Suite 1200
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9
10 EDWARD S. BERBERIAN
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11 Andres H. Perez, State Bar No. 186219
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12 3501 Civic Center Drive, Room 130
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13 Telephone: (415) 499-6450

14 Attorneys for Plaintiff

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA
16 COUNTY OF LOS ANGELES

17 THE PEOPLE OF THE STATE OF CALIFORNIA,)
18 Plaintiff,)
19 v.)
20 E*POLY STAR, INC., a California Corp., ZHI)
21 ZHONG SUN, CEO of E*POLY STAR, INC.;)
22 STEVEN CHOI, Executive Vice President of E*POLY)
STAR, INC.; DONALD V. SCHMAHL, Director of)
23 E*POLY STAR, INC.; and DOES 1 Through 25,)
Inclusive,)
24 Defendant(s).)

LASC No. BC450218
~~PROPOSED~~ FINAL JUDGMENT
Dept 58

25
26 Plaintiff, the People of the State of California, by and through their attorneys, JACKIE
27 LACEY, Los Angeles District Attorney, by JEFFREY ALAN MCGRATH, Deputy District
28 Attorney; ELIZABETH A. EGAN, Fresno County District Attorney, by MICHAEL

ORIGINAL FILED
JUN 11 2013
LOS ANGELES
SUPERIOR COURT

REC'D

JUN 7 2:17

FILING WIFE

1 BRUMMEL, Deputy District Attorney, and EDWARD S. BERBERIAN, JR., Marin District
2 Attorney, by ANDRES H. PEREZ, Deputy District Attorney; and Defendants, E*POLY STAR,
3 INC., a California corporation; ZHI ZHONG SUN, CEO of E*POLY STAR, INC.; and
4 DONALD V. SCHMAHL, Director of E*POLY STAR, INC. by and through their attorney,
5 TOD RATFIELD, having stipulated that this Court has jurisdiction over this matter and this
6 Judgment may be signed without the taking of proof, without trial or adjudication of any issue
7 of fact or law herein, and without this Stipulation constituting evidence of an admission by
8 Defendants;

9 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED:**

10 **JURISDICTION**

11 1. This action is brought under California law and this Court has jurisdiction of the
12 subject matter hereof and the parties hereto.

13 **DISCLAIMER OF ADMISSIONS**

14 2. The parties have stipulated and consented to the entry of this Judgment prior to
15 the taking of any proof, and without trial or adjudication of any issue or fact or law herein. This
16 Judgment shall not constitute any admissions by Defendants regarding any issue of fact or law
17 alleged in the First Amended Complaint in this action, and shall not constitute an admission of
18 any violation of any law relating to the importation, manufacture, packaging, sale or
19 distribution of polyethylene and paper products.

20 **APPLICABILITY**

21 3. The provisions of this Judgment, including the injunction contained herein, are
22 applicable to Defendants and to its owners, officers, directors, employees, agents, and
23 representatives, acting within the actual and ostensible scope of their employment, and to all
24 assigns or successors of the Defendants, and to all persons, partnerships, corporations, and
25 other entities acting by, through, or on behalf of the Defendants acting in concert or
26 participation with the Defendants who have actual or constructive knowledge of this Judgment.

27
28

1 **INJUNCTION**

2 4. Pursuant to Business and Professions Code sections 17203 and 17535,
3 Defendants, and all persons, corporations and entities set forth in paragraph 3 above, are hereby
4 permanently enjoined and restrained from engaging, directly or indirectly, in any of the
5 following acts or practices:

6 (a) Selling any commodity in less quantity than represented, in violation of
7 Business and Professions Code section 12024;

8 (b) Distributing or causing to be distributed any commodity when such
9 commodity is contained in a package, or if there is a label affixed to a such commodity, which
10 does not conform to Business and Professions Code sections 12601 *et seq.*, commonly known
11 as the Fair Packaging and Labeling Act, in violation of Business and Professions Code section
12 12602;

13 (c) Failing to accurately declare the quantity of contents for polyethylene
14 products as required by Title 4 California Code of Regulations section 4512.1.

15 (d) Selling or distributing packaged commodities with non-conforming
16 labels, in violation of California Code of Regulations section 4512.3 and Business and
17 Professions Code section 12611;

18 (e) Selling or distributing products in quantities less than as represented on
19 the label in violation of Business and Professions Code section 12024.

20 (f) Selling or offering for sale any plastic bag in this state that is labeled
21 with the term "biodegradable," "degradable," or "decomposable," or any form of those terms,
22 or that in any way implies that the plastic product will break down, fragment, biodegrade, or
23 decompose in a landfill or other environment, as prohibited by California Public Resources
24 Code §42357(b), as currently worded or as amended or renumbered in the future.

25 **MONETARY RELIEF**

26 5. Civil Penalties. Pursuant to Business and Professions Code sections 17206 and
27 17536, Defendant shall pay to Plaintiff ninety thousand dollars (\$90,000.00) to be distributed
28

1 equally between the prosecuting offices of the Los Angeles, Marin and Fresno County District
2 Attorney Offices pursuant to Government Code §26506.

3 6. Costs. Pursuant to Business and Professions Code sections 17206 and 17536,
4 Defendant shall pay consumer agency costs totaling ten thousand dollars (\$10,000.00), as
5 follows:

6	California Division of Measurement Standard	\$ 8,314.34
7	Weights and Measures Alameda County	\$ 359.07
8	Weights and Measures Fresno County	\$ 248.68
9	Weights and Measures Los Angeles County	\$ 910.34
10	Weights and Measures San Luis Obispo County	\$ 39.71
11	Weights and Measures Sonoma County	\$ 63.93
12	Weights and Measures Tulare County	\$ 63.93

13 7. Interest. Interest shall apply to all costs due under the terms of this Final
14 Judgment. Interest shall accrue at the rate of five percent (5%) per anum on the amount of
15 costs starting from the date of entry of this Final Judgment and continuing until paid in full.

16 8. Payments. The amounts ordered to be paid pursuant to Paragraphs 5 and 6 shall
17 be paid as follows:

18 (a) Defendants shall pay forty thousand dollars (\$40,000.00) at the time of
19 filing of this Final Judgment;

20 (b) Defendants shall pay two thousand five hundred dollars (\$2,500.00) on
21 or before the close of business of the first day of each month starting on July 1, 2013 and
22 continuing thereafter until all amounts due under this Final Judgment are paid in full.

23 (c) All payments shall be delivered to Andres Perez, Deputy District
24 Attorney, Marin County District Attorney's Office, Consumer and Environmental Protection
25 Unit, 3501 Civic Center Drive, Room 130, San Rafael, California 94903.

26 9. Acceleration. Should Defendants, or any of them, fail to make the payments
27 required by Paragraphs 5 and 6, and as set forth in the payment schedule in paragraph 7 above,
28 all remaining payments due shall immediately become due and payable and shall accrue

1 interest at a rate of ten percent (10%) per annum from the date of the filing of this Judgment
2 until paid in full.

3 **COMPLIANCE PROGRAM**

4 10. To ensure compliance with this Judgment, Defendants, within one month
5 following entry of this Judgment, shall institute and maintain written policies and procedures
6 whereby all polyethylene products received, including plastic bags and shrink wrap, are
7 inspected using a random selection process, to ensure that label representations with respect to
8 quantity and count are accurate, and the packages contain a correct Responsibility Statement.
9 The quality control procedures shall use random sampling testing procedures similar to those
10 set forth in the National Institute of Standards and Technology (NIST) Handbook 133.
11 Defendants shall designate an employee to inspect all manufactured and received shipments of
12 polyethylene and within seven (7) days of production or receipt, and prepare a report of the
13 findings.

14 11. Random samples shall be selected from each pallet of stretch film, polyethylene
15 bags and tape delivered. The accuracy of weight, thickness, dimensions and quantity is to be
16 verified and the responsibility statement verified for completeness.

17 12. If the outside of an inspected or visible box does not show complete information
18 for length, width, area, thickness, net weight, number of bags or responsible party, or if the
19 measurements of length, width, area or net weight shown on the outside of the boxes do not
20 match the measured or calculated number, no product in the shipment shall be sold and the
21 entire shipment must be quarantined until all product has been brought into compliance with
22 California law or otherwise relabeled.

23 13. If the outside of the an inspected or visible box does not display the name and
24 complete address of the manufacturer, packer or distributor (Responsible Party) as required by
25 Business and Professions Code section 12603, no product in the shipment shall be sold and the
26 entire shipment must be quarantined until all product has been brought into compliance with
27 California law.

28

1 14. A product may be released for sale, shipment or delivery only if the procedures
2 as set forth above have been followed and completed, and the designated employee(s)
3 responsible for inspection signs and dates an inspection statement indicating the shipment has
4 been inspected and determined to be approved for release for shipping or delivery.

5 15. If, after measurement and verification, it is not possible to re-label the
6 merchandise, it must be refused and returned to the supplier or recycled.

7 16. Defendants shall maintain for inspection all logs, reports and certified letters for
8 review by representatives of the Division of Measurement Standards or Bureau of Weights and
9 Measures for three (3) years from the date of each inspection after which time it may be
10 disposed.

11 17. Defendants shall serve a copy of this Final Judgment to all their officers,
12 directors, managers, and employees designated to inspect all manufactured and received
13 shipments of polyethylene, within ten (10) days of the entry of this Judgment.

14 18. Defendants shall permit duly authorized representatives of the Plaintiff, at
15 reasonable times and places, and without interference of any kind, to interview agents, servants,
16 employees, or representatives of Defendants, or any of them, regarding any matter contained in
17 this Final Judgment. Nothing in this paragraph shall be deemed or interpreted to limit the
18 exercise of administrative or statutory powers of any authorized representative of the State of
19 California Division of Measurement Standards, or any authorized representative of the County
20 Sealer or Director of a County Agricultural Commissioner.

21 19. Service upon Tod Ratfield, counsel for Defendants, shall constitute sufficient
22 and complete notice of the terms of this Final Judgment and Injunction.

23 20. This Final Judgment is a final and binding resolution and settlement of all
24 known claims, violations or causes of action alleged by the People in the First Amended
25 Complaint regarding the defendant's manufacture of short weight plastic and paper products.

26 21. This Final Judgment shall take effect upon entry thereof.

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28 //

RETENTION OF JURISDICTION

22. Jurisdiction is retained by this Court for the purpose of enabling any party to this Final Judgment to apply to this Court at any time for such further orders and directions as may be necessary and appropriate for the construction or carrying out of this Final Judgment, for the enforcement of compliance herewith, or for the punishment of violations thereof. If there have been no violations of any injunctive provisions of this Final Judgment and all monetary amounts due under the Final Judgment have been paid in full, the injunctive provisions of the Final Judgment as applied to individual defendants ZHI ZHONG SUN and DONALD V. SCHMAHL only, shall terminate ninety (90) days after the final payment is received.

DATED: JUN 11 2013 ROLF M. TREU
JUDGE OF THE SUPERIOR COURT

1 ELIZABETH A. EGAN
2 DISTRICT ATTORNEY, COUNTY OF FRESNO
3 BY: EDWARD T. BROWNE, SBN 167638
4 DEPUTY DISTRICT ATTORNEY
5 929 L. Street
6 Fresno, California 93721
7 Telephone: (559) 600-3156

FILED

DEC - 1 2011

By _____
FRESNO SUPERIOR COURT
GAC DEPUTY

ATTORNEYS FOR PLAINTIFF

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF FRESNO

8 THE PEOPLE OF THE STATE OF CALIFORNIA,
9 CALIFORNIA,

10 Plaintiff,

11 v.

12 W.W. GRAINGER, INC. dba GRAINGER
13 (an Illinois Corporation) (100 Grainger
Parkway, Lake Forest, Illinois),

14 Defendant(s).

Civil Case No.: 11 CE CG 04134
D.A. Case No.: 2007 B 49828

COMPLAINT FOR INJUNCTION, CIVIL
PENALTIES, AND OTHER RELIEF.
(Bus. & Prof. Code §§ 12601 et seq. and
17200 et seq.)

15
16 THE PEOPLE OF THE STATE OF CALIFORNIA, by and through ELIZABETH A.
17 EGAN, District Attorney of Fresno County, California, allege as follows:

18 1. ELIZABETH A. EGAN, District Attorney of Fresno County, California, acting
19 to protect the public from fraud, deception, and misleading advertisements, unlawful, unfair
20 and fraudulent business practices, brings this action in the name of the People of the State of
21 California.

22 2. The District Attorney's authority to bring this action derives from common law
23 and from statute including, but not limited to, Business and Professions Code §§ 17204, 17206,
24 17535 and 17536.

25 JURISDICTION AND VENUE

26 3. At all times herein mentioned, Defendant transacted business in the County of
27 Fresno, and elsewhere throughout the State of California. The actions of Defendant, as
28 hereinafter alleged, are in violation of the laws and public policy of the State of California and

1 are inimical to the rights and interests of the general public as consumers and competitors of
2 Defendants. Unless enjoined and restrained by an order of this court, the Defendant will
3 continue to retain the means to engage in the unlawful actions, practices, and courses of
4 conduct set forth below.

5 4. Plaintiff is informed and believes that W.W. GRAINGER, INC. located at 100
6 Grainger Parkway, Lake Forest, Illinois, is an Illinois corporation registered to do business in
7 the State of California with the California Secretary of State as corporation number C0159691
8 since August 31, 1931.

9 5. The hereinafter-described acts of Defendant are violations of law, and have been
10 and now are being carried out in Fresno County and elsewhere in the State of California.

11 6. Plaintiff is informed and believes, and thereupon alleges that Defendant was at
12 all times referenced herein, engaged in the distribution of plastic trash can liners, packing tape,
13 and plastic stretch wrap for sale to consumers. Defendant has violated Business and Profession
14 Code §§ 12024, 12603, 17200, 17500 and California Code of Regulations § 4512.1.

15 **FIRST CAUSE OF ACTION**

16 **Unlawful Business Act or Practices**

17 (Business and Professions Code §§ 17200 et seq.)

18 7. Plaintiff hereby incorporates all of paragraphs 1 through 6, inclusive, of this
19 Complaint as though fully set forth at length herein.

20 8. Within the past four (4) years from the date of the filing of this Complaint,
21 Defendant engaged in acts of unfair competition as defined in and prohibited by Business and
22 Professions Code § 17200. These acts of unfair competition include, but are not limited to, the
23 following:

24 (a) Selling plastic trash can liners and other plastic products in quantities less than
25 as represented on labeling of these products in violation of Business and Professions Code
26 §12024.

27 (b) Distributing packaged commodities of packing tape or plastic stretch wrap that
28 do not bear labels specifying the identity of the commodities and the name and place of

1 business of the manufacturer, the packer or distributor as required by Business and Professions
2 Code § 12603(a).

3 (c) Distributing packaged commodities of packing tape or plastic stretch wrap that
4 do not bear labels specifying the net quantity or the contents (in terms of weight or mass,
5 measure, or numerical count) separately and accurately stated in a uniform location on the
6 principal panel of that label as required by Business and Professions Code § 12603(b).

7 **SECOND CAUSE OF ACTION**

8 **Misleading or Deceptive Statements**

9 (Business and Professions Code §§ 17500 et seq.)

10 9. Plaintiff hereby incorporates all of paragraphs 1 through 8, inclusive, of this
11 Complaint as though fully set forth at length herein.

12 10. Within the past three (3) years from the date of the filing of this Complaint,
13 Defendant made or caused to be made, directly or by implication, untrue, misleading, or
14 deceptive statements to members of the public within Fresno County, throughout the State of
15 California, in violation of Business and Professions Code § 17500 for the purpose of inducing
16 members of the general public to purchase services from Defendant.

17 11. Defendant knew, or by the exercise of reasonable care, should have known, that
18 the representations made by them as stated above were deceptive and/or misleading in that
19 Defendants knew they were not delivering or providing services and/or products to consumers
20 as advertised and/or promised.

21 12. Defendant violated Business and Professions Code § 17500 by manufacturing
22 and advertising plastic trash can liners with deceptive and misleading packaging labels as
23 follows:

24 (a) Selling plastic trash can liners and other plastic products in quantities less than
25 as represented on labeling of these products in violation of Business and Professions Code §
26 12024.

27 (b) Distributing packaged commodities of packing tape or plastic stretch wrap that
28 do not bear labels specifying the identity of the commodities and the name and place of

4 do not bear labels specifying the net quantity or the contents (in terms of weight or mass,
5 measure, or numerical count) separately and accurately stated in a uniform location on the
6 principal panel of that label as set for in and required by Business and Professions Code §
7 12603(b).

8 **THIRD CAUSE OF ACTION**

9 **Injunctive Relief**

10 (Business and Professions Code §§ 17203, 17204, 17205, 17534.5 and 17535)

11 13. Plaintiff hereby incorporates all of paragraphs 1 through 12, inclusive, of this
12 Complaint as though fully set forth at length herein.

13 14. Plaintiff is informed and believes and thereupon alleges that unless enjoined and
14 restrained by order of this Court, said Defendant will continue to engage in the herein-above
15 described unlawful conduct in derogation of the rights and interests of the general public as
16 consumers and competitors of defendants.

17 **PRAYER**

18 WHEREFORE, Plaintiff prays for the following:

19 1. That Defendant, their directors, officers, employees, agents and representatives,
20 and any and all persons who are acting in concert or participating in any manner with them, or
21 any of them, be permanently enjoined and restrained, directly or indirectly, from engaging in
22 the acts of unlawful business acts or practices and misleading or deceptive representations as
23 set forth in this complaint.

24 2. That Defendant, their directors, officers, employees, agents and representatives,
25 and any and all persons who are acting in concert or participating in any manner with them, or
26 any of them, be ordered to pay complete and full restitution to all consumers affected by
27 Defendants' unlawful business acts or practices and misleading or deceptive representations as
28 set forth in this complaint.

1 ELIZABETH A. EGAN
2 DISTRICT ATTORNEY, COUNTY OF FRESNO
3 BY: EDWARD T. BROWNE, SBN 167638
4 DEPUTY DISTRICT ATTORNEY
5 929 L Street
6 Fresno, CA 93721
7 Telephone: (559) 600-3156

8 ATTORNEYS FOR PLAINTIFF

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 COUNTY OF FRESNO

11 THE PEOPLE OF THE STATE OF
12 CALIFORNIA,

13 Plaintiff,

14 v.

15 W. W. GRAINER, INC. dba GRAINGER
16 (an Illinois Corporation) (100 Grainger
17 Parkway, Lake Forest, Illinois),

18 Defendant(s).

Civil Case No.: _____
D.A. Case No.: 2007 B 49828

STIPULATED FINAL JUDGMENT

19 THE PEOPLE OF THE STATE OF CALIFORNIA, appearing through its attorneys,
20 ELIZABETH A. EGAN, District Attorney of Fresno County, California, by and through
21 EDWARD T. BROWNE, Deputy District Attorney, and Defendant W. W. GRAINGER, INC.;
22 by and through JEFFREY M. REID, attorney at law,

23 All parties have stipulated and consented to this Final Judgment without the taking of
24 any evidence regarding any issue of law or fact; and

25 The Court having considered the pleadings, the Stipulation of the parties, and good
26 cause appearing:

27 IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

28 JURISDICTION

1. This Court has jurisdiction of the parties to this Judgment and of the subject
matter in this action, and that the injunctive provisions of this Judgment are issued pursuant to
Business and Professions Code § 17203.

EXHIBIT A

1 APPLICABILITY

2 2. This Final Judgment is applicable to Defendant W.W. GRAINER, INC. (an
3 Illinois Corporation) ("the Defendant") and to its agents, servants, employees, officers,
4 directors, representatives, successors, assignees, subsidiaries, and divisions, and to any and all
5 persons, partnerships, corporations, and other entities acting under, by, through, on behalf, or in
6 concert with Defendant, with actual or constructive knowledge of this Final Judgment.

7 NO ADMISSION OF LIABILITY

8 3. This Judgment is not to be construed as an admission of liability by any party.
9 This Judgment was entered into as a result of a stipulation of the parties, without admissions of
10 fact or law, and without any admission by the Defendant or by any related party of liability,
11 wrongdoing, illegality, or of any fact alleged in the Complaint.

12 INJUNCTION

13 4. Pursuant to Business and Professions Code §§ 17203 and 17535, as of the 30th
14 day from the effective date of this stipulated judgment, Defendant is hereby enjoined and
15 restrained, for a period of four calendar years from the date of entry of this Judgment, from
16 directly or indirectly in any of the following acts or practices:

17 (a) Selling plastic trash can liners under Defendant's private label brands,
18 including its "Tough Guy" private label brand, containing quantities less than as represented on
19 labeling of these products in violation of Business and Professions Code § 12024. The term
20 "private label brand" is defined as a brand owned not by a manufacturer or producer but by a
21 retailer or wholesaler who gets its goods made by a contract manufacturer under its own label.

22 (b) Distributing packaged commodities of packing tape or plastic stretch
23 wrap which are either: (i) under Defendant's private label and which do not bear labels
24 specifying the identity of the commodities and the name and place of business of the
25 manufacturer, the packer or distributor as set forth in and required by Business and Professions
26 Code § 12603(a) or, (ii) which are manufactured by parties other than Defendant and which are
27 distributed by Defendant in violation of provisions of Business and Professions Code
28 §12603(a) as a result of acts of Defendant to modify the manufacturer provided retail

1 packaging. Notwithstanding the foregoing, for all purposes herein, removal of items from
2 shipping containers or wrapping used solely for the transportation of any commodities in bulk
3 or in quantity to manufacturers, packers, or processors, or to wholesale or retail distributors,
4 shall not be considered a modification of "manufacturer provided retail packaging."

5 (c) Distributing packaged commodities of packing tape or plastic stretch
6 wrap which are either: (i) under Defendant's private label and which do not bear labels
7 specifying the net quantity of the contents (in terms of weight or mass, measure, or numerical
8 count) which is not separately and accurately stated in a uniform location on the principal panel
9 of that label as set forth in and required by Business and Professions Code § 12603(b) or, (ii)
10 which are manufactured by parties other than Defendant and which are distributed by
11 Defendant in violation of provisions of Business and Professions Code § 12603(b) as a result of
12 acts of Defendant to modify the manufacturer provided retail packaging. Notwithstanding the
13 foregoing, for all purposes herein, removal of items from shipping containers or wrapping used
14 solely for the transportation of any commodities in bulk or in quantity to manufacturers,
15 packers, or processors, or to wholesale or retail distributors, shall not be considered a
16 modification of "manufacturer provided retail packaging."

17 5. Failure to comply with injunctive provisions of this Final Judgment will result in
18 further civil penalties pursuant to Business and Professions Code §17207.

19 **CIVIL PENALTIES AND COSTS**

20 6. Defendant shall pay the sum of two hundred seventy-two thousand nine hundred
21 seven dollars and sixty-four cents (\$272,907.64) to the Fresno County District Attorney
22 Consumer Protection Unit as agreed civil penalties and miscellaneous costs pursuant to
23 Business and Professions Code § 17206. The civil penalties shall be paid to the Fresno County
24 District Attorney's Office Consumer and Environmental Protection Unit for the continued
25 enforcement of consumer and environmental laws. Said payment shall be made by certified
26 check or money order payable to *Fresno County District Attorney* and shall be distributed by
27 the Fresno County District Attorney as follows:
28

1 (a) To the County of Fresno, District Attorney, the sum of two hundred
2 sixty-three thousand four hundred dollars (\$263,400.00) as agreed civil penalties;

3 (b) To the State of California, Department of Food & Agriculture, Division
4 of Measurement Standards the sum of five thousand seven hundred twenty-four dollars and
5 sixty cents (\$5,724.60) as agreed costs of investigation;

6 (c) To Fresno County, Department of Agriculture, the sum of two thousand
7 four hundred eighty-nine dollars and fifty-six cents (\$2,489.56) as agreed costs of investigation;

8 (d) To the County of Riverside, Department of Agriculture, the sum of one
9 thousand two hundred ninety-three dollars and forty-eight cents (\$1,293.48) as agreed costs of
10 investigation.

11 7. Payment is due upon entry of this judgment and shall be delivered to the Fresno
12 County District Attorney's Office, 929 L Street, Fresno, California 93721.

13 8. The civil penalties and miscellaneous costs of the Judgment as set forth in
14 paragraph 6 shall not be dischargeable in any bankruptcy proceeding.

15 9. Each party shall bear all other costs of suit incurred in this case.

16 10. All forms of notice of service required to be made upon any Defendant for the
17 purpose of enforcement of the terms of this Judgment shall be deemed to have been made when
18 such service has been made via certified United States mail return receipt as follows to:

19 JEFFREY M. REID, Attorney at Law
20 5 River Park Place East, Fresno, California 92720

21 **RES JUDICATA EFFECT**

22 11. This Final Judgment is a full, final, and binding resolution between the
23 prosecutors representing the People in this action and Defendant regarding any acts of unfair
24 competition, which occurred prior to the date of entry of this Judgment, as defined in Business
25 and Professions Code §§ 17200, 17200, 12603, and 12024, as more fully alleged in the
26 Complaint on file in this action.

27 ///

28 ///

1 ELIZABETH A. EGAN
2 DISTRICT ATTORNEY, COUNTY OF FRESNO
3 BY: EDWARD T. BROWNE, SBN 167638
4 DEPUTY DISTRICT ATTORNEY
5 929 L Street
6 Fresno, CA 93721
7 Telephone: (559) 600-3156

FILED

DEC 05 2011

FRESNO COUNTY SUPERIOR COURT
By _____ DEPT. 502

5 ATTORNEYS FOR PLAINTIFF

6 SUPERIOR COURT OF THE STATE OF CALIFORNIA

7 COUNTY OF FRESNO

8 THE PEOPLE OF THE STATE OF)
9 CALIFORNIA,)

Civil Case No.: 11CE CG 04134
D.A. Case No.: 2007 B 49828

10 Plaintiff,

STIPULATED FINAL JUDGMENT

11 v.

12 W.W. GRAINER, INC. dba GRAINGER)
13 (an Illinois Corporation) (100 Grainger)
14 Parkway, Lake Forest, Illinois,)

15 Defendant(s).

16 THE PEOPLE OF THE STATE OF CALIFORNIA, appearing through its attorneys,
17 ELIZABETH A. EGAN, District Attorney of Fresno County, California, by and through
18 EDWARD T. BROWNE, Deputy District Attorney, and Defendant W.W. GRAINGER, INC.;
19 by and through JEFFREY M. REID, attorney at law,

20 All parties have stipulated and consented to this Final Judgment without the taking of
21 any evidence regarding any issue of law or fact; and

22 The Court having considered the pleadings, the Stipulation of the parties, and good
23 cause appearing:

24 IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

25 JURISDICTION

26 1. This Court has jurisdiction of the parties to this Judgment and of the subject
27 matter in this action, and that the injunctive provisions of this Judgment are issued pursuant to
28 Business and Professions Code § 17203.

COPY

FINAL JUDGMENT AND PERMANENT INJUNCTION

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APPLICABILITY

2. This Final Judgment is applicable to Defendant W.W. GRAINER, INC. (an Illinois Corporation) ("the Defendant") and to its agents, servants, employees, officers, directors, representatives, successors, assignees, subsidiaries, and divisions, and to any and all persons, partnerships, corporations, and other entities acting under, by, through, on behalf, or in concert with Defendant, with actual or constructive knowledge of this Final Judgment.

NO ADMISSION OF LIABILITY

3. This Judgment is not to be construed as an admission of liability by any party. This Judgment was entered into as a result of a stipulation of the parties, without admissions of fact or law, and without any admission by the Defendant or by any related party of liability, wrongdoing, illegality, or of any fact alleged in the Complaint.

INJUNCTION

4. Pursuant to Business and Professions Code §§ 17203 and 17535, as of the 30th day from the effective date of this stipulated judgment, Defendant is hereby enjoined and restrained, for a period of four calendar years from the date of entry of this Judgment, from directly or indirectly in any of the following acts or practices:

(a) Selling plastic trash can liners under Defendant's private label brands, including its "Tough Guy" private label brand, containing quantities less than as represented on labeling of these products in violation of Business and Professions Code § 12024. The term "private label brand" is defined as a brand owned not by a manufacturer or producer but by a retailer or wholesaler who gets its goods made by a contract manufacturer under its own label.

(b) Distributing packaged commodities of packing tape or plastic stretch wrap which are either: (i) under Defendant's private label and which do not bear labels specifying the identity of the commodities and the name and place of business of the manufacturer, the packer or distributor as set forth in and required by Business and Professions Code § 12603(a) or, (ii) which are manufactured by parties other than Defendant and which are distributed by Defendant in violation of provisions of Business and Professions Code §12603(a) as a result of acts of Defendant to modify the manufacturer provided retail

1 packaging. Notwithstanding the foregoing, for all purposes herein, removal of items from
2 shipping containers or wrapping used solely for the transportation of any commodities in bulk
3 or in quantity to manufacturers, packers, or processors, or to wholesale or retail distributors,
4 shall not be considered a modification of "manufacturer provided retail packaging."

5 (c) Distributing packaged commodities of packing tape or plastic stretch
6 wrap which are either: (i) under Defendant's private label and which do not bear labels
7 specifying the net quantity of the contents (in terms of weight or mass, measure, or numerical
8 count) which is not separately and accurately stated in a uniform location on the principal panel
9 of that label as set forth in and required by Business and Professions Code § 12603(b) or, (ii)
10 which are manufactured by parties other than Defendant and which are distributed by
11 Defendant in violation of provisions of Business and Professions Code § 12603(b) as a result of
12 acts of Defendant to modify the manufacturer provided retail packaging. Notwithstanding the
13 foregoing, for all purposes herein, removal of items from shipping containers or wrapping used
14 solely for the transportation of any commodities in bulk or in quantity to manufacturers,
15 packers, or processors, or to wholesale or retail distributors, shall not be considered a
16 modification of "manufacturer provided retail packaging."

17 5. Failure to comply with injunctive provisions of this Final Judgment will result in
18 further civil penalties pursuant to Business and Professions Code §17207.

19 **CIVIL PENALTIES AND COSTS**

20 6. Defendant shall pay the sum of two hundred seventy-two thousand nine hundred
21 seven dollars and sixty-four cents (\$272,907.64) to the Fresno County District Attorney
22 Consumer Protection Unit as agreed civil penalties and miscellaneous costs pursuant to
23 Business and Professions Code § 17206. The civil penalties shall be paid to the Fresno County
24 District Attorney's Office Consumer and Environmental Protection Unit for the continued
25 enforcement of consumer and environmental laws. Said payment shall be made by certified
26 check or money order payable to *Fresno County District Attorney* and shall be distributed by
27 the Fresno County District Attorney as follows:
28

1 (a) To the County of Fresno, District Attorney, the sum of two hundred
2 sixty-three thousand four hundred dollars (\$263,400.00) as agreed civil penalties;

3 (b) To the State of California, Department of Food & Agriculture, Division
4 of Measurement Standards the sum of five thousand seven hundred twenty-four dollars and
5 sixty cents (\$5,724.60) as agreed costs of investigation;

6 (c) To Fresno County, Department of Agriculture, the sum of two thousand
7 four hundred eighty-nine dollars and fifty-six cents (\$2,489.56) as agreed costs of investigation;

8 (d) To the County of Riverside, Department of Agriculture, the sum of one
9 thousand two hundred ninety-three dollars and forty-eight cents (\$1,293.48) as agreed costs of
10 investigation.

11 7. Payment is due upon entry of this judgment and shall be delivered to the Fresno
12 County District Attorney's Office, 929 L Street, Fresno, California 93721.

13 8. The civil penalties and miscellaneous costs of the Judgment as set forth in
14 paragraph 6 shall not be dischargeable in any bankruptcy proceeding.

15 9. Each party shall bear all other costs of suit incurred in this case.

16 10. All forms of notice of service required to be made upon any Defendant for the
17 purpose of enforcement of the terms of this Judgment shall be deemed to have been made when
18 such service has been made via certified United States mail return receipt as follows to:

19 JEFFREY M. REID, Attorney at Law
20 5 River Park Place East, Fresno, California 92720

21 **RES JUDICATA EFFECT**

22 11. This Final Judgment is a full, final, and binding resolution between the
23 prosecutors representing the People in this action and Defendant regarding any acts of unfair
24 competition, which occurred prior to the date of entry of this Judgment, as defined in Business
25 and Professions Code §§ 17200, 17200, 12603, and 12024, as more fully alleged in the
26 Complaint on file in this action.

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RETAINED JURISDICTION

12. Jurisdiction is retained for the purpose of enabling the party to this Judgment to apply to the Court at any time for such further orders or directions as may be necessary or appropriate for the carrying out of this Judgment, for the modification or termination of any of the injunctive provisions herein, for the enforcement of compliance herewith and for punishment of violations hereof.

13. This Judgment shall take effect immediately upon entry thereof.

DATED: 12-5-11

DONALD S. BLACK
JUDGE OF THE SUPERIOR COURT

///

1 ELIZABETH A. EGAN
2 DISTRICT ATTORNEY, COUNTY OF FRESNO
3 EDWARD T. BROWNE, SBN 167638
4 DEPUTY DISTRICT ATTORNEY
5 929 L. Street
6 Fresno, California 93721
7 Telephone: (559) 600-3156

FILED

DEC 05 2011

FRESNO COUNTY SUPERIOR COURT

By _____

ATTORNEYS FOR PLAINTIFF

7 SUPERIOR COURT OF THE STATE OF CALIFORNIA
8 COUNTY OF FRESNO

9 THE PEOPLE OF THE STATE OF
10 CALIFORNIA,

11 Plaintiff,

12 v.

13 W. W. GRAINGER, INC. dba GRAINGER
14 (an Illinois Corporation) (100 Grainger
15 Parkway, Lake Forest, Illinois)

16 Defendant(s).

Civil Case No:
D.A. Case No.: 2007 B 49828

11 CE CG 04 134

STIPULATION FOR ENTRY OF FINAL
JUDGMENT

17 THE PEOPLE OF THE STATE OF CALIFORNIA, appearing through its attorneys,
18 ELIZABETH A. EGAN, District Attorney of Fresno County, California, by and through,
19 EDWARD T. BROWNE, Deputy District Attorney, and Defendant W. W. GRAINGER, INC.
20 by and through, JEFFREY M. REID, attorney at law, do hereby stipulate as follows:

21 1. The Complaint on file herein sets forth facts giving rise to a controversy
22 between Plaintiff and Defendants.

23 2. Defendant W. W. GRAINGER, INC. hereby represents and warrants that its has
24 caused this Stipulation to be executed by its duly authorized officer, D. G. Macpherson,
25 who has been duly authorized by appropriate corporate action to bind the Corporation to all of
26 the terms and conditions of this Stipulation and of the Final Judgment entered pursuant thereto.

27 3. That W. W. GRAINGER, INC. is entering into this Stipulation for Entry of Final
28 Judgment merely for the purpose of compromise and settlement and to avoid litigation.

COPY

1 STEVE COOLEY, District Attorney
County of Los Angeles
2 STANLEY P. WILLIAMS, State Bar No. 106658
3 LESLIE A. HANKE, State Bar No. 122237
Deputy District Attorneys
4 201 North Figueroa Street, Suite 1200
Los Angeles, California 90012
5 Telephone (213) 580-3255
6 Attorneys for Plaintiff
7

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF LOS ANGELES
10

11 THE PEOPLE OF THE STATE OF CALIFORNIA,	)	CASE NO.
)	
12 Plaintiff,	)	FINAL JUDGMENT
13 v.	)	PURSUANT TO
	)	STIPULATION
14 K P SUPPLY, INC., a California Corporation,)	
)	
15 Defendant.)	
16)	
17)	

18
19 Plaintiff, the PEOPLE OF THE STATE OF CALIFORNIA, having filed its
20 Complaint herein; and Defendant, K P SUPPLY, INC., having acknowledged receipt thereof;
21 and

22 Plaintiff appearing through its attorneys Steve Cooley, District Attorney of Los
23 Angeles County, by Stanley P. Williams and Leslie A. Hanke, Deputy District Attorneys, and
24 Defendant K P Supply, Inc. appearing by and through counsel Law Offices of Addison H. S.
25 Lau, Inc. by Addison H.S. Lau, Esq.; and

26 IT APPEARING TO THE COURT that the parties hereto have stipulated to the
27 entry of this Final Judgment, the court having considered the matter and good cause appearing
28 therefore; and

1 Plaintiff and Defendant having stipulated and consented to the entry of this
2 Judgment prior to the taking of any proof, and without trial or adjudication of any fact or law
3 herein, and without this Judgment constituting any admission by Defendant regarding any issue
4 of fact or law alleged in said Complaint; and

5 The Court having considered the pleadings:

6 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Plaintiff have
7 judgment against the Defendant as follows:

8
9 **JURISDICTION**

10 1. This action is brought under California law and this Court has jurisdiction of
11 the subject matter hereof and the parties hereto.

12
13 **DISCLAIMER OF ADMISSIONS**

14 2. Plaintiff and Defendant have stipulated and consented to the entry of this
15 Judgment prior to the taking of any proof, and without trial or adjudication of any issue or fact or
16 law herein. This Judgment shall not constitute any admissions by Defendant regarding any issue
17 of fact or law alleged in the Complaint in this action, and shall not constitute an admission of any
18 violation of any law relating to the importation, manufacture, packaging, sale or distribution of
19 plastic products.

20
21 **APPLICABILITY**

22 3. The provisions of this Judgment, including the injunction contained herein,
23 are applicable to Defendant K P Supply, Inc. and to its owners, officers, directors, employees,
24 agents, and representatives, acting within the actual and ostensible scope of their employment,
25 and to all assigns or successors of the Defendant, and to all persons, partnerships, corporations,
26 and other entities acting by, through, or on behalf of the Defendant, and to all persons acting in
27 concert or participation with the defendant, who have actual or constructive knowledge of this
28 Judgment.

1 **INJUNCTION**

2 4. Pursuant to Business and Professions Code sections 17203 and 17535,
3 Defendant, and all persons, corporations and entities set forth in paragraph 3 above, are hereby
4 permanently enjoined and restrained from engaging, directly or indirectly, in any of the
5 following acts or practices:

6 a. Selling any commodity in less quantity than represented, in
7 violation of Business and Professions Code section 12024;

8 b. Distributing or causing to be distributed any commodity when such
9 commodity is contained in a package, or if there is a label affixed to a such commodity, which
10 does not conform to Business and Professions Code sections 12601 *et seq.*, commonly known as
11 the Fair Packaging and Labeling Act, in violation of Business and Professions Code section
12 12602;

13 c. Distributing or causing to be distributed any packaged commodity
14 that does not bear a label specifying the identity of the commodity and the name and place of
15 business of the manufacturer, packer or distributor; and does not separately and accurately state,
16 in a uniform location on the principal display panel of the label, the net quantity of the contents
17 (in terms of weight or mass, measure, numerical count, or time) as set forth in and required by
18 Business and Professions Code section 12603;

19 d. Failing to accurately declare the quantity of contents for
20 polyethylene products as required by Title 4 California Code of Regulations section 4512.1.

21
22 **MONETARY RELIEF**

23 5. Defendant is ordered to pay the total sum of \$27,073.50 in monetary
24 relief. Of that amount, \$17,750 represents civil penalties pursuant to Business and Professions
25 Code sections 17206 and 17536. The balance of \$9,323.50 represents legal and investigative
26 costs including \$2500 incurred by the District Attorney's Office of Los Angeles County, \$2961
27 in investigation costs incurred by the State of California, Division of Measurement Standards,
28 and \$3862.50 in investigation costs incurred by the County of Los Angeles, Bureau of Weights

1 and Measures. In addition, Defendant shall pay the sum of \$415 to the Los Angeles Superior
2 Court representing fees required by the Los Angeles County Superior Court. All monies shall be
3 paid to the Los Angeles County District Attorney's Office for distribution. The sums set forth in
4 this paragraph shall be paid upon the following terms and conditions:

5 a. At the time of filing of this Final Judgment, Defendant shall
6 provide to the District Attorney's Office a certified or cashier's check made payable as follows:
7 \$415 made payable to the Los Angeles Superior Court.

8 b. The civil penalties and costs of \$27,073.50 shall be paid in seven
9 installments of \$3867.64 each, the first installment due and payable at the time of filing of this
10 Final Judgment and on the first day of each successive month thereafter until the balance is paid
11 in full.

12 c. All payments made pursuant to this paragraph shall be made by
13 certified or cashier's check and mailed or delivered to the attention of Leslie Hanke, Deputy
14 District Attorney, Office of the District Attorney, Consumer Protection Division, 201 North
15 Figueroa Street, Suite 1200, Los Angeles, California 90012.

16 d. In the event of default by Defendant on any of the payments
17 described herein, the full balance shall become due and payable and shall incur interest at the
18 legal rate from the date of such default. Plaintiff shall be entitled to reasonable fees and costs
19 incurred in collecting any payments due and owing subsequent to such default.

20 21 **COMPLIANCE PROGRAM**

22 6. To ensure compliance with this Judgment, Defendant, within one month
23 following entry of this Judgment, shall institute and maintain written policies and procedures
24 whereby all polyethylene products received, including plastic bags and shrink wrap, are
25 inspected using a random selection process, to ensure that label representations with respect to
26 quantity and count are accurate, and that the packages contain a correct Responsibility
27 Statement. The quality control procedures shall use random sampling testing procedures similar
28 to those set forth in the National Institute of Standards and Technology (NIST) Handbook 133.

1 An employee shall be designated to inspect all received shipments of polyethylene products
2 within 7 days of receipt, and to prepare a report of the findings. Compliance with all procedures
3 of the Incoming Shipping Log attached hereto as Exhibit 1 will satisfy the compliance
4 requirements set forth herein.

5 7. If the outside of an inspected or visible box does not show complete
6 information for length, width, area, thickness, net weight, number of bags or responsible party, or
7 if the measurements of length, width, area or net weight shown on the outside of the boxes does
8 not match the measured or calculated number, the entire shipment must be quarantined until
9 corrected.

10 8. If the outside of an inspected or visible box does not bear the name and
11 complete address of the manufacturer, packer or distributor (Responsible Party) as required by
12 the Business and Professions Code section 12603, the entire shipment must be quarantined until
13 corrected.

14 9. A shipment may be released for shipping or delivery only if the
15 procedures as set forth above have been followed and completed, and the designated employee
16 responsible for inspection signs and dates an inspection statement indicating the shipment has
17 been inspected and determined to be approved for release for shipping or delivery.

18 10. Defendant shall maintain for inspection all logs, reports and certified
19 letters for review by representatives of the Division of Measurement Standards or Bureau of
20 Weights and Measures.

21 11. Defendant shall deliver a copy of this Final Judgment to all officers,
22 directors, managers, agents, employees and representatives of the Defendant, including all
23 companies and businesses with which they are affiliated, within ten (10) days of the entry of this
24 Judgment.

25 12. Defendant shall permit duly authorized representatives of the Plaintiff, at
26 reasonable times and places, and without interference of any kind, to interview agents, servants,
27 employees, or representatives of Defendant, or any of them, regarding any matter contained in
28

1 this Final Judgment. Nothing in this paragraph shall be deemed or interpreted to limit the State
2 of California Division of Measurement Standards or the County of Los Angeles Bureau of
3 Weights and Measures from exercising their statutory and administrative powers.

4 13. Service upon the Law Offices of Addison H. S. Lau, Inc. shall constitute
5 sufficient and complete notice of the terms of this Final Judgment and Injunction.

6 14. This Final Judgment shall take effect upon entry thereof.

7
8 **RETENTION OF JURISDICTION**

9 15. Jurisdiction is retained by this Court for the purpose of enabling any party
10 to this Final Judgment to apply to this Court at any time for such further orders and directions as
11 may be necessary and appropriate for the construction or carrying out of this Final Judgment, for
12 the enforcement of compliance herewith, or for the punishment of violations thereof.

13
14
15 Dated: _____, at Los Angeles, California.

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17 _____
18 Judge of the Superior Court
19 County of Los Angeles
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1 STEVE COOLEY, District Attorney
County of Los Angeles
2 STANLEY P. WILLIAMS, State Bar No. 106658
LESLIE A. HANKE, State Bar No. 122237
3 Deputy District Attorneys
4 201 North Figueroa Street, Suite 1200
Los Angeles, California 90012
5 Telephone (213) 580-3255

CONFORMED COPY
ORIGINAL FILED
Superior Court of California
County of Los Angeles

NOV 09 2011

John A. Clarke, Executive Officer/Clerk
By ~~E.T. Espinoza~~, Deputy

6 Attorneys for Plaintiff
7

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA

9 COUNTY OF LOS ANGELES

10 BC 472722

11 THE PEOPLE OF THE STATE OF CALIFORNIA,)

CASE NO.

12 Plaintiff,)

STIPULATION

13 v.)

FOR ENTRY OF

14 LEXINGTON AVENUE PARTNERS)
15 DELAWARE, INC., a Delaware Corporation,)
doing business as American Clothing Supply,)

FINAL JUDGMENT

16 Defendant.)
17)

18
19 IT IS HEREBY STIPULATED by and between Plaintiff, the PEOPLE OF THE
20 STATE OF CALIFORNIA, by and through Steve Cooley, District Attorney of the County of Los
21 Angeles, by Stanley P. Williams and Leslie A. Hanke, Deputy District Attorneys, County of Los
22 Angeles, and LEXINGTON AVENUE PARTNERS DELAWARE, Inc., a Delaware
23 Corporation, doing business as American Clothing Supply, appearing by and through its attorney
24 David Mike Azema, Esq., that the Final Judgment Pursuant To Stipulation, a copy of which is
25 attached hereto as Exhibit "A" and by this reference made a part hereof, may be entered in the
26 above-entitled matter.

27 //

28 //

1 IT IS FURTHER STIPULATED by all parties that the proposed Final Judgment
2 may be signed by any judge or commissioner of the Superior Court of the State of California,
3 County of Los Angeles and entered by the Clerk, without notice, provided that this Stipulation
4 has been executed by counsel and parties listed below:

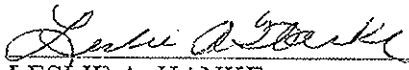
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6 DATED: 10/1/2011

STEVE COOLEY
District Attorney

8 STANELY P. WILLIAMS
Head Deputy District Attorney

10 LESLIE A. HANKE
Deputy District Attorney

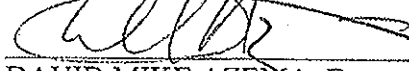
11 By

12 
13 LESLIE A. HANKE
14 Attorneys for Plaintiff

15
16 DAVID MIKE AZEMA, Esq.
17 Azema Law Group

18
19 DATED: 10/31/2011

20 By

21 
22 DAVID MIKE AZEMA, Esq.
23 Attorney for Defendant
24 Lexington Avenue Partners Delaware, Inc.

25
26 DATED: 10/26/11

LEXINGTON AVENUE PARTNERS
DELAWARE, INC.

27 By

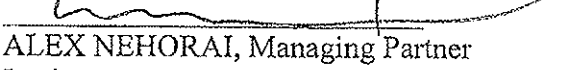
28 
ALEX NEHORAI, Managing Partner
Lexington Avenue Partners Delaware, Inc.

EXHIBIT A

1 STEVE COOLEY, District Attorney
County of Los Angeles
2 STANLEY P. WILLIAMS, State Bar No. 106658
3 LESLIE A. HANKE, State Bar No. 122237
Deputy District Attorneys
4 201 North Figueroa Street, Suite 1200
Los Angeles, California 90012
5 Telephone (213) 580-3255
6 Attorneys for Plaintiff

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF LOS ANGELES

11 THE PEOPLE OF THE STATE OF CALIFORNIA,	)	CASE NO.
)	
	)	FINAL JUDGMENT
12 Plaintiff,	)	PURSUANT TO
13 v.	)	STIPULATION
)	
14)	
15 LEXINGTON AVENUE PARTNERS)	
16 DELAWARE, INC., a Delaware Corporation,)	
doing business as American Clothing Supply,)	
)	
17 Defendant.)	
18)	

19 Plaintiff, the PEOPLE OF THE STATE OF CALIFORNIA, having filed its
20 Complaint herein; and Defendant LEXINGTON AVENUE PARTNERS DELAWARE, INC.
21 doing business as American Clothing Supply, having acknowledged receipt thereof; and
22 Plaintiff appearing through its attorneys Steve Cooley, District Attorney of Los
23 Angeles County, by Stanley P. Williams and Leslie A. Hanke, Deputy District Attorneys, and
24 Defendant Lexington Avenue Partners Delaware, Inc. dba American Clothing Supply, appearing
25 by and through counsel David Mike Azema, Esq.; and

26 IT APPEARING TO THE COURT that the parties hereto have stipulated to the
27 entry of this Final Judgment, the court having considered the matter and good cause appearing
28 therefore; and

1 Plaintiff and Defendant having stipulated and consented to the entry of this
2 Judgment prior to the taking of any proof, and without trial or adjudication of any fact or law
3 herein, and without this Judgment constituting any admission by Defendant regarding any issue
4 of fact or law alleged in said Complaint; and

5 The Court having considered the pleadings:

6 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Plaintiff have
7 judgment against the Defendant as follows:

8
9 **JURISDICTION**

10 1. This action is brought under California law and this Court has jurisdiction of
11 the subject matter hereof and the parties hereto.

12
13 **DISCLAIMER OF ADMISSIONS**

14 2. Plaintiff and Defendant have stipulated and consented to the entry of this
15 Judgment prior to the taking of any proof, and without trial or adjudication of any issue or fact or
16 law herein. This Judgment shall not constitute any admissions by Defendant regarding any issue
17 of fact or law alleged in the Complaint in this action, and shall not constitute an admission of any
18 violation of any law relating to the importation, manufacture, packaging, sale or distribution of
19 polyethylene products.

20
21 **APPLICABILITY**

22 3. The provisions of this Judgment, including the injunction contained herein,
23 are applicable to Lexington Avenue Partners Delaware, Inc. doing business as American
24 Clothing Supply, and to its owners, officers, directors, employees, agents, and representatives,
25 acting within the actual and ostensible scope of their employment, and to all assigns or
26 successors of the Defendant, and to all persons, partnerships, corporations, and other entities
27 acting by, through, or on behalf of the Defendant, and to all persons acting in concert or
28 participation with the Defendant, who have actual or constructive knowledge of this Judgment.

1 INJUNCTION

2 4. Pursuant to Business and Professions Code sections 17203 and 17535,
3 Defendant, and all persons, corporations and entities set forth in paragraph 3 above, are hereby
4 permanently enjoined and restrained from engaging, directly or indirectly, in any of the
5 following acts or practices:

6 a. Selling any commodity in less quantity than represented, in
7 violation of Business and Professions Code section 12024;

8 b. Distributing or causing to be distributed any commodity when such
9 commodity is contained in a package, or if there is a label affixed to a such commodity, which
10 does not conform to Business and Professions Code sections 12601 *et seq.*, commonly known as
11 the Fair Packaging and Labeling Act, in violation of Business and Professions Code section
12 12602;

13 c. Distributing or causing to be distributed any packaged commodity
14 that does not bear a label specifying the identity of the commodity and the name and place of
15 business of the manufacturer, packer or distributor; and does not separately and accurately state,
16 in a uniform location on the principal display panel of the label, the net quantity of the contents
17 (in terms of weight or mass, measure, numerical count, or time) as set forth in, and required by,
18 Business and Professions Code section 12603;

19 d. Failing to accurately declare the quantity of contents for
20 polyethylene products as required by Title 4 California Code of Regulations section 4512.1.

21 MONETARY RELIEF

22 5. Defendant is ordered to pay the total sum of \$17,425 in monetary relief.
23 Of that amount, \$8297.50 represents civil penalties pursuant to Business and Professions Code
24 sections 17206 and 17536. The balance of \$9,127.50 represents legal and investigative costs
25 including \$4850 in investigation costs incurred by the State of California, Division of
26 Measurement Standards, \$3862.50 in investigation costs incurred by the County of Los Angeles,
27 Bureau of Weights and Measures, and \$415 to the Los Angeles Superior Court which
28

1 represent court fees. All monies shall be paid to the Los Angeles County District Attorney's
2 Office for distribution. The sums set forth in this paragraph shall be paid upon the following
3 terms and conditions:

4 a. At the time of filing of this Final Judgment, Defendant shall
5 provide to the District Attorney's Office certified or cashier's checks made payable as follows:
6 one check made payable to the Los Angeles Superior Court in the amount of \$415, and a second
7 made payable to the Los Angeles County District Attorney's Office in the amount of \$2000
8 representing partial payment toward penalties and costs.

9 b. The balance of \$15,010 shall be paid in equal monthly installments
10 of \$1250.83, payable on the first day of each month following entry of this Final Judgment, until
11 the balance is paid in full.

12 c. All payments made pursuant to this paragraph shall be made by
13 certified or cashier's check and mailed or delivered to the attention of Stanley P. Williams, Head
14 Deputy District Attorney, Office of the District Attorney, Consumer Protection Division, 201
15 North Figueroa Street, Suite 1200, Los Angeles, California 90012.

16 d. In the event of default by Defendant on any of the payments
17 described herein, the full balance shall become due and payable and shall incur interest at the
18 legal rate from the date of such default. Plaintiff shall be entitled to reasonable fees and costs
19 incurred in collecting any payments due and owing subsequent to such default.

20
21 **COMPLIANCE PROGRAM**

22 6. To ensure compliance with this Judgment, Defendant, within one month
23 following entry of this Judgment, shall institute and maintain written policies and procedures
24 whereby all polyethylene products received, including plastic bags and shrink wrap, are
25 inspected using a random selection process, to ensure that label representations with respect to
26 quantity and count are accurate, and that the packages contain a correct Responsibility
27 Statement. The quality control procedures shall use random sampling testing procedures similar
28 to those set forth in the National Institute of Standards and Technology (NIST) Handbook 133.

1 An employee shall be designated to inspect all received shipments of polyethylene products
2 within 7 days of receipt, and to prepare a report of the findings.

3 7. If the outside of an inspected or visible box does not show complete
4 information for length, width, area, thickness, net weight, number of bags or Responsible Party,
5 or if the measurements of length, width, area or net weight shown on the outside of the boxes
6 does not match the measured or calculated number, the entire shipment must be quarantined until
7 corrected.

8 8. If the outside of the an inspected or visible box does not bear the name and
9 complete address of the manufacturer, packer or distributor (Responsible Party) as required by
10 Business and Professions Code section 12603, the entire shipment must be quarantined until
11 corrected.

12 9. A shipment may be released for shipping or delivery only if the
13 procedures as set forth above have been followed and completed, and the designated employee
14 responsible for inspection signs and dates an inspection statement indicating the shipment has
15 been inspected and determined to be approved for release for shipping or delivery.

16 10. Defendant shall maintain for inspection all logs, reports and certified
17 letters for review by representatives of the Division of Measurement Standards or Bureau of
18 Weights and Measures.

19 11. Defendant shall deliver a copy of this Final Judgment to all officers,
20 directors, managers, agents, employees and representatives of the Defendant, including all
21 companies and businesses with which they are associated, within ten (10) days of the entry of
22 this Judgment.

23 12. Defendant shall permit duly authorized representatives of the Plaintiff, at
24 reasonable times and places, and without interference of any kind, to interview agents, servants,
25 employees, or representatives of Defendant, or any of them, regarding any matter contained in
26 this Final Judgment. Nothing in this paragraph shall be deemed or interpreted to limit the State
27 of California Division of Measurement Standards, or the County of Los Angeles Bureau of
28 Weights and Measures from exercising their statutory and administrative powers.

1 STEVE COOLEY, District Attorney
County of Los Angeles
2 STANLEY P. WILLIAMS, State Bar No. 106658
3 LESLIE A. HANKE, State Bar No. 122237
Deputy District Attorneys
4 201 North Figueroa Street, Suite 1200
5 Los Angeles, California 90012
Telephone (213) 580-3255
6 Attorneys for Plaintiff

CONFORMED COPY
ORIGINAL FILED
Superior Court of California
County of Los Angeles

NOV 09 2011

John A. Clarke, Executive Officer/Clerk
By E.T. Espinoza, Deputy

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF LOS ANGELES

BC 472722

11 THE PEOPLE OF THE STATE OF CALIFORNIA,	)	CASE NO.
)	
12 Plaintiff,	)	FINAL JUDGMENT
13 v.	)	PURSUANT TO
	)	STIPULATION
14)	
15 LEXINGTON AVENUE PARTNERS)	
16 DELAWARE, INC., a Delaware Corporation,)	
16 doing business as American Clothing Supply,)	
17)	
17 Defendant.)	
18)	

19 Plaintiff, the PEOPLE OF THE STATE OF CALIFORNIA, having filed its
20 Complaint herein; and Defendant LEXINGTON AVENUE PARTNERS DELAWARE, INC.
21 doing business as American Clothing Supply, having acknowledged receipt thereof; and
22 Plaintiff appearing through its attorneys Steve Cooley, District Attorney of Los
23 Angeles County, by Stanley P. Williams and Leslie A. Hanke, Deputy District Attorneys, and
24 Defendant Lexington Avenue Partners Delaware, Inc. dba American Clothing Supply, appearing
25 by and through counsel David Mike Azema, Esq.; and

26 IT APPEARING TO THE COURT that the parties hereto have stipulated to the
27 entry of this Final Judgment, the court having considered the matter and good cause appearing
28 therefore; and

1 Plaintiff and Defendant having stipulated and consented to the entry of this
2 Judgment prior to the taking of any proof, and without trial or adjudication of any fact or law
3 herein, and without this Judgment constituting any admission by Defendant regarding any issue
4 of fact or law alleged in said Complaint; and

5 The Court having considered the pleadings:

6 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Plaintiff have
7 judgment against the Defendant as follows:

8
9 **JURISDICTION**

10 1. This action is brought under California law and this Court has jurisdiction of
11 the subject matter hereof and the parties hereto.

12
13 **DISCLAIMER OF ADMISSIONS**

14 2. Plaintiff and Defendant have stipulated and consented to the entry of this
15 Judgment prior to the taking of any proof, and without trial or adjudication of any issue or fact or
16 law herein. This Judgment shall not constitute any admissions by Defendant regarding any issue
17 of fact or law alleged in the Complaint in this action, and shall not constitute an admission of any
18 violation of any law relating to the importation, manufacture, packaging, sale or distribution of
19 polyethylene products.

20
21 **APPLICABILITY**

22 3. The provisions of this Judgment, including the injunction contained herein,
23 are applicable to Lexington Avenue Partners Delaware, Inc. doing business as American
24 Clothing Supply, and to its owners, officers, directors, employees, agents, and representatives,
25 acting within the actual and ostensible scope of their employment, and to all assigns or
26 successors of the Defendant, and to all persons, partnerships, corporations, and other entities
27 acting by, through, or on behalf of the Defendant, and to all persons acting in concert or
28 participation with the Defendant, who have actual or constructive knowledge of this Judgment.

1 INJUNCTION

2 4. Pursuant to Business and Professions Code sections 17203 and 17535,
3 Defendant, and all persons, corporations and entities set forth in paragraph 3 above, are hereby
4 permanently enjoined and restrained from engaging, directly or indirectly, in any of the
5 following acts or practices:

6 a. Selling any commodity in less quantity than represented, in
7 violation of Business and Professions Code section 12024;

8 b. Distributing or causing to be distributed any commodity when such
9 commodity is contained in a package, or if there is a label affixed to a such commodity, which
10 does not conform to Business and Professions Code sections 12601 *et seq.*, commonly known as
11 the Fair Packaging and Labeling Act, in violation of Business and Professions Code section
12 12602;

13 c. Distributing or causing to be distributed any packaged commodity
14 that does not bear a label specifying the identity of the commodity and the name and place of
15 business of the manufacturer, packer or distributor; and does not separately and accurately state,
16 in a uniform location on the principal display panel of the label, the net quantity of the contents
17 (in terms of weight or mass, measure, numerical count, or time) as set forth in, and required by,
18 Business and Professions Code section 12603;

19 d. Failing to accurately declare the quantity of contents for
20 polyethylene products as required by Title 4 California Code of Regulations section 4512.1.

21 MONETARY RELIEF

22 5. Defendant is ordered to pay the total sum of \$17,425 in monetary relief.
23 Of that amount, \$8297.50 represents civil penalties pursuant to Business and Professions Code
24 sections 17206 and 17536. The balance of \$9,127.50 represents legal and investigative costs
25 including \$4850 in investigation costs incurred by the State of California, Division of
26 Measurement Standards, \$3862.50 in investigation costs incurred by the County of Los Angeles,
27 Bureau of Weights and Measures, and \$415 to the Los Angeles Superior Court which
28

1 represent court fees. All monies shall be paid to the Los Angeles County District Attorney's
2 Office for distribution. The sums set forth in this paragraph shall be paid upon the following
3 terms and conditions:

4 a. At the time of filing of this Final Judgment, Defendant shall
5 provide to the District Attorney's Office certified or cashier's checks made payable as follows:
6 one check made payable to the Los Angeles Superior Court in the amount of \$415, and a second
7 made payable to the Los Angeles County District Attorney's Office in the amount of \$2000
8 representing partial payment toward penalties and costs.

9 b. The balance of \$15,010 shall be paid in equal monthly installments
10 of \$1250.83, payable on the first day of each month following entry of this Final Judgment, until
11 the balance is paid in full.

12 c. All payments made pursuant to this paragraph shall be made by
13 certified or cashier's check and mailed or delivered to the attention of Stanley P. Williams, Head
14 Deputy District Attorney, Office of the District Attorney, Consumer Protection Division, 201
15 North Figueroa Street, Suite 1200, Los Angeles, California 90012.

16 d. In the event of default by Defendant on any of the payments
17 described herein, the full balance shall become due and payable and shall incur interest at the
18 legal rate from the date of such default. Plaintiff shall be entitled to reasonable fees and costs
19 incurred in collecting any payments due and owing subsequent to such default.

20
21 **COMPLIANCE PROGRAM**

22 6. To ensure compliance with this Judgment, Defendant, within one month
23 following entry of this Judgment, shall institute and maintain written policies and procedures
24 whereby all polyethylene products received, including plastic bags and shrink wrap, are
25 inspected using a random selection process, to ensure that label representations with respect to
26 quantity and count are accurate, and that the packages contain a correct Responsibility
27 Statement. The quality control procedures shall use random sampling testing procedures similar
28 to those set forth in the National Institute of Standards and Technology (NIST) Handbook 133.

1 An employee shall be designated to inspect all received shipments of polyethylene products
2 within 7 days of receipt, and to prepare a report of the findings.

3 7. If the outside of an inspected or visible box does not show complete
4 information for length, width, area, thickness, net weight, number of bags or Responsible Party,
5 or if the measurements of length, width, area or net weight shown on the outside of the boxes
6 does not match the measured or calculated number, the entire shipment must be quarantined until
7 corrected.

8 8. If the outside of the an inspected or visible box does not bear the name and
9 complete address of the manufacturer, packer or distributor (Responsible Party) as required by
10 Business and Professions Code section 12603, the entire shipment must be quarantined until
11 corrected.

12 9. A shipment may be released for shipping or delivery only if the
13 procedures as set forth above have been followed and completed, and the designated employee
14 responsible for inspection signs and dates an inspection statement indicating the shipment has
15 been inspected and determined to be approved for release for shipping or delivery.

16 10. Defendant shall maintain for inspection all logs, reports and certified
17 letters for review by representatives of the Division of Measurement Standards or Bureau of
18 Weights and Measures.

19 11. Defendant shall deliver a copy of this Final Judgment to all officers,
20 directors, managers, agents, employees and representatives of the Defendant, including all
21 companies and businesses with which they are associated, within ten (10) days of the entry of
22 this Judgment.

23 12. Defendant shall permit duly authorized representatives of the Plaintiff, at
24 reasonable times and places, and without interference of any kind, to interview agents, servants,
25 employees, or representatives of Defendant, or any of them, regarding any matter contained in
26 this Final Judgment. Nothing in this paragraph shall be deemed or interpreted to limit the State
27 of California Division of Measurement Standards, or the County of Los Angeles Bureau of
28 Weights and Measures from exercising their statutory and administrative powers.

1 ELIZABETH A. EGAN
2 DISTRICT ATTORNEY, COUNTY OF FRESNO
3 BY: EDWARD T. BROWNE, SBN 167638
4 DEPUTY DISTRICT ATTORNEY
5 929 L Street
6 Fresno, CA 93721
7 Telephone: (559) 600-3156

FILED

FEB 27 2012

FRESNO COUNTY SUPERIOR COURT

By: _____ DEPT. 201

ATTORNEYS FOR PLAINTIFF

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF FRESNO

8 THE PEOPLE OF THE STATE OF
9 CALIFORNIA,

10 Plaintiff,

11 v.

12 MERCURY PLASTICS, INC. a California
13 Corporation, (located at 14825 Salt Lake
14 Avenue, City Of Industry, California),

15 Defendant(s).

) Civil Case No.: 12 CE CG 00 609

) D.A. Case No.: 2007 B 49827

) STIPULATED FINAL JUDGMENT

16 THE PEOPLE OF THE STATE OF CALIFORNIA, appearing through its attorneys,
17 ELIZABETH A. EGAN, District Attorney of Fresno County, California, by and through
18 EDWARD T. BROWNE, Deputy District Attorney, and Defendant MERCURY PLASTICS,
19 INC.,

20 All parties have stipulated and consented to this Final Judgment without the taking of
21 any evidence regarding any issue of law or fact; and

22 The Court having considered the pleadings, the Stipulation of the parties, and good
23 cause appearing:

24 IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

25 JURISDICTION

26 1. This Court has jurisdiction of the parties to this Judgment and of the subject
27 matter in this action, and that the injunctive provisions of this Judgment are issued pursuant to
28 Business and Professions Code § 17203.

APPLICABILITY

FINAL JUDGMENT AND PERMANENT INJUNCTION

1 further civil penalties pursuant to Business and Professions Code §17207.

2 CIVIL PENALTIES AND COSTS

3 6. Defendant shall pay the sum of Seventy Thousand, Three Hundred, Ninety-Five
4 Dollars (\$70,395.00) to the Fresno County District Attorney Consumer Protection Unit as
5 agreed civil penalties and miscellaneous costs pursuant to Business and Professions Code §
6 17206. The civil penalties shall be paid to the Fresno County District Attorney's Office
7 Consumer and Environmental Protection Unit for the continued enforcement of consumer and
8 environmental laws. Said payment shall be made by certified check or money order payable to
9 *Fresno County District Attorney* and shall be distributed by the Fresno County District
10 Attorney as follows:

11 (a) To the COUNTY OF FRESNO, DISTRICT ATTORNEY, the sum of
12 \$58,000.00 as agreed civil penalties;

13 (b) To the STATE OF CALIFORNIA, DEPARTMENT OF FOOD &
14 AGRICULTURE, DIVISION OF MEASUREMENT STANDARDS, the sum of \$6,508.00 as
15 agreed costs of investigation;

16 (c) To the FRESNO COUNTY DEPARTMENT OF AGRICULTURE in the
17 amount of \$1,800.00 which is allocated for the costs of its investigation.

18 (d) To the LOS ANGELES COUNTY DEPARTMENT OF
19 AGRICULTURE in the amount of \$1,800.00 which is allocated for the costs of its
20 investigation.

21 (e) To the SAN LUIS OBISPO COUNTY DEPARTMENT OF
22 AGRICULTURE in the amount of \$240.00 which is allocated for the costs of its investigation.

23 (f) To the TULARE COUNTY DEPARTMENT OF AGRICULTURE in
24 the amount of \$92.00 which is allocated for the costs of its investigation.

25 (g) To the IMPERIAL COUNTY DEPARTMENT OF AGRICULTURE in
26 the amount of \$360.00 which is allocated for the costs of its investigation.

27 (h) To the RIVERSIDE COUNTY DEPARTMENT OF AGRICULTURE in
28 the amount of \$1,200.00 which is allocated for the costs of its investigation.

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(i) To the SUPERIOR COURT OF CALIFORNIA, COUNTY OF
FRESNO the sum of Three Hundred Ninety-five dollars (\$395.00) as filing fees.

METHOD OF PAYMENT

7. All checks required under the terms of the Final Judgment shall be delivered to
the Fresno County District Attorney's Office, 929 L Street, Fresno, California 93721.

8. Upon entry of the Final Judgment, Defendant shall pay the sum of Ten
Thousand Three Hundred Ninety-five Dollars (\$10,395.00) with the remaining unpaid balance
of the civil penalties and costs to be paid in 30 monthly installments as follows:

- (a) \$2,000.00 payable on or before March 1, 2012.
- (b) \$2,000.00 payable on or before April 1, 2012.
- (c) \$2,000.00 payable on or before May 1, 2012.
- (d) \$2,000.00 payable on or before June 1, 2012.
- (e) \$2,000.00 payable on or before July 1, 2012.
- (c) \$2,000.00 payable on or before August 1, 2012.
- (f) \$2,000.00 payable on or before September 1, 2012.
- (g) \$2,000.00 payable on or before October 1, 2012.
- (h) \$2,000.00 payable on or before November 1, 2012.
- (i) \$2,000.00 payable on or before December 1, 2012.
- (j) \$2,000.00 payable on or before January 1, 2013.
- (l) \$2,000.00 payable on or before February 1, 2013.
- (m) \$2,000.00 payable on or before March 1, 2013.
- (n) \$2,000.00 payable on or before April 1, 2013.
- (o) \$2,000.00 payable on or before May 1, 2013.
- (p) \$2,000.00 payable on or before June 1, 2013.
- (q) \$2,000.00 payable on or before July 1, 2013.
- (r) \$2,000.00 payable on or before August 1, 2013.
- (s) \$2,000.00 payable on or before September 1, 2013.
- (t) \$2,000.00 payable on or before October 1, 2013.

- 1 (u) \$2,000.00 payable on or before November 1, 2013.
- 2 (v) \$2,000.00 payable on or before December 1, 2013.
- 3 (w) \$2,000.00 payable on or before January 1, 2014.
- 4 (x) \$2,000.00 payable on or before February 1, 2014.
- 5 (y) \$2,000.00 payable on or before March 1, 2014.
- 6 (z) \$2,000.00 payable on or before April 1, 2014.
- 7 (aa) \$2,000.00 payable on or before May 1, 2014.
- 8 (bb) \$2,000.00 payable on or before June 1, 2014.
- 9 (cc) \$2,000.00 payable on or before July 1, 2014.
- 10 (dd) \$2,000.00 payable on or before August 1, 2014.

11 9. In the event, Defendant fails to make payment of one monthly installment within
12 30 days after the date that the installment becomes due and owing as described above in
13 paragraph #8, Defendant shall be in default. Upon default by the Defendant, the entire principal
14 sum of the civil penalties and costs of the Judgment, then unpaid, shall become immediately
15 due and owing and shall commence to accrue statutory interest.

16 10. All checks required under the terms of this Final Judgment shall be delivered to
17 Fresno County District Attorney's Office, and 929 L Street, Fresno, California 93721.

18 11. The civil penalties and miscellaneous costs of the Judgment as set forth in
19 paragraph 6 shall not be dischargeable in any bankruptcy proceeding.

20 12. Each party shall bear all other costs of suit incurred in this case.

21 13. All forms of notice of service required to be made upon any Defendant for the
22 purpose of enforcement of the terms of this Judgment shall be deemed to have been made when
23 such service has been made via certified United States mail return receipt as follows to:

24 BENJAMIN DEUTSCH,
25 MERCURY PLASTICS, INC.
26 14825 Salt Lake Avenue
27 City Of Industry, California, 91746

27 **RETAINED JURISDICTION**

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14. Jurisdiction is retained for the purpose of enabling the party to this Judgment to apply to the Court at any time for such further orders or directions as may be necessary or appropriate for the carrying out of this Judgment, for the modification or termination of any of the injunctive provisions herein, for the enforcement of compliance herewith and for punishment of violations hereof.

15. This Judgment shall take effect immediately upon entry thereof.

DATED: 2/27/2

M. BRUCE SMITH

JUDGE OF THE SUPERIOR COURT

1 ELIZABETH A. EGAN
2 DISTRICT ATTORNEY, COUNTY OF FRESNO
3 EDWARD T. BROWNE, SBN 167638
4 DEPUTY DISTRICT ATTORNEY
5 929 L. Street
6 Fresno, California 93721
7 Telephone: (559) 600-3156

FILED
FEB 23 2012
FRESNO SUPERIOR COURT
By _____ GAC DEPUTY

ATTORNEYS FOR PLAINTIFF

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF FRESNO**

8 THE PEOPLE OF THE STATE OF	)	Civil Case No: 12 CE CG 00609
9 CALIFORNIA,	)	D.A. Case No.: <u>2007 B 49827</u>
10 Plaintiff,)	
11 v.	)	STIPULATION FOR ENTRY OF FINAL
12 MERCURY PLASTICS, INC. (a California	)	JUDGMENT
13 Corporation) (located at 14825 Salt Lake)	
14 Avenue, City Of Industry, California),)	
15 Defendant(s).)	

16 THE PEOPLE OF THE STATE OF CALIFORNIA, appearing through its attorneys,
17 ELIZABETH A. EGAN, District Attorney of Fresno County, California, by and through,
18 EDWARD T. BROWNE, Deputy District Attorney, and Defendant MERCURY PLASTICS,
19 INC., do hereby stipulate as follows:


- 20 1. The Complaint on file herein sets forth facts giving rise to a controversy
21 between Plaintiff and Defendants.
- 22 2. Defendant MERCURY PLASTICS, INC. hereby represents and warrants that it
23 has caused this Stipulation to be executed by its duly authorized officer, BENJAMIN
24 DEUTSCH, who has been duly authorized by appropriate corporate action to bind the
25 Corporation to all of the terms and conditions of this Stipulation and of the Final Judgment
26 entered pursuant thereto.
- 27 3. That MERCURY PLASTICS, INC. is entering into this Stipulation for Entry of
28 Final Judgment merely for the purpose of compromise and settlement and to avoid litigation.

1 4. That the Court has in persona jurisdiction of Defendant MERCURY
2 PLASTICS, INC. and subject matter jurisdiction over the instant action.

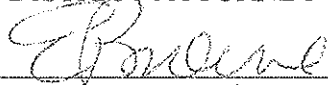
3 5. That the Final Judgment, a copy of which is attached hereto as EXHIBIT "A"
4 and made a part hereof, be entered forthwith and without the presentation of any evidence and
5 without trial or adjudication of any issue of law or fact herein.

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DATED: 2/13/12

DEFENDANT
By: 
BENJAMIN DEUTSCH on behalf of
MERCURY PLASTICS, INC.

DATED: 2/21/2012

ELIZABETH A. EGAN
DISTRICT ATTORNEY
By: 
EDWARD T. BROWNE
Deputy District Attorney

1 ELIZABETH A. EGAN
2 DISTRICT ATTORNEY, COUNTY OF FRESNO
3 BY: EDWARD T. BROWNE, SBN 167638
4 DEPUTY DISTRICT ATTORNEY
5 929 L Street
6 Fresno, CA 93721
7 Telephone: (559) 600-3156

8 ATTORNEYS FOR PLAINTIFF

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 COUNTY OF FRESNO

11 THE PEOPLE OF THE STATE OF
12 CALIFORNIA,

) Civil Case No.: _____
) D.A. Case No.: 2007 B 49827

13 Plaintiff,

) **STIPULATED FINAL JUDGMENT**

14 v.

15 MERCURY PLASTICS, INC. a California
16 Corporation, (located at 14825 Salt Lake
17 Avenue, City Of Industry, California),

18 Defendant(s).

19 _____
20 THE PEOPLE OF THE STATE OF CALIFORNIA, appearing through its attorneys,
21 ELIZABETH A. EGAN, District Attorney of Fresno County, California, by and through
22 EDWARD T. BROWNE, Deputy District Attorney, and Defendant MERCURY PLASTICS,
23 INC.,

24 All parties have stipulated and consented to this Final Judgment without the taking of
25 any evidence regarding any issue of law or fact; and

26 The Court having considered the pleadings, the Stipulation of the parties, and good
27 cause appearing:

28 IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

JURISDICTION

1. This Court has jurisdiction of the parties to this Judgment and of the subject
matter in this action, and that the injunctive provisions of this Judgment are issued pursuant to
Business and Professions Code § 17203.

APPLICABILITY **EXHIBIT A**

1 further civil penalties pursuant to Business and Professions Code §17207.

2 **CIVIL PENALTIES AND COSTS**

3 6. Defendant shall pay the sum of Seventy Thousand, Three Hundred, Ninety-Five
4 Dollars (\$70,395.00) to the Fresno County District Attorney Consumer Protection Unit as
5 agreed civil penalties and miscellaneous costs pursuant to Business and Professions Code §
6 17206. The civil penalties shall be paid to the Fresno County District Attorney's Office
7 Consumer and Environmental Protection Unit for the continued enforcement of consumer and
8 environmental laws. Said payment shall be made by certified check or money order payable to
9 *Fresno County District Attorney* and shall be distributed by the Fresno County District
10 Attorney as follows:

11 (a) To the COUNTY OF FRESNO, DISTRICT ATTORNEY, the sum of
12 \$58,000.00 as agreed civil penalties;

13 (b) To the STATE OF CALIFORNIA, DEPARTMENT OF FOOD &
14 AGRICULTURE, DIVISION OF MEASUREMENT STANDARDS, the sum of \$6,508.00 as
15 agreed costs of investigation;

16 (c) To the FRESNO COUNTY DEPARTMENT OF AGRICULTURE in the
17 amount of \$1,800.00 which is allocated for the costs of its investigation.

18 (d) To the LOS ANGELES COUNTY DEPARTMENT OF
19 AGRICULTURE in the amount of \$1,800.00 which is allocated for the costs of its
20 investigation.

21 (e) To the SAN LUIS OBISPO COUNTY DEPARTMENT OF
22 AGRICULTURE in the amount of \$240.00 which is allocated for the costs of its investigation.

23 (f) To the TULARE COUNTY DEPARTMENT OF AGRICULTURE in
24 the amount of \$92.00 which is allocated for the costs of its investigation.

25 (g) To the IMPERIAL COUNTY DEPARTMENT OF AGRICULTURE in
26 the amount of \$360.00 which is allocated for the costs of its investigation.

27 (h) To the RIVERSIDE COUNTY DEPARTMENT OF AGRICULTURE in
28 the amount of \$1,200.00 which is allocated for the costs of its investigation.

1 (i) To the SUPERIOR COURT OF CALIFORNIA, COUNTY OF
2 FRESNO the sum of Three Hundred Ninety-five dollars (\$395.00) as filing fees.

3 **METHOD OF PAYMENT**

4 7. All checks required under the terms of the Final Judgment shall be delivered to
5 the Fresno County District Attorney's Office, 929 L Street, Fresno, California 93721.

6 8. Upon entry of the Final Judgment, Defendant shall pay the sum of Ten
7 Thousand Three Hundred Ninety-five Dollars (\$10,395.00) with the remaining unpaid balance
8 of the civil penalties and costs to be paid in 30 monthly installments as follows:

- 9 (a) \$2,000.00 payable on or before March 1, 2012.
10 (b) \$2,000.00 payable on or before April 1, 2012.
11 (c) \$2,000.00 payable on or before May 1, 2012.
12 (d) \$2,000.00 payable on or before June 1, 2012.
13 (e) \$2,000.00 payable on or before July 1, 2012.
14 (c) \$2,000.00 payable on or before August 1, 2012.
15 (f) \$2,000.00 payable on or before September 1, 2012.
16 (g) \$2,000.00 payable on or before October 1, 2012.
17 (h) \$2,000.00 payable on or before November 1, 2012.
18 (i) \$2,000.00 payable on or before December 1, 2012.
19 (j) \$2,000.00 payable on or before January 1, 2013.
20 (l) \$2,000.00 payable on or before February 1, 2013.
21 (m) \$2,000.00 payable on or before March 1, 2013.
22 (n) \$2,000.00 payable on or before April 1, 2013.
23 (o) \$2,000.00 payable on or before May 1, 2013.
24 (p) \$2,000.00 payable on or before June 1, 2013.
25 (q) \$2,000.00 payable on or before July 1, 2013.
26 (r) \$2,000.00 payable on or before August 1, 2013.
27 (s) \$2,000.00 payable on or before September 1, 2013.
28 (t) \$2,000.00 payable on or before October 1, 2013.

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- (u) \$2,000.00 payable on or before November 1, 2013.
- (v) \$2,000.00 payable on or before December 1, 2013.
- (w) \$2,000.00 payable on or before January 1, 2014.
- (x) \$2,000.00 payable on or before February 1, 2014.
- (y) \$2,000.00 payable on or before March 1, 2014.
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- (aa) \$2,000.00 payable on or before May 1, 2014.
- (bb) \$2,000.00 payable on or before June 1, 2014.
- (cc) \$2,000.00 payable on or before July 1, 2014.
- (dd) \$2,000.00 payable on or before August 1, 2014.

9. In the event, Defendant fails to make payment of one monthly installment within 30 days after the date that the installment becomes due and owing as described above in paragraph #8, Defendant shall be in default. Upon default by the Defendant, the entire principal sum of the civil penalties and costs of the Judgment, then unpaid, shall become immediately due and owing and shall commence to accrue statutory interest.

10. All checks required under the terms of this Final Judgment shall be delivered to Fresno County District Attorney's Office, and 929 L Street, Fresno, California 93721.

11. The civil penalties and miscellaneous costs of the Judgment as set forth in paragraph 6 shall not be dischargeable in any bankruptcy proceeding.

12. Each party shall bear all other costs of suit incurred in this case.

13. All forms of notice of service required to be made upon any Defendant for the purpose of enforcement of the terms of this Judgment shall be deemed to have been made when such service has been made via certified United States mail return receipt as follows to:

BENJAMIN DEUTSCH,
MERCURY PLASTICS, INC.
14825 Salt Lake Avenue
City Of Industry, California, 91746

RETAINED JURISDICTION

1 14. Jurisdiction is retained for the purpose of enabling the party to this Judgment to
2 apply to the Court at any time for such further orders or directions as may be necessary or
3 appropriate for the carrying out of this Judgment, for the modification or termination of any of
4 the injunctive provisions herein, for the enforcement of compliance herewith and for
5 punishment of violations hereof.

6 15. This Judgment shall take effect immediately upon entry thereof.

7
8 DATED: _____

9
10 _____
11 JUDGE OF THE SUPERIOR COURT

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1 ELIZABETH A. EGAN
DISTRICT ATTORNEY, COUNTY OF FRESNO
2 BY: EDWARD T. BROWNE, SBN 167638
DEPUTY DISTRICT ATTORNEY
3 929 L. Street
Fresno, California 93721
4 Telephone: (559) 600-3156

FILED

FEB 23 2012

By _____ FRESNO SUPERIOR COURT
GAC DEPUTY

5 ATTORNEYS FOR PLAINTIFF

6 SUPERIOR COURT OF THE STATE OF CALIFORNIA

7 COUNTY OF FRESNO

8 THE PEOPLE OF THE STATE OF
9 CALIFORNIA,

10 Plaintiff,

11 v.

12 MERCURY PLASTICS, INC. (a California
Corporation) (located at 14825 Salt Lake
13 Avenue, City Of Industry, California),

14 Defendant(s).

Civil Case No.: 12 CE CG 00 609 *EMBS*
D.A. Case No.: 2007 B 49827

COMPLAINT FOR INJUNCTION, CIVIL
PENALTIES, AND OTHER RELIEF.
(*Bus. & Prof. Code §§ 12601 et seq. and
17200 et seq.*)

16 THE PEOPLE OF THE STATE OF CALIFORNIA, by and through ELIZABETH A.
17 EGAN, District Attorney of Fresno County, California, allege as follows:

18 1. ELIZABETH A. EGAN, District Attorney of Fresno County, California, acting
19 to protect the public from fraud, deception, and misleading advertisements, unlawful, unfair
20 and fraudulent business practices, brings this action in the name of the People of the State of
21 California.

22 2. The District Attorney's authority to bring this action derives from common law
23 and from statute including, but not limited to, Business and Professions Code §§ 17204, 17206,
24 17535 and 17536.

25 JURISDICTION AND VENUE

26 3. At all times herein mentioned, Defendant transacted business in the County of
27 Fresno, and elsewhere throughout the State of California. The actions of Defendant, as
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1 hereinafter alleged, are in violation of the laws and public policy of the State of California and
2 are inimical to the rights and interests of the general public as consumers and competitors of
3 Defendants. Unless enjoined and restrained by an order of this court, the Defendant will
4 continue to retain the means to engage in the unlawful actions, practices, and courses of
5 conduct set forth below.

6 4. Plaintiff is informed and believes that Defendant MERCURY PLASTICS, INC.
7 is located at 14825 Salt Lake Avenue, City Of Industry, California, and is a California
8 corporation registered to do business in the State of California with the California Secretary of
9 State as corporation number: C1416450 since August 26, 1987.

10 5. The hereinafter-described acts of Defendant are violations of law, and have been
11 and now are being carried out in Fresno County and elsewhere in the State of California.

12 6. Plaintiff is informed and believes, and thereupon alleges that Defendant was at
13 all times referenced herein, engaged in the distribution of plastic trash can liners, packing tape,
14 and plastic stretch wrap for sale to consumers. Defendant has violated Business and Profession
15 Code §§ 12024, 12603, 17200, 17500 and California Code of Regulations § 4512.1.

16 **FIRST CAUSE OF ACTION**

17 **Unlawful Business Act or Practices**

18 (Business and Professions Code §§ 17200 et seq.)

19 7. Plaintiff hereby incorporates all of paragraphs 1 through 6, inclusive, of this
20 Complaint as though fully set forth at length herein.

21 8. Within the past four (4) years from the date of the filing of this Complaint,
22 Defendant engaged in acts of unfair competition as defined in and prohibited by Business and
23 Professions Code § 17200. These acts of unfair competition include, but are not limited to, the
24 following:

25 (a) Selling plastic trash can liners and other plastic products in quantities less than
26 as represented on labels of these products in violation of Business and Professions Code
27 §12024.

28 (b) Selling or distributing plastic trash can liners and other plastic products with

1 labels of the packaging that did not bear the name and place of the manufacturer or packer in
2 violation of Business and Professions Code §12603(a).

3 (c) Selling plastic trash can liners and other plastic products that did not bear a
4 statement of the units of the dimensions of the products on the labels in violation of Business
5 and Professions Code §12603(b).

6 (d) Selling plastic trash can liners and other plastic products that did not bear a
7 statement of the units of the weights of the products on the labels in violation of Business and
8 Professions Code §12603(b).

9 **SECOND CAUSE OF ACTION**

10 **Injunctive Relief**

11 (Business and Professions Code §§ 17203, 17204, 17205, 17534.5 and 17535)

12 9. Plaintiff hereby incorporates all of paragraphs 1 through 8, inclusive, of this
13 Complaint as though fully set forth at length herein.

14 10. Plaintiff is informed and believes and thereupon alleges that unless enjoined and
15 restrained by order of this Court, said Defendant will continue to engage in the herein-above
16 described unlawful conduct in derogation of the rights and interests of the general public as
17 consumers and competitors of Defendant.

18 **PRAYER**

19 WHEREFORE, Plaintiff prays for the following:

20 1. That Defendant, their directors, officers, employees, agents and representatives,
21 and any and all persons who are acting in concert or participating in any manner with them, or
22 any of them, be permanently enjoined and restrained, directly or indirectly, from engaging in
23 the acts of unlawful business acts or practices and misleading or deceptive representations as
24 set forth in this complaint.

25 2. That Defendant, their directors, officers, employees, agents and representatives,
26 and any and all persons who are acting in concert or participating in any manner with them, or
27 any of them, be ordered to pay complete and full restitution to all consumers affected by
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Defendants' unlawful business acts or practices and misleading or deceptive representations as set forth in this complaint.

3. That, pursuant to the First Cause of Action, this Court assess a Civil penalty in the amount of Two Thousand Five Hundred Dollars (\$2,500.00) for each violation of Business and Professions Code §17200, according to proof, but in no event less than Two Hundred and Fifty Thousand Dollars (\$250,000.00).

4. That, pursuant to the Second Cause of Action, this Court imposes a permanent injunction which will restrain the Defendants from engaging in the herein-above described unlawful conduct.

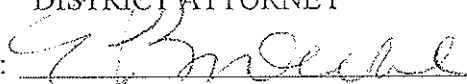
5. That Defendants be ordered to pay Plaintiff's cost of investigation.

6. That Defendants be ordered to pay Plaintiff's cost of suit.

7. That Plaintiff receives such other and further relief as the nature of this case may require and as the Court deems appropriate.

ELIZABETH A. EGAN
DISTRICT ATTORNEY

DATED: 2/21/2012

By: 
EDWARD T. BROWNE
Deputy District Attorney

NOTICE: This Complaint is deemed verified pursuant to § 446 of the California Code of Civil Procedure.

JUL 31 2013

1 PAUL ZELLERBACH
District Attorney, County of Riverside
Elise Farrell SBN 100929
2 Senior Deputy District Attorney
3960 Orange Street
3 Riverside, CA 92501
4 (951) 955-5400

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE

AUG 01 2013

Howell
L. Howell

5 GREGORY D. TOTTEN
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12 (559) 600-3156

13 Attorneys for Plaintiff,
The People of the State of California
14

15 SUPERIOR COURT OF CALIFORNIA, COUNTY OF RIVERSIDE

16 THE PEOPLE OF THE STATE OF CALIFORNIA,)

) Case No.:

RIC 1308673

17 Plaintiff,

18 vs.

) FINAL JUDGMENT AND PERMANENT
) INJUNCTION PURSUANT TO
) STIPULATION

19 TRM MANUFACTURING, INC. , a California
corporation; and UNITED POLYMERS, INC., a
20 California corporation;

21 Defendants.
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25 Plaintiff, the PEOPLE OF THE STATE OF CALIFORNIA, having filed its Complaint
26 herein; and Plaintiff appearing by and through its attorneys, PAUL ZELLERBACH, District
27 Attorney for the County of Riverside, State of California, by Elise J. Farrell, Senior Deputy District
28 Attorney; Gregory D. Totten, District Attorney of Ventura County, by Senior Deputy District

1 Attorney Linda S. Groberg and Elizabeth A. Egan, District Attorney of Fresno County, by Deputy
2 District Attorney Michael Brummel (collectively "District Attorneys"); and Defendants TRM
3 MANUFACTURING, INC.; UNITED POLYMERS, INC (collectively "Defendants") appearing by
4 and through counsel Kevin Erwin of Lewis Brisbois Bisgaard & Smith LLP and;

5 IT APPEARING TO THE COURT that the parties hereto having stipulated and consented
6 to the entry of this Judgment prior to the taking of any proof, and without trial or adjudication of
7 any fact or law herein, and without this Judgment constituting any admission by Defendants, or any
8 of them, regarding any issue of fact or law alleged in said Complaint;

9 The Court having considered the pleadings:

10 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Plaintiff have judgment
11 against the Defendants as follows:

12 **JURISDICTION**

13 1. This action is brought under California law and this Court has jurisdiction of the
14 subject matter hereof and the parties hereto.

15 **APPLICABILITY**

16 2. The provisions of this Judgment, including the injunction contained herein, are
17 applicable to Defendants TRM MANUFACTURING, INC., and UNITED POLYMERS, INC. and
18 to the owners, officers, directors, employees, agents, and representatives, acting within the actual
19 and ostensible scope of their employment, and to all assigns or successors of the Defendants, and to
20 all persons, partnerships, corporations, and other entities acting by, through, or on behalf of the
21 Defendants, and to all persons acting in concert or participation with the Defendants, who have
22 actual or constructive knowledge of this Judgment.

23 **INJUNCTION**

24 3. Pursuant to Business and Professions Code sections 17203 and 17535, Defendant
25 TRM Manufacturing, Inc., and all persons, corporations and entities set forth in paragraph 2 above,
26 with the exception of United Polymers, Inc., are hereby permanently enjoined and restrained from
27 engaging, directly or indirectly, in any of the following acts or practices:

28 a. Selling any commodity in less quantity than represented, in violation of

1 Business and Professions Code section 12024;

2 b. Distributing or causing to be distributed any packaged or labeled commodity
3 which does not conform to Chapters 1 and 2 of Division 5 of the Business and Professions Code,
4 sections 12601 et seq., commonly known as the Fair Packaging and Labeling Act, in violation of
5 Business and Professions Code section 12602;

6 c. Distributing or causing to be distributed a packaged or labeled commodity
7 that does not conform to Business and Professions Code section 12603; in violation of Business and
8 Professions Code section 12611;

9 d. Packaging, shipping, or selling a commodity with a label that does not
10 conform to Business and Professions Code section 12603, in violation of Business and Professions
11 Code section 12611;

12 e. Causing product to be distributed in violation of Business and Professions
13 Code section 12611;

14 f. Failing to accurately declare the quantity of contents for polyethylene
15 products as required by California Code of Regulations section 4512.1.

16 4. Pursuant to Business and Professions Code sections 17203 and 17535, Defendant
17 United Polymers, Inc., and all persons, corporations and entities set forth in paragraph 2 above, are
18 hereby permanently enjoined and restrained from engaging, directly or indirectly, in any of the
19 following acts or practices:

20 a. Distributing or causing to be distributed any packaged or labeled commodity
21 which does not conform to Chapters 1 and 2 of Division 5 of the Business and Professions Code,
22 sections 12601 et seq., commonly known as the Fair Packaging and Labeling Act, in violation of
23 Business and Professions Code section 12602;

24 b. Distributing or causing to be distributed a packaged or labeled commodity
25 that does not conform to Business and Professions Code section 12603; in violation of Business and
26 Professions Code section 12611;

27 c. Packaging, shipping, or selling a commodity with a label that does not
28 conform to Business and Professions Code section 12603, in violation of Business and Professions

1 Code section 12611;

2 d. Causing product to be distributed in violation of Business and Professions

3 Code section 12611;

4 **MONETARY RELIEF**

5 5. Upon entry of this Final Judgment, Defendants shall pay by separate cashier's check
6 made payable to the below-listed entities costs of investigation in the amount of \$50,985.51 as
7 follows:

8	California Division of Measurement Standards	\$ 20,727.00
9	Fresno County District Attorney	\$ 1,666.67
10	Riverside County District Attorney	\$ 1,666.66
11	Ventura County District Attorney	\$ 1,666.67
12	Riverside County Division of Weights and Measures	\$ 6,039.80
13	Ventura County Division of Weights and Measures	\$ 10,706.70
14	Imperial County Agricultural Comm/Sealer	\$ 496.50
15	Merced County Agriculture/Weights and Measures	\$ 201.00
16	Agricultural Commissioner Department of Weights and Measures,	\$ 4,659.96
17	County of Los Angeles	
18	County of San Bernardino Department of Weights and Measures	\$ 1,862.55
19	Tulare County Weights and Measures Division	\$ 184.00
20	Napa County Weights and Measures	\$ 352.00
21	Orange County Agricultural Commissioner	\$ 756.00

22
23 All checks shall be delivered to Elise J. Farrell, Riverside County District Attorney's Office, 3960
24 Orange Street, Riverside, CA 92501.

25 6. As provided by, and pursuant to Business and Professions Code sections 17206 and
26 17536, upon entry of this Final Judgment, Defendants shall pay to Plaintiff as civil penalties, the
27 sum of Two Hundred Thirty Nine Thousand Fourteen Dollars and forty nine (\$239,014.49) made
28 payable in separate cashier's checks payable to the following entities: (1) Seventy Nine Thousand

1 Six Hundred Seventy One Dollars and fifty cents (\$79,671.50) to the Riverside County District
2 Attorney; (2) Seventy Nine Thousand Six Hundred Seventy One Dollars and fifty cents
3 (\$79,671.50) to the Ventura County District Attorney; (3) Seventy Nine Thousand Six Hundred
4 Seventy One Dollars and forty nine cents (\$79,671.49) to the Fresno County District Attorney
5 Consumer Protection Trust. All checks shall be delivered to Elise J. Farrell, Riverside County
6 District Attorney's Office, 3960 Orange Street, Riverside, CA 92501.

7 7. Pursuant to Business and Professions Code sections 17203 and 17535, recognizing
8 the infeasibility of identifying consumers who suffered actual loss, the impracticality of providing
9 direct restitution to said consumers, and the disproportionate cost of making restitution to individual
10 consumers, which would far exceed the benefit consumers would gain, the parties agree that
11 Defendants shall pay *cy pres* restitution in the sum of Twenty Thousand Dollars (\$20,000.00) to the
12 Consumer Protection Prosecution Trust Fund established in the case of *People v. IIT Consumer*
13 *Financial Corporation* (Alameda Superior Court NO. 656038-0). This payment shall be made
14 upon entry of the Final Judgment, by a separate cashier's check, and shall be delivered to Elise J.
15 Farrell, Riverside County District Attorney's Office, 3960 Orange Street, Riverside, CA 92501.

16 8. Defendants shall bear their own attorney fees and costs.

17 **QUALITY CONTROL**

18 9. Within ninety (90) days after entry of this Final Judgment, and for so long as
19 Defendants are engaged in the packaging or selling or distributing in or from the State of California
20 any polyethylene product, Defendants shall develop, implement, and maintain a compliance
21 program designed to ensure that the product packaged and/or sold by Defendants anywhere from or
22 within the State of California, complies with the requirements of Business and Professions Code
23 section 12024 and the regulations adopted pursuant to that section. This compliance program shall
24 implement adequate controls and procedures reasonably designed to achieve compliance with
25 Business and Professions Code sections 12024, 12600 et seq., 17200, and 17500. Such controls and
26 procedures shall include reasonable check-weight protocols (to achieve accuracy in packaging and
27 labeling) and other reasonable quality-control protocols (to receive and address packaging and
28 labeling concerns from customers and employees).

1 **THIRD PARTY AUDITOR REQUIREMENTS**

2 10. Within ninety (90) calendar days of the entry of this Final Judgment,
3 Defendant TRM shall retain the services of an independent third party auditor ("Auditor"), who for
4 a period of three (3) years will conduct no less than six random quality control compliance audits
5 of TRM facilities and submit bi-annual quality control compliance audit reports to TRM with a
6 copy to the People, within fifteen (15) calendar days of each anniversary date of the entry of this
7 Final Judgment pursuant to Stipulation.

8 11. The Auditor, in conjunction with Defendants, will develop a quality control
9 compliance audit protocol meeting the requirements of this Final Judgment and shall provide it to
10 the People for review and comment. In addition to any other audit objectives deemed appropriate
11 by Defendants, the quality control compliance audits shall evaluate TRM's compliance with
12 Chapter 1 and 2 of Division 5 of the Business and Professions Code, and their implementing
13 regulations.

14 12. The quality control compliance audits shall also evaluate the implementation and
15 effectiveness of TRM'S quality control compliance program and any other labeling and packaging
16 compliance program implemented by Defendants to maintain compliance with Chapter 1 and 2 of
17 Division 5 of the Business and Professions Code. The quality control compliance audit reports
18 referenced above shall include, but not be limited to, a complete description and discussion of all
19 quality control packaging, labeling and compliance audit objectives, scope, and criteria, audit
20 activities, audit findings and audit conclusions, recommendations and shall identify and discuss all
21 audit evidence considered or relied upon to support the audit conclusions.

22 13. The quality control audit reports shall also contain a brief description of any written
23 advisements of violation, including formal Notices of Violation and inspection reports directed to
24 any of Defendant's facilities by any local, state or federal agency that identifies any violation of
25 any packaging or labeling law relating to the production, sale and distribution of plastics products.
26 Such reports shall also include, but not be limited to, a brief description of the disposition of any
27 such noted violations including whether Defendants or any of them paid any fines, costs or other
28 payments and what corrective measures, if any, were taken by Defendants.

1 14. Within 30 days after receipt by the People of each quality control compliance audit
2 report, TRM shall provide the People with a plan to correct any deficiencies raised in the quality
3 control compliance audit reports.

4 15. Should either party determine that the independent auditors' report is inaccurate,
5 deficient or incomplete, either party may request that another audit be performed, pursuant to
6 paragraph 10.

7 COMPLIANCE

8 16. For so long as Defendants are engaged in the packaging or selling or distributing in
9 or from the State of California of any packaged polyethylene product, Defendants shall maintain
10 written records and reports evidencing compliance with the procedures specified in paragraph nine
11 (9) and 10, above, for a period of five (5) years, and shall make them available upon demand to any
12 inspector from the California Department of Food and Agriculture, Division of Measurement
13 Standards, or any Agricultural Standards Officer or Investigator from the office of any County
14 Agriculture Commissioner/Sealer, or within 48 hours of the written demand of any District
15 Attorney's Office or City Attorney's Office in the State of California.

16 17. Within 30 days of the date of the filing of this Final Judgment, Defendants shall
17 provide a copy of the injunctive portions of this Final Judgment to its officers and employees who
18 have responsibility for developing and implementing policies and quality control with respect to the
19 subject matter of this Final Judgment. This shall be a continuing obligation for any new officers
20 and/or employees appointed or hired after entry of this Final Judgment. Each person to whom a
21 copy of this Judgment is provided must sign and date a document acknowledging receipt of these
22 provisions. The signed receipt must be maintained by Defendants for a period of three years from
23 termination with the company.

24 18. Defendants shall permit duly authorized representatives of the Plaintiff, at
25 reasonable times and places, and without interference of any kind, to interview agents, employees,
26 or representatives of Defendants regarding any matter contained in this Final Judgment. Nothing in
27 this paragraph shall be deemed or interpreted to limit the State of California Division of
28 Measurement Standards or county Weights and Measures from exercising their statutory and

1 administrative powers.

2 19. This Final Judgment shall take effect upon entry thereof.

3 **RETENTION OF JURISDICTION**

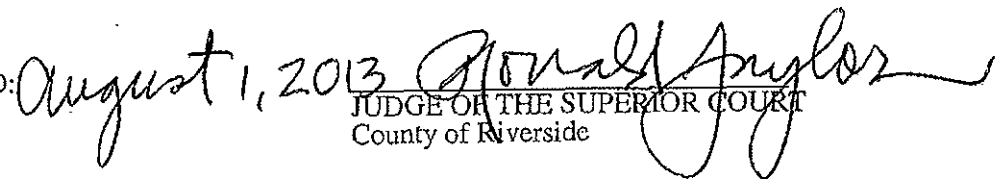
4 20. Jurisdiction is retained by this Court for the purpose of enabling any party to this
5 Final Judgment to apply to this Court at any time for such further orders and directions as may be
6 necessary and appropriate for the construction or carrying out of this Final Judgment, for the
7 enforcement of compliance herewith, or for the punishment of violations thereof.

8 21. Nothing in this Final Judgment shall be construed as relieving Enjoined Persons of
9 their obligation to comply, or prohibit Enjoined Persons from complying, with all applicable state
10 and federal laws, regulations or rules; nor shall any of the provisions of this Final Judgment be
11 deemed to be permission to engage in any acts or practices prohibited by such law, regulation or
12 rule.

13 22. The injunctive provisions of this Judgment are in addition to all other obligations
14 and duties imposed by law.

15 23. The parties waive the right to appeal this Judgment both as to form and content.

16 24. The Clerk shall enter this Judgment, consisting of eight (8) pages forthwith.

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19 DATED: August 1, 2013 
20 JUDGE OF THE SUPERIOR COURT
County of Riverside

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