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FILED  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF RIVERSIDE

DEC 28 2012

C. PULSIFER

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
10 COUNTY OF RIVERSIDE  
11 INDIO BRANCH

14 **THE PEOPLE OF THE STATE OF  
15 CALIFORNIA, ex rel. Edmund G. Brown  
16 Jr., Attorney General of the State of  
17 California,**

Plaintiff,

18 v.

19 **NATIVEBUY, INC., dba Nativebuy; and  
20 DOES 1 through 20, inclusive,**

21 Defendant.

Case No. INC 10005471

~~PROPOSED~~ FINAL JUDGMENT

Date: Not Applicable  
Time: Not Applicable  
Dept: 2H  
Judge: The Hon. Randall D. White  
Trial Date: Vacated  
Action Filed: September 10, 2010

22  
23 Having granted Plaintiff's motion for summary judgment in full and having granted that  
24 motion in accordance with the Court's formal order granting that motion, the Court now enters  
25 judgment for civil penalties and a permanent injunction against NativeBuy, Inc., as follows:

26 1. Defendant shall pay to Plaintiff a \$2,983,595 penalty pursuant to the section 17206 of  
27 the Business and Professions Code, which includes a \$15 penalty for each of the 189,473 times  
28

1 defendant sold off-directory cigarettes; and a \$500 penalty for each of the 283 times defendant  
2 purchased off-directory cigarettes in violation of this statute.

3 2. Defendant shall pay to Plaintiff a \$1,894,730 penalty pursuant to the Cigarette Fire-  
4 Safety and Firefighter Protection Act, for each of the 189,473 times defendant sold non-fire-safe-  
5 certified cigarettes in violation of this statute.

6 3. Defendant shall pay to Plaintiff a \$135,000 penalty pursuant to section 17206 of the  
7 Business and Professions Code, for each of the 270 times defendant violated 18 U.S.C. §2342,  
8 subdivision (a) (the federal Contraband Cigarette Trafficking Act).

9 4. Defendant NativeBuy Inc., its directors, officers, employees agents or any person  
10 acting in concert or cooperation with NativeBuy, Inc. are permanently enjoined, pursuant to  
11 section 17203 of the Business and Professions Code, from engaging in any of the following  
12 unlawful business practices:

13 (a) Violating the tobacco directory law, Revenue and Taxation Code section 30165.1, in  
14 any way, and specifically from:

15 (i) Selling, offering, or possessing for sale in this state cigarettes of a tobacco  
16 product manufacturer or brand family not included in the California Tobacco  
17 Directory, which conduct is prohibited by subdivision (e)(2) of section 30165.1;

18 (ii) Selling or distributing cigarettes that defendant knows or should know are  
19 intended to be distributed .in violation of subdivision (e)(2), which conduct is  
20 prohibited by subdivision (e)(3) of section 30165.1 ; and

21 (iii) Acquiring, holding, owning, possessing, transporting, importing or causing to  
22 be imported cigarettes that defendant knows or should know are intended to be  
23 distributed in violation of subdivision (e)(2), which acts are prohibited by  
24 subdivision (e)(3) of section 30165.1.

25 (b) Violating the California Cigarette Fire Safety and Firefighter Protection Act, Health  
26 and Safety Code section 14950 et seq., and specifically from selling, offering or  
27 possessing for sale in this state cigarettes not in compliance with the requirements of  
28 the Act, which conduct is prohibited by section 14951, subdivision (a), of the Health

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& Safety Code.

(c) Trafficking in contraband cigarettes, as defined in the Contraband Cigarette Trafficking Act, 18 U.S.C. section 2341 et seq., and specifically from shipping, transporting, receiving, possessing; selling, distributing, or purchasing more than 10,000 cigarettes whose packs do not bear California cigarette excise tax stamps, which acts are prohibited by section 2342(a) of 18 United States Code.

5. Plaintiff is entitled to its costs in an amount to be determined pursuant to a bill of costs.

IT IS SO ORDERED, ADJUDGED AND DECREED.

Dated: 12-28-12

Hon. Jeffrey L. Guenther  
Judge of the Superior Court