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PEET'S COFFEE & TEA, INC. and
PEET'S OPERATING COMPANY, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES – CENTRAL DISTRICT

CONSUMER ADVOCACY GROUP, a California corporation,

Plaintiff,

v.

PEET'S COFFEE & TEA, INC., a Delaware California Corporation, PEET'S OPERATING COMPANY, INC., a Virginia, Corporation, and DOES 1-50;

Defendants.

No. BC428783

~~[PROPOSED]~~ STIPULATED CONSENT JUDGMENT

Complaint filed: December 24, 2009

1.0 INTRODUCTION

1.1 Plaintiff. Plaintiff Consumer Advocacy Group, Inc. ("Plaintiff" or "CAG"), on its own behalf and as a representative of the People of the State of California, is a non-profit public interest corporation.

1.2 Defendants. Peet's Coffee & Tea, Inc. and Peet's Operating Company, Inc. (collectively, "Peet's") owns and/or operates coffee and tea houses ("Stores") throughout California.

1.3 Parties. CAG and Peet's are collectively referred to herein as the "Parties."

1.4 Covered Properties. Certain of Peet's Stores have outdoor areas adjacent to the Store, wherein the smoking of tobacco and tobacco products is not expressly prohibited. Peet's Stores with outdoor areas subject to Peet's ownership or control (either exclusive or shared) are collectively referred to as the "Covered Properties."

1.5 Proposition 65. Health & Safety Code sections 25249.5 *et seq.* ("Proposition 65") prohibits, among other things, a company consisting of ten or more employees from knowingly and intentionally exposing an individual to chemicals that are known to the State of California to cause cancer and/or birth defects or other reproductive harm without first providing a clear and reasonable warning to such individuals. Exposures can occur as a result of a consumer product exposure, an occupational exposure or an environmental exposure.

1.6 Proposition 65 Chemicals. The State of California has officially listed various chemicals pursuant to Health & Safety Code section 25249.8 as chemicals known to the State of California to cause cancer and/or reproductive toxicity.

1.7 The Present Dispute. This Consent Judgment pertains to *Consumer Advocacy Group, Inc. v. Peet's Coffee & Tea, Inc., et al.*, Los Angeles Superior Court, Central District, Case No. BC428783, which was filed on December 24, 2009

1.8 Plaintiff's 60-day Notice. More than sixty days prior to filing the Action, CAG served on Peet's a document entitled "60-day Notice of Intent to Sue Under Health & Safety Code Section 25249.6 (the "Notice"). A true and correct copy of the Notice is attached hereto as Exhibit "A." The Notice stated, among other things, that Plaintiff believed that Peet's violated

Proposition 65 by knowingly and intentionally exposing consumers, and employees, as well as the public, to certain Proposition 65 listed chemicals at Covered Properties. Among those Proposition 65 noticed chemicals were tobacco products, tobacco smoke and secondhand tobacco smoke (and their constituent chemicals), (collectively "Noticed Chemicals"). This Consent Judgment covers only those specified Noticed Chemicals. CAG subsequently filed the instant action against Peet's ("Action"). The Action assets the Proposition 65 violation alleged in the Notice.

1.9 Purpose of Consent Judgment.

The Parties enter into this Consent Judgment pursuant to a settlement of certain disputed claims as alleged in the Complaint for the purpose of avoiding prolonged and costly litigation. The Parties wish to resolve completely and finally the issues raised by the Notice and the Action pursuant to the terms and conditions described herein. In entering into this Consent Judgment, the Parties recognize that this Consent Judgment is a full and final settlement of all claims related to tobacco products, tobacco smoke, and secondhand tobacco smoke (and their constituent chemicals) that were raised or that could have been raised in the Notice and the Action. CAG and Peet's also intend for this Consent Judgment to provide, to the maximum extent permitted by law, *res judicata* and/or collateral estoppel protection for Peet's, against any and all other claims based upon the same or similar allegations as to the Noticed Chemicals.

1.10 No Admission.

Nothing in this Consent Judgment shall be construed as an admission by the Parties of any fact, conclusion of law, issue of law or violation of law, nor shall compliance with the Consent Judgment constitute or be construed as an admission by the Parties of any fact, conclusion of law, issue of law, or violation of law.

1.11 Effective Upon Final Determination. Peet's willingness to enter into this Consent Judgment is based upon the understanding that this Consent Judgment will fully and finally resolve all claims related to tobacco products, tobacco smoke and secondhand tobacco smoke (and their constituent chemicals) brought by CAG, that this Consent Judgment will have *res judicata* and/or collateral estoppel effect to the extent allowed by law with regard to any

alleged violations of Proposition 65 by Peet's, and that compliance with the requirements of Section 3.1 below by any future Stores, will be deemed to satisfy any requirements of Proposition 65 related to tobacco products, tobacco smoke and secondhand tobacco smoke (and their constituent chemicals).

2.0 JURISDICTION

2.1 Subject Matter Jurisdiction. For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the allegations and claims alleged in the Action.

2.2 Personal Jurisdiction. For purposes of this Consent Judgment only, the Parties stipulate that this Court has personal jurisdiction over Peet's as to the acts and claims alleged in the Action.

2.3 Venue. For purposes of this Consent Judgment only, the Parties stipulate that venue for resolution of the allegations and claims asserted in the Action is proper in the County of Alameda.

2.4 Jurisdiction to Enter Consent Judgment. The Parties stipulate and agree that this Court has jurisdiction to enter this Consent Judgment as a full and final settlement and resolution of the allegations contained in the Notice, the Action, and of all claims that were or that could have been raised based on the facts alleged therein or arising therefrom.

3.0 COMPLIANCE: CLEAR AND REASONABLE WARNINGS

3.1 Consumer Product Warning. As to all Covered Properties, Peet's agrees as follows:

3.1.1 Peet's agrees, promises, represents, and warrants that within 120 days from the date of approval of the Consent Judgment, to ban smoking at all Covered Properties with outdoor areas under its exclusive ownership or control and to post warnings at the remaining Covered Properties.

3.1.2 At locations where smoking will be banned, Peet's agrees, subject to the terms of any applicable lease, and landlord approval if necessary, to post a placard stating "NO

SMOKING" on the wall of each patio at each of these locations within 120 days following the date on which the Court approves this Consent Judgment

3.1.3 As to the locations where warnings are to be posted, subject to the terms of any applicable lease, and Peet's landlord approval if necessary, Peet's agrees to post Proposition 65-compliant warnings on the walls of the outdoor areas within 120 days following the date on which the Court approves this Consent Judgment. These warnings shall state:

"WARNING: This area contains tobacco smoke, which is a chemical known to the State of California to cause cancer, birth defects or other reproductive harm."

3.1.4 The warnings set forth in Section 3.1.3 shall be displayed at the Store with such conspicuousness, as compared with other words, statements, designs, or devices as to render the warnings likely to be read and understood by an ordinary individual under customary conditions of purchase or use. If Peet's is unable to obtain landlord approval despite its commercially reasonable efforts it will not be obligated to enforce the requirements of Sections 3.1.1 through 3.1.4 at the respective locations for which approval is denied.

3.2 Compliance. Compliance with paragraphs 3.1.1, 3.1.2, 3.1.3 and 3.1.4 is deemed to fully satisfy Peet's's obligations under Proposition 65 with respect to any exposures and potential exposures to the Noticed Chemicals in all respects and to all persons and entities.

3.2.1 The provision of said warnings shall be deemed to satisfy all obligations under Proposition 65 by all person(s) or entit(ies) with respect to all consumer exposure to the constituent chemicals identified in the Notice. The warnings described in this section may be combined with other information on a single sign and may be provided by the same media and in the same or similar format in which other information is provided to the public.

3.3 Future Laws or Regulations. In lieu of complying with the requirements of paragraph 3.2, should (a) any future federal law or regulation that governs the warnings provided for herein preempt state authority with respect to said warning; (b) any future warning

requirement with respect to the subject matter of said paragraph be proposed by any industry association and approved by the State of California; or (c) any future state law or regulation specify a specific warning for consumer exposure with respect to the subject matter of said paragraph, Peet's may comply with the warning obligations set forth in paragraph 3.1.1, 3.1.2, 3.1.3 and 3.1.4 by complying with such future federal or state law or regulation or such future warning requirement upon notice to Plaintiff.

3.4 Statutory Amendment to Proposition 65. If a statutory, regulatory or other amendment to Proposition 65 is adopted that would exempt Peet's, the Released Parties (as defined in paragraph 4.2 below), or the class to which Peet's belongs, from providing the warnings described herein, then upon the adoption of such statutory amendment or regulation and to the extent authorized by such statutory amendment or regulation, Peet's shall be relieved from its obligation to provide the warnings set forth herein. In addition, should Peet's cease to own or operate and/or manage any of the Covered Properties, then Peet's shall be relieved of any obligation to provide warnings with respect to such Covered Properties.

3.5 Alleged Noncompliance. In the event that Plaintiff or any other person or entity alleges that any Store is out of compliance or has materially failed to comply with the terms of this Consent Judgment, then such person or entity shall notify Peet's of such alleged non-compliance in writing pursuant to Section 8.0 below. The notice shall be include a specific description of the location(s) and basis of the alleged non-compliance. Peet's shall have twenty-one (21) days following receipt of the notice to: (a) cure the alleged non-compliance and to provide reasonable evidence of such cure to Plaintiff or such other person or entity, or (b) describe, in writing, the bases upon which Peet's believes that it is in full compliance with the Consent Judgment. If Plaintiff does not agree with or accept Peet's response under (b) above, it may initiate dispute resolution proceedings under Section 7 below. In the event that Peet's presents reasonable evidence of a cure to the notifying party within the above 21-day period, then the Store(s) at issue shall be deemed to be in compliance with this Consent Judgment and there shall be no further action, claims or obligations in connection with the alleged non-compliance. If Plaintiff believes in good faith that the alleged non-compliance is continuing

notwithstanding the notice, Peet's response, and the expiration of the above right to cure period, then Plaintiff may, by motion or order to show cause before the Superior Court of Alameda, seek to enforce the terms and conditions of this Consent Judgment.

4.0 RELEASES AND CLAIMS COVERED

4.1 Effect of Judgment. This Consent Judgment is a full and final judgment with respect to any claims regarding the Noticed Chemicals that were asserted or that could have been asserted in the Action and/or the Notice against the Released Parties (as defined in paragraph 4.2 below), including, but not limited to: (a) claims for any violation of Proposition 65 by the Released Parties and each of them, including but not limited to, claims arising from consumer product, occupational and/or environmental exposures to the Noticed Chemicals, wherever occurring and to whomever occurring, through and including the date upon which this Consent Judgment becomes final, including all appeals; and (b) the Released Parties' continuing responsibility to provide the warnings mandated by Proposition 65 with respect to the Noticed Chemicals.

4.2 Release. Except for such rights and obligations as have been created under this Consent Judgment, Plaintiff, on its own behalf and in the interests of the public pursuant to Health & Safety Code section 25249.7(d), and Plaintiff's counsel, Yeroushalmi & Associates, with respect to the matters regarding the Noticed Chemicals alleged in the Notice and the Action, do hereby fully, completely, finally and forever release, relinquish and discharge: (a) Peet's Coffee & Tea, Inc. and Peet's Operating Company, Inc.; (b) the past, present, and future owners, lessors, sublessors, managers, franchisors, franchisees, wholesalers, distributors and operators of (and any others with any interest in) (i) all sites identified in the Notice, (ii) all Covered Properties, and (iii) all Stores affiliated with the parties identified in (a) above; and (c) the respective past, present, and future officers, directors, shareholders, affiliates, members, joint venturers, partners, agents, investors, principals, employees, lenders, attorneys, parents, subsidiaries, owners, sisters or other related entities, successors, and assigns of the persons and entities described in (a) and (b) above, and each of them (the parties identified in (a), (b), and (c) above are collectively referred to as the "Released Parties") of and from all claims, actions,

causes of action, suits, demands, rights, debts, agreements, promises, liabilities, damages, penalties, royalties, fees, accountings, costs and expenses, whether known or unknown, suspected or unsuspected, of any nature whatsoever that Plaintiff has or may have against the Released Parties, arising directly or indirectly out of any fact or circumstance occurring prior to the date upon which this Consent Judgment becomes final (including all appeals), relating to any actual or alleged violation of Proposition 65 by the Released Parties and their respective agents, servants and employees that were or could have been raised in the Notice and/or the Action (the "Released Claims"). In sum, the Released Claims include all allegations made, or that could have been made, by Plaintiff with respect to the Noticed Chemicals relating to Proposition 65 and/or the alleged actions or inactions underlying the alleged violations.

4.3 Intent of Parties. It is the intention of the Parties to this Release that, upon entry of judgment and conclusion of any and all appeals or litigation relating to this Consent Judgment, that this Consent Judgment shall be effective as a full and final accord and satisfaction and release of each and every Released Claim. In furtherance of this intention, Plaintiff acknowledges that it is familiar with California Civil Code section 1542, which provides as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Plaintiff waives and relinquishes all of the rights and benefits that Plaintiff has or may have under Civil Code section 1542 (as well as any similar rights and benefits which it may have by virtue of any statute or rule of law in any other state or territory of the United States). Plaintiff acknowledges that it may hereafter discover facts in addition to, or different from, those which it now knows or believes to be true with respect to the subject matter of this Consent Judgment and the Released Claims, and that notwithstanding the foregoing, it is Plaintiff's

intention to fully, finally, completely and forever settle and release all Released Claims, and that in furtherance of such intention, the release here given shall be and remain in effect as a full and complete general release, notwithstanding the discovery or existence of any such additional or different facts.

4.4 Plaintiff's Ability to Represent the Public. Plaintiff hereby warrants and represents to Defendants and the Released Parties that (a) Plaintiff has not previously assigned any Released Claim; and (b) Plaintiff has the right, ability and power to release each Released Claim.

Plaintiff further represents and warrants that it is a public benefit corporation formed for the specific purposes of (a) protecting and educating the public as to harmful products and activities; (b) encouraging members of the public to become involved in issues affecting the environment and the enforcement of environmental statutes and regulations including, but not limited to, Proposition 65; and (c) instituting litigation to enforce the provisions of Proposition 65.

4.5 No Further Force and Effect. In the event that (a) the Court denies the Parties' Joint Motion to Approve the Consent Judgment pursuant to Health & Safety Code section 25249.7(f)(4) as amended; or (b) a decision by the Court to approve the Consent Judgment is appealed and overturned by another Court, then upon notice by any Party hereto to any other Party hereto, this Consent Judgment shall be of no further force or effect and the Parties shall be restored to their respective rights and obligations as though this Consent Judgment had not been executed by the Parties.

5.0 ATTORNEY FEES AND COSTS

5.1 Payment in Lieu of Civil Penalties. Peet's shall pay CAG, incorporated for the purpose of furthering environmental causes, $9,500.00. Payment shall be to "Consumer Advocacy Group, Inc." CAG will use the payment for such projects and purposes related to environmental protection, worker health and safety, or reduction of human exposure to hazardous substances (including administrative and product testing costs arising from such

projects), as CAG may choose. CAG shall provide its address and federal tax identification number to Peet's prior to such payment.

5.2 Payment to Yeroushalmi & Associates. Peet's shall pay CAG $29,500.00 for its attorney fees and costs incurred in this matter. The check shall be to "Yeroushalmi & Associates." CAG represents and warrants that CAG has authorized the payment of attorney fees and costs, and that the payment and any application or distribution of such payment will not violate any agreement between CAG and its attorneys with any other person or entity. CAG releases and agrees to hold harmless the Released Parties with regard to any issue concerning the allocation or distribution of the amount paid under this section. Yeroushalmi & Associates shall provide its address and federal tax identification number to International prior to such payment.

5.3 Timing of Payments. The payments described above shall be made in full to their respective recipients within ten (10) business days following entry of this Court-approved Consent Judgment.

6.0 PRECLUSIVE EFFECT OF CONSENT JUDGMENT

6.1 Entry of Judgment. Entry of judgment by the Court pursuant to this Consent Judgment shall, *inter alia*:

6.1.1 Constitute full and fair adjudication of all claims against Peet's, including, but not limited to, all claims set forth in the Action based upon alleged violations of Proposition 65, as well as any other statute, provision of common law or any theory or issue which arose from Peet's's actual or alleged failure to provide warnings regarding consumer exposure to tobacco products, tobacco smoke and secondhand tobacco smoke (and its constituent chemicals) which are known to the State of California to cause cancer, birth defects and/or other reproductive harm;

6.1.2 Bar all other persons, on the basis of *res judicata*, collateral estoppel and/or the doctrine of mootness, from prosecuting against any Released Party any claim with respect to the Noticed Chemicals alleged in the Notice and the Action, and based upon alleged violations of Proposition 65; or any theory or issue which arose or may arise from the alleged failure to provide warnings of exposure to tobacco products, tobacco smoke, and secondhand

tobacco smoke (and its constituent chemicals), which are known to the State of California to cause cancer, birth defects, and/or other reproductive harm.

7.0 DISPUTES UNDER THE CONSENT JUDGMENT

7.1 Disputes. In the event that a dispute arises with respect to either Party's compliance with the terms of this Consent Judgment, the Parties shall meet, either in person or by telephone, and endeavor to resolve the dispute in an amicable manner. No action may be taken to enforce the provisions of this Consent Judgment absent such a good faith effort to resolve the dispute prior to the taking of such action. In the event that legal proceedings are initiated to enforce the provisions of this Consent Judgment, however, the prevailing party in such proceeding may seek to recover its costs and reasonable attorneys' fees. As used herein, the term "prevailing party" means a party that is successful in obtaining relief more favorable to it than the relief that the other party was amenable to providing during the parties' good faith attempt to resolve the dispute that is the subject of such enforcement action.

8.0 NOTICES

8.1 Written Notice Required. All notices between the Parties provided for or permitted under this Consent Judgment or by law shall be in writing and shall be deemed duly served: (a) when personally delivered to a party, on the date of such delivery; or (b) when sent via facsimile to a party at the facsimile number set forth below, or to such other or further facsimile number provided in any notice sent under the terms of this paragraph, on the date of the transmission of that facsimile; or (c) when deposited in the United States mail, certified, postage prepaid, addressed to such party at the address set forth below, or to such other or further address provided in a notice sent under the terms of this paragraph, three days following the deposit of such notice in the mails.

Notices pursuant to this paragraph shall be sent to the parties as follows:

(a) To Plaintiff:

Reuben Yeroushalmi
Yeroushalmi & Associates
3700 Wilshire Boulevard, Suite 480

Los Angeles, CA 90010
Facsimile Number: (213) 382-3430

(b) To Defendants:

Thomas P. Cawley, CFO
Peet's Coffee & Tea, Inc.
1400 Park Avenue
Emeryville, CA 94608

With copy to:
Stuart I. Block, Esq.
Cox, Castle & Nicholson LLP
555 California Street
10th Floor
San Francisco, CA 94104
Facsimile No. (213) 629-1033

A Party may change the address to which notice shall be provided under this Consent Judgment by serving a written notice to each of the Parties.

9.0 INTEGRATION

9.1 Integrated Writing. This Consent Judgment constitutes the final and complete agreement of the Parties hereto with respect to the subject matter hereof and supersedes all prior or contemporaneous negotiations, promises, covenants, agreements or representations concerning any matters directly, indirectly or collaterally related to the subject matter of this Consent Judgment. The Parties hereto have expressly and intentionally included in this Consent Judgment all collateral or additional agreements that may, in any manner, touch or relate to any of the subject matter of this Consent Judgment and therefore, all promises, covenants and agreements, collateral or otherwise are included herein and therein. The Parties intend that this Consent Judgment shall constitute an integration of all their agreements, and each understands that in the event of any subsequent litigation, controversy or dispute concerning any of its terms, conditions or provisions, no Party hereto shall be permitted to offer or introduce any oral or extrinsic evidence concerning any other collateral or oral agreement between the Parties not included herein.

10.0 TIMING

10.1 Time of Essence. Time is of the essence in the performance of the terms hereof.

11.0 COMPLIANCE WITH REPORTING REQUIREMENTS

11.1 Reporting Forms: Presentation to Attorney General. The Parties expressly acknowledge and agree to comply with the reporting requirements referenced in Health & Safety Code section 25249.7(f) and regulations promulgated thereunder. Upon receipt of all necessary signatures hereto, Plaintiff shall present this Proposed Consent Judgment to the California Attorney General's office.

12.0 COUNTERPARTS

12.1 Counterparts. This Consent Judgment may be signed in counterparts and shall be binding upon the Parties hereto as if all of the Parties executed the original hereof. A facsimile or pdf signature shall be valid as the original.

13.0 WAIVER

13.1 No waiver. No waiver by any Party hereto of any provision hereof shall be deemed to be a waiver of any other provision hereof or of any subsequent breach of the same or any other provision hereof.

14.0 AMENDMENT

14.1 In Writing. This Consent Judgment cannot be amended or modified except by a writing executed by the parties hereto that expresses, by its terms, an intention to modify this Consent Judgment.

15.0 SUCCESSORS

15.1 Binding Upon Successors. This Consent Judgment shall be binding upon and inure to the benefit of, and be enforceable by, the Parties hereto and their respective administrators, trustees, executors, personal representatives, successors and assigns.

16.0 CHOICE OF LAWS

16.1 California Law Applies. Any dispute regarding the interpretation of this Consent Judgment, the performance of the Parties pursuant to the terms of this Consent Judgment, or the damages accruing to a Party by reason of any breach of this Consent Judgment shall be

determined under the laws of the State of California, without reference to choice of law principles.

17.0 NO ADMISSIONS

17.1 Settlement Cannot Be Used as Evidence. This Consent Judgment has been reached by the Parties to avoid the costs of prolonged litigation. By entering into this Consent Judgment, neither Plaintiff nor Defendants admit any issue of fact or law, including any violation of Proposition 65 or any other law. The settlement of claims herein shall not be deemed to be an admission or concession of liability or culpability by any Party, at any time, for any purpose. Neither this Consent Judgment, nor any document referred to herein, nor any action taken to carry out this Consent Judgment, shall be construed as giving rise to any presumption or inference of admission or concession by Defendants as to any fault, wrongdoing or liability whatsoever. Neither this Consent Judgment, nor any of its terms or provisions, nor any of the negotiations or other proceedings connected with it, nor any other action taken to carry out this Consent Judgment, by any of the Parties hereto, shall be referred to, offered as evidence, or received in evidence in any pending or future, civil, criminal or administrative action or proceeding, except in a proceeding to enforce this Consent Judgment, to defend against the assertion of any Released Claim or as otherwise required by law.

18.0 REPRESENTATION

18.1 Construction of Consent Judgment. The Parties each acknowledge and warrant that they have been represented by independent counsel of their own selection in connection with the prosecution and defense of the Action, the negotiations leading to this Consent Judgment and the drafting of this Consent Judgment; and that in interpreting this Consent Judgment, the terms of this Consent Judgment will not be construed in favor of or against any Party hereto.

19.0 AUTHORIZATION

19.1 Authority to Enter Consent Judgment. Each of the signatories hereto certifies that he or she is authorized by the Party he or she represents to enter into this Consent Judgment,

to stipulate to this Consent Judgment, and to execute and approve this Consent Judgment on behalf of the Party represented.

Dated: April 8, 2010

CONSUMER ADVOCACY GROUP, INC.

By: _____

Its: Pres.

Dated: _____, 2010

PEET'S COFFEE & TEA, INC.

By: _____

Its: _____

Dated: _____, 2010

PEET'S OPERATING COMPANY, INC.

By: _____

Its: _____

ORDER AND JUDGMENT

Based upon the stipulated Consent Judgment between Consumer Advocacy Group, Inc. on the one hand, and Peet's Coffee & Tea, Inc., and Peet's Operating Company, Inc. on the other, the settlement is approved and judgment is hereby entered according to the terms herein.

Dated: 9/28, 2010

Soussan G. Bruguera

Judge, Superior Court of the State of California

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to stipulate to this Consent Judgment, and to execute and approve this Consent Judgment on behalf of the Party represented.

Dated: _____, 2010 CONSUMER ADVOCACY GROUP, INC.

By: _____

Its: _____

Dated: 4/12, 2010 PEET'S COFFEE & TEA, INC.

By: Tom Cawley

Its: CFO

Dated: 4/12, 2010 PEET'S OPERATING COMPANY, INC..

By: Tom Cawley

Its: CFO

ORDER AND JUDGMENT

Based upon the stipulated Consent Judgment between Consumer Advocacy Group, Inc. on the one hand, and Peet's Coffee & Tea, Inc., and Peet's Operating Company, Inc. on the other, the settlement is approved and judgment is hereby entered according to the terms herein.

Dated: _____, 2010

_____

Judge, Superior Court of the State of California