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9   10	Attorneys for Defendant GOJA, LLC		
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12	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
13	CITY AND COUNTY OF SAN FRANCISCO		
14	UNLIMITED CIVIL JURISDICTION		
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16	KEEP AMERICA SAFE AND BEAUTIFUL,	Case No. CGC-23-607009	
17	Plaintiff,	CONSENT JUDGMENT	
18	V.	(Health & Safety Code § 25249.6 et seq. and Code of Civil Procedure § 664.6)	
19	GOJA, LLC; and DOES 1-30, inclusive,	code of civil flocedure § 60 i.o)	
20	DEFENDANTS.		
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-0	CONSENT JUDGMENT		

### 1. INTRODUCTION

This Consent Judgment is entered into by and between plaintiff Keep America Safe and Beautiful ("KASB") and defendant GOJA, LLC, ("GOJA"), with KASB and GOJA each individually referred to as a "Party" and, collectively, as the "Parties," to resolve the allegations in the August 24, 2022 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

KASB is a California-based non-profit organization proceeding in the public interest pursuant to California Health & Safety Code § 25249.7(d) to ensure 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. KASB alleges GOJA is a person in the course of doing business, for purposes of California Health & Safety Code § 25249.11(b).

### 1.2 Consumer Product Description

KASB alleges GOJA manufactures, processes, sells and/or distributes for sale, in or into California, brass tire pressure gauges containing the heavy metal, Lead, including, but not limited to, the *Alien 4x4 Tire Pressure Gauge 75 Psi, UPC# 6 02318 73838 7; ASIN B07PFF1WVN; UNSPC 25191800* without providing the complaint health hazard warning required by Proposition 65. All such brass tire pressure gauges shall be referred to, collectively, hereinafter as the "**Product(s)**." Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer, birth defects, reproductive and developmental harms.

### 1.3 Notice of Violation

On August 24, 2022, KASB served GOJA the California Attorney General, and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice"), alleging that GOJA violated Proposition 65 when it 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. The Parties enter into this Consent Judgment for the purpose of resolving KASB's claims asserted in the Notice and to avoid prolonged and costly litigation.

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### 1.4 **Complaint**

On June 9, 2023, KASB commenced the instant action ("Complaint"), naming GOJA, LLC as a defendant for the alleged violations of Proposition 65 that are the subject of the Notice.

### 1.5 No Admission

GOJA denies the material, factual, and legal allegations contained in the Notice and Complaint, and maintains that all products it sold or distributed for sale, in or into 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 GOJA of any fact, finding, conclusion of law, issue of law, or violation of law. This section shall not, however, diminish or otherwise affect GOJA's obligations, responsibilities, and duties under this Consent Judgment.

#### 1.6 Jurisdiction

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

#### **Execution Date** 1.7

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

### **Effective Date**

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: REFORMULATION & WARNINGS**

### 2.1 **Commitment to Reformulate or Warn**

Commencing on the Effective Date and continuing thereafter, all Products GOJA manufactures, imports, sells, ships, or distributes for sale, in or into California, directly or through one or more third party retailers or e-commerce marketplaces shall be either: (a) Reformulated

Products, in compliance with and as defined by the Reformulation Standard set forth in Section 2.2; or (b) Products bearing a clear and reasonable warning, pursuant to Sections 2.3 through 2.5.

### 2.2 Reformulation Standard & Reformulated Products Defined

For purposes of this Agreement, "Reformulated Products" are defined as those Products: (a) containing no more than 0.009% or 90 parts per million ("ppm") Lead on any exterior surface when analyzed pursuant to U.S. Environmental Protection Agency ("EPA") testing methodologies 3050B and 6020A or equivalent methodologies utilized by federal or state agencies for the purpose of determining Lead content in a solid substance; and (b) yielding a test result of no more than 1.0 microgram of Lead on any exterior surface when sampled pursuant to the NIOSH 9100 testing protocol and analyzed pursuant to EPA 3050B and 6020A. ("Reformulation Standard".)

### 2.3 Clear and Reasonable Warnings

Commencing on or before the Effective Date, and continuing thereafter, GOJA shall provide clear and reasonable health hazard warnings for all Products GOJA manufactures, imports, distributes, sells or offers for sale, in or into California, that do not meet the Reformulation Standard for Reformulated Products. For purposes of this Agreement, a warning shall be deemed clear and reasonable, if it meets the criteria set forth in California Health & Safety Code § 25249.5 et seq. and title 27 California Code of Regulations ("Cal. Code Regs.") § 25600 et seq, as may be amended from time to time.

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 prior to purchase or use. Each warning shall be provided in a manner such that the consumer or user understands to which *specific* Product the warning applies, so as to minimize the risk of consumer confusion.

(a) For purposes of this Agreement, the following warning shall be deemed clear and reasonable:

▲WARNING: This product can expose you to chemicals, including Lead, which is known to the State of California to cause cancer, birth defects and other reproductive harm. For

more information go to www.P65Warnings.ca.gov

**(b) Short Form Warning**: As an alternative to the preceding, GOJA may, but is not required to, use the following applicable short-form warning ("Short-Form"), subject to the additional requirements in Sections 2.4 and 2.5 as follows:

▲ WARNING: Cancer and Reproductive Harm - www.P65Warnings.ca.gov.

The Parties agree, should GOJA determine additional chemical endpoints need to be included in the above warnings, GOJA may modify the content of such warnings to address the new chemical, provided the revised warnings comply with title 27 Cal. Code Regs. § 25600 *et seq.* 

(c) Foreign Language Requirement. Where a consumer product sign, label or tag used to provide a warning includes "consumer information", as the term is defined in Title 27 California Code of Regulations § 25600.1(c) ("Consumer Information"), in languages other than English, then the accompanying warnings must also be provided in those languages.

## 2.4 On-Product Warning Requirements

GOJA shall affix a warning on the Product Label, its packaging or directly on each Product that is manufactured, imported, distributed, sold or otherwise provided for sale to consumers in California. "**Product Label**" is defined as a display of written, printed or graphic material that is printed on or affixed to a Product or its immediate container or wrapper. The entire warning shall appear in at least 6-point type, and in no event shall it be smaller than the largest type size used for other consumer information on the Product.

Warnings provided pursuant to Section 2.3 must print the word "WARNING:" in all capital letters and in bold font, followed by a colon. 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, if the sign or label for the Products does not use the color yellow, then the symbol may be in black and white. The symbol must be in a size no smaller than the height of the word "WARNING:". The warning may be contained in the same section of the packaging, labeling, or instruction booklet that states other safety warnings, if any, concerning the use of the Products and shall be at least the same size as those other safety warnings.

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## 2.5 Internet Product Warning Requirements

For all Products manufactured, imported, distributed, sold or offered for sale after the Effective Date via the internet to customers located in California, or sold in or into California, by GOJA directly or through third-party websites over which GOJA has the ability to control the application of warnings, GOJA shall provide warnings for each Product, both on the Product label, in accordance with Section 2.4, and by prominently displaying the warning to customers prior to purchase or during the checkout process such that the consumer does not have to seek out the information being provided. The warning or a clearly marked hyperlink to the warning, using the word "WARNING" and given in conjunction with the sale of Products via the internet, shall appear on: (a) the same web page on which the Product is displayed; (b) the same web page as the order form for the Product; (c) on the same page as the price for any Product; or (d) on one or more web pages displayed to a purchaser during the checkout process. The warning shall appear in any of the above instances adjacent to or immediately following the display, description or price of the Product for which it is given in the same type size or larger than other consumer information provided for the Product. For third-party websites, as a term of sale, GOJA shall notify its commercial customers that the Products must be accompanied by a warning, prior to and as a term of sale, in or into California, and shall supply the warning requirements, pursuant to this Section 2.5.

## 3. MONETARY SETTLEMENT TERMS

### 3.1 Civil Penalty

Pursuant to Health and Safety Code § 25249.7(b), GOJA agrees to pay a civil penalty of \$2,000.00 within fifteen (15) business days of the Effective Date or on or before January 3, 2024, whichever is later. GOJA'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 KASB. GOJA shall issue its payment in two checks made payable to: (a) "OEHHA" in the amount of \$1,500.00; and (b) "Keep America Safe and Beautiful" in the amount of \$500.00. KASB's counsel shall deliver to OEHHA and KASB their respective portion of the penalty payments.

### 3.2 Reimbursement of Attorneys' Fees and Costs

KASB and its counsel offered to resolve the allegations in the Notice without reaching terms on the amount of reimbursement of 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 KASB'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 Agreement to the Office of the California Attorney General. Within fifteen (15) business days of the Effective Date or on or before January 3, 2024, whichever is later, GOJA agrees to issue a check in the amount of \$24,000.00 payable to "Seven Hills LLP" for all fees and costs incurred in investigating, bringing this matter to GOJA's attention, negotiating a settlement in the public interest, and reporting its terms to Office of the California Attorney General pursuant to Section 5.

## 3.3 Payments Due

All payments payable and due under this Consent Judgment shall be delivered to KASB's counsel at the address listed in Section 3.4 within fifteen (15) business days of the Effective Date, or on or before January 3, 2024, whichever is later.

### 3.4 Delivery Address

All payments payable and due under this Agreement shall be delivered to KASB's counsel at following address:

Seven Hills LLP Attn: Kimberly Gates Johnson 4 Embarcadero Center, Suite 1400 San Francisco, CA 94111

Upon full execution of this Consent Judgment by the Parties, counsel for KASB shall deliver to counsel for GOJA Federal Form W9s for each payee under this Agreement, allowing GOJA to comply with its year-end tax reporting requirements.

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### 4. **CLAIMS COVERED AND RELEASED**

### KASB's Release of GOJA 4.1

This Consent Judgment is a full, final and binding resolution between KASB, on behalf of itself and in the public interest, and GOJA, of any violation of Proposition 65 that was or could have been asserted by KASB on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, against GOJA, its past and present directors, officers, shareholders, employees, agents, subsidiaries, divisions, affiliates, assignees, attorneys, and each entity to whom GOJA directly or indirectly distributes or sells Products, including, but not limited to, downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees (collectively, "Releasees"), based on their failure to warn, arising under Proposition 65, about alleged exposures to Lead contained in Products that were manufactured, distributed, sold and/or offered for sale by GOJA in California before the Effective Date, as alleged in the Notice 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.

In further consideration of the promises and agreements herein contained, KASB, on behalf of itself, its past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives all of KASB's rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims that KASB 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 manufactured, distributed, sold and/or offered for sale by GOJA, before the Effective Date (collectively, "Claims"), against GOJA and Releasees.

The Parties further understand and agree this Section 4.1 release shall not extend upstream to any entities who manufactured the Products or any component parts thereof, nor to any distributors or suppliers who sold the Products or any component parts thereof to GOJA. Nor shall this Section 4.1 release apply to any downstream, third-party websites that fail to communicate Product warnings, as set forth in Section 2, after the Effective Date. Nothing in this Section affects KASB's right to

commence or prosecute an action under Proposition 65 against a Releasee that does not involve GOJA's Products.

### 4.2 GOJA's Release of KASB

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

### 4.3 Mutual Waiver of California Civil Code Section 1542

The Parties each acknowledge familiarity with Section 1542 of the Civil Code, which provides as follows:

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

The Parties, each on their own behalf, and each on behalf of their past and current agents, representatives, attorneys, successors, and/or assignees, expressly waive and relinquish any and all rights and benefits which it/they may have under, or which may be conferred upon it/them by the provisions of Civil Code Section 1542, as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent they may lawfully waive such rights or benefits pertaining to the released matters, as specifically defined by Sections 4.2 and 4.3, above. Nothing in this section shall affect KASB's right to commence or prosecute an action under Proposition 65 against a Releasee that does not involve the Products.

### 5. COURT APPROVAL

Pursuant to California Health and Safety Code § 25249.7(f)(4), KASB 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

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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. **SEVERABILITY**

If, subsequent to the execution of this Agreement, any provision of this Agreement 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 Agreement 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 GOJA may provide KASB with written notice of any asserted change in the law, and shall have no further injunctive obligations pursuant to this Agreement, with respect to, and to the extent that, the Products are so affected. Nothing in this Agreement shall be interpreted to relieve GOJA from its obligation to comply with any pertinent state or federal law or regulation.

### 8. **NOTICE**

Unless specified herein, all correspondence and notice required by this Agreement shall be in writing and 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:

For GOJA:

Walter Gonzalez, Jr., CEO & President GOJA, LLC 8400 NW 36<sup>th</sup> St., Suite 500

Miami, FL 33166

With a Copy To:

Damon M. Pitt, Esq. K & L Gates 1Park Plaza, 12<sup>th</sup> Floor Irvine, CA 92614

For KASB:

Kimberly Gates Johnson, Partner Seven Hills LLP 4 Embarcadero Center, Suite 1400 San Francisco, CA 94111

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AGREED TO:

AGREED TO:

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

KASB and its counsel agree to comply with the reporting form requirements referenced in California Health and 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 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. <u>AUTHORIZATION</u>

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.

1	Date: 09/25/2023	Date: 9/22/2023
2	By:	By:
3	My Nguyen, CFO	Walter Gonzales, CEO
4	KEEP AMERICA SAFE AND BEAUTIFUL	GOJA, LLC
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