${\tt From~Wraith\_Law\_Fax}$ 

26

Fri 29 Apr 2016 06:38:47 PM EDT

Page 5 of 25

FILED BY FAX ALAMEDA COUNTY 1 WILLIAM F. WRAITH, SBN 185927 April 29, 2016 WRAITH LAW CLERK OF 24422 Avenida de la Carlota, Suite 400 THE SUPERIOR COURT Laguna Hills, CA 92653 By Burt Moskaira, Deputy Teľ: (949) 452-1234 3 CASE NUMBER: Fax: (949) 452-1102 RG16813816 4 Attorney for Plaintiff ENVIRONMENTAL RESEARCH CENTER, INC. 5 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 COUNTY OF ALAMEDA 9 10 ENVIRONMENTAL RESEARCH CENTER, Case No. INC., a non-profit California corporation, 11 Plaintiff, COMPLAINT FOR INJUNCTIVE 12 RELIEF AND CIVIL PENALTIES  $\mathbf{V}$ . 13 [Health & Safety Code §25249.5, et seq.] HALLELUJAH ACRES, INCORPORATED individually and doing business as **[UNLIMITED CIVIL CASE-AMOUNT]** 15 HALLELUJAH DIET and DOES 1-25, DEMANDED EXCEEDS \$25,000] Inclusive. 16 Defendant. 17 18 19 Plaintiff Environmental Research Center, Inc. ("PLAINTIFF" or "ERC") brings this action in the interests of the general public and, on information and belief, hereby alleges: 20 21 INTRODUCTION 22 1. This action seeks to remedy the continuing failure of Defendant HALLELUJAH 23 ACRES, INCORPORATED individually and doing business as HALLELUJAH DIET, and DOES 1-25 (collectively referred to as "HALLELUJAH" or "DEFENDANT") to warn 24 25 consumers in California that they are being exposed to lead, a substance known to the State of

California to cause cancer, birth defects, and other reproductive harm. HALLELUJAH

9

10

11

12

13

14

15

16

17

18

19

20

21

22 23

24

25

26

warnings, cause individuals to be involuntarily and unwittingly exposed to levels of the LISTED CHEMICAL that violate Proposition 65.

- PLAINTIFF seeks injunctive relief enjoining HALLELUJAH from the 5. continued manufacturing, packaging, distributing, marketing and/or sales of the PRODUCTS in California without provision of clear and reasonable warnings regarding the risks of cancer, birth defects, and other reproductive harm posed by exposure to the LISTED CHEMICAL through the use and/or handling of the PRODUCTS. PLAINTIFF seeks an injunctive order compelling HALLELUJAH to bring its business practices into compliance with Proposition 65 by providing a clear and reasonable warning to each individual who has been and who in the future may be exposed to the LISTED CHEMICAL from the use of the PRODUCTS. PLAINTIFF also seeks an order compelling HALLELUJAH to identify and locate each individual person who in the past has purchased the PRODUCTS, and to provide to each such purchaser a clear and reasonable warning that the use of the PRODUCTS will cause exposures to the LISTED CHEMICAL.
- 6. In addition to injunctive relief, PLAINTIFF seeks an assessment of civil penalties up to the maximum civil penalty of \$2,500 per day per exposure authorized by Proposition 65 to remedy HALLELUJAH'S failure to provide clear and reasonable warnings regarding exposures to the LISTED CHEMICAL.

#### JURISDICTION AND VENUE

- 7 This Court has jurisdiction over this action pursuant to California Constitution Article VI, Section 10, which grants the Superior Court "original jurisdiction in all causes except those given by statute to other trial courts." The statute under which this action is brought does not specify any other basis for jurisdiction.
- 8. This Court has jurisdiction over HALLELUJAH because, based on information and belief, HALLELUJAH is a business having sufficient minimum contacts with California, or otherwise intentionally availing itself of the California market through the distribution and

sale of the PRODUCTS in the State of California to render the exercise of jurisdiction over it by the California courts consistent with traditional notions of fair play and substantial justice.

9. Venue in this action is proper in the Alameda Superior Court because HALLELUJAH has violated California law in the County of Alameda.

#### **PARTIES**

- 10. PLAINTIFF is a non-profit corporation organized under California's Corporation Law. ERC is dedicated to, among other causes, reducing the use and misuse of hazardous and toxic substances, consumer protection, worker safety, and corporate responsibility.
- 11. ERC is a person within the meaning of H&S Code §25118 and brings this enforcement action in the public interest pursuant to H&S Code §25249.7(d).
- 12. Defendant HALLELUJAH ACRES, INCORPORATED individually and doing business as HALLELUJAH DIET is a North Carolina corporation which ERC alleges on information and belief is a person within the meaning of H&S Code §25249.11(a).
- 13. HALLELUJAH has manufactured, packaged, distributed, marketed, sold, and/or has otherwise been involved in the chain of commerce, and continues to manufacture, package, distribute, market, sell and/or otherwise be involved in the chain of commerce of the PRODUCTS for sale or use in California. Plaintiff alleges on information and belief that each Defendant employs ten or more persons, and is a "person in the course of doing business" within the meaning of Proposition 65.
- 14. Defendants DOES 1-25 are named herein under fictitious names, as their true names and capacities are unknown to Plaintiff. ERC is informed and believes, and thereon alleges, that each of said DOES has manufactured, packaged, distributed, marketed, sold and/or has otherwise been involved in the chain of commerce of, and continues to manufacture, package, distribute, market, sell, and/or otherwise be involved in the chain of commerce of the PRODUCTS for sale or use in California, and/or is responsible, in some actionable manner, for

the events and happenings referred to herein, either through its conduct or through the conduct
of its agents, servants or employees, or in some other manner, causing the harms alleged
herein. Plaintiff will seek leave to amend this Complaint to set forth the true names and
capacities of DOES when ascertained.

15. Plaintiff is informed and believes and thereon alleges that each Defendant is in some manner responsible for the events set forth in this Complaint and proximately caused the injuries and damages to Plaintiff as alleged in this Complaint.

#### STATUTORY BACKGROUND

- 16. The People of the State of California have declared in Proposition 65 their right "[t]o be informed about exposures to chemicals that cause cancer, birth defects, or other reproductive harm." (Section 1(b) of Initiative Measure, Proposition 65).
- 17. To effect this goal, Proposition 65 requires that individuals be provided with a "clear and reasonable warning" before being exposed to substances listed by the State of California as causing cancer or reproductive toxicity. H&S Code §25249.6 states, in pertinent part:

No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual

- 18. "Knowingly' refers only to knowledge of the fact that a discharge of, release of, or exposure to a chemical listed pursuant to Section 25249.8(a) of the Act is occurring. No knowledge that the discharge, release or exposure is unlawful is required." (27 California Code of Regulations ("CCR") § 25102(n).)
- 19. Proposition 65 provides that any "person who violates or threatens to violate" the statute may be enjoined in a court of competent jurisdiction. (H&S Code §25249.7). The phrase "threaten to violate" is defined to mean creating "a condition in which there is a substantial probability that a violation will occur." (H&S Code §25249.11(e)). Violators are liable for civil penalties of up to \$2,500 per day for each violation of the Act. (H&S Code

### FACTUAL BACKGROUND

- 20. On February 27, 1987, the State of California officially listed the chemical lead as a chemical known to cause reproductive toxicity. Lead became subject to the warning requirement one year later and was therefore subject to the "clear and reasonable" warning requirements of Proposition 65 beginning on February 27, 1988. (27 CCR § 25000, *et seq.*; H&S Code §25249.5, *et seq.*). Due to the high toxicity of lead, the maximum allowable dose level for lead is 0.5 ug/day (micrograms a day) for reproductive toxicity. (27 CCR § 25805(b).)
- 21. On October 1, 1992, the State of California officially listed the chemicals lead and lead compounds as chemicals known to cause cancer. Lead and lead compounds became subject to the warning requirement one year later and were therefore subject to the "clear and reasonable" warning requirements of Proposition 65 beginning on October 1, 1993 (27 CCR § 25000, *et seq.*; H&S Code §25249.6 *et seq.*). Due to the carcinogenicity of lead, the no significant risk level for lead is 15 ug/day (micrograms a day). (27 CCR § 25705(b)(1).)
- 22. On August 28, 2015, PLAINTIFF sent a 60-Day Notice of Proposition 65 ("Notice") violations to the requisite public enforcement agencies, and to HALLELUJAH. The Notice was issued pursuant to, and in compliance with, the requirements of H&S Code §25249.7(d) and the statute's implementing regulations regarding the notice of the violations to be given to certain public enforcement agencies and to the violators. A true and correct copy of the 60-Day Notice is attached hereto as **Exhibit A** and incorporated by reference. The Notice was issued as follows:
  - a. HALLELUJAH and the California Attorney General were provided copies of the Notices of Violations, along with a Certificate of Merit by the attorney for the noticing party stating that there is a reasonable and meritorious cause for this action. The requisite county district attorneys and

20

24

b. HALLELUJAH was provided, with the Notices of Violations, a copy of a document entitled "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," which is also known as Appendix A to Title 27 of CCR § 25903.

city attorneys were provided copies of the Notices of Violations and

- The California Attorney General was provided, with the Notices of Violations, additional factual information sufficient to establish a basis for the Certificates of Merit, including the identity of the persons consulted with and relied on by the certifier, and the facts, studies, or other data reviewed by those persons, pursuant to H&S Code §§25249.7(d)(1) and 25249.7(h)(2).
- 23. At least 60-days have elapsed since PLAINTIFF sent the NOTICE to HALLELUJAH. The appropriate public enforcement agencies have failed to commence and diligently prosecute a cause of action under H&S Code §25249.5, et seq. against HALLELUJAH based on the allegations herein.
- Plaintiff is informed and believes, and based on such information and belief, 24. alleges the PRODUCTS have been marketed, distributed, and/or sold to individuals in California allegedly been sold by HALLELUJAH for use in California without the requisite clear and reasonable warnings before, on, and after August 28, 2012. The PRODUCTS continue to be distributed and sold in California without the requisite warning information.
- 25. As a proximate result of acts by HALLELUJAH, as a person in the course of doing business within the meaning of H&S Code §25249.11(b), individuals throughout the State of California, including in the County of Alameda, have been exposed to lead without clear and reasonable warnings. The individuals subject to exposures to lead include normal and foreseeable users of the PRODUCTS, as well as all other persons exposed to the PRODUCTS.

- 26. At all times relevant to this action, HALLELUJAH has knowingly and intentionally exposed the users and/or handlers of the PRODUCTS to lead without first giving clear and reasonable warnings to such individuals.
- 27. Individuals using or handling the PRODUCTS are exposed to lead in excess of the "maximum allowable daily" and "no significant risk" levels determined by the State of California, as applicable.
- 28. At all times relevant to this action, each Defendant has, in the course of doing business, failed to provide individuals using and/or handling the PRODUCTS with a clear and reasonable warning that the PRODUCTS expose individuals to lead.
- 29. The PRODUCTS continue to be marketed, distributed, and/or sold in California without the requisite clear and reasonable warnings.

#### FIRST CAUSE OF ACTION

(Injunctive Relief for Violations of Health and Safety Code § 25249.5, et seq. concerning the PRODUCTS described in the August 28, 2015, Prop. 65 Notice)

Against HALLELUJAH

- 30. PLAINTIFF re-alleges and incorporates by reference each and every preceding allegation and paragraph as though fully set forth in this cause of action.
- 31. By committing the acts alleged in this Complaint, HALLELUJAH, at all times relevant to this action, and continuing through the present, has violated H&S Code §25249.6 by, in the course of doing business, knowingly and intentionally exposing individuals who use or handle the PRODUCTS set forth in the Notice to the LISTED CHEMICAL, without first providing a clear and reasonable warning to such individuals pursuant to H&S Code §§ 25249.6 and 25249.11(f).
- 32. By the above-described acts, HALLELUJAH has violated H&S Code § 25249.6 and is therefore subject to an injunction ordering HALLELUJAH to stop violating Proposition 65, to provide warnings to all present and future customers, and to provide warnings to HALLELUJAH'S past customers who purchased or used the PRODUCTS without receiving a

clear and reasonable warning.`

- 33. An action for injunctive relief under Proposition 65 is specifically authorized by Health & Safety Code §25249.7(a).
- 34. Continuing commission by HALLELUJAH of the acts alleged above will irreparably harm the citizens of the State of California, for which harm they have no plain, speedy, or adequate remedy at law.
- 35. Wherefore, PLAINTIFF prays for judgment against HALLELUJAH, as set forth hereafter.

#### SECOND CAUSE OF ACTION

# (Civil Penalties for Violations of Health and Safety Code § 25249.5, et seq. concerning the PRODUCTS described in PLAINTIFF's NOTICE) Against HALLELUJAH

- 36. PLAINTIFF re-alleges and incorporates by reference each and every preceding allegation and paragraph as though fully set forth in this cause of action.
- 37. By committing the acts alleged in this Complaint, HALLELUJAH at all times relevant to this action, and continuing through the present, has violated H&S Code §25249.6 by, in the course of doing business, knowingly and intentionally exposing individuals who use or handle the PRODUCTS set forth in the Notice to the LISTED CHEMICAL, without first providing a clear and reasonable warning to such individuals pursuant to H&S Code §§ 25249.6 and 25249.11(f).
- 38. By the above-described acts, HALLELUJAH is liable, pursuant to H&S Code \$25249.7(b), for a civil penalty of \$2,500 per day per violation for each unlawful exposure to the LISTED CHEMICAL from the PRODUCTS.
- 39. Wherefore, PLAINTIFF prays for judgment against HALLELUJAH, as set forth hereafter.

25 | ///

26 | ///

 $\parallel$  ///

#### THE NEED FOR INJUNCTIVE RELIEF

- 40. PLAINTIFF re-alleges and incorporates by this reference each and every preceding allegation and paragraph as though fully set forth in this cause of action.
- 41. By committing the acts alleged in this Complaint, HALLELUJAH has caused irreparable harm for which there is no plain, speedy or adequate remedy at law. In the absence of equitable relief, HALLELUJAH will continue to create a substantial risk of irreparable injury by continuing to cause consumers to be involuntarily and unwittingly exposed to the LISTED CHEMICAL through the use and/or handling of the PRODUCTS.

#### PRAYER FOR RELIEF

Wherefore, PLAINTIFF accordingly prays for the following relief:

- A. A preliminary and permanent injunction, pursuant to H&S Code §25249.7(b), enjoining HALLELUJAH, its agents, employees, assigns and all persons acting in concert or participating with HALLELUJAH, from distributing or selling the PRODUCTS in California without first providing a clear and reasonable warning, within the meaning of Proposition 65, that the users and/or handlers of the PRODUCTS are exposed to the LISTED CHEMICAL;
- B. an injunctive order, pursuant to H&S Code §25249.7(b), compelling DEFENDANTS to identify and locate each individual who has purchased the PRODUCTS since August 28, 2012, and to provide a warning to such person that the use of the PRODUCTS will expose the user to chemicals known to cause birth defects and other reproductive harm;
- C. An assessment of civil penalties pursuant to Health & Safety Code §25249.7(b), against HALLELUJAH in the amount of \$2,500 per day for each violation of Proposition 65;
- D. An award to PLAINTIFF of its reasonable attorney's fees and costs pursuant to California Code of Civil Procedure §1021.5 or the substantial benefit theory;
  - E. An award of costs of suit herein; and

1	F. Such other and further relief as may be just and proper.	
2		
3		
4	Dated: April 29, 2016	WRAITH LAW
5		By:
6		WILLIAM F. WRAITH
7		Attorney for Plaintiff Environmental Research
8		Center
9		
10		
11 12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
	1	

## EXHIBIT A