

COPY

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(ENDORSED)
FILED
DEC 04 2017
Clerk of the Court
Superior Court of OA County of Santa Clara
BY _____ DEPUTY

5 **Attorneys for Plaintiff**
6 *Center for Advanced Public Awareness, Inc. ("CAPA")*

M. OLAVAR

7 SUPERIOR COURT OF THE STATE OF CALIFORNIA
8 COUNTY OF SANTA CLARA

9 **CENTER FOR ADVANCED PUBLIC**
10 **AWARENESS, INC.**, a California
11 nonprofit corporation,
12 Plaintiff,

No. 17CV310945

**STIPULATED CONSENT JUDGMENT
AND SETTLEMENT**

12 vs.

(Health & Safety Code § 25249.6 *et seq.*)

13 **VIKTORIYA'S MEDICAL SUPPLIES,**
14 **LLC, d.b.a BUDDY'S CANNABIS**, a
15 California Limited Liability Company; and
16 **DOES 1-25**, inclusive,
17 Defendant.

By Fax

18 **1. INTRODUCTION**

19 **1.1** On June 5, 2017, Plaintiff CENTER FOR ADVANCED PUBLIC AWARENESS,
20 INC. ("CAPA"), a non-profit corporation, in the public interest as a private enforcer, commenced
21 this action by filing a Complaint for Permanent Injunction, Civil Penalties and Other Relief (the
22 "Complaint") pursuant to the provisions of California Health and Safety Code, section 25249.5 *et*
23 *seq.* ("Proposition 65"), against VIKTORIYA'S MEDICAL SUPPLIES, LLC, d.b.a. BUDDY'S
24 CANNABIS ("BUDDY'S CANNABIS"). In this action, CAPA alleges that BUDDY'S
25 CANNABIS produces, processes, markets, offers to sell, sells, and/or distributes for sale in the State
26 of California marijuana intended for, among other things, smoking, the consumption and use of
27 which results in the generation of marijuana smoke, without first providing the clear and reasonable
28 exposure warning required by Proposition 65. Marijuana smoke is listed pursuant to Proposition 65

1 as a chemical that is known to the State of California to cause cancer. These products, specifically,
2 flowers, leaves, stems, and other parts of marijuana plants (referred to hereinafter individually as a
3 “Covered Product” or collectively as “Covered Products”) are cannabis or marijuana intended for,
4 among other things, combustion via smoking and then inhalation. The intended and foreseeable
5 consumption and use (inhalation) of the Covered Products allegedly results in exposures to
6 marijuana smoke, that are produced, processed, marketed, distributed, offered for sale and/or sold
7 by BUDDY’S CANNABIS in California without a clear and reasonable warning.

8 **1.2** CAPA and BUDDY’S CANNABIS are hereinafter referred to individually as a
9 “Party” or collectively as the “Parties.”

10 **1.3** CAPA is a California non-profit corporation that, among other purposes and causes it
11 is dedicated to, provides information about the hazards of toxins in consumer products, protects the
12 public health by preventing pollution and toxics from being discharged, released or emitted into the
13 environment, and enforces state and federal laws in protection of consumers and the environment.

14 **1.4** For purposes of this Consent Judgment, the Parties agree that BUDDY’S
15 CANNABIS is a business entity that has employed ten or more persons at all times relevant to this
16 action, and qualifies as a “person in the course of doing business” within the meaning of Proposition
17 65. BUDDY’S CANNABIS distributes and sells the Covered Products.

18 **1.5** The Complaint is based on allegations contained in CAPA’s Notice of Violation
19 dated January 11, 2017, that was served on the California Attorney General, other public enforcers,
20 and BUDDY’S CANNABIS (“Notice of Violation” or “NOV”). A true and correct copy of the
21 NOV is attached as **Exhibit A** and is hereby incorporated by reference. More than 60 days, plus 5
22 days for mailing, have passed since the NOV was mailed and uploaded to the Attorney General’s
23 website, and no designated governmental entity has diligently prosecuted this matter, as exemplified
24 by the filing of the Complaint against BUDDY’S CANNABIS in regards to the Covered Products
25 or the alleged violations.

26 **1.6** CAPA’s NOV and Complaint allege that use of the Covered Products exposes
27 persons in California to marijuana smoke without first providing clear and reasonable warnings in
28

1 violation of California Health and Safety Code, section 25249.6. BUDDY'S CANNABIS denies all
2 material allegations contained in the Notice and Complaint.

3 **1.7** The Parties have entered into this Consent Judgment in order to settle, compromise
4 and resolve disputed claims and thus avoid prolonged and costly litigation. Nothing in this Consent
5 Judgment shall constitute or be construed as an admission by any of the Parties, or by any of their
6 respective officers, directors, shareholders, employees, agents, parent companies, or its subsidiaries
7 or divisions. Except for the representations made above, nothing in this Consent Judgment shall be
8 construed as an admission by the Parties of any fact, issue of law, or violation of law, nor shall
9 compliance with this Consent Judgment be construed as an admission by the Parties of any fact,
10 issue of law, or violation of law, at any time, for any purpose.

11 **1.8** In these settlement discussions, CAPA was represented by Aqua Terra Aeris Law
12 Group, by and through Matthew C. Maclear. BUDDY'S CANNABIS was represented in pro per
13 by its owner and director Matthew Lucero, who was an active member of the California State Bar
14 from December 17, 1991, to September 1, 2010. Mr. Lucero was advised to seek counsel, but chose
15 not to have counsel appear for BUDDY'S CANNABIS. For the purposes of negotiating this Final
16 Judgment, Mr. Lucero knowingly, voluntarily and intelligently waives(ed) his right to have counsel
17 present and/or to have counsel appear for BUDDY'S CANNABIS in this matter. The initials at the
18 end of the paragraph indicate Mr. Lucero was advised to seek counsel for BUDDY'S CANNABIS,
19 and hereby waives any claim(s) related to a lack of representation by counsel. The Parties have
20 now agreed to settle this matter without further litigation pursuant to the terms of this Consent
21 Judgment in the interests of justice and for purposes of furthering the public interest.

22 Matthew Lucero _____ CAPA _____

23 **1.9** Except as expressly set forth herein, this Consent Judgment shall not prejudice,
24 waive, or impair any right, remedy, argument, or defense the Parties have in any other or future
25 legal proceeding unrelated to these proceedings.

26 **1.10** The "Effective Date" of this Consent Judgment is the date on which this Court enters
27 the Judgment.

28

1 violation of California Health and Safety Code, section 25249.6. BUDDY'S CANNABIS denies all
2 material allegations contained in the Notice and Complaint.

3 1.7 The Parties have entered into this Consent Judgment in order to settle, compromise
4 and resolve disputed claims and thus avoid prolonged and costly litigation. Nothing in this Consent
5 Judgment shall constitute or be construed as an admission by any of the Parties, or by any of their
6 respective officers, directors, shareholders, employees, agents, parent companies, or its subsidiaries
7 or divisions. Except for the representations made above, nothing in this Consent Judgment shall be
8 construed as an admission by the Parties of any fact, issue of law, or violation of law, nor shall
9 compliance with this Consent Judgment be construed as an admission by the Parties of any fact,
10 issue of law, or violation of law, at any time, for any purpose.

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12 Group, by and through Matthew C. Maclear. BUDDY'S CANNABIS was represented in pro per
13 by its owner and director Matthew Lucero, who was an active member of the California State Bar
14 from December 17, 1991, to September 1, 2010. Mr. Lucero was advised to seek counsel, but chose
15 not to have counsel appear for BUDDY'S CANNABIS. For the purposes of negotiating this Final
16 Judgment, Mr. Lucero knowingly, voluntarily and intelligently waives(ed) his right to have counsel
17 present and/or to have counsel appear for BUDDY'S CANNABIS in this matter. The initials at the
18 end of the paragraph indicate Mr. Lucero was advised to seek counsel for BUDDY'S CANNABIS,
19 and hereby waives any claim(s) related to a lack of representation by counsel. The Parties have
20 now agreed to settle this matter without further litigation pursuant to the terms of this Consent
21 Judgment in the interests of justice and for purposes of furthering the public interest.

22 Matthew Lucero ML CAPA JS

23 1.9 Except as expressly set forth herein, this Consent Judgment shall not prejudice,
24 waive, or impair any right, remedy, argument, or defense the Parties have in any other or future
25 legal proceeding unrelated to these proceedings.

26 1.10 The "Effective Date" of this Consent Judgment is the date on which this Court enter
27 the Judgment.

1 **2. JURISDICTION AND VENUE**

2 **2.1** The Parties stipulate and agree that the Superior Court of California, County of Santa
3 Clara has subject matter jurisdiction over the matters alleged in this action and personal jurisdiction
4 over the Parties to this Final Judgment. The Parties further stipulate that venue is proper in Santa
5 Clara County, and that this court has jurisdiction and authority to enter a full and final resolution of
6 all claims up through the Effective Date, which were or could have been brought in this action
7 based on the allegations contained in the NOV and Complaint.

8 **3. INJUNCTIVE RELIEF AND WARNINGS**

9 **3.1** Pursuant to the provisions of California Health & Safety Code, section 25249.7,
10 subdivision (a), Defendant is permanently enjoined to comply with, and prohibited from violating or
11 threatening to violate those sections of 24249.6 *et seq.*, and its implementing regulations California
12 Code of Regulations, title 27, sections 25601 *et seq.*, to the extent that they relate only to warnings
13 relating to marijuana smoke. Commencing on or before the Effective Date, BUDDY’S CANNABIS
14 shall be permanently enjoined from producing, marketing, selling (directly to consumers/patients or
15 indirectly to other dispensaries/distributors), offering to sell or otherwise “Distributing in or into the
16 State of California,” any Covered Product containing marijuana intended for inhalation via
17 smoking, the consumption and use of which results in the generation of marijuana smoke, unless it
18 meets the warning requirements under Sections 3.2

19 **3.2 Clear and Reasonable Warnings**

20 The following warning must be utilized:

21 **3.2.1 Product Labeling.** BUDDY’S CANNABIS shall affix a warning to the
22 packaging, labeling, or directly on each Covered Product sold in retail store(s) or through delivery
23 services in California by BUDDY’S CANNABIS. Either warning text shall be printed in black ink,
24 in a font that is easy to read and legible, in the same type size or larger than the Product’s
25 description text. The Warning shall be securely affixed to or printed upon the container or label of
26 each Covered Product. Employees may not write over the text of the warning for any reason.


27 **WARNING: This product contains a chemical (Marijuana Smoke)**
28 **known to the State of California to cause cancer.**

or

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WARNING: This product can expose you to chemicals including Marijuana Smoke, which is known to the state of California to cause cancer. For more information, go to www.P65Warnings.ca.gov.

or

 **WARNING.** Cancer - www.P65Warnings.ca.gov


If a label warning is not utilized at BUDDY’S CANNABIS’S sole discretion, then the following combination of warnings must instead be utilized:

3.2.2 Internet Website Warning. For all Covered Products that are advertised on

a website as offered for sale at BUDDY’S CANNABIS’ dispensary or available for delivery directly to BUDDY’S CANNABIS’ dispensary members, either of the following warnings must be provided by including either the warning or a clearly marked hyperlink using the word “WARNING” on the product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase. If an on-product warning is provided as set forth above, the warning provided on the website may use the same content as the on-product warning. BUDDY’S CANNABIS shall not accept orders over the telephone unless a Warning is provided in compliance with this section. No statements, whether intended or reasonably likely to have the effect of diminishing the meaning or impact of, or decreasing the clarity or conspicuousness of, shall accompany the Warning such that it may affect how the Warning is understood by a lay consumer/patient.

WARNING: This product contains a chemical (Marijuana Smoke) known to the State of California to cause cancer.

or

 **WARNING:** This product can expose you to chemicals including Marijuana Smoke, which is known to the state of California to cause cancer. For more information, go to www.P65Warnings.ca.gov.


3.2.3 Warnings for Deliveries. In the event BUDDY’S CANNABIS engages in

sales of the Covered Products that are purchased via orders placed remotely (i.e. via telephonic communications or the internet), to be delivered to the purchaser from BUDDY’S CANNABIS’

1 specified warning shown below and which is conspicuous and likely to be read upon entry to the
2 dispensary. The warning sign should be at least 8 ½ inches by 11 inches, and posted at a height that
3 will make it conspicuous and easy to read for the average person. The text of the warning shall be
4 printed in black ink, in a font that is easy to read and legible, but in no case less than a size 24 Font.

5 **WARNING: This product contains a chemical (Marijuana Smoke)**
6 **known to the State of California to cause cancer.**

7 **or**

8  **WARNING: This product can expose you to chemicals including**
9 **Marijuana Smoke, which is known to the state of California**
10 **to cause cancer. For more information, go to**
11 **www.P65Warnings.ca.gov.**

12 **3.2.6 Membership Agreement. Membership Agreement. BUDDY'S**

13 CANNABIS shall provide a warning in its Membership Agreement which states “**Certain**
14 **products, dispensed at our dispensary, can expose you to chemicals including Marijuana**
15 **Smoke, which is known to the state of California to cause cancer. For more information, go to**
16 **www.P65Warnings.ca.gov.” This Warning shall be printed in black ink, in a font that is no smaller**
17 **than the type on the rest of the page, and separated from its surrounding text.**

18 **3.2.7 Point-of-Sale Warnings.** In order that customers will view the warning

19 before making the decision to purchase the Covered Products at the dispensary, BUDDY'S
20 CANNABIS shall post a Warning sign, in the form below, at or near each cash register in the store.
21 The Warning shall be at least 3 inches by 5 inches, will be the only warning provided at the point of
22 sale and will be posted at a height and location that will make it conspicuous and easy to read for
23 the average person. The text of the warning shall be printed in black ink, in a font that is easy to
24 read and legible, but in no case less than a size 24 Font.

25 **WARNING: This product contains a chemical (Marijuana Smoke)**
26 **known to the State of California to cause cancer.**

27 **or**

28  **WARNING: This product can expose you to chemicals including**
Marijuana Smoke, which is known to the state of
California to cause cancer. For more information, go to
www.P65Warnings.ca.gov.

1 **4. SETTLEMENT PAYMENT**

2 **4.1** In full satisfaction of all potential civil penalties, additional settlement payments,
3 attorney’s fees, and costs, BUDDY’S CANNABIS shall make a total payment of \$65,000.00
4 (“Total Settlement Amount”). The Total Settlement Amount shall be paid in two equal
5 installments. The first payment of \$32,500.00 shall be due five (5) days after the Effective Date.
6 The second payment of \$32,500 shall be due 30 days after the Effective Date. The Total Settlement
7 Amount shall be apportioned as follows:

8 **4.2** \$20,069.81 shall be considered a civil penalty pursuant to California Health and
9 Safety Code section 25249.7, subdivision (B)(1). CAPA shall remit 75% \$15,052.36 of the civil
10 penalty to the Office of Environmental Health Hazard Assessment (“OEHHA”) for deposit in the
11 Safe Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety
12 Code, section 25249.12, subdivision (c). CAPA will retain the remaining 25%, or \$5,017.45 of the
13 civil penalty.

14 **4.3** \$760.19 shall be distributed to CAPA as reimbursement to CAPA for reasonable
15 costs incurred in bringing this action.

16 **4.4** \$32,000.00 shall be distributed to Aqua Terra Aeris Law Group (“ATA”) for legal
17 fees and costs incurred as a result of investigating, bringing this matter to BUDDY’S CANNABIS’
18 attention in the NOV, and negotiating a settlement in the public interest. BUDDY’S CANNABIS
19 shall make this payments by check or by wire transfer to ATA’s escrow account, for which ATA
20 will give BUDDY’S CANNABIS the necessary account information, within two (2) business days
21 of the Court’s approval of this Consent Judgment.

22 **4.5** \$12,170.00 shall be distributed to CAPA as an Additional Settlement Payment
23 (“ASP”), pursuant to California Code of Regulations, title 27, sections 3203, subdivision (d), and
24 3204. CAPA will utilize the ASP for activities that address the same public harm as allegedly
25 caused by BUDDY’S CANNABIS in this matter. These activities are detailed below and support
26 CAPA’s overarching goal of reducing use, misuse and exposure to hazardous and toxic chemicals,
27 fostering and increasing the public awareness of chemicals inherent in consumer products,
28 facilitating a safe environment for consumers and employees, and encouraging corporate

1 responsibility. CAPA's activities have had, and will continue to have, a direct and primary effect
2 within the State of California because California consumers will be benefitted by the reduction of
3 exposure to marijuana smoke and increase informed choices made by patients and consumers before
4 exposure by providing clear and reasonable warnings to California consumers prior to inhalation of
5 the products.

6 CAPA hereby provides the following list of activities CAPA engages in to protect California
7 consumers through Proposition 65 citizen enforcement, along with a breakdown of how ASP funds
8 will be utilized to facilitate those activities: (1) ENFORCEMENT (70%-80%): investigating,
9 obtaining, shipping, analyzing, and/or testing dispensaries or products that may contain
10 carcinogenic chemicals contained in marijuana smoke and are sold to and expose California
11 consumers to chemicals listed under Proposition 65; continued monitoring and enforcement of past
12 consent judgments and settlements to ensure companies are in compliance with their obligations
13 thereunder, with a specific focus on those judgments and settlements concerning chemicals of
14 concern (which necessarily includes additional work, investigating, purchasing, processing,
15 analyzing and/or testing consumer products; litigating matters that result in settlements, judgments,
16 defaults, bankruptcies, or dismissals); (2) PUBLIC OUTREACH (up to 5%): public outreach
17 programs including maintaining CAPA's blog, website, and social media accounts; (3) SPECIAL
18 PROJECTS (up to 5%): projects including obtaining expert and legal opinions not specific to any
19 one case that are necessary to the continued private enforcement of Proposition 65; and/or (4)
20 PRODUCT DATABASE (up to 5%): maintaining a database with all products sold to California
21 consumers that CAPA has obtained which could cause an exposure to marijuana smoke or other
22 toxic, carcinogenic or reproductive harms.

23 CAPA will maintain adequate records to document that the funds paid as an ASP are spent
24 on the activities described herein. CAPA shall provide the Attorney General, within thirty days of
25 any request, copies of documentation demonstrating how such funds have been spent.

26 **4.6** In the event that BUDDY'S CANNABIS fails to remit the Total Settlement Payment
27 owed under Section 4 of this Consent Judgment on or before the Due Dates, BUDDY'S
28 CANNABIS shall be deemed to be in material breach of its obligations under this Consent

1 Judgment. CAPA shall provide written notice of the delinquency to BUDDY’S CANNABIS via
2 electronic mail. If BUDDY’S CANNABIS fails to deliver the Total Settlement Payment within five
3 (5) days from the written notice, the Total Settlement Payment shall become immediately due and
4 payable and shall accrue interest at the statutory judgment interest rate provided in the Code of Civil
5 Procedure, section 685.010. Additionally, BUDDY’S CANNABIS agrees to pay ATA’s reasonable
6 attorney fees and costs for any efforts to collect the Total Settlement Amount due under this
7 Consent Judgment.

8 **4.7** BUDDY’S CANNABIS shall provide CAPA’s counsel with separate 1099 forms for
9 each of its payments under this Agreement to:

- 10 (a) “Office of Environmental Health Hazard Assessment,” P.O. Box 4010,
11 Sacramento, CA 95814 (EIN: 68-0284486) for civil penalties paid;
- 12 (b) “Center for Advanced Public Awareness, Inc.,” whose address and tax
13 identification number shall be furnished upon request after this Agreement
14 has been fully executed by the Parties for its portion of the civil penalties
15 paid.
- 16 (3) “Center for Advanced Public Awareness, Inc.,” whose address and tax
17 identification number shall be furnished upon request after this Agreement
18 has been fully executed by the Parties for Additional Settlement Payments
19 paid.
- 20 (4) “Center for Advanced Public Awareness, Inc.,” whose address and tax
21 identification number shall be furnished upon request after this Agreement
22 has been fully executed by the Parties for reasonable costs incurred in
23 bringing this action.
- 24 (5) “Aqua Terra Aeris Law Group,” for attorneys’ fees and costs reimbursed
25 pursuant to Section 4.4.

26 For any payment that is returned for insufficient funds, payment must be made by a
27 cashier’s check within ten (10) calendar days of notification of insufficient funds, plus a 10%
28 service fee.

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5. CLAIMS COVERED AND RELEASE

5.1 Plaintiff’s Public Binding Release of Proposition 65 Claims. This Consent Judgment is a full, final, and binding resolution between CAPA, acting on behalf of itself and in the public interest, and BUDDY’S CANNABIS, and its parents, subsidiaries, directors, officers, employees, attorneys, owners, and for those affiliated entities under common ownership who were disclosed prior to the full execution of this Consent Judgment by the Parties (collectively, “Releasees”) related to any violation of Proposition 65 that was or could have been asserted by CAPA, on behalf of itself, against Releasees for unwarned exposures from the Covered Products produced, processed, marketed, offered for sale, sold or distributed for sale in California by BUDDY’S CANNABIS prior to the Effective Date. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to marijuana smoke from the Products sold by or through BUDDY’S CANNABIS after the Effective Date.

5.2 CAPA’s Individual Release of Claims. CAPA, on its own behalf, also provides a release herein which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses, attorneys’ fees, damages, losses, claims, liabilities and demands of CAPA of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures in the Covered Products grown, cultivated, processed or sold or distributed for sale by BUDDY’S CANNABIS in California before the Effective Date.

5.3 BUDDY’S CANNABIS’ Release of CAPA. BUDDY’S CANNABIS, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims that it may have against CAPA and its attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by CAPA and its attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against it in this matter.

1 **5.4 California Civil Code, Section 1542.** It is possible that other claims not known
2 to the Parties arising out of the facts alleged in the NOV and relating to the Covered Products
3 will develop or be discovered. CAPA on its behalf only, on the one hand, and BUDDY’S
4 CANNABIS, on its behalf only, on the other hand, acknowledge that this Agreement is
5 expressly intended to cover and include all such claims up through the Effective Date, including
6 all rights of action therefor. CAPA and BUDDY’S CANNABIS acknowledge that the claims
7 released in Sections 5.2 and 5.3 above may include unknown claims, and nevertheless waive
8 California Civil Code, section 1542 as to any such unknown claims. California Civil Code,
9 section 1542 reads as follows:

10 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH**
11 **THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS**
12 **OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE,**
13 **WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY**
14 **AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.**

15 CAPA and BUDDY’S CANNABIS each acknowledge and understand the significance and
16 consequences of this specific waiver of California Civil Code, section 1542.

17 **6. COURT APPROVAL**

18 This Consent Judgment is not effective until it is approved and entered by the Court and
19 shall be null and void if, for any reason, it is not approved and entered by the Court within one
20 year after it has been fully executed by all Parties.

21 **7. SEVERABILITY**

22 If, subsequent to the execution of this Consent Judgment, any provision of this Consent
23 Judgment is held by a court to be unenforceable, the validity of the remaining provisions shall
24 not be adversely affected.

25 **8. GOVERNING LAW AND CONTINUING JURISDICTION**

26 The terms of this Consent Judgment shall be governed by the laws of the state of
27 California and apply within the state of California. Pursuant to Code of Civil Procedure section
28 664.6, the Court retains jurisdiction over this matter and terms of the Judgment contained

1 herein. In the event Proposition 65 is repealed or is otherwise rendered inapplicable by reason
2 of law generally, or as to the Covered Products, then BUDDY'S CANNABIS may provide
3 written notice to CAPA of any asserted change in the law, and have no further obligations
4 pursuant to this Consent Judgment, with respect to, and to the extent that, the Covered Products
5 are so affected. Nothing in this Consent Judgment shall be interpreted to relieve BUDDY'S
6 CANNABIS from any obligation to comply with any pertinent state or federal laws concerning
7 labeling, warning of toxics in consumer products. If the California Office of Environmental
8 Health Hazard Assessment or other governmental body with authority promulgates regulations
9 setting forth warning text and/or methods of transmission required or permitted to be used under
10 Proposition 65 for exposures to marijuana smoke in the Covered Products as defined herein,
11 then at its sole discretion BUDDY'S CANNABIS may use such other warning text and/or
12 method of transmission, without being deemed in breach of this Agreement, provided that
13 Defendant sends written notice of this decision and includes the content and means of
14 transmission of the warning to CAPA sixty (60) days in advance of implementing any such
15 changes. CAPA shall have an opportunity to provide comments and to meet and confer
16 regarding the proposed changes before they are fully implemented.

17 **9. NOTICES**

18 Unless specified herein, all correspondence and notices required to be provided pursuant
19 to this Consent Judgment shall be in writing and sent by: (i) personal delivery; (ii) first-class
20 mail, registered or certified, with return receipt requested; or (iii) a recognized overnight courier
21 on any party by the other party at the following addresses:

22 For BUDDY'S CANNABIS:

23 Matthew Lucero
24 Owner, Viktoriya's Medical Supplies, LLC, d.b.a. Buddy's Cannabis
25 1075 N 10th Street
26 San Jose, CA 95112

27 For CAPA:

28 Executive Director
Center for Advanced Public Awareness, Inc.
180 Promenade Cir.
Sacramento, CA 95834

1 With a copy to:
2 Aqua Terra Aeris Law Group
3 c/o Matthew Maclear
4 828 San Pablo Avenue, Suite 115B
5 Albany, CA 94706

6 Any Party may change its notice name and address by informing the other party in
7 writing, but no change is effective until proof of receipt of such writing is confirmed. All notices
8 and other
9 communications required or permitted under this Final Judgment that are properly addressed as
10 provided in this paragraph are effective upon delivery if delivered personally or by overnight
11 mail, or are effective five (5) days following deposit in the United States mail, postage prepaid,
12 if delivered by First Class mail.

13 **10. COUNTERPARTS; FACSIMILE SIGNATURES**

14 This Consent Judgment may be executed in counterparts, and by facsimile or portable
15 document format (PDF) signature, each of which shall be deemed an original, and all of which,
16 when taken together, shall constitute one and the same document.

17 **11. POST EXECUTION ACTIVITIES**

18 CAPA agrees to comply with the reporting form requirements referenced in Health &
19 Safety Code, section 25249.7, subdivision (f). The Parties further acknowledge that, pursuant to
20 Health & Safety Code, section 25249.7, subdivision (f), a noticed motion is required to obtain
21 judicial approval of the settlement. In furtherance of obtaining such approval, CAPA and
22 BUDDY'S CANNABIS agree to mutually employ their best efforts, and that of their counsel, to
23 support the entry of this agreement as a Consent Judgment, and to obtain judicial approval of the
24 settlement in a timely manner. If the Attorney General objects to any term in this Consent
25 Judgment, the Parties shall use their best individual and collective efforts to resolve the concern
26 in a timely manner, and if possible in advance of the hearing on the motion to approve
27 settlement. If the Court does not approve of the Stipulated Consent Judgment, it shall be void or
28 voided and have no force or effect.

12. MODIFICATION

1 This Consent Judgment may be modified only by: (i) a written agreement of the Parties
2 and upon entry of a modified consent judgment by the Court thereon; or (ii) upon successful
3 motion or application of any Party and the entry of a modified consent judgment by the Court.

4 **13. AUTHORIZATION**

5 The undersigned are authorized to executed this Consent Judgment on behalf of their
6 respective Parties and have read, understood and agree to all of the terms and conditions of this
7 Consent Judgment.

8 **14. DRAFTING**

9 It shall be conclusively presumed that the Parties participated equally in the drafting of
10 this Consent Judgment. The Parties discussed each and every term and provision, and the
11 meaning thereof, in advance of executing this stipulation. Each Party has had an opportunity to
12 fully discuss the terms and conditions with legal counsel. The Parties agree, should this Consent
13 Judgment be subsequently analyzed for interpretation or construction, no inference, presumption
14 or assumption shall be drawn nor shall any provision be construct against any Party, based on
15 the fact that one of the Parties or their counsel prepared and/or drafted all or any portion of the
16 Consent Judgment.

17 **15. ENFORCEMENT**

18 If a dispute arises with respect to either Party's compliance with the terms of this
19 Consent Judgment entered by the Court, the Parties shall meet and confer in person, in writing
20 or via telephone to attempt to resolve the dispute in an amicable and amenable fashion. No
21 action or motion may be filed unless such a good faith attempt to resolve the dispute occurs
22 before such a filing.

23 CAPA may, by motion or order to show cause before this Court, seek to enforce the
24 terms and conditions contained in this Consent Judgment. CAPA may seek whatever
25 penalties/fines, costs, fees or other remedies are provided for in the Consent Judgment or
26 allowed by law for failure to comply with the Consent Judgment. To the extent that the alleged
27 failure to comply with the Consent Judgment constitutes a violation of Proposition 65 or other
28 laws, CAPA shall not be limited to enforcement of this Consent Judgment and may seek, in a

1 separately filed action, whatever penalitie/fines, costs, fees or other remedies as provided for by
2 law for failure to comply with Proposition 65 or other law(s).

3 **16. ENTIRE AGREEMENT**

4 This Consent Judgment contains the sole and entire agreement and understanding of the
5 Parties with regard to this matter, including any and all prior discussions, negotiations,
6 commitments or understanding related thereto. No representations, oral, written or otherwise,
7 express or implied, unless specifically referred to herein shall be deemed to exist or to bind any
8 Party as it relates to the allegations made in this action.

9 **17. STIPULATED REQUEST FOR FINDINGS, APPROVAL OF SETTLEMENT**
10 **AND ENTRY OF CONSENT JUDGMENT**

11 This Consent Judgment has come before the Court upon request of the Parties for the
12 Court to fully review its terms and to be fully informed regarding the matters which are the
13 subject of this action, and to:

- 14 (1) Find the terms and provisions of this Consent Judgment represent a fair and
15 equitable settlement of all matters raised by the allegations of the Complaint, that the
16 matter has been diligently prosecuted and that the public interest is served by such
17 settlement; and

18 ///
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(2) Make the statutory findings required pursuant to Health and Safety Code section 25249.7, subdivision (f)(4), approve the settlement and approve this Consent Judgment.

IT IS SO STIPULATED.

Date: 8/24/17

CENTER FOR ADVANCED PUBLIC AWARENESS, INC.

By: [Signature]

Date: 8/24/17

BUDDY'S CANNABIS

By: [Signature]
Matthew Lucero
Director

APPROVED AS TO FORM:

Date: August 16, 2017

AQUA TERRA AERIS LAW GROUP, LLP

By: [Signature]
Matthew Maclear
Attorneys for Plaintiff Center for
Advanced Public Awareness, Inc.

ORDER AND JUDGMENT

Based upon the Parties' stipulation, and good cause appearing therefor, this Consent Judgment is approved and Judgment is hereby entered according to its terms.

IT IS SO ORDERED, ADJUDGED AND DECREED.

ate: _____

Judge of the Superior Court

1 (2) Make the statutory findings required pursuant to Health and Safety Code section
2 25249.7, subdivision (f)(4), approve the settlement and approve this Consent
3 Judgment.

4 **IT IS SO STIPULATED.**

5 Date: _____ CENTER FOR ADVANCED PUBLIC
6 AWARENESS, INC.

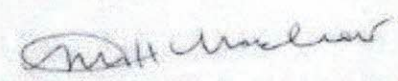
7 By: _____

8
9 Date: _____ BUDDY'S CANNABIS

10
11 By: _____
12 Matthew Lucero
13 Director

13 **APPROVED AS TO FORM:**

14 Date: August 16, 2017 AQUA TERRA AERIS LAW GROUP, LLP

15
16
17 By: 
18 _____
19 Matthew Maclear
20 Attorneys for Plaintiff Center for
21 Advanced Public Awareness, Inc.

21 **ORDER AND JUDGMENT**

22 Based upon the Parties' stipulation, and good cause appearing therefor, this Consent Judgment
23 is approved and Judgment is hereby entered according to its terms.

24 **IT IS SO ORDERED, ADJUDGED AND DECREED.**

25
26 Date: 12/4/17 _____
27 Peter H. Kirwan
28 Judge of the Superior Court