1 Mark N. Todzo, State Bar No. 168389 Meredyth Merrow, State Bar No. 327338 2 LEXINGTON LAW GROUP 503 Divisadero Street MAR 2 3 2023 3 San Francisco, CA 94117 Telephone: (415) 913-7800 Facsimile: (415) 759-4112 CLERK OF THE COURT 4 mtodzo@lexlawgroup.com Deputy Clerk 5 mmerrow@lexlawgroup.com Counsel for Plaintiff 6 CENTER FOR ENVIRONMENTAL HEALTH 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 COUNTY OF SAN FRANCISCO 10 11 CENTER FOR ENVIRONMENTAL HEALTH, Case No. CGC-22-598022 12 a non-profit corporation, Assigned for all purposes to: Judge Ethan 13 Plaintiff, P. Schulman, Dept. 304 14 **PROPOSED** CONSENT ٧. 15 JUDGMENT AS TO BON-BINI, LLC EASY SPIRIT LLC, et al., 16 17 Defendants. 18 19 20 21 22 23 24 25 26 27 28 DOCUMENT PREPARED -1-ON RECYCLED PAPER CONSENT JUDGMENT - BON-BINI, LLC - CASE NO. CGC-22-598022

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INTRODUCTION

- 1.1 The parties to this Consent Judgment ("Parties") are the Center for Environmental Health ("CEH") and Defendant Bon-Bini, LLC ("Settling Defendant"). CEH and Settling Defendant are referred to collectively as the "Parties."
- 1.2 Settling Defendant manufactures, distributes, and/or sells types of products identified on the Exhibit A that contain Bisphenol A ("BPA") in the State of California or has done so in the past.
- 1.3 On October 4, 2021, CEH served a 60-Day Notice of Violation under Proposition 65 (The Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §§ 25249.5, et seq.) ("Notice") to Settling Defendant, the California Attorney General, the District Attorneys of every County in the State of California, and the City Attorneys for every City in the State of California with a population greater than 750,000. The Notice alleges violations of Proposition 65 with respect to the presence of BPA in socks made primarily of polyester with spandex.
- 1.4 On February 4, 2022 CEH filed the original complaint. On March 21, 2022, CEH filed the operative First Amended Complaint naming Settling Defendant as a defendant ("Complaint").
- For purposes of this Consent Judgment only, the Parties stipulate that: (i) this 1.5 Court has jurisdiction over the allegations of violations contained in the operative Complaint applicable to Settling Defendant and personal jurisdiction over Settling Defendant as to the acts alleged in the Complaints; (ii) venue is proper in the County of San Francisco; and (iii) this Court has jurisdiction to enter this Consent Judgment.
- 1.6 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. 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

Reformulation provision set forth in Section 3.1 or otherwise elects to permanently avail itself of

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the warning option provided by this Section 3.4, Settling Defendant shall provide written notice to CEH prior to the Reformulation Date, and Settling Defendant concurrently shall make the additional payment specified in Section 5.2 below. Settling Defendant shall then provide Clear and Reasonable Warnings for each Covered Product sold in California. A Clear and Reasonable Warning under this Agreement shall state:



WARNING: This product can expose you to chemicals including Bisphenol A ("BPA") which is known to the State of California to cause birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.

The word "WARNING" shall be displayed in all capital letters and bold print and shall be preceded by the yellow warning triangle symbol depicted above, provided however, the symbol may be printed in black and white if the Covered Product label is produced without using the color yellow. This warning statement shall be prominently displayed on the outer packaging of the Covered Product and shall be displayed with such conspicuousness, as compared with other words, statements or designs as to render it likely to be seen, read and understood by an ordinary individual prior to sale. For internet, catalog or any other sale where the consumer is not physically present, the warning statement shall be displayed in such a manner that it is likely to be read and understood by an ordinary individual prior to the authorization of or actual payment.

4. ENFORCEMENT

A.1 Plaintiff may, by motion or application for an order to show cause before the Superior Court of San Francisco County, enforce the terms and conditions contained in this Consent Judgment. Prior to bringing any motion or application to enforce the requirements of Section 3 above, Plaintiff shall provide Settling Defendant(s) with a Notice of Violation and a copy of any test results which purportedly support the Notice of Violation. The Parties shall then meet and confer regarding the basis for the anticipated motion or application in an attempt to resolve it informally, including providing Settling Defendant(s) with a reasonable opportunity of at least thirty (30) days to cure any alleged violation. Should such attempts at informal resolution fail, Plaintiff may file an enforcement motion or application. This Consent Judgment may only

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California Code of Regulations, Title 11, § 3204. CEH will use such funds to continue its work educating and protecting people from exposures to toxic chemicals, including BPA, in textiles and other products. CEH may also use a portion of such funds to monitor compliance with this Consent Judgment and to purchase and test Settling Defendant's products to confirm compliance. CEH shall obtain and maintain adequate records to document that ASPs are spent on these activities and CEH agrees to provide such documentation to the Attorney General within thirty days of any request from the Attorney General. The payment pursuant to this Section shall be made payable to the Center for Environmental Health and associated with taxpayer identification number 94-3251981. This payment shall be delivered to Lexington Law Group, 503 Divisadero Street, San Francisco, CA 94117.

5.1.3 Settling Defendant shall pay \$21,500 as a reimbursement of a portion of Plaintiff's reasonable attorneys' fees and costs. The attorneys' fees and cost reimbursement shall be made in two separate checks as follows: (a) \$18,000 payable to the Lexington Law Group and associated with taxpayer identification number 94-3317175; and (b) \$3,500 payable to the Center for Environmental Health and associated with taxpayer identification number 94-3251981. Both of these payments shall be delivered to Lexington Law Group, 503 Divisadero Street, San Francisco, CA 94117.

5.1.4 To summarize, Settling Defendants shall deliver checks made out to the payees and in the amounts set forth below:

Payee	Type	Amount	Deliver To
ОЕННА	Penalty	\$ 2,400	OEHHA per Section 5.2.1
Center For Environmental Health	Penalty	\$ 800	LLG
Center For Environmental Health	ASP	\$ 2,300	LLG
Lexington Law Group	Fee and Cost	\$ 18,000	LLG
Center For Environmental Health	Fee and Cost	\$ 3,500	LLG ·

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5.2 Additional Payment for Warning. If Settling Defendant avails itself of the permanent warning option provided for by Section 3.3, Settling Defendant shall make an additional payment of \$7,000 to be split between a civil penalty and ASP as set forth herein, concurrently with its written notice as provided in Section 3.2. Of the additional payment, \$3,300 shall be a civil penalty, apportioned 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 ("OEHHA")). Accordingly, the OEHHA portion of the civil penalty payment of \$ 2,475 shall be made payable to OEHHA, associated with taxpayer identification number 68-0284486, and sent to the OEHHA address set forth in section 5.2.1 above. The CEH portion of the additional civil penalty payment of \$825 shall be made payable to the Center for Environmental Health and associated with taxpayer identification number 94-3251981. \$1,500 of the additional payment shall be made payable to Lexington Law Group, 503 Divisadero Street, San Francisco, CA 94117 for fees and costs associated with the additional payment. The remaining \$2,200 of the additional payment shall be made payable to the Center for Environmental Health and associated with taxpayer identification number 94-3251981 and shall be used as set forth in Section 5.2.2 above. Both payments to CEH shall be delivered to Lexington Law Group, 503 Divisadero Street, San Francisco, CA 94117.

5.3 Failure to Comply With Payment Obligations. Notwithstanding the provisions of the Enforcement of Judgments Law and Code of Civil Procedure §708.160, in the event that Settling Defendant does not comply fully with its payment obligations under Section 5, in addition to any other enforcement mechanism available to CEH, CEH may obtain an order requiring Settling Defendant to submit to a Debtors Exam. In the event that Settling Defendant fails to submit to any such Debtors Exam ordered by the Court, CEH may seek an order holding Settling Defendant in contempt of Court.

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 Alternative Compliance Standards. If either (i) CEH enters into a court-

approved settlement or a court enters a final judgment in a Proposition 65 enforcement action over exposure to BPA from socks made primarily of polyester with spandex that includes a different reformulation level than that set forth in Section 3.1; or (ii) the State of California adopts a different definition or method for determining exposure to BPA for purposes of Proposition 65, the Parties will meet and confer in good faith on conforming modifications to this Consent Judgment. If the Parties are unable to reach agreement, either Party may move the Court to modify the Consent Judgment.

6.3 **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

- Provided that Settling Defendant complies in full with its obligations under Section 5, this Consent Judgment is a full, final and binding resolution between CEH on behalf of itself and the public interest and Settling Defendant and its parents, subsidiaries, affiliated entities that are under common ownership, directors, officers, employees, agents, shareholders, successors, assigns, and attorneys ("Defendant Releasees"), and all entities to which Settling Defendant distributes or sells Covered Products, such as distributors, wholesalers, customers, retailers, franchisees, licensors and licensees ("Downstream Defendant Releasees"), of any violation of Proposition 65 based on failure to warn about alleged exposure to BPA contained in Covered Products that were sold by Settling Defendant prior to the Effective Date.
- 7.2 Provided that Settling Defendant complies in full with its obligations under Section 5, CEH, for itself, its agents, successors and assigns, releases, waives and forever discharges any and all claims against Settling Defendant, Defendant Releasees and Downstream Defendant Releasees arising from any violation of Proposition 65 or any other statutory or common law claims that have been or could have been asserted by CEH individually regarding the failure to warn about exposure to BPA contained in Covered Products sold by Settling Defendant prior to the Effective Date.

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. GOVERNING LAW AND CONSTRUCTION

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

11. ATTORNEYS' FEES

- Should Plaintiff prevail on any motion, application for an order to show cause, or other proceeding to enforce a violation of this Consent Judgment, Plaintiff shall be entitled to its reasonable attorneys' fees and costs incurred as a result of such motion or application. Should a Settling Defendant prevail on any motion application for an order to show cause or other proceeding, that Settling Defendant may be awarded its reasonable attorneys' fees and costs against Plaintiff as a result of such motion or application upon a finding by the Court that Plaintiff'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.
- 11.2 Except as otherwise provided in this Consent Judgment, each Party shall bear its own attorneys' fees and costs.
- Nothing in this Section 10 shall preclude a Party from seeking an award of sanctions pursuant to law.

12. ENTIRE AGREEMENT

12.1 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

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ETHAN P. SCHULMAN

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3	Dated: December 22, 2022	CENTER FOR ENVIRONMENTAL HEALTH		
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5		Regina Jackson		
6		Regina Jackson Interim Chief Executive Officer		
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9	Dated:, 2022	BON-BINI, LLC		
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3	Dated:	CENTER FOR ENVIRONMENTAL HEALTH	
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6		Regina Jackson Interim Chief Executive Officer	
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9	January 4, 2023 Dated:, 2022	BON-BINI, LLC	
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. 42		Signature	
13.		Jacques Meleni	
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EXHIBIT A "Test Protocol" as defined in Section 2.3 of the Consent Judgment means the following test method: a. Obtain homogenized 1-gram sample of the sock by shredding the entire sock and taking a representative 1-gram sample of the shreds. b. Add the 1-gram sock sample to 10 ml of acetonitrile c. Heat the solution using a hot plate for 3 hours at 40 degrees Celsius d. Analytical method - Isotope dilution LC-Tandem MS (LC-MS) e. Limit of detection 1 ppm f. Reporting -- BPA concentration in mg of BPA per kg of sample

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