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8	E-mail: Harrison.Pollak@doj.ca.gov Attorneys for the People of the State of California,			
9	ex rel. Xavier Becerra, Attorney General, and Meredith J. Williams, Acting Director, Dept. of			
10	Toxic Substances Control			
11	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
12	LOS ANGELES SUPERIOR COURT			
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16	PEOPLE OF THE STATE OF CALIFORNIA, EX REL. XAVIER	Case No		
17	BECERRA, ATTORNEY GENERAL; AND PEOPLE OF THE STATE OF			
18	CALIFORNIA, EX REL. MEREDITH J. WILLIAMS, ACTING DIRECTOR,	STIPULATION AND [PROPOSED] CONSENT JUDGMENT AS TO		
19	DEPARTMENT OF TOXIC SUBSTANCES CONTROL,	OBEDEDUM, INC. dba SUN'S TRADING CO.		
20	Plaintiffs,			
21	v.			
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23	OBEDEDUM INC. DBA SUN'S TRADING CO.,			
24	Defendant			
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I. INTRODUCTION

- 1. This stipulation and proposed consent judgment ("Consent Judgment") is between Plaintiffs, the People of the State of California ("People"), ex rel. Xavier Becerra, Attorney General ("Attorney General"), and ex rel. Meredith J. Williams, Acting Director, Department of Toxic Substances Control ("Department"), and Defendant Obededum, Inc. dba Sun's Trading Co. ("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 seq.*).
- 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.
- 17. Jewelry Law Fact Sheet to Suppliers. Defendant shall provide a copy of the Jewelry Law fact sheet attached as Exhibit B, or the same information in a substantially similar written format (Exh. C), to every person or entity from which Defendant obtains Jewelry for retail sale or 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. <u>Reliance on Recent Testing.</u> 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.

- 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 true. 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. <u>Jewelry Inspections</u>. 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. <u>Compliance Verification (XRF Credit)</u>. In consideration for a reduction of the civil penalty, Defendant shall verify compliance with the Jewelry Law at their United States locations where they manufacture, ship, sell, offer for sale or for promotional purposes Jewelry for retail sale in California, as follows:
 - a. For each shipment of Jewelry Defendant receives, Defendant shall screen all of the materials in at least one sample of each style of jewelry in the shipment for lead and, if it is Children's Jewelry, cadmium, before offering the jewelry for

sale in California. The screening shall be by Analytical Testing or by XRF Analysis by somebody 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.

- b. 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.
- c. Defendant shall keep detailed records of the compliance verification results. For each Jewelry style, the records should include a brief description of the item and its identifying code (such as the UPC), the name of the supplier, the date it was tested or screened by or for Defendant, a list of materials and/or components in the item that were screened, and whether each material and/or component passed or failed.
- d. 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 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 \$20,000, which is due within 10 calendar days after the Effective Date. The payment shall be allocated between

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. 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.
- c. 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 Subsections 26.a and 26.b 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 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. <u>Claims Covered.</u> 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 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.
- 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

1	IT IS SO STIPULATED.	
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3	Dated:	XAVIER BECERRA
4		Attorney General of California
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6		HARRISON POLLAK
7 8		Deputy Attorney General For People of the State of California, ex rel. Xavier Becerra, Attorney General
9		namer Becerra, nationally denotes
10 11	Dated:, 2018	MEREDITH J. WILLIAMS Acting Director, Department of Toxic
12		Substances Control
13		
14		DYLAN CLARK Senior Environmental Scientist, Supervisory
15 16		For People of the State of California, ex rel. Meredith J. Williams, Acting Director, Department of Toxic Substances Control
17	Dated:, 2018	OBEDEDUM, INC. DBA SUN'S TRADING CO.
18		
19		(0)
20		(Signature)
21		(Print name)
22		(Print title)
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1	IT IS SO STIPULATED.	
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3	Dated:	XAVIER BECERRA
4		Attorney General of California
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7		HARRISON POLLAK Deputy Attorney General
8		For People of the State of California, ex rel. Xavier Becerra, Attorney General
9		
10	Dated: 3/8 2018	MEREDITH J. WILLIAMS
11		Acting Director, Department of Toxic Substances Control
12		
13		Dyll
14		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	Dated:, 2018	OBEDEDUM, INC. DBA SUN'S TRADING CO.
18	2/8/2019	
19		Chinaf las
20		(Signature) Limberly Chang
21		(Print name)
22		President
23		(Print title)
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EXHIBIT A Company: Obededum, Inc. dba Sun's Trading Co. **Covered Jewelry:** Description UPC "Kimberly C" happy face hair tie RB2201 "Fashion Jewelry" miniature silver colored metal hair clips with glass gems JC592 Black elastic headband with double fabric flowers and plastic imitation stamen none found Large fabric and tulle flower hair clip with plastic imitation stamen beads none found