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6	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
7	COUNTY OF SAN DIEGO		
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9	CHARLES JAMISON, an individual	Case No. 37-2021-00049608-CU-MC-CTL	
10	Plaintiff,	[PROPOSED] CONSENT JUDGMENT	
11	v.		
12	ALBERT EINSTONE'S, LLC., a California Limited Liability Corporation; DOES 1	Dept.: C-67 Judge: Hon. Eddie C. Sturgeon	
13	through 10, inclusive Defendants.		
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16	1. INTRODUCTION		
17	1.1 The Parties. This Consent Judgment ("Consent Judgment") is entered into by		
18	and between Charles Jamison ("PLAINTIFF") and ALBERT EINSTONE'S, LLC, a California		
19	limited liability company ("DEFENDANT"). Together, PLAINTIFF and DEFENDANT are		
20	collectively referred to as the "Parties." PLAINTIFF is an individual that resides in the State of		
21	California and seeks to promote awareness of exposures to toxic chemicals and to improve human		
22	health by reducing or eliminating hazardous substances contained in consumer products. For		
23	purposes of this Consent Judgment only, DEFENDANT stipulates, in accordance with section 1.5		
24	below, that it is a person in the course of doing business for purposes of the Safe Drinking Water		
25	and Toxic Enforcement Act of 1986, Cal. Health & Safety Code § 25249.6, <i>et seq.</i> ("Proposition		
26	65").		
27	1.2 General Allegations . PLAINTIFF alleges the DEFENDANT exposed individuals in		
28	the State of California to delta-9-Tetrahydrocannabinol ("THC") from its sales of certain products		
	1 PROPOSED CONSENT JUDGMENT		
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without providing consumers of the products with a clear and reasonable health hazard exposure
warning as required pursuant to Proposition 65. THC is listed pursuant to Proposition 65 as a
chemical known to the State of California to cause developmental toxicity.

1.3 Product Description. The products covered by this Consent Judgment are Simply
Stoneaid (aka Simply Stoneade) ("Product"), including, without limitation, all varieties and pack
sizes of the Product, including all flavors, that have been manufactured, imported, distributed,
offered for sale, and/or sold in California by DEFENDANT or its affiliates (the "Products").

8 1.4 Notice of Violation, Complaint, and Jurisdiction. On January 6, 2021, 9 PLAINTIFF served DEFENDANT and various public enforcement agencies with a document 10 entitled "Notice of Violation of California Health & Safety Code § 25249.6 et seq." (the "Notice"). 11 The Notice provided DEFENDANT and such others, including public enforcers, with notice that 12 alleged that DEFENDANT was in violation of Proposition 65 for failing to warn California 13 consumers and customers that use of the Products will expose them to Cannabis, Cannabis Smoke, 14 and/or THC. No public enforcer has diligently prosecuted the allegations set forth in the Notice. 15 On November 23, 2021, based on the Notice and the absence of any authorized public prosecutor 16 of Proposition 65 having filed a suit based on the allegations contained therein, PLAINTIFF filed a 17 complaint in the Superior Court of and for San Diego County (the "Court"), Case No. 37-2021-18 00049608-CU-MC-CTL (the "Action"). For purposes of this Consent Judgment, the Parties 19 stipulate that the Court has jurisdiction over the allegations in the Complaint and personal 20jurisdiction over DEFENDANT, that venue is proper in the County of San Diego, and that the Court 21 has jurisdiction to enter this Consent Judgment as a full and final resolution of the claims and 22 allegations which were or could have been raised in the Action based on the facts alleged therein 23 and/or in the Notice.

1.5 No Admission. This Consent Judgment resolves claims that are denied and
disputed. The Parties enter into this Consent Judgment as a full and final resolution of any and all
claims between the Parties for the purpose of avoiding prolonged litigation. DEFENDANT denies
each and every material, factual, and legal allegation contained in the Notice and the Action and
maintains that it has not violated Proposition 65 and/or is not subject to that law. Nothing in this

1 Consent Judgment shall be construed as an admission by DEFENDANT of any fact, finding, 2 conclusion of law, issue of law, or violation of law; nor shall compliance with this Consent 3 Judgment constitute or be construed as an admission by DEFENDANT of any fact, finding, 4 conclusion of law, issue of law, or violation of law, such being specifically denied by 5 DEFENDANT. However, this Section 1.5 shall not diminish or otherwise affect the obligations, 6 responsibilities, and duties of DEFENDANT under this Consent Judgment. 7 1.6 Effective Date. For purposes of this Consent Judgment, the term "Effective Date" 8 shall mean the date this Consent Judgment has been approved by the Court. 9 2. INJUNCTIVE RELIEF 10 2.1 Cease Sales Or Add A Safe Harbor Compliant Warning 11 As of the Effective Date, the DEFENDANT shall cease sales of the Product in California. 12 If the DEFENDANT chooses to resume sales of the Product in California, a clear and reasonable 13 exposure warning as set forth in this §§ 2.1 - 2.3 must be provided in accordance with 27 CCR § 14 25602, § 25603, §25607.41 and §25601 for all sales made to California consumers. DEFENDANT 15 does not sell the Product online or through catalogs to California consumers. There shall be no 16 obligation for such an exposure warning to be provided for Products that entered the stream of 17 commerce prior to the Effective Date. The warning shall consist of any of the Warnings described 18 as follows: 19 For all products manufactured and labeled on October 1, 2023 or later, the (a) 20"Warning" shall consist of the following statement: 21 **WARNING**: Consuming this product during pregnancy exposes your child to delta-9-THC, 22 which can affect your child's behavior and learning ability. For more information go to 23 www.P65Warnings.ca.gov/cannabis 24 For all products manufactured and labeled before October 1, 2023, the "Warning" (b) 25 shall consist of either of the following statements: 26 WARNING: Reproductive Harm – <u>www.P65Warnings.ca.gov</u> or 27 **AWARNING**: This product can expose you to delta-9-THC, which is known to the State of 28 California to cause birth defects or other reproductive harm. For more information go to

1 www.P65Warnings.ca.gov.

2 2.2 A Warning provided pursuant to § 2.1 must have the term "WARNING:" printed 3 in all capital letters and in **bold** font. The warning symbol to the left of the word "WARNING:" 4 must be a black exclamation point in a yellow equilateral triangle with a black outline, except that 5 if the label for the Products does not use the color yellow, the symbol may be in black and white. 6 The symbol must be in a size no smaller than the height of the word "WARNING:". The warning 7 shall be affixed to or printed on the Products' packaging or labeling and displayed with such 8 conspicuousness, as compared with other words, statements, or designs as to render it likely to be 9 read and understood by an ordinary individual under customary conditions of purchase or use.

2.3 Compliance with Warning Regulations. The Purported Violators shall be deemed
to be in compliance with this Settlement Agreement by either adhering to §§ 2.1 and 2.2 of this
Settlement Agreement or by complying with any applicable warning requirements applicable to
ingestible Delta 9 THC adopted by the State of California's Office of Environmental Health
Hazard Assessment ("OEHHA").

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3. CONSENT JUDGMENT PAYMENTS

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3.1 Civil Penalties

17 DEFENDANT shall pay \$2,500 as a civil penalty, allocated in accordance with Cal. Health 18 & Safety Code §§ 25249.12(c)(1) and (d), with 75% of the penalty to be remitted to the OEHHA 19 and the remaining 25% of the Penalty remitted to PLAINTIFF no later than ten (10) calendar days 20following the Effective Date. More specifically, DEFENDANT shall issue two separate checks for 21 the civil penalty payment to (i) "Office of Environmental Health Hazard Assessment" in the amount 22 of \$1,875 (75%); and to (ii) "Law Offices of George Rikos in Trust" in the amount of \$625 (25%). 23 Within ten (10) calendar days of the Effective Date, DEFENDANT shall deliver these payments as 24 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

1	San Diego, CA 92101	
2	(ii) The penalty payment owed to OEHHA (EIN: 68-0284486) shall be delivered	
3	directly to OEHHA (Memo Line "Prop 65 Penalties") at the following address:	
4	For United States Postal Service Delivery:	
5	Fiscal Operations Branch Chief Office of Environmental Health Hazard Assessment	
6		
7	Sacramento, CA 95812-4010	
8	For Non-United States Postal Service Delivery	
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10	Fiscal Operations Branch Chief Office of Environmental Health Hazard Assessment	
11	1001 I Street Sacramento, CA 95814	
12	Sacramento, CA 95014	
13	DEFENDANT shall provide PLAINTIFF'S counsel with a copy of the check it sends to OEHHA	
14	with its penalty payment to PLAINTIFF. In association with the issuance of the payments under	
15	this Consent Judgment, DEFENDANT will issue IRS 1099 or other forms as appropriate given the	
16	payees.	
17	3.2 Attorneys' Fees and Litigation Costs	
18	The parties stipulate that any award of Attorneys' Fees and litigation costs shall be	
19	determined by a separate noticed motion filed by Plaintiff's counsel which may be heard	
20	concurrently with or after the Court approvals this proposed consent judgment.	
21	4. RELEASE OF ALL CLAIMS	
22	4.1 Release of DEFENDANT & Related Entities. This Consent Judgment is a full,	
23	final and binding resolution between PLAINTIFF, acting on his own behalf and in the public	
24	interest, and DEFENDANT of any violation of Proposition 65 that was or could have been asserted	
25	by PLAINTIFF or on behalf of his past and current agents, representatives, attorneys, predecessors,	
26	successors, and/or assigns (collectively, "Releasors") for failure to provide warnings for alleged	
27	exposures to THC contained in the Products, and Releasors hereby release any such claims against	
28	DEFENDANT and its parents, shareholders, members, directors, officers, principals, managers,	

1 employees, representatives, agents, attorneys, insurers, divisions, subdivisions, subsidiaries, 2 partners, sister companies, and affiliates, and their predecessors, successors, and assigns, the 3 unidentified and unnamed DOES 1 through 10, and each entity that directly or indirectly 4 manufactures, produces, distributes, ships, or sells the Products, including but not limited to, 5 upstream suppliers of ingredients used in the Products, entities that manufacture, process, or 6 otherwise produce the Products for DEFENDANT, and all downstream distributors, wholesalers, 7 customers, retailers, franchisees, and licensees, and their owners, directors, officers, agents, 8 principals, employees, attorneys, insurers, representatives, predecessors, successors, and assigns 9 (collectively, "DEFENDANT Releasees") from all claims for or based on violations of Proposition 10 65 with respect to any Products manufactured, distributed, and/or sold by DEFENDANT prior to 11 the Effective Date based on failure to warn of alleged exposure to the THC from the Products.

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

18 4.3 **California Civil Code Section 1542.** It is possible that other claims not known to 19 the Parties arising out of the facts alleged in the Notice and relating to the Products will develop or 20be discovered. PLAINTIFF on behalf of himself only, on one hand, and DEFENDANT, on the 21 other hand, acknowledge that this Consent Judgment is expressly intended to cover and include all 22 such claims up through the Effective Date, including all rights of action therefor. The Parties 23 acknowledge that the claims released in Sections 4.1 and 4.2, above, may include unknown claims, 24 and nevertheless waive California Civil Code Section 1542 as to any such unknown claims. 25California Civil Code Section 1542 reads 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 PLAINTIFF and DEFENDANT each acknowledge and understand the significance and
5 consequences of this specific waiver of California Civil Code Section 1542.

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4.4 Deemed Compliance with Proposition 65. Compliance by DEFENDANT with this Consent Judgment constitutes compliance with Proposition 65 with respect to exposure to THC from the Products. Products distributed by DEFENDANT prior to the Effective Date may be sold through as previously manufactured and labeled.

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5. <u>ENTRY OF CONSENT JUDGMENT</u>

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

16 **6**.

SEVERABILITY

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

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GOVERNING LAW/ENFORCEMENT

The terms of this Consent Judgment shall be governed by the law of the State of California and apply within the State of California. The rights to enforce the terms of this Consent Judgment are exclusively conferred on the Parties hereto. Any Party may, after providing sixty (60) days' written notice and meeting and conferring within a reasonable time thereafter to attempt to resolve any issues, by motion or application for an order to show cause before this Court, enforce the terms and conditions contained in this Consent Judgment. In the event that Proposition 65 or its

1 regulations applicable to the Products are repealed, or are otherwise rendered inapplicable or invalid, 2 including but not limited to by reason of law generally, due to federal preemption, or the First 3 Amendment commercial speech rights of the U.S. Constitution, as determined by a court of 4 competent jurisdiction or an agency of the federal government, then DEFENDANT shall provide 5 written notice to PLAINTIFF of any asserted repeal or determination. Upon DEFENDANT'S 6 written notice, DEFENDANT shall have no further obligations pursuant to this Consent Judgment 7 to the extent such repeal or determination affects DEFENDANT'S obligations with respect to the 8 Product.

9 8. NOTICES

10 Unless specified herein, all correspondence and notices required to be provided pursuant to 11 this Consent Judgment shall be in writing and personally delivered or sent by: (i) first-class 12 (registered or certified mail) return receipt requested; or (ii) overnight or two-day courier on any 13 Party by the other Party to the following addresses:

- 14 For DEFENDANT:
- 15 J. Raza Lawrence, Esq. Zuber Lawler, LLP 16 350 S. Grand Avenue, 32nd Floor Los Angeles, CA 90071 17 Email: Rlawrence@zuberlawler.com
- 18 For PLAINTIFF:
- 19 George Rikos, Esq.
- 20Law Offices of George Rikos
- 555 West Beech, Suite 500 21
- San Diego, CA 92101
- Email: george@georgerikoslaw.com 22
- 23
- Either Party, from time to time, may specify in writing to the other Party a change of address to 24 which all notices and other communications shall be sent.
- 25 9. **COUNTERPARTS: SIGNATURES**
- 26

This Consent Judgment may be executed in counterparts and by facsimile or portable 27 document format (.pdf or PDF) signature, each of which shall be deemed an original, and all of 28 which, when taken together, shall constitute one and the same document.

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

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

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11. MODIFICATION

8 Unless otherwise provided for herein, this Consent Judgment may be modified only by a 9 written agreement of the Parties and the approval of the Court or upon a duly noticed motion of 10 either Party for good cause shown. A showing of technical infeasibility or commercial 11 unreasonableness in meeting the requirements of Section 2 with respect to the Products shall be 12 deemed to constitute good cause for a modification to substitute an alternative no significant risk 13 level on the basis of 27 Cal. Code Regs. § 25703(b) and such a modification shall not be opposed 14 by PLAINTIFF. Any proposed modification shall be sent to the Office of the California Attorney 15 General in advance of its submission to the Court such that the Attorney General has a reasonable 16 opportunity to review and comment thereon.

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12. ENTIRE AGREEMENT

18 This Consent Judgment contains the sole and entire agreement of the Parties and any and all 19 prior negotiations and understandings related hereto shall be deemed to have been merged within it. 20 No representations or terms of agreement other than those contained herein exist or have been made 21 by any Party with respect to the other Party or the subject matter hereof. This Consent Judgment 22 shall have no effect if it is not approved by the Court and entered as a consent judgment.

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