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1. <u>INTRODUCTION</u>

1.1 Parties

This Consent Judgment is entered into by and between plaintiffs Paul Wozniak (Wozniak) and Laurence Vinocur (Vinocur), collectively, "Plaintiffs," and defendant Amazon.com, Inc. (Amazon), with Plaintiffs and Amazon each referred to individually as a "Party" and collectively as the "Parties."

1.2 Plaintiffs

Plaintiffs are residents of the State of California who seeks to promote awareness of exposures to toxic chemicals, and to improve human health by reducing or eliminating harmful substances contained in consumer products.

1.3 Defendant

Amazon employs ten or more persons. Further, for the purposes of this litigation only, Plaintiffs allege that Amazon is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §25249.5, et seq. (Proposition 65).

1.4 General Allegations

Plaintiffs allege that Amazon imports, sells and/or distributes for sale in California certain solder wire, fishing sinkers and ingots containing lead, and that it does so without providing the health hazard warning that Plaintiffs allege is required by Proposition 65. Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer and birth defects or other reproductive harm.

1.5 Product Description

The products covered by this Consent Judgment specifically include solder wire, fishing sinkers (including fishing sinkers/weights sold as part of tackle boxes kits or sets) and ingots that contain lead and are offered for sale on amazon.com to consumers in California (hereinafter referred to as the "Product" or "Products").

1.6 Notices of Violation

On August 8, 2020, Vinocur alleges that he served Amazon and requisite public enforcement agencies with several 60-Day Notices of Violation (hereinafter referred to as the "August 8 Notices"), alleging that Amazon violated Proposition 65 when it failed to warn its customers or other consumers in California that certain fishing sinkers and weights offered for sale on amazon.com to consumers in California contain and expose users to lead. On October 30, 2020, Vinocur sent defendant a supplemental notice (hereinafter referred to as the "October 30, Notice"). To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the August 8 Notices and October 30, Notice.

On April 29, 2021, Wozniak alleges that he served Amazon and requisite public enforcement agencies with a 60-Day Notices of Violation (hereinafter referred to as the "April 29 Notice"), alleging that Amazon violated Proposition 65 when it failed to warn its customers or other consumers in California that certain solder wires offered for sale on amazon.com to consumers in California contain and expose users to lead. On September 10, 2021, Wozniak sent defendant a supplemental notice (hereinafter referred to as the "September 10 Notice"). To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the April 29 Notice and September 10 Notice.

On December 6, 2021, Vinocur alleges that he served Amazon and requisite public enforcement agencies with a 60-Day Notices of Violation (hereinafter referred to as the "December 6 Notice"), alleging that Amazon violated Proposition 65 when it failed to warn its customers or other consumers in California that certain ingots offered for sale on amazon.com to consumers in California contain and expose users to lead. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the December 6 Notice.

The August 8 Notices, October 30, Notice, April 29 Notice, September 10 Notice and December 6 Notice shall be collectively referred to as the "Notices".

1.7 Complaints

On September 13, 2021, Wozniak commenced the instant action (Complaint), naming Amazon and 250 doe defendants for the alleged violations of Proposition 65 (herein referred to as "Solder Wire Complaint"). Defendant filed its answer on December 3, 2021. On December 10, Wozniak dismissed the complaint as to all of the Doe defendants. On February 3, 2022, the Court entered an order setting trial for March 13, 2023.

On September 14, 2021, Vinocur commenced another action (CGC-21-595147, herein referred to as "Sinker Complaint"), naming Amazon and 250 doe defendants for the alleged violations of Proposition 65. Defendant filed its answer on December 3, 2021. On December 10, Vinocur dismissed the complaint as to all of the Doe defendants. On February 3, 2022, the Court entered an order setting trial for the Sinker Complaint on March 13, 2023 as well.

On February 8, 2022, Vinocur commenced another action (CGC-22-598060, herein referred to as "Ingot Complaint"), naming Amazon for the alleged violations of Proposition 65. Defendant filed its answer on December 1, 2022.

The Solder Wire Complaint, Sinker Complaint, and Ingot Complaint, including any amendment to any of them, are collectively referred to as "Complaints." The three enforcement actions are collectively referred to as "Actions."

As of the Effective Date (defined below), the Parties stipulate and agree that the Solder Wire Complaint shall be deemed amended *nunc pro tunc* by the Court to include all Products and all claims and allegations that are the subject of all of the referenced Notices.

Through this approval, the Court is hereby consolidating the Actions for all purposes into the Solder Action.

1.8 No Admission

Amazon denies all material, factual and legal allegations contained in the Notices and Complaints and maintains that all Products that were sold and distributed in California have been and are in compliance with all laws and further contends that it has no obligations under Proposition 65 to provide warnings on any third-party sellers' Products. Nothing in this Consent Judgment shall be construed as an admission by Amazon of any fact, finding, issue of law or

violation of law; nor shall compliance with this Consent Judgment constitute or be construed as an admission by Amazon of any fact, finding, conclusion, issue of law or violation of law. This Section 1.8 shall not, however, diminish or otherwise affect the 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 Amazon 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 law including Proposition 65 and Code of Civil Procedure \$664.6.

1.10 Effective and Compliance Dates

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date this Consent Judgment is approved by the Court. For purposes of this Consent Judgment, the term "Compliance Date" shall mean 90 calendar days after the Effective Date.

2. <u>INJUNCTIVE RELIEF: REFORMULATION OR WARNINGS</u>

2.1 Injunctive Relief

Pursuant to the terms set forth below, with respect to Products sold in California that do not have a clear and reasonable Proposition 65 warning by the Compliance Date, Amazon, at its option, agrees to either: (1) reformulate the Products, as set forth in Section 2.2 below; (2) request and require its vendors of Products it sells on amazon.com and ships to a California address, as well as any other person or entity selling Products on amazon.com ("Third-Party Sellers") that are shipped to a California address, to provide a clear and reasonable Proposition 65 warning for the Products, as set forth in Section 2.3 below, or Amazon will provide such a clear and reasonable warning for the Products offered for sale or sold on amazon.com and shipped to a California address, as set forth in Section 2.3 below; or (3) cease selling the Products in California or prohibit the shipment of the Products to California addresses with regard to Products sold on amazon.com. The Parties understand and agree that some Products may appear on amazon.com that contain no warning but are not able to be shipped to California addresses (so sales cannot be completed) and

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that this complies with Section 2.1(3) above. To be clear, Section 2 of this Consent Judgment only applies to Products sold on amazon.com and shipped to a California address.

2.2 Reformulation Standards

A "Reformulated Product" (a) contains lead in concentrations that do not exceed 90 parts per million, equivalent to 0.009%, in any exterior parts analyzed pursuant to U.S. Environmental Protection Agency (EPA) methodologies 3050B and 6010B, or (b) yields a result of no more than 1.0 micrograms of lead when sampled according to NIOSH 9100 protocol and analyzed according to EPA 6010B. In addition to the above tests, Amazon may use equivalent methods utilized by any California or federal agency to determine lead content in a solid substance or the amount of the bioavailability of the toxicant through a wipe test, respectively.

2.3 Clear and Reasonable Warnings (Products Sold Online)

On or before the Compliance Date, with regard to Products sold on amazon.com for which a clear and reasonable Proposition 65 warning does not appear on amazon.com and the Product is not a Reformulated Product, as described in Section 2.2 above, Amazon shall at its option for each of the Products either (1) request and require any vendors of a Product it sells on amazon.com, as well as any other Third-Party Seller, to provide a clear and reasonable warning on amazon.com for the Product sold on amazon.com and shipped to a California address, or Amazon will provide such a clear and reasonable warning for the Product sold on amazon.com and shipped to a California address; or (2) cease selling the Product in California or prohibit the Product from being shipped to California addresses with regard to products sold on amazon.com.

- **Warning.** The warning shall consist of the following or other substantially (a) similar language that is in compliance with Proposition 65 (Warning):
 - **MARNING:** This product can expose you to chemicals including 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.
- (b) **Short-Form Warning.** Products sold on amazon.com may use the following short-form warning as set forth in this Section 2.3 (Short-Form Warning) or any

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substantially similar language so long as it is allowed under Proposition 65's implementing regulations:

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

For any of the Products that are not Reformulated Products pursuant to Section 2.2 and are offered for sale on amazon.com to California consumers after the Compliance Date, such online Product listings shall contain a Warning or Short-Form Warning (as set forth above) which is displayed to the purchaser prior to completion of the transaction without requiring the potential buyer to use considerable effort to be made aware of the health hazard advisory. The warning or a clearly and reasonably marked hyperlink to the warning using the signal word "Warning" or "Product Warning" given in conjunction with the online sale of the Products may appear either: (a) prominently placed on a webpage in which the Product's photograph, price, or "add to cart" section are displayed; (b) on the same webpage as the order form for the Product; or (c) on any webpage displayed to the purchaser during the checkout process and prior to its completion for any purchaser with a California shipping address. The symbol "\(^\Lambda\)" may be placed adjacent to the signal word. The internet warning may use the Short-Form Warning content described in subsection 2.3(b). The URL "www.P65Warnings.ca.gov" in the Warning may be substituted with an equivalent reference to the official "Proposition 65 Warnings Website." Attached hereto as **Exhibit A** is an example of a compliant warning on a checkout page.

2.4 Foreign Language Requirement

Amazon shall comply with the requirements set forth in 27 California Code of Regulations §25602(d) if and to the extent it applies to any sale of any of the Products to any purchaser with a California shipping address.

2.5 **Option to Delist**

On or before the Compliance Date, Amazon may, at its option, comply with the injunctive commitments set forth in Section 2.3 above by delisting a Product from amazon.com such that the item is then unavailable in general or for online sale for shipment to an address in California. If it

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does so, the previously delisted Product may be reinstated for sale online to California consumers if it complies with Sections 2.1 through 2.4 prior to the date of such relisting.

2.6 Right to Cure (No Assignment or Transfer of Claims)

As of the time of this Consent Judgment, neither Plaintiffs nor their counsel have any specific knowledge of the presence of any other Products sold on amazon.com that, in their opinion, fails to comply with Proposition 65's warning requirements, other than those previously disclosed to Amazon. Plaintiffs represent and warrant that neither they nor their agents or attorneys have assigned or otherwise transferred, or attempted to assign, or transfer, any claim or claims against Amazon. Plaintiffs further warrant that neither they nor their agents or attorneys are aware of any other potential private enforcer or attorney who intends to bring litigation based on the subject matter of the Consent Judgment.

To the extent Plaintiffs identify any Product in the future, whether or not subject to this Consent Judgment, which they believe is not in compliance with Proposition 65 or this Consent Judgment, Plaintiffs agree to advise Amazon of such potential violation in the manner set forth in Section 8, and provide Amazon with 45 calendar days (calculated from the date written notice is provided electronically) to cure any alleged violation, including by providing a Proposition 65 warning or taking action to ensure that the Product is not sold to any purchaser with a shipping address in California. Such notice to Amazon shall contain information sufficient for Amazon to identify the product and the product's seller, which shall include the Amazon Standard Identification Number (ASIN), the name of the product, the seller of the product, as well as a screenshot of the product's online listing. If the alleged non-compliance is cured within the 45 calendar days, then Amazon shall not be deemed in breach or violation of Proposition 65 or this Consent Judgment in any respect and Plaintiffs shall take no further action to enforce Proposition 65 or this Consent Judgment, Plaintiffs shall not be entitled to seek or recover any civil penalties, and Plaintiffs and their counsel shall not be entitled to seek or recover any attorneys' fees or costs, or any other available remedies arising from or relating to the alleged failure to comply with Proposition 65 or the terms of this Consent Judgment, and the matter shall be deemed to be resolved by and between Amazon and Plaintiffs as to such products. If, however, the alleged non-

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compliance is not cured with the 45 calendar days, then Plaintiffs reserve the right to seek additional civil penalties, reimbursement of reasonable attorney's fees, and any other available remedies arising from or related to notices of noncompliance associated with Products covered by the Consent Judgment or any other Product.

2.7 Written Commitment of Compliance by Amazon Third-Party Sellers

- a. The Parties acknowledge that Amazon has identified Third-Party Sellers of the Products shipped to consumers in California since January 1, 2018, and disclosed other information to Plaintiffs that furthers the public interest. Such information is subject to the Protective Order entered in this Solder Action. Amazon represents that it has contacted many of the Third-Party Sellers (and will contact or attempt to contact the remaining ones no later than 60 days after the Effective Date) to advise them of their contractual obligations as they pertain to the claims described in Sections 1.6 and 1.7 above.
- b. For each Third-Party Seller that has not committed to the injunctive obligations set forth in Sections 2.1, 2.2 and 2.3 by the Compliance Date, Amazon agrees to provide a clear and reasonable warning as described in Section 2.3 or "delist" their Products as described in Section 2.5 no later than thirty days after the Compliance Date. An example of an agreement that would obligate a Third-Party Seller to take required injunctive measures is attached hereto as Exhibit B (Third-Party Seller settlement), which commits the Third-Party Seller to the remedial relief set forth in this Section for future sales of the Products on amazon.com and other online platforms.
- c. Amazon agrees to continue to assert its indemnification rights as to the Third-Party Sellers until and through the Compliance Date (or as may be extended, as set forth in Section 4.1) while Plaintiffs try to ensure that they commit to the remedial relief set forth in this Section for future sales of the Products on amazon.com. Amazon understands that the confidential sales data it disclosed to Plaintiffs may be used as a factor in determining the amount of civil fines to be assessed as to one or more Third-Party Sellers.
- d. Plaintiffs recognize that a new sixty-day notice may need to be issued naming one or more Third-Party Sellers before their commitments are reported under Health & Safety Code §25249.7(f), but that, before doing so, the Third-Party Sellers may have to first waive statutory

exemptions and/or jurisdictional barriers. Upon the expiration of any sixty-day period, the respective Plaintiff shall report the settlement as required by law. If required by law, one or more Third-Party Seller settlements shall be presented for judicial approval in this Solder Action and the Parties agree to mutually support such process.

3. MONETARY SETTLEMENT TERMS

3.1 Civil Penalty Payments

Within 30 calendar days of the Effective Date, and Amazon's receipt of a current W-9 from Wozniak, Vinocur and California's Office of Health Hazard Assessment (OEHHA) whichever date is later, pursuant to California Health & Safety Code §25249.7(b), and in settlement of all alleged violations and claims referred to in the Notices, Complaints, Actions, and this Consent Judgment, Amazon agrees to pay \$500,000 in civil penalties. Amazon's civil penalty payment will be allocated according to California Health & Safety Code §25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid to OEHHA, and the remaining twenty-five percent (25%) of the penalty payment split evenly and retained by Wozniak and Vinocur. Amazon shall issue its payment in two checks made payable to (a) "OEHHA" in the amount of \$375,000; and (b) "Paul Wozniak" and "Laurence Vinocur" in the amount of \$62,500 each, or shall include such payments in an electronic transfer made payable to "Chanler, LLC". Plaintiffs' counsel shall send the portions of the penalties paid by Amazon to OEHHA and Plaintiffs.

3.2 Reimbursement of Attorneys' Fees and Costs

The Parties acknowledge that Plaintiffs and their counsel offered to resolve this dispute without reaching terms on their fees and costs and allowing this provision to be adjudicated by the court. The Parties then negotiated the reasonable compensation to be paid to Plaintiffs' counsel under general contract principles, Proposition 65 implementing regulation for fee awards at 11 California Code of Regulations §3201 and the private attorney general doctrine codified at California Code of Civil Procedure §1021.5 for all work performed through the mutual execution of this Consent Judgment and court approval of the same. Within 30 calendar days of the Effective Date, and Amazon's receipt of a current W-9 from Chanler LLC, whichever date is later, Amazon agrees to pay \$1,710,000 by a check or electronic transfer made payable to "Chanler,

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LLC" for all fees and costs incurred in investigating, bringing this matter to Amazon's attention, litigating, and negotiating a settlement in the public interest.

3.3 Payment Address

All non-electronic transfer payments required by this Consent Judgment shall be delivered to the following address:

Chanler, LLC Attn: Proposition 65 Controller 72 Huckleberry Hill Road New Canaan, CT 06840

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

4.1 Plaintiffs' Release of Proposition 65 Claims

This Consent Judgment is a full, final, and binding resolution between Plaintiffs, acting on their own behalf and in the public interest, on behalf of themselves, each of their past, current, and future agents, representatives, attorneys, successors, and/or assignees, and Amazon and its past, current, and future direct and indirect subsidiaries, affiliated entities under common ownership, predecessors, successors, directors, officers, managers, shareholders, members, employees, agents, assignees, and attorneys (collectively, Releasees) and each person or entity to whom any of the Releasees directly or indirectly distributes or sells, or in the past directly or indirectly distributed or sold, the Products including, but not limited to, any downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors and licensees (collectively, Downstream Releasees) of, from, and with regard to any and all alleged or actual violations of Proposition 65 for a failure to warn about exposures to lead from the Products that were manufactured, produced, packaged, imported, supplied, distributed, sold on amazon.com, or offered for sale on amazon.com prior to the Compliance Date, including as set forth in any of the Notices, Complaints, and/or Actions (Released Allegations). Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by Amazon, each of the Releasees, and/or each of their Downstream Releasees, with respect to the alleged or actual failure to warn about exposures to lead from the Products. including as set forth in any of the Notices, Complaints, and/or Actions.

Plaintiffs, acting on their own behalf and in their personal capacity, and not in their representative capacity, on behalf of themselves, each of their past, current, and future agents, representatives, attorneys, successors, and/or assignees, further release, waive, and fully discharge Amazon, each of the Releasees, and/or each of their Downstream Releasees from any and all claims, actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands of Plaintiffs, of any nature, character or kind, whether arising in law or equity, known or unknown, suspected or unsuspected, asserted or unasserted, including as set forth in any of the Notices, Complaints, and/or Actions, arising from or related to any alleged or actual exposures to lead from Products that were manufactured, produced, packaged, imported, supplied, distributed, sold on amazon.com, or offered for sale on amazon.com prior to the Compliance Date (Released Claims). Plaintiffs, in their personal capacity only, specifically waive any and all rights and benefits related to the Released Claims that either of them now has, or in the future may have, conferred by virtue of the provisions of Section 1542 of the California Civil Code, which 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.

Notwithstanding the above, Amazon acknowledges and agrees that any and all Released Allegations and Released Claims relating to Amazon's written communications to the Third-Party Sellers described in Section 2.7 (that are not otherwise released by Plaintiffs in separate agreements) are excluded from this Section 4.1 release until and through 45 days following the Compliance Date, on which date this exclusion from this Section 4.1 no longer applies. Amazon further acknowledges and agrees that, if until and through 45 days following the Compliance Date a new sixty-day notice is issued to any of the Third-Party Sellers described in Section 2.7 for any Products sold on amazon.com and/or judicial approval is necessary under law with regard to any separate agreement with any of the Third-Party Sellers described in Section 2.7 for any Products sold on amazon.com, the exclusion period shall be extended up to an additional 120 days after the

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Compliance Date so as to allow reasonable time for such processes to be completed. The Parties agree that this extended period allows Amazon to exercise its indemnification rights in order to further the public interest.

4.2 Amazon's Release of Plaintiffs

Amazon, on its own behalf and on behalf of its past, current, and future agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against Plaintiffs and their attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Plaintiffs and their attorneys and other representatives in the course of investigating the claims at issue in this matter, seeking to enforce Proposition 65 against it in this matter, or with respect to the Products as set forth in in any of the Notices, Complaints, or Actions.

5. **COURT APPROVAL**

This Consent Judgment shall be null and void and shall never be introduced into evidence or otherwise used in any proceeding for any purpose (other than to allow the Court to determine if there was a material breach of the following paragraph of this Section 5) 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.

Plaintiffs and Amazon agree to support the entry of this agreement as a judgment, and to obtain the Court's approval of their settlement in an expedited manner as allowed by law. The Parties acknowledge that, pursuant to California Health & Safety Code §25249.7(f)(4), a noticed motion is required for judicial approval of this Consent Judgment, which Plaintiffs shall primarily draft and file. Defendant shall be primarily responsible for seeking the Court's approval to have any motions to approve heard on shortened time. In furtherance of obtaining such approval, the Parties agree to employ their mutual reasonable best efforts, and those of their counsel, to support the entry of this agreement as a judgment, and to obtain judicial approval of related settlements, if needed, in a timely manner. For purposes of this section, "best efforts" shall include, at a minimum, supporting the motion for approval, assisting in drafting the motion as needed, jointly requesting the Court to have the motion heard on shortened time as allowed and, if requested by

Plaintiffs, responding to any objection that any third-party may file and appearing at the hearing before the Court.

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 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 amended or rendered inapplicable by reason of law generally, or as to any of the Products or any of the alleged violations set forth in any of the Notices, Complaints, and Actions, then Amazon may provide Plaintiffs 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 and/or any requirement set forth in this Consent Judgment is affected by such a change in the law. Nothing in this Consent Judgment shall be interpreted to relieve Amazon from its obligation to comply with any other applicable state or federal law or regulation.

The Parties agree that if the Office of Environmental Health Hazard Assessment changes any of its applicable regulations, including its warning regulations, then Amazon may either conform with the revised regulations or continue to conform with the terms provided in this Consent Judgment if the new implementing regulations so allow.

8. NOTICE

Unless specified herein, all correspondence and notice required or permitted by this

Consent Judgment shall be in writing and sent by: (a) personal delivery; (b) first-class registered
or certified mail, return receipt requested; or (c) a recognized overnight courier to any Party by the
other at the following addresses. In addition to (a), (b), or (c) above, any notice required or
permitted by this Consent Judgment shall also be provided via electronic mail if an email address
is provided for the recipient below:

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To Amazon:

Amazon.com, Inc. 410 Terry Avenue N Seattle, WA 98109 [Amazon Legal Department]

With a Copy To:

Brett H. Oberst, Esq. Doll Amir & Eley LLP 725 S. Figueroa St., Suite 3275 Los Angeles, CA 90017 boberst@dollamir.com To Plaintiffs:

Attn: Proposition 65 Coordinator Chanler, LLC 72 Huckleberry Hill Road New Canaan, CT 06840 clifford@chanlerllc.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 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. <u>COMPLIANCE WITH REPORTING REQUIREMENTS</u>

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

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 or any of their counsel except as expressly set forth herein. No representations, oral or otherwise, express or implied, other than those specifically contained or referred to in this Consent Judgment have been made by any Party hereto or any of their counsel. 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 or any of their counsel. Nothing in this Section, however, shall be deemed to diminish or impact Amazon's commitment set forth in Section 2.7(c) above.

12. MODIFICATION

This Consent Judgment may be modified only by: (a) a written agreement of the Parties and the entry of a modified Consent Judgment by the Court thereon; or (b) upon a successful motion of any party and the entry of a modified Consent Judgment by the Court thereon. Any Party seeking to modify this Consent Judgment shall attempt in good faith to meet and confer with all affected Parties prior to filing a motion to modify the Consent Judgment.

13. **AUTHORIZATION**

The undersigned were 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 contained herein.

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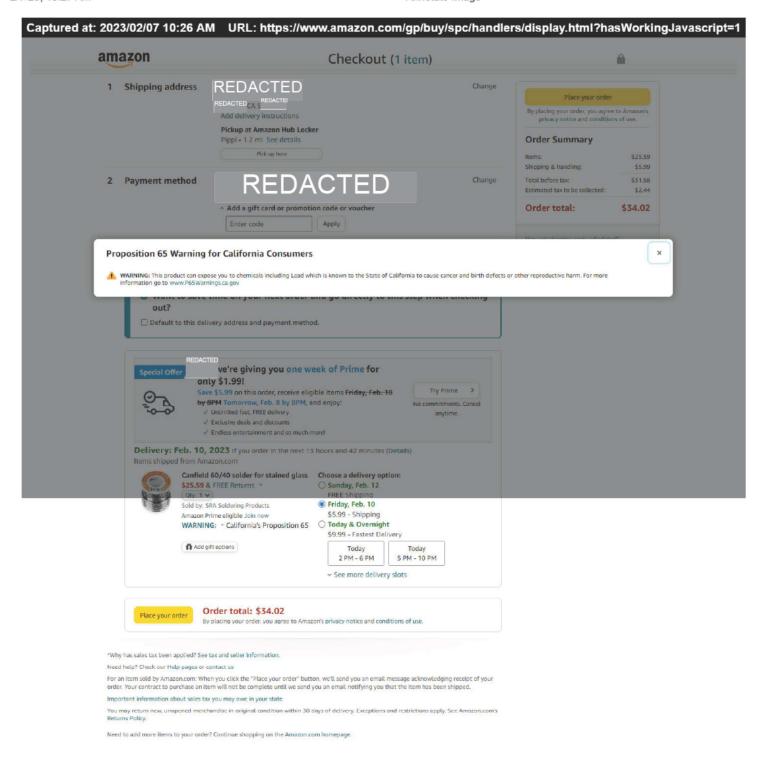
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6	By: DALIL WOZNIAK	By: AMAZON.COM, INC.
7	PAUL WOZNIAK	AMAZON.COM, INC.
8	D . E1	
9	Date: February 4: , 2023	
10	By: Laureve	
11	LAURENCE VINOCUR	
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14	APPROVED AS TO FORM:	
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16	Date: February 4: , 2023	
17	Chips cen	
18	By:CLIFFORD A. CHANLER	<u> </u>
19	Counsel for Plaintiffs	
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21	Date: March <u>2</u> , 2023	
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23	By:	<u> </u>
24	BRETT H. OBERST Counsel for Defendant	
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2	2 IT IS SO ORDERED, ADJUDGED, AND DECREED:		
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5	Dated:, 2023 Judge of the Superior Court of the State of California		
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[PROPOSED] CONSENT JUDGMENT			



SETTLEMENT AGREEMENT

AG Notice No. 2021-00956, 2021-02261 and 2022-01682 (Amazon)

1. <u>INTRODUCTION</u>

1.1 Wozniak and [SETTLING ENTITY]

This settlement agreement (Settlement Agreement) is entered into by and between Paul Wozniak and [SETTLING ENTITY] (Settling Entity) with Wozniak and the Settling Entity referred to as the "Parties." Wozniak is an individual residing in California who seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products. Pursuant to California Health & Safety Code §§25249.5, *et seq.* (Proposition 65), the Settling Entity is a responsible party selling the products at issue set forth in subsection 1.3 below to (a) California consumers or (b) downstream entities in the course of doing business which the Settling Entity has reason to believe sell into the California marketplace (customers).

1.2 General Allegations

The Settling Entity enters into this Settlement Agreement on behalf of the noticed violator described in subsection 1.4 below, with whom such Settling Entity has a contract for one or more of the products at issue which contains indemnity and defense clauses. The Settling Entity has accepted a tender from the noticed violator and approached Wozniak to resolve such violator's alleged liability. Additionally, the Settling Entity is making commitments in furtherance of the public interest as set forth below.

Wozniak alleges that the Settling Entity manufactures, imports, distributes, sells and/or otherwise facilitates for sale in California the lead products defined below, and that it does so without providing the health hazard warning required by Proposition 65 for consumer exposures to lead. Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer, and birth defects or other reproductive harm.

1.3 <u>Product Description</u>

The lead products covered by this Settlement Agreement are limited to following

Amazon Identification Number (ASIN) [ASIN], with the description [PRODUCT

NAME/DESCRIPTION] which were offered for sale by the Settling Entity on amazon.com,
hereinafter the "Product" or "Products."

1.4 Notices of Violation

On or about April 29, 2021, September 10, 2021 and July 21, 2022, Wozniak served Amazon.com, Inc. and certain requisite public enforcement agencies with 60-Day Notices of Violation (notice), alleging that Amazon.com, Inc. violated Proposition 65 when it failed to warn customers or consumers in California that the Products expose users to lead. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the notice. The Settling Entity understands that Wozniak may need to issue a 60-Day Notice of Violation expressly naming the Settling Entity. To facilitate the issuance of such sixty-day letter, the Settling Entity agrees to certain conditions set forth below.

1.5 No Admission

The Settling Entity (and on behalf of the noticed violator described in subsection 1.4 above) denies the material, factual and legal allegations contained in the notice and maintains that all Products that were sold and distributed in California have been and are in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by the Settling Entity (and/or Amazon) of any fact, finding, issue of law or violation of law; nor shall compliance with this Settlement Agreement constitute or be construed as an admission by the Settling Entity (and/or Amazon) of any fact, finding, conclusion, issue of law or violation of law. This subsection shall not, however, diminish or otherwise affect the obligations, responsibilities, and duties under this Settlement Agreement including the waivers and acknowledgements contained in Sections 6 and 10 below.

1.6 <u>Effective Date</u>

2. INJUNCTIVE RELIEF: WARNINGS OR REFORMULATION

2.1 Injunctive Relief

The Settling Entity agrees to provide the requisite health hazard warning as set forth in subsections 2.3 through 2.6 below for each Product unless it is reformulated.

2.2 Reformulation Standards

A "reformulated" product (a) contains lead in concentrations that do not exceed 90 parts per million, equivalent to 0.009%, in any exterior parts analyzed pursuant to U.S. Environmental Protection Agency (EPA) methodologies 3050B and 6010B, or (b) yields a result of no more than 1.0 micrograms of lead when sampled according to NIOSH 9100 protocol and analyzed according to EPA 6010B. In addition to the above tests, the Settling Entity may use equivalent methods utilized by any California or federal agency to determine lead content in a solid substance or the amount of the bioavailability of the toxicant through a wipe test, respectively.

2.3 <u>Clear and Reasonable Warnings</u>

Commencing on or before March ___, 2023 (the compliance date), for any Products that are not reformulated, the Settling Entity shall provide clear and reasonable warnings for all units of the Products offered for sale on amazon.com and other websites and sold to any purchaser with a shipping address in California. Each warning shall be prominently placed with such conspicuousness as compared with other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use.

(a) Warning. The warning shall consist of the following or other substantially similar language that is in compliance with Proposition 65 (Warning):

▲ WARNING: This product can expose you to chemicals including 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.

(b) Short-Form Warning. The Settling Entity may, but is not required to, use the following short-form warning as set forth in this subsection 2.3(b) (Short-Form Warning) or any substantially similar language so long as it is consistent with the implementing regulations, and subject to the additional requirements in subsections 2.5 and 2.6, as follows:

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

(c) Foreign Language Requirement. Where a product sign or label used to provide a warning includes consumer information in a language other than English, the warning shall also be provided in such language.

2.4 <u>On-Product Warnings</u>

The Settling Entity shall affix a warning to the label or otherwise directly on each unit of the Product provided through in-store retail outlets in California or sold online to consumers in California either directly or through its customers. For the purpose of this Settlement Agreement, "label" means a display of written, printed or graphic material that is printed on or affixed to a Product or its immediate container. 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. The warning language shall consist of either the Warning, or the Short-Form Warning described above in subsection 2.3(a) or (b), respectively, and be consistent with 2.3(c) above if it applies.

2.5 <u>Mail Order Catalog Warnings</u>

In the event that, the Settling Entity prints new catalogs and sells units of the Products via mail order through such catalogs to California consumers or through its customers, the Settling Entity shall provide a warning for each unit of such Product both on the label in accordance with subsection 2.4 above, and in the catalog in a manner that clearly associates the warning with the specific Product being purchased. Any warning provided in a mail order catalog shall be in the same type size or larger than other consumer information conveyed for such Product within the catalog and shall be located on the same display page of the item. The catalog warning may use the Short-Form Warning content described in subsection 2.3(b) if the language provided on the Product label also uses the Short-Form Warning.

2.6 <u>Internet Warnings</u>

If the Settling Entity offers for sale any of the Products to California consumers through websites such as amazon.com that are not reformulated as set forth in subsection 2.2 above, it shall ensure that the required warning (with the language set forth in subsection 2.3 above) is prominently displayed to the purchaser prior to completion of the transaction without requiring the potential buyer to use considerable effort to be made aware of the health hazard advisory. The warning (or a clearly marked hyperlink to the warning using the word "WARNING") given in conjunction with the online sale of the Products may appear either: (a) prominently placed on a webpage in which the Product's photograph, price, or "add to cart" section are displayed; (b) on the same webpage as the order form for the Product; or (c) on any webpage displayed to the purchaser during the checkout process and prior to its completion for any purchaser with a California shipping address. The symbol "A" may be placed adjacent to the signal word. The internet warning may use the Short-Form Warning content described in subsection 2.3(b). The URL "www.P65Warnings.ca.gov" in the Warning may be substituted with an equivalent reference to the official "Proposition 65 Warnings Website."

3. MONETARY SETTLEMENT TERMS

3.1 Civil Fines

Pursuant to Health & Safety Code §25249.7(b), and in settlement of all claims alleged in the notice, the Settling Entity agrees to pay a total of §_______ in civil fines. This payment will be allocated in accordance with Health & Safety Code §25249.12(c)(1) and (d), with 75% of the penalty amount paid to the Office of Environmental Health Hazard Assessment (OEHHA) and the remaining 25% of the penalty amount paid to and retained by Wozniak.

3.2 Reimbursement of Attorneys' Fees and Costs

The Parties acknowledge that Wozniak and his counsel offered to resolve this dispute without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving the issue to be resolved after the material terms of the agreement had been settled. Shortly after the other settlement terms had been finalized, the Settling Entity expressed a desire to resolve Wozniak's fees and costs. The Parties then negotiated a resolution of the compensation due to Wozniak's counsel under general contract principles, Proposition 65 implementing regulations codified at 11 California Code of Regulations §3201 and/or the private attorney general doctrine codified at California Code of Civil Procedure §1021.5. For all work performed through the mutual execution of this agreement, the Settling Entity shall reimburse Wozniak's counsel \$_______. The Settling Entity will deliver its payment to the address in subsection 3.3 by overnight courier, with a tracking number, or through an automatic electronic transfer such that payment is received by Wozniak's counsel on or before the Effective Date.

The reimbursement shall cover all fees and costs incurred by Wozniak investigating, bringing this matter to the Settling Entity's attention and negotiating a settlement of the matter in furtherance of the public interest and, if necessary, issuing a sixty-day notice to the Settling Entity and/or seeking judicial approval of this Settlement Agreement.

3.3 Payment Address and Effect of Non-Payment

All non-electronic payments required by this Settlement Agreement shall be delivered to the following address:

Chanler, LLC Attn: Proposition 65 Controller 72 Huckleberry Hill Road New Canaan, CT 06840

Should the payments due under Section 3 not clear within two business days from the Effective Date, then this Settlement Agreement shall be null and void.

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

4.1 <u>Wozniak's Release of The Settling Entity</u>

This Settlement Agreement is a full, final and binding resolution between Wozniak, as an individual (and not on behalf of the public yet furthers its health interest, unless it is judicially approved, in which case the release would be in furtherance of the public interest), and the Settling Entity, of any violation of Proposition 65 that was or could have been asserted by Wozniak on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees, against the Settling Entity, Amazon and each of their past, current, and future direct and indirect parents, subsidiaries, affiliated entities under common ownership, predecessors, successors, directors, officers, managers, shareholders, members, employees, agents, assignees, and attorneys (releasees), based on their alleged or actual failure to warn about alleged exposures to lead contained in the Products that were sold and/or offered for sale in California by the Settling Entity through amazon.com before the Effective Date, as alleged in the notice.

In further consideration of the promises and agreements herein contained, Wozniak as an individual and not on behalf of the public, on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives all of his rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims that he may have, including, without limitation, all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses including, but not exclusively, investigation fees, expert fees, and attorneys' fees arising under Proposition 65 with respect to lead in the Products, sold and/or offered for sale by the Settling Entity, before the Effective Date, against the Settling Entity and the releasees.

The Parties further understand and agree that this subsection 4.1 release shall not extend upstream to any entities that manufactured the Products or any component parts thereof, or any distributors, importers or suppliers who sold the Products to the Settling Entity. Nothing in this subsection affects Wozniak's right to commence or prosecute an action under Proposition 65 against a releasee that does not involve the Products that were sold and/or offered for sale in California by the Settling Entity.

4.2 <u>The Settling Entity's Release of Wozniak</u>

The Settling Entity, on behalf of itself, its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against Wozniak and his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Wozniak and his attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 in connection with the notice or Products.

5. <u>SEVERABILITY</u>

If, subsequent to its execution, any of the provisions of this Settlement Agreement are deemed by a court to be unenforceable, the validity of the enforceable provisions remaining shall not be adversely affected.

6. GOVERNING LAW & ENFORCEMENT

The terms of this Settlement Agreement shall be governed by the laws of the State of California and apply within the State of California. For purposes of this Settlement Agreement only, the Settling Entity stipulates that the Superior Court of California shall have personal jurisdiction over it for the limited and sole purpose of an action to enforce the terms of this Settlement Agreement, brought without joinder of other claims. As an expressed condition of this Settlement Agreement, the Settling Entity waives any exemptions under California Health & Safety Code §25249.6 *et seq.* The Settling Entity also agrees to accept electronic service of a 60-Day Notice of Violation, if one is issued, at the email address noted in Section 7 below. The Settling Entity further acknowledges that it is waiving any argument that the Products do not expose individuals to lead and that any affirmative defense exists under California Health & Safety Code §25249.10(c). Nothing in this Settlement Agreement shall be interpreted to relieve the Settling Entity from any obligation to comply with any pertinent state or federal toxics control law.

The Parties agree that if the Office of Environmental Health Hazard Assessment (OEHHA) changes its warning regulations affecting subsections 2.3 through 2.6 below, then the Settling Entity may either conform with the revised law or continue to conform with the terms provided in this Settlement Agreement if the new implementing regulations so allow. In doing so, the Settling Entity will be in compliance with this Settlement Agreement as long as it continues to fulfill any warning obligations unaffected by such new changes.

In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or if any of the provisions of this Settlement Agreement are rendered inapplicable or no longer required as a result of any such repeal or preemption or rendered inapplicable by reason of law generally as to the Products, then the Settling Entity shall provide written notice to Wozniak of any asserted change in the law and shall have no further injunctive obligations pursuant to this Settlement Agreement with respect to, and to the extent that, the Products are so affected.

7. NOTICE

Unless specified herein, all correspondence notices and service of process required to be provided pursuant to this Settlement Agreement shall be in writing and: (a) personally delivered; (b) sent by first-class (registered or certified mail) return receipt requested; (c) sent by overnight courier; or (d) electronically transmitted to one party by the other party at the following addresses:

For the Settling Entity:

[NAME OF SETTLING ENTITY ATTN: PRIMARY CONTACT LEGAL ADDRESS EMAIL ADDRESS]

With a Copy to:

[SETTLING ENTITY COUNSEL NAME LAW FIRM NAME LEGAL ADDRESS EMAIL ADDRESS]

For Wozniak:

Proposition 65 Coordinator Chanler, LLC 72 Huckleberry Hill Road New Canaan, CT 06840 clifford@chanlerLLC.com

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

8. <u>COUNTERPARTS</u>; FACSIMILE AND SIGNATURES

This Settlement Agreement may be executed in counterparts and by facsimile or pdf signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

9. <u>COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(F)</u>

Wozniak agrees to comply with the reporting requirements referenced in Health & Safety Code §25249.7(f).

10. WAIVER OF HEALTH & SAFETY CODE §25249.11(B) AND SERVICE OF 60-DAY NOTICE OF VIOLATION

The Settling Entity represents that it has employed less than 10 employees at all relevant times, does not have sufficient contacts within the State of California and/or otherwise does not fall directly within the purview of Proposition 65. Notwithstanding the prior sentence, the Settling Entity waives any exemption for the purposes of receiving a 60-Day Notice of Violation for the products defined in subsection 1.3. As a direct third-party seller of the Products on amazon.com, the Settling Entity initially contacted Mr. Wozniak voluntarily and freely enters into the terms of this Settlement Agreement.

11. MOTION FOR JUDICIAL APPROVAL

The Parties agree that Wozniak may seek the Court's approval of this Settlement Agreement as allowed by law. In such event, Wozniak shall file the motion to approve.

12. MODIFICATION

This Settlement Agreement may be modified only by a written agreement of the Parties.

13. AUTHORIZATION

The undersigned are authorized to execute this Settlement Agreement and have read, understood, and agreed to all of the terms and conditions contained herein.

AGREED TO:	AGREED TO:
Date: March, 2023	Date: March, 2023
By:Paul Wozniak	By: [NAME] [TITLE] [SETTLING ENTITY NAME]