1	Laralei Paras, State Bar No. 203319 Seven Hills LLP		
2	4 Embarcadero Center, Suite 1400 San Francisco, CA 94111		
3	Telephone: (415) 926-7247 laralei@sevenhillsllp.com		
5	Attorneys for Plaintiff CENTER FOR ADVANCED PUBLIC AWARE	ENESS	
6			
7	Ann G. Grimaldi, State Bar No. 160893 Grimaldi Law Offices 75 Broadway Street, Suite 202		
8	San Francisco, CA 94111 Telephone: (415) 463-5186		
9	ann.grimaldi@grimaldilawoffices.com		
10	Attorneys for Defendant REDMOND TRADING COMPANY, L.C.		
11	REDIVIOND TRADING COMPANT, L.C.		
12	SUPERIOR COURT OF	THE STATE OF CALIFORNIA	
13	CITY AND COUNTY OF SAN FRANCISCO		
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15	UNLIMITED CIVIL JURISDICTION		
16	CENTED FOR ADVANCED BURNING	10 - N - 000 01 500000	
17	CENTER FOR ADVANCED PUBLIC AWARENESS,	Case No. CGC-21-590800	
18	Plaintiff,	CONSENT JUDGMENT	
19	V	(Health & Safety Code § 25249.6 et seq. and Code of Civil Procedure § 664.6)	
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CONSENT JUDGMENT

1. <u>INTRODUCTION</u>

This Consent Judgment is entered into by and between plaintiff Center for Advanced Public Awareness ("CAPA") and defendant Redmond Trading Company, L.C. ("Redmond"), with CAPA and Redmond each individually referred to as a "Party" and collectively, as the "Parties," to resolve the allegations in the September 9, 2020 60-Day Notice of Violation in compliance with the Safe Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code § 25249.6 et seq. ("Proposition 65").

1.1 The Parties

CAPA is a California-based non-profit organization proceeding in the public interest pursuant to California Health & Safety Code § 25249.7(d) to ensure that chemicals known to the State of California to cause cancer, birth defects or other reproductive harm are properly disclosed in or eliminated from consumer products sold in California. Redmond is a person in the course of doing business for purposes of California Health & Safety Code § 25249.11(b).

1.2 Consumer Product Description

CAPA alleges that Redmond manufactures, processes, sells and distributes for sale in California baby powder containing the heavy metal, Lead, including, but not limited to, Amazingly Natural Baby Powder, collectively referred to hereinafter as the "Product(s)," without providing a compliant health hazard warning that CAPA alleges is required by Proposition 65. Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause reproductive harm and developmental harm. Redmond asserts that the Products were sold with a Proposition 65 warning titled "[California Residents] Proposition 65 WARNING" that described the Products as containing Lead and that identified Lead as a substance known to the State of California to cause birth defects or other reproductive harm. CAPA asserts that the warning does not comply with the Proposition 65 safe harbor warning regulations. The Parties dispute whether the warning is "clear and reasonable" within the meaning of Proposition 65.

1.3 Notices of Violation

On September 9, 2020, CAPA served Redmond (incorrectly identified as "Redmond, Incorporated"), the California Attorney General, and the requisite public enforcement agencies with

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failed to provide compliant warnings to its customers and consumers in California that its Products can expose users to Lead. No public enforcer has commenced and is diligently prosecuting an action to enforce the allegations set forth in the Notice. On January 20, 2021, CAPA served an amended Notice of Violation correctly identifying Redmond as "Redmond Trading Company, L.C." (the "Corrected Notice"). The Notice and Corrected Notice are collectively referred to herein as the "Notices." The Parties enter into this Consent Judgment for the purpose of resolving CAPA's claims asserted in the Notices and to avoid prolonged and costly litigation.

1.4 Complaint

On April 2, 2021, CAPA commenced the instant action ("Complaint"), naming Redmond Trading Company, L.C. as a defendant for the alleged violations of Proposition 65 that are the subject of the Notices.

1.5 No Admission

Redmond denies the material, factual, and legal allegations contained in the Notices and Complaint, and maintains that all products it has 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, nor shall compliance with this Consent Judgment constitute or be construed as, an admission by Redmond of any fact, finding, conclusion of law, issue of law, or violation of law. This section shall not, however, diminish or otherwise affect Redmond's obligations, responsibilities, and duties under this Consent Judgment.

Jurisdiction 1.6

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Redmond as to the allegations contained in the Complaint, that venue is proper in the County of San Francisco, 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 § 664.6.

1.7 **Execution Date**

The term "Execution Date" shall mean the date on which all parties have signed this Consent Judgment.

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The term "Effective Date" shall mean the date on which the Court approves this Consent Judgment and enters judgment pursuant to its terms.

2. **INJUNCTIVE RELIEF: WARNINGS**

Effective Date

2.1 Commitment to Provide Clear and Reasonable Warnings

Each Product Redmond manufactures, processes, distributes for sale or otherwise sells, directly or through third parties, to consumers in California shall be accompanied by a clear and reasonable warning pursuant to Section 2.2.

2.2 Clear and Reasonable Warnings

Commencing on or before the Execution Date, Redmond shall provide clear and reasonable warnings for all Products provided for sale to customers in California in accordance with this Section pursuant to Title 27 California Code of Regulations § 25600, et seq. Each warning shall be prominently placed 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 before purchase or use and shall be provided in a manner such that it is clearly associated with the specific Product to which the warning applies.

- Warning. The Warning shall consist of the following statement: (a)
- **MARNING**: This product can expose you to lead, which is known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.
- Short-Form Warning. As an alternative to the warning set forth in subsection (b) 2.3(a) above, Redmond may, but is not required to, use the following short-form warning as set forth in this subsection 2.2(b) ("Short-Form Warning"), and subject to the additional requirements in Section 2.3 as follows:
 - ⚠ WARNING: Cancer and Reproductive Harm www.P65Warnings.ca.gov.
- (c) **Foreign Language Requirement.** Where a consumer product sign, label or shelf tag used to provide a warning includes consumer information, as that term is defined in Title 27 California Code of Regulations § 25600.1(c) ("Consumer Information"), in languages other than English, the warning must also be provided in those languages in addition to English.

2.3 Product Warnings

Redmond shall affix a warning to the Product label or otherwise directly on each Product provided for sale directly, or indirectly through customers with retail outlets in California, mail order catalogs and/or e-commerce websites, to consumers located in California. For the purpose of this agreement, "Product label" means a display of written, printed or graphic material that is printed on or affixed to a Product or its immediate container or wrapper. A warning provided pursuant to section 2.2(a) or (b) must print the word "WARNING:" in all capital letters and in bold font. The warning symbol to the left of the word "WARNING:" must be a black exclamation point in a yellow equilateral triangle with a black outline, except that if the labeling does not use the color yellow, then the symbol may be in black and white. For the short form warning, the entire warning shall appear in a type size of at least 6-point type and no smaller than the largest type size used for other Consumer Information on the product.

2.4 Internet Warnings

If, after the Effective Date, Redmond sells Products via the internet directly, or indirectly through customers with e-commerce websites, to customers located in California, Redmond shall provide warnings for each Product both on the Product label in accordance with Sections 2.2 and 2.3, and, for its own website or third-party websites through which it sells Products and also is capable of directly providing warnings, by including either the warning or a clearly marked hyperlink using the word "WARNING" on the product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase and without requiring the purchaser to search for the warning in the general content of the website. If Redmond sells Products directly to customers with e-commerce websites, Redmond shall inform those customers in writing of their obligation to provide online warnings consistent with Title 27 California Code of Regulations § 25602(b) in conjunction with Products sold to customers located in California. The internet warning may use the Short-Form Warning content described in Section 2.2(b) if the warning provided on the Product label also uses the Short-Form Warning content.

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3. MONETARY SETTLEMENT TERMS

3.1 Civil Penalty

Pursuant to Health and Safety Code § 25249.7(b), Redmond agrees to pay a civil penalty of \$18,000. Redmond's civil penalty payment will be allocated according to Health and Safety Code § 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid to the California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining twenty-five percent (25%) retained by CAPA. Redmond shall issue its payment in two checks made payable to: (1) "OEHHA" in the amount of \$13,500; and (2) "Center for Advanced Public Awareness" in the amount of \$4,500. CAPA's counsel shall deliver to OEHHA and CAPA their respective portion of the penalty payment.

3.2 Reimbursement of Attorneys' Fees and Costs

CAPA and its counsel offered to resolve the allegations in the Notices and Complaint without reaching terms on the amount of reimbursement of their attorneys' fees and costs. Shortly after the Parties finalized the other material settlement terms, they negotiated and reached an accord on the amount of reimbursement to be paid to CAPA's counsel, under general contract principles and the private attorney general doctrine, codified at California Code of Civil Procedure § 1021.5, for all work performed through the mutual execution and reporting of this Consent Judgment to the Office of the California Attorney General and to move the Court for approval of and entry of Judgment pursuant to its terms, but exclusive of fees and costs on appeal, if any. Redmond agrees to issue a check in the amount of \$37,500 payable to "Seven Hills LLP" for all fees and costs incurred investigating, bringing this matter to Redmond's attention, litigating, negotiating a settlement in the form of a Consent Judgment in the public interest, and obtaining the Court's approval of its terms pursuant to Section 5.

3.3 Payments Due

All payments payable and due under this Consent Judgment shall be delivered to CAPA's counsel at the address listed in Section 3.4 within five (5) business days of the Effective Date.

3.4 Delivery Address

All payments required by this Consent Judgment shall be delivered to the following address:

Seven Hills LLP Attn: Laralei Paras 4 Embarcadero Center, Suite 1400 San Francisco, CA 94111

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

4.1 CAPA's Release of Proposition 65 Claims

This Consent Judgment is a full, final and binding resolution of the claims that were or could have been asserted by CAPA arising out of the allegations in the Notices and in the Complaint.

CAPA, acting on its own behalf and in the public interest, and on behalf of its past and current agents, representatives, attorneys, successors and assignees ("Releasors") releases Redmond, its past and present parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, attorneys, and each entity to whom Redmond directly or indirectly distributes or sells Products including its downstream distributors, wholesalers, marketplace hosts, customers, retailers, franchisees, cooperative members, and licensees ("Releasees") based on the failure to provide a clear and reasonable warning about alleged exposures to Lead contained in the Products that were manufactured, processed, distributed, sold and/or offered for sale in California before the Effective Date, as set forth in the Notices and Complaint. The Parties further agree that compliance with Section 2 of this Consent Judgment shall be deemed compliance with Proposition 65 with respect to alleged exposures to Lead in the Products.

4.2 CAPA's Individual Release of Claims

CAPA, in its individual capacity only and *not* in his representative capacity, also provides a release to Redmond and 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 CAPA of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual failure to provide a clear and reasonable warning about exposures to Lead, in Products manufactured, processed, distributed or sold to consumers in California before the Effective Date. Nothing in this section shall affect

CAPA's right to commence or prosecute an action under Proposition 65 against a Releasee that does not involve Redmond' Products.

4.3 Redmond' Release of CAPA

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

5. <u>COURT APPROVAL</u>

Pursuant to California Health and Safety Code § 25249.7(f)(4), CAPA shall file a noticed motion for judicial approval of this Consent Judgment. The Parties agree to mutually employ their best efforts, and those of their counsel, to support entry of a judgment pursuant to the terms of this Consent Judgment, and to obtain judicial approval of their settlement in the form of this Consent Judgment in a timely manner. For purposes of this section, "best efforts" shall include, at a minimum, supporting the motion for approval, responding to any third-party objection, and appearing at the hearing before the Court if so requested.

6. <u>SEVERABILITY</u>

If, subsequent to the Court's approval and entry of this Consent Judgment as a judgment, any provision of this Consent Judgment is deemed 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 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 Redmond may provide CAPA with written notice of any asserted change in the law, and shall have no further injunctive obligations pursuant to this Consent Judgment, with respect to, and to the extent that, the Products are so affected. If the Office of Environmental Health Hazard Assessment ("OEHHA") amends any

of the Proposition 65 warning regulations (beginning at Title 27, California Code of Regulations,
Section 25600), Redmond may, at its sole discretion, implement the applicable provisions of such
amended regulations for the Products without being deemed in violation of this Consent Judgment.
Nothing in this Consent Judgment shall be interpreted to relieve Redmond from its obligation to
comply with any pertinent state or federal law or regulation.

8. NOTICE

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

11 | For Redmond:

For CAPA:

Kenneth Taylor Redmond

Laralei Paras Seven Hills LLP 4 Embarcadero Center, Suite 1400

| 475 West 910 South | Heber City, UT 84032 | kennetht@redmondinc.com

San Francisco, CA 94111 laralei@sevenhillsllp.com

15 Ann G. Grimaldi Grimaldi Law Offices

75 Broadway Street, Suite 202

San Francisco, CA 94111

ann.grimaldi@grimaldilawoffices.com

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 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

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

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11. ENTIRE AGREEMENT

This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, or understandings related thereto, if any, are hereby merged herein and therein. There are no warranties, representations, or other agreements between the Parties except as expressly set forth herein. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Consent Judgment have been made by any Party hereto. No other agreements not specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto.

12. 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.

13. AUTHORIZATION

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

18	AGREED TO:	AGREED TO:
19	Date: 4/8/21	Date: 4/20 21
20	Styrica Didys Doutsy	D 0 11:1
21	Linda DeRose-Droubay, Executive Director	Jason Nielsen, President
22	CENTER FOR ADVANCED PUBLIC AWARENESS	REDMOND TRADING COMPANY, L.C.
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