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**ENDORSED
FILED
ALAMEDA COUNTY**

MAR 26 2013

CLERK OF THE SUPERIOR COURT
By S. McMullen Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ALAMEDA

CENTER FOR ENVIRONMENTAL HEALTH,
Plaintiff,
v.
LULU NYC LLC, et al.,
Defendants.

) Lead Case No. RG 09-459448
)
) (Consolidated with Case Nos. RG 10-
) 494289, RG 10-494513, RG 10-494517,
) RG 11-598595, RG 11-598596, and RG
) 11-603764)

) ~~PROPOSED~~ CONSENT
) JUDGMENT AS TO LOVE
) CULTURE INC.

AND CONSOLIDATED CASES.

1. DEFINITIONS

1.1 The term "Cadmium Limit" means a maximum concentration of 0.03 percent (300 parts per million ("ppm")) by weight cadmium in any component of Jewelry, or in any material used in Jewelry. The forgoing shall not apply to components of or materials used in Jewelry made from cubic zirconia (sometimes called cubic zirconium, CZ), glass, rhinestones or vitrified ceramics except where the Jewelry in question is subject to California Health & Safety Code section 25214.2(d).

1 1.2 “Covered Products” means wallets, handbags, purses, clutches, footwear, belts and
2 Jewelry.

3 1.3 “Effective Date” means the date on which this Consent Judgment is entered by the
4 Court.

5 1.4 The term “Jewelry” means (a) the following ornaments worn by a person: an
6 anklet, arm cuff, bracelet, charm, brooch, chain, crown, cuff link, watch (excluding the timepiece
7 itself if removable), decorated hair accessory, earring, necklace, pin, ring; similar clothing or shoe
8 ornaments which are detachable; and body piercing jewelry; or (b) any bead, chain, link, pendant,
9 or other component of such an ornament.

10 1.5 “Lead Limit” means the following maximum concentrations of lead and lead
11 compounds (“Lead”) by weight in an component or material used in wallets, handbags, purses,
12 clutches, footwear and belts:

13 1.5.1 Paint or other Surface Coatings: 90 ppm.

14 1.5.2 Polyvinyl chloride (“PVC”): 200 ppm.

15 1.5.3 All other materials or components other than cubic zirconia (sometimes
16 called cubic zirconium, CZ), crystal, glass or rhinestones: 300 ppm.

17 1.6 The term “Listed Chemicals” means Lead and/or cadmium, as specified on
18 Exhibit A for Settling Defendant.

19 1.7 “Manufactured” and “Manufactures” means to manufacture, produce, or assemble.

20 1.8 “Paint or other Surface Coatings” means a fluid, semi-fluid, or other material,
21 with or without a suspension of finely divided coloring matter, which changes to a solid film
22 when a thin layer is applied to a metal, wood, stone, paper, leather, cloth, plastic, or other surface.
23 This term does not include printing inks or those materials which actually become a part of the
24 substrate, such as the pigment in a plastic article, or those materials which are actually bonded to
25 the substrate, such as by electroplating or ceramic glazing.

26 1.9 “Vendor” means a person or entity that Manufactures, imports, distributes, or
27 supplies a Covered Product to Settling Defendant.

28

1 **2. INTRODUCTION**

2 2.1 The parties to this Consent Judgment are the Center for Environmental Health
3 (“CEH”) and Love Culture Inc. (“Settling Defendant”). The Parties enter into this Consent
4 Judgment to settle certain claims asserted by CEH against Settling Defendant as set forth in the
5 operative Complaints in *CEH v. Bioworld Merchandising, Inc.*, Case No. RG 11-598596, *CEH v.*
6 *Yoki Shoes LLC*, Case No. RG 11-598595, *CEH v. Armani Exchange, Inc.*, Case No. RG 11-
7 603764 and *CEH v. Aeropostale, Inc., et. al.*, Case No. RG 10-514803. Exhibit A sets forth the
8 dates CEH named Settling Defendant as a defendant in each case. The *Aeropostale* case involves
9 violations of Proposition 65 (The Safe Drinking Water and Toxic Enforcement Act of 1986,
10 California Health & Safety Code §§ 25249.5, *et seq.*) as to cadmium in Jewelry, whereas the
11 *Bioworld*, *Yoki* and *Armani* cases (consolidated under *CEH v. Lulu NYC LLC, et al.*, Lead Case
12 No. RG 09-459448) involves violations of Proposition 65 as to Lead in wallets, handbags, purses,
13 clutches, footwear and belts. This Consent Judgment seeks to resolve CEH’s claims as to both
14 Lead and cadmium in the Covered Products across all of these related cases in this single
15 document. In order to facilitate such a resolution, the Parties agree that the operative First
16 Amended Complaint in *Bioworld* is deemed amended such that the term Products when used with
17 respect to Settling Defendant only includes cadmium-containing Jewelry. After entry of this
18 Consent Judgment, CEH agrees to dismiss Settling Defendant from the *Aeropostale* case without
19 prejudice, and Settling Defendant agrees to waive any costs related to such dismissal.

20 2.2 On July 1, 2011 and August 24, 2011, CEH served multiple 60-Day Notices of
21 Violation under Proposition 65, alleging that Settling Defendant violated Proposition 65 by
22 exposing persons to Listed Chemicals contained in Covered Products without first providing a
23 clear and reasonable Proposition 65 warning.

24 2.3 Settling Defendant is a corporation that sells Covered Products in the State of
25 California.

26 2.4 For purposes of this Consent Judgment only, CEH and Settling Defendant (the
27 “Parties”) stipulate that this Court has jurisdiction over the allegations of violations contained in
28 the operative Complaints and personal jurisdiction over Settling Defendant as to the acts alleged

1 in the Complaints, that venue is proper in the County of Alameda, and that this Court has
2 jurisdiction to enter this Consent Judgment.

3 2.5 Nothing in this Consent Judgment is or shall be construed as an admission by
4 the Parties of any fact, conclusion of law, issue of law or violation of law, nor shall compliance
5 with the Consent Judgment constitute or be construed as an admission by the Parties of any fact,
6 conclusion of law, issue of law, or violation of law. Nothing in this Consent Judgment shall
7 prejudice, waive or impair any right, remedy, argument or defense the Parties may have in any
8 other legal proceeding. This Consent Judgment is the product of negotiation and compromise and
9 is accepted by the Parties for purposes of settling, compromising and resolving issues disputed in
10 this action.

11 **3. INJUNCTIVE RELIEF**

12 3.1 **Specification Compliance Date.** To the extent Settling Defendant has not
13 already done so, no more than 30 days after the Effective Date:

14 3.1.1 Settling Defendant shall provide the Lead Limit to its Vendors of Covered
15 Products and shall instruct each Vendor to use reasonable efforts to provide Covered
16 Products that comply with the Lead Limit on a nationwide basis.

17 3.1.2 Settling Defendant shall provide the Cadmium Limit to its Vendors of
18 Covered Products and shall instruct each Vendor to use reasonable efforts to provide
19 Covered Products that comply with the Cadmium Limit on a nationwide basis.

20 3.2 **Compliance.**

21 3.2.1 Commencing on July 31, 2013, Settling Defendant shall not purchase,
22 import, Manufacture, sell or offer for sale any Covered Product that will be sold or offered
23 for sale to California consumers that exceeds the Lead Limit.

24 3.2.2 Commencing on July 31, 2013, Settling Defendant shall not purchase,
25 import, Manufacture, sell or offer for sale any Covered Product that will be sold or offered
26 for sale to California consumers that exceeds the Cadmium Limit.

27 3.3 **Market Withdrawal of Covered Products.** On or before the Effective Date,
28 Settling Defendant shall have: (i) ceased shipping the specific products identified on Exhibit A

1 (the “Recall Products”) to stores in California; (ii) withdrawn the Recall Products from the market
2 in California; and (iii) if the Recall Products were not withdrawn from sale in California prior to
3 the Effective Date, sent instructions to any of its stores that offer the Recall Products for sale in
4 California to cease offering such Recall Products for sale and to either return all Recall Products
5 to Settling Defendant for destruction, or to directly destroy the Recall Products. Any destruction
6 of the Recall Products shall be in compliance with all applicable laws. Within 60 days of the
7 Effective Date, Settling Defendant shall certify to CEH that Settling Defendant has complied with
8 this Section 3.3. If there is a dispute over the corrective action, the Parties shall meet and confer
9 before seeking any remedy in court.

10 **4. ENFORCEMENT**

11 4.1 Any Party may, after meeting and conferring, by motion or application for an
12 order to show cause before this Court, enforce the terms and conditions contained in this Consent
13 Judgment. Enforcement of the terms and conditions of Section 3.2 of this Consent Judgment
14 shall be brought exclusively pursuant to Sections 4.2 through 4.3.

15 4.2 **Notice of Violation.** CEH may seek to enforce the requirements of Section
16 3.2 by issuing a Notice of Violation pursuant to this Section 4.2.

17 4.2.1 **Service of Notice.** CEH shall serve the Notice of Violation on Settling
18 Defendant within 45 days of the date the alleged violation(s) was or were observed,
19 provided, however, that: (i) CEH may have up to an additional 45 days to provide Settling
20 Defendant with the test data required by Section 4.2.2(d) below if it has not yet obtained it
21 from its laboratory; and (ii) CEH may serve a Notice of Violation to a supplier of a
22 Covered Product so long as: (a) the identity of the supplier cannot be discerned from the
23 labeling of the Covered Product; and (b) the Notice of Violation to the supplier is served
24 within 45 days of the date the supplier is identified by CEH.

25 4.2.2 **Supporting Documentation.** The Notice of Violation shall, at a minimum,
26 set forth for each Covered Product: (a) the date(s) the alleged violation(s) was observed,
27 (b) the location at which the Covered Product was offered for sale, (c) a description of the
28 Covered Product giving rise to the alleged violation, and of each material or component

1 that is alleged not to comply with the Lead Limit or Cadmium Limit (as applicable),
2 including a picture of the Covered Product and all identifying information on tags and
3 labels, and (d) all test data obtained by CEH regarding the Covered Product and related
4 supporting documentation, including all laboratory reports, quality assurance reports and
5 quality control reports associated with testing of the Covered Products. Such Notice of
6 Violation shall be based at least in part upon total acid digest testing performed by an
7 independent accredited laboratory. Wipe, swipe, x-ray fluorescence, and swab testing are
8 not by themselves sufficient to support a Notice of Violation, although any such testing
9 may be used as additional support for a Notice.

10 **4.2.3 Additional Documentation.** CEH shall promptly make available for
11 inspection and/or copying upon request by and at the expense of Settling Defendant, all
12 supporting documentation related to the testing of the Covered Products and associated
13 quality control samples, including chain of custody records, all laboratory logbook entries
14 for laboratory receiving, sample preparation, and instrumental analysis, and all printouts
15 from all analytical instruments relating to the testing of Covered Product samples and any
16 and all calibration, quality assurance, and quality control tests performed or relied upon in
17 conjunction with the testing of the Covered Products, obtained by or available to CEH that
18 pertains to the Covered Product's alleged noncompliance with Section 3.2.

19 **4.2.4 Multiple Notices.** If Settling Defendant has received more than four
20 Notices of Violation in any 12-month period, at CEH's option, CEH may seek whatever
21 fines, costs, penalties, or remedies are provided by law for failure to comply with the
22 Consent Judgment. For purposes of determining the number of Notices of Violation
23 pursuant to this Section 4.2.3, the following shall be excluded:

- 24 (a) Multiple notices identifying Covered Products Manufactured for or
25 sold to the Settling Defendant from the same Vendor; and
26 (b) A Notice of Violation that meets one or more of the conditions of
27 Section 4.3.3(b).

28 **4.3 Notice of Election.** Within 30 days of receiving a Notice of Violation

1 pursuant to Section 4.2, including the test data required pursuant to 4.2.2(d), Settling Defendant
2 shall provide written notice to CEH stating whether it elects to contest the allegations contained in
3 the Notice of Violation (“Notice of Election”). Failure to provide a Notice of Election shall be
4 deemed an election to contest the Notice of Violation. Any payments required under this Section
5 4.3 shall be made payable to the Center For Environmental Health and included with Settling
6 Defendant’s Notice of Election.

7 **4.3.1 Contested Notices.** If the Notice of Violation is contested, the Notice of
8 Election shall include all then-available documentary evidence regarding the alleged
9 violation, including any test data. Within 30 days the parties shall meet and confer to
10 attempt to resolve their dispute. Should such attempts at meeting and conferring fail,
11 CEH may file an enforcement motion or application pursuant to Section 4.1. If Settling
12 Defendant withdraws its Notice of Election to contest the Notice of Violation before any
13 motion concerning the violations alleged in the Notice of Violation is filed pursuant to
14 Section 4.1, Settling Defendant shall make a payment in the amount of \$12,500 and shall
15 comply with all of the non-monetary provisions of Section 4.3.2. If, at any time prior to
16 reaching an agreement or obtaining a decision from the Court, CEH or Settling Defendant
17 acquires additional test or other data regarding the alleged violation, it shall promptly
18 provide all such data or information to the other Party.

19 **4.3.2 Non-Contested Notices.** If the Notice of Violation is not contested,
20 Settling Defendant shall include in its Notice of Election a detailed description of
21 corrective action that it has undertaken or proposes to undertake to address the alleged
22 violation. Any such correction shall, at a minimum, provide reasonable assurance that the
23 Covered Product will no longer be offered by Settling Defendant for sale in California. If
24 there is a dispute over the sufficiency of the proposed corrective action or its
25 implementation, CEH shall promptly notify Settling Defendant and the Parties shall meet
26 and confer before seeking the intervention of the Court to resolve the dispute. In addition
27 to the corrective action, Settling Defendant shall be required to make a payment as
28 reimbursement for costs for investigating, preparing, sending and prosecuting Notices of

1 Violation, and to reimburse attorneys' fees and costs incurred in connection with these
2 activities, in the amount set forth in Section 4.3.3.

3 **4.3.3 Limitations in Non-Contested Matters.**

4 (a) If it elects not to contest a Notice of Violation before any motion
5 concerning the violation(s) at issue has been filed, the monetary liability of Settling
6 Defendant shall be limited to the payments required by this Section 4.3.3, if any.

7 (b) The payment shall be:

8 (i) Ten thousand dollars (\$10,000); or

9 (ii) One thousand seven hundred fifty dollars (\$1,750) if Settling
10 Defendant, prior to receiving and accepting for distribution or sale the
11 Covered Product identified in the Notice of Violation, obtained test results
12 demonstrating that all of the materials or components in the Covered
13 Product identified in the Notice of Violation complied with the Lead Limit
14 or Cadmium Limit (as applicable), and further provided that such test
15 results meet the same quality criteria to support a Notice of Violation as set
16 forth in Section 4.2.2 and that the testing was performed within two years
17 prior to the date of the sales transaction on which the Notice of Violation is
18 based. Settling Defendant shall provide copies of such test results and
19 supporting documentation to CEH with its Notice of Election; or

20 (iii) Not required or payable, if the Notice of Violation identifies
21 the same Covered Product or Covered Products, differing only in size or
22 color, that have been the subject of another Notice of Violation within the
23 preceding 12 months.

24 **5. PAYMENTS**

25 5.1 **Payments by Settling Defendant.** Settling Defendant shall pay a total
26 settlement amount of \$325,000 as set forth on Exhibit A, on or before the dates set forth on
27 Exhibit A. Each settlement payment shall be paid in three separate checks as set forth on Exhibit
28 A and shall be delivered to the offices of the Lexington Law Group (Attn: Eric Somers), 503

1 Divisadero Street, San Francisco, California 94117-2212. Any failure by Settling Defendant to
2 comply with the payment terms herein shall be subject to a stipulated late fee to be paid by
3 Settling Defendant in the amount of \$100 for each day the full payment is not received after the
4 applicable date set forth on Exhibit A. The late fees required under this Section shall be
5 recoverable, together with reasonable attorneys' fees, in an enforcement proceeding brought
6 pursuant to Section 5 of this Consent Judgment. The funds paid by Settling Defendant shall be
7 allocated as set forth on Exhibit A between the following categories:

8 5.1.1 A civil penalty pursuant to Health & Safety Code § 25249.7(b). CEH shall
9 apportion this payment in accordance with Health & Safety Code § 25249.12 (25% to CEH and
10 75% to the State of California's Office of Environmental Health Hazard Assessment). The civil
11 penalty check shall be made payable to the Center For Environmental Health.

12 5.1.2 A payment in lieu of civil penalty to CEH pursuant to Health & Safety
13 Code § 25249.7(b), and California Code of Regulations, Title 11, § 3203(b). CEH shall use such
14 funds to continue its work educating and protecting people from exposures to toxic chemicals,
15 including heavy metals. In addition, as part of its Community Environmental Action and Justice
16 Fund, CEH will use four percent of such funds to award grants to grassroots environmental
17 justice groups working to educate and protect people from exposures to toxic chemicals. The
18 method of selection of such groups can be found at the CEH web site at www.ceh.org/justicefund.
19 The payment pursuant to this Section shall be made payable to the Center For Environmental
20 Health.

21 5.1.3 As reimbursement of a portion of CEH's reasonable attorneys' fees and
22 costs. The attorneys' fees and cost reimbursement check shall be made payable to the Lexington
23 Law Group.

24 **6. MODIFICATION**

25 6.1 **Written Consent.** This Consent Judgment may be modified from time to
26 time by express written agreement of the Parties with the approval of the Court, or by an order of
27 this Court upon motion and in accordance with law.

28 6.2 **Meet and Confer.** Any Party seeking to modify this Consent Judgment shall

1 attempt in good faith to meet and confer with all affected Parties prior to filing a motion to
2 modify the Consent Judgment.

3 **7. CLAIMS COVERED AND RELEASED**

4 7.1 This Consent Judgment is a full, final and binding resolution between CEH on
5 behalf of itself and the public interest and Settling Defendant, and its parents, subsidiaries,
6 affiliated entities that are under common ownership, directors, officers, employees, and attorneys
7 (“Defendant Releasees”), and each entity to whom it directly or indirectly distributes or sells
8 Covered Products, including but not limited to distributors, wholesalers, customers, retailers,
9 franchisees, cooperative members, licensors, and licensees (“Downstream Defendant Releasees”)
10 of any violation of Proposition 65 that was or could have been asserted in the applicable
11 Complaints against Settling Defendant, Defendant Releasees, and Downstream Defendant
12 Releasees, based on failure to warn about alleged exposure to the Listed Chemicals that are
13 contained in the Covered Products listed for Settling Defendant on Exhibit A that were
14 manufactured, distributed, or sold by Settling Defendant prior to the Effective Date.

15 7.2 Compliance with the terms of this Consent Judgment by Settling Defendant
16 and the Defendant Releasees constitutes compliance with Proposition 65 by Settling Defendant,
17 its Defendant Releasees and their Downstream Defendant Releasees with respect to any alleged
18 failure to warn about Listed Chemicals that are contained in the Covered Products listed on
19 Exhibit A that are distributed or sold by Settling Defendant after the Effective Date.

20 7.3 Nothing in this Section 7 affects CEH’s right to commence or prosecute an
21 action under Proposition 65 against any person other than Settling Defendant, Defendant
22 Releasee, or Downstream Defendant Releasee.

1 **8. NOTICE**

2 8.1 When CEH is entitled to receive any notice under this Consent Judgment, the
3 notice shall be sent by certified and electronic mail to:

4 Eric S. Somers
5 Lexington Law Group
6 503 Divisadero Street
7 San Francisco, CA 94117
8 esomers@lexlawgroup.com

9 8.2 When Settling Defendant is entitled to receive any notice under this Consent
10 Judgment, the notice shall be sent by certified and electronic mail to:

11 Jenny Rim
12 General Counsel
13 Love Culture Inc.
14 2423 E. 23rd Street
15 Los Angeles, CA 90058
16 jennyrim@loveculture.com

17 8.3 Any Party may modify the person and address to whom the notice is to be sent
18 by sending each other Party notice by first class and electronic mail.

19 **9. COURT APPROVAL**

20 9.1 This Consent Judgment shall become effective upon entry by the Court. CEH
21 shall prepare and file a Motion for Approval of this Consent Judgment and Settling Defendant
22 shall each support entry of this Consent Judgment.

23 9.2 If this Consent Judgment is not entered by the Court, it shall be of no force or
24 effect and shall never be introduced into evidence or otherwise used in any proceeding for any
25 purpose other than to allow the Court to determine if there was a material breach of Section 9.1.

26 **10. ATTORNEYS' FEES**

27 10.1 Should CEH prevail on any motion, application for an order to show cause or
28 other proceeding to enforce a violation of this Consent Judgment, CEH shall be entitled to its
reasonable attorneys' fees and costs incurred as a result of such motion or application. Should
Settling Defendant prevail on any motion application for an order to show cause or other
proceeding, Settling Defendant may be awarded its reasonable attorneys' fees and costs as a result
of such motion or application upon a finding by the Court that CEH's prosecution of the motion

1 or application lacked substantial justification. For purposes of this Consent Judgment, the term
2 substantial justification shall carry the same meaning as used in the Civil Discovery Act of 1986,
3 Code of Civil Procedure §§ 2016, *et seq.*

4 10.2 Except as otherwise provided in this Consent Judgment, each Party shall bear
5 its own attorneys' fees and costs.

6 10.3 Nothing in this Section 10 shall preclude a Party from seeking an award of
7 sanctions pursuant to law.

8 **11. OTHER TERMS**

9 11.1 CEH and Settling Defendant will work together in good faith to review and
10 make recommendations regarding potential improvements to Settling Defendant's Proposition 65
11 warning program, testing program and recall process. Any recommendations or advice given by
12 CEH pursuant to this Section 11.1 does not constitute legal advice, nor does CEH bear any
13 responsibility for Settling Defendant's compliance with the requirements of Proposition 65 or any
14 other law.

15 11.2 The terms of this Consent Judgment shall be governed by the laws of the State
16 of California.

17 11.3 This Consent Judgment shall apply to and be binding upon CEH and Settling
18 Defendant, and the successors or assigns of any of them.

19 11.4 This Consent Judgment contains the sole and entire agreement and
20 understanding of the Parties with respect to the entire subject matter hereof, and any and all prior
21 discussions, negotiations, commitments, or understandings related thereto, if any, are hereby
22 merged herein and therein. There are no warranties, representations, or other agreements between
23 the Parties except as expressly set forth herein. No representations, oral or otherwise, express or
24 implied, other than those specifically referred to in this Consent Judgment have been made by any
25 Party hereto. No other agreements not specifically contained or referenced herein, oral or
26 otherwise, shall be deemed to exist or to bind any of the Parties hereto. No waiver of any of the
27 provisions of this Consent Judgment shall be deemed or shall constitute a waiver of any of the
28 other provisions hereof whether or not similar, nor shall such waiver constitute a continuing

1 waiver.

2 11.5 Nothing in this Consent Judgment shall release, or in any way affect any rights
3 that Settling Defendant might have against any other party, whether or not that party is a Settling
4 Defendant.

5 11.6 This Court shall retain jurisdiction of this matter to implement or modify the
6 Consent Judgment.

7 11.7 The stipulations to this Consent Judgment may be executed in counterparts
8 and by means of facsimile or portable document format (pdf), which taken together shall be
9 deemed to constitute one document.

10 11.8 Each signatory to this Consent Judgment certifies that he or she is fully
11 authorized by the Party he or she represents to stipulate to this Consent Judgment and to enter into
12 and execute the Consent Judgment on behalf of the Party represented and legally to bind that
13 Party.

14 11.9 The Parties, including their counsel, have participated in the preparation of
15 this Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties.
16 This Consent Judgment was subject to revision and modification by the Parties and has been
17 accepted and approved as to its final form by all Parties and their counsel. Accordingly, any
18 uncertainty or ambiguity existing in this Consent Judgment shall not be interpreted against any
19 Party as a result of the manner of the preparation of this Consent Judgment. Each Party to this
20 Consent Judgment agrees that any statute or rule of construction providing that ambiguities are to
21 be resolved against the drafting Party should not be employed in the interpretation of this Consent
22 Judgment and, in this regard, the Parties hereby waive California Civil Code § 1654.

23

24 **IT IS SO ORDERED:**

25

MAR 26 2013

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Dated: _____, 2013

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STEVEN A. BRICK

The Honorable Steven A. Brick
Judge of the Superior Court

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IT IS SO STIPULATED:

CENTER FOR ENVIRONMENTAL HEALTH

Clin

Signature

CHARLIZ PIZANO

Printed Name

ASSOCIATE DIRECTOR

Title

LOVE CULTURE INC.

Signature

Printed Name

Title

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IT IS SO STIPULATED:

CENTER FOR ENVIRONMENTAL HEALTH

Signature

Printed Name

Title

LOVE CULTURE INC.



Signature

Jai Rhee

Printed Name

C.E.O.

Title

1 **EXHIBIT A**

2 **Settling Defendant: Love Culture Inc.**

3 1. Cases:

- 4 • *CEH v. Bioworld Merchandising, Inc.*, Case No. RG 11-598596. Named in the
5 original Complaint on October 5, 2011.
- 6 • *CEH v. Yoki Shoes LLC*, Case No. RG 11-598595. Named in the original
7 Complaint on October 5, 2011.
- 8 • *CEH v. Armani Exchange, Inc.*, Case No. RG 11-603764. Named in the original
9 operative Complaint on November 9, 2011.
- 10 • *CEH v. Aeropostale, Inc., et. al.*, Case No. RG 10-514803. Named in the operative
11 Second Amended Complaint on September 15, 2011 via Doe Amendment.

12 2. Listed Chemicals in Covered Products:

- 13 Lead in Wallets, Handbags, Purses and Clutches
- 14 Lead in Belts
- 15 Lead in Footwear
- 16 Cadmium in Jewelry

17 3. Defendant's Settlement Payments and Allocation:

18 Total Settlement Payment: \$325,000

- 19 • On or before January 2, 2013, Settling Defendant shall pay \$81,250 in three separate
20 checks as follows:
- 21 ○ \$6,500 to Center for Environmental Health as civil penalty pursuant to Section
22 5.1.1.
 - 23 ○ \$9,750 to Center for Environmental Health as payment in lieu of civil penalty
24 pursuant to Section 5.1.2.
 - 25 ○ \$65,000 to Lexington Law Group as attorneys' fees and costs pursuant to Section
26 5.1.3.
- 27 • On or before February 2, 2013, Settling Defendant shall pay \$81,250 in three separate
28 checks as follows:
- \$6,500 to Center for Environmental Health as civil penalty pursuant to Section
5.1.1.
 - \$9,750 to Center for Environmental Health as payment in lieu of civil penalty
pursuant to Section 5.1.2.
 - \$65,000 to Lexington Law Group as attorneys' fees and costs pursuant to Section
5.1.3.

- 1 • On or before March 2, 2013, Settling Defendant shall pay \$81,250 in three separate
checks as follows:
- 2 ○ \$6,500 to Center for Environmental Health as civil penalty pursuant to Section
- 3 5.1.1.
- 4 ○ \$9,750 to Center for Environmental Health as payment in lieu of civil penalty
- 5 pursuant to Section 5.1.2.
- 6 ○ \$65,000 to Lexington Law Group as attorneys' fees and costs pursuant to Section
- 7 5.1.3.
- 8 • On or before April 2, 2013, Settling Defendant shall pay \$81,250 in three separate checks
as follows:
- 9 ○ \$6,500 to Center for Environmental Health as civil penalty pursuant to Section
- 10 5.1.1.
- 11 ○ \$9,750 to Center for Environmental Health as payment in lieu of civil penalty
- 12 pursuant to Section 5.1.2.
- 13 ○ \$65,000 to Lexington Law Group as attorneys' fees and costs pursuant to Section
- 14 5.1.3.

15 4. Recall Products:

- 16 • Classic Metal Frame Wallet in Yellow, SKU No. 1021996071, Style No. Bag-319 (CEH
ID No. AB758)
- 17 • Chains and Studs Shoulder Bag in Pink, SKU No. 1035110091, Style No. 070-14096
(CEH ID No. AB759)
- 18 • Rosette Shoulder Bag in Red, SKU No. 1033374031, Style No. 122046 (CEH ID No.
AB760)
- 19 • Wallet in Red, SKU No. 1042701001, Style No. SWAH6032 (CEH ID No. AB902)
- 20 • Purse in Mustard, SKU No. 1039522271, Style No. 4066 Mustard (CEH ID No. FAT490)
- 21 • Love Culture Wallet in Orange, SKU No. 1044728001, Style No. SWAH6046 (CEH ID
No. FAT491)
- 22 • Love Culture Purse in Yellow, SKU No. 1040353071, Style No. LC-0725-04 Yellow
(CEH ID No. FAT493)
- 23 • Soft Leatherette Wallet in Orange, SKU No. 1042701121, Style No. SWAH6032 (CEH
ID No. FAT578)
- 24 • Zip Accent Envelope Clutch in Coral, SKU No. 1045978301, Style No. SPC-044 (CEH
ID No. LCH001)
- 25 • Woven Leatherette Clutch in Coral, SKU No. 1045977301, Style No. SPC-046 (CEH ID
No. LCH002)

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- Quilted Clutch in Coral, SKU No. 1043816301, Style No. DC-0222-4 (CEH ID No. LCH004)
- Woven Clutch Wallet in Red, SKU No. 400000062907, Style No. SWA-H6086 (CEH ID No. LCH005)
- Flower Cutout Wallet in Green, SKU No. 1044725101; Style No. SWAH6038 (CEH ID No. LCH006)
- Flower Cutout Wallet in Yellow, SKU No. 1044725071, Style No. SWAH6039 (CEH ID No. LCH007)
- Dear Darling Clutch in Brown, SKU No. 1043815041, Style No. 2382 (CEH ID No. LCH009)
- Textured Zippy Wallet in Orange, SKU No. 1042692121, Style No. SWAH6033 (CEH ID No. LCH010)
- Soft Leatherette Bag in Orange, SKU No. 1038985121, Style No. DC-LC0315-3R (CEH ID No. LCH011)
- Belt with Rectangular Jeweled Buckle in Brown, SKU No. 1028620611 (CEH ID No. B427L)
- Snakeskin Belt in Red, SKU No. 1043956031 (CEH ID No. B505)
- Stretchy Belt in Yellow, SKU No. 1043963001, Style No. SBT-H7256 (CEH ID No. B506)
- Buckled Elastic Waist Belt in Orange, SKU No. 1043963001, Style No. SBT-H7256 (CEH ID No. B506b)
- Leatherette Stitch Belt in Mustard, SKU No. 1042698271, Style No. SBTH7214 (CEH ID No. LCB001)
- Flower Petals Belt, SKU No. 1043411031, Style No. SBT-H7218 (CEH ID No. LCB002)
- Thick Chain Hip Belt in Green, SKU No. 1045940591, Style No. ABE51451 (CEH ID No. LCB003)
- Metal Woven Accent Belt in Yellow, SKU No. 1043970071, Style No. SBT-H7312 (CEH ID No. LCB004)
- Jeweled Buckle Belt in Yellow, SKU No. 1043966071, Style No. SBT-H7302 (CEH ID No. LCB005)

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- T-Strap Sandal with Flower Detail in Yellow, SKU No. 1029217275, Style No 10177-1, Midnight -75 (CEH ID No. VS421L)
- Patent Leather Sandal in Yellow, SKU No. 1038480077, Style No. LEANN-25 (CEH ID No. VS510)
- Velcro Wedge Sneakers in Pink and Yellow, SKU No. 410435933338, Style No. TARYN-11 (CEH ID No. LCS001)
- Bird Cutout Ring in Gold, SKU No. 1035170161 (CEH ID No. CDJ482)
- Spiked Rhinestone Ring, SKU No. 1044605151, Style No. SRG51186 (CEH ID No. LCJ003)