SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ALAMEDA

CENTER FOR ENVIRONMENTAL HEALTH, Plaintiff, v. LULU NYC LLC, et al., Defendants. AND CONSOLIDATED CASES.	Lead Case No. RG 09-459448 (Consolidated with Case Nos. RG 10-494289, RG 10-494513, RG 10-494517, RG 11-598595, RG 11-598596, RG 11-603764 and RG 12-658652) **[PROPOSED] CONSENT JUDGMENT AS TO BECARRO INTERNATIONAL CORPORATION AND CHICO'S FAS, INC.**

1. DEFINITIONS

1.1 "Accessible Component" means a component of a Covered Product that could be touched by a person during normal or reasonably foreseeable use.

1.2 "Covered Products" means Fashion Accessories that are (a) Manufactured by a Settling Defendant, or (b) distributed or sold for resale by a Settling Defendant, or (c) sold or offered for retail sale as a Private Label Covered Product by a Settling Defendant where the Settling Defendant is (i) the Private Labeler or (ii) a sister, parent, subsidiary, or affiliated entity that is under common ownership of the Private Labeler of such product.

1.3 "Effective Date" means the date on which this Consent Judgment is entered by the Court.

1.4 "Fashion Accessories" means: (i) wallets, handbags, purses, and clutches; (ii) belts; and (iii) footwear.

1.5 "Lead Limits" means the maximum concentrations of lead and lead compounds ("Lead") by weight specified in Section 3.2.

1.6 "Manufactured" and "Manufactures" means to manufacture, produce, or assemble.

1.7 "Private Label Covered Product" means a Fashion Accessory that bears a private label where (i) the product (or its container) is labeled with the brand or trademark of a person other than a manufacturer of the product, (ii) the person with whose brand or trademark the product (or container) is labeled has authorized or caused the product to be so labeled, and (iii) the brand or trademark of a manufacturer of such product does not appear on such label.

1.8 "Private Labeler" means an owner or licensee of a brand or trademark on the label of a consumer product which bears a private label; provided, however, that a Settling Defendant is not a Private Labeler due solely to the fact that its name, brand or trademark is visible on a sign or on the price tag of a Fashion Accessory that is not labeled with a third party's brand or trademark.

1.9 "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.

1.10 "Vendor" means a person or entity that Manufactures, imports, distributes, or supplies a Covered Product to a Settling Defendant.

2. INTRODUCTION

2.1 The parties to this Consent Judgment ("Parties") are the Center for Environmental Health ("CEH") and defendants Becarro International Corporation ("Becarro") and Chico's FAS, Inc., ("Chico's") (collectively, the "Settling Defendants").

2.2 On or about July 1, 2011 and August 24, 2011, CEH served 60-Day Notices of Violation under Proposition 65 (The Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §§ 25249.5, *et seq.*), alleging that Settling Defendants 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 Settling Defendants manufacture, distribute or sell Covered Products that are offered for retail sale in the State of California or have done so in the past.

2.4 On June 24, 2009, CEH filed the action entitled *CEH v. LuLu NYC LLC, et al.*, Case No. RG 09-459448, in the Superior Court of California for Alameda County, alleging Proposition 65 violations as to wallets, handbags, purses and clutches. On October 5, 2011, CEH filed the initial complaint in *CEH v. Bioworld Merchandising*, Case No. RG 11-598596, alleging Proposition 65 violations as to wallets, handbags, purses and clutches, and naming Chico's. On April 12, 2012, CEH filed the operative First Amended Complaint in *Bioworld*, naming Becarro. The *Bioworld* action has been consolidated for pre-trial purposes with *Lulu*, along with other related actions pending in Alameda County Superior Court.

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 Defendants (the "Complaint") and personal jurisdiction over Settling Defendants as to the acts alleged in the Complaint, that venue is proper in the County of Alameda, that the First Amended Complaint be deemed amended to include allegations relating to all Covered Products as to Settling Defendants, and that this Court has jurisdiction to enter this Consent Judgment.

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, conclusion of law, issue of law, or violation of law, including whether Becarro is a "person in the course of doing business" as defined in Health and Safety Code section 25249.11(b). 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.

3. INJUNCTIVE RELIEF

3.1 **Specification Compliance Date.** To the extent they have not already done so, no more than 30 days after the Effective Date, Settling Defendants shall provide the Lead Limits to their Vendors of Covered Products and shall instruct each Vendor to use reasonable efforts to provide Covered Products that comply with the Lead Limits on a nationwide basis.

3.2 **Lead Limits.**

Commencing on the Effective Date, Becarro shall not purchase, import, Manufacture, supply to an unaffiliated third party, sell or offer for sale any Covered Product that will be sold or offered for sale to California consumers that exceeds the following Lead Limits:

3.2.1 Paint or other Surface Coatings on Accessible Components: 90 parts per million ("ppm").

3.2.2 Polyvinyl chloride ("PVC") Accessible Components: 200 ppm.

3.2.3 All other Accessible Components (including but not limited to leather and non-PVC imitation leather) other than cubic zirconia (sometimes called cubic zirconium, CZ), crystal, glass or rhinestones: 300 ppm.

3.3 **Final Retail Compliance Date.** Commencing on the Effective Date, Chico's shall not sell or offer for sale in California any Covered Product that exceeds the Lead Limits specified in Section 3.2.

3.4 **Action Regarding Specific Products.**

3.4.1 On or before the Effective Date, each Settling Defendant shall cease selling the specific products identified as "Section 3.4 Products" in Exhibit B in California. On or before the Effective Date, Settling Defendants shall also: (i) cease shipping the Section 3.4 Products to any of their customers that resell the Section 3.4 Products in California, and (ii) send instructions to their customers that resell the Section 3.4 Products in California instructing them to cease offering such Section 3.4 Products for sale in California.

3.4.2 If a Settling Defendant has not complied with Section 3.4.1 prior to executing this Consent Judgment, it shall instruct its California stores and/or customers that resell the Section 3.4 Products either to (i) return the Section 3.4 Products to the Settling Defendants for destruction; or (ii) directly destroy the Section 3.4 Products.

3.4.3 Any destruction of the Section 3.4 Products shall be in compliance with all applicable laws.

4. ENFORCEMENT

4.1 Any Party 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 Sections 3.2 and 3.3 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 Sections 3.2 or 3.3 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 Defendants within 45 days of the date the alleged violation(s) was or were observed, provided, however, that CEH may have up to an additional 45 days to provide Settling Defendants with the test data required by Section 4.2.2(d) below if it has not yet obtained it from its laboratory.

4.2.2 **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 Accessible Component that is alleged not to comply with the Lead Limits and/or each Accessible Component that is alleged to contain Lead in excess of 300 ppm, 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.

4.2.3 **Additional Documentation.** CEH shall promptly make available for inspection and/or copying upon request by and at the expense of the 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 a 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 a 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(b).

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), a 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.

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 the 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, the 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 the Settling Defendant acquire additional test or other data regarding the alleged violation, they 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, the Settling Defendant shall include in its Notice of Election a detailed description of

corrective action that it has undertaken or propose 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 the 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 the 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, the 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 a Settling Defendant shall be limited to the contributions required by this Section 4.3.3, if any.

(b) The contribution to the Fashion Accessory Testing Fund shall be:

(i) One thousand seven hundred fifty dollars ($1750) if the 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 the Accessible Component(s) in the Covered Product identified in the Notice of Violation complied with the applicable Lead Limits. For purposes of this Section 4.3.3(b)(i) only, "test data" shall mean either: (a) test results that meet the same quality criteria to support a Notice of Violation as set forth in Section 4.2.2; or (b) total lead by X-ray fluorescence (XRF) performed by the Settling Defendant on the material or component of the Covered Product alleged to be in violation of the Lead Limits the pursuant to an existing written screening policy for lead in Covered Products that is adequate to determine compliance with the Lead Limits in tested Covered Products and memorialized in a

contemporaneously prepared written test report that indicates the level of lead, if any, measured by the XRF device and provided further that such test report is prepared by a person having received training in the use of the XRF device by the manufacturer of the device. In the case of test results that meet the same quality criteria to support a Notice of Violation as set forth in Section 4.2.2, the testing must have been performed within two years prior to the date of the sales transaction on which the Notice of Violation is based. In the case of XRF test results, the testing must have been performed within one year prior to the date of the sales transaction on which the Notice of Violation is based. The Settling Defendant shall provide copies of such test results and supporting documentation to CEH with their 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.

4.4 Any contributions to the Fashion Accessory Test Fund pursuant to this Section 3 shall be made payable to the Center For Environmental Health and delivered to counsel for CEH.

4.5 **Additional Enforcement for Noncompliant Non-Covered Products.** If CEH alleges that a Settling Defendant sold or offered for retail sale to California consumers a Fashion Accessory that is not a Covered Product, and that contains Lead in an amount that exceeds any of the applicable Lead Limits ("Noncompliant Non-Covered Product"), then prior to CEH serving a 60-Day Notice under Proposition 65 on Settling Defendants, CEH shall provide notice to the Settling Defendant pursuant to this Section 4.5.

4.5.1 The notice shall contain the information required for a Notice of Violation in Section 4.2. If the information is insufficient to allow a Settling Defendant to identify the Noncompliant Non-Covered Product and/or Vendor, it may request that CEH provide

any further identifying information for the Noncompliant Non-Covered Product that is reasonably available to it.

4.5.2 Within 30 days of receiving a notice pursuant to Section 4.5, or of any requested further information sufficient to identify the Noncompliant Non-Covered Product, whichever is later, the Settling Defendant shall serve a Notice of Election on CEH. The Notice of Election shall:

(a) Identify to CEH (by proper name, address of principal place of business and telephone number) the person or entity that sold the Noncompliant Non-Covered Product to Settling Defendants;

(b) Identify the manufacturer and other distributors in the chain of distribution of the Noncompliant Non-Covered Product, provided that such information is reasonably available; and

(c) Include either: (i) a statement that the Settling Defendant elects not to proceed under this Section 4.5, in which case CEH may take further action including issuance of a 60-Day Notice under Proposition 65; (ii) a statement that the Settling Defendant elects to proceed under this Section 4.5, with a description of corrective action that meets the conditions of Section 4.3.2., and a contribution to the Fashion Accessory Testing Fund in the amount required under Section 4.5.6, or (iii) a statement that the Settling Defendant contends that the Noncompliant Non-Covered Product is released from liability by a Qualified Settlement under Section 4.5.4 along with a copy of such Qualified Settlement.

4.5.3 A party's disclosure pursuant to this Section 4.5 of any (i) test reports, (ii) confidential business information, or (iii) other information that may be subject to a claim of privilege or confidentiality, shall not constitute a waiver of any such claim of privilege or confidentiality, provided that the Party disclosing such information shall clearly designate it as confidential. Any Party receiving information designated as confidential pursuant to this Section 4.5.3 shall not disclose such information to any unrelated person

or entity, and shall use such information solely for purposes of resolving any disputes under this Consent Judgment.

4.5.4 No further action is required of a Settling Defendant under this Consent Judgment if the Noncompliant Non-Covered Product is otherwise released from liability for alleged violations of Proposition 65 with respect to Lead in the Noncompliant Non-Covered Product by the terms of a separate settlement agreement or consent judgment entered into by CEH under Health & Safety Code § 25249.7 ("Qualified Settlement").

4.5.5 If a Settling Defendant elects not to proceed under Section 4.5, then neither the Settling Defendant nor CEH have any further duty under this Section 4.5 and either may pursue any available remedies under Proposition 65 or otherwise. If the Settling Defendant elects to proceed under Section 4.5.2(c)(ii), then compliance with that Section shall constitute compliance with Proposition 65 as to that Noncompliant Non-Covered Product.

4.5.6 If a Settling Defendant elect to proceed under this Section 4.5 and is not relieved of liability under Section 4.5.4, the Settling Defendant shall make a contribution to the Fashion Accessory Testing Fund in the amounts that follow unless one of the provisions of Section 4.3.3(b) applies, in which case the applicable amount specified in Section 4.3.3(b) if any, shall instead apply. The contribution shall be $5,000 if at least one of the person(s) identified by the Settling Defendant pursuant to Section 4.5.2 (i) is a person in the course of doing business as defined in Health & Safety Code § 25249.11(b) and (ii) has a principal place of business located within the United States, and $10,000 for all other notices.

4.5.7 If a Settling Defendant makes a contribution pursuant to this Section and at a later date CEH resolves the alleged violation with the direct or indirect Vendor of the Noncompliant Non-Covered Product, CEH shall notify the Settling Defendant and the Settling Defendant shall be entitled to a refund of the lesser amount of its contribution or the settlement amount paid by such Vendor. If the settlement or consent judgment

between CEH and the direct or indirect Vendor of the Noncompliant Non-Covered Product does not provide for the refund to be paid directly by the Vendor to the Settling Defendant, then CEH shall pay the refund to the Settling Defendant within 15 days of receiving the Vendor's settlement payment.

4.5.8 Any notice served by CEH pursuant to this Section 4.5 shall not be considered a Notice of Violation for purposes of Section 4.2. Nothing in this Section 4.5 affects CEH's right to issue a 60-Day Notice under Proposition 65 against any entity other than a Settling Defendant.

5. PAYMENTS

5.1 **Payments by Settling Defendants.** Within ten (10) days of entry of this Consent Judgment, Settling Defendants shall pay the total sum of $100,000 as a settlement payment. The obligation to pay the settlement payment shall be joint and several. The total settlement amount for Settling Defendants shall be paid in three separate checks delivered to the offices of the Lexington Law Group (Attn: Eric Somers), 503 Divisadero Street, San Francisco, California 94117, and made payable and allocated as follows:

5.1.1 Settling Defendants shall pay the sum of $13,250 as a civil penalty pursuant to Health & Safety Code § 25249.7(b), such money to be apportioned by CEH 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 Defendants shall also pay the sum of $19,900 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 will 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 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.

5.1.3 Settling Defendants shall also separately pay to the Lexington Law Group the sum of $66,850 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 This Consent Judgment is a full, final and binding resolution between CEH on behalf of itself and the public interest and Settling Defendants, and each of their parents, subsidiaries, affiliated entities that are under common ownership or common control, 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") of any violation of Proposition 65 that was or could have been asserted in the Complaint against Settling Defendants, Defendant Releasees, and Downstream Defendant Releasees, based on failure to warn about alleged exposure to Lead contained in Covered Products that were sold by Settling Defendants prior to the Effective Date.

7.2 Compliance with the terms of this Consent Judgment by Settling Defendants constitutes compliance with Proposition 65 by Settling Defendants and Defendant Releases with respect to Lead in Settling Defendants' Covered Products.

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

8. NOTICE

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

Eric S. Somers
Lexington Law Group
503 Divisadero Street
San Francisco, CA 94117
esomers@lexlawgroup.com

8.2 When Settling Defendants are entitled to receive any notice under this Consent Judgment, the notice shall be sent by first class and electronic mail to:

For Becarro International Corporation

Robert Camche
Sondra Roberts
1730 Corporate Drive
Boynton Beach, FL 33426
robert@sondraroberts.com

With a copy to:

Jeffrey B. Margulies
Fulbright & Jaworski L.L.P.
555 South Flower Street, 41st Floor
Los Angeles, CA 90071
jmargulies@fulbright.com

For Chico's FAS, Inc. and its subsidiaries

L. Susan Faw
Vice President – Legal
Chief Compliance Officer
Chico's FAS, Inc.
11215 Metro Parkway
Fort Myers, FL 33966
susan.faw@chicos.com

With a copy to:

Jeffrey B. Margulies
Fulbright & Jaworski L.L.P.
555 South Flower Street, 41st Floor
Los Angeles, CA 90071
jmargulies@fulbright.com

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

9. COURT APPROVAL

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

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

10. ATTORNEYS' FEES

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

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

10.3 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 be terminable by CEH or by Settling Defendants at any time after January 1, 2019, upon the provision of 30 days advanced written notice; such termination shall be effective upon the subsequent filing of a notice of termination with Superior Court of Alameda County.

11.2 Should this Consent Judgment be terminated pursuant to this Section, it shall be of no further force or effect as to the terminated parties; provided, however that if CEH is the terminating Party, the provisions of Sections 5, 7, and 12.1 shall survive any termination and provided further that if Settling Defendants are the terminating Parties, the provisions of Sections 5, 7.1 and 12.1 shall survive any termination.

12. OTHER TERMS

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

12.2 This Consent Judgment shall apply to and be binding upon CEH and Settling Defendants, and their respective divisions, subdivisions, and subsidiaries, and the successors or assigns of any of them, including Chico's subsidiaries White House | Black Market, Inc., Soma Intimates, LLC, and Boston Proper, Inc., each of whom shall be considered a Settling Defendant for purposes of this Consent Judgment. Chico's shall ensure that its subsidiaries White House | Black Market, Inc., Soma Intimates, LLC, and Boston Proper, Inc. comply with the terms of this Consent Judgment and Chico's agrees it shall be liable and responsible for any enforcement of this Consent Judgment against such subsidiaries under Section 4 hereof.

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.

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

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

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

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

12.8 The Parties, including their counsel, have participated in the preparation of this Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties. This Consent Judgment was subject to revision and modification by the Parties and has been accepted and approved as to its final form by all Parties and their counsel. Accordingly, any uncertainty or ambiguity existing in this Consent Judgment shall not be interpreted against any Party as a result of the manner of the preparation of this Consent Judgment. Each Party to this Consent Judgment agrees that any statute or rule of construction providing that ambiguities are to

be resolved against the drafting Party should not be employed in the interpretation of this Consent Judgment and, in this regard, the Parties hereby waive California Civil Code § 1654.

IT IS SO ORDERED:

Dated:_____, 2013

_____
The Honorable Steven A. Brick
Judge of the Superior Court

IT IS SO STIPULATED:

CENTER FOR ENVIRONMENTAL HEALTH

Michael Green
Signature

Michael Green
Printed Name

Executive Director
Title

BECARRO INTERNATIONAL CORPORATION

Signature

Printed Name

Title

CHICO'S FAS, INC.

Signature

Printed Name

Title

IT IS SO STIPULATED:

CENTER FOR ENVIRONMENTAL HEALTH

_____
Signature

_____
Printed Name

_____
Title

BECARRO INTERNATIONAL CORPORATION

Raf Camche
Signature

Robert Camche
Printed Name

CEO
Title

CHICO'S FAS, INC.

_____
Signature

_____
Printed Name

_____
Title

IT IS SO STIPULATED:

CENTER FOR ENVIRONMENTAL HEALTH

_____
Signature

_____
Printed Name

_____
Title

BECARRO INTERNATIONAL CORPORATION

_____
Signature

_____
Printed Name

_____
Title

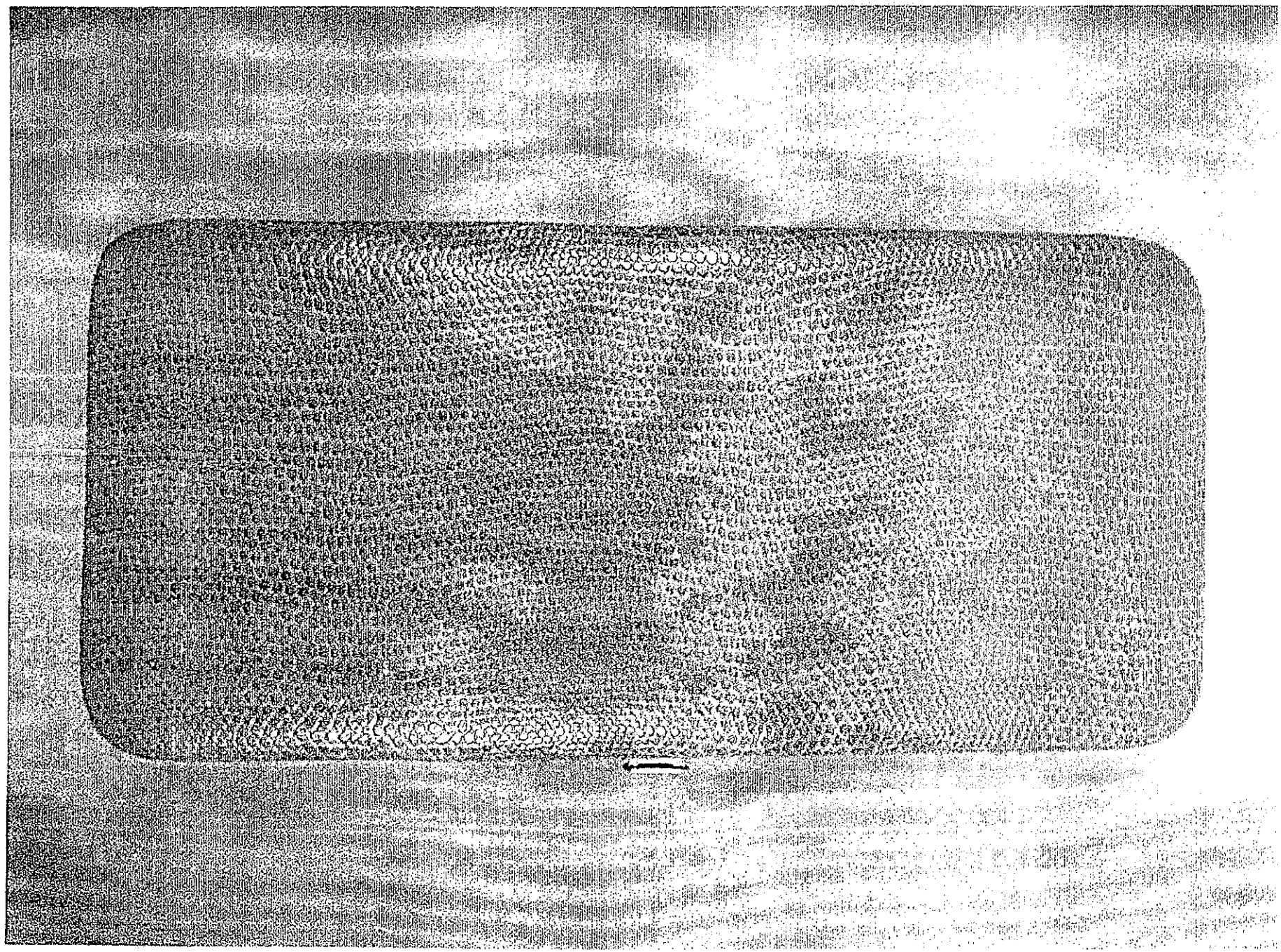
CHICO'S FAS, INC.

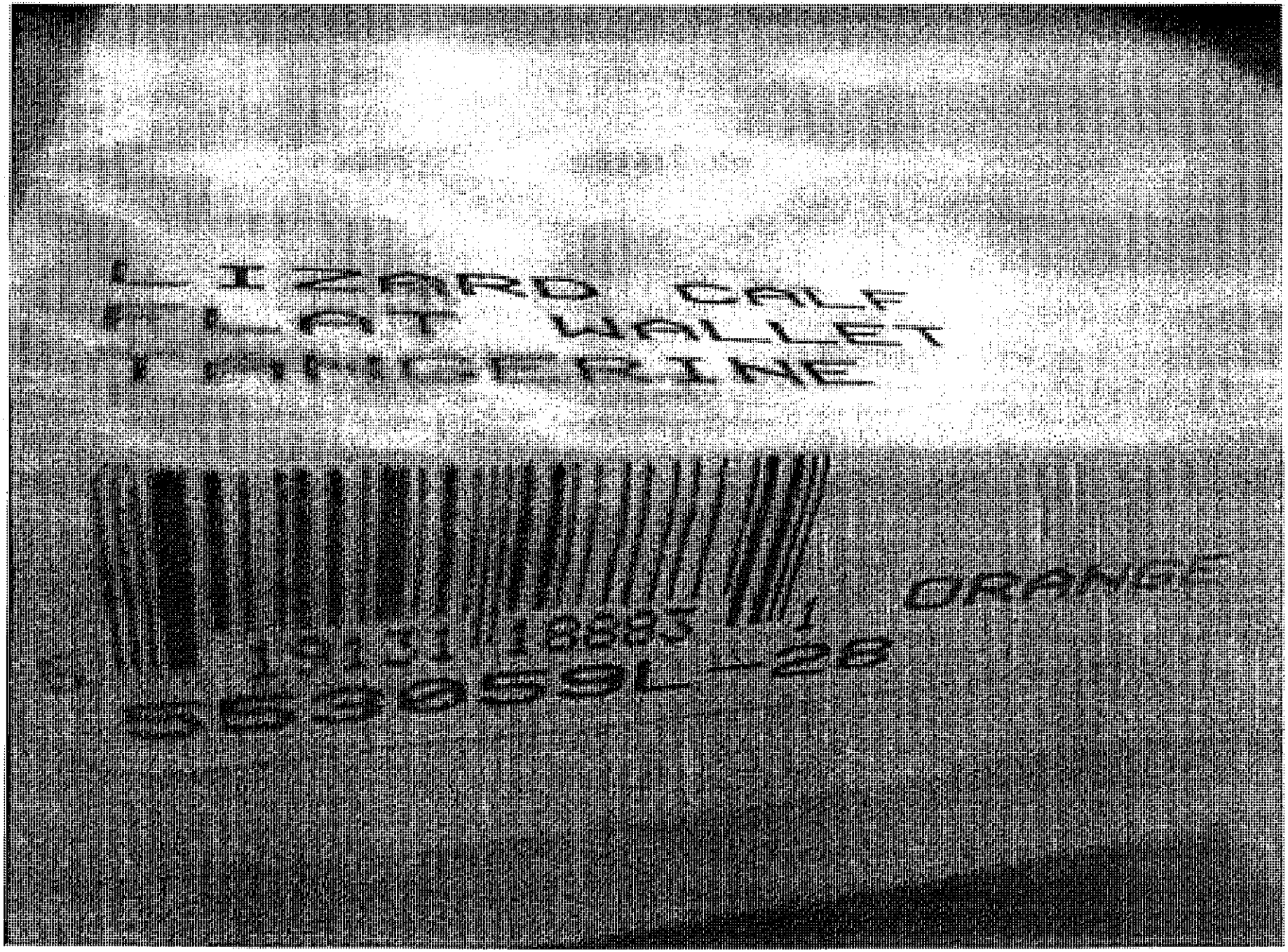

Signature

A. Alexander Rhodes
Printed Name

EVP / General Counsel
Title

Exhibit A




LIZARD CALF
FLAT WALLET
ORANGE

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THE NATIONAL FOOD LAB

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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, [redacted] Wallet (Orange Surface Material On Main Part Of W[redacted])
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