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11 Interstate Hotels, LLC and Crossroads Hospitality
12 Company, LLC

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 COUNTY OF LOS ANGELES

14 Coordination Proceeding
15 Special Title (Rule 1550(b))

JUDICIAL COUNCIL COORDINATION
PROCEEDING NO. 4182

16 SECONDHAND SMOKE CASES

[PROPOSED] CONSENT JUDGMENT

17 This Document Relates to the following cases:

Date Proceeding Coordinated: June 18, 2001

18
19 *Consumer Advocacy Group, Inc. v. Destination*
20 *Hotels and Resorts, et al.*
21 Former Los Angeles County Superior Court
Case No. BC234630

Department 307
Hon. William Highberger

22 **1. INTRODUCTION**

23 1.1 Plaintiff. Consumer Advocacy Group, Inc. (“Plaintiff” or “CAG”), on its own behalf
24 and as a representative of the People of the State of California, is a non-profit public interest
25 corporation.

26 1.2 Defendants. Interstate Hotels, LLC and Crossroads Hospitality Company, LLC
27 (erroneously sued as Crossroads Hospitality, LLC), (all individually and collectively “Defendants”)
28 have previously managed, or currently manage, the Covered Properties.

1 1.3 Covered Property. The properties currently or previously managed by Defendants
2 during the relevant time frame are referred to collectively as the "Covered Property" or "Covered
3 Properties". The Covered Properties are identified in Exhibit A of this Consent Judgment.

4 1.4 Proposition 65. Health and Safety Code sections 25249.5 et seq. ("Proposition 65")
5 prohibits, among other things, a company consisting of ten or more employees from knowingly and
6 intentionally exposing an individual to chemicals known to the State of California to cause cancer,
7 birth defects, or other reproductive harm without first providing a clear and reasonable warning to
8 such individuals. Exposures can occur as a result of a consumer product exposure, an occupational
9 exposure, or an environmental exposure.

10 1.5 Proposition 65 Chemicals. The State of California has officially listed various
11 chemicals pursuant to Health and Safety Code section 25249.8 as chemicals known to the State of
12 California to cause cancer and/or reproductive toxicity.

13 1.6 The Present Action. This Consent Judgment pertains to *Consumer Advocacy Group,*
14 *inc. v. Destination Hotels and Resorts, et al.* , Los Angeles County Superior Court Case No.
15 BC234630, which was deemed complex and has been proceeding as part of Judicial Council
16 Coordination Proceeding ("JCCP") 4182 (the "Action").

17 1.7 Plaintiff's 60-Day Notice. More than sixty days before filing suit in this action, on
18 October 7, 1999, Plaintiff or its predecessors erroneously served Interstate Hotels Management,
19 Crossroads and Interstate Hotel on behalf of Defendants with Notices of Intent to Sue Under Health
20 & Safety Code Sections 25249.6" (the "Notice"). A true and correct copy of the Notice is attached
21 hereto as Exhibit A. The Notice stated, among other things, that Plaintiff believed that Defendants
22 had violated Proposition 65 by knowingly and intentionally exposing consumers, customers, and
23 employees of the Covered Properties, as well as the public, to the Proposition 65 listed chemicals
24 found in tobacco products, tobacco smoke, cigars and smokeless tobacco. Among the Proposition 65
25 chemicals identified by Plaintiff in the Notice were tobacco products, tobacco smoke, cigars and
26 smokeless tobacco (and their constituent chemicals, including Acetaldehyde, Acetamide,
27 Acrylonitrile, 4-Aminobiphenyl, (4-Aminodiphenyl), Aniline, Ortho-Anisidine, Arsenic (inorganic
28 arsenic compounds), Benz[a]anthracene, Benzene, Benzo[b]fluoranthene, Benzo[j]fluoranthene,

1 Benzo[k]fluoranthene, Benzo[a]pyrene, 1,3-Butadiene, Cadmium, Captan, Chromium (hexavalent
2 compounds), Chrysene, Dichlorodiphenyltrichloroethane (DDT), Dibenz[a,h]acridine,
3 Dibenz[a,j]acridine, Dibenz[a,h]anthracene, 7H-Dibenzo[c,g]carbazole, Dibenzo[a,e]pyrene,
4 Dibenzo[a,h]pyrene, Dibenzo[a,i]pyrene, Dibenzo[a,l]pyrene, 1,1-Dimethylhydrazine (UDMH),
5 Formaldehyde (gas), Hydrazine, Lead and lead compounds, 1-Naphthylamine, 2-Naphthylamine,
6 Nickel and certain nickel compounds, 2-Nitropropane, N-Nitrosodi-n-butylamine, N-
7 Nitrosodiethanolamine, N-Nitrosodiethylamine, N-Nitrosomethylethylamine, N-Nitrosomorpholine,
8 N-Nitrosornicotine, N-Nitrosopiperidine, N-Nitrosopyrrolidine, Ortho-Toluidine, Tobacco Smoke,
9 Urethane (Ethyl carbamate), Arsenic (inorganic Oxides), Cadmium, Carbon disulfide, Carbon
10 monoxide, Lead, Nicotine, Toluene, Tobacco Smoke, and Urethane (collectively "Noticed
11 Chemicals"). This Consent Judgment covers only those specified Noticed Chemicals.

12 1.8 Purpose of Consent Judgment. In order to avoid continued and protracted litigation,
13 CAG and Defendants (the "Parties") wish to resolve completely and finally any and all tobacco
14 exposure issues including with respect to all Noticed Chemicals raised by the Notices and the Action,
15 pursuant to the terms and conditions described herein. In entering into this Consent Judgment, the
16 Parties recognize that this Consent Judgment is a full and final settlement of all claims related to
17 Noticed Chemicals in tobacco products, tobacco smoke, smokeless tobacco and secondhand tobacco
18 smoke (and their constituent chemicals), that were raised or that could have been raised in the Notice
19 and the Action. Plaintiff and Defendants also intend for this Consent Judgment to provide, to the
20 maximum extent permitted by law, *res judicata* and/or collateral estoppel protection for Defendants
21 against any and all other claims based on the same or similar allegations as to the Noticed Chemicals.

22 1.9 No Admission. Defendants dispute that they have violated Proposition 65 as
23 described in the Notices and the Action and that it has any liability whatsoever based on any of the
24 facts or claims asserted in the Notice or the Action. Plaintiff disputes Defendants' defenses.

25 Based on the foregoing, nothing contained in this Consent Judgment shall be construed as an
26 admission by Plaintiff or Defendants that any action that Defendants may have taken, or failed to
27 take, violates Proposition 65 or any other statute, regulation, or principal of common law.
28

1 Defendants expressly deny any alleged violations of Proposition 65 or any other statute, regulation,
2 or principle of common law.

3 1.10 Effective Upon Final Determination. Defendants' willingness to enter into this
4 Consent Judgment is based upon the understanding that this Consent Judgment will fully and finally
5 resolve all claims related to Noticed Chemicals present in tobacco products, tobacco smoke,
6 smokeless tobacco and secondhand tobacco smoke (and their constituent chemicals), and that this
7 Consent Judgment will have *res judicata* and/or collateral estoppel effect to the full extent allowed by
8 law with regards to alleged violations of Proposition 65 by Defendants.

9 2. JURISDICTION

10 2.1 Subject Matter Jurisdiction. For purposes of this Consent Judgment only, the Parties
11 stipulate that this Court has jurisdiction over the allegations of violations contained in the lawsuit.

12 2.2 Personal Jurisdiction. For purposes of this Consent Judgment only, the Parties
13 stipulate that this Court has personal jurisdiction over the Defendants as to the acts alleged in the
14 lawsuit.

15 2.3 Venue. For purposes of this Consent Judgment only, venue is proper in the County of
16 Los Angeles for resolution of the allegations made and claims asserted in the Action.

17 2.4 Jurisdiction to Enter Consent Judgment. The Parties stipulate that this Court has
18 jurisdiction to enter this Consent Judgment as a full and final settlement and resolution of the
19 allegations contained in the Notice, the lawsuit, and of all claims that were or could have been raised
20 based on the facts alleged therein or arising therefrom by any person or entity, other than the
21 Attorney General of the State of California, based in whole or in part, directly or indirectly, against
22 the Defendants and Released Parties, as defined in paragraph 4.2 below.

23 3. INJUNCTIVE RELIEF:

24 CLEAR AND REASONABLE WARNINGS

25 3.1 Environmental and Occupational Exposure Warnings. For any Covered Property
26 managed by Defendants as of the date this Consent Judgment is approved by the Court, Defendants
27 agree to implement and/or maintain a written policy which prohibits employees, guests or other
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1 occupants of the property from smoking tobacco products in any guest room, common area, gift shop,
2 restaurant or other interior portion of the property.

3 3.2 Consumer Product Warning. For any Covered Property managed by Defendants as of the
4 date this Consent Judgment is approved by the Court, Defendants agree to take reasonable steps to
5 require that the gift shop operators/lessees of each Covered Property post a warning if cigars,
6 cigarettes, or other tobacco products are being sold at the Covered Property. For the Covered
7 Properties where cigars, cigarettes, or other tobacco products are sold, and which are managed by
8 Defendants as of the date this Consent Judgment is approved by the Court, the following warning
9 shall be prominently displayed at or near the point of sale of such products:

10 **WARNING:**

11 Tobacco Products Contain/Produce Chemicals Known to the State of
12 California to Cause Cancer and Birth Defects or Other Reproductive
13 Harm.

14
15 Defendants agree to take reasonable steps to require that the warnings set forth in this section
16 3.2 be displayed at the gift shop at the Covered Property with such conspicuousness, as compared
17 with other words, statements, designs, or devices as to render the warnings likely to be read and
18 understood by an ordinary individual under customary conditions of purchase or use, consistent with
19 California Code of Regulations, title 22, section 12601, subdivision (b)(3).

20 3.3 Compliance. Defendants' compliance with paragraphs 3.1 and 3.2 is deemed to fully
21 satisfy Defendants' obligations under Proposition 65 with respect to any exposures and potential
22 exposures to Noticed Chemicals in all respects and to all person(s) and entity(ies). Defendants'
23 compliance with paragraphs 3.1 and 3.2 will not relieve them of any obligation to continue to provide
24 the statutorily approved warnings for alcohol.

25 3.4 Future Laws or Regulations. In lieu of complying with the requirements of paragraphs
26 3.1 and 3.2, if: (a) any future federal law or regulation that governs the warning provided for here
27 preempts state authority with respect to said warning, or (b) any future warning requirements with
28 respect to the subject matter of said paragraphs are proposed by any industry association and

1 approved by the State of California, or (c) any future new state law or regulation specifying a specific
2 warning for hotels, hotel gift shops or the Covered Properties with respect to the subject matter of
3 said paragraphs, Defendants may comply with the warning obligations set forth in paragraphs 3.1 and
4 3.2 of this Judgment by complying with such future federal or state law or regulation or such future
5 warning requirement upon notice to Plaintiff.

6 3.5 Statutory Amendment to Proposition 65. If there is a statutory or other amendment to
7 Proposition 65, or regulations are adopted pursuant to Proposition 65, which would exempt
8 paragraphs 3.1 and 3.2 of this Judgment, Defendants and/or the "Released Parties," as defined in
9 paragraph 4.2 below, or the class to which Defendants belong, from providing the warnings described
10 here, then, upon the adoption of such statutory amendment or regulation, and to the extent provided
11 for in such statutory amendment or regulation, Defendants shall be relieved from their obligation to
12 provide the warnings set forth here. In the event Defendants cease to manage, own or operate any of
13 the Covered Properties, then Defendants shall be relieved of their obligations to provide warnings
14 with respect to such Covered Properties as detailed under paragraphs 3.1 and 3.2 of this Consent
15 Judgment. .

16 4. RELEASE AND CLAIMS COVERED

17 4.1 Effect of Judgment. The Judgment is a full and final judgment with respect to any
18 claims regarding the Noticed Chemicals that were asserted or could have been asserted in the Action
19 against the Released Parties (as defined in paragraph 4.2 below) and each of them, and the Notice
20 against Defendants regarding the Covered Properties, including, but not limited to: (a) claims for any
21 violations of Proposition 65 by the Released Parties as defined and each of them including, but not
22 limited to, claims arising from consumer product, environmental, and occupational exposures to the
23 Noticed Chemicals, wherever occurring and to whomever occurring, through and including the date
24 upon which the Judgment becomes final; and (b) the Released Parties' continuing responsibility to
25 provide the warnings mandated by Proposition 65 with respect to the Noticed Chemicals.

26 4.2 Release. Except for such rights and obligations as have been created under this
27 Consent Judgment, Plaintiff, on its own behalf and bringing an action "in the public interest"
28 pursuant to Health and Safety Code section 25249.7, subd. (d), with respect to the matters regarding

1 the Noticed Chemicals alleged in the lawsuit, does hereby fully, completely, finally and forever
2 release, relinquish and discharge: (a) Interstate Hotels, LLC, Crossroads Hospitality Company, LLC,
3 and Interstate Hotels & Resorts, Inc., (b) the past, present, and future owners, lessors, sublessors,
4 managers and operators of, and any others with any interest in the Covered Properties, (c) the past,
5 present, and future owners, lessors, sublessors, managers and operators of, and any others with any
6 interest in all gift shops associated or affiliated with the Covered Properties, and (d) the respective
7 past, present, and future officers, directors, shareholders, affiliates, agents, principals, employees,
8 attorneys, parents, subsidiaries, owners, sisters or other related entities, and successors and assigns of
9 the persons and entities described in (a), (b) and (c) immediately above (collectively (a), (b), (c) and
10 (d) are the "Released Parties") of and from all claims, actions, causes of action, demands, rights,
11 debts, agreements, promises, liabilities, damages, accountings, costs and expenses, whether known or
12 unknown, suspected or unsuspected, of every nature whatsoever that Plaintiff has or may have
13 against the Released Parties, arising in whole or in part, or directly or indirectly, out of any fact or
14 circumstance occurring prior to the date upon which the Judgment becomes final, relating to alleged
15 violations of Proposition 65 or any other violation by the Released Parties and their respective agents,
16 servants and employees, being hereinafter referred to as the "Released Claims." The Released
17 Claims include all allegations made, or that could have been made, by Plaintiff with respect to the
18 Noticed Chemicals relating to Proposition 65 or otherwise.

19 4.3 Intent of Parties. The Parties intend that this release, upon entry of judgment and
20 conclusion of all litigation relating to (i) this Consent Judgment itself, and (ii) the lawsuit itself as to
21 Defendants and/or the Released Parties, that this Consent Judgment shall be effective as a full and
22 final accord and satisfaction and release of each Released Claim. In furtherance of this intention,
23 Plaintiff acknowledges that it is familiar with California Civil Code section 1542, which provides as
24 follows:

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

1 Plaintiff waives and relinquishes all of the rights and benefits that Plaintiff has, or may have,
2 under Civil Code section 1542 (as well as any similar rights and benefits which it may have by virtue
3 of any statute or rule of law in any other state or territory of the United States). Plaintiff
4 acknowledges that it may hereafter discover facts in addition to, or different from, those which it now
5 knows or believes to be true with respect to the subject matter of this Consent Judgment and the
6 Released Claims, but that notwithstanding the foregoing, it is Plaintiff's intention to fully, finally,
7 completely and forever settle and release all Released Claims, and that in furtherance of such
8 intention, the release here given shall be and remain in effect as a full and complete general release,
9 notwithstanding the discovery or existence of any such additional or different facts.

10 4.4 Plaintiff's Ability to Represent Public. Plaintiff hereby warrants and represents to
11 Defendants and the Released Parties that (a) Plaintiff has not previously assigned any Released
12 Claim, and (b) Plaintiff has the right, ability and power to release each Released Claim.

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

18 4.5 No Further Force and Effect. Plaintiff and Defendants hereby request that this Court
19 enter judgment pursuant to this Consent Judgment. In the event that:

20 (a) this Court denies, in whole or in part, the motion to approve the Consent Judgment
21 pursuant to Health and Safety Code section 25249.7 (f)(4) as amended,

22 (b) a decision by this Court to approve the Consent Judgment is appealed and overturned by
23 another Court, in whole or in part, or

24 (c) a third party files litigation to contest the validity of the Consent Judgment as against any
25 Plaintiff or Defendants relating to this Consent Judgment,

26 then upon notice by any party hereto to the other party hereto, this Consent Judgment shall be
27 of no further force or effect and the Parties shall be restored to their respective rights and obligations
28 as though this Consent Judgment had not been executed by the Parties.

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5. ATTORNEYS' FEES AND COSTS

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5.1 Payment to Yeroushalmi & Associates. In an effort to defray CAG's expert fees and costs, costs of investigation, attorneys' fees, or other costs incurred relating to this matter, Defendants shall pay to the firm of Yeroushalmi & Associates the sum of \$30,000.00. This amount shall be paid within thirty (30) calendar days following the entry and approval of this Consent Judgment and upon receipt by Defendants of all necessary tax information from CAG, such as a W-9, which is required for Defendants to make this settlement payment.

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6. PRECLUSIVE EFFECT OF CONSENT JUDGMENT

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

(a) Constitutes full and fair adjudication of all claims against Defendants, 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 Defendants' alleged failure to provide warnings regarding exposure to tobacco products, tobacco smoke, smokeless tobacco and secondhand tobacco smoke (and their constituent chemicals), which may be present on the Covered Properties and which are known to the State of California to cause cancer, birth defects, and/or other reproductive harm;

(b) Bars all other persons, on the basis of *res judicata* and the doctrine of mootness and/or the doctrine of collateral estoppel, from prosecuting against any Released Party any claim with respect to the Noticed Chemicals alleged in the Action, and based upon alleged violations of (i) Proposition 65, or (ii) any other statute, provision of common law or any theory or issue which arose or arises from the alleged failure to provide warning of exposure to tobacco products, tobacco smoke, smokeless tobacco and secondhand tobacco smoke (and their constituent chemicals), which may be present on the Covered Properties referred to in paragraph 1.3 and which are known to the State of California to cause cancer, birth defects, and/or other reproductive harm.

7. 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

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9. NOTICES

9.1 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:

(i) When personally delivered to a party, on the date of such delivery; or

(ii) When sent via facsimile to a party at the facsimile number set forth below, or to such other or further facsimile number provided in a notice sent under the terms of this paragraph, on the date of the transmission of that facsimile; or

(iii) 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:

John J. Allen, Esq.
ALLEN MATKINS LECK GAMBLE MALLORY & NATSIS LLP
515 South Figueroa Street, 9th Floor
Los Angeles, CA 90071
Facsimile Number: 213-620-8816

Courtesy copy to:

Interstate Hotels & Resorts, Inc.
Attention: Erica Hageman
4501 North Fairfax Drive, Suite 500
Arlington, VA 22203

or to such other place as may from time to time be specified in a notice to each of the Parties hereto given pursuant to this paragraph as the address for service of notice on such party.

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10. INTEGRATION

10.1 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.

11. TIMING

15 11.1 Time of Essence. Time is of the essence in the performance of the terms hereof.

12. COMPLIANCE WITH REPORTING REQUIREMENTS

17 12.1 Reporting Forms; Presentation to Attorney General. The Parties agree to comply with the reporting form requirements referenced in Health and Safety Code section 25249.7, subdivision (f), whereby Plaintiff shall present this Consent Judgment to the California Attorney General's office upon receiving all necessary signatures.

13. COUNTERPARTS

22 13.1 Counterparts. This Consent Judgment may be signed in counterparts and shall be binding upon the Parties hereto as if all of said Parties executed the original hereof. A facsimile or pdf signature shall be as valid as the original.

14. WAIVER

26 14.1 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.

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15. AMENDMENT

15.1 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.

16. SUCCESSORS

16.1 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 permitted assigns.

17. CHOICE OF LAWS

17.1 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 principles of choice of laws.

18. NO ADMISSIONS

18.1 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 admits any issue of fact or law, including any violations 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 the Released Claims or as otherwise required by law.

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19. REPRESENTATION


19.1 Construction of Consent Judgment. Plaintiff and Defendants 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 either in favor of or against any Party hereto.

20. AUTHORIZATION

20.1 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 the Judgment, and to execute and approve the Judgment on behalf of the Party represented.

Dated: October ____, 2009

CONSUMER ADVOCACY GROUP, INC.

By 
Consumer Advocacy Group, Inc.
Name: MICHEL SASSON
Its: executive director

Dated: October ____, 2009

INTERSTATE HOTELS, LLC

By _____
Name: _____
Its: _____

Dated: October ____, 2009

CROSSROADS HOSPITALITY COMPANY, LLC

By _____
Name: _____
Its: _____

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19. REPRESENTATION

19.1 Construction of Consent Judgment. Plaintiff and Defendants 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 either in favor of or against any Party hereto.

20. AUTHORIZATION

20.1 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 the Judgment, and to execute and approve the Judgment on behalf of the Party represented.

Dated: October _____, 2009

CONSUMER ADVOCACY GROUP, INC.

By _____
Consumer Advocacy Group, Inc.
Name: _____
Its: _____

Dated: October _____, 2009

INTERSTATE HOTELS, LLC

By  _____
Name: Erica H. Hageman
Its: Senior Corporate Counsel

Dated: October _____, 2009

CROSSROADS HOSPITALITY COMPANY, LLC

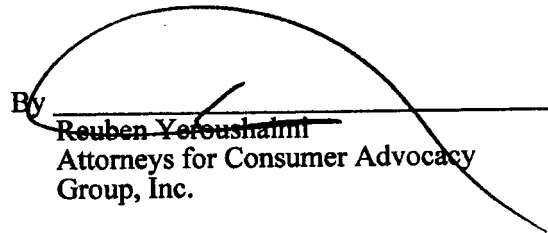
By  _____
Name: Erica H. Hageman
Its: Senior Corporate Counsel

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Approved as to form:

Dated: October 15, 2009

YEROUSHALMI & ASSOCIATES

By 
~~Reuben Yefoushalmi~~
Attorneys for Consumer Advocacy
Group, Inc.

ALLEN MATKINS LECK GAMBLE MALLORY &
NATSIS LLP

Dated: October _____, 2009

By _____
Marissa Prayongratana, Esq.
Attorneys for Interstate Hotels, LLC
and Crossroads Hospitality Company, LLC

REVIEWED AND APPROVED AS A JUDGMENT OF THE SUPERIOR COURT. IT IS SO
ORDERED.

Dated: _____, 2009

THE HONORABLE WILLIAM HIGHBERGER
JUDGE OF THE SUPERIOR COURT

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Approved as to form:

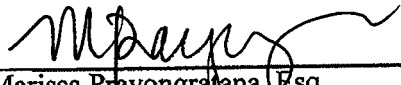
Dated: October ____, 2009

YEROUSHALMI & ASSOCIATES

By _____
Reuben Yeroushalmi
Attorneys for Consumer Advocacy
Group, Inc.

ALLEN MATKINS LECK GAMBLE MALLORY &
NATSIS LLP

Dated: October 19, 2009

By  _____
Marissa Prayongratana, Esq.
Attorneys for Interstate Hotels, LLC
and Crossroads Hospitality Company, LLC

REVIEWED AND APPROVED AS A JUDGMENT OF THE SUPERIOR COURT. IT IS SO
ORDERED.

Dated: _____, 2009

THE HONORABLE WILLIAM HIGHBERGER
JUDGE OF THE SUPERIOR COURT

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EXHIBIT A
60-Day Notices

COMPLETED

60-Day Notice of Intent to Sue Under Health & Safety Code Section 25249.6

This notice is given by Consumer Advocacy Group, Inc. 9899 Santa Monica Blvd, # 225 Beverly Hills CA 90212. The noticing party must be contacted through the following entity: Kamran Ghalchi, Esq., 3700 Wilshire Blvd. Ste. 480 Los Angeles CA 90010; 213-382-3183. This letter constitutes notification that Interstate Hotels Management, Crossroad and Interstate Hotel (hereinafter, "the violators") have violated Proposition 65, the Safe Drinking Water and Toxic Enforcement Act (commencing with Health & Safety Code Section 25249.5).

Consumer Product Exposures

While in the course of doing business, from 10/6/95 through 10/6/99 the violators have been and are knowingly and intentionally selling cigars and smokeless tobacco in the gift shops, restaurants, bars and concessionaires at

The locations on the attached Exhibit A

and exposing consumers and the public to *tobacco smoke* and *tobacco* and other chemicals designated by the State of California to cause cancer and reproductive toxicity without first giving clear and reasonable warning of that fact to such persons (Health & Safety Code Section 25249.6). The sources of exposures are *tobacco smoke, and cigars and smokeless tobacco* sold at the locations set forth above. A "consumer product exposure" is an exposure which results from a person's acquisition, purchase, storage, consumption, or other reasonably foreseeable use of a consumer good, or any exposure that results from receiving a consumer service. Cigars and smokeless tobacco are consumer products. The sale, purchase, consumption and the reasonably foreseeable use of cigars and smokeless tobacco result in exposures through inhalation, ingestion, and dermal contact to the chemicals listed below.

Purchasers of the violators' cigars lit them, smoked them and inhaled the chemicals listed below at the consumers' place of residence, work, and leisure. Further, purchasers of the violators' smokeless tobacco chewed the tobacco and absorbed the chemicals listed below through the linings of their mouths and stomachs. Consumers also smoked cigars purchased from the violators and inhaled the chemicals listed below off the violator's premises and inside the violators' premises, including but not limited to lobbies, corridors and hallways of floors where guest rooms designated for smokers are located, inside limousines and cars the hotels provide as complimentary or charged, also areas adjacent to pools and entrances, smoking rooms, and guest rooms designated for smoking at

The locations on the attached Exhibit A

Environmental Exposures

While in the course of doing business, at

The locations on the attached Exhibit A

from 10/6/95 through 10/6/99 the violators have been and are knowingly and intentionally exposing its customers and the public to *tobacco smoke* and other chemicals listed below and

designated by the State of California to cause cancer and reproductive toxicity without first giving clear and reasonable warning of that fact to the exposed persons (Health & Safety Code Section 25249.6). The source of exposures is *tobacco* and *tobacco smoke*. The locations of the exposures are inside limousines and cars the hotels provide as complimentary or charged, also the lobbies, corridors and hallways of floors where guest rooms designated for smokers are located, areas adjacent to pools and entrances, smoking rooms, and guest rooms designated for smoking at:

The locations on the attached Exhibit A

Environmental Exposures

While in the course of doing business, at

The locations on the attached Exhibit A

from 10/6/95 through 10/6/99 the violators have been and are knowingly and intentionally exposing its customers and the public to *tobacco smoke* and other chemicals listed below and designated by the State of California to cause cancer and reproductive toxicity without first giving clear and reasonable warning of that fact to the exposed persons (Health & Safety Code Section 25249.6). The source of exposures is *tobacco* and *tobacco smoke*. The locations of the exposures are inside limousines and cars the hotels provide as complimentary or charged, also the lobbies, corridors and hallways of floors where guest rooms designated for smokers are located, areas adjacent to pools and entrances, smoking rooms, and guest rooms designated for smoking at:

The locations on the attached Exhibit A

Occupational Exposures

While in the course of doing business, from 10/6/95 through 10/6/99 the violators have been and are knowingly and intentionally exposing employees of the violators to *tobacco* and *tobacco smoke* and other chemicals listed below and designated by the State of California to cause cancer and reproductive toxicity without first giving clear and reasonable warning of that fact to the exposed person (Health & Safety Code Section 25249.6). The source of exposure includes *tobacco* and *tobacco smoke* at

The locations on the attached Exhibit A

Employees include and are not limited to bartenders, cashiers, waiters, waitresses, cooks, security personnel, maintenance workers, service personnel, entertainment providers, limousine drivers and chauffeurs. Such exposure took place inside limousines and cars provided by the hotels as complimentary or charged, in the lobbies, smoking rooms, guest rooms designated for smoking, hallways of the floors where rooms designated for smoking are located at the following locations:

The locations on the attached Exhibit A

The route of exposure for Consumer Product Exposures, Occupational Exposures and Environmental Exposures to the chemicals listed below has been inhalation, ingestion and dermal contact. For each such type and means of exposure, the violator has exposed and is exposing the above referenced persons to:

CARCINOGENS

Acetaldehyde	Acetamide
Acrylonitrile	4-Aminobiphenyl
(4-Aminodiphenyl)	Aniline
Ortho-Anisidine	Arsenic (inorganic arsenic compounds)
Benz[a]anthracene	Benzene
Benzo[b]fluoranthene	Benzo[j]fluoranthene
Benzo[k]fluoranthene	Benzo[a]pyrene
1,3-Butadiene	Cadmium
Captan	Chromium (hexavalent compounds)
Chrysene	Dichlorodiphenyltrichloroethane (DDT)
Dibenz[a,h]acridine	Dibenz[a,j]acridine
Dibenz[a,h]anthracene	7H-Dibenzo[c,g]carbazole
Dibenzo[a,e]pyrene	Dibenzo[a,h]pyrene
Dibenzo[a,i]pyrene	Dibenzo[a,l]pyrene
1,1-Dimethylhydrazine (UDMH)	Formaldehyde (gas)
Hydrazine	Lead and lead compounds
1-Naphthylamine	2-Naphthylamine
Nickel and certain nickel compounds	2-Nitropropane
N-Nitrosodi-n-butylamine	N-Nitrosodiethanolamine
N-Nitrosodiethylamine	N-Nitrosomethylethylamine
N-Nitrosomorpholine	N-Nitrosornicotine
N-Nitrosopiperidine	N-Nitrosopyrrolidine
Ortho-Toluidine	Tobacco Smoke
Urethane (Ethyl carbamate)	

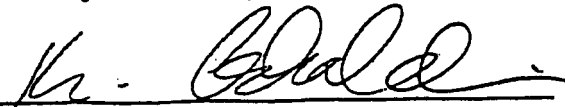
REPRODUCTIVE TOXINS

Arsenic (inorganic Oxides)	Cadmium
Carbon disulfide	Carbon monoxide
Lead	Nicotine
Toluene	Tobacco Smoke
Urethane	

Proposition 65 requires that notice and intent to sue be given to the violators 60 days before the suit is filed. With this letter, *Consumer Advocacy Group, Inc.* gives notice of the alleged violations to the violators and the appropriate governmental authorities. This notice covers all violations of Proposition 65 that are currently known to *Consumer Advocacy Group, Inc.* from information now available to it. With the copy of this notice submitted to the violators, a copy is provided of *The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary.*

Dated: 10-7-99

By:


 Kamran Ghalchi, Esq.
 Attorney for *Consumer Advocacy Group, Inc.*

CERTIFICATE OF SERVICE

I am over the age of 18 and not a party to this case. I am a resident of or employed in the county where the mailing occurred. My business address is 3700 Wilshire Blvd., Suite 480, Los Angeles, CA 90010.

I SERVED THE FOLLOWING:

- 1.) 60-Day Notice of Intent to Sue Under Health & Safety Code Section 25249.6
- 2.) The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary (*only sent to violators*)

by enclosing a true copy of the same in a sealed envelope addressed to each person whose name and address is shown below and depositing the envelope in the United States mail with the postage fully prepaid.

Date of Mailing: 10-7-99
Place of Mailing: Los Angeles, CA

NAME AND ADDRESS OF EACH PERSON TO WHOM DOCUMENTS WERE MAILED:

California Attorney General
PO Box 944255
Sacramento CA 94244-2550

San Bernardino County District Attorney
316 N Mountain View Ave
San Bernardino, CA 92415

Alameda County District Attorney
1225 Fallon St, Room 900
Oakland, CA 94612

San Francisco County District Attorney
850 Bryant St, Rm 322
San Francisco, CA 94103

San Francisco City Attorney
1390 Market St 5th Floor
San Francisco, CA 94102

Santa Clara County District Attorney
70 W Hedding St
San Jose, CA 95110

Los Angeles County District Attorney
210 W Temple St, 18th Floor
Los Angeles, CA 90012

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Los Angeles City Attorney
200 N Main St Ste 1800
Los Angeles CA 90012

Kevin Kilkeary
CEO, Interstate Hotels Corp.
680 Andersen Dr.
Foster Plaza
Pittsburg, PA 15220

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: 10-7-99



Gregory Lewis

1. *Ameri-Suites Hotel 4760 E. Mills Circle, Ontario CA 91764*
2. *Ontario Airport Marriott 2200 E. Holt Blvd., Ontario CA 91761*
3. *Radisson Hotel L.A. Westside 6161 Centinela Ave. Culver City CA 90230*
4. *Holiday Inn Golden Gate 1500 Van Ness Ave., San Francisco CA 94109*
5. *San Jose Radisson Plaza Airport Hotel 1471 N. Fourth St. San Jose CA 95112*
6. *Fremont Hampton inn 96500 Landing Pkwy. Fremont CA 94538*
7. *Livermore Hampton Inn 2850 Constitution Dr. Livermore CA 94550*