

George Rikos, Esq. (SBN 204864)
LAW OFFICES OF GEORGE RIKOS
555 West Beech Street, Suite 500
San Diego, CA 92101
Telephone: (858) 342-9161
Facsimile: (858) 724-1453
Email: george@georgerikoslaw.com

Attorneys for Plaintiff,
CHARLES JAMISON

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

CHARLES JAMISON, an individual

Plaintiff,

v.

NFUZED CROSSTOWN HOLDINGS a
Colorado Limited Liability Corporation;
DRGREEN RX, a California Corporation;
DOES 1-10

Defendants.

Case No. 37-2021-00049518-CU-MC-CTL

**PROPOSED CONSENT JUDGMENT AS
TO CROSSTOWN CALIFORNIA
HOLDINGS, LLC**

1. INTRODUCTION

1.1 The Parties. This Consent Judgment ("Consent Judgment") is entered into by and between Charles Jamison ("PLAINTIFF") and Crosstown California Holdings, LLC, a California Limited Liability Company (erroneously named herein as "Nfuzed Crosstown Holdings a Colorado Limited Liability Corporation") ("DEFENDANT"). Together, PLAINTIFF and DEFENDANT are collectively referred to as the "Parties." PLAINTIFF is an individual that resides in the State of California and seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products. For purposes of this Consent Judgment only, DEFENDANT stipulates, in accordance with section 1.5 below, that it is a person in the course of doing business for purposes

1 of the Safe Drinking Water and Toxic Enforcement Act of 1986, Cal. Health & Safety Code §
2 25249.6, *et seq.* (“Proposition 65”).

3 **1.2 General Allegations.** PLAINTIFF alleges the DEFENDANT exposed individuals in
4 the State of California to Cannabis, Cannabis Smoke, and/or delta-9-Tetrahydrocannabinol (“THC”)
5 from its sales of certain products without providing consumers of the products with a clear and
6 reasonable health hazard exposure warning as required pursuant to Proposition 65. Cannabis
7 (Marijuana) smoke is listed pursuant to Proposition 65 as a chemical known to the State of California
8 to cause cancer and developmental toxicity. THC is listed pursuant to Proposition 65 as a chemical
9 known to the State of California to cause developmental toxicity.

10 **1.3 Product Description.** The products covered by this Consent Judgment are NFuzed
11 CBD/THC Gummies (“Product”), including, without limitation, all varieties and pack sizes of the
12 Product, including all flavors, that have been manufactured, imported, distributed, offered for sale,
13 and/or sold in California by DEFENDANT or its affiliates (the “Products”).

14 **1.4 Notice of Violation, Complaint, and Jurisdiction.** On January 6, 2021,
15 PLAINTIFF served DEFENDANT and various public enforcement agencies with a document
16 entitled “Notice of Violation of California Health & Safety Code § 25249.6 *et seq.*” (the “Notice”).
17 The Notice provided DEFENDANT and such others, including public enforcers, with notice that
18 alleged that DEFENDANT was in violation of Proposition 65 for failing to warn California
19 consumers and customers that use of the Products will expose them to Cannabis, Cannabis Smoke,
20 and/or THC. No public enforcer has diligently prosecuted the allegations set forth in the Notice.
21 On November 23, 2021, based on the Notice and the absence of any authorized public prosecutor
22 of Proposition 65 having filed a suit based on the allegations contained therein, PLAINTIFF filed a
23 complaint in the Superior Court of and for San Diego County (the “Court”), Case No. 37-2021-
24 00049518-CU-MC-CTL (the “Action”). For purposes of this Consent Judgment, the Parties
25 stipulate that the Court has jurisdiction over the allegations in the Complaint and personal
26 jurisdiction over DEFENDANT, that venue is proper in the County of San Diego, and that the Court
27 has jurisdiction to enter this Consent Judgment as a full and final resolution of the claims and
28 allegations which were or could have been raised in the Action based on the facts alleged therein

1 and/or in the Notice.

2 **1.5 No Admission.** This Consent Judgment resolves claims that are denied and
3 disputed. The Parties enter into this Consent Judgment as a full and final resolution of any and all
4 claims between the Parties for the purpose of avoiding prolonged litigation. DEFENDANT denies
5 each and every material, factual, and legal allegation contained in the Notice and the Action and
6 maintains that it has not violated Proposition 65 and/or is not subject to that law. Nothing in this
7 Consent Judgment shall be construed as an admission by DEFENDANT of any fact, finding,
8 conclusion of law, issue of law, or violation of law; nor shall compliance with this Consent
9 Judgment constitute or be construed as an admission by DEFENDANT of any fact, finding,
10 conclusion of law, issue of law, or violation of law, such being specifically denied by
11 DEFENDANT. However, this Section 1.5 shall not diminish or otherwise affect the obligations,
12 responsibilities, and duties of DEFENDANT under this Consent Judgment.

13 **1.6 Effective Date.** For purposes of this Consent Judgment, the term “Effective Date”
14 shall mean the date this Consent Judgment has been approved by the Court and PLAINTIFF has
15 provided notice to DEFENDANT that it has been entered in the Court’s records as a consent
16 judgment.

17 **2. INJUNCTIVE RELIEF**

18 **2.1 Warning**

19 As of the Effective Date, and continuing thereafter, a clear and reasonable exposure
20 warning as set forth in this §§ 2.1 - 2.3 must be provided in accordance with 27 CCR § 25602 for
21 all sales made to California consumers, including purchases made on-line, over the internet, or
22 through use of a catalog. There shall be no obligation for such an exposure warning to be provided
23 for Products that entered the stream of commerce prior to the Effective Date. The warning shall
24 consist of either the Warning or Alternative Warning described in §§ 2.1(a) or (b), respectively,
25 unless provided pursuant to § 2.3:

26 (a) **Warning:** The “Warning” shall consist of the statement:

27 **⚠WARNING:** This product can expose you to Cannabis, Cannabis Smoke and/or THC, which
28 is known to the State of California to cause cancer. For more information go to

1 www.P65Warnings.ca.gov

2 (b) **Alternative Warning:** Purported Violators may, but are not required to, use the
3 alternative short-form warning as set forth in this § 2.3(b) (“Alternative Warning”)
4 as follows:

5 **⚠WARNING:** Cancer and Reproductive Harm - www.P65Warnings.ca.gov.

6 **2.2 A Warning or Alternative Warning** provided pursuant to § 2.1 must have the
7 term “**WARNING:**” printed in all capital letters and in bold font. The warning symbol to the left
8 of the word “**WARNING:**” must be a black exclamation point in a yellow equilateral triangle with
9 a black outline, except that if the label for the Products does not use the color yellow, the symbol
10 may be in black and white. The symbol must be in a size no smaller than the height of the word
11 “**WARNING:**”. The warning shall be affixed to or printed on the Products’ packaging or labeling
12 and displayed with such conspicuousness, as compared with other words, statements, or designs as
13 to render it likely to be read and understood by an ordinary individual under customary conditions
14 of purchase or use.

15 **2.3 Compliance with Warning Regulations.** The Purported Violators shall be deemed
16 to be in compliance with this Settlement Agreement by either adhering to §§ 2.1 and 2.2 of this
17 Settlement Agreement or by complying with any applicable warning requirements adopted by the
18 State of California’s Office of Environmental Health Hazard Assessment (“OEHHA”).

19 **3. CONSENT JUDGMENT PAYMENTS**

20 **3.1 Civil Penalties**

21 DEFENDANT shall pay \$2,000.00 as a civil penalty, allocated in accordance with Cal.
22 Health & Safety Code §§ 25249.12(c)(1) and (d), with 75% of the penalty to be remitted to the
23 OEHHA and the remaining 25% of the Penalty remitted to PLAINTIFF no later than ten (10)
24 calendar days following the Effective Date. More specifically, DEFENDANT shall issue two
25 separate checks for the civil penalty payment to (i) “Office of Environmental Health Hazard
26 Assessment” in the amount of \$1,500.00 (75%); and to (ii) “Law Offices of George Rikos in Trust”
27 in the amount of \$500.00 (25%). Within ten (10) calendar days of the Effective Date, DEFENDANT
28 shall deliver these payments as follows:

(i) The penalty payment owed to PLAINTIFF shall be delivered to the following address:

George Rikos
Law Offices of George Rikos
555 West Beech, Suite 500
San Diego, CA 92101

(ii) The penalty payment owed to OEHHHA (EIN: 68-0284486) shall be delivered directly to OEHHHA (Memo Line "Prop 65 Penalties") at the following address:

For United States Postal Service Delivery:

Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
P.O. Box 4010
Sacramento, CA 95812-4010

For Non-United States Postal Service Delivery

Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
1001 I Street
Sacramento, CA 95814

DEFENDANT shall provide PLAINTIFF'S counsel with a copy of the check it sends to OEHHHA with its penalty payment to PLAINTIFF. In association with the issuance of the payments under this Consent Judgment, DEFENDANT will issue IRS 1099 or other forms as appropriate given the payees.

3.2 Attorneys' Fees and Litigation Costs

Within ten (10) calendar days of the Effective Date, DEFENDANT shall reimburse PLAINTIFF's counsel \$18,000.00 for fees and costs incurred as a result of investigating and bringing this matter to DEFENDANT'S attention, negotiating a Consent Judgment in the public interest, and obtaining the Court's approval of the Consent Judgment and its entry as a consent judgment. DEFENDANT shall issue a check for this amount payable to "Law Offices of George Rikos" and deliver it to the address identified in Section 3.1 above. DEFENDANT'S payment obligations shall be tolled until it receives an IRS W-9 form for

1 this payee.

2 **4. RELEASE OF ALL CLAIMS**

3 **4.1 Release of DEFENDANT & Related Entities.** This Consent Judgment is a full,
4 final and binding resolution between PLAINTIFF, acting on his own behalf and in the public
5 interest, and DEFENDANT of any violation of Proposition 65 that was or could have been asserted
6 by PLAINTIFF or on behalf of his past and current agents, representatives, attorneys, predecessors,
7 successors, and/or assigns (collectively, "Releasors") for failure to provide warnings for alleged
8 exposures to Cannabis, Cannabis Smoke, and/or THC contained in the Products, and Releasors
9 hereby release any such claims against DEFENDANT and its parents, shareholders, members,
10 directors, officers, principals, managers, employees, representatives, agents, attorneys, insurers,
11 divisions, subdivisions, subsidiaries, partners, sister companies (including Crosstown Holdings,
12 LLC, a Colorado limited liability company), and affiliates, and their predecessors, successors, and
13 assigns, the unidentified and unnamed DOES 1 through 10, and each entity that directly or indirectly
14 manufactures, produces, distributes, ships, or sells the Products, including but not limited to,
15 upstream suppliers of ingredients used in the Products, entities that manufacture, process, or
16 otherwise produce the Products for DEFENDANT, and all downstream distributors, wholesalers,
17 customers, retailers, franchisees, and licensees, and their owners, directors, officers, agents,
18 principals, employees, attorneys, insurers, representatives, predecessors, successors, and assigns
19 (collectively, "DEFENDANT Releasees") from all claims for or based on violations of Proposition
20 65 with respect to any Products manufactured, distributed, and/or sold by DEFENDANT prior to
21 the Effective Date based on failure to warn of alleged exposure to the Cannabis, Cannabis Smoke,
22 and/or THC from the Products. ***This release explicitly does not include claims against Dr. Green***
23 ***RX.***

24 **4.2 DEFENDANT'S Release of PLAINTIFF.** DEFENDANT, on behalf of itself and
25 its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives
26 any and all claims against PLAINTIFF, his attorneys, and other representatives, for any and all
27 actions taken or statements made by PLAINTIFF and/or his attorneys and other representatives,
28 whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against

1 it in this matter.

2 **4.3 California Civil Code Section 1542.** It is possible that other claims not known to
3 the Parties arising out of the facts alleged in the Notice and relating to the Products will develop or
4 be discovered. PLAINTIFF on behalf of himself only, on one hand, and DEFENDANT, on the
5 other hand, acknowledge that this Consent Judgment is expressly intended to cover and include all
6 such claims up through the Effective Date, including all rights of action therefor. The Parties
7 acknowledge that the claims released in Sections 4.1 and 4.2, above, may include unknown claims,
8 and nevertheless waive California Civil Code Section 1542 as to any such unknown claims.
9 California Civil Code Section 1542 reads as follows:

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

16 PLAINTIFF and DEFENDANT each acknowledge and understand the significance and
17 consequences of this specific waiver of California Civil Code Section 1542. ***This release explicitly***
18 ***does not include claims against Dr. Green RX.***

19 **4.4 Deemed Compliance with Proposition 65.** Compliance by DEFENDANT with this
20 Consent Judgment constitutes compliance with Proposition 65 with respect to exposure to Cannabis,
21 Cannabis Smoke, and/or THC from the Products. Products distributed by DEFENDANT prior to
22 the Effective Date may be sold through as previously manufactured and labeled.

23 **5. ENTRY OF CONSENT JUDGMENT**

24 The Parties hereby request that the Court promptly enter this Consent Judgment as a
25 consent judgment based on the motion for its approval PLAINTIFF will be making
26 pursuant to Section 10 below. Upon entry of the Consent Judgment as a consent judgment,
27 PLAINTIFF and DEFENDANT waive their respective rights to a hearing or trial on the
28 allegations contained in the Complaint.

1 **6. SEVERABILITY**

2 If, subsequent to the execution of this Consent Judgment, any of the provisions of this
3 Consent Judgment are deemed by a court to be unenforceable, the validity of the enforceable
4 provisions remaining shall not be adversely affected but only to the extent the deletion of the
5 provision deemed unenforceable does not materially affect, or otherwise result in the effect of the
6 Consent Judgment being contrary to the intent of the Parties in entering into this Consent Judgment.

7 **7. GOVERNING LAW/ENFORCEMENT**

8 The terms of this Consent Judgment shall be governed by the law of the State of California
9 and apply within the State of California. The rights to enforce the terms of this Consent Judgment
10 are exclusively conferred on the Parties hereto. Any Party may, after providing sixty (60) days'
11 written notice and meeting and conferring within a reasonable time thereafter to attempt to resolve
12 any issues, by motion or application for an order to show cause before this Court, enforce the terms
13 and conditions contained in this Consent Judgment. In the event that Proposition 65 or its
14 regulations applicable to the Products are repealed, or are otherwise rendered inapplicable or invalid,
15 including but not limited to by reason of law generally, due to federal preemption, or the First
16 Amendment commercial speech rights of the U.S. Constitution, as determined by a court of
17 competent jurisdiction or an agency of the federal government, then DEFENDANT shall provide
18 written notice to PLAINTIFF of any asserted repeal or determination. Upon DEFENDANT'S
19 written notice, DEFENDANT shall have no further obligations pursuant to this Consent Judgment
20 to the extent such repeal or determination affects DEFENDANT'S obligations with respect to the
21 Product.

22 **8. NOTICES**

23 Unless specified herein, all correspondence and notices required to be provided pursuant to
24 this Consent Judgment shall be in writing and personally delivered or sent by: (i) first-class
25 (registered or certified mail) return receipt requested; or (ii) overnight or two-day courier on any
26 Party by the other Party to the following addresses:

27 ///

28 ///

1 For DEFENDANT:

2 Dan Williams, Attorney at Law
3 Hutchinson Black And Cook, LLC
4 921 Walnut Street, Suite 200
Boulder, CO 80302
email: Williams@hbcboulder.com

5 For PLAINTIFF:

6 George Rikos, Esq.
7 Law Offices of George Rikos
8 555 West Beech, Suite 500
San Diego, CA 92101
9 Email: george@georgerikoslaw.com

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

12 **9. COUNTERPARTS: SIGNATURES**

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

16 **10. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)**

17 PLAINTIFF agrees to comply with the reporting requirements referenced in Health & Safety
18 Code Section 25249.7(f) and to seek, by formal and properly noticed motion (including with service
19 to the Office of the California Attorney General being fully effectuated at least forty-five (45) days
20 prior to a requested hearing thereon), approval of this Consent Judgment's terms pursuant to
21 Proposition 65 and its associated entry as a consent judgment by the Court.

22 **11. MODIFICATION**

23 Unless otherwise provided for herein, this Consent Judgment may be modified only by a
24 written agreement of the Parties and the approval of the Court or upon a duly noticed motion of
25 either Party for good cause shown. A showing of technical infeasibility or commercial
26 unreasonableness in meeting the requirements of Section 2 with respect to the Products shall be
27 deemed to constitute good cause for a modification to substitute an alternative no significant risk
28 level on the basis of 27 Cal. Code Regs. § 25703(b) and such a modification shall not be opposed

1 by PLAINTIFF. Any proposed modification shall be sent to the Office of the California Attorney
2 General in advance of its submission to the Court such that the Attorney General has a reasonable
3 opportunity to review and comment thereon.

4 **12. ENTIRE AGREEMENT**

5 This Consent Judgment contains the sole and entire agreement of the Parties and any and all
6 prior negotiations and understandings related hereto shall be deemed to have been merged within it.
7 No representations or terms of agreement other than those contained herein exist or have been made
8 by any Party with respect to the other Party or the subject matter hereof. This Consent Judgment
9 shall have no effect if it is not approved by the Court and entered as a consent judgment.

10 **13. AUTHORIZATION**

11 The undersigned are authorized to execute this Consent Judgment and have read, understood,
12 and agree to all of the terms and conditions contained in this Consent Judgment.

13 **APPROVED AS TO FORM:**

14 Date: _____

15 By: _____
16 George Rikos
17 Counsel to PLAINTIFF

APPROVED AS TO FORM:

Date: February 1, 2022

By: 
Merton Howard
Counsel for DEFENDANT

18 **AGREED TO:**

19 Date: _____

20 By: _____
21 Charles Jamison

AGREED TO:

Date: 2-4-2022

By: 
Crosstown California Holdings, LLC

22
23 **IT IS SO ORDERED, ADJUDGED, AND DECREED THAT THE CONSENT JUDGMENT**
24 **SET FORTH ABOVE SHALL PROMPTLY BE ENTERED AS A CONSENT JUDGMENT**
25 **BY THIS COURT:**

26 DATED: _____

27 _____
JUDGE OF THE SUPERIOR COURT

12. ENTIRE AGREEMENT

13. AUTHORIZATION

APPROVED AS TO FORM:

By: George Rikos
George Rikos
Counsel to PLAINTIFF

APPROVED AS TO FORM:

By: Merton Howard
Merton Howard
Counsel for DEFENDANT

AGREED TO:

Date: _____
By: Charles Jamison

AGREED TO:

Date: _____
By: _____
Crosstown California Holdings, LLC

DATED:

JUDGE OF THE SUPERIOR COURT