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2	Environmental Research Center 3111 Camino Del Rio North, Suite 400	
. 3	San Diego, CA 92108	
	Michael Freund SBN 99687	
4	Ryan Hoffman SBN 283297 Michael Freund & Associates	
5	1919 Addison Street, Suite 105 Berkeley, CA 94704	•
6	Telephone: (510) 540-1992	
7	Facsimile: (510) 540-5543	
8	Attorneys for Plaintiff ENVIRONMENTAL RESEARCH CENTER, 1	NC.
9	Scott Hatch SBN 241563	
1.0	Call & Jensen 610 Newport Center Drive, Suite 700	
11	Newport Beach, California 92660	
	Attorney for Defendants	
12	NUTIVA, INC, NUTIVA	
13	SUPERIOR COURT OF TH	E STATE OF CALIFORNIA
14	COUNTY OF SA	AN FRANCISCO
15	PARTID OND TENED I DEGE A DOLL CENTED	CASENO GGG 15 545712
16	ENVIRONMENTAL RESEARCH CENTER INC., a California non-profit	CASE NO. CGC-15-545713
17	corporation,	STIPULATED CONSENT JUDGMENT; [PROPOSED] ORDER
	Plaintiff,	
18	v.	Health & Safety Code § 25249.5 et seq.
19	NUTIVA, INC, NUTIVA, and DOES 1-100	Action Filed:
20		Trial Date: None set
21	Defendants.	
22		
23	1. INTRODUCTION	
24	1.1 On May 7, 2015, Plaintiff Enviro	nmental Research Center, Inc. ("ERC"), a non-
25	profit corporation, as a private enforcer, and in t	he public interest, initiated this action by filing
26	a Complaint for Injunctive Relief and Civil Penalties (the "Complaint") pursuant to the	
27	provisions of California Health and Safety Coo	
28	against Nutiva, Inc, Nutiva, (collectively "Nut	
- 1		

alleges that a number of products manufactured, distributed or sold by Nutiva contain lead, a chemical listed under Proposition 65 as a carcinogen and reproductive toxin, and expose consumers to this chemical at a level requiring a Proposition 65 warning. These products (referred to hereinafter individually as a "Covered Product" or collectively as "Covered Products") are: (1) Nutiva Hemp Protein Delicious Shake Mix Vanilla, (2) Nutiva Hemp Protein 15G, and (3) Nutiva Hemp Protein Delicious Shake Mix Chocolate.

- 1.2 ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by reducing the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.
- 1.3 For purposes of this Consent Judgment, the parties agree that Nutiva is a business entity that has employed ten or more persons at all times relevant to this action, and qualifies as a "person in the course of business" within the meaning of Proposition 65. Nutiva manufactures, distributes and sells the Covered Products.
- 1.4 ERC and Nutiva are referred to individually as a "Party" or collectively as the "Parties."
- 1.5 The Complaint is based on allegations contained in ERC's Notice of Violation dated September 26, 2014, that was served on the California Attorney General, other public enforcers, and Nutiva ("Notice"). A true and correct copy of the Notice is attached as Exhibit A and is hereby incorporated by reference. More than 60 days have passed since the Notice was mailed and uploaded to the Attorney General's website, and no designated governmental entity has filed a complaint against Nutiva with regard to the Covered Products or the alleged violations.
- 1.6 ERC's Notice and Complaint allege that use of the Covered Products exposes persons in California to lead without first providing clear and reasonable warnings in violation of California Health and Safety Code section 25249.6. Nutiva denies all material allegations contained in the Notice and Complaint.

- 1.7 The Parties have entered into this Consent Judgment in order to settle, compromise and resolve disputed claims and thus avoid prolonged and costly litigation. Nothing in this Consent Judgment shall constitute or be construed as an admission of wrongdoing or liability by any of the Parties, or by any of their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers. Except for the representations made above, nothing in this Consent Judgment shall be construed as an admission by the Parties of any fact, issue of law, or violation of law, nor shall compliance with this Consent Judgment be construed as an admission by the Parties of any fact, issue of law, or violation of law, at any time, for any purpose.
- 1.8 Except as expressly set forth herein, nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy, argument, or defense the Parties may have in any other or future legal proceeding unrelated to these proceedings.
- 1.9 The Effective Date of this Consent Judgment is the date on which it is entered as a Judgment by this Court.

2. JURISDICTION AND VENUE

For purposes of this Consent Judgment and any further court action that may become necessary to enforce this Consent Judgment, the Parties stipulate that this Court has subject matter jurisdiction over the allegations of violations contained in the Complaint, personal jurisdiction over Nutiva as to the acts alleged in the Complaint, that venue is proper in San Francisco County, and that this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims up through and including the Effective Date which were or could have been asserted in this action based on the facts alleged in the Notice and Complaint.

3. INJUNCTIVE RELIEF, REFORMULATION, TESTING AND WARNINGS

Beginning six months from the Effective Date ("Compliance Date"), Nutiva shall be permanently enjoined from manufacturing for sale in the State of California, "Distributing into the State of California," or directly selling in the State of California, any Covered Product which exposes a person to a "Daily Lead Exposure Level" of more than 0.5 micrograms per day when

the maximum suggested dose is taken as directed on the Covered Product's label, unless it meets the warning requirements under Section 3.2, excluding, for purposes of this consent judgment only, the amounts of "naturally occurring" lead in the ingredients listed in the table as well as the Cocoa powder allowance listed in the table below. If Nutiva wishes to exclude the naturally occurring lead set forth in this section, it must, prior to the Compliance Date, provide ERC with a list of all ingredients including the percentage and weight of each ingredient for all Covered Products for which it is requesting that the exclusion be applied. In the event that a dispute arises with respect to compliance with the terms of this Consent Judgment as to any contribution from naturally occurring lead levels under the Section, the Parties shall employ good faith efforts to seek entry of a protective order that governs access to and disclosure of the Confidential Information Provided.

INGREDIENT	NATURALLY OCCURRING AMOUNT OF LEAD	
Calcium	0.8 micrograms/gram	
Ferrous Fumarate	0.4 micrograms/gram	
Zinc Oxide	8.0 micrograms/gram	
Magnesium Oxide	0.4 micrograms/gram	
Magnesium Carbonate	0.332 micrograms/gram	
Magnesium Hydroxide	0.4 micrograms/gram	
Zinc Gluconate	0.8 micrograms/gram	
Potassium Chloride	1.1 micrograms/gram	
Cocoa-powder	1.0 microgram/gram	

- 3.1.1 As used in this Consent Judgment, the term "Distributing into the State of California" shall mean to directly ship a Covered Product into California for sale in California or to sell a Covered Product to a distributor that Nutiva knows will sell the Covered Product in California.
- 3.1.2 For purposes of this Consent Judgment, the "Daily Lead Exposure Level" shall be measured in micrograms, and shall be calculated using the following formula:

micrograms of lead per gram of product, multiplied by grams of product per serving of the product (using the largest serving size appearing on the product label), multiplied by servings of the product per day (using the largest number of servings in a recommended dosage appearing on the product label), which equals micrograms of lead exposure per day.

3.1 Clear and Reasonable Warnings

If Nutiva is required to provide a warning pursuant to Section 3.1, the following warning must be utilized:

WARNING: This product contains chemicals known to the State of California to cause [cancer and] birth defects or other reproductive harm.

Nutiva shall use the phrase "cancer and" in the warning on the Covered Product only if Nutiva reasonably believes the maximum daily dose recommended on the label may contain more than 15 micrograms of lead as determined pursuant to the quality control methodology set forth in Section 3.4 or the Covered Product contains another chemical identified as a carcinogen by the State of California.

Nutiva shall provide the warning on the following: 1) on Nutiva's checkout page on its website for California consumers identifying each Covered Product. A second warning shall appear prior to completing checkout on the website when a California delivery address is indicated. The purchaser shall be required to accept the warning prior to completing checkout for any of the Covered Products being sold; and 2) on the label or container of Nutiva's product packaging for each Covered Product distributed into the State of California as defined in Section 3.1.1.

The warning shall be at least the same size as the largest of any other health or safety warnings also appearing on its website or on the label or container of Nutiva's product packaging and the word "WARNING" shall be in all capital letters and in bold print. No other statements about Proposition 65 or lead may accompany the warning.

Nutiva must display the above warnings with such conspicuousness, as compared with other words, statements, or design of the label or container, as applicable, to render the warning likely to be read and understood by an ordinary individual under customary conditions of purchase

or use of the product.

3.3 Reformulated Covered Products

A Reformulated Covered Product is one for which the Daily Lead Exposure Level when the maximum suggested dose is taken as directed on the Reformulated Covered Product's label, contains no more than 0.5 micrograms of lead per day as determined by the quality control methodology described in Section 3.4 and as modified by the foregoing allowance for "naturally occurring" lead.

3.4 Testing and Quality Control Methodology

- 3.4.1 All testing pursuant to this Consent Judgment shall be performed using a laboratory method that complies with the performance and quality control factors appropriate for the method used, including limit of detection, qualification, accuracy, and precision that meets the following criteria: Inductively Coupled Plasma-Mass Spectrometry (ICP-MS) achieving a limit of quantification of less than or equal to 0.010 mg/kg or any other testing method subsequently agreed upon in writing by the Parties.
- 3.4.2 All testing pursuant to this Consent Judgment shall be performed by a laboratory certified by the California Environmental Laboratory Accreditation Program or a laboratory that is registered with the United States Food & Drug Administration. Nothing in this Consent Judgment shall limit Nutiva's ability to conduct, or require that others conduct, additional testing of the Covered Products, including the raw materials used in their manufacture.
- 3.4.3 Nutiva shall arrange, for at least three consecutive years and at least once per year, for the lead testing of five randomly selected samples of each Covered Product in the form intended for sale to the end-user to be distributed or sold to California. Nutiva shall continue testing so long as the Covered Products are sold in California or sold to a third party for retail sale in California. If tests conducted pursuant to this Section demonstrate that no warning is required for a Covered Product during each of five consecutive years, then the testing requirements of this Section will no longer be required as to that Covered Product. However, if after the five-year period, Nutiva changes ingredient suppliers for any of the

Covered Products and/or reformulates any of the Covered Products, Nutiva shall test that Covered Product at least once after such change is made. The testing requirements discussed in Section 3.4 are not applicable to any Covered Product for which Nutiva has provided the warning as specified in Section 3.2. Nutiva shall retain all test results and documentation for a period of five years from the date of each test.

4. SETTLEMENT PAYMENT

- 4.1 In full satisfaction of all potential civil penalties, payment in lieu of civil penalties, attorney's fees, and costs, Nutiva shall make a total payment of \$48,000.00. ("Total Settlement Amount") to ERC within 5 days of the Effective Date. Nutiva shall make this payment by wire transfer to ERC's escrow account, for which ERC will give Nutiva the necessary account information. The Total Settlement Amount shall be apportioned as follows:
- 4.2 \$20,337.00 shall be considered a civil penalty pursuant to California Health and Safety Code §25249.7(b)(1). ERC shall remit 75% (\$15,253.00) of the civil penalty to the Office of Environmental Health Hazard Assessment ("OEHHA") for deposit in the Safe Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety Code §25249.12(c). ERC will retain the remaining 25% (\$5,084.00) of the civil penalty.
- 4.3 \$1,400.00 shall be distributed to Environmental Research Center as reimbursement to ERC for reasonable costs incurred in bringing this action; and \$15,441.45 shall be distributed to Environmental Research Center in lieu of further civil penalties, for the day-to-day business activities such as (1) continued enforcement of Proposition 65, which includes work, analyzing, researching and testing consumer products that may contain Proposition 65 chemicals, focusing on the same or similar type of ingestible products that are the subject matter of the current action; (2) the continued monitoring of past consent judgments and settlements to ensure companies are in compliance with Proposition 65; and (3) giving a donation of \$767.00 to the Center for Environmental Health to address reducing toxic chemical exposures in California.
- 4.4 \$900.00 shall be distributed to Ryan Hoffman as reimbursement of ERC's attorney's fees, while \$9,921.55 shall be distributed to ERC for its in-house legal fees.

5. MODIFICATION OF CONSENT JUDGMENT

- 5.1 This Consent Judgment may be modified only (i) by written stipulation of the Parties or pursuant to Section 5.4 and (ii) upon entry by the Court of a modified consent judgment.
- Nutiva must provide written notice to ERC of its intent ("Notice of Intent"). If ERC seeks to meet and confer regarding the proposed modification in the Notice of Intent, then ERC must provide written notice to Nutiva within thirty days of receiving the Notice of Intent. If ERC notifies Nutiva in a timely manner of ERC's intent to meet and confer, then the Parties shall meet and confer in good faith as required in this Section. The Parties shall meet in person or via telephone within thirty (30) days of ERC's notification of its intent to meet and confer. Within thirty days of such meeting, if ERC disputes the proposed modification, ERC shall provide to Nutiva a written basis for its position. The Parties shall continue to meet and confer for an additional thirty (30) days in an effort to resolve any remaining disputes. Should it become necessary, the Parties may agree in writing to different deadlines for the meet-and-confer period.
- 5.3 In the event that Nutiva initiates or otherwise requests a modification under Section 5.1, and the meet and confer process leads to a joint motion or application of the Consent Judgment, Nutiva shall reimburse ERC its costs and reasonable attorney's fees for the time spent in the meet-and-confer process and filing and arguing the motion or application.
- 5.4 Where the meet-and-confer process does not lead to a joint motion or application in support of a modification of the Consent Judgment, then either Party may seek judicial relief on its own. In such a situation, the prevailing party may seek to recover costs and reasonable attorney's fees. As used in the preceding sentence, the term "prevailing party" means a party who is successful in obtaining relief more favorable to it than the relief that the other party was amenable to providing during the Parties' good faith attempt to resolve the dispute that is the subject of the modification.

6. RETENTION OF JURISDICTION, ENFORCEMENT OF CONSENT

JUDGMENT

- 6.1 This Court shall retain jurisdiction of this matter to enforce, modify or terminate this Consent Judgment.
- 6.2 If ERC alleges that any Covered Product fails to qualify as a Reformulated Covered Product (for which ERC alleges that no warning has been provided), then ERC shall inform Nutiva in a reasonably prompt manner of its test results, including information sufficient to permit Nutiva to identify the Covered Products at issue. Nutiva shall, within thirty days following such notice, provide ERC with testing information, from an independent third-party laboratory meeting the requirements of Sections 3.4.1 and 3.4.2, demonstrating Nutiva's compliance with the Consent Judgment, if warranted. The Parties shall first attempt to resolve the matter prior to ERC taking any further legal action.

7. APPLICATION OF CONSENT JUDGMENT

This Consent Judgment may apply to, be binding upon, and benefit the Parties and their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers (excluding private labelers), distributors, wholesalers, retailers, predecessors, successors, assigns, upstream suppliers, and downstream sellers. This Consent Judgment shall have no application to Covered Products which are distributed or sold exclusively outside the State of California and which are not used by California consumers.

8. BINDING EFFECT, CLAIMS COVERED AND RELEASED

8.1 This Consent Judgment is a full, final, and binding resolution between ERC, on behalf of itself and in the public interest, and Nutiva, of any alleged violation of Proposition 65 or its implementing regulations for failure to provide Proposition 65 warnings of exposure to lead from the handling, use, or consumption of the Covered Products and fully resolves all claims that have been or could have been asserted in this action up to and including the Effective Date for failure to provide Proposition 65 warnings for the Covered Products. ERC, on behalf of itself and in the public interest, hereby discharges Nutiva and its respective

officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, suppliers, franchisees, licensees, customers (not including private label customers of Nutiva), distributors, wholesalers, retailers, and all other upstream and downstream entities in the distribution chain of any Covered Product, and the predecessors, successors and assigns of any of them (collectively, "Released Parties"), from any and all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs and expenses asserted, or that could have been asserted, as to any alleged violation of Proposition 65 arising from the failure to provide Proposition 65 warnings on the Covered Products.

- 8.2 ERC on its own behalf only, on one hand, and Nutiva on its own behalf only, on the other, further waive and release any and all claims they may have against each other for all actions or statements made or undertaken in the course of seeking or opposing enforcement of Proposition 65 in connection with the Notice or Complaint up through and including the Effective Date, provided, however, that nothing in Section 8 shall affect or limit any Party's right to seek to enforce the terms of this Consent Judgment.
- 8.3 It is possible that other claims not known to the Parties arising out of the facts alleged in the Notices or the Complaint and relating to the Covered Products will develop or be discovered. ERC on behalf of itself only, on one hand, and Nutiva, on the other hand, acknowledge that this Consent Judgment is expressly intended to cover and include all such claims up through the Effective Date, including all rights of action therefore. ERC and Nutiva acknowledge that the claims released in Sections 8.1 and 8.2 above may include unknown claims, and nevertheless waive California Civil Code section 1542 as to any such unknown claims. California Civil Code section 1542 reads as follows:

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

ERC on behalf of itself only, on the one hand, and Nutiva, on the other hand, acknowledge and understand the significance and consequences of this specific waiver of California Civil Code section 1542.

- 8.4 Compliance with the terms of this Consent Judgment shall be deemed to constitute compliance with Proposition 65 by any releasee regarding alleged exposures to lead in the Covered Products as set forth in the Notice and the Complaint.
- 8.5 Nothing in this Consent Judgment is intended to apply to any occupational or environmental exposures arising under Proposition 65, nor shall it apply to any of Nutiva's products other than the Covered Products.

9. SEVERABILITY OF UNENFORCEABLE PROVISIONS

In the event that any of the provisions of this Consent Judgment are held by a court to be unenforceable, the validity of the remaining enforceable provisions shall not be adversely affected.

10. GOVERNING LAW

The terms and conditions of this Consent Judgment shall be governed by and construed in accordance with the laws of the State of California.

11. PROVISION OF NOTICE

All notices required to be given to either Party to this Consent Judgment by the other shall be in writing and sent to the following agents listed below by: (a) first-class, registered, or certified mail; (b) overnight courier; or (c) personal delivery. Courtesy copies via email may also be sent.

FOR ENVIRONMENTAL RESEARCH CENTER:

Chris Heptinstall, Executive Director, Environmental Research Center

3111 Camino Del Rio North, Suite 400

San Diego, CA 92108

Tel: (619) 500-3090

Email: chris_erc501c3@yahoo.com

With a copy to:

Michael Freund

Ryan Hoffman

Michael Freund & Associates

1919 Addison Street, Suite 105

Berkeley, CA 94704

Telephone: (510) 540-1992 Facsimile: (510) 540-5543

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NUTIVA, INC, NUTIVA

John Roulac

Nutiva

213 West Cutting Blvd Richmond, CA 94804

Telephone: (800) 993-4367

With copies to:

Scott Hatch Call & Jensen

610 Newport Center Drive, Suite 700 Newport Beach, California 92660

Telephone: (949) 717-3000

Rakesh Amin Amin, Talati & Upadhye 55 West Monroe Street Suite 3400

Suite 3400

Chicago, IL 60603

Telephone: (312) 466-1033

12. COURT APPROVAL

- 12.1 Upon execution of this Consent Judgment by the Parties, ERC shall notice a Motion for Court Approval. The Parties shall use their best efforts to support entry of this Consent Judgment.
- 12.2 If the California Attorney General objects to any term in this Consent Judgment, the Parties shall use their best efforts to resolve the concern in a timely manner, and if possible prior to the hearing on the motion.
- 12.3 If this Stipulated Consent Judgment is not approved by the Court, it shall be void and have no force or effect.

13. EXECUTION AND COUNTERPARTS

This Consent Judgment may be executed in counterparts, which taken together shall be deemed to constitute one document. A facsimile or .pdf signature shall be construed as valid as the original signature.

14. DRAFTING

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The terms of this Consent Judgment have been reviewed by the respective counsel for each Party prior to its signing, and each Party has had an opportunity to fully discuss the terms with

 counsel. The Parties agree that, in any subsequent interpretation and construction of this Consent Judgment entered thereon, the terms and provisions shall not be construed against any Party.

15. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES

If a dispute arises with respect to either Party's compliance with the terms of this Consent Judgment entered by the Court, the Parties shall meet in person or by telephone and endeavor to resolve the dispute in an amicable manner. No action or motion may be filed in the absence of such a good faith attempt to resolve the dispute beforehand. In the event an action or motion is filed, however, the prevailing party may seek to recover costs and reasonable attorney's fees. As used in the preceding sentence, the term "prevailing party" means a party who is successful in obtaining relief more favorable to it than the relief that the other party was amenable to providing during the Parties' good faith attempt to resolve the dispute that is the subject of such enforcement action.

16. ENTIRE AGREEMENT, AUTHORIZATION

- 16.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter herein, and any and all prior discussions, negotiations, commitments and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party. No other agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to exist or to bind any Party.
- 16.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the Party he or she represents to stipulate to this Consent Judgment. Except as explicitly provided herein, each Party shall bear its own fees and costs.

17. REQUEST FOR FINDINGS, APPROVAL OF SETTLEMENT AND ENTRY OF CONSENT JUDGMENT

This Consent Judgment has come before the Court upon the request of the Parties. The Parties request the Court to fully review this Consent Judgment and, being fully informed regarding the matters which are the subject of this action, to:

(1) Find that the terms and provisions of this Consent Judgment represent a fair and

1	equitable settlement of all matters raised by the allegations of the Complaint, that the matter has	
2	been diligently prosecuted, and that the public interest is served by such settlement; and	
3	(2) Make the findings pursuant to California Health and Safety Code section	
4	25249.7(f)(4), approve the Settlement, and approve this Consent Judgment.	
5	IT IS SO STIPULATED: ENVIRONMENTAL RESEARCH	
6	Dated: 6/26/, 2015 CENTER, INC.	
7	By: / 1991	
8	Chris Heptinstall, Expeditive Director	
9	Dated: 7/13, 2015 NUTIVA, INC, NUTIVA	
10	Do Rayles	
11	Britoka Roulec, CEO	
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13	APPROVED AS TO FORM:	
14	Dated: 6/76, 2015 ENVIRONMENTAL RESEARCH CENTER, INC.	
15		
16	By:Anne Barker, In-house Counsel	
17	Dated: Juy 14, 2015 CALL & JENSEN	
18	Dated:, 2015	
19	Ву: Ж	
20	Scott Hatch Attorneys for Defendant Nutiva Inc. and	
21	Nutiva	
22	ORDER AND JUDGMENT	
23	Based upon the Parties' Stipulation, and good cause appearing, this Consent Judgment is	
24	approved and Judgment is hereby entered according to its terms.	
25	IT IS SO ORDERED, ADJUDGED AND DECREED.	
26 27	Dated: . 2015	
28	Judge of the Superior Court	
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