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3 THE CHANLER GROUP  
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11 Attorneys for Plaintiff  
12 PAUL WOZNIAK

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SAN FRANCISCO  
UNLIMITED CIVIL JURISDICTION

13 PAUL WOZNIAK,  
14 Plaintiff,  
15 v.  
16 HOT FOCUS, INC. , et al.,  
17 Defendant.

ENDORSED  
FILED  
San Francisco County Superior Court  
OCT 25 2017  
CLERK OF THE COURT  
BY: GINA GONZALES  
Deputy Clerk

Case No. CGC17560676

**[PROPOSED] JUDGMENT PURSUANT  
TO TERMS OF PROPOSITION 65  
SETTLEMENT AND CONSENT  
JUDGMENT**

Date: October 25, 2017  
Time: 9:30 a.m.  
Dept.: 302  
Judge: Hon. Harold E. Kahn

Reservation No.: 09061025-02

1 Plaintiff Paul Wozniak and defendant Hot Focus, Inc. having agreed through their  
2 respective counsel that Judgment be entered pursuant to the terms of their settlement  
3 agreement in the form of a stipulated judgment ("Consent judgment"), and following this  
4 Court's issuance of an order approving their Proposition 65 settlement and Consent  
5 Judgment, and for good cause being shown,

6 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to  
7 Health and Safety Code section 25249.7(f)(4) and Code of Civil Procedure section 664.6,  
8 judgment is hereby entered in accordance with the terms of the Consent Judgment attached  
9 hereto as Exhibit 1. By stipulation of the parties, the Court will retain jurisdiction to  
10 enforce the terms of the settlement under Code of Civil Procedure section 664.6.

11 **IT IS SO ORDERED.**

12  
13  
14 Dated: OCT 25 2017

RICHARD ULMER  
\_\_\_\_\_  
JUDGE OF THE SUPERIOR COURT

# EXHIBIT 1

1 Clifford Chanler, State Bar No. 135534  
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12 PAUL WOZNAK

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SAN FRANCISCO  
UNLIMITED CIVIL JURISDICTION

PAUL WOZNAK,

Plaintiff,

v.

HOT FOCUS, INC., *et al.*,

Defendants.

Case No. CGC-17-560676

**[PROPOSED] CONSENT JUDGMENT**

(Health & Safety Code § 25249.6 *et seq.* and  
Code Civ. Proc. § 664.6 )

1     **1. INTRODUCTION**

2             **1.1 Parties**

3             This Consent Judgment is entered into by and between plaintiff Paul Wozniak (“Wozniak”),  
4             and Hot Focus, Inc. (“Hot Focus”), with Wozniak and Hot Focus each individually referred to as a  
5             “Party” and collectively as the “Parties.”

6             **1.2 Plaintiff**

7             Wozniak is an individual residing in California who seeks to promote awareness of exposures  
8             to toxic chemicals and to improve human health by reducing or eliminating hazardous substances  
9             contained in consumer products.

10            **1.3 Defendant**

11            Hot Focus employs ten or more individuals and is a “person in the course of doing business”  
12            for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety  
13            Code section 25249.6 *et seq.* (“Proposition 65”).

14            **1.4 General Allegations**

15            Wozniak alleges that Hot Focus imports, sells, or distributes for sale in California, vinyl/PVC  
16            pouches and vinyl/PVC pen toppers that contain di(2-ethylhexyl)phthalate (“DEHP”) without first  
17            providing the exposure warning required by Proposition 65. DEHP is listed pursuant to Proposition  
18            65 as a chemical known to cause birth defects or other reproductive harm.

19            **1.5 Product Description**

20            For purposes of this Consent Judgment “Products” are defined as (1) vinyl/PVC pouches  
21            containing DEHP and (2) vinyl/PVC pen toppers containing DEHP that are imported, sold, or  
22            distributed for sale in California by Hot Focus, including, but not limited to, the *Hot Focus Stationery*  
23            *Pouch Set, #264 EM, UPC #8 42817 04977 9* and the *Little Fashion Designer, #224, UPC# 8 42817*  
24            *04977 9*

25            **1.6 Notice of Violation**

26            On March 30, 2017, Wozniak served Hot Focus, and the requisite public enforcement  
27            agencies with a 60-Day Notice of Violation (“Notice”) alleging that Hot Focus violated Proposition  
28            65 by failing to warn its customers and consumers in California of the health hazards associated with

1 exposures to DEHP from the Products. No public enforcer has commenced and is diligently  
2 prosecuting an action to enforce the violations alleged in the Notice.

3 **1.7 Complaint**

4 On August 11, 2017, Wozniak filed the instant action ("Complaint"), naming Hot Focus as a  
5 defendant for the alleged violations of Health and Safety Code section 25249.6 that are the subject of  
6 the Notice.

7 **1.8 No Admission**

8 Hot Focus denies the material, factual, and legal allegations contained in the Notice and  
9 Complaint, and maintains that all of the products it has sold and distributed for sale in California,  
10 including the Products, have been, and are, in compliance with all laws. Nothing in this Consent  
11 Judgment shall be construed as an admission of any fact, finding, conclusion of law, issue of law, or  
12 violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an  
13 admission of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall  
14 not, however, diminish or otherwise affect Hot Focus's obligations, responsibilities, and duties under  
15 this Consent Judgment.

16 **1.9 Jurisdiction**

17 For purposes of this Consent Judgment only, the Parties stipulate that this Court has  
18 jurisdiction over Hot Focus as to the allegations in the Complaint, that venue is proper in the County  
19 of San Francisco, and that the Court has jurisdiction to enter and enforce the provisions of this  
20 Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

21 **1.10 Effective Date**

22 For purposes of this Consent Judgment, the term "Effective Date" means the date on which  
23 the Court approves this Consent Judgment, including any unopposed tentative ruling granting  
24 approval of this Consent Judgment.

1       **2.       INJUNCTIVE RELIEF: REFORMULATED PRODUCTS**

2               Commencing on the Effective Date and continuing thereafter, Hot Focus shall only  
3 manufacture for sale, purchase for sale, or import for sale in California, Reformulated Products. For  
4 the purposes of this Consent Judgment, "Reformulated Products" are defined as Products that contain  
5 DEHP in concentrations less than 0.1 percent (1,000 parts per million) when analyzed pursuant to  
6 U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or other  
7 methodology utilized by federal or state government agencies for the purpose of determining DEHP  
8 content in a solid substance.

9       **3.       MONETARY SETTLEMENT TERMS**

10           **3.1       Civil Penalty Payments**

11               Pursuant to Health and Safety Code section 25249.7(b), and in settlement of all the claims  
12 referred to in the Notice, Complaint, and this Consent Judgment, Hot Focus shall pay \$5,000 in civil  
13 penalties. The civil penalty payment shall be allocated according to Health and Safety Code section  
14 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid to the California Office  
15 of Environmental Health Hazard Assessment ("OEHHA"), and the remaining twenty-five percent  
16 (25%) of the penalty retained by Wozniak. Hot Focus shall issue two separate checks, the first check  
17 payable to "Paul Wozniak, Client Trust Account" in the amount of \$1,250, and the second check  
18 payable to "OEHHA" in the amount of \$3,750. Wozniak's counsel shall be responsible for  
19 delivering OEHHA's portion of any penalty payment made under this Consent Judgment.

20           **3.2       Reimbursement of Attorney's Fees and Costs**

21               The parties acknowledge that Wozniak and his counsel offered to resolve this dispute without  
22 reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving the issue to  
23 be resolved after the material terms of this Consent Judgment had been settled. Shortly after the  
24 other settlement terms had been finalized, the Parties negotiated the compensation due to Wozniak  
25 and his counsel under general contract principles and the private attorney general doctrine codified at  
26 California Code of Civil Procedure section 1021.5 for all work performed through the mutual  
27 execution of this Consent Judgment, and court approval of the same, but exclusive of fees and costs  
28 on appeal, if any. Under these legal principles, Hot Focus shall pay \$31,000 for all fees and costs

1 incurred by Wozniak investigating, bringing this matter to Hot Focus's attention, litigating and  
2 negotiating a settlement in the public interest. Hot Focus' payment shall be delivered to the address in  
3 Section 3.4 in the form of a check payable to "The Chanler Group."

### 4 **3.3 Payment Timing; Payments Held in Trust**

5 Within ten days of the execution of this agreement, all payments required by this Consent  
6 Judgment shall be delivered to Wozniak's counsel at the address provided in Section 3.4. Wozniak's  
7 counsel shall hold such payments in their trust account until the Effective Date. Plaintiff requested  
8 that the payments due prior to the Effective Date be held by the Defendants' counsel, but the  
9 Defendant agreed that these funds will be held by Plaintiff's counsel.

### 10 **3.4 Payment Address**

11 Within five (5) business days of the Effective Date, all payments required by this Consent  
12 Judgment, to be held in trust by Wozniak's counsel under Paragraph 3.3 above, shall be delivered to:

13 The Chanler Group  
14 Attn: Proposition 65 Controller  
15 2560 Ninth Street  
16 Parker Plaza, Suite 214  
17 Berkeley, CA 94710

## 18 **4. CLAIMS COVERED AND RELEASED**

### 19 **4.1 Wozniak's Public Release of Proposition 65 Claims**

20 Wozniak, acting on his own behalf and in the public interest, releases Hot Focus and its  
21 parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees,  
22 and attorneys ("Releasees"), and each entity to whom Hot Focus directly or indirectly distributes or  
23 sells the Products including, without limitation, its downstream customers, distributors, wholesalers,  
24 and retailers ("Downstream Releasees") for any violation arising under Proposition 65 pertaining to  
25 the failure to warn about exposures to DEHP from Products sold or distributed for sale by Hot  
26 Focus prior to the Effective Date, as set forth in the Notice. Compliance with the terms of this  
27 Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to DEHP  
28 from Products sold or distributed for sale by Hot Focus after the Effective Date.



1           **4.2     Wozniak's Individual Release of Claims**

2           Wozniak, in his individual capacity only and *not* in any representative capacity, also provides  
3 a release to Hot Focus, Releasees, and Downstream Releasees, which shall be effective as a full and  
4 final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses,  
5 attorneys' fees, damages, losses, claims, liabilities and demands of Wozniak of any nature, character  
6 or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual  
7 exposures to DEHP in Products sold or distributed for sale by Hot Focus before the Effective Date.

8           **4.3     Hot Focus's Release of Wozniak**

9           Hot Focus, on its own behalf, and on behalf of its past and current agents, representatives,  
10 attorneys, successors, and assignees, hereby waives any and all claims against Wozniak, and his  
11 attorneys and other representatives, for any and all actions taken or statements made by Wozniak,  
12 and his attorneys and other representatives, whether in the course of investigating claims, otherwise  
13 seeking to enforce Proposition 65 against it in this matter, or with respect to the Products.

14       **5.     COURT APPROVAL**

15           This Consent Judgment is not effective until it is approved and entered by the Court and shall  
16 be null and void if it is not approved and entered by the Court within one year after it has been fully  
17 executed by the Parties, or by such additional time as the Parties may agree in writing.

18       **6.     SEVERABILITY**

19           If, subsequent to the Court's approval and entry of this Consent Judgment as a judgment, any  
20 provision is held by a court to be unenforceable, the validity of the remaining provisions shall not be  
21 adversely affected.

22       **7.     GOVERNING LAW**

23           The terms of this Consent Judgment shall be governed by the laws of the state of California  
24 and apply within the state of California. In the event that Proposition 65 is repealed, or is otherwise  
25 rendered inapplicable by reason of law generally or as to the Products, then Hot Focus may provide  
26 written notice to Wozniak of any asserted change in the law, and shall have no further injunctive  
27 obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are  
28 so affected.

1     **8.     NOTICE**

2             Unless specified herein, all correspondence and notice required by this Consent Judgment  
3 shall be in writing and sent by: (i) personal delivery; (ii) first-class, registered, or certified mail,  
4 return receipt requested; or (iii) a recognized overnight courier to the following addresses:

5     For Hot Focus:

6             Hong Tai, President  
7             Hot Focus, Inc.  
8             1253 West State Street  
9             Ontario, CA 91762

10            with a copy to:

11            Ivan Tether  
12            TETHER LAW  
13            860 Via de la Paz, Suite E-3D  
14            Pacific Palisades, CA 90272

15     For Wozniak:

16             Proposition 65 Coordinator  
17             The Chanler Group  
18             2560 Ninth Street  
19             Parker Plaza, Suite 214  
20             Berkeley, CA 94710-2565

21     Any Party may, from time to time, specify in writing to the other, a change of address to which all  
22 notices and other communications shall be sent.

23     **9.     COUNTERPARTS; FACSIMILE SIGNATURES**

24             This Consent Judgment may be executed in counterparts and by facsimile signature, each of  
25 which shall be deemed an original, and all of which, when taken together, shall constitute one and the  
26 same document.

27     **10.    POST EXECUTION ACTIVITIES**

28             Wozniak agrees to comply with the reporting form requirements referenced in Health and  
Safety Code section 25249.7(f). The Parties further acknowledge that, pursuant to Health and Safety  
Code section 25249.7(f), a noticed motion is required to obtain judicial approval of the settlement,  
which motion Wozniak shall draft and file. In furtherance of obtaining such approval, the Parties  
agree to mutually employ their best efforts, and those of their counsel, to support the entry of this

1 agreement as judgment, and to obtain judicial approval of their settlement in a timely manner. For  
2 purposes of this Section, "best efforts" shall include, at a minimum, supporting the motion for  
3 approval, responding to any objection that any third-party may file or lodge, and appearing at the  
4 hearing before the Court if so requested.

5 **11. MODIFICATION**

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

9 **12. AUTHORIZATION**

10 The undersigned are authorized to execute this Consent Judgment and acknowledge that they  
11 have read, understand, and agree to all of the terms and conditions contained herein.

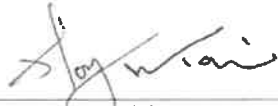
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13 **AGREED TO:**

14  
15 Date: \_\_\_\_\_

16  
17 By: \_\_\_\_\_  
18 PAUL WOZNIAK

**AGREED TO:**

Date: 08/28/2017

19  
20 By:  \_\_\_\_\_  
21 Hong Tai, President  
22 HOT FOCUS, INC.  
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12  
13 **AGREED TO:**

**AGREED TO:**

14  
15 Date: 8/25/17

Date: \_\_\_\_\_

16  
17 By:   
PAUL WOZNIAK

18 By: \_\_\_\_\_  
Hong Tai, President  
HOT FOCUS, INC.