1	Tanya E. Moore, SBN 206683		
2	MOORE LAW FIRM, P.C. 300 South First Street, Suite 342 San Jose, California 95113 Telephone (408) 298-2000		
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4	Telephone (408) 298-2000 Facsimile (408) 298-6046 E-mail: service@moorelawfirm.com		
5	Attorney for Plaintiff		
6	Safe Products for Californians, LLC		
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8	SUPERIOR COURT OF CALIFORNIA		
9	COUNTY OF SANTA CLARA		
10			
11		No. 18CV336908	
12		[PROPOSED] CONSENT JUDGMENT	
13	Plaintiff,	(Health & Safety Code § 25249.5, et seq.)	
14	Vs.	(Treating Salety Code § 232+7.3, et seq.)	
15	COLSON HEALTH, INC., et al.;		
16	Defendants.		
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19	1. <u>INTRODUCTION</u>		
20	1.1 Parties		
21	This Consent Judgment ("Consent Judgment") is entered into by and between plaintiff		
22	Safe Products for Californians, LLC ("SPFC") and defendant Colson Health, Inc. ("Colson").		
23	SPFC and Colson are each referred to individually	SPFC and Colson are each referred to individually as a "Party" and collectively as the "Parties."	
24	Defendants Buy Buy Baby, Inc., Wal-Mart Stores, Inc.; Amazon.com, Inc.; and Lucky Vitamin,		
25	LLC are intended third-party beneficiaries of this Consent Judgment.		
26	1.2 SPFC		
27	SPFC is a limited liability California company with its principal place of business within		
28	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 Colson

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For the purposes of this Consent Judgment only, SPFC alleges, and Colson does not dispute, that Colson employs ten or more persons and is a person 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 certain lactation aids that Colson manufactures, imports, sells and/or distributes for sale in California cause exposure to lead and lead compounds (hereinafter referred to as "lead") and that Colson does 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 Consent Judgment are identified as "Boobie Bar -Oatmeal Chocolate Chip," UPC# 8-50975-00600-8, and "Boobie Bar – Blueberry Coconut," UPC# 8-50975-006001-5, that are manufactured, imported, distributed, sold and/or offered for sale by Colson and/or its customers in the state of California, hereinafter the "Covered Products."

#### **Notice of Violation** 1.6

On or about July 5, 2018, SPFC served Colson, and certain requisite public enforcement agencies, with a 60-Day Notice of Violation ("Notice"), alleging that Colson violated Proposition 65 when it failed to warn its customers and consumers in California that the Covered Products expose users to lead compounds. Colson disputes these allegations. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice.

#### 1.7 **Complaint**

On October 23, 2018, SPFC commenced the instant action (the "Action") against Colson for the alleged violations of Proposition 65 that are the subject of the Notice.

The Parties enter into this Consent Judgment pursuant to a full settlement of disputed claims between the Parties as alleged in the Action for the purpose of avoiding prolonged litigation. By execution of this Consent Judgment, Colson does not admit any factual or legal allegations contained in the Notice and Action, and maintains that all of the products that it has sold or distributed for sale in California, including the Covered Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission 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 of any fact, finding, conclusion of law, issue of law, or violation of law, the same being specifically denied by Colson. Nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy or defense that Colson may have in any other further legal proceedings unrelated to this Action. This Section shall not, however, diminish or otherwise affect Colson's 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 Colson as to the allegations contained in the Action, that venue is proper in the County of Santa Clara, and that the Court has jurisdiction to enter and enforce the provisions as a full and final binding resolution of all claims which were or could have been raised in the Action based on the facts alleged therein and/or notice 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 this Consent Judgment is entered by the Court.

### 2. INJUNCTIVE RELIEF

#### 2.1 Product Removal

Commencing ninety (90) days after the Effective Date and continuing thereafter, Colson shall only ship, distribute, sell or offer for sale in California, Reformulated Products pursuant to

Section 2.2 or Covered Products that are labeled with a clear and reasonable warning pursuant to Section 2.3. Colson shall have no obligation to label Covered Products that were shipped prior to the Effective Date.

**2.1.1** For purposes of this Consent Judgment, the "Daily Lead Exposure Level" shall be measured in micrograms, and shall be calculated using the following formula: micrograms of lead per gram of product, multiplied by grams of product per serving of the product (using the largest serving size appearing on the product label), multiplied by servings of the product per day (using the largest number of recommended daily servings appearing on the product label), which equals micrograms of lead exposure per day. If the label contains no recommended daily servings, then the number of recommended daily servings of the product for purposes of the formula in this Section 2.1.1 shall be calculated as one serving per day.

#### 2.2 Reformulated Covered Products

Reformulated Covered Products are Covered Products manufactured after the Effective date for which the "Daily Lead Exposure Level" is no greater than 0.5 micrograms of lead per day.

### 2.3 Clear and Reasonable Warnings

For any Covered Products manufactured after the Effective Date that do not qualify as Reformulated Covered Products and are directly sold or offered for sale in California by Colson after the Effective Date, Colson shall only sell or offer said non-reformulated Covered Products for sale in California when accompanied with one of the following warnings:

#### **OPTION 1:**

"▲ WARNING: Consuming this product can expose you to [chemicals including] lead which is [are] known to the State of California to cause [cancer and] birth defects and other reproductive harm. For more information go to: <a href="www.P65warnings.CA.gov/food">www.P65warnings.CA.gov/food</a>"

OR:

#### **OPTION 2:**

"MARNING: [Cancer and] Reproductive Harm – www.P65Warnings.ca.gov"

In connection with providing a cancer warning for lead and lead compounds, Colson shall use the phrase "cancer and" in the warning if Colson has reason to believe that the "Daily Lead Exposure Level" is greater than 15 micrograms of lead as determined pursuant to the quality control methodology set forth in Section 2.4. Colson also may include the reference to cancer if Colson has reason to believe that another Proposition 65 chemical is present which may require a cancer warning.

The warning provided pursuant to Section 2.3 shall be prominently affixed to or printed on the Covered Product's packaging or label 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. If the warning is provided on the label, it must be set off from other surrounding information and enclosed in a box. In addition, for any Covered Product sold over the internet where a California delivery address is indicated, the warning shall be provided either by including the warning on the product display page, by otherwise prominently displaying the warning to the purchaser during the checkout process prior to completing the purchase, or by any other means authorized under Section 25607.1 of Title 27 of the California Code of Regulations. An asterisk or other identifying method must be utilized to identify which products on the checkout page are subject to the warning.

In the event Colson provides the warning pursuant to OPTION 2, above, the entire warning must be in a type size no smaller than the largest size used for other consumer information on the product, and in no case shall the warning appear in a type size smaller than 6-point type. For all warnings, the word "WARNING" shall be in all capital letters in bold print. Any additional statements in the warning shall comply with Title 27, California Code of Regulations, Section 25601(e).

### 2.4 Testing and Quality Control Methodology

**2.4.1** Except as provided in Section 2.4.7, beginning within one year of the Effective Date, Colson shall arrange for lead testing of the Covered Products that are manufactured after the Effective Date at least once a year for a minimum of two (2) consecutive years by arranging for testing of three (3) randomly selected samples of each of the Covered Products, in the form

intended for sale to the end-user at the time of sampling, which Colson intends to sell or is manufacturing for sale in California, directly selling to a consumer in California or "Distributing into the State of California." If tests conducted pursuant to this Section demonstrate that no Warning is required for a Covered Product during each of the two (2) consecutive years, then the testing requirements of this Section will no longer be required as to that Covered Product.

- **2.4.2** For purposes of measuring the "Daily Lead Exposure Level" the highest lead detection result of the three (3) randomly selected samples of the Covered Products will be controlling.
- **2.4.3** All testing pursuant to this Agreement shall be performed using a laboratory method that complies with the performance and quality control factors appropriate for the method used, including limit of detection, qualification, accuracy, and precision that meets the following criteria: Inductively Coupled Plasma-Mass Spectrometry ("ICP-MS") achieving a limit of quantification of less than or equal to 0.010 mg/kg.
- **2.4.4** All testing pursuant to this Agreement shall be performed by an independent third-party laboratory certified by the California Environmental Laboratory Accreditation Program or an independent third-party laboratory that is registered with the United States Food & Drug Administration.
- **2.4.5** Nothing in this Agreement shall limit Colson's ability to conduct, or require that others conduct, additional testing of the Covered Products, including the raw materials used in their manufacture.
- **2.4.6** Within thirty (30) days of SPFC's written request, Colson shall deliver lab reports obtained pursuant to Section 2.4, and related documentation, to SPFC. Colson shall retain all such lab reports and related documentation for a period of two years from the date of each test. Any request by SPFC for lab reports and related documentation shall be made prior to the expiration of the two-year time period identified in this section 2.4.6.
- **2.4.7** If Colson conducts a test on a batch of a Covered Product pursuant to Sections 2.4.1 to 2.4.4, Colson shall not be required to re-test the same batch during the three (3) or two (2) year testing periods identified in Section 2.4.1.

### 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), Colson shall pay civil penalties in the amount of \$3,000.00. The penalty payment shall be allocated according to Health and Safety Code section 25249.12(c)(1) and (d), with 75% of the penalty amount paid to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty paid to SPFC. SPFC's counsel shall be responsible for remitting Colson's penalty payment under this Consent Judgment to OEHHA. Colson shall issue a check payable to "Safe Products for Californians, LLC" in the amount of \$750.00, and a check payable to OEHHA in the amount of \$2,250.00. These penalty payments shall be delivered to the address listed in Section 3.3 below on or before the Effective Date.

## 3.2 Reimbursement of Attorneys' Fees and Costs

For all work performed as a result of investigating, bringing this matter to Colson's attention and negotiating a settlement in the public interest through the mutual execution of this Consent Judgment and the Court's approval of the same, but exclusive of fees and costs on appeal, if any, Colson shall reimburse SPFC and its counsel \$24,000.00. 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. Colson's payment shall delivered to the address in Section 3.3 in the form of checks payable to "Moore Law Firm, P.C." on or before the Effective Date. The reimbursement shall cover all fees and costs incurred by SPFC investigating, bringing this matter to Colson's 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) 300 South First Street, Suite 342 San Jose, California 95113

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Judgment.

CLAIMS COVERED AND RELEASED

4.1 SPFC's Public Release of Proposition 65 Claims

This Consent Judgment is a full, final, and binding resolution between SPFC, acting on its own behalf and on behalf of the public interest, releases Colson and its parents, subsidiaries, affiliated entities under common ownership, directors, officers, agents employees, attorneys, downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees, expressly including Buy Buy, Inc., Wal-Mart Stores, Inc., Amazon.com, Inc., and Lucky Vitamin, LLC (collectively, "Releasees"), and for any claims with respect to any Covered Products manufactured, imported, distributed or sold by Colson and on or prior to the date of entry of this Consent Judgment, including but not limited to any violations arising under Proposition 65 that was or could have been asserted in the Action against Colson and the Releasees for unwarned exposures to lead from the Covered Products manufactured, imported, distributed or sold by Colson prior to the Effective Date ("Proposition 65 Claims"). This Consent Judgment shall have preclusive effect such that no other person or entity, whether purporting to act in his, her or its interest or the public interest shall be permitted to pursue and/or take any action with respect to any violation of Proposition 65 that was alleged in the Action or that could have been brought pursuant to the Notice against Colson and the Releasees as to alleged exposure to lead in the Covered Products, as set forth in the Notice and Action. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by Colson and it is deemed sufficient to satisfy all obligations concerning compliance by the Releasees with respect to the alleged or actual failure to warn about exposures to lead from Products manufactured, sold or distributed for sale and any and all other requirement of Proposition 65 with respect to the products by Colson after the Effective Date.

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

Colson about mutually agreeable steps the Parties can take to ensure entry of the Consent

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#### 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 Colson and the Releasees which shall have preclusive effect such that SPFC shall not be permitted to pursue and/or take any action with respect to any other statutory or common law claim to the fullest extent that any such claim was or could have been asserted by SPFC against Colson and the 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 lead in Covered Products manufactured, imported, distributed or sold by Colson and/or the Releasees, or the failure to provide a clear and reasonable warning of exposure as well as any other claim based in whole or in part on the facts alleged in the Action and the Notice, based on actions committed before the Effective Date ("Chemical Exposure Claims").

#### 4.3 Waiver of Rights Under Section 1542 of the California Civil Code

As to SPFC's public release of Proposition 65 Claims set forth in Section 4.1 ("Public Release") and its individual release of Chemical Exposure Claims set forth in 4.2 ("Individual Release"), SPFC, acting on its own behalf and on behalf of the public with respect to the Public Release and acting in its individual capacity with respect to the Individual Release, waives all rights to institute any and all manner of actions, causes of action, claims, demands, rights, suits, obligations, debts, contracts, agreements, promises liabilities, damages, charges, losses, costs, expenses and attorney's fees of any nature whatsoever, known or unknown, in law or equity, fixed or contingent now or in the future with respect to the Covered Products manufactured, distributed, or sold by Colson and the Releasees who may use, maintain, distribute or sell the Covered Products, for the Proposition 65 Claims and the Chemical Exposure Claims (referred to collectively in this Sections as "Claims"). In furtherance of the foregoing, SPFC, acting on its own behalf and on behalf of the public with respect to the Public Release and acting in its individual capacity with respect to the Individual Release, waives any and all rights and benefits

which SPFC now has, or in the future may have, conferred upon SPFC with respect to the Claims by virtue of the provisions of § 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

#### 4.3 Colson's Release of SPFC

Colson, on its own behalf and on behalf of its 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.

### 5. ENTRY OF CONSENT JUDGMENT

The Parties hereby request that the Court promptly enter this Consent Judgment. Upon entry of this Consent Judgment, SPFC and Colson waive their respective rights to a hearing or trial on the allegations of the Action and Notice.

### 5.1 COURT APPROVAL

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 Colson 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 Colson shall support, appearing at the hearing if so requested.

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### 6. SEVERABILITY

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. GOVERNING LAW

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 Covered Products, then Colson 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, and to the extent that, the Covered Products are so affected. Nothing in this Consent Judgment shall be interpreted to relieve Colson from its obligation to comply with any pertinent state or federal law or regulation.

### 8. NOTICE

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

To Colson: To SPEC:

Wendy Colson, RN

Colson Health, Inc.

PO Box 235473

Encinitas, CA 92023

Moore Law Firm, P.C.

Attn: Proposition 65 (SPFC)

300 South First Street, Suite 342

San Jose, California 95113

With a copy to

William F. Tarantino Morrison & Foerster LLP 425 Market Street, Suite 3300 San Francisco, CA 94103

[PROPOSED] CONSENT JUDGMENT

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

#### 9. COUNTERPARTS, FACSIMILE AND PDF SIGNATURES

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

#### 10. **COMPLIANCE WITH REPORTING REQUIREMENTS**

SPFC and its counsel agree to comply with the reporting form requirements referenced in California Health and Safety Code section 25249.7(f).

#### 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

#### 12.1 **No Other Agreements**

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

1	in this Consent Judgment shall release, or in any way affect any rights that Colson might have		
2	against any other party.		
3	12.2 Construction		
4	The Parties have participated in the preparation of this Consent Judgment and this		
5	Consent Judgment is the result of the joint efforts of the Parties. Each Party has had the		
6	opportunity to consult counsel with regard to the preparation of this Consent Judgment. This		
7	Consent Judgment was subject to revision and modification by the Parties and has been accepted		
8	and approved as to its final form by all Parties. Accordingly, any uncertainty or ambiguity		
9	existing in this Consent Judgment shall not be interpreted against any Party as a result of the		
10	manner of the preparation of this Consent Judgment. Each Party to this Consent Judgment agrees		
11	that any statute or rule of construction providing that ambiguities are to be resolved against the		
12	drafting Party should not be employed in the interpretation of this Consent Judgment and, in this		
13	regard the Parties hereby waive California Civil Code section 1654.		
14	13. <u>AUTHORIZATION</u>		
15	The undersigned are authorized to execute this Consent Judgment on behalf of their		
16	respective Parties and have read, understood, and agree to all of the terms and conditions of this		
17	Consent Judgment.		
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19	Dated: Jul 8, 2020  KR Moore (Jul 8, 2020 15:35 PDT)  Soft Pure decade for Callifornian and LL C		
20	Safe Products for Californians, LLC By: Randy Moore, Operating Manager		
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22	Dated:		
23	Colson Health, Inc. By: Wendy Colson		
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25	IT IS SO ORDERED.		
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27	Dated:		

JUDGE OF THE SUPERIOR COURT

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17	Consent Judgment.	
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19	Dated:	G.C.D. 1 . C. G.I'G
20		Safe Products for Californians, LLC By: Randy Moore, Operating Manager
21		$\Omega$
22	Dated: 7-10-20	
23		Colson Health, Inc. By: Wendy Colson
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25	IT IS SO ORDERED.	
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27	Dated:	HIDOE OF THE GIBERION COVERS
2.75		JUDGE OF THE SUPERIOR COURT