1	Tanya E. Moore, SBN 206683 MOORE LAW FIRM, P.C. 332 North Second Street San Jose, California 95112 Telephone (408) 298-2000 Facsimile (408) 298-6046		
2			
3			
4	E-mail: service@moorelawfirm.com		
5	Attorneys for Plaintiff Safe Products for Californians, LLC		
6 7			
8	SUPERIOR COUR	T OF CALIFORNIA	
9	COUNTY OF SANTA CLARA		
10	Countror		
11	SAFE PRODUCTS FOR CALIFORNIANS,	) No. 19CV348901	
12	LLC,	) ) [PROPOSED] CONSENT JUDGMENT	
13	Plaintiff,	}	
14	VS.	(Health & Safety Code § 25249.5, et seq.)	
15	HOMEGOODS, INC., et al.;	Ś	
16	Defendants.	) )	
17		) -)	
18	1. <u>INTRODUCTION</u>		
19	1.1 Parties		
20	This Consent Judgment ("Consent Judgment") is entered into by and between Safe		
21	Products for Californians, LLC ("SPFC") and Orient Solutions Ltd. ("Orient Solutions"). SPFC		
22	and Orient Solutions are each referred to individually as a "Party" and collectively as the		
23	"Parties." Defendants HomeGoods, Inc. and T.J. Maxx of CA, LLC (collectively "TJX") and		
24	Amazon.com, Inc. ("Amazon," and together with Orient Solutions and TJX, collectively referred		
25	to as "Defendants") 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		

3

4 5

6

7

8 9

10

11 12

13

14 15

16 17

18

19

20

21

22

23 24

25

26

27

28

toxic chemicals, and to improve human health by reducing or eliminating harmful substances contained in consumer and commercial products.

#### 1.3 **Orient Solutions**

For purposes of this Consent Judgment only, SPFC alleges that Orient Solutions 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 dietary supplements that Defendants manufacture, import, sell and/or distribute for sale in California cause exposure to lead and lead compounds (hereinafter referred to as "lead") 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 Consent Judgment are identified as "Minvita Cacao Superfood Nibs," UPC 5-060255-370278, S053640; "Minvita Energy Superfood Blend," UPC 5-060255-370476, S064890; "Minvita Mulberry Superfood Blend," UPC 5-060255-370285, ASIN B00HVEOE4G; "Minvita Moringa Superfood Powder," UPC 5-060255-370223, ASIN B075CT5P39; and "Minvita Detox Superfood Blend," UPC 5-060255-370483, ASIN B072J8J5V7; that are manufactured, imported, distributed, sold and/or offered for sale by Orient Solutions and/or its customers in the state of California, hereinafter the "Covered Products."

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

On or about November 15, 2018, SPFC served TJX and Amazon, and certain 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 Covered Products expose users to lead and lead compounds. 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 May 28, 2019, SPFC commenced the instant action for the alleged violations of Proposition 65 that are the subject of the Notice.

#### 1.8 No Admission

Orient Solutions denies the material, factual, and legal allegations contained in the Notice and Complaint, 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 Orient Solutions. This Section shall not, however, diminish or otherwise affect Orient Solutions' 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 Orient Solutions 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.

#### 2. <u>INJUNCTIVE RELIEF</u>

#### 2.1 Reformulated Covered Products

As of the Effective Date, Orient Solutions shall be permanently enjoined from manufacturing for sale in the State of California, "Distributing into the State of California," or directly selling in the State of California, any Covered Products manufactured after the Effective

Date that expose a person to a "Daily Lead Exposure Level" of more than 0.5 micrograms of lead per day, unless it meets the warning requirements under section 2.2.

- **2.1.1** As used in this Consent Judgment, the term "Distributing into the State of California" shall mean to directly ship a Covered Product into California for sale in California or to sell a Covered Product to a distributor Orient Solutions knows or has reason to know will sell the Covered Products in California.
- 2.1.2 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 label), which equals micrograms of lead exposure per day. If the label contains no recommended daily servings, then the number of recommended daily shall be one.

### 2.2 Clear and Reasonable Warnings

For any Covered Products manufactured after the Effective Date that do not meet the standard for Reformulated Covered Products in Section 2.1 of this Consent Judgment, Orient Solutions shall provide one of the following warnings:

#### **OPTION 1:**

" A 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="https://www.P65warnings.CA.gov/food">www.P65warnings.CA.gov/food</a>"

OR:

#### **OPTION 2:**

"AWARNING: [Cancer and] Reproductive Harm - www.P65Warnings.ca.gov"

Orient Solutions shall use the phrase "cancer and" in the Warning if Orient Solutions has reason to believe that the "Daily Lead Exposure Level" is greater than 15 micrograms of lead or if Orient Solutions has reason to believe that another Proposition 65 chemical is present which

may require a cancer warning. The words "chemicals including" may be deleted from the warning content if the warning is being provided for an exposure to lead only.

The warning provided pursuant to Section 2.2 shall be prominently affixed to or printed upon the container or label of each Covered Product. 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 Orient Solutions sells over the internet, including but not limited to products sold by Orient Solutions on Amazon.com, 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.

In the event Orient Solutions 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. No statements intended to or likely to have the effect of diminishing the impact of the Warning on the average lay person shall accompany the Warning. Further, no statements may accompany the Warning that state or imply that the source of the listed chemical has an impact on or results in a less harmful effect of the listed chemical.

Orient Solutions must display the above Warning on the Covered 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.

#### 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), Orient Solutions shall pay civil penalties in the amount of \$1,000.00. 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 Orient Solutions' penalty payment under this Consent Judgment to OEHHA. Within ten (10) business days of the Effective Date, Orient Solutions 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 Consent Judgment and the Court's approval of the same, but exclusive of fees and costs on appeal, if any, Orient Solutions shall reimburse SPFC and its counsel \$10,000.00. 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. Orient Solutions' payment shall be due within ten (10) business days the Effective Date, and delivered to the address in Section 3.3 in the form of a check payable to "Moore Law Firm, P.C." 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

#### 4. CLAIMS COVERED AND RELEASED

#### 4.1 SPFC's Release of Proposition 65 Claims

This Consent Judgment is a full, final and binding resolution between SPFC, on behalf of itself and in the public interest, its past and current agents, representatives, attorneys, successors, and assignees, and Orient Solutions, Amazon, and TJX including each of their parents, subsidiaries, affiliated entities under common ownership, directors, officers, agents, employees, and attorneys and the predecessors, successors, or assigns of each of them ("Releasees") and each entity to whom Orient Solutions directly or indirectly distribute or sell the Covered Products including, but not limited to, their downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors and licensees including, but not limited to, TJX ("Downstream Releasees") for all claims for any violations arising under Proposition 65 for unwarned exposures to lead from the Covered 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 lead from Covered Products manufactured, sold or distributed for sale by Orient Solutions 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 lead in Covered Products manufactured, imported, distributed or sold by Defendants before the Effective Date.

27 |

28 II

#### 4.3 Orient Solutions's Release of SPFC

Orient Solutions, 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, or with respect to the Covered Products.

#### 4.4 Waiver of Civil Code Section 1542

With respect to the foregoing waivers and releases in this Settlement Agreement, SPFC hereby specifically waives any and all rights and benefits which it now has, or in the future may have, conferred by virtue of the provisions of Section 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.

#### 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. 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.

[PROPOSED] CONSENT JUDGMENT

#### 6. **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 Orient Solutions 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 Orient Solutions from its obligation to comply with any pertinent state or federal law or regulation.

#### 7. **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 Orient Solutions:

To SPFC:

16 Orient Solutions Ltd.

Park House

15-19 Greenhill Crescent

Watford

**WD18 8PH** 

Moore Law Firm, P.C.

Attn: Proposition 65 (SPFC)

332 North Second Street

San Jose, California 95112

19 20

21

22

23

24

25

26

27

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

17

18

With copy to:

Jeff Margulies

Norton Rose Fulbright US LLP

555 South Flower Street, 40th Floor

Los Angeles, CA 90043

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.

### 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.

28

## 

## 

## 

# 

## 

# 

### 

# 

### 

## 

## 

# 

### 9. <u>COMPLIANCE WITH REPORTING REQUIREMENTS</u>

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

#### 10. 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.

#### 11. <u>OTHER TERMS</u>

#### 11.1 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 in this Consent Judgment shall release, or in any way affect any rights that Orient Solutions might have against any other party.

#### 11.2 Construction

The Parties have participated in the preparation of this Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties. Each Party has had the opportunity to consult counsel with regard to the preparation of this Consent Judgment. This Consent Judgment was subject to revision and modification by the Parties and has been accepted

	<b> </b>		
1	and approved as to its final form by all Parti	es. Accordingly, any uncertainty or ambiguity	
2	existing in this Consent Judgment shall not be interpreted against any Party as a result of the		
3	manner of the preparation of this Consent Judgment. Each Party to this Consent Judgment agree		
4	that any statute or rule of construction providing that ambiguities are to be resolved against th		
5	drafting Party should not be employed in the interpretation of this Consent Judgment and, in thi		
6	regard the Parties hereby waive California Civil Code section 1654.		
7	12. <u>AUTHORIZATION</u>		
8	The undersigned are authorized to execute this Consent Judgment on behalf of their		
9	respective Parties and have read, understood, and agree to all of the terms and conditions of thi		
10	Consent Judgment.	<i>i</i> //	
11			
12		Products for Californians, LLC	
13	7 11	: Randy Moore, Operating Manager	
14	4		
15		iental Solutions Ltd.	
16	a 11	:(name),(title)	
17	7		
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28	5		

and approved as to its final form by all Parties. 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 against the drafting Party should not be employed in the interpretation of this Consent Judgment and, in this regard the Parties hereby waive California Civil Code section 1654.

#### 12. **AUTHORIZATION**

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

Dated:	
Dateu.	

Dated: 03/07/19

Safe Products for Californians, LLC By: Randy Moore, Operating Manager

Oriental Solutions Ltd.

By: Paul Gugulain (name), Director (title)