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		Α.		
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2	City Attorney YVONNE R. MERÉ, SBN 173594		FILT	
3	Chief Deputy City Attorney SARA J. EISENBERG, SBN 269303		Superior Court of California County of San Francisco	
4	Chief of Complex and Affirmative Litigation		DEC 2 0 2024	
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6	San Francisco, CA 94102-5408 Telephone: (415) 554-4274		Deputy Clerk	
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8	Attorneys for Plaintiffs		١	
9	PEOPLE OF THE STATE OF CALIFORNIA and PEOPLE OF THE CITY AND COUNTY OF SAN			
10	FRANCISCO, acting by and through San Francis Attorney DAVID CHIU	co City		
11 12	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
13	COUNTY OF SAN FRANCISCO			
13	UNLIMITED JURISDICTION			
	PEOPLE OF THE STATE OF CALIFORNIA	Case No. CGC-23-6	510794	
15 16	and PEOPLE OF THE CITY AND COUNTY OF SAN FRANCISCO, acting by and through San Francisco Attorney DAVID CHIU,	[ <del>PROPOSED]</del> STIPULATED FINAL JUDGMENT AND INJUNCTION		
17	Plaintiffs,		, , , , , , , , , , , , , , , , , , ,	
18	VS.	Date Action Filed: Trial Date:	December 4, 2023 None Set	
19	MILLENNIAL ONE, INC. d/b/a The Finest E-			
20	Liquid; GASHIRO TECHNOLOGY LLC d/b/a The Vape Society CBD and The Vape			
21	Society; and DOES 1 through 50, inclusive;			
22	Defendants.		ν	
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	[Proposed] Stipulated Final Judgment and Injunction; C	Case No. CGC-23-610794	n:\cxlit\li2023\230711\01805061.doc>	
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1 Plaintiffs People of the State of California and People of the City and County of San Francisco, acting by and through San Francisco City Attorney David Chiu, Defendant Millennial One, Inc., and 2 3 Defendant Gashiro Technology LLC, by and through the undersigned counsel, having stipulated to entry of this Stipulated Final Judgment and Injunction ("Final Judgment") without the taking of proof 4 and without this Final Judgment constituting evidence of, or an admission by any party regarding, any 5 issue of law or fact alleged in the Complaint; all parties having waived the right to appeal; and the 6 7 Court having considered the pleadings and good cause appearing:

#### 8 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

#### I. **DEFINITIONS**

2.

5.

The following terms in this Final Judgment shall have these meanings:

1. 11 ACTION refers to the civil action entitled *People of the State of California et al. y.* 12 Millennial One, Inc. et al, San Francisco Super. Ct. No. CGC-23-610794.

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PARTIES refers collectively to the PEOPLE, MILLENNIAL ONE, and GASHIRO.

3. PLAINTIFFS or the PEOPLE refer collectively to the People of the State of California 14 15 and People of the City and County of San Francisco, acting by and through San Francisco City Attorney David Chiu. 16

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DEFENDANTS refers collectively to MILLENNIAL ONE, INC., d/b/a The Finest E-4. 18 Liquid ("MILLENNIAL ONE") and Gashiro Technology LLC d/b/a The Vape Society CBD and The 19 Vape Society ("GASHIRO"), each of which is referred to individually as a DEFENDANT. MILLENNIAL ONE and GASHIRO include each DEFENDANT's subsidiaries and predecessors and 20 21 successors-in-interest. For purposes of effectuating the injunctive relief set forth in this Final Judgment, MILLENNIAL ONE and GASHIRO also refer to anyone authorized to act on each 22 23 DEFENDANT's behalf, including but not limited to each DEFENDANT's principals, parents, owners, 24 subsidiaries, officers, assigns, representatives, agents, employees, attorneys and accountants.

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EFFECTIVE DATE is the date this Final Judgment has been signed by the Court.

6. MONITORING PERIOD is the two-year period beginning from the EFFECTIVE DATE.

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7. 1 PERSON(S) means "any individual, partnership, cooperative association, private 2 corporation, personal representative, receiver, trustee, assignee, or any other legal entity," pursuant to 3 sections 19S.1 and 19H.2 of the San Francisco Health Code.

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8.

PROHIBITED PRODUCTS refers to "flavored tobacco products" and "e-cigarettes," 5 as those terms are defined, used, and/or incorporated by reference in section 19S.1 of the San Francisco Health Code. PROHIBITED PRODUCTS include but are not limited to "vapor products," 6 including flavored e-liquids ("vape juice") with nicotine, as well as flavored disposable e-cigarettes 7 ("vapes") with nicotine. 8

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II.

#### **OVERVIEW AND BACKGROUND**

9. 10 On December 4, 2023, the PEOPLE filed the Complaint in this ACTION which named GASHIRO and MILLENNIAL ONE as separate, unrelated defendants. There are no allegations stated 11 12 in the Complaint that DEFENDANTS acted in any way as each other's agents or representatives or that DEFENDANTS are jointly and severally liable for any relief requested in the Complaint. 13

10. The PEOPLE allege that MILLENNIAL ONE has violated section 17200 of the 14 California Business and Professions Code and section 19S.2 of the San Francisco Health Code by 15 selling PROHIBITED PRODUCTS via its website, www.thefinesteliquid.com (MILLENNIAL ONE), 16 to PERSONS in San Francisco. The PEOPLE also allege that MILLENNIAL ONE has violated 17 section 17200 by failing to comply with certain requirements of the Stop Tobacco Access to Kids 18 Enforcement (STAKE) Act. (Bus. & Prof. Code, § 22963(b).) 19

11. The PEOPLE allege that GASHIRO has violated section 17200 of the California 20 Business and Professions Code and section 19S.2 of the San Francisco Health Code by selling 21 22 PROHIBITED PRODUCTS via its website, https://thevapesocietycbd.com (GASHIRO), to 23 PERSONS in San Francisco. The PEOPLE also allege that GASHIRO has violated section 17200 by 24 failing to comply with certain requirements of the Stop Tobacco Access to Kids Enforcement (STAKE) Act. (Bus. & Prof. Code, § 22963(b).) 25

After this ACTION was filed, MILLENNIAL ONE ceased selling PROHIBITED 12. 26 PRODUCTS to PERSONS in San Francisco. 27

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13. 1 After this ACTION was filed, GASHIRO ceased selling PROHIBITED PRODUCTS to 2 PERSONS in San Francisco.

3 14. MILLENNIAL ONE denies all allegations raised in the ACTION, and denies that it has done anything unlawful. 4

5 15. GASHIRO denies all allegations raised in the ACTION, and denies that it has done anything unlawful. 6

7 16. Notwithstanding such denial, the PARTIES enter this Final Judgment to fully and 8 finally resolve the claims in the ACTION and to avoid any further expense, delay, and uncertainty of 9 further litigation of the ACTION against DEFENDANTS.

The PEOPLE believe that the resolution of the violations alleged in the ACTION is fair 10 17. 11 and reasonable and fulfills the PEOPLE's enforcement objectives, that no further action is warranted 12 concerning the specific violations alleged in the ACTION as to MILLENNIAL ONE and GASHIRO 13 except as provided pursuant to this Final Judgment, and that the Final Judgment is in the best interests 14 of the general public.

18. 15 DEFENDANTS' obligations under the Final Judgment are several and not joint; each DEFENDANT is liable only for its obligations (and not those of the other DEFENDANT) under the 16 Final Judgment. 17

18 III.

PARTIES AND JURISDICTION

19. 19 This ACTION is brought by the People of the State of California in the public interest 20 under the laws of the State of California, and by the People of the City and County of San Francisco pursuant to Article 19S of the San Francisco Health Code. 21

The City Attorney of San Francisco has the authority, and has exercised that authority, 22 20. under the laws of the State of California and Article 19S of the San Francisco Health Code to maintain 23 24 this ACTION in the name of the People of the State of California and the People of the City and 25 County of San Francisco concerning the conduct alleged in the ACTION.

21. 26 The injunction ordered in this Final Judgment is ordered pursuant to California 27 Business & Professions Code section 17535 and San Francisco Health Code section 19S.4(d).

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122. This Final Judgment shall be enforceable as a civil judgment under California Code of2Civil Procedure section 680.010 et seq.

3 23. This Court has jurisdiction over the allegations and subject matter of the ACTION, and
4 the PARTIES to this ACTION; venue is proper in this County; and this Court has jurisdiction to enter
5 this Final Judgment.

6 24. The Court finds that in entering into the stipulations herein, the PARTIES have acted in
7 good faith, and the Court finds the Final Judgment to be, in all respects, just, reasonable, equitable, and
8 adequate.

9 || IV. INJUNCTIVE RELIEF

Each DEFENDANT is enjoined and restrained from engaging in unlawful business
 practices (Bus. & Prof. Code, § 17200) based on violations of Article 19S of the San Francisco Health
 Code. In particular, each DEFENDANT shall not sell or distribute, as those terms are defined in
 Article 19S, PROHIBITED PRODUCTS to any PERSONS in San Francisco.

14 26. If any DEFENDANT continues to sell PROHIBITED PRODUCTS online, that
15 DEFENDANT shall not allow San Francisco to be used as a shipping or billing address for
16 PROHIBITED PRODUCTS that DEFENDANT continues to sell.

27. During the MONITORING PERIOD, if a DEFENDANT maintains any websites or has
any other public-facing online platforms on which that DEFENDANT sells the PROHIBITED
PRODUCTS, that DEFENDANT shall include on each such website or public-facing platform a clear
and conspicuous statement stating that, pursuant to Article 19S of the San Francisco Health Code,
flavored tobacco products and e-cigarettes may not be sold to any person or entity in San Francisco.

22 28. On each anniversary of the EFFECTIVE DATE during the MONITORING PERIOD, 23 each DEFENDANT will separately submit to the San Francisco City Attorney's Office an affidavit 24 executed under oath by its Chief Executive Officer or equivalent corporate officer certifying that it has 25 complied with the injunction as applicable to that DEFENDANT.

26 || V.

## MONETARY PAYMENT

27 29. Within ten (10) business days from the EFFECTIVE DATE and MILLENNIAL ONE's
28 receipt of a W-9 form from the San Francisco City Attorney's Office, MILLENNIAL ONE shall pay

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1 twenty-thousand dollars (\$20,000) to the San Francisco City Attorney's Office. The payment shall be 2 made by wire transfer to the San Francisco City Attorney's Office pursuant to instructions provided by 3 the PEOPLE. This payment encompasses and satisfies in full the PEOPLE's claims for civil penalties 4 and attorneys' fees and costs against MILLENNIAL ONE. MILLENNIAL ONE and the PEOPLE 5 shall otherwise bear their own costs, attorneys' fees, and expenses incurred in connection with the 6 PEOPLE'S ACTION against MILLENNIAL ONE. This provision does not limit the PEOPLE's rights 7 to recover costs or attorneys' fees in conjunction with any action taken against MILLENNIAL ONE to 8 enforce this Final Judgment.

9 30. GASHIRO shall pay the San Francisco City Attorney's Office a total of forty-eight 10 thousand dollars (\$48,000) to be made pursuant to the payment schedule outlined below. This payment 11 encompasses and satisfies in full the PEOPLE's claims for civil penalties and attorneys' fees and costs against GASHIRO. The PEOPLE and GASHIRO shall otherwise bear their own costs, attorneys' fees, 12 13 and expenses incurred in connection with the PEOPLE's ACTION against GASHIRO. This provision does not limit the PEOPLE's rights to recover costs or attorneys' fees in conjunction with any action 14 taken against GASHIRO to enforce this Final Judgment. Payment shall be made in six (6) equal 15 installments of eight thousand dollars (\$8,000) on the following schedule: eight thousand dollars 16 (\$8,000) no later than five (5) business days from the EFFECTIVE DATE and GASHIRO's receipt of 17 a W-9 form from the San Francisco City Attorney's Office, eight thousand dollars (\$8,000) no later 18 19 than five (5) months from the EFFECTIVE DATE, eight thousand dollars (\$8,000) no later than ten (10) months from the EFFECTIVE DATE, eight thousand dollars (\$8,000) no later than fifteen (15) 20 21 months from the EFFECTIVE DATE, eight thousand dollars (\$8,000) no later than twenty (20) months from the EFFECTIVE DATE, and eight thousand dollars (\$8,000) no later than twenty-four 22 (24) months from the EFFECTIVE DATE. All payments shall be made by wire transfer to the San 23 Francisco City Attorney's Office pursuant to instructions provided by the PEOPLE. 24

VI. TAXES

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31. The PARTIES make no representation or warranty as to any tax consequences of the
amounts to be paid under this Final Judgment. The PEOPLE hereby notify DEFENDANTS, and each
DEFENDANT acknowledges, that applicable law requires each DEFENDANT to furnish its federal

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taxpayer identification number(s) to the PEOPLE for inclusion on IRS Form 1098-F and that each
DEFENDANT may be subject to a penalty for failure to furnish taxpayer identification number(s).
DEFENDANTS agree to furnish such number(s) by providing the PEOPLE completed IRS Form(s)
W-9, Request for Taxpayer Identification Number and Certification. DEFENDANTS further agree to
provide such other information as may be requested by the PEOPLE to enable the PEOPLE to comply
with any reporting requirements for payments made pursuant to this Final Judgment that are imposed
by applicable law.

VII. RELEASES

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9 32. By entry of this Final Judgment and following full payment of the monetary amount specified above by each DEFENDANT, the PEOPLE agree to release and discharge that 10 11 DEFENDANT, their heirs and executors and their past and present shareholders, employees, officers, 12 directors, attorneys, successors, predecessors, affiliates, agents, and representatives, from the claims 13 set forth in the Complaint, including all causes of action, counterclaims, civil penalties, and attorney's fees and costs, through the EFFECTIVE DATE. Notwithstanding the foregoing, this release is limited 14 to claims arising from or directly related to DEFENDANTS' transactions with PERSONS in San 15 Francisco through the EFFECTIVE DATE. The PEOPLE specifically do not release DEFENDANTS 16 from any claims arising from or directly related to transactions with PERSONS outside of San 17 Francisco. The PEOPLE also do not release DEFENDANTS from any municipal or state tax claims or 18 liabilities, any criminal liability, any violations of law occurring after the EFFECTIVE DATE, and any 19 liability for any matter not related to the conduct and causes of action alleged in the Complaint. 20 Nothing in this Final Judgment shall limit or affect the PEOPLE's right to pursue any other legal 21 claim(s). 22

This release does not in any way relieve each DEFENDANT of the obligation to separately abide by each and every term of this Final Judgment as applied to that DEFENDANT or the PEOPLE's right to enforce the Final Judgment. Further, this release does not deprive the PEOPLE from seeking any relief with respect to a DEFENDANT for that DEFENDANT's failure to comply with any of the terms of the Final Judgment.

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33. In consideration for the promises set forth in this Final Judgment, each DEFENDANT
 separately agrees to release the PEOPLE, as well as their employers, officers, directors, attorneys,
 successors, predecessors, affiliates, agents, and representatives, from any and all claims that were or
 could have been asserted against the PEOPLE before an administrative body or court, including all
 actions, causes of action, counterclaims, claims for attorney's fees and costs, related in whole or in
 part to the ACTION through the EFFECTIVE DATE.

VIII. NOTICES

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8 34. All notices and mailings to be delivered among or between the PARTIES required by
9 this Final Judgment shall be served by email on the following persons, or any person subsequently
10 designated by the PARTIES to receive such notices:

11 || For the PEOPLE:

# 12 Julie Wilensky San Francisco City Attorney's Office 13 Fox Plaza 1390 Market Street, 7th Floor 14 San Francisco CA 94102 Julie.Wilensky@sfcityatty.org 15 affirmlit.inbox@sfcityatty.org

## For MILLENNIAL ONE and GASHIRO:

Rohit A. Sabnis Keller & Heckman LLP Three Embarcadero Center, Suite 1420 San Francisco, CA 94111 sabnis@khlaw.com

## 16 IX. ADDITIONAL PROVISIONS

17 35. This Court retains jurisdiction of this matter only for purposes of interpretation,
18 enforcement, and modification of this Final Judgment.

19 36. The PARTIES specifically warrant and represent that they each have full authority to
20 enter into this Final Judgment and make the full scope of promises, releases, and covenants set forth
21 herein for and on behalf of the entities they each represent.

37. This Final Judgment has been reviewed by the PARTIES and their respective attorneys
and each have had a full opportunity to negotiate the contents of this Final Judgment. The PARTIES
agree that the language in all parts of this Final Judgment shall be construed as a whole, according to
fair meaning.

26 38. This Final Judgment may be modified only by the Court, upon noticed motion, or upon
27 written consent by the PARTIES and approval of the Court.

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39. This Final Judgment shall be construed and enforced in accordance with the laws of the
 State of California.

40. This Final Judgment shall be deemed to have been drafted equally by all PARTIES. Accordingly, any and all rules of construction holding that ambiguity is construed against the drafting party shall not apply to the interpretation of this Final Judgment.

6 41. This Final Judgment is intended by the PARTIES as a final expression of their
7 agreement and understanding concerning the subject matter addressed in the Final Judgment and is
8 intended as a complete statement of the terms and conditions of their settlements, and any and all prior
9 oral or written agreements or understandings between the PARTIES related to the Final Judgment are
10 superseded. No representations, oral or otherwise, express or implied, other than those specifically
11 referred to in the Final Judgment, have been made by any Party to the Final Judgment.

42. Before declaring any provision of this Final Judgment invalid, the Court shall first
attempt to construe the provisions valid to the fullest extent possible consistent with applicable
precedent so as to define all provisions of this Final Judgment.

15 || SO STIPULATED:

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16 FOR PLAINTIFFS:

17 18	Dated: <u>12/17/2024</u> DAVID CHIU City Attorney YVONNE R. MERÉ
19	Chief Deputy City Attorney SARA J. EISENBERG
20	Chief of Complex and Affirmative Litigation JULIE WILENSKY
21	Deputy City Attorney
22	By: <u>AUBULUMUUUU</u> JULIE WILENSKY
23	Attorneys for Plaintiffs
24	PEOPLE OF THE STATE OF CALIFORNIA AND PEOPLE OF THE CITY AND COUNTY OF SAN
25	FRANCISCO, acting by and through San Francisco City Attorney DAVID CHIU
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FOR MILLEN				
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3		Ву:	) Detain	
		Printed Name:	DAVID KIM	
4		Title: <u>CEC</u>	<b>)</b>	
5 FOR GASHIR	<b>):</b>			
6 Dated:	<u></u>			
7		By:	se hert Age	
8,		Printed Name:	10	
9		Title:		
10 Approved as to	FORM:			
11 Dated:	2024	ý my v min a -		
12			HECKMAN LLP	
.13		By: Rohit A. Sabi	nis	
14 15		Keller & Hec	kman LLP cadero Center, Suite 1420 5, CA 94111	
16		Attorneys for GASHIRO T	Defendants MILLENNIA ECHNOLOGY LLC	L ONE, INC. 1
17 18 ORDERED AN	ND ADJUDGED at	San Francisco, Califor	nia, thisday of	
10	19/24			
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20			THE SUPERIOR COURT	
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1	FOR MILLENNIAL ONE:			
2	Dated:			
3		By:		
4		Printed Name:		
5		Title:		
	FOR GASHIRO:			
6	Dated: <u>12/10/24</u>	DK 2 1 B		
7		By: Chris Lim		
8		Printed Name: Chris Lim		
9		Title: President		
10	Approved as to FORM:	· ·		
11	Dated:	KELLER & HECKMAN LLP		
12				
13		By: Rohit A. Sabnis		
14 15		Keller & Heckman LLP Three Embarcadero Center, Suite 1420 San Francisco, CA 94111		
16		Attorneys for Defendants MILLENNIAL ONE, INC. and GASHIRO TECHNOLOGY LLC		
17	ORDERED AND ADJUDGED at \$	San Francisco, California, thisday of, 2024.		
18	Dated:			
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20		JUDGE OF THE SUPERIOR COURT		
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