Evan J. Smith, Esquire (SBN 242352) 1 Ryan P. Cardona, Esquire (SBN 302113) BRODSKY & SMITH, LLC 9595 Wilshire Blvd., Ste. 900 Beverly Hills, CA 90212 CONFORMED CQ CRICINAL CILED SUDDING COURT OF CARDING COURTS OF ARCHITE Telephone: (877) 534-2590 Facsimile: (310) 247-0160 4 5 Attorneys for Plaintiff ANG 67 2018 6 Shem R. Gamer Executive Officer/Clark By Raur SaRaha, papuly 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 COUNTY OF LOS ANGELES 9 DONNY MACIAS, 10 Case No.: BC697436 Plaintiff, 11 FIRST AMENDED COMPLAINT FOR CIVIL PENALTIES AND INJUNCTIVE ٧. 12 RELIEF BONA FIDE GALLERY COLLECTIVE 13 d/b/a BONAFIDE COLLECTIVE, and (Violation of Health & Safety Code §25249.5 DOES 1 - 25, et seq.) 14 Judge: Susan Bryant-Deason Defendants. 15 Dept: 52 BY FAX 16 17 Plaintiff Donny Macias ("Plaintiff" or "Macias") brings this action in the interest of the 18 general public, and on information and belief, hereby alleges: 19 INTRODUCTION 20 This action seeks to remedy the continuing failure of related defendants Bona 1. 21 Fide Gallery Collective d/b/a Bonafide Collective (collectively "Bonafide Collective") and 22 DOES 1 - 25 (hereinafter individually referred to as "Defendant" or collectively as 23 "Defendants") to warn consumers (including patients) in California that they are being exposed 24 to marijuana smoke, a chemical known to the State of California to cause cancer. According to 25 the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code ("H&S 26 Code") § 25249.5 (also known as and referred to hereinafter as "Proposition 65"), businesses 27 must provide persons with a "clear and reasonable warning" before exposing individuals to 28 FIRST AMENDED COMPLAINT FOR CIVIL PENALTIES AND INJUNCTIVE RELIEF -

VIOLATION OF HEALTH & SAFETY CODE §25249.5

3 4

5

6

8

10 11

12

13

14

15

16

17 18

19

20

21 22

23

24

25

26

27

28

chemicals known to the State to cause cancer or reproductive harm. Marijuana smoke is referred to hereinafter as the "Listed Chemical." 1

- 2. Defendants manufacture, package, distribute, market and/or sell in California products containing marijuana intended for smoking, including but not limited to, pre-rolled products, unprocessed and processed marijuana intended to be heated, combusted, then inhaled, and specifically, the flowers, leaves, and other organic parts of marijuana plants ("Products"), the consumption and use of which result in exposure to the Listed Chemical that require a "clear and reasonable" exposure warning under Proposition 65. Defendants exposed consumers, users and patients to the Listed Chemical and have failed to provide the health hazard warnings required under Proposition 65.
- 3. Defendants continued manufacturing, packaging, distributing, marketing and/or sales of the Products without the required health hazard warnings, which causes or threatens to cause, individuals to be involuntarily, unknowingly, and unwittingly exposed to the Listed Chemical in violation of Proposition 65, subjects Defendants to injunctive relief for such conduct as well as civil penalties for each violation. (H&S Code §§ 25249.7(a) & (b)(1).)

PARTIES

4. Plaintiff is a citizen of the State of California acting in the interest of the general public to promote awareness of exposures to toxic chemicals in products sold in California and to improve human health by reducing hazardous substances contained in such items. Macias is dedicated to, among other causes, providing information to consumers regarding the hazards of toxins in products; protecting public health and drinking water sources by preventing pollution

¹ Many of the chemical constituents that have been identified in marijuana smoke are carcinogens. The following 33 marijuana smoke constituents . . . are listed under Proposition 65 as causing cancer: acetaldehyde, acetamide, acrylonitrile, 4-aminobiphenyl, arsenic, benz[a]anthracene, benzene, benzo[a]pyrene, benzo[b]fluoranthene, benzo[j]fluoranthene, benzo[k]fluoranthene, benzofuran, 1,3-butadiene, cadmium, carbazole, catechol, chromium (hexavalent compounds), chrysene, dibenz[a,h,] anthracene, , dibenzo [a,i] pyrene, dibenzo [a,e] pyrene, diethylnitrosamine, dimethylnitrosamine, formaldehyde, indeno [1,2,3,-c,d] pyrene, isoprene, lead, mercury, 5methylchrysene, naphthalene, nickel, pyridine, and quinoline. (Evidence on the Carcinogenicity of Marijuana Smoke, Office of Environmental Health Hazard Assessment, Reproductive and Cancer Hazard Assessment Branch, March, 2009 at 5.)

and toxics from being discharged, released or emitted into the environment; and enforcing state and federal environmental laws and regulations through citizen suits.

- 5. Macias is a person within the meaning of H&S Code § 25249.11 and brings this enforcement action in the public interest pursuant to H&S Code § 25249.7(d). H&S Code §25249.7(d) specifies that actions to enforce Proposition 65 may be brought by a person in the public interest, provided certain notice requirements as met and no other public prosecutor is diligently prosecuting an action for the same violation(s).
- 6. Defendant Bona Fide Gallery Collective, is now, and was at all times relevant herein, a corporation organized under the laws of California and is doing business within the meaning of H&S Code § 25249.11 at 7570 San Fernando Road, Sun Valley, CA 91352. Bona Fide Gallery Collective can be served care of its Agent for Service of Process, Sonya Paton, at 7570 San Fernando Rd., San Valley, CA, 91352.
- 7. Defendants manufacture, package, distribute, market, sell and/or offer the Products for sale or use in the State of California or imply by their conduct that they manufacture, distribute and/or offer the Products for sale or use in the State of California, without first giving a "clear and reasonable" exposure warning the Products contain the Listed Chemical.
- 8. Defendants, separately and each of them, are or were, at all times relevant to the claims in this Complaint and continuing through the present, legally responsible for compliance with the provisions of Proposition 65. Whenever an allegation regarding any act of a Defendant is made herein, such allegation shall be deemed to mean that Defendants, or their agent, officer, director, manger, supervisor, or employee did, or so authorized, such acts while engaged in the affairs of Defendants' business operations and/or while acting within the course and scope of their employment or while conducting business for Defendant(s) for a commercial, nonprofit or medical purpose.
- 9. In this Amended Complaint, when reference is made to any act of a Defendant, such allegation shall mean that the owners, officers, directors, agents, employees, contractors, or representatives of a Defendant acted or authorized such actions and/or negligently failed and

omitted to act or adequately and properly supervise, control or direct its employees and agents while engaged in the management, direction, operation or control of the affairs of the business organization. Whenever reference is made to any act of any Defendant, such allegation shall be deemed to mean the act of each Defendant acting individually, jointly and severally as defined by Civil Code § 1430 *et seq*.

10. Plaintiff does not know the true names, capacities and liabilities of Defendants DOES Nos. 1 - 25, inclusive, and therefore sues them under fictitious names. Plaintiff will amend this Complaint to allege the true name and capacities of the DOE Defendants upon being ascertained. Each of these Defendants was in some way legally responsible for the acts, omissions and/or violations alleged herein.

JURISDICTION AND VENUE

- 11. Venue is proper in Los Angeles County Superior Court, pursuant to Code of Civil Procedure §§ 393, 395, and 395.5, because this Court is a court of competent jurisdiction, because one of more instances of wrongful conduct occurred, and continue to occur, in Los Angeles County, and because Defendants conducted, and continue to conduct, business in this County with respect to the Products.
- 12. This Court has jurisdiction over this action pursuant to California constitution Article VI § 10, which grants the Superior Court "original jurisdiction in all causes except those given by statute to other trial courts." The statute under which this action is brought does not specify any other court jurisdiction.
- 13. This Court has jurisdiction over Defendants because they are business entities that do sufficient business, have sufficient minimum contacts in California or otherwise intentionally avail themselves of the California market, through the sale, marketing and use of their Products in California, to render the exercise of jurisdiction over them by the California courts consistent with traditional notions of fair play and substantial justice.
- 14. Venue in this action is proper in the Los Angeles County Superior Court because the cause, or part thereof, arises in Los Angeles County since Defendants' violations occurred

(products are marketed, offered for sale, sold, used and/or consumed without clear and reasonable exposure warnings) in this County.

STATUTORY BACKGROUND

- 15. The people of the State of California declared in Proposition 65 their right "[t]o be informed about exposures to chemicals that cause cancer, birth defects, or other reproductive harm." (Section 1(b) of Initiative Measure, Proposition 65.)
- 16. To effect this goal, Proposition 65 requires that individuals be provided with a "clear and reasonable warning" before being exposed to substances listed by the State of California as causing cancer or reproductive toxicity. H&S Code § 25249.6 states, in pertinent part:

No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual ...

- 17. An exposure to a chemical in a consumer product is one "which results from a person's acquisition, purchase, storage, consumption or other reasonably foreseeable use of a consumer good, or any exposure that results from receiving a consumer service." (27 CCR § 25602, para (b).) H&S Code § 25603(c) states that "a person in the course of doing business ... shall provide a warning to any person to whom the product is sold or transferred unless the product is packaged or labeled with a clear and reasonable warning."
- 18. Pursuant to H&S Code § 25603.1, the warning may be provided by using one or more of the following methods individually or in combination:²
 - a) A warning that appears on a product's label or other labeling.
 - b) Identification of the product at the retail outlet in a manner which provides a warning. Identification may be through shelf labeling, signs, menus, or a combination thereof.

² Alternatively, a person in the course of doing business may elect to comply with the warning requirements set out in the amended version of 27 CCR 25601, *et.seq.*. as amended on August 30, 2016, and operative on August 30, 2018.

- c) The warnings provided pursuant to subparagraphs (a) and (b) shall be prominently placed upon a product's labels or other labeling or displayed at the retain outlet with such conspicuousness, as compared with other words, statements, designs, or devices in the label, labeling or display as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use.
- d) A system of signs, public advertising identifying the system and toll-free information services, or any other system that provides clear and reasonable warnings.
- 19. Proposition 65 provides that any "person who violates or threatens to violate" the statute may be enjoined in a court of competent jurisdiction. (H&S Code § 25249.7.) The phrase "threaten to violate" is defined to mean creating "a condition in which there is a substantial probability that a violation will occur." (H&S Code § 25249.11(e).) Violators are liable for civil penalties of up to \$2,500 per day for each violation of the Act. (H&S Code § 25249.7.)

FACTUAL BACKGROUND

- 20. On December 12, 2007, the Office of Environmental Health Hazard Assessment (OEHHA) announced the selection of the Listed Chemical as a chemical for consideration for listing by the Carcinogen Identification Committee (CIC) in the *California Regulatory Register*. The CIC subsequently determined that Listed Chemical has been clearly shown, through scientifically valid testing according to general accepted principles, to cause cancer. Consequently, on June 19 2009, the Listed Chemical was added to the Proposition 65 list, pursuant to California Code of Regulations § 25305(a)(1) (formerly Title 22, California Code of Regulations, § 12305(a)(1)). In summary, the Listed Chemical was listed under Proposition 65 as a chemical known to the State to cause cancer.
- 21. The consumer exposures that are the subject of this Complaint result from the combustion and inhalation of the Products resulting in exposure to the Listed Chemical, to wit marijuana smoke and its constituent carcinogens. Consequently, a primary route of exposure to the Listed Chemical contained in marijuana smoke is through direct smoking of the marijuana leaves, flowers, and stems or re-rolled products. A secondary route of exposure to the Listed Chemical contained in marijuana smoke is through exposure to second-hand smoke generated by the smoking of the marijuana leaves, flowers, and stems or pre-rolled products.

- 22. Defendants have manufactured, grown, processed, marketed, distributed, offered to sell and/or sold the Products for use and consumption by inhalation/smoking in California since at least May 5, 2017. The Products continue to be distributed and sold in California without the requisite warning information.
- 23. At all times relevant to this action, Defendants have knowingly and intentionally exposed users, consumers and/or patients to the Products and the Listed Chemical without first giving a clear and reasonable exposure warning to such individuals.
- 24. As a proximate result of acts by Defendants, as persons in the course of doing business within the meaning of H&S Code § 25249.11, individuals throughout the State of California, including in Los Angeles County, have been exposed to the Listed Chemical without a clear and reasonable warning on the Products. The individuals subject to the violative exposures include normal and foreseeable users, consumers and patients that use the Products, as well as all others exposed to the Products.
- 25. On May 30, 2017, Macias served Bonafide Collective and each of the appropriate public enforcement agencies with a document entitled "Notice of Violations of California Health & Safety Code Section 25249.5" that provided Bonafide Collective and the public enforcement agencies with notice that Bonafide Collective was in violation of Proposition 65 for failing to warn purchasers and individuals using the Products that the use of the Products exposes them to marijuana smoke, a chemical known to the State of California to cause cancer (the "Notice").
- 26. The Notice was issued pursuant to, and in compliance with, the requirements of H&S Code § 25249.7(d) and the statute's implementing regulations regarding the notice of the violations to be given to certain public enforcement agencies and to the violator. The Notice included, *inter alia*, the following information; the name, address, and telephone number of the noticing individual; the name of the alleged violator; the statue violated; the approximate time period during which violations occurred; and descriptions of the violations including the chemicals involved, the routes of toxic exposure, and the specific product or type of product causing the violations.

- 27. Bonafide Collective was also provided copies of the document entitled "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," which is also known as Appendix A to Title 27 of CCR section 25903, via Certified Mail.
- 28. The California Attorney General was provided a copy of the Notice and a Certificate of Merit by attorney for the noticing party, stating that there is a reasonable and meritorious case for this action, and attaching factual information sufficient to establish a basis for the certificate, including the identity of the persons consulted with and relied on by the certifier, and the facts or other date reviewed by those persons, pursuant to H&S Code § 25249.11 (h)(2) via online submission.
- 29. After expiration of the sixty (60) day notice period, the appropriate public enforcement agencies have failed to commence and diligently prosecute a cause of action under H&S Code § 25249.5 et seq. against Bonafide Collective based on the allegations herein.
- 30. Based on information and belief, Bonafide Collective has sold multiple strains of buds, flowers and pre-rolled marijuana/cannabis products intended for combustion and inhalation by doctor-recommended "patients" without giving clear and reasonable warnings that smoking medical cannabis can cause cancer. Bonafide Collective has sold dozens, if not hundreds, of units of the Products to a Persons³ in the State of California during each and every month from May 5, 2016, through the present, amounting to numerous violative products sold in that period.
- 31. Macias Plaintiff has engaged in good faith efforts to resolve the herein claims prior to this Complaint.

27

28

³ "Persons" includes natural persons, firms, associations, organizations, partnerships, businesses, trusts, corporations, public entities, joint ventures, and any other incorporated or unincorporated associations, businesses or enterprises.

5

14

12

22

24

25

26

28

27

Basis for Injunctive Relief for Violations of Health and Safety Code § 25249.6, et seq. concerning the Products described in the April 19, 2017, Prop. 65 Notice of Violation **Against Defendants**

- 32. Plaintiff re-alleges and incorporates by reference Paragraphs 1 through 33, inclusive as if specifically set forth herein.
- 33. By committing the acts alleged in this Complaint, Defendants at all times relevant to this action, and continuing through the present, have violated, or threaten to violate, H&S Code § 25249.6 by, in the course of doing business, knowingly and intentionally exposing individuals in California to a chemical known to the State of California to cause cancer without first giving "clear and reasonable" exposure warnings to such persons/patients who use or consume the Products containing the Listed Chemical, pursuant to H&S Code § 25249.6 and 25249.11(f).
- 34. By committing the acts alleged in this Complaint, Defendants have caused or threaten to cause irreparable harm for which there is no plain, speedy, or adequate remedy at law. In the absence of equitable relief, Defendants will continue to create a substantial risk of irreparable injury by continuing to cause patients and consumers to be involuntarily and unwittingly exposed to cancer-causing marijuana smoke through the foreseeable and/or intended use and/or consumption of the Products.
- 35. By the above-described acts, Defendants have violated, or threaten to violate, H&S Code § 25249.6 and are therefore subject to preliminary and permanent injunctions ordering Defendants to stop violating Proposition 65, to provide warnings to all present and future patients and customers, and possibly be required to provide warnings to Defendants' past customers who purchased or used the Products without receiving a clear and reasonable warning.
- 36. An action for injunctive relief under Proposition 65 is specifically authorized by H&S Code § 25249.7(a).
- 37. Continuing commission by Defendants of the acts alleged above will irreparably harm the citizens of the State of California, for which harm they have no plain, speedy, or adequate remedy at law.

38. In the absence of preliminary and then permanent injunctive relief, Defendants will continue to create a substantial risk to irreparable injury by continuing to cause patients, users and/or consumers to be involuntarily, unknowingly and unwittingly exposed to the Listed Chemical through the use, consumption and/or handling of the Products.

FIRST CAUSE OF ACTION

(Civil Penalties for violations of H&S Code § 25249.6, et seq. concerning the Products describe in the January 11, 2017, Prop. 65 Notice of Violation Against Defendants)

- 39. Plaintiff re-alleges and incorporates by reference Paragraphs 1 through 40, inclusive as if specifically set forth herein.
- 40. By committing the acts alleged in this Complaint, Defendants at all times relevant to this action, and continuing through the present, have violated or are threatening to violate Health & Safety Code § 25249.6 by, in the course of doing business, knowingly and intentionally exposing individuals in California to a chemical known to the State of California to cause cancer, to wit- marijuana smoke, without first giving clear and reasonable warnings to such persons who us, consume or inhale the Products containing the Listed Chemical, pursuant to H&S Code §§ 25249.6 and 25249.11(f).
- 41. By the above-described acts, Defendants are liable, pursuant to H&S Code § 25249.7(b), for a civil penalty of up to \$2,500 per day per violation for each unlawful exposure to the Listed Chemicals contained in the Products. Each exposure discovered within one year of commencing this action subjects Defendants to a separate and additional penalty under H&S Code § 25249.7(b).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment against Defendant and requests the following relief:

A. A preliminary and permanent injunction, pursuant to H&S Code § 25249.7(b), enjoining Defendants, their agents, employees, assigns and all persons acting in concert or participating with Defendants, from manufacturing, distributing, marketing, processing, selling or offering to sell the Products to patients or

An assessment of civil penalties pursuant to H&S Code § 25249.7(b), against Defendants in the amount of up to \$2,500 per day for each violation of An award to Plaintiff of its reasonable attorneys' fees and costs of suit pursuant to California Code of Civil Procedure §§ 1032 et. seg. and 1021.5; and BRODSKY & SMITH, LLC Evan J. Smith (SBN242352) Ryan P. Cardona (SBN302113) 9595 Wilshire Boulevard, Suite 900 FIRST AMENDED COMPLAINT FOR CIVIL PENALTIES AND INJUNCTIVE RELIEF -VIOLATION OF HEALTH & SAFETY CODE §25249,5