

RECEIVED

NOV 06 2013

DEPT. 10

Reuben Yeroushalmi (SBN 193981)  
Daniel D. Cho (SBN 105409)  
Ben Yeroushalmi (SBN 232540)  
YEROUSHALMI & ASSOCIATES  
9100 Wilshire Boulevard, Suite 610E  
Beverly Hills, California 90212  
Telephone: 310.623.1926  
Facsimile: 310.623.1930

Attorneys for Plaintiffs,  
Consumer Advocacy Group, Inc.

FILED  
SAN MATEO COUNTY

NOV 07 2013

Clerk of the Superior Court  
By   
DEPUTY CLERK

11/06/13

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN MATEO

CONSUMER ADVOCACY GROUP, INC.,  
in the public interest,

Plaintiff,

v.

GINA GROUP, LLC, a New York Limited  
Liability Company; GINA HOSIERY LTD.,  
a New York Corporation; GINA  
CONCEPTS, LLC, a New York Limited  
Liability Company; and DOES 1-20;

Defendants.

CASE NO. CIV 512114

CONSENT JUDGMENT [PROPOSED]

Health & Safety Code § 25249.5 et seq.

Dept. ~~Law + Motion~~ (Dept. 10)  
Judge: Hon. ~~Steven Dykstra~~ GERALD J. BUCHWALD  
Complaint filed: March 11, 2013

1. INTRODUCTION

1.1 This Consent Judgment is entered into by and between plaintiff, Consumer Advocacy Group, Inc. (referred to as "CAG") acting on behalf of itself and in the interest of the public, and defendants, Gina Group, LLC, Gina Hosiery LTD., and Gina Concepts, LLC (referred to as "Defendants" collectively) with each a Party to the action and collectively referred to as "Parties."

1.2 Defendants and Products

1.2.1 Defendants are New York corporations and limited liability companies which employ ten or more persons. Defendants manufacture, cause to be manufactured, sell, or

CONSENT JUDGMENT [PROPOSED]

1 distribute adult and children's footwear, including the Pink Girls Jelly Flip Flops, Style # ZTG-  
2 4501/A, Yellow Girls Jelly Flip Flops, Style # ZTG-4501/A, Blue Chatties® Sole Searching™  
3 Flip Flops, Style # ZTG-4702/A, Chatties® Sandals "M 7-8" Style # ZTL-2600/A, Rue 21 etc!,  
4 S (6/7), rue FLOPS, Brown sandals with rhinestone jewel decorations, and handbags and wallets,  
5 including the Red Purse with Red Bow Front, SKU # 2934100236908110 (collectively referred  
6 to hereinafter "Covered Products"). For purposes of this Consent Judgment, Defendants are  
7 deemed a person in the course of doing business in California and are subject to the provisions of  
8 the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code  
9 §§ 25249.6 et seq. ("Proposition 65").

10 **1.3 Chemicals Of Concern**

11 1.3.1 Lead and Lead Compounds are known to the State of California to cause  
12 cancer and/or birth defects or other reproductive harm.

13 1.3.2 Diethyl hexyl phthalate ("DEHP") is known to the State of California to  
14 cause cancer and/or birth defects or other reproductive harm.

15 1.3.3 Di-Butyl Phthalate ("DBP") is known to the State of California to cause  
16 birth defects or other reproductive harm.

17 **1.4 Notices of Violation.**

18 1.4.1 On May 26, 2011, CAG served Defendants, W&W Wholesale, Inc., and  
19 Wal-Mart Stores, Inc. and various public enforcement agencies with a document entitled dated  
20 May 25, 2011 "60-Day Notice of Violation" ("May 25, 2011 Notice") that provided the  
21 recipients with notice of alleged violations of Health & Safety Code § 25249.6 for failing to  
22 warn individuals in California of exposures to DEHP and DBP contained in Pink Girls Jelly Flip  
23 Flops, Style # ZTG-4501/A, Yellow Girls Jelly Flip Flops, Style # ZTG-4501/A, Blue Chatties®  
24 Sole Searching™ Flip Flops, Style # ZTG-4702/A sold by Defendants. No public enforcer has  
25 commenced or diligently prosecuted the allegations set forth in the May 26, 2011 Notice.  
26  
27  
28

1 1.4.2 On August 5, 2011, CAG served Defendants, National Stores, Inc. and  
2 Fallas Parades and various public enforcement agencies with a document entitled "60-Day  
3 Notice of Violation" ("August 5, 2011 Notice") that provided the recipients with notice of  
4 alleged violations of Health & Safety Code § 25249.6 for failing to warn individuals in  
5 California of exposures to DBP contained in footwear, including but not limited to, Chatties®  
6 Sandals "M 7-8" Style # ZTL-2600/A sold by Defendants. No public enforcer has commenced  
7 or diligently prosecuted the allegations set forth in the August 5, 2011 Notice.

8 1.4.3 On February 27, 2012, CAG served Defendants, Big Lots, Inc., Big Lots  
9 Stores, Inc. and Big Lots!, and various public enforcement agencies with a document entitled  
10 dated February 26, 2012 "60-Day Notice of Violation" ("February 26, 2012 Notice") that  
11 provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for  
12 failing to warn individuals in California of exposures to lead contained in handbags and wallets,  
13 including but not limited to, Red Purse with Red Bow Front, SKU # 2934100236908110. No  
14 public enforcer has commenced or diligently prosecuted the allegations set forth in the February  
15 27, 2012 Notice.

16 1.4.4 On September 14, 2012, CAG served Defendants, Rue 21 and various  
17 public enforcement agencies with a document entitled "60-Day Notice of Violation"  
18 ("September 14, 2012 Notice") that provided the recipients with notice of alleged violations of  
19 Health & Safety Code § 25249.6 for failing to warn individuals in California of exposures to  
20 DBP contained in footwear, including but not limited to Rue 21 etc!, S (6/7), rue FLOPS, Brown  
21 sandals with rhinestone jewel decorations, a consumer product designed as footwear sold by  
22 Defendants. No public enforcer has commenced or diligently prosecuted the allegations set forth  
23 in the September 14, 2012 Notice.

24 1.4.5 On December 14, 2012, CAG served Defendants, Rue21, Inc.,  
25 Pennsylvania Fashions, Inc., and various public entities with a document entitled "60 Day Notice  
26 of Violation" ("December 14, 2012 Notice") that provided the recipients with notice of alleged  
27  
28

CONSENT JUDGMENT [PROPOSED]

1 violations of Health & Safety Code § 25249.6 for failing to warn individuals in California of  
2 exposures to DEHP contained in handbags and wallets, including but not limited to, Handbag,  
3 SKU # 400159587627, Style No. 0744, Color No. 040 (dark blue glitter) and Handbag, SKU  
4 #400159587887, Style No. 0744, Color No. 030 (light yellow-green glitter).

5 **1.5 Complaint.**

6 On February 28, 2012, CAG filed a Complaint for civil penalties and injunctive relief  
7 (“Complaint”) in San Mateo Superior Court, Case No. CIV 512114, against Defendants. CAG  
8 filed a First Amended Complaint (“FAC”) against Defendants on or about March 11, 2013. The  
9 Complaint and FAC allege, among other things, that Defendants violated Proposition 65 by  
10 failing to give clear and reasonable warnings of exposure to Lead, DEHP, and DBP from the  
11 Covered Products.

12 **1.6 Consent to Jurisdiction**

13 For purposes of this Consent Judgment, the Parties stipulate that this Court has  
14 jurisdiction over the allegations of violations contained in the Complaint and FAC and personal  
15 jurisdiction over Defendants as to the acts alleged in the Complaint and FAC, that venue is  
16 proper in the County of San Mateo and that this Court has jurisdiction to enter this Consent  
17 Judgment as a full settlement and resolution of the allegations contained in the Complaint and  
18 FAC and of all claims which were or could have been raised by any person or entity based in  
19 whole or in part, directly or indirectly, on the facts alleged therein or arising therefrom or related  
20 thereto.

21 **1.7 No Admission**

22 This Consent Judgment resolves claims that are denied and disputed. The Parties enter  
23 into this Consent Judgment pursuant to a full and final settlement of any and all claims between  
24 the Parties for the purpose of avoiding prolonged litigation. Nothing in this Consent Judgment  
25 shall be construed as an admission by the Parties of any material allegation of the Complaint  
26 (each and every allegation of which Defendants deny), any fact, conclusion of law, issue of law  
27  
28

**CONSENT JUDGMENT [PROPOSED]**

1 or violation of law, including without limitation, any admission concerning any violation of  
2 Proposition 65 or any other statutory, regulatory, common law, or equitable doctrine, or the  
3 meaning of the terms “knowingly and intentionally expose” or “clear and reasonable warning” as  
4 used in Health and Safety Code section 25249.6. Nothing in this Consent Judgment, nor  
5 compliance with its terms, shall constitute or be construed as an admission by the Parties of any  
6 fact, conclusion of law, issue of law, or violation of law, or of fault, wrongdoing, or liability by  
7 any Defendant, its officers, directors, employees, or parent, subsidiary or affiliated corporations,  
8 or be offered or admitted as evidence in any administrative or judicial proceeding or litigation in  
9 any court, agency, or forum. Furthermore, nothing in this Consent Judgment shall prejudice,  
10 waive or impair any right, remedy, argument, or defense the Parties may have in any other or  
11 future legal proceeding, except as expressly provided in this Consent Judgment.

## 12 2. DEFINITIONS

13 2.1 “Covered Products” means Covered Products sold by Gina Group, LLC, Gina  
14 Hosiery LTD., and Gina Concepts, LLC. “Covered Products” are limited to those products which  
15 were subject to the “Notices” served by CAG..

16 2.2 “Effective Date” means the date that this Consent Judgment is approved by the  
17 Court.

18 2.3 “Lead” means lead and lead compounds.

19 2.4 “DEHP” means Diethyl hexyl phthalate.

20 2.4 “DBP” means Di-Butyl phthalate

21 2.5 “Notices” means the May 26, 2011, August 5, 2011, February 27, 2012, and  
22 September 14, 2012 60 Day Notices of Violation sent by CAG.

## 23 3. INJUNCTIVE RELIEF / REFORMULATION / CLEAR AND REASONABLE 24 WARNINGS.

25 3.1 Within 90 days of the Effective Date, Defendants shall not sell the Covered  
26 Products in California unless they are reformulated to contain less than 0.1% DEHP and DBP  
27  
28

1 and less than 100 ppm of lead. Any existing products remaining in Defendants inventory should  
2 have compliance Proposition 65 warnings.

3 **4. SETTLEMENT PAYMENT**

4 **4.1 Payment and Due Date:** Within 10 business days of the approval of the Consent  
5 Judgment, Defendants shall pay a total of sixty-eight thousand dollars and zero cents (\$68,000)  
6 in full and complete settlement of all monetary claims by CAG related to the Notices, as follows:

7 **4.1.1 Civil Penalty:** Defendants shall issue separate checks totaling four  
8 thousand dollars (\$4,000) as penalties pursuant to Health & Safety Code § 25249.12:

9 (a) Defendants will issue a check made payable to the State of California's  
10 Office of Environmental Health Hazard Assessment ("OEHHA") in the amount of three  
11 thousand dollars (\$3,000) representing 75% of the total penalty and Defendants will issue a  
12 check to CAG in the amount of one thousand dollars (\$1,000) representing 25% of the total  
13 penalty; and

14 (b) Separate 1099s shall be issued for each of the above payments:  
15 Defendants will issue a 1099 to OEHHA, P.O. Box 4010, Sacramento, CA 95184 (EIN: 68-  
16 0284486) in the amounts of \$3,000. Defendants will also issue a 1099 to CAG c/o Yeroushalmi  
17 & Associates, 9100 Wilshire Boulevard, Suite 610E, Beverly Hills, California 90212.

18 **4.1.2 Payment In Lieu of Civil Penalties:** Defendants shall pay two thousand  
19 dollars (\$2,000) in lieu of civil penalties to "Consumer Advocacy Group, Inc." CAG will use  
20 this payment for investigation of the public's exposure to Proposition 65 listed chemicals  
21 through various means, including laboratory fees for testing for Proposition 65 listed chemicals,  
22 administrative costs and fees related to such activities, expert fees for evaluating exposures  
23 through various mediums, including but not limited to consumer product, occupational, and  
24 environmental exposures to Proposition 65 listed chemicals, and the cost of hiring consulting  
25 and retained experts who assist with the extensive scientific analysis necessary for those files in  
26 litigation, as well as administrative costs and fees related to such activities in order to reduce the  
27

28  

---

**CONSENT JUDGMENT [PROPOSED]**

1 public's exposure to Proposition 65 listed chemicals by notifying those persons and/or entities  
2 believed to be responsible for such exposures and attempting to persuade those persons and/or  
3 entities to reformulate their products or the source of exposure to completely eliminate or lower  
4 the level of Proposition 65 listed chemicals, thereby addressing the same public harm as  
5 allegedly in the instant Action. Further, should the court require it, CAG will submit under seal,  
6 an accounting of these funds as described above as to how the funds were used. The check shall  
7 be made payable to "Consumer Advocacy Group, Inc." and delivered to Reuben Yeroushalmi,  
8 Yeroushalmi & Associates, 9100 Wilshire Boulevard, Suite 610E, Beverly Hills, California  
9 90212.

10 4.1.3 **Reimbursement of Attorneys Fees and Costs:** Defendants shall pay  
11 sixty-two thousand dollars (\$62,000) to "Yeroushalmi & Associates" as reimbursement for  
12 reasonable investigation fees and costs, attorneys' fees, and any other costs incurred as a result of  
13 investigating, bringing this matter to Defendant's attention, litigating, and negotiating a  
14 settlement in the public interest. The check shall be made payable to "Yeroushalmi &  
15 Associates" and delivered to Reuben Yeroushalmi, Yeroushalmi & Associates, 9100 Wilshire  
16 Boulevard, Suite 610E, Beverly Hills, California 90212.

17 4.2 Other than the payment to OEHHA described above, Payments shall be  
18 delivered to: Reuben Yeroushalmi, Yeroushalmi & Associates, 9100 Wilshire Blvd., Suite  
19 610E, Beverly Hills, CA 90212.

20  
21 **5. MATTERS COVERED BY THIS CONSENT JUDGMENT**

22 5.1 This Consent Judgment is a full, final, and binding resolution between CAG on  
23 behalf of itself and in the public interest and Defendants, of any alleged violation of Proposition  
24 65 that was or could have been asserted by CAG against Defendants for failure to provide  
25 Proposition 65 warnings of exposure to Lead, DBP and DEHP from the Covered Products as set  
26 forth in the Notices for the Covered Products, and fully resolves all claims that have been or  
27 could have been asserted in this action up to and including the date of entry of Judgment for  
28

CONSENT JUDGMENT [PROPOSED]

1 failure to provide Proposition 65 warnings for the Covered Products regarding DEHP. CAG, on  
2 behalf of itself and in the public interest, hereby discharges Defendants and its parent companies,  
3 subsidiaries, divisions, affiliates, suppliers, franchisees, licensors, licensees, customers,  
4 distributors, wholesalers, retailers and all other upstream and downstream entities in the  
5 distribution chain of any of the Covered Products, and the predecessors, successors and assigns  
6 of any of them, and all of their respective officers, directors, shareholders, members, managers,  
7 employees, agents (collectively, "Released Parties"), from all claims up through the Effective  
8 Date for violations of Proposition 65 based on exposure to based on exposure to Lead, DBP and  
9 DEHP from the Covered Products. Compliance with the terms of this Consent Judgment shall be  
10 deemed to constitute compliance by the Released Parties with Proposition 65 regarding alleged  
11 exposures to Lead, DBP and DEHP from the Covered Products. Nothing in this Section affects  
12 CAG's right to commence or prosecute an action under Proposition 65 against any person other  
13 than Defendants or Released Parties.

14           5.2 CAG on behalf of itself, its past and current agents, representatives, attorneys,  
15 successors, and/or assignees, hereby waives all rights to institute or participate in, directly or  
16 indirectly, any form of legal action and releases all claims, including, without limitation, all  
17 actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations,  
18 damages, costs, fines, penalties, losses, or expenses (including, but not limited to, investigation  
19 fees, expert fees, and attorneys' fees) of any nature whatsoever, whether known or unknown,  
20 fixed or contingent (collectively "Claims"), against the Released Parties arising from any  
21 violation of Proposition 65 or any other statutory or common law regarding the failure to warn  
22 about exposure to Lead, DBP and DEHP from the Covered Products. In furtherance of the  
23 foregoing, as to alleged exposures to Lead, DBP and DEHP from the Covered Products, CAG on  
24 behalf of itself only, hereby waives any and all rights and benefits which it now has, or in the  
25 future may have, conferred upon it with respect to Claims arising from any violation of  
26 Proposition 65 or any other statutory or common law regarding the failure to warn about  
27  
28

CONSENT JUDGMENT [PROPOSED]



1 exposure to Lead, DBP and DEHP from the Covered Products by virtue of the provisions of  
2 section 1542 of the California Civil Code, which provides as follows:

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

8 CAG understands and acknowledges that the significance and consequence of this waiver of  
9 California Civil Code section 1542 is that even if CAG suffers future damages arising out of or  
10 resulting from, or related directly or indirectly to, in whole or in part, Claims arising from any  
11 violation of Proposition 65 or any other statutory or common law regarding the failure to warn  
12 about exposure to Lead, DBP and DEHP from the Covered Products, including but not limited to  
13 any exposure to, or failure to warn with respect to exposure to Lead, DBP and DEHP from the  
14 Covered Products, CAG will not be able to make any claim for those damages against Released  
15 Parties. Furthermore, CAG acknowledges that it intends these consequences for any such  
16 Claims arising from any violation of Proposition 65 or any other statutory or common law  
17 regarding the failure to warn about exposure to Lead, DBP, and DEHP from Covered Products as  
18 may exist as of the date of this release but which CAG does not know exist, and which, if known,  
19 would materially affect their decision to enter into this Consent Judgment, regardless of whether  
20 their lack of knowledge is the result of ignorance, oversight, error, negligence, or any other  
21 cause.

## 22 6. ENFORCEMENT OF JUDGMENT

23 6.1 The terms of this Consent Judgment shall be enforced exclusively by the Parties  
24 hereto. The Parties may, by noticed motion or order to show cause before the Superior Court of  
25 California, San Mateo County, giving the notice required by law, enforce the terms and  
26 conditions contained herein. A Party may enforce any of the terms and conditions of this  
27 Consent Judgment only after that Party first provides 90 days notice to the Party allegedly failing  
28

CONSENT JUDGMENT [PROPOSED]

1 to comply with the terms and conditions of this Consent Judgment and attempts to resolve such  
2 Party's failure to comply in an open and good faith manner.

3       **6.2 Notice of Violation.** Prior to bringing any motion, order to show cause, or other  
4 proceeding to enforce the terms of this Consent Judgment, CAG shall provide a Notice of  
5 Violation ("NOV") to Defendants. The NOV shall include for each of the Covered Products: the  
6 date(s) the alleged violation(s) was observed and the location at which the Covered Products  
7 were offered for sale, and shall be accompanied by all test data obtained by CAG regarding the  
8 Covered Products, including an identification of the component(s) of the Covered Products that  
9 were tested.

10       **6.2.1 Non-Contested NOV.** CAG shall take no further action regarding the  
11 alleged violation if, within 60 days of receiving such NOV, Defendants serves a Notice of  
12 Election ("NOE") that meets one of the following conditions:

13               (a) The Covered Products were shipped by Defendants for sale in  
14 California before the Effective Date, or

15               (b) Since receiving the NOV Defendants have taken corrective action  
16 by either (i) requesting that its customers or stores in California, as applicable, remove  
17 the Covered Products identified in the NOV from sale in California and destroy or return  
18 the Covered Products to Defendants or vendor, as applicable, or (ii) providing a clear and  
19 reasonable warning for the Covered Products identified in the NOV pursuant to 27 Cal.  
20 Code Regs. § 25603.

21       **6.2.2 Contested NOV.** Defendants may serve an NOE informing CAG of its  
22 election to contest the NOV within 30 days of receiving the NOV.

23               (a) In its election, Defendants may request that the sample(s) Covered  
24 Products tested by CAG be subject to confirmatory testing at an EPA-accredited  
25 laboratory.  
26  
27  
28

1 (b) If the confirmatory testing establishes that the Covered Products do  
2 not contain lead, DBP, or DEHP in excess of the levels allowed in Section 3.1, above,  
3 CAG shall take no further action regarding the alleged violation. If the testing does not  
4 establish compliance with Section 3.1, above, Defendants may withdraw its NOE to  
5 contest the violation and may serve a new NOE pursuant to Section 6.2.1.

6 (c) If Defendants do not withdraw an NOE to contest the NOV, the  
7 Parties shall meet and confer for a period of no less than 30 days before CAG may seek  
8 an order enforcing the terms of this Consent Judgment.

9 6.3 In any proceeding brought by either Party to enforce this Consent Judgment, such  
10 party may seek whatever fines, costs, penalties or remedies as may be provided by law for any  
11 violation of Proposition 65 or this Consent Judgment.

## 12 7. ENTRY OF CONSENT JUDGMENT

13 7.1 CAG shall file a motion seeking approval of this Consent Judgment pursuant to  
14 California Health & Safety Code § 25249.7(f). Upon entry of the Consent Judgment, CAG,  
15 Defendants waive their respective rights to a hearing or trial on the allegations of the Complaint  
16 and FAC.

17 7.2 If this Consent Judgment is not approved by the Court, (a) this Consent Judgment  
18 and any and all prior agreements between the parties merged herein shall terminate and become  
19 null and void, and the actions shall revert to the status that existed prior to the execution date of  
20 this Consent Judgment; (b) no term of this Consent Judgment or any draft thereof, or of the  
21 negotiation, documentation, or other part or aspect of the Parties' settlement discussions, shall  
22 have any effect, nor shall any such matter be admissible in evidence for any purpose in this  
23 Action, or in any other proceeding; and (c) the Parties agree to meet and confer to determine  
24 whether to modify the terms of the Consent Judgment and to resubmit it for approval.  
25  
26  
27  
28

CONSENT JUDGMENT [PROPOSED]

1 **8. MODIFICATION OF JUDGMENT**

2 8.1 This Consent Judgment may be modified only upon written agreement of the  
3 Parties and upon entry of a modified Consent Judgment by the Court thereon, or upon motion of  
4 any party as provided by law and upon entry of a modified Consent Judgment by the Court.

5 8.2 Any Party seeking to modify this Consent Judgment shall attempt in good faith to  
6 meet and confer with the other Party prior to filing a motion to modify the Consent Judgment.

7 **9. RETENTION OF JURISDICTION**

8 9.1 This Court shall retain jurisdiction of this matter to implement and enforce the  
9 terms of this Consent Judgment.

10 **10. DUTIES LIMITED TO CALIFORNIA**

11 10.1 This Consent Judgment shall have no effect on Covered Products sold by  
12 Defendants outside the State of California.

13 **11. SERVICE ON THE ATTORNEY GENERAL**

14 11.1 CAG shall serve a copy of this Consent Judgment, signed by both parties, on the  
15 California Attorney General so that the Attorney General may review this Consent Judgment  
16 prior to its submittal to the Court for approval. No sooner than forty five (45) days after the  
17 Attorney General has received the aforementioned copy of this Consent Judgment, and in the  
18 absence of any written objection by the Attorney General to the terms of this Consent Judgment,  
19 the parties may then submit it to the Court for approval.

20 **12. ATTORNEY FEES**

21 12.1 Except as specifically provided in Section 4.1.3, each Party shall bear its own  
22 costs and attorney fees in connection with this action.

23 **13. ENTIRE AGREEMENT**

24 13.1 This Consent Judgment contains the sole and entire agreement and understanding  
25 of the Parties with respect to the entire subject matter hereof and any and all prior discussions,  
26 negotiations, commitments and understandings related hereto. No representations, oral or  
27  
28

1 otherwise, express or implied, other than those contained herein have been made by any party  
2 hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be  
3 deemed to exist or to bind any of the Parties.

4 **14. GOVERNING LAW**

5 14.1 The validity, construction and performance of this Consent Judgment shall be  
6 governed by the laws of the State of California, without reference to any conflicts of law  
7 provisions of California law.

8 14.2 The terms of this Consent Judgment shall be governed by the laws of the State of  
9 California. In the event that Proposition 65 is repealed, preempted, or is otherwise rendered  
10 inapplicable by reason of law generally, or if any of the provisions of this Consent Judgment are  
11 rendered inapplicable or are no longer required as a result of any such repeal or preemption, or  
12 rendered inapplicable by reason of law generally as to the Covered Products, then any Defendant  
13 subject to this Consent Judgment may provide written notice to CAG of any asserted change in  
14 the law, and shall have no further obligations pursuant to this Consent Judgment with respect to,  
15 and to the extent that, the Covered Products are so affected. Nothing in this Consent Judgment  
16 shall be interpreted to relieve a Defendant from any obligation to comply with any pertinent state  
17 or federal law or regulation.

18 14.3 The Parties, including their counsel, have participated in the preparation of this  
19 Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties. This  
20 Consent Judgment was subject to revision and modification by the Parties and has been accepted  
21 and approved as to its final form by all Parties and their counsel. Accordingly, any uncertainty  
22 or ambiguity existing in this Consent Judgment shall not be interpreted against any Party as a  
23 result of the manner of the preparation of this Consent Judgment. Each Party to this Consent  
24 Judgment agrees that any statute or rule of construction providing that ambiguities are to be  
25 resolved against the drafting Party should not be employed in the interpretation of this Consent  
26 Judgment and, in this regard, the Parties hereby waive California Civil Code § 1654.  
27  
28

**CONSENT JUDGMENT [PROPOSED]**

1 **15. EXECUTION AND COUNTERPARTS**

2 15.1 This Consent Judgment may be executed in counterparts and by means of  
3 facsimile or portable document format (pdf), which taken together shall be deemed to constitute  
4 one document and have the same force and effect as original signatures.

5 **16. NOTICES**

6 16.1 Any notices under this Consent Judgment shall be by personal delivery of First  
7 Class Mail.

8  
9 If to CAG:

10 Reuben Yeroushalmi  
11 9100 Wilshire Boulevard, Suite 610E  
12 Beverly Hills, CA 90212  
13 (310) 623-1926

14 If to Gina Group, LLC, Gina Hosiery, LTD, or Gina Concepts LLC:

15 Edmond Harary, Current President or CEO  
16 Gina Group, LLC  
17 10 W. 33<sup>rd</sup> St., 3<sup>rd</sup> Floor  
18 New York, NY 10001

19 With a copy to:

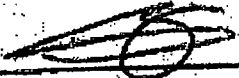
20 Melissa Jones  
21 Stoel Rives LLP  
22 500 Capitol Mall, Suite 1600  
23 Sacramento, CA 95814

24 **17. AUTHORITY TO STIPULATE**

25 17.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized  
26 by the party he or she represents to enter into this Consent Judgment and to execute it on behalf  
27 of the party represented and legally to bind that party.  
28

1 AGREED TO:

2 Date: 9-7-13, 2013

3 

4 Name: Michel Sarron

5 Title: executive director  
6 CONSUMER ADVOCACY GROUP,  
7 INC.

AGREED TO:

Date: \_\_\_\_\_, 2013

Name: \_\_\_\_\_

Title: \_\_\_\_\_  
GINA GROUP, LLC

7 AGREED TO:

8 Date: \_\_\_\_\_, 2013

AGREED TO:

Date: \_\_\_\_\_, 2013

11 Name: \_\_\_\_\_

Name: \_\_\_\_\_

13 Title: \_\_\_\_\_

Title: \_\_\_\_\_ GINA  
CONCEPTS, LLC.

14 GINA HOSIERY, LTD.

16 IT IS SO ORDERED.

18 Date: \_\_\_\_\_

JUDGE OF THE SUPERIOR COURT

28 \_\_\_\_\_  
CONSENT JUDGMENT (PROPOSED)

1 AGREED TO:

2 Date: \_\_\_\_\_, 2013

AGREED TO:

Date: AUG 14, 2013

3  
4 Name: \_\_\_\_\_

Name: EDMOND HARARY

5 Title: \_\_\_\_\_

Title: Pres. M.M.

6 CONSUMER ADVOCACY GROUP,  
INC.

GINA GROUP, LLC

7 AGREED TO:

AGREED TO:

8 Date: AUG 14, 2013

Date: AUG 14, 2013

9  
10 EDMOND HARARY

LENN SALAMO

11 Name: \_\_\_\_\_

Name: \_\_\_\_\_

12 Title: \_\_\_\_\_

Title: PRES M.M.

13 GINA HOSIERY, LTD.

GINA  
CONCEPTS, LLC.

14  
15 *These having been compliance with JP 11.1, above, by service of the*  
16 *Proposed Consent Judgment on the Colif. Attorney General and the Colif.*  
17 *Attorney General having filed NO objections, and good cause for approval*  
**IT IS SO ORDERED.** *appearing,*

18 Date: 11/6/13

Yensul J. Burkman

JUDGE OF THE SUPERIOR COURT

*303*  
*11/6/13*

28  
CONSENT JUDGMENT [PROPOSED]