

1 REUBEN YEROUSHALMI (SBN 193981)  
2 DANIEL D. CHO (SBN 105409)  
3 BEN YEROUSHALMI (SBN 232540)  
4 YEROUSHALMI & ASSOCIATES  
5 3700 WILSHIRE BLVD., SUITE 480  
6 LOS ANGELES, CA 90010  
7 Telephone: 213-382-3183

8 Attorney for Plaintiff,  
9 Consumer Advocacy Group, Inc.

ENDORSED  
FILED  
San Francisco County Superior Court

DEC 20 2006

GORDON PARK-LI, Clerk  
BY: LINDA K. ESPY  
Deputy Clerk

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 COUNTY OF SAN FRANCISCO--UNLIMITED

12 CONSUMER ADVOCACY )  
13 GROUP, INC., in the public interest, )

14 Plaintiff, )

15 v. )

16 THE SWATCH GROUP (U.S.) )  
17 INC., and DOES 1-100, )

18 Defendants. )

Case No. CGC 05-438118

<sup>6</sup>  
[PROPOSED] ORDER GRANTING  
MOTION FOR JUDICIAL APPROVAL OF THE  
SETTLEMENT BETWEEN CONSUMER  
ADVOCACY GROUP, INC. AND THE  
SWATCH GROUP (U.S.) INC.

Action Filed: January 25, 2005

Discovery Cut-Off: March 3, 2006

Trial Date: April 3, 2006

Judge: The Honorable Ronald E. Quidachay

Date: November 21, 2006

Time: 9:30 a.m.

Dept: 302

21 On November 21, 2006, at 9:30 a.m., the Honorable Ronald E. Quidachay, in Department  
22 302 of this Court, heard Consumer Advocacy Group, Inc.'s motion for judicial approval of  
23 settlement of action between plaintiff, Consumer Advocacy Group, Inc. ("CAG") and  
24 defendant, The Swatch Group (U.S.) Inc. ("Swatch"). Appearances are in the record. The  
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<sup>6</sup>  
[PROPOSED] ORDER [PROPOSED] ORDER GRANTING MOTION FOR JUDICIAL APPROVAL OF THE  
SETTLEMENT AGREEMENT AND JUDGMENT BETWEEN CONSUMER ADVOCACY GROUP, INC. AND  
THE SWATCH GROUP (U.S.) INC.

1 Court, having considered the documents filed in connection with this matter and the arguments  
2 of counsel, has arrived at the following conclusions and SO ORDERS:

3 A. On January 25, 2005, CAG commenced this action in San Francisco Superior Court on  
4 behalf of itself, and suing in the public interest pursuant to Health and Safety Code section  
5 25249.7, subdivision (d).  
6

7 B. CAG and Swatch have executed a Settlement Agreement dated: September 22, 2006,  
8 attached to this order as Exhibit A, which CAG has submitted to this Court for approval pursuant  
9 to Proposition 65 (Health & Saf. Code, §§ 25249.5 et seq.).  
10

11 C. This Court has considered the Settlement Agreement and determined that it represents a  
12 fair, reasonable, and adequate settlement between CAG and Swatch.

13 **FINDINGS OF FACT AND ORDER APPROVING SETTLEMENT AGREEMENT**

14 1. The Settlement Agreement attached as Exhibit A provides that:

- 15
- 16 • Swatch shall refrain from selling and distributing in California any painted wristwatch  
17 band under the Swatch brand name and/or Swatch trademark having paint that contains  
18 lead and lead compounds, thereby eliminating a source of exposures of toxic chemicals  
19 to the public and precluding the need of a Proposition 65-complaint warning system;
  - 20 ▪ Swatch will make a payment to CAG of \$35,500.00 for its attorney fees and costs; and
  - 21 ▪ In lieu of civil penalties, Swatch will make an additional payment to CAG of \$2,500.00.  
22

23 2. The court grants the Motion for Judicial Approval of Settlement between CAG  
24 and Swatch in its entirety pursuant to Health and Safety Code section 25249.7, subdivision (f)(4)  
25 after making the following findings.  
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- 1 a. CAG has followed all procedural rules in seeking approval of the underlying  
2 settlement;  
3  
4 b. The Settlement Agreement properly requires no specific warnings because  
5 Swatch has agreed to eliminate completely the alleged exposures;  
6  
7 c. The award of \$35,500.00 in attorney fees and costs to CAG and its counsel of  
8 record in this action as set forth in the Settlement Agreement is appropriate  
9 and reasonable under California law given the total fees and costs incurred by  
10 CAG and its counsel of record in prosecuting this action;  
11  
12 d. The Settlement Agreement provides for a payment to an entity in lieu of a  
13 civil penalty that is proper in light of the criteria set forth in California Code  
14 of Regulations, title 11, section 3203, subdivision (b), and for the reasons  
15 stated in paragraph 2 above;  
16  
17 e. The terms of the Settlement Agreement are in the public interest consistent  
18 with Health and Safety Code section 25249.7, subdivision (d); and  
19  
20 f. CAG adequately represented the public interest in entering into the Settlement  
21 Agreement.  
22

23 Dated: DEC 19 2006, 2006

24 RONALD E. QUINN

25 JUDGE OF THE SUPERIOR COURT