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1 XAVIER BECERRA Attorney General of California HARRISON POLLAK (SBN 200879) 2 Supervising Deputy Attorney General SCOTT LICHTIG (SBN 243520) 3 SOMERSET PERRY (SBN 293316) 4 Deputy Attorneys General 1515 Clay Street, 20th Floor P.O. Box 70550 5 Oakland, CA 94612-0550 Telephone: (510) 879-0852 6 Fax: (510) 622-2270 7 E-mail: Somerset.Perry@doj.ca.gov Attorneys for the People of the State of California. ex rel. Xavier Becerra, Attorney General, and 8 Meredith J. Williams, Acting Director, Dept. of 9 Toxic Substances Control 10 SUPERIOR COURT OF THE STATE OF CALIFORNIA 11 FOR THE COUNTY OF LOS ANGELES 12 13 PEOPLE OF THE STATE OF Case No. 14 CALIFORNIA, EX REL. XAVIER BECERRA, ATTORNEY GENERAL; AND STIPULATION AND [PROPOSED] 15 PEOPLE OF THE STATE OF CONSENT JUDGMENT AS TO EUN CALIFORNIA, EX REL. MEREDITH J. LEE dba SEVEN STAR FASHION 16 WILLIAMS, ACTING DIRECTOR, ACCESSORY DEPARTMENT OF TOXIC SUBSTANCES 17 CONTROL. Date: Time: 18 Plaintiffs, Dept: Judge: 19 Trial Date: ٧. Action Filed: 20 EUN LEE DBA SEVEN STAR FASHION 21 ACCESSORY, 22 Defendant. 23 24 I. INTRODUCTION 25 This stipulation and proposed consent judgment ("Consent Judgment") is between 26 Plaintiffs, the People of the State of California ("People"), ex rel. Xavier Becerra. Attorney 27 General ("Attorney General"), and ex rel. Meredith J. Williams, Acting Director, Department of 28

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Toxic Substances Control ("Department"), and Defendant Eun Lee dba Seven Star Fashion
Accessory ("Defendant"). The settling parties are referred to collectively as the "Parties."

- 2. The Parties enter into this Consent Judgment without a trial. It does not constitute evidence of an admission by Defendant regarding any issue of law or fact alleged in the Complaint. This Consent Judgment sets forth the obligations of Defendant and the People and constitutes the complete, final and exclusive agreement between the Parties and supersedes any prior agreements between the Parties except as specifically provided below.
- 3. For purposes of this Consent Judgment, (i) the Los Angeles Superior Court ("Court") has jurisdiction over the Parties to and the subject matter of this action; (ii) venue is proper in this Court; and (iii) the Court has personal jurisdiction over Defendant for the purposes of enforcing the terms of the Consent Judgment.

II. DEFINITIONS

- 4. The term "Analytical Testing" shall refer to testing for the presence of lead or other materials using the test methods and procedures set forth in Health and Safety Code sections 25214.4 and 25214.4.1.
- 5. The term "Complaint" shall refer to the complaint Plaintiffs will file in this Court shortly after executing the Consent Judgment, under the same caption as this document.
 - 6. The term "Court" shall refer to the Los Angeles County Superior Court.
- 7. The term "Covered Products" shall refer to the list of Jewelry products attached to the Consent Judgment as Exhibit A.
- 8. The term "Department" shall refer to the California Department of Toxic Substances Control.
- 9. The term "Effective Date" shall refer to the date on which the Court enters the Consent Judgment.
- 10. The term "Jewelry" shall have the same meaning as that term is defined in Health and Safety Code, section 25214.1, subdivision (h).
- 11. The term "Jewelry Law" shall refer to article 10.1.1 of chapter 6.5 of the Health & Safety Code (§§ 25214.1 et seg.).

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12. The term "Metal Content Claims" shall refer to claims on or in advertising materials.		
websites, packaging, signs, displays, receipts, or invoices about the metal content in Jewelry or		
about compliance with standards for metal in Jewelry, including but not limited to, claims about		
lead, cadmium, and nickel.		

- 13. The term "Noncompliant Jewelry" shall refer to Jewelry that cannot be manufactured, shipped, sold, offered for sale, or offered for promotional purposes in California under the Jewelry Law.
- 14. The term "XRF Analysis" shall refer to the use of X-ray Fluorescence Spectrometry to analyze Jewelry and Jewelry components for the presence of lead and other materials.

III. INJUNCTIVE RELIEF

- 15. <u>Compliance with Jewelry Law.</u> Defendant shall not manufacture, ship, sell, offer for sale or for promotional purposes in California Jewelry that does not comply with the Jewelry Law and other applicable federal and state lead standards.
- 16. <u>Disposal of Noncompliant Jewelry</u>. Defendant shall dispose of Noncompliant Jewelry in its possession in accordance with federal, state, and local laws and regulations.
- Law summary page attached hereto as Exhibit B, or the same information in a substantially similar written format, to every person or entity from which Defendant obtains Jewelry that it offers for retail sale or uses for promotional purposes in California, prior to obtaining the Jewelry and at least every six months thereafter while Defendant continues to obtain Jewelry from the person or entity. Defendant shall provide the fact sheet or equivalent information in English and in the recipient's language.
- 18. Reliance on Recent Testing. Defendant shall prepare the certifications required in Health and Safety Code section 25214.3.1, subdivision (b), based only upon Analytical Testing or XRF Analysis results that are (i) less than 90 days old at the time the Defendant receives the shipment of Jewelry from its supplier, or (ii) conducted by Defendant or by a certified laboratory in the United States after Defendant has received the shipment from its supplier.

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19. Metal Content Claims. Defendant shall not make Metal Content Claims for any style			
of Jewelry unless Defendant has Analytical Testing or XRF Analysis results that (i) comply with			
the requirements in Paragraph 18, above, and (ii) that demonstrate the Metal Content Claims are			
rue. Defendant shall not make Metal Content Claims about the complete absence of a metal			
(e.g., "No lead"), unless the testing or screening results demonstrate that the metal is not			
detectable.			

- 20. Jewelry Inspections. Defendant shall consent to having authorized representatives from the Department conduct inspections at any facility where Defendant manufactures, ships, sells, offers for sale or for promotional purposes, or stores Jewelry, for the purpose of monitoring compliance with the Jewelry Law and with this Consent Judgment.
- 21. Record Keeping. Defendant shall keep and maintain all records related to the purchase, sale, offer for sale, manufacture, import, transportation, testing, screening, and disposal of Jewelry, for at least five years from the date of purchase, sale, or disposal, whichever is later, and shall make such records available for inspection by the Attorney General and by the Department upon request. Records pertaining to the screening or testing of jewelry shall include an identification code for each style of jewelry (e.g., Uniform Product Code ("UPC") or Stock Keeping Unit code ("SKU")), the component tested or screened, and the results. Records pertaining to the disposal of jewelry shall include an identification code for each style of jewelry and documentation showing where and how the jewelry was disposed.
- 22. Compliance Verification (XRF Credit). In consideration for a reduction of the civil penalty, Defendant shall verify compliance with the Jewelry Law of all Jewelry that it offers for sale or uses for promotional purposes in California, as follows:
 - a. Defendant shall screen all of the components, as defined by the Metal-Containing Jewelry Law at Health & Safety Code section 25214.1, in at least one sample of each style of Jewelry for lead before offering it for sale in California. If the Jewelry is Children's Jewelry, Defendant shall also screen all of the components in at least one sample of each style for cadmium before offering it for sale in California.

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ъ.	o. The screening shall be by Analytical Testing or by XRF Analysis by som		
	who has been trained in the use of XRF Analysis for this purpose. Defendant		
	can use its own XRF device, or arrange with a third party to conduct the		
	analysis.		

- c. Defendant shall return or dispose of any Jewelry that does not pass XRF

 Analysis, unless it determines with Laboratory Analysis conducted after the

 XRF Analysis that the Jewelry complies with the Jewelry Law.
- d. Defendant shall keep detailed records of the compliance verification results. For each Jewelry style, the records shall include a brief description of the item and its identifying code (such as the UPC), the name and contact information of the supplier, the date it was tested or screened by or for Defendant, a list of components in the item that were screened, and whether each component passed or failed.
- e. Defendant shall submit quarterly reports for one year, and annual reports for two years after that, to the Attorney General and to the Department. Each report shall identify the total number of Jewelry items that were scanned, the number of items that did not pass, and the names and contact information of suppliers of any items that did not pass. Each report shall also attach evidence of the last calibration or maintenance date for the device used for XRF Analysis if owned by Defendant, or the name and contact information of the owner of the device used for XRF Analysis if Defendant did not use its own device (for example, if it rented). Quarterly reports are due January 31, March 31, July 31, and September 31, with the first one due on whichever of these dates is 30 days or more after the Effective Date. Annual reports are due for two years after the last quarterly report is submitted, on the same date as the last quarterly report.

IV. PENALTIES AND COSTS

23. Defendant shall make a settlement payment in the total amount of \$7,175, which is due within 10 calendar days after the Effective Date. The payment shall be allocated between

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civil penalties and partial reimbursement of the People's costs and attorneys' fees as set forth below:

- a. \$2,088 as a civil penalty for violations of the Jewelry Law pursuant to Health and Safety Code section 25214.3. This reflects a reduction in the penalty amount by \$10,000 pursuant to Paragraph 22.
- b. \$1,361 as a civil penalty for violations of the Business and Professions Code pursuant to sections 17206, 17500 and 17536.
- c. \$3,000 as partial reimbursement of attorneys' fees and costs incurred by the Attorney General on his own behalf or on behalf of the Department.
 - d. \$726 as partial reimbursement of the Department's investigation costs.
- 24. <u>Installments</u>. If Defendant elects in writing to do so within 10 days after the Effective Date, Defendant may make the settlement payment in twelve monthly installments, provided that each payment is for at least one twelfth (1/12) of the total amount due plus interest, which shall accrue at a rate of 10 percent per year. There is no penalty for early payment. The first payment is due at the time Defendant makes the election. The entire unpaid balance plus interest shall become due within 10 days after the Attorney General sends written notice of a default, unless such default is cured within that period.
- 25. Payments under this Consent Judgment by Defendant, and any written election under Paragraph 24 shall be made by certified check, payable to "Office of the California Attorney General." Each check shall bear on its face, "Jewelry Recoveries Fund, OK2017306447," and be sent to:

Sonia Ramos Office of the Attorney General 1515 Clay St., 20th Floor Post Office Box 70550 Oakland, CA 94612

26. The Attorney General shall collect the payments and distribute the payments for use as follows:

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a. 75% of funds paid as a civil penalty pursuant to the Jewelry Law shall be
deposited in the Toxic Substances Control Account, and the remaining 25% of such fund
shall be paid to the Attorney General to be used as provided in Paragraph 27 below.
(Health & Saf. Code, §§ 25192, subd. (a)(2), 25214.3, subd. (c).)

- b. 50% of funds paid as a civil penalty pursuant to Business and Professions Code sections 25206, 27500, and 27536, shall be placed in the Unfair Competition Law Fund within the General Fund in the State Treasury, to be used by the Attorney General to support investigations and prosecutions of California's consumer protection laws. (Bus. & Prof. Code, § 17206, subd. (d).) The remaining 50% of such funds shall be paid to the treasurer of Los Angeles County. (Id., §§ 17206, subd. (c), 17536, subd. (c),)
- c. Funds paid as partial reimbursement of attorneys' fees and costs incurred by the Attorney General on his own behalf or on behalf of the Department Funds shall be paid to the Attorney General to be used as provided in Paragraph 27 below.
- d. Funds paid as partial reimbursement of the Department's investigation costs shall be paid to the Department.
- 27. Funds paid to the Attorney General pursuant to Subparagraphs 26.a and 26.c shall be used by the Environment Section of the Public Rights Division of the Attorney General's Office, until all funds are exhausted, for any of the following purposes: (1) Implementation of the Attorney General's authority to protect the environment and natural resources of the State pursuant to Government Code section 12600 et seq. and as Chief Law Officer of the State of California pursuant to Article V, section 13 of the California Constitution; (2) enforcement of laws related to environmental protection, including, but not limited to, Chapters 6.5 and 6.95, Division 20, of the California Health & Safety Code; (3) enforcement of the Unfair Competition Law, Business & Professions Code section 17200 et seq., as it relates to protection of the environment and natural resources of the State of California; and (4) other environmental actions that benefit the State and its citizens as determined by the Attorney General. Such funding may be used for the costs of the Attorney General's investigation, filing fees and other court costs, payment to expert witnesses and technical consultants, purchase of equipment, laboratory

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analyses, personnel costs, travel costs, and other costs necessary to pursue environmental actions investigated or initiated by the Attorney General for the benefit of the State of California and its citizens.

28. If any payment required by this Consent Judgment is not received by the due date, then interest thereon as specified in section 685.010 of the Code of Civil Procedure shall begin to accrue as of the due date. Code of Civil Procedure section 1013, and the extensions provided for therein, shall not apply to nor extend any deadline referred to in this Section or in the payment provisions of this Consent Judgment.

V. ADDITIONAL PROVISIONS

- 29. Claims Covered. This Consent Judgment is a full, final, and binding resolution between the People, on the one hand, and Defendant and its successors and assigns ("Defendant Releasees"), on the other hand, of any violations of the Jewelry Law and Business & Professions Code sections 17200, 17500, and 17508 that were asserted in the Complaint against the Defendant based on the manufacturing, shipping, selling, offering for sale or for promotional purposes, Covered Products prior to the Effective Date.
- 30. Enforcement. In an action to enforce this Consent Judgment, the People may seek whatever fines, costs, attorneys' fees, penalties or remedies are provided by law for failure to comply with this Consent Judgment. Where said failure to comply constitutes a violation of law independent of this Consent Judgment and/or the allegations in the Complaint concerning Covered Products, the People are not limited to enforcement of this Consent Judgment, but may seek in another action, subject to satisfaction of any procedural requirements, including notice requirements, whatever fines, costs, attorneys' fees, penalties or remedies are provided by law. In any such other action, however, the requirements of this Consent Judgment shall not limit or impair any defense, arising at law or in equity, that Defendant may assert; except that Defendant shall not contest its obligation to comply with the terms of this Consent Judgment as set forth herein in any proceeding to enforce this Consent Judgment. Nothing in this Consent Judgment is intended to diminish the Department's authority under the Jewelry Law or any other law.

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- 31. Modification. This Consent Judgment may be modified from time to time by written stipulation of the Parties and the Court's entry of such stipulation. The Consent Judgment may also be modified upon entry of an order of this Court in accordance with law. Grounds for considering modification shall include any that are permitted by law, including that any part of this Consent Judgment is or has become preempted by federal law or regulation. Before filing an application with the Court for a modification to the Consent Judgment, the Parties shall meet and confer to determine whether they can agree on the proposed modification. If a proposed modification is agreed upon, then the parties will present the modification to the Court by means of a stipulated modification to the Consent Judgment as set forth in the first sentence of this paragraph.
- 32. Execution in Counterparts. This Consent Judgment may be executed in counterparts, which taken together shall be deemed to constitute one and the same document.
- 33. Entry of Consent Judgment. This Consent Judgment shall be binding and effective on the Effective Date, and the clerk is ordered to enter this Consent Judgment forthwith.
- 34. Approval of Consent Judgment. Within 60 days after all Parties have executed this Consent Judgment, the People shall file the Complaint and a Motion to Approve Consent Judgment with the Court, and take other reasonably necessary steps to obtain Court approval of the Consent Judgment. If this Consent Judgment is not entered by the Court, it shall be of no force or effect and shall not be introduced into evidence or otherwise used in any proceeding for any purpose.

1	IT IS SO STIPULATED.	
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3	Dated:	XAVIER BECERRA Attorney General of California
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7		SOMERSET PERRY Deputy Attorney General
8		For People of the State of California, ex rel. Xavier Becerra, Attorney General
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10	Dated: 38 2019	MEREDITH J. WILLIAMS Acting Director, Department of Toxic
11		Substances Control
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14		DYLAN CLARK
15		Senior Environmental Scientist, Supervisory For People of the State of California, ex rel.
16		Meredith J. Williams, Acting Director, Department of Toxic Substances Control
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18	Dated:	EUN LEE DBA SEVEN STAR FASHION ACCESSORY
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20		(Signature)
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22	541	(Print name)
23		(Print title)
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3	Dated:	Xavier Becerra
4		Attorney General of California
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7		SOMERSET PERRY Deputy Attorney General
8		For People of the State of California, ex rel Xavier Becerra, Attorney General
9		*
10	Dated:	MEREDITH J. WILLIAMS Acting Director, Department of Toxic
11 12		Substances Control
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1.4		DYLAN CLARK Senior Environmental Scientist, Supervisory
15		For People of the State of California, ex rel. Meredith J. Williams, Acting Director,
16		Department of Toxic Substances Control
17	Dozed	Providence of the control of the con
18	Dated:	Eun Lee dba Seven Star Fashion Accessory
19		Cambo 1
20	, *	(Signature)
21		(Print name)
23		(Print title)
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