Mark N. Todzo, State Bar No. 168389
Patrick R. Carey, State Bar No. 308623
Joseph J. Mann, State Bar No. 207968
LEXINGTON LAW GROUP, LLP
503 Divisadero Street
San Francisco, CA 94117
Telephone: (415) 913-7800
Facsimile: (415) 759-4112
mtodzo@lexlawgroup.com
pcarey@lexlawgroup.com
jmann@lexlawgroup.com

Counsel for Plaintiff
CENTER FOR ENVIRONMENTAL HEALTH

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN FRANCISCO

CENTER FOR ENVIRONMENTAL HEALTH, **Plaintiff,** **v.** **AESOP USA, INC., *et al.*,** **Defendants.**	Case No. CGC-25-623997 **[PROPOSED] CONSENT JUDGMENT AS TO DEFENDANT STAPLES, INC.**

1. INTRODUCTION

1.1 The Parties to this Consent Judgment are the Center for Environmental Health, a California non-profit corporation ("Plaintiff" or "CEH"), and Staples, Inc. ("Settling Defendant"). CEH and Settling Defendant (the "Parties") enter into this Consent Judgment to settle certain claims asserted by CEH against Settling Defendant as set forth in the operative complaint in the above-captioned matter.

1.2 On April 11 and June 24, 2025, CEH provided a 60-day Notice of Violation of Proposition 65 to the California Attorney General, the District Attorneys of every county in California, the City Attorneys of every California city with a population greater than 750,000, and to Settling Defendant, alleging that Settling Defendant violated Proposition 65 by exposing persons to Bisphenol S ("BPS") contained in thermal receipt paper without first providing a clear and reasonable Proposition 65 warning. On May 14, 2026, CEH provided a 60-day Notice of Violation of Proposition 65 to the California Attorney General, the District Attorneys of every county in California, the City Attorneys of every California city with a population greater than 750,000, and to Settling Defendant, alleging that Settling Defendant violated Proposition 65 by exposing persons to BPS contained in thermal fax paper without first providing a clear and reasonable Proposition 65 warning.

1.3 Settling Defendant is a corporation or other business entity that manufactures, distributes, purchases for use, causes to be purchased for use, sells, offers to sell, provides, or offers to provide thermal receipt paper in the State of California or has done so in the past.

1.4 On April 3, 2025, CEH filed the original Complaint in the above-captioned matter, followed by the First Amended Complaint on July 21, 2025. On May 18, 2026, CEH filed the operative Second Amended Complaint (the "Complaint"). Upon entry of this Consent Judgment, the Complaint is deemed amended to assert allegations as to alleged exposures to BPS in thermal fax paper distributed, offered to distribute, sold, offered to sell, provided, or offered to provide by Settling Defendant to individuals in California.

1.5 For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction over Settling Defendant as to the acts alleged in the Complaint, that venue is proper in the County of San Francisco, and that this Court has jurisdiction to enter and enforce this Consent Judgment as a full and final resolution of all claims which were or could have been raised in the Complaint based on the facts alleged therein with respect to Covered Products that Settling Defendant manufactured, distributed, purchased for use, sold, offered to sell, provided, or

offered to provide.

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 pending or future legal proceedings. This Consent Judgment is the product of negotiation and compromise and is accepted by the Parties solely for purposes of settling, compromising, and resolving issues disputed in this action.

2. DEFINITIONS

2.1 "Covered Products" means either/both thermal receipt paper used to print receipts and/or thermal fax paper used in fax machines, either/both of which is/are sold under a brand name or trademark owned or licensed by the Settling Defendant.

2.2 "BPS Free" means Covered Products that have no BPS intentionally added.

2.3 "Effective Date" means the date of notice of entry of this Consent Judgment.

3. INJUNCTIVE RELIEF

3.1 **Reformulation of Covered Products.** As of the Effective Date and thereafter, Setting Defendant shall not distribute, offer to distribute, sell, offer to sell, provide, or offer to provide Covered Products at its California locations, or on its website Staples.com, if it has reason to believe those Covered Products may be sold or utilized in California, unless those Covered Products are BPS Free Covered Products. For purposes of this Consent Judgment, "reason to believe may be sold or utilized in California" shall be understood as the downstream purchasing person or entity having a delivery address in California.

4. ENFORCEMENT

4.1 **General Enforcement Provisions**. The Parties may, by motion or application for an order to show cause before this Court, 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, CEH shall provide Settling Defendant with a notice setting forth the factual basis for the alleged violation of Section 3, which includes photographs of the product tested together with the test results for the Covered Product, and a receipt showing date and location of purchase ("Notice of Violation"). Settling Defendant shall have up to 45 days to respond to the Notice of Violation unless a longer time to respond is agreed to in writing by CEH. In response to the Notice of Violation, Settling Defendant may contest the Notice of Violation by providing test results showing that the Covered Product had less than 200 ppm of total BPS. Settling Defendant shall provide CEH with an additional sample of the Covered Product so that CEH may confirm the testing. In the event that CEH's test of the Covered Product shows that the product contains more than 200 ppm of total BPS, the Parties shall meet and confer regarding an appropriate remedy. In the event the Parties are unable to reach an agreement, CEH may bring a motion to enforce the Consent Judgment. In the event that CEH's test of the Covered Product confirms that there is less than 200 ppm, CEH shall take no further action on the Notice of Violation.

4.2 The Parties shall then meet and confer regarding the basis for CEH's anticipated motion or application in an attempt to resolve it informally. Should such attempts at informal resolution fail, CEH may file its enforcement motion or application. Should CEH prevail on a motion to enforce the Consent Judgment, Settling Defendant shall pay $15,000 to be allocated between a civil penalty and Additional Settlement Payment ("ASP") as follows: 57% to civil penalties and 43% to ASP. In the event that Settling Defendant does not contest CEH's Notice of Violation, Settling Defendant shall pay $5,000 to be divided between a civil penalty and ASP in accordance with the allocation set forth above along with CEH's reasonable attorneys' fees and costs associated with resolving the Notice of Violation. Nothing in this Section 4 shall impact the Court's authority in an enforcement proceeding to impose appropriate remedies, including sanctions or the provision of a clear and reasonable warning.

5. PAYMENTS

5.1 **Payments by Settling Defendant.** Within thirty (30) calendar days of the

Effective Date and the receipt of valid IRS Forms W-9 for Lexington Law Group, LLP and Center for Environmental Health, Settling Defendant shall pay the total sum of $60,000 as a settlement payment as further set forth in this Section.

5.2 **Allocation of Payments.** The total settlement amount for Settling Defendant shall be paid in five separate checks in the amounts specified below and delivered as set forth below. Any failure by Settling Defendant to comply with the payment terms herein shall be subject to a stipulated late fee to be paid by Settling Defendant in the amount of $100 for each day the full payment is not received after the applicable payment due date set forth in Section 5.1. The late fees required under this Section shall be recoverable, together with reasonable attorneys' fees and costs, in an enforcement proceeding brought pursuant to Section 4 of this Consent Judgment. The funds paid by Settling Defendant shall be allocated as set forth below between the following categories and made payable as follows:

5.2.1 $15,500 as a civil penalty pursuant to Health & Safety Code § 25249.7(b). The civil penalty payment shall be 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 for $11,625 shall be made payable to OEHHA and associated with taxpayer identification number 68-0284486. This payment shall be delivered as follows:

For United States Postal Service Delivery:

Attn: Mike Gyurics
Deputy Director for Administrative Services
Office of Environmental Health Hazard Assessment
P.O. Box 4010, MS #19B
Sacramento, CA 95812-4010

For Non-United States Postal Service Delivery:

Attn: Mike Gyurics
Deputy Director for Administrative Services
Office of Environmental Health Hazard Assessment
1001 I Street, MS #19B
Sacramento, CA 95814

The CEH portion of the civil penalty payment for $3,875 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, LLP, 503 Divisadero Street, San Francisco, CA 94117.

5.2.2 $11,500 as an ASP to CEH pursuant to Health & Safety Code § 25249.7(b), and 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 BPS, in thermal paper 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 Defendants' 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 (30) 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, LLP, 503 Divisadero Street, San Francisco, CA 94117.

5.2.3 $33,000 as a reimbursement of a portion of CEH's reasonable attorneys' fees and costs (including but not limited to expert and investigative costs). The attorneys' fees and cost reimbursement shall be made in two separate checks as follows: (a) $28,340 payable to the Lexington Law Group, LLP and associated with taxpayer identification number 88-4399775; and (b) $4,660 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, LLP, 503 Divisadero Street, San Francisco, CA 94117.

5.2.4 To summarize, by the date set forth in Section 5.1, Settling Defendant shall deliver checks made out to the payees and in the amounts set forth below:

Payee	**Type**	**Amount**	**Deliver To**
OEHHA	Penalty	$ 11,625	OEHHA per Section 5.2.1
Center for Environmental Health	Penalty	$ 3,875	Lexington Law Group, LLP

Payee	Type	Amount	Deliver To
Center for Environmental Health	ASP	$ 11,500	Lexington Law Group, LLP
Lexington Law Group, LLP	Fees and Costs	$ 28,340	Lexington Law Group, LLP
Center for Environmental Health	Fees and Costs	$ 4,660	Lexington Law Group, LLP

6. MODIFICATION

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

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

7. CLAIMS COVERED AND RELEASE

7.1 Provided that Settling Defendant complies in full with its obligations under Section 5 hereof, 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 customers to which Defendant Releasees distribute or sell Covered Products ("Downstream Defendant Releasees"), of any violation of Proposition 65 based on failure to warn about alleged exposure to BPS contained in Covered Products that Defendant Releasees distributed, purchased for use, sold, offered to sell, provided, or offered to provide prior to the Effective Date. For the avoidance of doubt, Staples the Office Superstore, LLC and Office Superstore East LLC f/k/a Staples the Office Superstore East, Inc. shall be considered affiliated entities of Settling Defendant for purposes of this Agreement and therefore shall be considered Defendant Releasees.

7.2 Provided that Settling Defendant complies in full with its obligations under Section 5 hereof, CEH, for itself and 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 regarding the failure to warn about exposure to BPS arising in connection with Covered Products that Defendant Releasees distributed, purchased for use, sold, offered to sell, provided, or offered to provide prior to the Effective Date.

7.3 The releases set forth in Sections 7.1 and 7.2 shall not apply to any Downstream Defendant Releasee that received a 60-day Notice under Proposition 65 related to alleged BPS exposures resulting from use of Covered Products prior to October 1, 2025.

7.4 Provided that Settling Defendant complies in full with its obligations under Section 5 hereof, compliance with the terms of this Consent Judgment by Settling Defendant shall constitute compliance with Proposition 65 by Settling Defendant and Defendant Releasees with respect to any alleged failure to warn about BPS in Covered Products that Settling Defendant distributes, purchases for use, sells, offers to sell, provides, or offers to provide after the Effective Date.

8. PROVISION OF NOTICE

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

Mark Todzo
Patrick Carey
Lexington Law Group, LLP
503 Divisadero Street
San Francisco, CA 94117
mtodzo@lexlawgroup.com
pcarey@lexlawgroup.com

8.2 When Settling Defendant is entitled to receive any notice under this Consent Judgment, the notice shall be sent by electronic mail to:

Staples, Inc.
ATTN: Legal Department
500 Staples Drive
Framingham, MA 01702
kevin.jones@staples.com
cristina.gonzalez@staples.com

Jon Welner
Joanna Forster
Crowell & Moring LLP
Three Embarcadero Center, 26th Floor
San Francisco, CA 94111
jwelner@crowell.com
jforster@crowell.com

Any Party may modify the person and/or address to whom the notice is to be sent by sending the other Party notice by electronic mail.

9. COURT APPROVAL

9.1 This Consent Judgment shall become effective upon the date signed by CEH and Settling Defendant, whichever is later, provided however, that CEH shall prepare and file a Motion for Approval of this Consent Judgment and Settling Defendant shall support entry of this Consent Judgment by the Court.

9.2 If this Consent Judgment is not entered by the Court, it shall be of no force or effect and shall not be introduced into evidence or otherwise used in any proceeding for any purpose 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 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 Nothing in this Section 11 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 otherwise, shall be deemed to exist or to bind any of the Parties hereto. Any agreements specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto only to the extent that they are expressly incorporated herein. No supplementation, modification, waiver, or termination of this Consent Judgment shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of this Consent 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.

13. RETENTION OF JURISDICTION

13.1 This Court shall retain jurisdiction over this matter to implement or modify the Consent Judgment.

14. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT

14.1 Each signatory to this Consent Judgment certifies that they are fully authorized by the Party they represent 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.

15. SUCCESSORS AND ASSIGNS

15.1 This Consent Judgment shall apply to and be binding upon CEH and Settling Defendant, and their respective divisions, subdivisions, and subsidiaries, and the successors or assigns of any of them.

16. NO EFFECT ON OTHER SETTLEMENTS

16.1 Nothing in this Consent Judgment shall preclude CEH from resolving any claim against an entity that is not Settling Defendant on terms that are different from those contained in this Consent Judgment.

17. EXECUTION IN COUNTERPARTS

17.1 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.

IT IS SO ORDERED, ADJUDGED, AND DECREED.

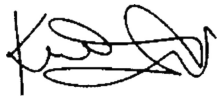
Dated: _____

_____
Judge of the Superior Court

IT IS SO STIPULATED:

Dated: 11/20/2026

CENTER FOR ENVIRONMENTAL HEALTH



Kizzy Charles-Guzman
CEO

Dated: _____

STAPLES, INC.

_____
Signature

_____
Cristina Gonzalez

_____
Chief Legal Officer

IT IS SO STIPULATED:

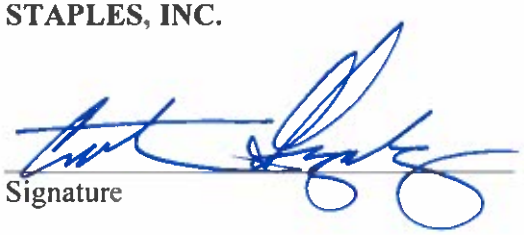
Dated: _____

CENTER FOR ENVIRONMENTAL HEALTH

_____
Kizzy Charles-Guzman
CEO

Dated: 11/20/2026

STAPLES, INC.



Signature

_____
Cristina Gonzalez

_____
Chief Legal Officer