3 3 4 5	San Jose, California 95112 Telephone (408) 298-2000 Facsimile (408) 298-6046 E-mail: prop65@mission.legal		
6	Sale Products for Californians, LLC		
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8	SUPERIOR COURT OF CALIFORNIA		
9	COUNTY OF SANTA CLARA		
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11	SAFE PRODUCTS FOR CALIFORNIANS, LLC,	No. 18CV329024	
12	Plaintiff,) [PROPOSED] CONSENT JUDGMENT	
13	Vs.	(Health & Safety Code § 25249.5, et seq.)	
14	<u> </u>	(123 th to buttery code & 23249.3, et seq.)	
15	OUTDOOR CREATIVE MINDS dba DYNAMIC LURES; PRODUCT		
16	MOVEMENT TECHNOLOGIES, LLC; AMAZON.COM, INC.; DOES 1 THROUGH		
17	150 150 150 150 150 150 150 150 150 150		
18	Defendants.		
19)		
20			
21	1. <u>INTRODUCTION</u>		
22	1.1 Parties		
23	This Consent Judgment is entered into by and between plaintiff Safe Products for		
24	Californians, LLC ("SPFC") and defendants Outdoor Creative Minds dba Dynamic Lures		
25	("Dynamic Lures") and Product Movement Technologies, LLC ("Product Movement," and		
26	together with Dynamic Lures, collectively referred to as "Defendants"). SPFC, Dynamic Lures,		
27	and Product Movement, are each referred to individually as a "Party" and collectively as the		
28	"Parties."		

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1.2 Plaintiff

SPFC is a limited liability California company with its principal place of business within the State of California, County of Santa Clara, who seeks to promote awareness of exposures to toxic chemicals, and to improve human health by reducing or eliminating harmful substances contained in consumer and commercial products.

1.3 Defendants

SPFC alleges, and for the purposes of this Consent Judgment only, the Parties stipulate, that Defendants employ ten or more persons and are persons in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code section 25249.5 et seq. ("Proposition 65").

1.4 General Allegations

SPFC alleges that soft plastic fishing lures that Defendants manufacture, import, sell and/or distributes for sale in California cause exposure to di(2-ethylhexyl) phthalate ("DEHP") and that they do so without providing the health hazard warning that SPFC alleges is required by Proposition 65.

1.5 Product Description

The products that are covered by this Settlement Agreement are "Dynamic Lures Ten Craw Soft Plastic Fishing Lures, 3.50 Inch Crawfish Profile," ASIN# B010EAS5UM, containing DEHP, which are manufactured, imported, distributed, sold and/or offered for sale by Defendants and/or their customers in the state of California, hereinafter the "Products."

1.6 Notice of Violation

On August 30, 2017, SPFC served Defendants and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice"), alleging that Defendants violated Proposition 65 when they failed to warn their customers and consumers in California that the Product exposes users to DEHP. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting an action to enforce the allegations set forth in the Notice.

1.7 Complaint

On May 29, 2018, SPFC commenced the instant action against Defendants¹ for the alleged violations of Proposition 65 that are the subject of the Notice.

1.8 No Admission

Defendants deny the material, factual, and legal allegations contained in the Notice and Complaint, and maintain that all of the products that they have sold or distributed for sale in California, including the Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission by Defendants of any fact, finding, conclusion of law, issue of law, or violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an admission by Defendants of any fact, finding, conclusion of law, issue of law, or violation of law, the same being specifically denied by Defendants. This Section shall not, however, diminish or otherwise affect Defendants' obligations, responsibilities, and duties under this Consent Judgment.

1.9 Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Defendants as to the allegations contained in the Complaint, that venue is proper in the County of Santa Clara, and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date that the Court grants the motion for approval of this Consent Judgment contemplated by Section 5.

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¹ Dynamic Lures and Product Movement were dismissed from the Action without prejudice on June 28, 2018.

2. <u>INJUNCTIVE RELIEF</u>

2.1 Product Removal

Defendants have begun removing the Products from all sales channels. As of the Effective Date, Defendants shall not directly sell, or ship for sale in California any Products unless they are Reformulated Products as set forth below.

2.2 Customer Notification for Products No Longer in Dynamic Lures' Control

No later than thirty (30) days after the Effective Date, Dynamic Lures shall send a letter, electronic or otherwise ("Notification Letter"), to each California retailer to which it supplied the Products for resale in California, except for Amazon and Product Movement. The Notification Letter shall advise the recipient that portions of the Products "have been alleged to contain DEHP, a chemical known to the State of California to cause cancer, birth defects and other reproductive harm," and request that the recipient either: (a) label the Products remaining in inventory for sale in California, or to California Customers, pursuant to Section 2; or (b) return, at Dynamic Lures' sole expense, all units of the Products held by a California customer or for sale in California or to California customers to Dynamic Lures or a party Dynamic Lures has otherwise designated. The Notification Letter shall require a response from the recipient within fifteen (15) days confirming whether the Products will be labeled or returned. Dynamic Lures shall maintain records of all correspondence or other communications generated pursuant to this Section for one year after the Effective Date and shall promptly produce copies of such records upon SPFC's reasonable written request.

2.3 Reformulation

For the purposes of this Consent Judgment, "Reformulated Products" are defined as Products that contain DEHP in concentrations that do not exceed 1,000 parts per million (0.1%) when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or equivalent methodologies utilized by state or federal agencies for the purpose of determining DEHP content in a solid substance.

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2.4 Clear and Reasonable Warnings

For any Products directly sold or offered for sale in California by Defendants after the Effective Date that are not Reformulated Products, Defendants shall only sell or offer for sale in California Products accompanied with the following warnings:

"[new Prop 65 symbol] WARNING: This product can expose you to chemicals including DEHP, which is known to the state of California to cause cancer, birth defects and other reproductive harm. For more information go to: www.P65warnings.CA.gov"

The warning provided pursuant to Section 2.4 shall be prominently affixed to or printed on the non-Reformulated Products' packaging, labeling, website, or instruction booklet and displayed with such conspicuousness, as compared with other words, statements, or designs as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use. A warning may be contained in the same section of the packaging, labeling, website, or instruction booklet that states other safety warnings, if any, concerning the use of the product and shall be at least the same size as those other safety warnings.

3. MONETARY SETTLEMENT TERMS

3.1 Payments Pursuant to Health and Safety Code § 25249.7(b)(2)

Pursuant to Health and Safety Code section 25249.7(b)(2), and in settlement of all the claims referred to in this Consent Judgment, Defendants shall pay \$1,000.00 in civil penalties in accordance with this Section. The penalty payment will be allocated in accordance with California Health & Safety Code § 25249.12(c)(l) & (d), with 75% of the funds remitted to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty remitted to SPFC. SPFC's counsel shall be responsible for remitting the penalty payment(s) under this Consent Judgment to OEHHA. Within 10 business days of the date this Consent Judgment is signed by all Parties, Defendants shall issue a check payable to "Safe Products for Californians, LLC" in the amount of \$250.00, and a check payable to OEHHA

in the amount of \$750.00. These penalty payments shall be delivered to the address listed in Section 3.3 below.

3.2 Reimbursement of Attorneys' Fees and Costs

For all work performed as a result of investigating, bringing this matter to Defendants' attention and negotiating a settlement in the public interest through the mutual execution of this agreement and the Court's approval of the same, but exclusive of fees and costs on appeal, if any, Defendants shall reimburse SPFC and its counsel \$12,197.84. The Parties negotiated this resolution of the compensation due to SPFC and its counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure § 1021.5. Defendants' payment shall be due within 10 business days of the date this Consent Judgment is signed by all Parties, and delivered to the address in Section 3.3 in the form of a check payable to "Safe Products for Californians, LLC." The reimbursement shall cover all fees and costs incurred by SPFC investigating, bringing this matter to Defendants' attention, litigating, and negotiating a settlement of the matter in the public interest.

3.3 Payment Procedures

The payments pursuant to Sections 3.1 and 3.2 shall be delivered to the following address:

Moore Law Firm, P.C. Attn: Proposition 65 (SPFC) 332 North Second Street San Jose, California 95112

If for any reason this Consent Judgment is not entered by the Court within one year of the date the Consent Judgment is executed by all parties, SPFC shall meet and confer with Defendants about mutually agreeable steps the parties can take to ensure entry of the Consent Judgment. If such steps cannot be agreed between the Parties, SPFC shall promptly return to Defendants any and all monies paid by Defendants herein under Sections 3.1 and 3.2 upon Defendants' written request.

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4. <u>CLAIMS COVERED</u> AND RELEASED

SPFC's Release of Proposition 65 Claims

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and attorneys and the predecessors, successors, or assigns of each of them, and Amazon.com, Inc. (along with its parents, subsidiaries, affiliated entities under common ownership, directors,

parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees,

SPFC, acting on its own behalf and in the public interest, releases Defendants and their

officers, agents, employees, and attorneys) (collectively, "Releasees") and each entity to whom Defendants directly or indirectly distribute or sell the Products including, but not limited to, their

downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members,

licensors and licensees ("Downstream Releasees") for any violations arising under Proposition 65 for unwarned exposures to DEHP from the Products manufactured, imported, distributed or

sold by Defendants prior to the Effective Date, as set forth in the Notice. Compliance with the

terms of this Consent Judgment constitutes compliance with Proposition 65 by Defendants with

respect to the alleged or actual failure to warn about exposures to DEHP from Products

manufactured, sold or distributed for sale by Defendants after the Effective Date.

4.2 SPFC's Individual Release of Claims

SPFC, in its own capacity only and on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and/or assignees and *not* in its representative capacity, also provides a release to Defendants, Releasees, and Downstream Releasees, 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 SPFC of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DEHP in Products manufactured, imported, distributed or sold by Defendants before the Effective Date.

4.3 Defendants' Release of SPFC

Defendants, on their own behalf and on behalf of their past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against SPFC 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 SPFC and its attorneys and other representatives in the course of investigating claims, seeking to enforce Proposition 65 against it in this matter, or with respect to the Products.

4.4 SPFC's Voluntary Dismissal of Amazon

Contemporaneous with the execution of this Agreement, SPFC will deliver to counsel for Amazon.com, Inc. a signed request for dismissal of Amazon.com, Inc. with prejudice, in the instant action (Case No. 18CV329024), which counsel for SPFC shall file immediately thereafter.

5. <u>COURT APPROVAL</u>

This Consent Judgment is not effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved and entered by the Court within one year after it has been fully executed by all Parties, unless the Parties mutually agree to extend that time period due to what they mutually agree are reasonably unforeseeable circumstances. SPFC and Defendants agree to support the entry of this agreement as a judgment, and to obtain the Court's approval of their settlement in a timely manner. The Parties acknowledge that, pursuant to California Health and Safety Code section 25249.7(f), a noticed motion is required for judicial approval of this Consent Judgment, which motion SPFC shall draft and file and Defendants shall support, appearing at the hearing if so requested.

6. <u>SEVERABILITY</u>

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

7. <u>GOVERNING LAW</u>

The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within the State of California. In the event that Proposition 65 is repealed, preempted, or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Defendants may provide SPFC with written notice of any asserted change in the law, and shall have no further obligations pursuant to this Consent Judgment, with respect to,

1	and	and to the extent that, the Products are so affected. Nothing in this Consent Judgment shall b		
2	11	interpreted to relieve Defendants from their obligation to comply with any pertinent state o		
3	11	federal law or regulation.		
4	8.	NOTICE		
5		Unless specified herein, all correspondence and notice required by this Consen-		
6	Judgment shall be in writing and sent by: (i) personal delivery, (ii) first-class registered or			
7	certified mail, return receipt requested; or (iii) a recognized overnight courier to any Party by the			
8	other at the following addresses:			
9	To	o Dynamic Lures:	Γο Product Movement:	
10				
11				
12				
13		Г	o SPFC:	
14			Moore Law Firm, P.C.	
15			attn: Proposition 65 (SPFC) 32 North Second Street	
16			an Jose, California 95112	
17		Any Party may, from time to time, spe-	cify in writing to the other Party a change of	
18	address to which all notices and other communications shall be sent.			
19	9.	COUNTERPARTS, FACSIMILE ANI	O PDF SIGNATURES	
20		This Consent Judgment may be executed	d in counterparts and by facsimile or portable	
21	document format (pdf) signature, each of which shall be deemed an original and, all of which,			
22	when taken together, shall constitute one and the same document.			
23	10.	COMPLIANCE WITH REPORTING	<u>REQUIREMENTS</u>	
24			th the reporting form requirements referenced	
25	in California Health and Safety Code section 25249.7(f).			
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11. **MODIFICATION**

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

12. **OTHER TERMS**

No Other Agreements 12.1

This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter set forth in this Consent Judgment, and any and all prior discussions, negotiations, commitments, or understandings related thereto, if any, are deemed merged. There are no warranties, representations, or other agreements between the Parties except as expressly set forth in this Consent Judgment. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Consent Judgment have been made by any Party. No other agreements not specifically contained or referenced in this Consent Judgment, oral or otherwise, shall be deemed to exist or to bind any of the Parties. No supplementation, modification, waiver, or termination of this Consent Judgment shall be binding unless executed in writing by the Party to be bound. No waiver of any of the provisions of this Consent Judgment shall be deemed or shall constitute a waiver of any of the other provisions whether or not similar, nor shall such waiver constitute a continuing waiver. Nothing in this Consent Judgment shall release, or in any way affect any rights that Earth Therapeutics might have against any other party.

12.2 Construction

The Parties, including their counsel, have participated in the preparation of this Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties. This Consent Judgment was subject to revision and modification by the Parties and has been accepted and approved as to its final form by all Parties and their Counsel. Accordingly, any uncertainty or ambiguity existing in this Consent Judgment shall not be interpreted against any Party as a result of the manner of the preparation of this Consent Judgment. Each Party to this Consent Judgment agrees that any statute or rule of construction providing that ambiguities are to be resolved

1	against the drafting Party should not be employed in the interpretation of this Consent Judgment		
2	and, in this regard the Parties hereby waive California Civil Code section 1654.		
3	13. <u>AUTHORIZATION</u>		
4	The undersigned are authorized to execute this Consent Judgment on behalf of	of their	
5	respective Parties and have read, understood, and agree to all of the terms and conditions of this		
6	Consent Judgment.		
7			
8	Dated: Feb 6, 2019		
9	Safe Products for Californians, LLC By: Randy Moore, Operating Manager	_	
10	Dy. Randy Woole, Operating Wanager		
11			
12	Dated: 2/11/2019 Outdoor Creative Minds dba Dynamic Lure	-	
13		,	
14	Print Name: BRIAN ALANO	-	
15	Print Title: President	_	
16			
17	Dated: 2/11/2019	_	
18	Product Movement Technologies, LLC	/	
19	Print Name: Luke Sutherlan	a	
20	Print Title: Owner	-	
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