1 Laralei S. Paras, State Bar No. 203319 Superior Court of California County of San Francisco Rebecca M. Jackson, State Bar No. 221583 2 Seven Hills LLP MAY 08 2025 4 Embarcadero Center, Suite 1400 3 San Francisco, CA 94111 ERK OF THE COURT Telephone: (415) 926-7247 4 laralei@sevenhillsllp.com rebecca@sevenhillsllp.com 5 Attorneys for Plaintiff 6 KEEP ÁMERICA SAFE AND BEAUTIFUL 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 COUNTY OF SAN FRANCISCO 9 10 KEEP AMERICA SAFE AND BEAUTIFUL, Case No. CGC-23-604667 11 Plaintiff, [PROPOSED] JUDGMENT **PURSUANT TO TERMS OF** 12 ٧. **PROPOSITION 65 SETTLEMENT** AND CONSENT JUDGMENT 13 VALKEN, INC.; and DOES 1-30, inclusive, 14 Date: May 8, 2025 Defendants. 9:00 a.m. Time: 15 Dept.: 301 Judge: Hon. Christine Van Aken 16 Complaint Filed: February 14, 2023 17 Trial Date: None set. 18 In the above-entitled action, Plaintiff Keep America Safe and Beautiful and Defendant 19 Valken, Inc., having agreed through their respective counsel that Judgment be entered pursuant 20 to the terms of their settlement agreement in the form of a Consent Judgment, and following this 21 Court's issuance of an Order approving this Proposition 65 settlement and Consent Judgment, 22 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to California 23 Health & Safety Code § 25249.7(f)(4) and California Code of Civil Procedure § 664.6, Judgment 24 is entered in accordance with the terms of the Consent Judgment attached hereto as Exhibit A. 25 By stipulation of the parties, the Court will retain jurisdiction to enforce the settlement under 26 Code of Civil Procedure § 664.6. 27

[PROPOSED] JUDGMENT PURSUANT TO TERMS OF PROPOSITION 65 SETTLEMENT AND CONSENT JUDGMENT

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1	IT IS SO ORDERED.		
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3	Dated: 58/2016	Hon. Christine Van Aken	
4		JUDGE OF THE SUPERIOR COURT	:
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# **EXHIBIT A**

	l <b>i</b>		
1	Laralei Paras, State Bar No. 203319 Rebecca M. Jackson, State Bar No. 221583		
2	SEVEN HILLS LLP 4 Embarcadero Center, Suite 1400		
3	San Francisco, CA 94111		
4	Telephone: (415) 926-7247 laralei@sevenhillsllp.com rebecca@sevenhillsllp.com		
5	Attorneys for Plaintiff		
6	KEEP ÁMERICA SAFE AND BEAUTIFUL		
7			
8	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
9	COUNTY OF SAN FRANCISCO – UNLIMITED CIVIL JURISDICTION		
10	KEEP AMERICA SAFE AND BEAUTIFUL,	Case No. CGC-23-604667	
11	Plaintiff,		
12	<b>v.</b>	[PROPOSED] CONSENT JUDGMENT	
13	VALKEN, INC.; and DOES 1-30, inclusive,	(Health & Safety Code § 25249.6 et seq. and Code of Civil Procedure § 664.6)	
14	Defendants.	cout of civil ricocaute g oo no)	
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CONSENT JUDGMENT

## 1. <u>INTRODUCTION</u>

This Consent Judgment is entered into by and between plaintiff Keep America Safe and Beautiful ("KASB"), Environmental Health Advocates, Inc. ("EHA"), and defendant Valken, Inc. ("Valken"), with KASB and Valken each individually referred to as a "Party" and collectively, as the "Parties," to resolve the allegations in the KASB's 60-Day Notice of Violation dated September 13, 2022 to Valken and EHA's 60-Day Notice of Violation dated February 1, 2024 to Valken, in compliance with the Safe Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code § 25249.6 et seq. ("Proposition 65").

#### 1.1 The Parties

KASB is a California-based non-profit organization proceeding in the public interest pursuant to California Health & Safety Code § 25249.7(d) to ensure that chemicals known to the State of California to cause cancer, birth defects, or other reproductive harm are disclosed or eliminated from consumer products sold in California. Environmental Health Advocates, Inc. is an organization in the State of California acting in the interest of the general public. Valken is a person in the course of doing business for purposes of California Health & Safety Code § 25249.11(b).

### 1.2 Consumer Product Description

KASB alleges that Valken manufactures, imports, sells, or distributes for sale in California valves including but not limited to the *Valken Mini CO2 Valve Full Station (61589)*, without providing the health hazard warning that KASB alleges is required by California Health & Safety Code § 25249.5 et seq. ("Proposition 65"). EHA alleges that Valken manufactures, imports, sells, or distributes for sale in California valves including but not limited to the *Universal CO2 Tank Pin Valve*, without providing the health hazard warning that KASB alleges is required by California Health & Safety Code § 25249.5 et seq. ("Proposition 65").CO2 Valves are referred to hereinafter as the "Products."

### 1.3 Notices of Violation

On September 13, 2022, KASB served Valken, the California Attorney General, and the requisite public enforcement agencies with a 60-Day Notice of Violation ("**DEHP Notice**"), alleging Valken violated Proposition 65 by failing to warn its customers and consumers in California that the

 Products can expose users to DEHP.

On February 1, 2024, Environmental Health Advocates, Inc. served Valken, the California Attorney General, and the requisite public enforcement agencies with a Proposition 65 Notice of Violation ("Lead Notice"), alleging Valken violated Proposition 65 by failing to warn its customers and consumers in California that the Products can expose users to Lead. The DEHP Notice and the Lead Notice are collectively referred to herein as the "Notices." No public enforcer has commenced and is diligently prosecuting an action to enforce the allegations set forth in the Notices.

## 1.4 Complaint

On February 14, 2023, KASB commenced the instant action ("Complaint"), naming Valken as a defendant for the alleged violations of Proposition 65 that are the subject of the DEHP Notice.

#### 1.5 No Admission

Valken denies the material, factual and legal allegations contained in the Notices and Complaint and maintains that all products it sold or distributed for sale in California, including the Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as, nor shall compliance with this Consent Judgment constitute or be construed as, an admission by Valken of any fact, finding, conclusion of law, issue of law, or violation of law. This section shall not, however, diminish or otherwise affect Valken's obligations, responsibilities, and duties under this Consent Judgment.

#### 1.6 Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Valken as to the allegations contained in the Complaint; that venue is proper in San Francisco County; and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment, pursuant to Proposition 65 and Code of Civil Procedure § 664.6.

#### 1.7 Execution Date

The term "Execution Date" is the date when the Agreement has been executed by all Parties.

#### 1.8 Effective Date

The term "Effective Date" is the date on which the Court approves this Consent Judgment and enters Judgment pursuant to its terms.

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### **INJUNCTIVE RELIEF: REFORMULATION**

#### 2.1 Commitment to Reformulate

Commencing on the Execution Date and continuing thereafter, all Products Valken manufactures, imports, sells, ships, or distributes for sale in or into California, directly or through one or more third party retailers or e-commerce marketplaces, shall meet the Reformulation Standard for Reformulated Products, as defined by Section 2.2, or be accompanied by clear and reasonable warnings set forth in section 2.3.

#### 2.2 Reformulation Standard

For purposes of this Consent Judgment, "Reformulated Products" are defined as Products which, if they contain:

- (a) "Listed Phthalate Chemicals" defined as di(2-ethylhexyl) phthalate ("DEHP"), dinbutyl phthalate ("DBP"), diisononyl phthalate ("DINP"), butyl benzyl phthalate ("BBP"), di-isodecyl phthalate ("DIDP"), and di-n-hexyl phthalate ("DnHP"), contain any or all such Phthalate Chemicals each in a maximum concentration of less than 0.1 percent (1,000 parts per million) in any and all accessible components when analyzed by a laboratory certified or accredited by the International Organization for Standardization ("ISO"), the State of California, the United States Food and Drug Administration/Environmental Protection Agency, the National Environmental Laboratory Accreditation Program, or a member accreditation body of the International Laboratory Accreditation Cooperation ("ILAC"). For purposes of compliance with this reformulation standard, testing samples shall be prepared and extracted using Consumer Product Safety Commission ("CPSC") methodology CPSC CH-C1001.09.3 and analyzed using U.S. Environmental Protection Agency methodology 8270D, or other methodologies utilized by federal or state government agencies to determine phthalate content in a solid substance; and
- (b) Lead in a total concentration of 0.009% or 90 ppm or less in all accessible components when analyzed pursuant to U.S. Environmental Protection Agency ("EPA") testing methodologies 3050B and 6020A or equivalent methodologies utilized by federal or state agencies for the purpose of determining Lead content in a solid substance, and yielding a test result of no more than 1.0

microgram of Lead on the entire surface area of any and all accessible components when sampled pursuant to the NIOSH 9100 testing protocol and analyzed pursuant to EPA 3050B and 6020A.

## 2.3 Clear and Reasonable Warnings

In accordance with this Section pursuant to Title 27 California Code of Regulations § 25600, et seq., Valken shall provide clear and reasonable warnings for all Products that are provided for sale to customers in California that are not Reformulated Products. Each warning shall be prominently placed with such conspicuousness as compared with other words, statements, or designs as to render it likely to be read and understood by an ordinary individual under customary conditions before purchase or use and shall be provided in a manner such that it is clearly associated with the specific Product to which the warning applies. Each warning shall consist of the Warning in 2.3 (a) as follows:

- (a) Warnings. The Warning for Products containing DEHP, DBP, DIDP, BBP, and/or DnHP or Lead, chemicals known to cause birth defects or other reproductive harm, in excess of the Reformulation Standard for Reformulated Products set forth in Section 2.2 shall consist of the following statement:
  - ⚠ WARNING: This product can expose you to chemicals including [Lead] which are known to the State of California to cause birth defects or other reproductive harm. For more information go to <a href="https://www.P65Warnings.ca.gov">www.P65Warnings.ca.gov</a>.

The bracketed language may be replaced with di(2-ethylhexyl) phthalate ("DEHP")

- (b) Warnings for DINP. For Products that are not Reformulated Products as to DINP, Valken must provide, or cause to be provided, a warning for such Products sold in California that is consistent with title 27, California Code of Regulations, section 25603.
- (c) Foreign Language Requirement. Where a consumer product sign, label or shelf tag used to provide a warning includes consumer information, as that term is defined in title 27, California Code of Regulations, section 25600.1(c) ("Consumer Information"), in languages other than English, the warning must also be provided in those languages in addition to English.
- (d) On-Product Warnings. Valken shall affix a warning to the Product label or otherwise directly on each Product provided for sale to customers located in California, with locations in

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California, nationwide distribution, or e-commerce websites. For the purpose of this Consent Judgment, "Product label" means a display of written, printed or graphic material that is printed on or affixed to each of a Product or its immediate packaging. A warning provided pursuant to Section 2.3(a) or (b) must print the word "WARNING:" in all capital letters and in bold font. The warning symbol to the left of the word "WARNING:" must be a black exclamation point in a yellow equilateral triangle with a black outline, except that if the labeling does not use the color yellow, then the symbol may be in black and white. The entire warning shall appear in a type size of at least 6-point type and no smaller than the largest type size used for other Consumer Information on the Products.

(e) Internet Warnings. If, after the Effective Date, Valken sells Products, that are not Reformulated Products, via the internet, through its own website, affiliated websites or a third party website, to customers located in California, with locations in California, nationwide distribution, or e-commerce websites, Valken shall provide warnings for each Product both on the Product label in accordance with Section 2.3(d), and by prominently displaying, or requiring the warning to be prominently displayed on affiliated websites, third party websites or by retail customers, to consumers during the purchase of the Products without requiring customers to seek out the warning. The warning or a clearly marked hyperlink to the warning using the word "WARNING" given in conjunction with the sale of the Products via the internet shall appear either: (a) on the same web page on which the Products are displayed; (b) on the same web page as the virtual cart displaying the Products; (c) on the same page as the price for the Products; or (d) on one or more web pages displayed to a purchaser during the checkout process. The warning shall appear in any of the above instances adjacent to or immediately following the display, description, or price of the Products for which it is given in the same type size or larger than other consumer information provided for the Products. For third-party websites over which Valken has no control, as a condition of sale, Valken shall provide its customer with notices stating the Products must be accompanied by a warning, prior to sale in or into California, and shall supply the warning requirements, pursuant to Sections 2.3.

### 2.4 Customer Notification

No later than the Effective Date, Valken shall send a letter, electronic or otherwise ("Notification Letter") to each customer that is a retailer or distributor with any inventory of

Products Valken supplied between September 13, 2019, and the Effective Date for sale to consumers in California. The Notification Letter shall advise the recipient that the Products contain DEHP and/or Lead, chemicals known to the State of California to cause birth defects or other reproductive harm. The Notification letter shall inform the recipient all Products must either be sold in or shipped to California with (a) an On-Product Warning and (b) an Internet Warning which states:

▲WARNING: This product can expose you to chemicals including [Lead] which are known to the State of California to cause birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.

The bracketed language may be replaced with di(2-ethylhexyl) phthalate ("DEHP").

- 2.4.1 On Product Warning. The Notification Letter shall advise that the On Product Warning must be attached to a label on the packaging of each Product expressly referring to the Product before it is sold in the California market or shipped to a customer in California and shall supply the warning requirements, pursuant to this Section 2.4.1 as follows. The warning must print the word "WARNING:" in all capital letters and in bold font. The warning symbol to the left of the word "WARNING:" must be a black exclamation point in a yellow equilateral triangle with a black outline. The entire warning shall appear in at least 6-point type and no smaller than the largest type size used for other consumer information on the Products. The Notification Letter shall include a sheet of white background, adhesive stickers with the forgoing warning statement.
- 2.4.2 Internet Warning. The Notification Letter shall advise Products sold through e-commerce platforms must be accompanied by a warning, prior to and as a condition of sale, in or into California, and shall supply the warning requirements, pursuant to this Section 2.4.2 as follows: The Internet Warning must be prominently displayed during the purchase of the Products without requiring customers to seek out the warning. The warning or a clearly marked hyperlink to the warning using the word "WARNING" given in conjunction with the sale of the Products via the internet shall appear either: (a) on the same web page on which the Products are displayed; (b) on the same web page as the virtual cart displaying the Products; (c) on the same page as the price for the Products; or (d) on one or more web pages displayed to a purchaser during the checkout process. The warning shall appear in any of the above instances adjacent to or immediately following the display,

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description or price of the Products for which it is given in the same type size or larger than other consumer information provided for the Products.

## 3. MONETARY SETTLEMENT TERMS

#### 3.1 Civil Penalty

Pursuant to Health and Safety Code § 25249.7(b), Valken agrees to pay a civil penalty of \$7,500 within five (5) days of the Effective Date. Valken's civil penalty payment will be allocated according to Health and Safety Code § 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid to the California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining twenty-five percent (25%) retained by KASB. Valken shall issue its payment in two checks made payable to: (a) "OEHHA" in the amount of \$5,625; (b) "Seven Hills in Trust for Keep America Safe and Beautiful" in the amount of \$1,250; and (c) "Environmental Health Advocates, Inc." in the amount of \$625. KASB's counsel shall deliver to OEHHA, EHA and KASB their respective portions of the penalty payment.

## 3.2 Reimbursement of Attorneys' Fees and Costs

Under general contract principles and the private attorney general doctrine, codified at California Code of Civil Procedure § 1021.5, for all work performed through the mutual execution and reporting of this Consent Judgment to the Office of the California Attorney General and entry of Judgment pursuant its terms, but exclusive of fees and costs on appeal, if any, Valken shall issue two checks for a total of \$46,500 for all fees and other costs incurred investigating, bringing the allegations in the Notices and Complaint to Valken's attention, litigating, negotiating a settlement in the public interest, obtaining the Court's approval of its terms pursuant to Section 5, and reporting to the California Attorney General. Within five (5) days of the Effective Date, Valken deliver one check in the amount of \$28,000 made payable to "Seven Hills LLP" and a second check in the amount of \$18,500 made payable to "Entorno Law." KASB's counsel shall deliver to Entorno Law, its respective portions of the amount of reimbursement of attorney's fees and costs.

### 3.3 Payments

All payments payable and due under this Consent Judgment shall be delivered to KASB's counsel at the following address:

Seven Hills LLP

Attn: Laralei Paras

4 Embarcadero Center, Suite 1400

San Francisco, CA 94111

## 4. CLAIMS COVERED AND RELEASED

#### 4.1 Release of Proposition 65 Claims

This Consent Judgment is a full, final, and binding resolution of the claims that were or could have been asserted by KASB and EHA arising out of the allegations in the Notices and in the Complaint. KASB and EHA, acting on their own behalf, in the public interest, and on behalf of their past and current agents, representatives, attorneys, successors and assignees ("Releasors") release Valken, its past and present directors, officers, employees, attorneys, and each entity to whom Valken directly or indirectly distributes or sells the Products including, but not limited to, its downstream distributors, wholesalers, marketplace hosts, customers, retailers, franchisees, cooperative members, and licensees ("Releasees") based on the failure to provide a clear and reasonable warning under Proposition 65 about alleged exposures to Lead and DEHP contained in the Products that were manufactured, processed, distributed, sold and/or offered for sale in California before the Effective Date, as set forth in the Notices. The Parties further agree that compliance with Section 2 of this Consent Judgment shall be deemed compliance with Proposition 65 with respect to alleged exposures to Lead and DEHP in the Products.

The Parties understand and agree this Section 4.1 release shall not extend (a) to upstream entities that sold, supplied, or manufactured the Products or any component parts thereof, or any distributors or suppliers who sold the Products or any component parts thereof to Valken nor (b) to Releasees who have been instructed by Valken, pursuant to Sections 2.3 and 2.4 to provide a warning on Products that are not Reformulated Products and have failed to do so.

#### 4.2 Individual Release of Claims

KASB and EHA, in their individual capacities only and not in their representative capacity, also hereby provide a release to Valken and the Releasees which shall be effective as a full and final

attorneys' fees, damages, losses, claims, liabilities and demands of KASB and EHA of any nature, character, or kind arising out of alleged or actual exposures to DEHP DINP, DIDP, DnHP, DBP, BBP or Lead in Products manufactured, imported, sold or distributed for sale, in or into the State of California, by Valken prior to the Execution Date, as alleged in the Notices and Complaint. The Parties understand and agree this Section 4.2 release shall not extend (a) to upstream entities that sold, supplied, or manufactured the Products or any component parts thereof, or any distributors or suppliers who sold the Products or any component parts thereof to Valken nor (b) to Releasees who have been instructed by Valken, pursuant to Section 2.4 to provide a warning on Products that are not Reformulated Products and have failed to do so. Nothing in this section shall affect KASB's right to commence or prosecute an action under Proposition 65 against a Releasee that does not involve Valken's Products.

accord and satisfaction, as a bar to all actions, causes of actions, obligations, costs, expenses,

### 4.3 Valken's Release of KASB

Valken, on behalf of itself, its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against KASB, EHA and their attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by KASB, EHA and their attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter with respect to the Products.

### 5. COURT APPROVAL

Pursuant to California Health and Safety Code § 25249.7(f)(4), KASB shall file a noticed motion for judicial approval of this Consent Judgment. The Parties agree to mutually employ their best efforts, and those of their counsel, to support the entry of a judgment pursuant to the terms of this Consent Judgment, and to judicial approval of their settlement in a timely manner. For purposes of this section, "best efforts" shall include, at a minimum, supporting the motion for approval, responding to any third-party objection, and appearing at the hearing before the Court if so requested.

#### 6. **SEVERABILITY**

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If, subsequent to the Court's approval and entry of this Consent Judgment as a judgment, any provision of this Consent Judgment is deemed by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

#### 7. **GOVERNING LAW**

The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within California. Nothing in this Consent Judgment shall be interpreted to relieve Valken from its obligation to comply with any pertinent state or federal law or regulation.

#### 8. **NOTICE**

Unless specified herein, all correspondence and notice required by this Consent Judgment shall be in writing and sent by: (i) first-class registered or certified mail, return receipt requested; or (ii) a recognized overnight courier to any Party by the other at the following addresses:

For Valken: 13

For KASB:

Jane Lorber General Counsel Valken, Inc. 1 Hawk Court

Laralei Paras, Partner Seven Hills LLP 4 Embarcadero Center, Suite 1400

San Francisco, CA 94111

Swedesboro, NJ 08085

For EHA

Noam Glick Entorno Law

225 Broadway, Suite 1900 San Diego, CA 92101

Any Party may, from time to time, specify in writing to the other Party a change of address to which all notices and other communications shall be sent.

#### 9. COUNTERPARTS AND PDF SIGNATURES

This Consent Judgment may be executed in counterparts and by portable document format (pdf) signature, each of which shall be deemed an original and, all of which, when taken together, shall constitute one and the same document.

#### 10. **COMPLIANCE WITH REPORTING REQUIREMENTS**

KASB and its counsel agree to comply with the reporting form requirements referenced in California Health and Safety Code § 25249.7(f).

#### 11. **ENTIRE AGREEMENT**

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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.

#### 12. **MODIFICATION**

This Consent Judgment may be modified only by: (i) a written agreement of the Parties and the entry of a modified Consent Judgment by the Court thereon; or (ii) upon a successful motion of any party and the entry of a modified Consent Judgment by the Court thereon.

#### 13. **AUTHORIZATION**

The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties and have read, understood, and agreed to all of the terms and conditions of this Consent Judgment.

18	AGREED TO:	AGREED TO: / /
19	Date:10/04/2024	Date:
20	By:	By: Cuguno Hotory
21	Lance Nguyen, CEO	Eugenio Postorivo, CEO
22	Keep America Safe and Beautiful	Valken, Inc.
23	ACDEED TO	

10/07/2024 Date:

Fred Duran, CEO Environmental Health Advocates, Inc.

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