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CENTER FOR ENVIRONMENTAL HEALTH

SUPERIOR COURT FOR THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN FRANCISCO

CENTER FOR ENVIRONMENTAL HEALTH,)	Case No. CGC-25-624468
)	
Plaintiff,)	[PROPOSED] CONSENT
)	JUDGMENT AS TO HELIX
v.)	INNOVATION LLC AND ALTRIA
)	GROUP DISTRIBUTION COMPANY
HELIX INNOVATIONS LLC, <i>et al.</i> ,)	
)	
Defendants.)	
)	
)	
)	

1. INTRODUCTION

1.1. This Consent Judgment is entered into by Plaintiff Center for Environmental Health, a non-profit corporation (“CEH”), and defendants Helix Innovation LLC (“Helix”) and Altria Group Distribution Company (“Altria”) (collectively, “Settling Defendants”) to settle claims asserted by CEH against Settling Defendants as set forth in the operative Complaint in the matter *Center for Environmental Health v. Helix Innovations LLC, et al.*, San Francisco County Superior Court Case No. CGC-25-624468 (the “Action”). CEH and Settling Defendants are referred to collectively as the “Parties.”

1.2. On April 3, 2024, CEH served a 60-Day Notice of Violation (the “Notice”)

1 relating to the California Safe Drinking Water and Toxic Enforcement Act of 1986, California
2 Health & Safety Code § 25249.5, *et seq.* (“Proposition 65”) on Settling Defendants, the California
3 Attorney General, the District Attorneys of every County in the State of California, and the City
4 Attorneys for every City in State of California with a population greater than 750,000. The
5 Notice alleges violations of Proposition 65 with regard to exposures to nicotine resulting from use
6 of Settling Defendants’ nicotine pouch products (the “Covered Products”). On April 30, 2024,
7 CEH served an amended 60-Day Notice of Violation (“Amended Notice”) on all of the same
8 entities listed above that included the same allegations as the Notice, but fixed a typographical
9 error contained in the Notice.

10 **1.3.** On April 17, 2025, CEH filed the Action which named Settling Defendants as
11 defendants and includes a single cause of action covering the alleged violations of Proposition 65
12 set forth in the Notice and Amended Notice.

13 **1.4.** Settling Defendants employ ten (10) or more persons. Helix manufactures (as
14 defined herein) and/or sells Covered Products into the stream of commerce that enters the State of
15 California or has done so in the past. Altria is Helix’s designated agent for sales and distribution
16 of Covered Products and performs services at Helix’s direction.

17 **1.5.** Settling Defendants dispute the allegations in the Notice, the Amended Notice, and
18 in this Action.

19 **1.6.** For purposes of this Consent Judgment only, the Parties stipulate that: (i) this
20 Court has jurisdiction over the allegations of violations contained in the Notice and Complaint
21 and personal jurisdiction over Settling Defendants to the acts alleged in the Complaint; (ii) venue
22 is proper in the County of San Francisco; and (iii) this Court has jurisdiction to enter this Consent
23 Judgment as a full and final resolution of all claims which were or could have been raised in the
24 Complaint based on the facts alleged in the Notice and Complaint with respect to Covered
25 Products manufactured, distributed, and/or sold by Settling Defendants.

26 **1.7.** The Parties enter into this Consent Judgment as a full and final settlement of all
27 claims which were or could have been raised in the Complaint arising out of the facts or conduct
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1 related to Settling Defendants alleged therein and in the Notice and Amended Notice. This
2 Consent Judgment is based on a settlement and compromise of CEH's claims and Settling
3 Defendants' defenses which were not adjudicated by the Court. By execution of this Consent
4 Judgment and agreeing to comply with its terms, the Parties do not admit any fact, conclusion of
5 law, or violation of law, nor shall compliance with the Consent Judgment constitute or be
6 construed as an admission by the Parties of any fact, conclusion of law, or violation of law.
7 Settling Defendants deny the material, factual, and legal allegations in the Notice, the Amended
8 Notice and Complaint and expressly deny any wrongdoing whatsoever. Except as specifically
9 provided herein, nothing in this Consent Judgment shall prejudice, waive, or impair any right,
10 remedy, argument, or defense any of the Parties may have in this or any other pending or future
11 legal proceedings. If CEH or any other person or entity alleges that Settling Defendants, Settling
12 Defendants' Releasees, or Downstream Settling Defendants' Releasees are liable in any respect
13 for claims related to the Covered Products, nothing in this Consent Judgment shall waive,
14 prejudice, or otherwise limit any defense to such claims, including, but not limited to, defenses
15 based on alleged First Amendment rights such as compelled speech, or preemption. This Consent
16 Judgment is the product of negotiation and compromise and is accepted by the Parties solely for
17 purposes of settling, compromising, and resolving issues disputed in this Action.

18 **2. DEFINITIONS**

19 **2.1.** "Covered Products" means nicotine pouch products manufactured, distributed
20 and/or sold by Settling Defendants that enter the California stream of commerce, specifically the
21 on!® brand of nicotine pouch products.

22 **2.2.** "Effective Date" means the date on which the Court enters this Consent
23 Judgment.

24 **3. INJUNCTIVE RELIEF**

25 **3.1. Clear And Reasonable Warnings For Sales In California Brick And Mortar**
26 **Stores.** Settling Defendants shall not sell or ship for sale any Covered Products to brick and
27 mortar retailers located in California or distributors that Settling Defendants reasonably believe
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1 may resell Covered Products to brick and mortar retailers located in California unless Settling
2 Defendants comply with the provisions of this Section 3.1. At the sole election of Settling
3 Defendants, clear and reasonable warnings for Covered Products sold in California brick and
4 mortar stores shall be provided either directly on the Covered Products or the Covered Products'
5 outer packaging ("On Product Warning(s)") by complying with the requirements set forth in
6 Section 3.1.1 or alternatively by complying with the retail store signage warning requirements
7 ("Warning Sign(s)") set forth In Section 3.1.2:

8 **3.1.1. On Product Warning Requirements.** On Product Warning(s) shall
9 conspicuously display either the warning set forth below or a safe harbor warning expressly set
10 forth in 27 Cal. Code Regs. § 25603:



11 **WARNING:** This product can expose you to chemicals including nicotine, which
12 are known to the State of California to cause birth defects or other reproductive
13 harm. For more information go to www.P65Warnings.ca.gov.

14 If consumer information on the product is in a foreign language, the warning will be given in the
15 foreign language.

16 **3.1.2. Warning Sign Requirements.** Covered Products shall be accompanied by
17 warning signs which shall measure a minimum of 20 square inches and shall, in no less than 24-
18 point font, display the warning set forth below:



20 **WARNING:** Use of the on!® brand of nicotine pouches can expose you to
21 chemicals including nicotine, which are known to the State of California to cause
22 birth defects or other reproductive harm. For more information go to
23 www.P65Warnings.ca.gov.

24 The Warning Sign shall not be preceded by, surrounded by, or include any additional words or
25 phrases that contradict, obfuscate, or otherwise undermine the warning. Settling Defendants shall
26 provide a letter with instructions for placing the Warning Signs to brick and mortar retailers
27 located in California or distributors that Settling Defendants reasonably believe may resell

1 Covered Products to brick and mortar retailers located in California. The instruction letter shall
2 specify that the Warning Signs shall be displayed either in, on, or adjacent to the display case
3 where the Covered Products are displayed or on a wall abutting where the Covered Products are
4 displayed or stored, whichever reasonably ensures that the sign is displayed in such a manner that
5 it is likely to be read and understood as being applicable to the Covered Product being purchased
6 prior to the authorization of or actual payment. The letter sent with the Warning Signs shall
7 include instructions on how and where the warning signs must be placed. The text of the letter
8 described in this Section shall be agreed upon by the Parties in all material respects. If consumer
9 information on the product is in a foreign language, the warning will be given in the foreign
10 language.

11 **3.1.3. Notification to CEH.** Within ten (10) days of the Effective Date, Settling
12 Defendants shall provide written notification to CEH advising CEH whether Settling Defendants
13 will comply with Section 3.1. by complying with Section 3.1.1 (On Product Warnings) or 3.1.2
14 (Warnings Signs). Should Settling Defendants elect to change the method by which they provide
15 warnings in compliance with Section 3.1, Settling Defendants shall provide written notification to
16 CEH at least thirty (30) days before implementing such change. All written notifications
17 provided pursuant to this Section shall comply with the Provision of Notice requirements set forth
18 below in Section 8.

19 **3.1.4. Deadlines For Implementing Warning Requirements.** Settling
20 Defendants' deadline to provide a warning in compliance with Section 3.1. shall depend on
21 whether Settling Defendants elect to provide On Product Warnings or Warnings Signs. Should
22 Settling Defendants elect to provide warnings for Covered Products with an On Product Warning,
23 Settling Defendants shall provide an On Product Warning on all Covered Products manufactured
24 one hundred thirty-five (135) days after the Effective Date that are sold to brick and mortar
25 retailers located in California or distributors that Settling Defendants reasonably believe may
26 resell Covered Products to brick and mortar retailers located in California. Should Settling
27 Defendants elect to provide warnings for Covered Products with Warning Signs, Settling
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Defendants shall comply with all provisions for Warning Signs set forth in Section 3.1.2. within one hundred (100) days of the Effective Date, for all Covered Products as defined herein.

3.2. Clear And Reasonable Warnings For Internet Sales

3.2.1. Warnings for Covered Products Sold Directly to Consumers in California by Settling Defendants on Their Website(s). Within thirty (30) days of the Effective Date, no Covered Product shall be sold by Settling Defendants on their website(s) to a customer in California unless either the following warning or a safe-harbor warning expressly set forth in 27 Cal. Code Regs. § 25603 is provided:



WARNING: This product can expose you to chemicals including nicotine, which are known to the State of California to cause birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.

The warning shall not be preceded by, surrounded by, or include any additional words or phrases that contradict, obfuscate, or otherwise undermine the warning. The warning statement shall be displayed in such a manner that it is likely to be read and understood as being applicable to the Covered Product being purchased by a customer in California prior to the authorization of or actual payment. Consistent with 27 Cal. Code Regs. § 25602(b), the requirements of this Section shall be satisfied if the warning, or a clearly marked hyperlink using the word “**WARNING,**” appears on the product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase. The warning language is not prominently displayed if the California customer must search for the warning language in the general content of Settling Defendants’ website(s) or if a reasonable consumer cannot determine the specific Covered Product to which the warning applies. Placement of the warning statement at the bottom of an internet webpage that offers multiple products for sale does not satisfy the requirements of this Section. If consumer information on the website directed to consumers in California is in a foreign language, the warning will be given in the foreign language. The warning statement in this section applies equally for catalogues or for any other sale where the California consumer is not physically present.

1 **3.2.2. Warnings for Covered Products Sold by Third Party Online Retailers.**

2 Effective sixty (60) days after the Effective Date, Settling Defendants shall not directly sell or
3 ship for sale any Covered Products to online retailers that Settling Defendants reasonably believe
4 may sell Covered Products into California or distributors that Settling Defendants reasonably
5 believe may sell Covered Products to authorized online retailers that sell Covered Products in
6 California unless such Covered Products are accompanied by a letter instructing that for any
7 Covered Product sold by an online retailer to a customer in California, either the following
8 warning or a safe-harbor warning expressly set forth in 27 Cal. Code Regs. § 25603 shall be
9 provided:



11 **WARNING:** This product can expose you to chemicals including nicotine, which
12 are known to the State of California to cause birth defects or other reproductive
13 harm. For more information go to www.P65Warnings.ca.gov.

14 The letter must further instruct that the warning shall not be preceded by, surrounded by, or
15 include any additional words or phrases that contradict, obfuscate, or otherwise undermine
16 the warning. It must also inform the retail customer that the warning statement must be
17 displayed in such a manner that it is likely to be read and understood as being applicable to
18 the Covered Product being purchased prior to the authorization of or actual payment and that
19 placement of the warning statement at the bottom of an internet webpage that offers multiple
20 products for sale does not satisfy the requirements of this Section. In addition, the letter shall
21 state that, if consumer information on the website is in a foreign language, the warning will
22 be given in the foreign language. The warning statement in this section applies equally for
23 catalogues or for any other sale where the California consumer is not physically present.

24 **3.3. Sell-Through Periods.** Notwithstanding anything else in this Consent Judgment,
25 Covered Products manufactured and/or sold prior to the compliance dates set forth above shall be
26 subject to the release of liability pursuant to Section 7 of this Consent Judgment, without regard
27 to when such Covered Products were, or are in the future, distributed or sold to California

1 customers as further described herein.

2 **3.3.1.** In the event Settling Defendants elect to provide warnings using On
3 Product Warnings, Covered Products that were manufactured prior to one hundred thirty-five
4 (135) days after the Effective Date shall be subject to the release of liability pursuant to Section 7
5 of this Consent Judgment, without regard to when such Covered Products were, or are in the
6 future. As a result, the obligation of Settling Defendants, or any of their parents, subsidiaries,
7 affiliates, or downstream retailers set forth in this Consent Judgment, including but not limited to
8 Section 3, do not apply to these products manufactured prior to one hundred thirty-five (135) days
9 after the Effective Date.

10 **3.3.2.** In the event Settling Defendants elect to provide warnings using Warning
11 Signs, Covered Products that were sold to consumers prior to one hundred (100) days after the
12 Effective Date shall be subject to the release of liability pursuant to Section 7 of this Consent
13 Judgment. As a result, the obligation of Settling Defendants, or any of their parents, subsidiaries,
14 affiliates, or downstream retailers set forth in this Consent Judgment, including but not limited to
15 Section 3, do not apply to these products sold to consumers prior to one hundred (100) days after
16 the Effective Date.

17 **3.3.3.** With regard to Covered Products sold by third-party internet sales, Covered
18 Products that were sold to consumers prior to sixty (60) days after the Effective Date shall be
19 subject to the release of liability pursuant to Section 7 of this Consent Judgment. As a result, the
20 obligation of Settling Defendants, or any of their parents, subsidiaries, affiliates, or downstream
21 retailers set forth in this Consent Judgment, including but not limited to Section 3, do not apply to
22 these products sold to consumers prior to one hundred sixty (60) days after the Effective Date.

23 **3.3.4.** With regard to Covered Products sold by internet sales by Settling
24 Defendants, Covered Products that were sold to consumers prior to thirty (30) days after the
25 Effective Date shall be subject to the release of liability pursuant to Section 7 of this Consent
26 Judgment. As a result, the obligation of Settling Defendants, or any of their parents, subsidiaries,
27 affiliates, or downstream retailers set forth in this Consent Judgment, including but not limited to
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1 Section 3, do not apply to these products sold to consumers prior to thirty (30) days after the
2 Effective Date.

3 **3.4. Third-party sellers' failure to provide warnings.** Upon written notice from
4 CEH to Settling Defendants of an alleged failure by any third-party seller of Covered Products to
5 provide the warnings required pursuant to this Consent Judgment, Settling Defendants shall
6 transmit written notice of the violation to the entity that allegedly failed to provide the warning if
7 it has a direct business relationship with that entity, informing it of the alleged violation and the
8 potential penalties under Proposition 65 that could be imposed for violations. If the Settling
9 Defendants do not have a business relationship with the entity that allegedly failed to provide the
10 warning, the Settling Defendants shall transmit the written notice to the relevant distributor, if
11 any. If there is no applicable distributor, the Settling Defendants shall notify CEH so that CEH
12 may, at its discretion, contact the entity that allegedly failed to provide the warning directly.

13 **3.4.1. Repeat failures to provide warnings.** Upon written notice from CEH to
14 Settling Defendants of additional alleged failures to provide the warnings required pursuant to
15 this Consent Judgment by entities with which Settling Defendants have a direct business
16 relationship, the following escalating penalties shall apply:

17 **3.4.1.1.** For the second violation by any entity with which Settling
18 Defendants have a direct business relationship in a calendar year, Settling Defendants shall send a
19 second warning letter to the entity advising it that any further violation could result in termination
20 of Settling Defendants' relationship with the entity, with a copy provided to CEH.

21 **3.4.1.2.** For the third violation by any entity with which Settling
22 Defendants have a direct business relationship in a calendar year, or fifth violation in aggregate,
23 Settling Defendants shall take reasonable steps to ensure that the entity complies with the warning
24 requirement, up to and including exercising Settling Defendants' rights to terminate their business
25 relationship with such entity, with a copy provided to CEH.

26 **3.4.2. Failure to provide warnings on websites where Settling Defendants use**
27 **on-product warnings.** In the event that CEH becomes aware of a third-party website selling
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1 Covered Products without first providing clear and reasonable warnings to purchasers and
2 Settling Defendants have elected to provide on-products warnings, CEH may, in addition to any
3 other remedies provided under this Consent Judgment, pursue the third-party seller directly for its
4 failure to pass along the warning.

5 **4. PAYMENTS**

6 **4.1. Payments by Settling Defendants.** Within twenty 20 business days of the
7 Effective Date, Settling Defendants shall pay the total sum of \$162,500 and no cents as a
8 settlement payment as further set forth in this Section. Any payment by Settling Defendants shall
9 be deemed to be timely and not subject to a late charge and/or other penalty if (1) postmarked (if
10 sent by the United States Postal Service) or (2) delivered to an overnight carrier (e.g. Fed Ex), on
11 or before the deadline set forth in this paragraph. CEH agrees to provide IRS W-9 forms for each
12 of the payees under this Consent Judgment. The Parties acknowledge that Settling Defendants
13 cannot issue any payments under this Section 4 until Settling Defendants have received the
14 requisite IRS W-9 forms.

15 **4.2. Allocation of Payments.** The total settlement amount for Settling Defendants
16 shall be paid in five separate checks in the amounts specified below and delivered as set forth
17 below. Any failure by Settling Defendants to comply with the payment terms herein shall be
18 subject to a late fee to be paid by Settling Defendants in the amount of \$100 for each day the full
19 payment is not received after the applicable payment due date set forth in Section 4.1. The late
20 fees required under this Section shall be recoverable, together with reasonable attorneys' fees, in
21 an enforcement proceeding brought pursuant to Section 4 of this Consent Judgment. The funds
22 paid by Settling Defendants shall be allocated as set forth below between the following categories
23 and made payable as follows:

24 **4.2.1.** \$43,000 as a civil penalty pursuant to Health & Safety Code § 25249.7(b).
25 The civil penalty payment shall be apportioned in accordance with Health & Safety Code §
26 25249.12 (25% to CEH and 75% to the State of California's Office of Environmental Health
27 Hazard Assessment). Accordingly, the OEHHA portion of the civil penalty payment for \$32,250
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1 shall be made payable to OEHAA and associated with taxpayer identification number 68-
2 0284486. This payment shall be delivered as follows:

3 For United States Postal Service Delivery:

4 Attn: Mike Gyurics
5 Fiscal Operations Branch Chief
6 Office of Environmental Health Hazard Assessment
7 P.O. Box 4010, MS #19B
8 Sacramento, CA 95812-4010

9 For Non-United States Postal Service Delivery:

10 Attn: Mike Gyurics
11 Fiscal Operations Branch Chief
12 Office of Environmental Health Hazard Assessment
13 1001 I Street, MS #19B
14 Sacramento, CA 95814

15 The CEH portion of the civil penalty payment for \$10,750 shall be made payable to the
16 Center for Environmental Health and associated with taxpayer identification number 94-3251981.
17 This payment shall be delivered to Lexington Law Group, LLP, 503 Divisadero Street, San
18 Francisco, CA 94117.

19 **4.2.2.** \$31,300 as an Additional Settlement Payment (“ASP”) in lieu of civil
20 penalty to CEH pursuant to Health & Safety Code § 25249.7(b), and California Code of
21 Regulations, Title 11, § 3204. CEH intends to place these funds in CEH’s Toxics and Youth
22 Fund, and CEH states that its intent is to use them to: (1) support CEH programs and activities
23 that seek to educate the public about nicotine in nicotine pouches and other toxic chemicals in
24 consumer products; (2) expand its use of social media to communicate with Californians about
25 the potential risks of exposures to nicotine, formaldehyde, and acetaldehyde and other toxic
26 chemicals in the products they and their children use and about ways to reduce those exposures;
27 and (3) work with industries that market products to youth to reduce exposures to toxic
28 chemicals, and thereby reduce the public health impacts and risks of exposures to toxic chemicals
in consumer products that are marketed to, or used by youth in California. CEH may also use a
portion of such funds to monitor compliance with this Consent Judgment and to purchase Settling
Defendant’s products to confirm compliance. CEH shall obtain and maintain adequate records to

document that ASPs are spent on these activities, and CEH agrees to provide such documentation to the Attorney General within thirty (30) days of any request from the Attorney General. The payment pursuant to this Section shall be made payable to the Center for Environmental Health.

4.2.3. \$88,200 as a reimbursement of a portion of CEH's reasonable attorneys' fees and costs. The attorneys' fees and cost reimbursement shall be made in two separate checks as follows: (a) \$83,000 payable to the Lexington Law Group, LLP and associated with taxpayer identification number 88-4399775; and (b) \$5,200 payable to the Center for Environmental Health and associated with taxpayer identification number 94-3251981. Both of these payments shall be delivered to Lexington Law Group, LLP, 503 Divisadero Street, San Francisco, CA 94117.

5. ENFORCEMENT OF CONSENT JUDGMENT

5.1. CEH may, by motion or application for an order to show cause before the Superior Court of San Francisco County, enforce the terms and conditions contained in this Consent Judgment. Prior to bringing any motion or application to enforce the requirements of Section 3 above applicable to Settling Defendants, CEH shall provide Settling Defendants with a Notice of Violation and a copy of any photographs or other documents which support CEH's Notice of Violation. The Parties shall then meet and confer regarding the basis for CEH's anticipated motion or application in an attempt to resolve it informally, including providing Settling Defendants a reasonable opportunity of at least thirty (30) days to cure any alleged violation. Should such attempts at informal resolution fail, CEH may file its enforcement motion or application. In the event that CEH is successful in any enforcement motion under this Section, it shall be entitled to recover any remedies available to it under Proposition 65 or any other laws. This Consent Judgment may only be enforced by the Parties.

6. MODIFICATION OF CONSENT JUDGMENT

6.1. This Consent Judgment may only be modified by written agreement of CEH and Settling Defendants, or upon motion of CEH or Settling Defendants as provided by law. The moving party shall bear the burden of proof on any motion to modify this Consent Judgment.

1 **6.2.** A ruling by a California Court of Appeal or California Supreme Court or a formal
2 statement by the Food and Drug Administration that Proposition 65, as applied to the Covered
3 Products, is preempted by the 2009 Tobacco Control Act or other provision of federal law, may
4 constitute grounds for a modification of this Consent Judgment under this section.

5 **6.3.** The issuance of a “Authorization Order” that contains obligations, standards, or
6 requirements that conflict with the warning requirements of Section 3 of this Consent Judgment
7 may constitute grounds for a modification of this Consent Judgment under this section.

8 “Authorization Order” means a written marketing order granted from the U.S. Food and Drug
9 Administration (“FDA”) authorizing a Premarket Tobacco Product Application (“PMTA”) or
10 PMTA supplement submitted by Settling Defendants related to the Covered Products or other
11 written marketing authorization from the FDA to related to the Covered Products (including a
12 Modified Risk Tobacco Product Application).

13 **6.3.1.** If Settling Defendants receive an Authorization Order that contains
14 obligations, standards, or requirements that Settling Defendants believe conflict with the warning
15 requirements of Section 3 of this Consent Judgment such that Settling Defendant cannot comply
16 with both, Settling Defendants may comply with the requirements in the Authorization Order in
17 lieu of the allegedly conflicting requirements of this Consent Judgment pending the outcome of
18 the meet and confer and possible motion in Sections 6.3.2 and 6.3.3.

19 **6.3.2.** Within thirty (30) days, or such other time as the Parties may mutually
20 agree, after the FDA’s issuance of an Authorization Order, the Parties shall meet and confer
21 regarding the scope of the Authorization Order and whether CEH or Settling Defendants believe
22 the Authorization Order conflicts with the warning requirements of Section 3.

23 **6.3.3.** If the Parties do not agree that the Authorization Order conflicts with the
24 warning requirements of Section 3 and that revision of those requirements should be made, either
25 CEH or Settling Defendants may file a motion seeking a modification of this Consent Judgment
26 under this Section or take other appropriate action.

27 **7. CLAIMS COVERED AND RELEASE**

1 **7.1.** This Consent Judgment is a full, final, and binding resolution between CEH acting
2 in the public interest and Settling Defendants and Settling Defendants’ parents, officers, directors,
3 shareholders, divisions, subdivisions, subsidiaries, affiliated entities, including but not limited to
4 Altria, and their respective successors and assigns (“Settling Defendants’ Releasees”) and all
5 entities to whom they distribute or sell or have distributed or sold Covered Products including,
6 but not limited to, Walgreen Co., Lucky Stores LLC, Save Mart Supermarkets LLC and any other
7 distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees
8 (“Downstream Settling Defendants’ Releasees”), of all claims alleged in the Complaint in this
9 Action arising from any violations of Proposition 65 that have been or could have been asserted
10 in the public interest against Settling Defendants and Downstream Settling Defendants’
11 Releasees, regarding the failure to warn about exposures to nicotine in the Covered Products
12 manufactured, distributed, or sold by Settling Defendants prior to the Effective Date.

13 **7.2.** CEH, for itself, releases, waives, and forever discharges any and all claims alleged
14 in the Complaint against Settling Defendants and Downstream Settling Defendants’ Releasees
15 arising from any violation of Proposition 65 or any other statute or common law that have been or
16 could have been asserted regarding the failure to warn about exposure to nicotine in connection
17 with Covered Products manufactured, distributed, or sold by Settling Defendants prior to the
18 Effective Date.

19 **7.3.** Compliance with the terms of this Consent Judgment by Settling Defendants and
20 the Downstream Settling Defendants’ Releasees shall constitute compliance with Proposition 65
21 by Settling Defendants and Downstream Settling Defendants’ Releasees with respect to any
22 alleged failure to warn about nicotine in Covered Products manufactured, distributed, or sold by
23 Settling Defendants after the Effective Date.

24 **8. PROVISION OF NOTICE**

25 **8.1.** When any Party is entitled to receive any notice under this Consent Judgment, the
26 notice shall be sent by first class and electronic mail as follows:

27 **8.1.1. Notices to Settling Defendants.** The persons for Settling Defendants to
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1 receive notices pursuant to this Consent Judgment shall be:

2 Trenton H. Norris
3 Hogan Lovells US LLP
4 Four Embarcadero Center, Suite 3500
5 San Francisco, CA 94111
6 trent.norris@hoganlovells.com

7 Helix Innovations LLC
8 Attn: Legal Department
9 6601 W Broad St.,
10 Richmond, CA 23230
11 legal.admin@altria.com

12 **8.1.2. Notices to Plaintiff.** The persons for CEH to receive notices pursuant to
13 this Consent Judgment shall be:

14 Mark Todzo
15 Lexington Law Group LLP
16 503 Divisadero Street
17 San Francisco, CA 94117
18 mtodzo@lexlawgroup.com

19 **8.2.** Any Party may modify the person and address to whom the notice is to be sent by
20 sending the other Parties notice by first class and electronic mail.

21 **9. COURT APPROVAL**

22 **9.1.** This Consent Judgment shall become effective on the Effective Date, provided
23 however, that CEH shall prepare and file a Motion for Approval of this Consent Judgment and
24 Settling Defendants shall support approval of such Motion.

25 **9.2.** If this Consent Judgment is not entered by the Court, it shall be of no force or
26 effect and shall not be introduced into evidence or otherwise used in any proceeding for any
27 purpose.

28 **10. GOVERNING LAW AND CONSTRUCTION**

10.1. The terms and obligations arising from this Consent Judgment shall be construed
and enforced in accordance with the laws of the State of California.

11. ATTORNEYS' FEES

11.1. Should CEH prevail on any motion, application for an order to show cause, or

1 other proceeding to enforce a violation of this Consent Judgment, CEH shall be entitled to its
2 reasonable attorneys' fees and costs incurred as a result of such motion or application. Should
3 Settling Defendants prevail on any motion application for an order to show cause or other
4 proceeding, Settling Defendants may be awarded their reasonable attorneys' fees and costs
5 against CEH as a result of such motion or application upon a finding by the Court that CEH's
6 prosecution of the motion or application lacked substantial justification. For purposes of this
7 Consent Judgment, the term substantial justification means a justification that is well grounded in
8 both law and fact.

9 **11.2.** Except as otherwise provided in this Consent Judgment, each Party shall bear its
10 own attorneys' fees and costs.

11 **11.3.** Nothing in this Section 11 shall preclude a Party from seeking an award of
12 sanctions pursuant to law.

13 **12. ENTIRE AGREEMENT**

14 **12.1.** This Consent Judgment contains the sole and entire agreement and understanding
15 of CEH and Settling Defendants with respect to the entire subject matter hereof, and any and all
16 prior discussions, negotiations, commitments, or understandings related thereto, if any, are hereby
17 merged herein and therein.

18 **12.2.** There are no warranties, representations, or other agreements between CEH and
19 Settling Defendants except as expressly set forth herein. No representations, oral or otherwise,
20 express or implied, other than those specifically referred to in this Consent Judgment have been
21 made by any Party hereto.

22 **12.3.** No other agreements not specifically contained or referenced herein, oral or
23 otherwise, shall be deemed to exist or to bind any of the Parties hereto. Any agreements
24 specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind
25 any of the Parties hereto only to the extent that they are expressly incorporated herein.

26 **12.4.** No supplementation, modification, waiver, or termination of this Consent
27 Judgment shall be binding unless executed in writing by the Parties.

1 **12.5.** No waiver of any of the provisions of this Consent Judgment shall be deemed or
2 shall constitute a waiver of any of the other provisions hereof whether or not similar, nor shall
3 such waiver constitute a continuing waiver.

4 **13. RETENTION OF JURISDICTION**

5 **13.1.** This Court shall retain jurisdiction of this matter to implement or modify the
6 Consent Judgment.

7 **14. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT**

8 **14.1.** Each signatory to this Consent Judgment certifies that they are fully authorized by
9 the Party they represent to stipulate to this Consent Judgment and to enter into and execute the
10 Consent Judgment on behalf of the Party represented and to legally bind that Party.

11 **15. NO EFFECT ON OTHER SETTLEMENTS**

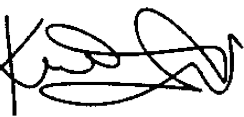
12 **15.1.** Nothing in this Consent Judgment shall preclude CEH from resolving any claim
13 against another entity on terms that are different from those contained in this Consent Judgment.

14 **16. EXECUTION IN COUNTERPARTS**

15 **16.1.** The stipulations to this Consent Judgment may be executed in counterparts and by
16 means of facsimile, which taken together shall be deemed to constitute one document.

17
18 **IT IS SO STIPULATED.**

19
20 **CENTER FOR ENVIRONMENTAL HEALTH**

21
22 

23 Kizzy Charles-Guzman
24 CEO

Dated: April 25, 2025

1 **HELIX INNOVATIONS LLC**

2
3 
4 Signature

Dated: 4/23/25

5 Geoffrey J. Michael
6 Printed Name

7 **ALTRIA GROUP DISTRIBUTION COMPANY**

8
9 
10 Signature

Dated: 4/23/25

11
12 Geoffrey J. Michael
13 Printed Name

14
15 **IT IS SO ORDERED:**

16
17 Dated: _____, 2025

18 _____
19 Judge of the Superior Court