

<u></u> 1	The People of the State of California ("People" or "Plaintiff"), through its attorney, Rob					
2	Bonta, Attorney General of the State of California, by Deputy Attorneys General Vesna Cuk,					
3	Rose C. Goldberg, Colleen Fewer, Brendan Ruddy and Timothy E. Sullivan, and Brooke Jenkins,					
4	District Attorney of San Francisco, by Managing Assistant District Attorney Daniel Amador and					
5	Assistant District Attorney Matthew Beltramo, and pro bono counsel Brook Dooley, Travis Silva					
6	and Neha Sabharwal of Keker, Van Nest and Peters, LLP, and Esther Sanchez-Gomez and					
7	William T. Clark of the Giffords Law Center to Prevent Gun Violence, and Defendant Blackhawk					
8	Manufacturing Group, Inc., ("Defendant" or "Blackhawk") appearing through its attorneys,					
9	Michael Reynolds, V.R. Bohman, and Cameron Schlagel of Snell & Wilmer, LLP, having					
10	stipulated and consented to the entry of this Final Judgment and Injunction as to Defendant					
11	Blackhawk Manufacturing Group, Inc. ("Judgment") by the Court without the taking of proof and					
12	without trial or adjudication of any fact or law, without this Judgment constituting evidence of,					
13	and without Defendants admitting, any issue of law or fact alleged in the First Amended					
14	Complaint, and without the Court making any affirmative findings of fact or conclusions of law,					
15	with all parties having waived their right to appeal, and the Court having considered the matter					
16	and good cause appearing:					
17	IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:					
18	PARTIES AND JURISDICTION					
19	1. Plaintiff is the People of the State of California.					
20	2. Defendant Blackhawk Manufacturing Group Inc. ("Blackhawk" or "Defendant") is					
21	a California corporation with its principal executive offices in Fort Worth, Texas.					
22	3. This Court has jurisdiction over the allegations and subject matter of the People's					
23	First Amended Complaint and the parties to this action; venue is proper in this Court; and this					
24	Court has jurisdiction to enter this Judgment.					
25	4. Defendant, at all relevant times, either directly or through its affiliates, has					
26	transacted business in the State of California, including but not limited to, the City and County of					
27	San Francisco.					
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1	5. This Judgment is entered pursuant to and subject to Business and Professions Code
2	section 17200 et seq., and Business and Professions Code section 17500 et seq.
3	DEFINITIONS
4	6. The following definitions shall apply for purposes of this Judgment:
5	A. "CLEAR AND CONSPICUOUS" means "in larger type than the
6	surrounding text, or in contrasting type, font, or color to the surrounding text of the same
7	size, or set off from the surrounding text of the same size by symbols or other marks, in a
8	manner that clearly calls attention to the language," which is the same definition presently
9	set forth in California Business and Professions Code section 17601, subdivision (c).
10	B. "FIREARM PRECURSOR PART" means "any forging, casting, printing,
11	extrusion, machined body or similar article that has reached a stage in manufacture where
12	it may readily be completed, assembled or converted to be used as the frame or receiver of
13	a functional firearm, or that is marketed or sold to the public to become or be used as the
14	frame or receiver of a functional firearm once completed, assembled or converted," which
15	is the same definition presently set forth in California Penal Code section 16531,
16	subdivision (a).
17	C. "PARTS KIT" or "PARTS KITS" mean (a) a FIREARM PRECURSOR
18	PART or (b) a set of compatible firearm parts or tools that includes a FIREARM
19	PRECURSOR PART, that is/are designed, marketed, held out, or sold to be completed,
20	assembled, or otherwise converted by a consumer to expel a projectile by the action of an
21	explosive. A PARTS KIT may consist of products sold together, or separately, provided
22	that less than thirty (30) days has elapsed between the transactions.
23	D. "PREDICATE STATUTES" refers, collectively, to: (a) the federal Gun
24	Control Act of 1968, 18 U.S.C. §§ 921–934; (b) California's Assembly of Firearms Law,
25	Cal. Penal Code §§ 29180–29185; (c) California's Unsafe Handgun Act, id. §§ 31500–
26	32110; and (d) California's Manufacture of Firearms Law, id. §§ 29010-29150.
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	[PROPOSED] FINAL JUDGMENT AND INJUNCTION AS TO DEFENDANT BLACKHAWK (San Francisco Superior Court Case No. CGC 21 594577)

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(San Francisco Superior Court Case No. CGC-21-594577)

#### **INJUNCTION**

7. The injunctive provisions of this Judgment shall become effective immediately upon entry of this Judgment and shall apply to Defendant as well as its successors and any assigns of all or substantially all of the assets of its business, including its directors, officers, employees, agents, independent contractors, and representatives for acts taken on behalf of Defendant or its successors or assigns within the scope of their employment or other agency.

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For the avoidance of doubt, nothing in this Judgment:

A. Prohibits or otherwise restrains Defendant from: (i) engaging in advertising that is not specifically targeted at residents of the State of California, including emails or other communications that are distributed nationally without regard to residence or are otherwise viewable by residents of multiple states, provided that, to the extent said advertisements are sent to consumers in the State of California, they do not violate paragraphs 9.C and 9.D below; or (ii) engaging in lawful conduct or speech.

B. Relieves Defendant of the obligations to comply with all federal, state, and local laws, regulations, or rules, nor shall any of the provisions herein be deemed to be permission to engage in any acts or practices prohibited by such laws, regulations, or rules.

9. Defendant shall be and hereby is enjoined and restrained, under Business and
 Professions Code section 17203 and 17535, from violating the PREDICATE STATUTES by:

A. Making or manufacturing unserialized FIREARM PRECURSOR PARTS in California;

B. Selling, offering to sell, or transferring ownership of any unserialized FIREARM PRECURSOR PARTS in or into the State of California;

C. Expressly stating that it is legal to purchase, sell, offer to sell, own, or transfer ownership of any unserialized FIREARM PRECURSOR PARTS in the State of California; and

1	D. Expressly stating that in the State of California it is legal for a person to
2	manufacture or assemble a functioning frame or receiver from an unserialized FIREARM
3	PRECURSOR PART, or to manufacture or assemble a functioning firearm from an
4	unserialized FIREARM PRECURSOR PART.
.5	COMPLIANCE
6	10. For so long as California law prohibits the sale and purchase of unserialized
7	FIREARM PRECURSOR PARTS in the State of California, Defendant shall take all reasonable
8	measures to ensure that no website operated by Defendant can accept orders for unserialized
9	FIREARM PRECURSOR PARTS for shipment to California.
10	11. The following compliance provisions in paragraphs 12 through 14 of this
11	Judgment shall apply for five (5) years following entry of Judgment.
12	12. Defendant shall display on each webpage on which Defendant sells any
13	unserialized FIREARM PRECURSOR PART that is marketed to the public, in CLEAR AND
14	CONSPICUOUS text in proximity to the product listing, the following statement: Under
15	California law, this product is or contains an unserialized "firearm precursor part" and cannot
16	be sold into the State of California. [Defendant's name] cannot accept any orders of this product
17	for shipment to the State of California, or to any customer who is a resident of the State of
18	California.
19 .	13. Following entry of this Judgment, Defendant shall prepare compliance training
20	materials that identify the terms of this Judgment with which Defendant must comply, including
21	at minimum the following statements:
22	A. Under California law, unserialized FIREARM PRECURSOR PARTS,
23	including 80% Frame and Receiver products, and PARTS KITS, cannot be sold into the
24	State of California. [Defendant's name] cannot accept any orders of unserialized
25	FIREARM PRECURSOR PARTS or PARTS KITS for shipment to the State of California;
26	and
27	B. Under California law, unserialized FIREARM PRECURSOR PARTS,
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including 80% Frame and Receiver products and PARTS KITS, cannot be sold into the State of California. [Defendant's name], including any employee or agent of [Defendant's name], cannot provide customer support related to the completion or assembly of a firearm using any unserialized FIREARM PRECURSOR PART or unserialized PARTS KITS, to any person known to be a resident of California based on the express representations of the person or the person's shipping address.

Thereafter, Defendant shall provide the compliance training materials described in
Paragraph 13 to each of its current officers and directors and to any other employee whose
responsibilities include the customer service, sale and marketing of FIREARM PRECURSOR
PARTS or PARTS KITS, and to any person subsequently hired into any of these positions. For a
period of five (5) years following entry of Judgment, Defendant shall retain records of having
provided the compliance training materials referenced herein.

13 15. For the five (5) years following entry of Judgment, and no more than once
14 annually for a total of five (5) possible reports, Defendant shall provide, within thirty (30) days of
15 receiving a written request by either the Attorney General's Office or the San Francisco District
16 Attorney's Office, reports containing the following:

A. A certification, under penalty of perjury, that Defendant provided the
required trainings to the employees as described herein during the preceding twelve (12)
months;

B. A certification, under penalty of perjury, that Defendant has not engaged in
any conduct enjoined in Paragraph 9 above during the preceding twelve (12) months.

## **MONETARY PROVISIONS**

16. Pursuant to Business & Professions Code section 17206, Defendant Blackhawk
Manufacturing Group, Inc., shall pay civil penalties in the amount of five hundred thousand
dollars (\$500,000), to be divided by Plaintiffs in equal amounts between the California Attorney
General and the District Attorney of San Francisco. Said payment shall be made pursuant to the
following schedule:

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A. Payment of at least \$100,000 within 365 calendar days of the date of entry of this Final Judgment, the first \$25,000 of which shall be paid within 60 calendar days, all payments to be made via wire transfer to the California Attorney General using wiring information provided by that agency on or before the date of entry of judgment. Payment of at least \$100,000 shall be made pursuant to the wiring instructions provided no later than the end of each subsequent 365-day period until the full amount is paid.
B. Subject to paragraph 16.C below, interest shall not accrue if all required

payments are timely initiated by Blackhawk, and no penalty shall attach for early payment which Blackhawk may elect in its sole discretion.

C. In the event Blackhawk fails to timely initiate the payments set forth above, the total amount remaining unpaid under this Final Judgment shall immediately become due and owing, and interest shall begin to accrue on that unpaid amount.

### **RELEASE PROVISIONS**

14 17. Upon full and complete performance of the monetary provisions set forth in
15 paragraph 16, the California Attorney General and San Francisco District Attorney release
16 Defendant, and its parents, subsidiaries, affiliates, predecessors, and successors, (the "Released
17 Parties") from all civil claims, causes of action, damages, restitution, fines, costs, attorney's fees,
18 and penalties that the California Attorney General and/or San Francisco District Attorney have or
19 could have asserted against the Released Parties arising from the conduct alleged in the People's
20 First Amended Complaint up to and including April 22, 2024.

#### **ADDITIONAL PROVISIONS**

18. Any notices that must be sent to Plaintiff or Defendant under, or any
 correspondence sent in relation to this Judgment shall be sent by both a nationally recognized
 overnight courier service and by email to the named persons at the following addresses:
 For Plaintiff the People of the State of California:

- For Plaintiff the People of the State of California:
- 26 Consumer Protection Section California Department of Justice
- 27 Brendan Ruddy

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28 Rose Carmen Goldberg

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1	Vesna Cuk
2	Deputy Attorneys General 455 Golden Gate Ave., Ste. 11000
3	San Francisco, CA 94102 Brendan.Ruddy@doj.ca.gov
4	Rose.Goldberg@doj.ca.gov Vesna.Cuk@doj.ca.gov
5	and
6	San Francisco District Attorney's Office Matthew Beltramo
7	Assistant District Attorney
8	350 Rhode Island Street North Building, Suite 400N
9	San Francisco CA 94103 Matthew.Beltramo@sfgov.org
10	De De Gradent Die alderede Manufraturing Communitation
11	For Defendant Blackhawk Manufacturing Group, Inc.:
12	Daniel Lifschitz President
13	Blackhawk Manufacturing Group, Inc. 309 Palette Dr.,
14	Fort Worth, TX 76140 daniel@bmgproducts.com
15	V.R. Bohman
16	SNELL & WILMER, LLP 3883 Howard Hughes Pkwy.
17	Suite 1100 Las Vegas, NV 86169
18	vbohman@swlaw.com
19	Any party may designate a different individual to receive the notices required to be sent by
20	sending written notice to the other party identifying that individual by name and/or title and
21	mailing address.
22	19. This Court retains jurisdiction of this Judgment and the parties, including pursuant
23	to California Code of Civil Procedure section 664.6, for the purpose of enabling any party to the
24	Judgment to apply to the Court at any time for such further orders and directions as may be
25	necessary or appropriate for the construction or the carrying out of this Judgment, for the
26	modification of any of the injunction and compliance provisions hereof, for enforcement of
27	compliance herewith, and for the punishment of violations hereof, if any. A party may seek
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1	modification of the injunction and compliance provisions on the basis of changed circumstances.
2	The parties agree that changed circumstances include changes in the law such as changes in
3	applicable: (i) state or federal case law (including rulings on the constitutionality of applicable
4	statutes) from (a) an appellate or supreme court, or (b) as shown in a final trial court judgment to
5	which defendants here are parties; (ii) state or federal statutes; or (iii) applicable regulations such
6	as those promulgated by the ATF. If a party seeks modification, the parties agree that time is of
7	the essence in having a hearing at the earliest opportunity consistent with the court's calendar,
8	and the parties anticipate a hearing within the time for ordinarily noticed motions.
9	20. The clerk is ordered to enter this Judgment forthwith.
10	ORDERED AND ADJUDGED at San Francisco, California.
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12	DATED: april 23, 2024 Den Ole Marrielis
13	HON. ANNE-CHRISTINE MASSULLO
14	JUDGE OF THE SUPERIOR COURT COUNTY OF SAN FRANCISCO
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# CERTIFICATE OF ELECTRONIC SERVICE

(CCP §1010.6 & CRC §2.251)

I, Jhulie I. Roque, a Deputy Clerk of the Superior Court of the County of San Francisco, certify that I am over the age of 18 years, employed in the City and County of San Francisco, California and am not a party to the within action.

On April 24, 2024, I electronically served the attached **FINAL JUDGMENT AND INJUNCTION AS TO DEFENDANT BLACKHAWK MANUFACTURING GROUP INC.** via File & ServeXpress on the recipients designated on the Transaction Receipt located on the File & ServeXpress website.

Dated: April 24, 2024

Brandon Riley, Clerk

By: Jhulie I. Roque, Deputy Clerk