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8	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
9	FOR THE COUNTY OF ALAMEDA	
10	UNLIMITED JURISDICTION	
11	PEOPLE OF THE STATE OF CALIFORNIA, ex) Case No. RG 04-162075 rel. BILL LOCKYER, Attorney General, et al.,	
12) (Consolidated with RG 04-162037, RG Plaintiffs,) 04-169511)	
13	vs.) [PROPOSED] CONSENT JUDGMENT	
14	BURLINGTON COAT FACTORY BURLINGTON COAT FACTORY AMERICA AMERICA	
15	WAREHOUSE CORPORATION, et al,)	
16	Defendants.)	
17	AND DELATED CONSOLIDATED CASES	
18	AND RELATED CONSOLIDATED CASES.)	
19		
20	1. INTRODUCTION	
21	1.1 This Consent Judgment is entered into by the Center For Environmental Health, a	
22	California non-profit corporation ("CEH"), and Cousin Corporation of America ("Defendant"), to	
23	settle certain claims asserted by CEH against Defendant as set forth in the operative complaint in	
24	the matter entitled Center for Environmental Health v. Nadri, Inc., et al., Alameda County	
25	Superior Court Case No. RG 06-269531 (the "Nadri Action").	
26	1.2 On May 12, 2006, CEH filed the original complaint in the <i>Nadri</i> Action, which was	
27	later consolidated with three other actions including the lead case People v. Burlington Coat	
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Factory et al. (Alameda Superior Court Case No. RG 04-162075).

- 1.3 On February 21, 2006, upon noticed motion, the Court entered a Consent Judgment against a group of other defendants in the consolidated actions (the "Master Consent Judgment").
- 1.4 On June 15, 2006, upon noticed motion, the Court amended the Master Consent Judgment by entering an Amended Consent Judgment in the consolidated actions (the "Amended Master Consent Judgment").
- 1.5 On April 27, 2007, CEH provided a "Notice of Violation of Proposition 65" to the California Attorney General, the District Attorneys of every county in California, the City Attorneys of every California city with a population greater than 750,000, and to Defendant regarding the presence of lead in jewelry manufactured, distributed or sold by Defendant.
- 1.6 On July 19, 2007, the Complaint in the *Nadri* Action was amended to name Defendant as a party.
- 1.7 Defendant is a corporation that employs ten or more persons, and which manufactures, distributes and/or sells Covered Products in the State of California.
- 1.8 For purposes of this Consent Judgment only, CEH and Defendant (the "Parties") stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction over 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 as a full and final resolution of all claims which were or could have been raised in the Complaint based on the facts alleged therein with respect to Covered Products manufactured, distributed, and/or sold by Defendant.
- 1.9 CEH and Defendant enter into this Consent Judgment as a full and final settlement of all claims that were raised in the Complaint, or which could have been raised in the Complaint, arising out of the facts or conduct related to Defendant alleged therein. By execution of this Consent Judgment and agreeing to comply with its terms, the Parties do not admit any facts or conclusions of law including, but not limited to, any facts or conclusions of law suggesting or demonstrating any violations of Proposition 65 or any other statutory, common law or equitable

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requirements relating to lead in jewelry. 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, conclusion of law, issue of law, or violation of law. Defendant denies the material, factual and legal allegations in CEH's Complaint and expressly denies any wrong doing whatsoever. Nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy, argument or defense the Parties may have in this or any other pending or future legal proceedings. This Consent Judgment is the product of negotiation and compromise and is accepted by the Parties solely for purposes of settling, compromising, and resolving issues disputed in this action.

2. **DEFINITIONS**

- 2.1 The term "Children's Product" means any Covered Product that is manufactured, distributed and/or sold by Defendant as under the Bead Girl® trade name or the trade name of any successor line of products that are designed only for use by children under the age of fourteen.
- 2.2 The term "Covered Product" means (a) the following ornaments worn by a person: an anklet, arm cuff, bracelet, charm, brooch, chain, crown, cuff link, decorated hair accessories, earring, necklace, pin, ring and Body Piercing Jewelry; or (b) any bead, chain, link, pendant, or other component of such an ornament.
 - 2.3 The term "Effective Date" means the date of entry of this Consent Judgment.

3. INJUNCTIVE RELIEF

- 3.1 **Reformulation of Children's Products.** After the Effective Date, Defendant shall not manufacture, ship, sell or offer for any Children's Product that contains any component, or is made of any material, that is more than 0.01 percent lead by weight (100 ppm).
- 3.2 **Reformulation of Covered Products.** After the Effective Date, Defendant shall not manufacture, ship, sell or offer for any Covered Product that is not a Children's Product subject to Section 3.1 that contains:
 - 3.2.1 Any Paint or Surface Coating that is more than 0.009 percent lead by

weight (90 ppm). For purposes of this Consent Judgment, "Paint or Surface Coating" shall carry the same meaning as "Paint or other similar surface coating" under 16 CFR §1303.2(b)(1) ("Paint and other similar surface-coating materials 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.").

- 3.2.2 Any plastic or rubber (e.g., acrylic, polystyrene, plastic beads/stones, and polyvinyl chloride ("PVC")) component, or is made of any plastic or rubber material, that is more than 0.02 percent lead by weight (200 ppm);
- 3.2.3 Any metal or other component that is not covered under Sections 3.2.1 or 3.2.2, or is made of any metal or other material that is not covered under Sections 3.2.1 or 3.2.2, that is more than 0.03 percent lead by weight (300 ppm).
- 3.2.4 The lead specifications in this Section 3.2 shall not apply to any cubic zirconia (sometimes called cubic zirconium, CZ), glass or rhinestones used in Covered Products that are not Children's Covered Products.
- 3.3 Market Withdrawal of Covered Products. Defendant represents that in response to this Action, it (i) ceased shipping the Just Enough Turtle Charm, Manufacturer ID Number 0-16321-31347-6, which was identified in the 60-Day Notice of Violation sent by CEH to Defendant (the "Recall Product"), to stores and/or customers in California in 2007; (ii) withdrew the Recall Product from the market in California in 2007; and (iii) sent instructions to its stores and/or customers that offered the Recall Products for sale in California to cease offering such Recall Products for sale in California and to either return all the Recall Products to Defendant for destruction, or to directly destroy the Recall Products. Any destruction of the Recall Products by Defendant was in compliance with all applicable laws.

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ENFORCEMENT

- 4.1 **General Enforcement Provisions.** CEH may, by motion or application for an order to show cause before this Court, enforce the terms and conditions contained in this Consent Judgment, subject to the following:
- 4.1.1 Any action to enforce the terms of Section 3 of this Consent Judgment shall be brought exclusively pursuant to this Section 4.
- 4.1.2 For purposes of this Section 4 only, the term "Defendant" includes a Person that was a party to the Amended Master Consent Judgment or to a consent judgment that contained "identical or substantially identical terms as provided in Sections 2, 3 and 4 of the amended consent judgment," as those terms are used in Health & Safety Code §25214.3(d).

4.2 Enforcement of Materials Violation.

4.2.1 **Notice of Violation.** In the event that, at any time following the Effective Date, CEH identifies one or more Covered Products that CEH believes in good faith do not comply with Section 3 of this Consent Judgment, CEH may issue a Notice of Violation pursuant to this Section 4.

4.2.2 Service of Notice of Violation and Supporting Documentation.

- 4.2.2.1 The Notice of Violation shall be sent to the person(s) identified in Section 8.1 to receive notices for Defendant, and must be served within 60 days of the date the alleged violation(s) was or were observed.
- 4.2.2.2 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 (d) all test data obtained by CEH regarding the Covered Product and supporting documentation sufficient for validation of the test results, 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 upon test data that meets the criteria of Health and Safety Code §25214.4. Wipe, swipe, and swab testing are not sufficient to support a Notice of

Violation.

4.2.2.3 CEH shall promptly make available for inspection and/or copying upon request 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.

- 4.2.3 **Notice of Election of Response.** No more than 30 days after receiving a Notice of Violation, Defendant shall provide written notice to CEH whether it elects to contest the allegations contained in a Notice of Violation ("Notice of Election").
- 4.2.3.1 If a Notice of Violation is contested the Notice of Election shall include all then-available documentary evidence regarding the alleged violation, including all test data, if any. If Defendant or CEH later acquires additional test or other data regarding the alleged violation, it shall notify the other party and promptly provide all such data or information to the party. Any test data used to rebut a Notice of Violation shall be based upon test data that meets the criteria of Health and Safety Code §25214.4.
- 4.2.3.2 If a Notice of Violation is not contested, the Notice of Election shall include a description of Defendant's corrective action pursuant to Section 4.2.6. The Notice of Election shall include the name, address, telephone number, and other contact information, of Defendant's supplier(s) of each Covered Product identified in the Notice of Violation, and any entity to whom it sold any Covered Product(s) identified in the Notice of Violation.
- 4.2.4 **Meet and Confer.** If a Notice of Violation is contested, CEH and Defendant shall meet and confer to attempt to resolve their dispute. Within 30 days of serving a Notice of Election contesting a Notice of Violation, and if no enforcement action has been filed,

1	each Supplier from whom it purchased the Covered Product(s) identified in any Notices of		
2	Violation served within a 30-day period.		
3	4.2.7.3 If Defendant withdraws a Notice of Election contesting the violation		
4	and serves a new Notice of Election not to contest the allegations in a Notice of Violation within		
5	60 days after receipt of the Notice of Violation, and before any enforcement action concerning the		
6	violations alleged in the Notice of Violation is filed, Defendant shall make a required contribution		
7	in the amount of \$7,500.		
8	4.2.7.4 The contributions shall be paid within 15 days of service of a Notice		
9	of Election.		
10	4.2.7.5 Defendant's liability for required contributions shall be limited as		
11	follows:		
12	4.2.7.5.1 Defendant as a supplier to one or more retailers shall		
13	not be liable for more than one required contribution within any 30-		
14	day period, regardless of the number of retailers to whom the		
15	Covered Product is distributed.		
16	4.2.7.5.2 If Defendant has manufactured, sold, or distributed a		
17	Covered Product identified in a Notice of Violation, only one		
18	required contribution may be assessed against the Defendant		
19	potentially liable therefore in any 30-day period, in the following		
20	order of priority: (1) Manufacturers; (2) Importers; (3) Distributors,		
21	and (4) Retailers.		
22	4.2.7.5.3 Defendant's monetary liability to make required		
23	contributions under Section 4.2.7.2 shall be limited to \$7,500 for		
24	each 30-day period.		
25	4.2.7.6 If Defendant has paid either of the payments set forth in Sections		
26	4.2.7.2 and 4.2.7.3 more than six times in any 18-month period, or more than three times in any		
27	12-month period for Covered Products sold to Defendant from the same supplier then, at CEH's		
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option, CEH may seek whatever fines, costs, penalties, or remedies are provided by law for failure to comply with the Consent Judgment.

- 4.2.8 **Limitation on Liability.** Defendant's liability when it elects not to contest a Notice of Violation shall be limited to the contributions required by Section 4.2.7.
- 4.3 **Enforcement of Terms Other Than Reformulation Requirements.** CEH may, by motion or application for an order to show cause before the Superior Court of the County of Alameda, enforce the terms and conditions other than the reformulation requirements of this Consent Judgment.

5. PAYMENTS

- 5.1 **Payments From Defendant.** Within five (5) days of the entry of this Consent Judgment, Defendant shall pay the total sum of \$85,000 as a settlement payment.
- 5.2 **Allocation of Payments.** The total settlement amount for Defendant shall be paid in three separate checks delivered to the offices of the Lexington Law Group (Attn: Eric Somers), 1627 Irving Street, San Francisco, California 94122, and made payable and allocated as follows:
- 5.2.1 Defendant shall pay the sum of \$1,000 as a penalty pursuant to Health & Safety Code \$25249.7(b), such money to be apportioned by CEH in accordance with Health & Safety Code \$25249.12. The penalty check shall be made payable to the Center For Environmental Health.
- 5.2.2 Defendant shall pay the sum of \$27,800 as payment to CEH in lieu of penalty pursuant to Health & Safety Code \$25249.7(b), and California Code of Regulations, title 11, \$3202(b). CEH will use such funds to continue its work educating and protecting people from exposures to toxic chemicals, including heavy metals. CEH may also use a portion of such funds to monitor compliance with the reformulation requirements of this and other similar Consent Judgments, to purchase and test jewelry, and to prepare and compile the information and documentation necessary to support a Notice of Violation. 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 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 in lieu of penalty check shall be made payable to the Center For Environmental Health.

- 5.2.3 Defendant shall pay the sum of \$56,200 as reimbursement of reasonable attorneys' fees and costs. The attorneys fees and cost reimbursement check shall be made payable to the Lexington Law Group.
- 5.2.4 Other than the payments set forth in this Section 5, each Party shall bear its own costs and fees in this matter.

6. MODIFICATION AND DISPUTE RESOLUTION

- 6.1 **Modification.** 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 **Notice; 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 RELEASE

- 7.1 This Consent Judgment is a full, final, and binding resolution between CEH and Defendant and Defendant's parents, shareholders, divisions, subdivisions, subsidiaries, partners, sister companies and their successors and assigns ("Defendant Releasees"), and all entities other than those listed on Exhibit A to this Consent Judgment to whom they distribute or sell Covered Products, including but not limited to distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees ("Downstream Defendant Releasees"), of any violation of Proposition 65 or any other statutory or common law claims that have been or could have been asserted in the public interest against Defendant, Defendant Releasees, and Downstream Defendant Releasees, regarding the failure to warn about exposure to lead arising in connection with Covered Products manufactured, distributed, or sold by Defendant prior to the Effective Date.
 - 7.2 CEH, for itself and acting on behalf of the public interest pursuant to Health and

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1	Safety Code §25249.7(d), releases, waives, and forever discharges any and all claims against	
2	Defendant, Defendant Releasees, and Downstream Defendant Releasees arising from any violation	
3	of Proposition 65 or any other statutory or common law claims that have been or could have been	
4	asserted in the public interest regarding the failure to warn about exposure to lead arising in	
5	connection with Covered Products manufactured, distributed or sold by Defendant prior to the	
6	Effective Date.	
7	7.3 Compliance with the terms of this Consent Judgment by Defendant and its	
8	Defendant Releasees shall constitute compliance with Proposition 65 by that Defendant, its	
9	Defendant Releasees and their Downstream Defendant Releasees with respect to any alleged	
10	failure to warn about Lead in Covered Products manufactured, distributed or sold by Defendant	
11	after the Effective Date.	
12	8. PROVISION OF NOTICE	
13	8.1 When any Party is entitled to receive any notice under this Consent Judgment, the	
14	notice shall be sent by certified mail and electronic mail as follows:	
15	8.1.1 Notices to Defendant. The persons for Defendant to receive Notices	
16	pursuant to this Consent Judgment shall be:	
17	Trenton H. Norris Arnold & Porter, LLP	
18	275 Battery Street, Suite 2700 San Francisco, California 94111	
19	Trent.Norris@aporter.com	
20	Charles E. Lykes, Jr.	
21	Attorney At Law 501 South Fort Harrison Avenue	
22	Suite 101 Clearwater, Florida 33756-5348	
23	charles@lykeslaw.com	
24	8.1.2 Notices to Plaintiff. The person for CEH to receive Notices pursuant to	
25	this Consent Judgment shall be:	
26	Eric S. Somers Lexington Law Group	
27	1627 Irving Street San Francisco, California 94122	
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esomers@lexlawgroup.com

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8.2 Any Party may modify the person and address to whom the notice is to be sent by sending the other Party notice by certified mail and/or other verifiable form of written communication.

9. COURT APPROVAL

- 9.1 This Consent Judgment shall become effective on the Effective Date, provided however, that CEH shall prepare and file a Motion for Approval of this Consent Judgment and Defendant shall support approval of such Motion.
- 9.2 If this Consent Judgment is not entered by the Court, it shall be of no force or effect and shall not be introduced into evidence or otherwise used in any proceeding for any purpose.

10. GOVERNING LAW AND CONSTRUCTION

10.1 The terms of this Consent Judgment shall be governed by the laws of the State of California.

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A party who unsuccessfully brings or contests an action arising out of this Consent Judgment shall be required to pay the prevailing party's reasonable attorneys' fees and costs unless the unsuccessful party has acted with substantial justification. For purposes of this Consent Judgment, the term substantial justification shall carry the same meaning as used in the Civil Discovery Act of 1986, Code of Civil Procedure §§2016.010, et seq.

- 11.2 Notwithstanding Section 11.1, a party who prevails in a contested enforcement action brought pursuant to Section 4 may seek an award of attorneys' fees pursuant to Code of Civil Procedure §1021.5 against a party that acted with substantial justification. The party seeking such an award shall bear the burden of meeting all of the elements of §1021.5, and this provision shall not be construed as altering any procedural or substantive requirements for obtaining such an award.
- 11.3 Nothing in this Section 11 shall preclude a Party from seeking an award of sanctions pursuant to law.

12. ENTIRE AGREEMENT

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. Any agreements specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto only to the extent that they are expressly incorporated herein. 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

Ī	Judgment shall be deemed or shall constitute a waiver of any of the other provisions hereof	
2	whether or not similar, nor shall such waiver constitute a continuing waiver.	
3	13. RETENTION OF JURISDICTION	
4	13.1 This Court shall retain jurisdiction of this matter to implement or modify the	
5	Consent Judgment.	
6	14. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT	
7	14.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized	
8	by the Party he or she represents to stipulate to this Consent Judgment and to enter into and	
9	execute the Consent Judgment on behalf of the Party represented and legally to bind that Party.	
10	15. NO EFFECT ON OTHER SETTLEMENTS	
11	15.1 Nothing in this Consent Judgment shall preclude CEH from resolving any claim	
12	against an entity that is not Defendant on terms that are different than those contained in this	
13	Consent Judgment.	
14	16. EXECUTION IN COUNTERPARTS	
15	16.1 The stipulations to this Consent Judgment may be executed in counterparts and by	
16	means of facsimile, which taken together shall be deemed to constitute one document.	
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18	IT IS SO STIPULATED:	
19	Dated: <u>Eebruary</u> , 2010 CENTER FOR ENVIRONMENTAL HEALTH	
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23	MARLIE PIEMERS	
24	Printed Name	
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1 2 3 4 5 6 7 8 9	Dated: February, 2010 MAY 4th, 2010	MICHAEL G. COUSIN Printed Name EXEC. VICE PRESIDENT Title
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12	MI IO CO ODDEDED AD WID OFF	
13	IT IS SO ORDERED, ADJUDGED, AND DECREED	
14	Dated:	
15		Honorable Robert B. Freedman Judge of the Superior Court of the State of California
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CONSENT JUDGMENT - COUSIN CORPORATION OF AMERICA

1	EXHIBIT A
2	(LIST OF ENTITIES NOT SUBJECT TO DOWNSTREAM DEFENDANT RELEASE)
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4	1. Albertson's LLC; Albertson's, Inc.; New Albertson's, Inc.
5	2. AZ3, Inc.
6	3. Banana Republic, LLC
7	4. Barnes & Noble, Inc.
	5. BCBG Max Azria Group, Inc.
8	6. Big A Drug Stores, Inc.
9	7. Candela Sales Company, Inc.
10	8. Conair Corporation
11	9. Forum Novelties, Inc.
12	10. Georgiou Studio, Inc.
13	11. I Love Bracelets, Inc.
14	12. Idea Design Concepts, Inc.
15	13. Ivorette-Texas, Inc. dba Upstart Crow Trading Company
	14. Jacadi USA, Inc.
16	15. Legoland California LLC
17	16. Lisa Kline, Inc.
18	17. Long Rap, Inc.
19	18. Marin Beauty Company
20	19. Max Rave, LLC
21	20. MOA International Corp.
22	21. Peninsula Beauty Supply, Inc.
23	22. Private Label Accessories Corp.
24	23. Raley's
25	24. Rite Aid Corporation
	25. Ruby's Costume Company, Inc.
26	26. Safeway, Inc.
27	27. Scünci International, Inc.
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1	28.	Sea World, Inc.
1	29.	Shoe Pavilion Corporation; Shoe Pavilion, Inc.
2	30.	Six Flags Theme Parks, Inc.
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