

1 Mark N. Todzo, State Bar No. 168389  
2 Meredyth Merrow, State Bar No. 327338  
3 LEXINGTON LAW GROUP  
4 503 Divisadero Street  
5 San Francisco, CA 94117  
6 Telephone: (415) 913-7800  
7 Facsimile: (415) 759-4112  
8 mtodzo@lexlawgroup.com  
9 mmerrow@lexlawgroup.com

6 Counsel for Plaintiff  
7 CENTER FOR ENVIRONMENTAL HEALTH

8  
9 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
10 COUNTY OF SAN FRANCISCO

11  
12 CENTER FOR ENVIRONMENTAL HEALTH,  
13 a non-profit corporation,  
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15 Plaintiff,  
16  
17 v.  
18 EASY SPIRIT LLC, *et al.*,  
19  
20 Defendants.

Case No. CGC-22-598022  
  
Assigned For All Purposes To The  
Honorable Ethan P. Schulman, Dept. 304  
  
**[PROPOSED] CONSENT  
JUDGMENT AS TO DEFENDANTS  
INTERNATIONAL INTIMATES,  
INC., DML MARKETING GROUP,  
LTD., AND NEW RUE21, LLC**

1       **1.     INTRODUCTION**

2               1.1           The parties to this Consent Judgment (“Parties”) are the Center for  
3 Environmental Health (“CEH”) and Defendants International Intimates, Inc., DML Marketing  
4 Group, Ltd., and New rue21, LLC (“Settling Defendants”). CEH and Settling Defendants are  
5 referred to collectively as the “Parties.”

6               1.2           CEH alleges that each Settling Defendant manufactures, distributes, licenses,  
7 and/or sells socks made primarily of polyester with spandex that contain Bisphenol A (“BPA”) in  
8 the State of California (“Covered Products”) or has done so in the past.

9               1.3           Commencing on September 1, 2021, CEH served 60-Day Notices of Violation  
10 under Proposition 65 (The Safe Drinking Water and Toxic Enforcement Act of 1986, California  
11 Health & Safety Code §§ 25249.5, *et seq.*) (“Notice”) to Settling Defendants, the California  
12 Attorney General, the District Attorneys of every County in the State of California, and the City  
13 Attorneys for every City in the State of California with a population greater than 750,000. The  
14 Notices allege violations of Proposition 65 with respect to the presence of BPA in the Covered  
15 Products.

16              1.4           On February 4, 2022 CEH filed the original complaint. On March 21, 2022,  
17 CEH filed the operative First Amended Complaint which names Settling Defendants as  
18 defendants.

19              1.5           For purposes of this Consent Judgment only, the Parties stipulate that: (i) this  
20 Court has jurisdiction over the allegations of violations contained in the operative Complaint and  
21 personal jurisdiction over Settling Defendants as to the acts alleged in the Complaint; (ii) venue is  
22 proper in the County of San Francisco; and (iii) this Court has jurisdiction to enter this Consent  
23 Judgment.

24              1.6           Nothing in this Consent Judgment is or shall be construed as an admission by  
25 the Parties of any fact, conclusion of law, issue of law, or violation of law, nor shall compliance  
26 with the Consent Judgment constitute or be construed as an admission by the Parties of any fact,  
27 conclusion of law, issue of law, or violation of law. Nothing in this Consent Judgment shall  
28 prejudice, waive, or impair any right, remedy, argument, or defense the Parties may have in any

1 other legal proceeding. This Consent Judgment is the product of negotiation and compromise and  
2 is accepted by the Parties for purposes of settling, compromising, and resolving issues disputed in  
3 this action.

## 4 **2. DEFINITIONS**

5 2.1 “Covered Products” means socks designed for females, including infant socks,  
6 made primarily of polyester with spandex that are manufactured, distributed, or sold by Settling  
7 Defendant.

8 2.2 “Effective Date” means the date on which this Consent Judgment is entered by  
9 the Court.

10 2.3 “Test Protocol” means a method for measuring BPA content by solvent  
11 extraction as set forth in Exhibit A.

## 12 **3. INJUNCTIVE RELIEF**

13 3.1 Within 30 days following the Effective Date (the “Compliance Date”), each  
14 Settling Defendant shall not manufacture, purchase, or import any Covered Product for sale in  
15 California that contains BPA, unless it provides a warning pursuant to Section 3.2. For purposes  
16 of this Consent Judgment, a product “contains BPA” if either (a) BPA is an intentionally added  
17 ingredient in either the Covered Product or a component of the Covered Product, or (b) the  
18 Covered Product contains in excess of 1 part per million BPA as measured by the Test Protocol.

19 3.2 **Clear and Reasonable Warnings.** A Clear and Reasonable Warning under  
20 this Agreement shall state:



21 **WARNING:** This product can expose you to chemicals, including Bisphenol  
22 A (BPA), which are known to the State of California to cause birth defects or  
23 other reproductive harm. For more information go to

24 [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov).

25 The word “**WARNING**” shall be displayed in all capital letters and bold print and shall be  
26 preceded by the yellow warning triangle symbol depicted above, provided however, the  
27 symbol may be printed in black and white if the Covered Product label is produced without  
28 using the color yellow. This warning statement shall be prominently displayed on the label

1 or hangtag, or any outer packaging, of the Covered Product and shall be displayed with such  
2 conspicuousness, as compared with other words, statements or designs as to render it likely  
3 to be seen, read and understood by an ordinary individual prior to sale. For internet, catalog  
4 or any other sale where the consumer is not physically present, the warning statement shall  
5 be displayed in a manner consistent with 27 Cal. Code Regs § 25602(b), or any successor  
6 regulation. In lieu of the preceding warning content and methods set forth above, a Settling  
7 Defendant may use any specific safe harbor warning content and method applicable to the  
8 Covered Products set forth in Title 27, California Code of Regulations, section 25600, *et*  
9 *seq.*, as amended August 30, 2018 and subsequently thereafter. In the event a Settling  
10 Defendant agrees to use the specific warning language set forth in this paragraph, it will  
11 make the reduced payments identified in Exhibit B for the long-form warning.

#### 12 **4. ENFORCEMENT**

13 4.1 The Parties may, by motion or application for an order to show cause before  
14 the Superior Court of San Francisco County, enforce the terms and conditions contained in this  
15 Consent Judgment. Prior to bringing any motion or application to enforce the requirements of  
16 Section 3 above, Plaintiff shall provide a Settling Defendant with a Notice of Violation and a  
17 copy of any test results which purportedly support the Notice of Violation. The Parties shall then  
18 meet and confer regarding the basis for the anticipated motion or application in an attempt to  
19 resolve it informally, including providing the Settling Defendant(s) with a reasonable opportunity  
20 of at least thirty (30) days to cure any alleged violation. Should such attempts at informal  
21 resolution fail, Plaintiff may file an enforcement motion or application. This Consent Judgment  
22 may only be enforced by the Parties.

#### 23 **5. PAYMENTS**

24 5.1 **Payments by Settling Defendants.** On or before ten (10) business days after  
25 notice of the entry of this Consent Judgment and receipt of Forms W-9 for all payees, each  
26 Settling Defendant shall pay the total sum set forth on Exhibit B for that Settling Defendant as a  
27 settlement payment as further set forth in this Section. Any failure by a Settling Defendant to  
28 comply with the payment terms herein shall be subject to a stipulated late fee to be paid by the

1 Settling Defendant in the amount of \$100 for each day the full payment is not received after the  
2 applicable payment due date set forth in this Section 5.1. The late fees required under this  
3 Section shall be recoverable, together with reasonable attorneys' fees, in an enforcement  
4 proceeding brought pursuant to Section 4 of this Consent Judgment.

5           **5.2 Allocation of Payments.** The total settlement amount for each Settling  
6 Defendant shall be paid in five separate checks in the amounts for each Settling Defendant on  
7 Exhibit B and delivered as set forth below. The funds paid by Settling Defendant shall be allocated  
8 as set forth below between the following categories and made payable as follows:

9                   **5.2.1** Each Settling Defendant shall pay the civil penalty amounts set  
10 forth in Exhibit B for that Settling Defendant as a civil penalty pursuant to Health & Safety Code  
11 § 25249.7(b). The civil penalty payment shall be apportioned in accordance with Health & Safety  
12 Code § 25249.12 (25% to CEH and 75% to the State of California's Office of Environmental  
13 Health Hazard Assessment). Accordingly, the OEHHA portion of the civil penalty payment set  
14 forth in Exhibit B for that Settling Defendant by check made payable to OEHHA and associated  
15 with taxpayer identification number 68-0284486/ This payment shall be delivered as follows:

16                                   For United States Postal Service Delivery:

17                                   Attn: Mike Gyurics  
18                                   Fiscal Operations Branch Chief  
19                                   Office of Environmental Health Hazard Assessment  
20                                   P.O. Box 4010, MS #19B  
21                                   Sacramento, CA 95812-4010

22                                   For Non-United States Postal Service Delivery:

23                                   Attn: Mike Gyurics  
24                                   Fiscal Operations Branch Chief  
25                                   Office of Environmental Health Hazard Assessment  
26                                   1001 I Street, MS #19B  
27                                   Sacramento, CA 95814

28                   **5.2.2** Each Settling Defendant shall pay the CEH portion of the civil  
penalty payment set forth in Exhibit B for that Settling Defendant by check made payable to the

1 Center for Environmental Health and associated with taxpayer identification number 94-3251981.  
2 This payment shall be delivered to Lexington Law Group, 503 Divisadero Street, San Francisco,  
3 CA 94117.

4                   5.2.3       Each Settling Defendant shall pay the amount set forth in Exhibit B  
5 for that Settling Defendant as an as an Additional Settlement Payment (“ASP”) to CEH pursuant  
6 to Health & Safety Code § 25249.7(b), and California Code of Regulations, Title 11, § 3204 and  
7 California Code of Regulations, Title 11, § 3204. CEH will use such funds to continue its work  
8 educating and protecting people from exposures to toxic chemicals, including BPA, in textiles  
9 and other products. CEH may also use a portion of such funds to monitor compliance with this  
10 Consent Judgment and to purchase and test Settling Defendant’s products to confirm compliance.

11                   5.2.4       Each Settling Defendant shall pay the amount set forth in Exhibit B  
12 for that Settling Defendant as a reimbursement of a portion of CEH’s reasonable attorneys’ fees  
13 and costs. The attorneys’ fees and cost reimbursement shall be made in two separate checks in  
14 the amounts set forth on Exhibit B for that Settling Defendant as follows: (a) a check payable to  
15 the Lexington Law Group, 503 Divisadero Street, San Francisco, CA 94117; and (b) a check  
16 payable to the Center for Environmental Health and associated with taxpayer identification  
17 number 94-3251981. Both of these payments shall be delivered to Lexington Law Group, 503  
18 Divisadero Street, San Francisco, CA 94117.

19                   5.2.5       A summary of the payments to be made by each Settling Defendant  
20 is set forth on Exhibit B for each Settling Defendant including the specific payees, amounts and  
21 delivery entity for each check.

## 22 **6.       MODIFICATION**

23                   6.1           **Written Consent.** This Consent Judgment may be modified from time to  
24 time by express written agreement of the Parties with the approval of the Court, or by an order of  
25 this Court upon motion and in accordance with law.

26                   6.2           **Meet and Confer.** Any Party seeking to modify this Consent Judgment shall  
27 attempt in good faith to meet and confer with all affected Parties prior to filing a motion to  
28 modify the Consent Judgment.

1 **7. CLAIMS COVERED AND RELEASED**

2 7.1 Provided that a Settling Defendant complies in full with its obligations under  
3 Section 5, this Consent Judgment is a full, final and binding resolution between CEH on behalf of  
4 itself and the public interest and such Settling Defendant and its parents, subsidiaries, affiliated  
5 entities that are under common ownership, directors, officers, employees, agents, shareholders,  
6 successors, assigns, and attorneys (“Defendant Releasees”), and all entities to which such Settling  
7 Defendant distributes or sells Covered Products, such as distributors, wholesalers, customers,  
8 retailers, franchisees, licensors and licensees (“Downstream Defendant Releasees”), of any  
9 violation of Proposition 65 based on failure to warn about alleged exposure to BPA contained in  
10 Covered Products that were manufactured, purchased, imported, distributed, or sold by Settling  
11 Defendant prior to the Compliance Date.

12 7.2 Provided that a Settling Defendant complies in full with its obligations under  
13 Section 5, CEH, for itself, its agents, successors and assigns, releases, waives and forever  
14 discharges any and all claims against such Settling Defendant and its Defendant Releasees and  
15 Downstream Defendant Releasees arising from any violation of Proposition 65 or any other  
16 statutory or common law claims that have been or could have been asserted by CEH individually  
17 regarding the failure to warn about exposure to BPA contained in Covered Products  
18 manufactured, purchased, imported, distributed, or sold by such Settling Defendant prior to the  
19 Compliance Date.

20 7.3 Compliance with the terms of this Consent Judgment by a Settling Defendant  
21 and Defendant Releasees shall constitute compliance with Proposition 65 by such Settling  
22 Defendant and its Defendant Releasees, and Downstream Defendant Releasees with respect to  
23 any alleged failure to warn about BPA in Covered Products manufactured, distributed, or sold by  
24 such Settling Defendant after the Effective Date.

25 **8. NOTICE**

26 8.1 When CEH is entitled to receive any notice under this Consent Judgment, the  
27 notice shall be sent by first class and electronic mail to:  
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Mark N. Todzo  
Lexington Law Group  
503 Divisadero Street  
San Francisco, CA 94117  
mtodzo@lexlawgroup.com

8.2 When Settling Defendant is entitled to receive any notice under this Consent Judgment, the notice shall be sent by first class and electronic mail to the address listed on Exhibit B for such Settled Defendant.

8.3 Any Party may modify the person and address to whom the notice is to be sent by sending the 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. Plaintiff 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. 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**

11.1 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



1 in the Civil Discovery Act of 1986, Code of Civil Procedure §§ 2016, *et seq.*

2 11.2 Except as otherwise provided in this Consent Judgment, each Party shall bear  
3 its own attorneys' fees and costs.

4 11.3 Nothing in this Section 11 shall preclude a Party from seeking an award of  
5 sanctions pursuant to law.

6 **12. ENTIRE AGREEMENT**

7 12.1 This Consent Judgment contains the sole and entire agreement and  
8 understanding of the Parties with respect to the entire subject matter hereof, and any and all prior  
9 discussions, negotiations, commitments or understandings related thereto, if any, are hereby  
10 merged herein and therein. There are no warranties, representations or other agreements between  
11 the Parties except as expressly set forth herein. No representations, oral or otherwise, express or  
12 implied, other than those specifically referred to in this Consent Judgment have been made by any  
13 Party hereto. No other agreements not specifically contained or referenced herein, oral or  
14 otherwise, shall be deemed to exist or to bind any of the Parties hereto. Any agreements  
15 specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind  
16 any of the Parties hereto only to the extent that they are expressly incorporated herein. No  
17 supplementation, modification, waiver or termination of this Consent Judgment shall be binding  
18 unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions  
19 of this Consent Judgment shall be deemed or shall constitute a waiver of any of the other  
20 provisions hereof whether or not similar, nor shall such waiver constitute a continuing waiver.

21 **13. SUCCESSORS AND ASSIGNS**

22 13.1 This Consent Judgment shall apply to and be binding upon CEH and Settling  
23 Defendants, and their respective divisions, subdivisions and subsidiaries, and the successors or  
24 assigns of any of them.

25 **14. RETENTION OF JURISDICTION**

26 14.1 This Court shall retain jurisdiction of this matter to implement or modify the  
27 Consent Judgment.

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1 **15. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT**

2 15.1 Each signatory to this Consent Judgment certifies that he or she is fully  
3 authorized by the Party he or she represents to stipulate to this Consent Judgment and to enter into  
4 and execute the Consent Judgment on behalf of the Party represented and legally to bind that Party.

5 **16. NO EFFECT ON OTHER SETTLEMENTS/ “MOST FAVORED NATION”**  
6 **CLAUSE**

7 16.1 Nothing in this Consent Judgment shall preclude CEH from resolving any claim  
8 against an entity other than Settling Defendants on terms that are different than those contained in  
9 this Consent Judgment.

10 16.2 If either (a) CEH enters into any consent judgment with any other entity or (b)  
11 any other judgment is entered in an action brought by CEH with respect to an alleged failure to  
12 warn of alleged exposures to BPA in socks made primarily of polyester with spandex, and said  
13 consent judgment or other judgment contains different injunctive terms, a Settling Defendant may  
14 seek to modify this Consent Judgment to adopt those injunctive terms and comply with them instead  
15 of those presently set forth in Section 3. If a Settling Defendant seeks to adopt different injunctive  
16 terms, it shall provide notice to CEH consistent with Section 6 of this Consent Judgment.  
17 Notwithstanding the foregoing, a Settling Defendant may, at any time, reformulate the Covered  
18 Products such that it will no longer manufacture, distribute, license, sell, or offer for sale any  
19 Covered Product in California that contains BPA and thereby avoid providing warnings for the  
20 Covered Products in accordance with Section 3.2 above.

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22 **IT IS SO ORDERED:**

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25 Dated: \_\_\_\_\_, 2023

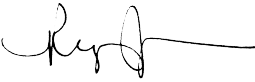
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**IT IS SO STIPULATED:**

Dated: February 22, 2023

**CENTER FOR ENVIRONMENTAL HEALTH**



\_\_\_\_\_  
Regina Jackson  
Interim Chief Executive Officer

Dated: February \_\_, 2023

**INTERNATIONAL INTIMATES, INC.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

Dated: February \_\_, 2023

**DML MARKETING GROUP, LTD.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

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**IT IS SO STIPULATED:**

Dated: February \_\_, 2023

**CENTER FOR ENVIRONMENTAL HEALTH**

\_\_\_\_\_  
Regina Jackson  
Interim Chief Executive Officer

Dated: February 17, 2023

**INTERNATIONAL INTIMATES, INC.**

\_\_\_\_\_  
Signature 

\_\_\_\_\_  
Printed Name  
RENE ROFE

\_\_\_\_\_  
Title  
PRESIDENT + CEO

Dated: February \_\_, 2023

**DML MARKETING GROUP, LTD.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

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**IT IS SO STIPULATED:**

Dated: February \_\_, 2023

**CENTER FOR ENVIRONMENTAL HEALTH**

\_\_\_\_\_  
Regina Jackson  
Interim Chief Executive Officer

Dated: February \_\_, 2023

**INTERNATIONAL INTIMATES, INC.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

Dated: February \_\_, 2023

**DML MARKETING GROUP, LTD.**

*Mark S. Hierbaum*  
\_\_\_\_\_  
Signature


Mark S. Hierbaum  
\_\_\_\_\_  
Printed Name

2/20/2023  
\_\_\_\_\_  
Title CEO

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Dated: February \_\_, 2023

**NEW RUE21, LLC**



\_\_\_\_\_  
Signature

\_\_\_\_\_  
Stephen A. Gould

Printed Name

\_\_\_\_\_  
SVP, General Counsel and CHRO

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**EXHIBIT A**

**“Test Protocol” as defined in Section 2.3 of the Consent Judgment means the following test method:**

1. Homogenized sample of minimum 1 gram.
2. Quantitative solvent extraction by acetonitrile. If acetonitrile not available, may substitute with methanol.
3. Extraction by EPA methods 3540 (Soxhlet), 3546 (microwave), or hot plate for 3 hours at 40 degrees Celsius.
4. Analysis by LC/MS-MS, with isotope dilution; HPLC-DADMS, subject to performance criteria below. GC/MS-MS may be used if other methods not available and no derivatization of BPA is required.
5. Reporting limit of 0.5 mg/kg or lower.
6. Performance criteria – demonstration of accuracy, precision, and quality control, per EPA Method 3500C sections 9, 11, and 13. Include on-going routine quality control testing of method blanks, laboratory control samples/duplicates, and matrix spike samples/duplicates.

1 **EXHIBIT B**

2 **1. Name of Settling Defendant: International Intimates, Inc.**

3  
4  
5 **2. Person(s) to Receive Notices (Pursuant to Section 8.2):**

6 Jeffrey Margulies  
7 NORTON ROSE FULBRIGHT US LLP  
8 555 California Street Suite 3300  
9 San Francisco, CA 94104  
10 [jeff.margulies@nortonrosefulbright.com](mailto:jeff.margulies@nortonrosefulbright.com)

11 René Rofé  
12 International Intimates Inc.  
13 31 W 34th St, 9th Floor  
14 New York, NY 10001  
15 [rener@renerofe.com](mailto:rener@renerofe.com)

16 **3. Will Defendant use the Long-Form Warning on its Covered Products?**

17 Yes:  No:

18 **4. Defendant’s Settlement Payment and Allocation (Pursuant to Section 5.1):**

|                                 | <b>Long-Form Warning</b> | <b>Other Warning</b> |
|---------------------------------|--------------------------|----------------------|
| Total Settlement Payment        | \$ 100,000               | \$ _____             |
| Civil Penalty (Total)           | \$ 14,000                | \$ _____             |
| - OEHHA (75%)                   | \$ 10,500                | \$ _____             |
| - CEH (25%)                     | \$ 3,500                 | \$ _____             |
| Additional Settlement Payment   | \$ 10,000                | \$ _____             |
| Total Attorneys’ Fees and Costs | \$ 76,000                | \$ _____             |
| - LLG Fees and Costs            | \$ 64,000                | \$ _____             |
| - CEH Fees and Costs            | \$ 12,000                | \$ _____             |



1 **EXHIBIT B**

2 **1. Name of Settling Defendant: DML Marketing Group, Ltd.**

3  
4  
5 **2. Person(s) to Receive Notices (Pursuant to Section 8.2):**

6 Jeffrey Margulies  
7 NORTON ROSE FULBRIGHT US LLP  
8 555 California Street Suite 3300  
9 San Francisco, CA 94104  
10 [jeff.margulies@nortonrosefulbright.com](mailto:jeff.margulies@nortonrosefulbright.com)

11 Mark Hierbaum  
12 DML Marketing Group, Ltd.  
13 7711 Hayvenhurst Ave.  
14 Van Nuys, CA 91406  
15 [mark@dmlsocks.com](mailto:mark@dmlsocks.com)

16 **3. Will Defendant use the Long-Form Warning on its Covered Products?**

17 Yes:  No:

18 **4. Defendant's Settlement Payment and Allocation (Pursuant to Section 5.1):**

|                                 | Long-Form Warning | Other Warning |
|---------------------------------|-------------------|---------------|
| Total Settlement Payment        | \$ 100,000        | \$ _____      |
| Civil Penalty (Total)           | \$ 14,000         | \$ _____      |
| - OEHHA (75%)                   | \$ 10,500         | \$ _____      |
| - CEH (25%)                     | \$ 3,500          | \$ _____      |
| Additional Settlement Payment   | \$ 10,000         | \$ _____      |
| Total Attorneys' Fees and Costs | \$ 76,000         | \$ _____      |
| - LLG Fees and Costs            | \$ 64,000         | \$ _____      |
| - CEH Fees and Costs            | \$ 12,000         | \$ _____      |

1 **EXHIBIT B**

2 **1. Name of Settling Defendant: New rue21, LLC**

3  
4 **2. Person(s) to Receive Notices (Pursuant to Section 8.2):**

5  
6 Sophia B. Castillo  
7 DOWNEY BRAND LLP  
8 455 Market Street, Suite 1500  
9 San Francisco, California 94105  
10 [scastillo@downeybrand.com](mailto:scastillo@downeybrand.com)

11 Stephen A. Gould  
12 SVP, General Counsel & CHRO  
13 rue21  
14 800 Commonwealth Drive  
15 Warrendale, PA 15086  
16 [sgould@rue21.com](mailto:sgould@rue21.com)

17 **3. Will Defendant use the Long-Form Warning on its Covered Products?**

18 **Yes:** \_\_\_\_\_ **No:**  X

19 **4. Defendant’s Settlement Payment and Allocation (Pursuant to Section 5.1):**

|                                 | <b>Long-Form Warning</b> | <b>Other Warning</b> |
|---------------------------------|--------------------------|----------------------|
| Total Settlement Payment        | \$ _____                 | \$ 80,000            |
| Civil Penalty (Total)           | \$ _____                 | \$ 10,600            |
| - OEHHA (75%)                   | \$ _____                 | \$ 7,950             |
| - CEH (25%)                     | \$ _____                 | \$ 2,650             |
| Additional Settlement Payment   | \$ _____                 | \$ 7,900             |
| Total Attorneys’ Fees and Costs | \$ _____                 | \$ 61,500            |
| - LLG Fees and Costs            | \$ _____                 | \$ 51,000            |
| - CEH Fees and Costs            | \$ _____                 | \$ 10,500            |