1	ENDORSED					
2	FILED ALAMEDA COUNTY					
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8	SUPERIOR COURT OF THE STATE OF CALIFORNIA					
9	COUNTY OF ALAMEDA					
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11	CENTER FOR ENVIRONMENTAL HEALTH,) Case No. RG 14-749378					
12	Plaintiff, Plaintiff, Plaintiff, Plaintiff, Plaintiff, Plaintiff, Plaintiff, Plaintiff, Plaintiff, Plaintiff,	C				
13 14	V.) JUDGMENT AS TO LA VARITIMO	∪•				
15	ROCKET DOG BRANDS LLC, et al.,					
16	Defendants.					
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19	1. DEFINITIONS					
20	1.1 "Covered Products" means wallets, handbags, purses and clutches that are					
21	sold or offered for sale by Settling Defendant.					
22	1.2 "Effective Date" means five (5) days after Plaintiff Center for Environmental					
23	Health's counsel of record provides written notice to Defendant La Vani Inc.'s counsel of record					
24	that this Consent Judgment has been approved and entered by the Court.					
25	1.3 "Lead Limits" means the maximum concentrations of lead and lead					
26	compounds ("Lead") by weight specified in Section 3.2.					
27	1.4 "Manufactured" and "Manufactures" means to manufacture, produce, or					
28	assemble.					
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	CONSENT JUDGMENT – LA VANI INC. – CASE NO. RG 14-749378					

- 1.5 "Paint or other Surface Coatings" means a fluid, semi-fluid, or other material, with or without a suspension of finely divided coloring matter, which changes to a solid film when a thin layer is applied to a metal, wood, stone, paper, leather, cloth, plastic, or other surface. This term does not include printing inks or those materials which actually become a part of the substrate, such as the pigment in a plastic article, or those materials which are actually bonded to the substrate, such as by electroplating or ceramic glazing.
- 1.6 "Vendor" means a person or entity that Manufactures, imports, distributes, or supplies a Covered Product to Settling Defendant.

2. INTRODUCTION

- 2.1 The parties to this Consent Judgment ("Parties") are the Center for Environmental Health ("CEH") and La Vani Inc. ("Settling Defendant").
- 2.2 CEH provided Settling Defendant, the California Attorney General, the District Attorneys of every County in the State of California, and the City Attorneys for every City in the State of California with a population greater than 750,000 with a 60-Day Notice of Violation dated June 26, 2014 under Proposition 65 (The Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §§ 25249.5, et seq.) (the "Notice"). The Notice alleges that Settling Defendant violated Proposition 65 by exposing persons to Lead contained in wallets, handbags, purses and clutches without first providing a clear and reasonable Proposition 65 warning.
- 2.3 On November 24, 2014, CEH filed the action *Center for Environmental Health v. Rocket Dog Brands LLC, et al.*, Case No. RG 14-749378, in the Superior Court of California for Alameda County, naming Settling Defendant as a defendant in that action.
- 2.4 Settling Defendant offers for sale Covered Products in the State of California or has done so in the past.
- 2.5 For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the allegations of violations contained in the operative Complaint applicable to Settling Defendant (the "Complaint") and personal jurisdiction over Settling Defendant as to the acts alleged in the Complaint, that venue is proper in the County of Alameda,

and that this Court has jurisdiction to enter this Consent Judgment pursuant to California Code of Civil Procedure § 664.6 and Proposition 65.

2.6 Nothing in this Consent Judgment is or 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, finding, conclusion of law, issue of law, or violation of law or liability by Settling Defendant.

Nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy, argument or defense the Parties may have in any other legal proceeding. This Consent Judgment is the product of negotiation and compromise and is accepted by the Parties for purposes of settling, compromising and resolving issues disputed in this action. However, nothing in this section 2.6 shall affect the Parties' obligations, duties, and responsibilities under this Consent Judgment.

3. INJUNCTIVE RELIEF

- 3.1 Specification Compliance Date. To the extent it has not already done so, no more than 30 days after the Effective Date, Settling Defendant shall provide the Lead Limits to its Vendors of Covered Products and shall instruct each Vendor to use reasonable efforts, in the future, to provide Settling Defendant Covered Products that comply with the Lead Limits as stated in Section 3.2 of this Consent Judgment on a nationwide basis.
- 3.2 Lead Limits. Commencing on the Effective Date, except as described in section 3.4 of this Consent Judgment, Settling Defendant shall only sell or offer for sale Covered Products that will be sold or offered for sale to California consumers that contain materials or are made of components that contain less than or equal to the following Lead Limits:
 - 3.2.1 Paint or other Surface Coatings: 90 parts per million ("ppm");
 - 3.2.2 Polyvinyl chloride ("PVC"): 200 ppm; and
- 3.2.3 All other materials or components other than cubic zirconia (sometimes called cubic zirconium, CZ), crystal, glass or rhinestones: 300 ppm ("Reformulated Products").

3.3 Action Regarding Specific Products.

3.3.1 On or before the Effective Date, Settling Defendant shall cease selling in California the following products: (i) the Vani Dasein Snakeskin Embossed Checkbook Wallet in

Green, Item No. DTDT370-70497; (ii) the Vani Dasein Snakeskin Embossed Checkbook Wallet in Blossom Red, Item No. W.370-70497; (iii) the Dasein Patent Croco Chic Bi-Fold Checkbook Wallet in Coffee, Item No. MFF2237-152244; (iv) the Dasein Patent Croco Chic Bi-Fold Checkbook Wallet in Red, Item No. BBB12237-152244; (v) the Dasein Color-Blocked Bi-Fold Wallet in Mint Green & Coffee, Item No. DFD2456-152237; and (vi) the Dasein Color-Blocked Bi-Fold Wallet in Red & Black, Item No. BAB2456-152237 (collectively, the "Section 3.3 Products") unless the Section 3.3. Products comply with the Lead Limits in Section 3.2. On or before the Effective Date, Settling Defendant shall also: (i) cease shipping the Section 3.3 Products to any of its stores and/or customers that resell the Section 3.3 Products in California; and (ii) send instructions to its stores and/or customers that resell the Section 3.3 Products in California instructing them either to: (a) return all of the Section 3.3 Products to Settling Defendant; or (b) directly destroy the Section 3.3 Products.

- 3.3.2 Any destruction of the Section 3.3 Products by Settling Defendant shall be in compliance with all applicable laws.
- 3.3.3 Within sixty (60) days of the Effective Date, Settling Defendant shall provide CEH with written certification from Settling Defendant confirming compliance with the requirements of this Section 3.3.
- 3.4 Interim Warning Option. Notwithstanding anything to the contrary in Section 3.2 above, a Covered Product purchased, imported or manufactured by Settling Defendant prior to the Effective Date may, as an alternative to meeting the Lead Limits, be sold or offered for sale to California consumers so long as such Covered Product is accompanied by a Clear and Reasonable Warning that complies with the provisions of Section 3.4.1. A Clear and Reasonable Warning may only be provided for a Covered Product if Settling Defendant reasonably believes the Covered Product does not meet the Lead Limits. During the period for which any warnings are implemented, Settling Defendant shall utilize good faith efforts to achieve reformulation as soon as possible.

3.4.1 **Proposition 65 Warnings.** A Clear and Reasonable Warning under this Consent Judgment shall state:

WARNING: This product contains lead, a chemical known to the State of California to cause birth defects or other reproductive harm.

This statement shall be prominently displayed on the Covered Product, on the packaging of the Covered Product, or on a placard or sign provided that the statement is displayed with such conspicuousness, as compared with other words, statements or designs as to render it likely to be read and understood by an ordinary individual prior to sale. If the statement is displayed on a placard or sign where the Covered Product is offered for sale, the warning placard or sign must enable an ordinary individual to easily determine which specific Covered Products the warning applies to, and to differentiate between that Covered Product and other products to which the warning statement does not apply. For internet, catalog or any other sale where the consumer is not physically present, the warning statement shall be displayed in such a manner that it is likely to be read and understood by an ordinary individual prior to the authorization of or actual payment. For internet sales, the warning statement shall be displayed before a consumer commits to purchasing the Covered Product and without the need for the consumer to follow any additional hyperlinks beyond those required as part of the ordinary purchasing process.

4. ENFORCEMENT

- 4.1 Either CEH or Settling Defendant may, after meeting and conferring, by motion or application for an order to show cause before this Court, enforce the terms and conditions contained in this Consent Judgment. Enforcement of the terms and conditions of Section 3.2 of this Consent Judgment shall be brought exclusively pursuant to Sections 4.2 through 4.3.
- 4.2 **Notice of Violation.** CEH may seek to enforce the requirements of Section 3.2 by issuing a Notice of Violation pursuant to this Section 4.2.
- 4.2.1 **Service of Notice.** CEH shall serve the Notice of Violation on Settling Defendant within 45 days of the date the alleged violation(s) was or were observed, provided,

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however, that: (i) CEH may have up to an additional 45 days to provide Settling Defendant with the test data required by Section 4.2.2(d) below if it has not yet obtained it from its laboratory; and (ii) CEH may serve a Notice of Violation to a supplier of a Covered Product so long as: (a) the identity of the supplier cannot be discerned from the labeling of the Covered Product; and (b) the Notice of Violation to the supplier is served within 45 days of the date the supplier is identified by CEH.

Supporting Documentation. The Notice of Violation shall, at a minimum, set forth for each Covered Product: (a) the date(s) the alleged violation(s) was observed; (b) the location at which the Covered Product was offered for sale; (c) a description of the Covered Product giving rise to the alleged violation, and of each material or component that is alleged not to comply with the Lead Limits, including a picture of the Covered Product and all identifying information on tags and labels; and (d) all test data obtained by CEH regarding the Covered Product and related supporting documentation, including all laboratory reports, quality assurance reports and quality control reports associated with testing of the Covered Products. Such Notice of Violation shall be based at least in part upon total acid digest testing performed by an independent accredited laboratory. Wipe, swipe, x-ray fluorescence, and swab testing are not by themselves sufficient to support a Notice of Violation, although any such testing may be used as additional support for a Notice. The Parties agree that the sample Notice of Violation attached hereto as Exhibit A is sufficient in form to satisfy the requirements of subsections (c) and (d) of this Section 4.2.2.

Additional Documentation. CEH shall promptly make available for inspection and/or copying upon request by and at the expense of Settling Defendant, all supporting documentation related to the testing of the Covered Products and associated quality control samples, including chain of custody records, all laboratory logbook entries for laboratory receiving, sample preparation, and instrumental analysis, and all printouts from all analytical instruments relating to the testing of Covered Product samples and any and all calibration, quality assurance, and quality control tests performed or relied upon in conjunction with the testing of the Covered Products, obtained by or available to CEH that pertains to the Covered Product's alleged noncompliance with Section 3 and, if available, any exemplars of Covered Products tested.

- 4.2.4 **Multiple Notices.** If Settling Defendant has received more than four Notices of Violation in any 12-month period, at CEH's option, CEH may seek whatever fines, costs, penalties, or remedies are provided by law for failure to comply with the Consent Judgment. For purposes of determining the number of Notices of Violation pursuant to this Section 4.2.4, the following shall be excluded:
- (a) Multiple notices identifying Covered Products Manufactured for or sold to Settling Defendant from the same Vendor; and
- (b) A Notice of Violation that meets one or more of the conditions of Section 4.3.3(c).
- 4.3 **Notice of Election.** Within 30 days of receiving a Notice of Violation pursuant to Section 4.2, including the test data required pursuant to 4.2.2(d), Settling Defendant shall provide written notice to CEH stating whether it elects to contest the allegations contained in the Notice of Violation ("Notice of Election"). Failure to provide a Notice of Election shall be deemed an election to contest the Notice of Violation. Any contributions to the Fashion Accessory Testing Fund required under this Section 4.3 shall be made payable to The Center for Environmental Health and included with Settling Defendant's Notice of Election.
 - 4.3.1 Contested Notices. If the Notice of Violation is contested, the Notice of Election shall include all then-available documentary evidence regarding the alleged violation, including any test data. Within 30 days the parties shall meet and confer to attempt to resolve their dispute. Should such attempts at meeting and conferring fail, CEH may file an enforcement motion or application pursuant to Section 4.1. If Settling Defendant withdraws its Notice of Election to contest the Notice of Violation before any motion concerning the violations alleged in the Notice of Violation is filed pursuant to Section 4.1, Settling Defendant shall make a contribution to the Proposition 65 Fashion Accessory Testing Fund in the amount of \$12,500 and shall comply with all of the non-monetary provisions of Section 4.3.2. If, at any time prior to reaching an agreement or

obtaining a decision from the Court, CEH or Settling Defendant acquires additional test or other data regarding the alleged violation, it shall promptly provide all such data or information to the other Party.

4.3.2 **Non-Contested Notices.** If the Notice of Violation is not contested, Settling Defendant shall include in its Notice of Election a detailed description of corrective action that it has undertaken or proposes to undertake to address the alleged violation. Any such correction shall, at a minimum, provide reasonable assurance that the Covered Product will no longer be offered by Settling Defendant or its customers for sale in California. If there is a dispute over the sufficiency of the proposed corrective action or its implementation, CEH shall promptly notify Settling Defendant and the Parties shall meet and confer before seeking the intervention of the Court to resolve the dispute. In addition to the corrective action, Settling Defendant shall make a contribution to the Fashion Accessory Testing Fund in the amount of \$10,000, unless one of the provisions of Section 4.3.3 applies.

4.3.3 Limitations in Non-Contested Matters.

- (a) If it elects not to contest a Notice of Violation before any motion concerning the violation(s) at issue has been filed, the monetary liability of Settling Defendant shall be limited to the contributions required by Section 4.3.2 and this Section 4.3.3, if any.
- (b) If more than one Settling Defendant has manufactured, sold, offered for sale or distributed a Covered Product identified in a non-contested Notice of Violation, only one required contribution may be assessed against all Settling Defendants as to the noticed Covered Product.
 - (c) The contribution to the Fashion Accessory Testing Fund shall be:
 - (i) One thousand seven hundred fifty dollars (\$1,750) if Settling

 Defendant, prior to receiving and accepting for distribution or sale the

 Covered Product identified in the Notice of Violation, obtained test results

 demonstrating that all of the materials or components in the Covered

Product identified in the Notice of Violation complied with the applicable Lead Limits, and further provided that such test results meet the same quality criteria to support a Notice of Violation as set forth in Section 4.2.2 and that the testing was performed within two years prior to the date of the sales transaction on which the Notice of Violation is based. Settling Defendant shall provide copies of such test results and supporting documentation to CEH with its Notice of Election; or

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

5. PAYMENTS

- Date, Settling Defendant shall pay the total sum of \$45,000 as a settlement payment. The total settlement amount for Settling Defendant shall be paid in three separate checks and delivered to the offices of the Lexington Law Group (Attn: Eric Somers), 503 Divisadero Street, San Francisco, California 94117-2212, and made payable and allocated as follows:
- 5.1.1 Settling Defendant shall pay the sum of \$5,930 as a civil penalty pursuant to Health & Safety Code § 25249.7(b). CEH shall apportion this payment in accordance with Health & Safety Code § 25249.12 (25% to CEH and 75% to the State of California's Office of Environmental Health Hazard Assessment). The civil penalty check shall be made payable to the Center for Environmental Health.
- 5.1.2 Settling Defendant shall pay the sum of \$8,900 as a payment in lieu of civil penalty to CEH pursuant to Health & Safety Code § 25249.7(b), and California Code of Regulations, Title 11, § 3203(b). CEH shall use such funds to continue its work educating and protecting people from exposures to toxic chemicals, including heavy metals. In addition, as part of its Community Environmental Action and Justice Fund, CEH will use four percent of such funds to award grants to grassroots environmental justice groups working to educate and protect

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people from exposures to toxic chemicals. The method of selection of such groups can be found at the CEH web site at www.ceh.org/justicefund. The payment pursuant to this Section shall be made payable to the Center for Environmental Health.

Settling Defendant shall also separately pay the sum of \$30,170 to the Lexington Law Group as reimbursement of a portion of CEH's reasonable attorneys' fees and costs. The attorneys' fees and cost reimbursement check shall be made payable to the Lexington Law Group.

6. MODIFICATION

- 6.1 Written Consent. This Consent Judgment may be modified from time to time by express written agreement of the Parties with the approval of the Court, or by an order of this Court upon motion and in accordance with law.
- 6.2 **Meet and Confer.** Any Party seeking to modify this Consent Judgment shall attempt in good faith to meet and confer with all affected Parties prior to filing a motion to modify the Consent Judgment.

7. CLAIMS COVERED AND RELEASED

- 7.1 CEH acting on its own behalf and in the public interest releases Settling Defendant, and its parents, subsidiaries, affiliated entities that are under common ownership, directors, officers, employees, and attorneys ("Defendant Releasees"), and each entity to whom they directly or indirectly distribute or sell Covered Products, including but not limited to distributors, wholesalers, customers, retailers, franchisees, cooperative members, licensors, and licensees ("Downstream Defendant Releasees") from all claims under Proposition 65 based on alleged exposure to Lead from Covered Products sold by Settling Defendant up through the Effective Date.
- 7.2 Compliance with the terms of this Consent Judgment by Settling Defendant constitutes compliance with Proposition 65 with respect to Lead in Covered Products sold by Settling Defendant.

DOCUMENT PREPARED ON RECYCLED PAPER its own attorneys' fees and costs.

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

11. TERMINATION

- 11.1 This Consent Judgment shall automatically terminate on January 1, 2019.
- Should this Consent Judgment be terminated pursuant to this Section, it shall be of no further force or effect as to the terminated parties.

12. OTHER TERMS

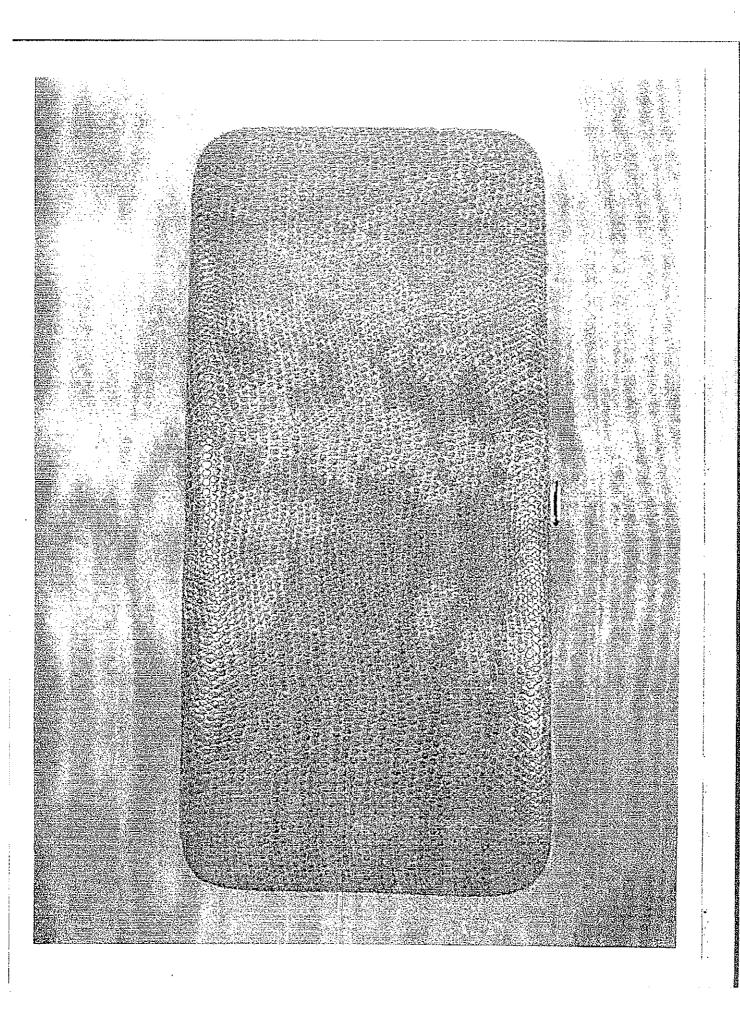
- 12.1 The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within the state of California. In the event that Proposition 65 is repealed, preempted, or is otherwise rendered inapplicable by reason of law generally, or as to the Covered Products, then Defendant may provide written notice to Plaintiff of any asserted change in the law, and shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Covered Products are so affected.
- This Consent Judgment shall apply to and be binding upon CEH and Settling Defendant, and the successors or assigns of any of them.
- 12.3 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, or understandings related thereto, if any, are hereby merged herein and therein. There are no warranties, representations, or other agreements between the Parties except as expressly set forth herein. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Consent Judgment have been made by any Party hereto. No other agreements not specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto. No supplementation, modification, waiver, or termination of this Consent Judgment shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of this Consent Judgment shall be deemed or shall constitute a waiver of any of the other provisions hereof whether or not similar, nor shall such waiver constitute a continuing waiver.

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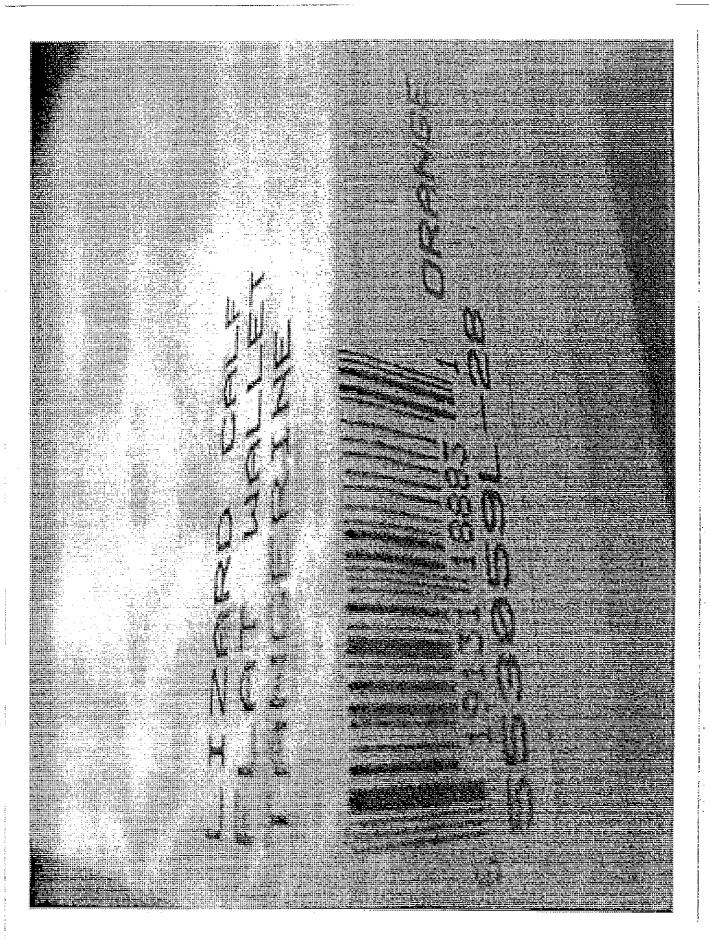
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Exhibit A



(A)



365 North Canyons Parkway, Suite 201 Tech Center: 2441 Constitution Drive Livermore CA 94551



925-828-1440 www.TheNFL.com

Analytical Report

August 03, 2011

Lexington Law Group 503 Divisidero Street San Francisco, CA 94117 Analytical Report No.: CL3573-33 Analysis Dates: 07/26/11 - 08/03/11

Listed below are the results of our analyses for sample(s) received on July 26, 2011.

CEH ID#AB789L, Wallet (Orange Surface Material On Main Part Of W NFL ID AF02363

Analyte	Result	Units	Method Ref.
Lead	67500	ppm	NIOSH 7082

A portion of the sample was digested in a microwave oven with concentrated nitric acid and analyzed by ICP-MS.

Sample(s) were received in good condition unless and results are reported based on the sample(s) as received, unless otherwise noted. Please note that these results apply only to the sample(s) submitted for this report. Samples from a different portion of the same lot may produce different results.

The National Food Lab services are provided subject to our standard terms and conditions, which can be found on our website, www.TheNFL.com. Should you have any questions concerning these results, please do not hesitate to contact us. Thank you for using the services of the National Food Lab.

Sincerely,

Grace Bandong, Division Manager, Food Contaminants - Chemistry

cc: The NFL's Accounts Receivable

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