RICHARD T. DRURY (CBN 163559) ENDURSED REBECCA L. DAVIS (CBN 271662) FILED ALAMEDA COUNTY LOZEAU | DRURY LLP 410 12th Street, Suite 250 FEB 28 2018 Oakland, CA 94607 Ph: 510-836-4200 CLERK OF THE SUPERIOR COURT Fax: 510-836-4205 By: ERICA BAKER Deputy 5 Email: richard@lozeaudrury.com rebecca@lozeaudrury.com 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 COUNTY OF ALAMEDA 9 COMMUNITY SCIENCE INSTITUTE, a Case No.: RG18887567 10 non-profit association, ASSIGNED FOR ALL PURPOSES TO: 11 Plaintiff. JUDGE BRAD SELIGMAN, DEPT. 23 12 VS. FIRST AMENDED COMPLAINT FOR 13 INJUNCTIVE RELIEF AND CIVIL WAL-MART STORES, INC., a Delaware PENALTIES 14 corporation, PBM NUTRITIONALS, LLC, a Delaware limited liability company; PBM 15 PRODUCTS, LLC, a Delaware limited Action Filed: January 2, 2018 liability company; PERRIGO COMPANY, 16 a Michigan corporation; and PERRIGO 17 NUTRITIONALS, a Vermont corporation, 18 Defendant. 19 20 Plaintiff Community Science Institute ("Plaintiff") brings this action in the interests of 21 the general public and, on information and belief, hereby alleges: 22 INTRODUCTION 23 This action seeks to remedy the continuing failure of Defendant Wal-Mart 1. 24 Stores, Inc., PBM Nutritionals, LLC, PBM Products, LLC, Perrigo Company, and Perrigo 25 Nutritionals (collectively, "Defendants") to warn consumers in California that they are being 26 exposed to lead, a substance known to the State of California to cause cancer, birth defects, and 27 other reproductive harm. Defendants manufacture, package, distribute, market, and/or sell in

FIRST AMENDED COMPLAINT FOR INJUNCTIVE RELIEF AND CIVIL PENALTIES

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California the following baby formula product, which contains lead (the "Baby Formula"):

Parent's Choice 2 Toddler Beginnings Complete Nutrition DHA, Choline & Iron Milk-Based

Powder Infant Formula with Iron.

- 2. Lead is a substance known to the State of California to cause cancer, birth defects, and other reproductive harm
- 3. The use and/or handling of the Baby Formula causes exposures to the chemical lead at levels requiring a "clear and reasonable warning" under California's Safe Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code ("H&S Code") §25249.5, et seq. (also known as "Proposition 65"). Defendants have failed to provide the health hazard warnings required by Proposition 65.
- 4. Defendants' past sales and continued manufacturing, packaging, distributing, marketing and/or sales of the Baby Formula without the required health hazard warnings, causes or threatens to cause individuals, particularly babies, to be involuntarily and unwittingly exposed to levels of the chemical lead, which violates or threatens to violate Proposition 65.
- 5. Plaintiff seeks injunctive relief enjoining Defendants from the continued manufacturing, packaging, distributing, marketing and/or sales of the Baby Formula 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 chemical lead through the use and/or handling of the Baby Formula. Plaintiff seeks an injunctive order compelling Defendants to bring their 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 chemical lead from the use of the Baby Formula. Plaintiff also seeks an order compelling Defendants to identify and locate each individual person who in the past has purchased the Baby Formula, and to provide to each such purchaser a clear and reasonable warning that use of the Baby Formula will cause exposures to the chemical lead.
  - 6. In addition to injunctive relief, Plaintiff seeks an assessment of civil penalties up

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to the maximum civil penalty of \$2,500 per day per exposure, authorized by Proposition 65, to remedy Defendants' failure to provide clear and reasonable warnings regarding exposures to the chemical lead.

# **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 Defendants because Defendants are businesses having sufficient minimum contacts with California, or otherwise intentionally availing themselves of the California market through the distribution and sale of the Baby Formula in the State of California to render the exercise of jurisdiction over them 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 the Defendants have violated or threaten to violate California law in the County of Alameda.
- 10. On October 26, 2017, Plaintiff sent a 60-Day Notice of Proposition 65 Violations (the "Wal-Mart Notice") to the requisite public enforcement agencies, and to Defendant Wal-Mart Stores, Inc. A true and correct copy of the 60-Day Notice is attached hereto as **Exhibit A** and is incorporated by reference. On December 19, 2017, Plaintiff sent a 60-Day Notice of Proposition 65 Violations (the "Perrigo Notice") to the requisite public enforcement agencies, and to Defendants PBM Nutritionals, LLC, PBM Products, LLC, Perrigo Company, and Perrigo Nutritionals. A true and correct copy of the Perrigo Notice is attached hereto as Exhibit B and is incorporated by reference. The Wal-Mart Notice and Perrigo Notice are collectively referred to herein as the "Notices." The Notices were 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. The Notices included, *inter alia*, the following information: the name, address, and telephone number of the noticing individuals; the name of the alleged violator; the statute violated; the approximate time period during which violations occurred; and descriptions of the violations, including the chemical involved, the routes of toxic exposure, and the specific product or type of product causing the violations, and was issued as follows:

- a. Defendants were provided a copy of the Notice by Certified Mail.
- Defendants were provided 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.
- c. The California Attorney General was provided a copy of the Notices via online submission.
- d. With each of the Notices, the California Attorney General was provided with a Certificate of Merit by the attorney for the noticing party, stating that there is a reasonable and meritorious case for this action, and attaching factual information sufficient to establish a basis for the certificate, 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(h)(2).
- e. The district attorneys, city attorneys or prosecutors of each jurisdiction within which the Baby Formula is offered for sale within California were provided with a copy of the Notice pursuant to H&S Code § 25249.7(d)(1).
- 11. At least 60-days have elapsed since Plaintiff sent the Notices to Defendants.

  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 Defendants based on the allegations herein.

# **PARTIES**

- 12. Plaintiff is a non-profit association. Plaintiff operates of a fiscally sponsored project of the non-profit organization Social and Environmental Entrepreneurs. CSI's mission is to unite consumers and industrial neighbors to reform government and industry practices for a toxic free future.
- 13. CSI 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).
- 14. Defendant Wal-Mart Stores, Inc. is a corporation organized under the State of Delaware's corporation law and is a person doing business within the meaning of H&S Code §25249.11.
- 15. Defendants PBM Nutritionals, LLC is a limited liability company organized under the state of Delaware's corporation law and is a person doing business within the meaning of H&S Code §25249.11.
- 16. PBM Products, LLC is a limited liability company organized under the state of Delaware's corporation law and is a person doing business within the meaning of H&S Code §25249.11.
- 17. Perrigo Company is a Michigan corporation organized under the State of Michigan's corporation law and is a person doing business within the meaning of H&S Code §25249.11.
- 18. Perrigo Nutritionals is a Vermont corporation organized under the State of Vermont's corporation law and is a person doing business within the meaning of H&S Code §25249.11.
- 19. Defendants have manufactured, packaged, distributed, marketed and /or sold the Baby Formula for sale or use in California and the County of Alameda. Plaintiff is informed

and believes, and thereupon alleges, that Defendants continue to manufacture, package, distribute, market and/or sell the Baby Formula for sale or use in California and in Alameda County.

# STATUTORY BACKGROUND

- 20. 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).
- 21. 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....

- 22. "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).)
- 23. 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 §25249.7.)

# FACTUAL BACKGROUND

24. 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 μg/day (micrograms per day) for reproductive toxicity. (27 CCR § 25805(b).)

- 25. 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 μg/day (micrograms per day). (27 CCR § 25705(b)(1).)
- 26. To test Defendants' Baby Formula for lead, Plaintiff hired a well-respected and accredited testing laboratory. The results of testing undertaken by Plaintiff of Defendants' Baby Formula show that the Baby Formula tested was in violation of the 0.5 μg/day for lead "safe harbor" daily dose limits set forth in Proposition 65's regulations. Very significant is the fact that people, and particularly babies, are being exposed to lead through ingestion as opposed to other not as harmful methods of exposure such as dermal exposure. Ingestion of lead produces much higher exposure levels and health risks than dermal exposure to this chemical.
- 27. At all times relevant to this action, Defendants have knowingly and intentionally exposed the users of the Baby Formula to the chemical lead without first giving a clear and reasonable warning to such individuals.
- 28. On information and belief, the Baby Formula has been sold by Defendants for use in California since at least January 2, 2015. On information and belief, the Baby Formula continues to be distributed and sold in California without the requisite warning information.
  - 29. On October 26, 2017, Plaintiff served Defendant Wal-Mart Stores, Inc. and each

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of the appropriate public enforcement agencies with a Proposition 65 Notice, a document entitled "Notice of Violations of California Health & Safety Code Section 25249.5," which provided Defendant Wal-Mart Stores, Inc. and the public enforcement agencies with notice that Defendant Wal-Mart Stores, Inc. was in violation of Proposition 65 for failing to warn purchasers and individuals using the Baby Formula that the use of the Baby Formula exposes them to lead, a chemical known to the State of California to cause cancer and/or reproductive toxicity.

- 30. On December 19, 2017, Plaintiff served Defendants PBM Nutritionals, LLC, PBM Products, LLC, Perrigo Company, and Perrigo Nutritionals and each of the appropriate public enforcement agencies with a Proposition 65 Notice, a document entitled "Notice of Violations of California Health & Safety Code Section 25249.5," which provided these Defendants and the public enforcement agencies with notice that PBM Nutritionals, LLC, PBM Products, LLC, Perrigo Company, and Perrigo Nutritionals were in violation of Proposition 65 for failing to warn purchasers and individuals using the Baby Formula that the use of the Baby Formula exposes them to lead, a chemical known to the State of California to cause cancer and/or reproductive toxicity.
- 31. As a proximate result of acts by Defendants, as persons in the course of doing business within the meaning of Health & Safety Code §25249.11, individuals throughout the State of California, including in the County of Alameda, have been exposed to lead without a clear and reasonable warning. The individuals subject to the illegal exposures include normal and foreseeable users of the Baby Formula, as well as all other persons exposed to the Baby Formula.

# FIRST CAUSE OF ACTION

(Injunctive Relief for Violations of Health and Safety Code § 25249.5, et seq. concerning the Baby Formula described in the October 26, 2017 and December 19, 2017 Prop. 65 Notice)

By Plaintiff Against All Defendants

- 32. Plaintiff re-alleges and incorporates by reference Paragraphs 1 through 31, inclusive, as if specifically set forth herein.
- 33. By committing the acts alleged in this Complaint, Defendants, at all times relevant to this action, and continuing through the present, have violated or threaten to violate H&S Code §25249.6 by, in the course of doing business, knowingly and intentionally exposing individuals who use the Baby Formula described in the Notices to the chemical lead, without first providing a clear and reasonable warning to such individuals pursuant to H&S Code §§ 25249.6 and 25249.11(f).
- 34. By the above-described acts, Defendants have violated or threaten to violate H&S Code § 25249.6 and are therefore subject to an injunction ordering Defendants to stop violating Proposition 65, to provide warnings to all present and future customers, and to provide warnings to Defendants' past customers who purchased or used the Baby Formula without receiving a clear and reasonable warning.
- 35. An action for injunctive relief under Proposition 65 is specifically authorized by Health & Safety Code §25249.7(a).
- 36. Continuing commission by Defendants 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.

Wherefore, Plaintiff prays for judgment against Defendants, as set forth hereafter.

# **SECOND CAUSE OF ACTION**

(Civil Penalties for Violations of Health and Safety Code § 25249.5, et seq. concerning the Baby Formula described in the October 26, 2017 and December 19, 2017 Prop. 65 Notice)

By Plaintiff Against All Defendants

37. Plaintiff re-alleges and incorporates by reference Paragraphs 1 through 36,

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27 28 inclusive, as if specifically set forth herein.

- 38. By committing the acts alleged in this Complaint, Defendants at all times relevant to this action, and continuing through the present, have violated H&S Code §25249.6 by, in the course of doing business, knowingly and intentionally exposing individuals who use or handle the Baby Formula described in the Notice to the chemical lead, without first providing a clear and reasonable warning to such individuals pursuant to H&S Code §§ 25249.6 and 25249.11(f).
- 39. By the above-described acts, Defendants are 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 chemical lead from the Baby Formula.

Wherefore, Plaintiff prays for judgment against Defendants, as set forth hereafter.

# THE NEED FOR INJUNCTIVE RELIEF

- 40. Plaintiff re-alleges and incorporates by this reference Paragraphs 1 through 39, inclusive, as if specifically set forth herein.
- 41. By committing the acts alleged in this Complaint, Defendants have caused or threaten to cause irreparable harm for which there is no plain, speedy or adequate remedy at law. In the absence of equitable relief, Defendants will continue to create a substantial risk of irreparable injury by continuing to cause or threatening to cause consumers and babies to be involuntarily and unwittingly exposed to the chemical lead through the use and/or handling of the Baby Formula.

# **PRAYER FOR RELIEF**

Wherefore, Plaintiff prays for the following relief:

A. a preliminary and permanent injunction, pursuant to H&S Code §25249.7(b), enjoining Defendants, their agents, employees, assigns and all persons acting in concert or participating with Defendants, from distributing or selling the Baby Formula in California without first providing a clear and reasonable warning, within the meaning of Proposition 65,

# **EXHIBIT A**



October 26, 2017

To: President or CEO – Wal-Mart Stores, Inc.

California Attorney's Office

District Attorney's Office for 58 counties

City Attorney's for San Francisco, San Diego, San Jose, and Los Angeles

(See attached Certificate of Service)

From: Community Science Institute

Re: Notice of Violations of California Health & Safety Code Section 25249.5 et seq.

# Dear Addressees:

This firm represents Community Science Institute ("CSI") in connection with this Notice of Violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986, which is codified at California Health & Safety Code Section 25249.5 *et seq.* ("Proposition 65"). CSI is a fiscally sponsored project of the non-profit organization Social and Environmental Entrepreneurs. CSI's mission is to unite consumers and industrial neighbors to reform government and industry practices for a toxic free future. This letter serves to provide notification of these violations to you and to the public enforcement agencies of Proposition 65.

This letter constitutes notice that the entities listed below have violated and continue to violate provisions of Proposition 65. Specifically, the entity listed below has violated and continues to violate the warning requirement at § 25249.6 of the California Health & Safety Code, which provides that "[n]o 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..."

<u>Violator</u>: The name of the violator covered by this notice that violated Proposition 65 (hereinafter collectively referred to as the "Violator") is (1) Wal-Mart Stores, Inc.

<u>Listed Chemical</u>: This violation involves exposure to the listed chemical lead. On February 27, 1987, California officially listed lead as a chemical known to the State of California to cause developmental toxicity and male and female reproductive toxicity. On October 1, 1992, California officially listed lead and lead compounds as chemicals known to cause cancer.

<u>Consumer Products</u>: The following specific products that are the subject of this notice are causing exposures in violation of Proposition 65 are:

Notice of Violation of Cal. Health & Safety Code §§ 25249.5 et seq. October 26, 2017 Page 2

1. Parent's Choice 2 Toddler Beginnings Complete Nutrition DHA, Choline & Iron Milk-Based Powder Infant Formula with Iron

<u>Violation</u>: The alleged Violator knowingly and intentionally exposed and continues to expose consumers within the State of California to lead without providing a Proposition 65 warning. The Violator has manufactured, marketed, distributed, and/or sold the listed products, which have exposed and continue to expose numerous individuals within California to the identified chemical, lead.

Route of Exposure: Use of the product identified in this notice results in human exposures to lead. The primary route of exposure is ingestion, but may also occur through inhalation and/or dermal contact.

<u>Duration of Violation</u>: The violations have been occurring since at least October 26, 2014, and are ongoing.

A summary of Proposition 65, prepared by the California Office of Environmental Health Hazard Assessment, is enclosed with the copy of this letter sent to the Violator.

Pursuant to California Health & Safety Code § 25249.7(d), CSI intends to file a citizen enforcement action sixty days after effective service of this notice unless the Violator agrees in an enforceable written agreement to: (1) reformulate the listed products so as to eliminate further exposures to the identified chemicals; (2) pay an appropriate civil penalty; and (3) provide clear and reasonable warnings compliant with Proposition 65 to all persons located in California who purchased the above products in the last three years. Consistent with the public interest goals of Proposition 65 and my client's objectives in pursuing this notice, CSI is interested in seeking a constructive resolution to this matter. Such resolution will avoid both further unwarned consumer exposures to the identified chemical and expensive and time consuming litigation.

CSI's Executive Director is Denny Larson, and is located at 6263 Bernhard Avenue, Richmond, California 94805, Tel. 415-845-4705. CSI has retained my firm in connection with this matter. Please direct all questions concerning this notice to me, Rebecca Davis (rebecca@lozeaudrury.com), Lozeau Drury LLP, 410 12th Street, Suite 250, Oakland, California 94607, (510) 836-4200.

Sincerely,

Rebecca L. Davis

Attachments:

Certificate of Merit Certificate of Service

OEHHA Summary (to Violators and their Registered Agents for Service of Process only) Additional Supporting Information for Certificate of Merit (to AG only)

Notice of Violation of Cal. Health & Safety Code §§ 25249.5 et seq. October 26, 2017 Page 3

# **CERTIFICATE OF MERIT**

Re: Community Science Institute's Notice of Proposition 65 Violations by Wal-Mart Stores, Inc.

# I, Rebecca Davis, declare:

- 1. This Certificate of Merit accompanies the attached sixty-day notice in which it is alleged that the parties identified in the notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
- 2. I am an attorney for the noticing party, Community Science Institute.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of the notice.
- 4. Based on the information obtained through those consultants and other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged violator(s) will be able to establish any of the affirmative defenses set forth in the statute.
- 5. Along with the copy of this Certificate of Merit, additional factual information sufficient to establish the basis for this certificate has been served on the Attorney General, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Dated: October 26, 2017

Rehecca Davis

# **CERTIFICATE OF SERVICE**

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States, over the age of 18 years old, and am not a party to the within action. My business address is 410 12th Street, Suite 250, Oakland, California 94607, in Alameda County, where the mailing occurred.

On October 26, 2017, I served the following documents: (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT; (3) THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY on the following entities by placing a true and correct copy thereof in a sealed envelope with postage fully prepaid for delivery by Certified Mail, addressed to the entity listed below, and placing the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.

Current President or CEO Wal-Mart Stores, Inc. 124 West Capitol Avenue, Suite 1900 Little Rock, AR 72201

CT Corporation System (Registered Agent for Service of Process for Wal-Mart Stores, Inc.) 818 W. 7th Street Suite 930 Los Angeles, CA 90017

On October 26, 2017, I served the following documents (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE \$25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT; (3) ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE \$ 25249.7(d)(1) on the following party when a true and correct copy thereof was uploaded on the California Attorney General's website, which can be accessed at https://oag.ca.gov/prop65/add-60-day-notice:

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 Oakland, CA 94612-0550

On October 26, 2017, I served the following documents (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT were served on the following parties when a true and correct copy

# thereof was sent via electronic mail to the party listed below:

Stacey Grassini, Deputy District Attorney Contra Costa County 900 Ward Street Martinez, CA 94553 sgrassini@contracostada.org

Michelle Latimer, Program Coordinator Lassen County 220 S. Lassen Street Susanville, CA 96130 mlatimer@co.lassen.ca.us

Dije Ndreu, Deputy District Attorney Monterey County 1200 Aguajito Road Monterey, CA 93940 Prop65DA@co.monterey.ca.us

Gary Lieberstein, District Attorney Napa County 931 Parkway Mall Napa, CA 94559 CEPD@countyofnapa.org

Paul E. Zellerbach, District Attorney Riverside County 3072 Orange Street Riverside, CA 92501 Prop65@rivcoda.org

Anne Marie Schubert, District Attorney Sacramento County 901 G Street Sacramento, CA 95814 Prop65@sacda.org Gregory Alker, Assistant District Attorney San Francisco County 732 Brannan Street San Francisco, CA 94103 gregory.alker@sfgov.org

Yen Dang, Supervising Deputy District Attorney Santa Clara County 70 W Hedding St San Jose, CA 95110 EPU@da.sccgov.org

Stephan R. Passalacqua, District Attorney Sonoma County 600 Administration Dr Sonoma, CA 95403 jbarnes@sonoma-county.org

Phillip J. Cline, District Attorney Tulare County 221 S Mooney Blvd Visalia, CA 95370 Prop65@co.tulare.ca.us

Gregory D. Totten, District Attorney Ventura County 800 S Victoria Ave Ventura, CA 93009 daspecialops@ventura.org

Jeff W. Reisig, District Attorney Yolo County 301 Second Street Woodland, CA 95695 cfepd@yolocounty.org

On October 26, 2017, I served the following documents (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope with postage fully prepaid for delivery by First Class Mail, addressed to each of the entities on the Service List attached hereto, and placing the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.

Executed on October 26, 2017, in Oakland, California.

Daniel Charlier-Smith

## **Service List**

District Attorney, Alameda County 1225 Fallon Street, Suite 900 Oakland, CA 94612

District Attorney, Alpine County P.O. Box 248 Markleeville, CA 96120

District Attorney, Amador County 708 Court Street Jackson, CA 95642

District Attorney, Butte County 25 County Center Drive, Suite 245 Oroville, CA 95965

District Attorney, Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249

District Attorney, Colusa County 346 Fifth Street Suite 101 Colusa, CA 95932

District Attorney, Del Norte County 450 H Street, Room 171 Crescent City, CA 95531

District Attorney, El Dorado County 515 Main Street Placerville, CA 95667

District Attorney, Fresno County 2220 Tulare Street, Suite 1000 Fresno, CA 93721

District Attorney, Glenn County Post Office Box 430 Willows, CA 95988

District Attorney, Humboldt County 825 5th Street 4<sup>th</sup> Floor Eureka, CA 95501

District Attorney, Imperial County 940 West Main Street, Ste 102 El Centro, CA 92243

District Attorney, Inyo County 230 W. Line Street Bishop, CA 93514

District Attorney, Kern County 1215 Truxtun Avenue Bakersfield, CA 93301

District Attorney, Kings County 1400 West Lacey Boulevard Hanford, CA 93230 District Attorney, Lake County 255 N. Forbes Street Lakeport, CA 95453

District Attorney, Los Angeles County 210 West Temple Street, Suite 18000 Los Angeles, CA 90012

District Attorney, Madera County 209 West Yosemite Avenue Madera, CA 93637

District Attorney, Marin County 3501 Civic Center Drive, Room 130 San Rafael, CA 94903

District Attorney, Mariposa County Post Office Box 730 Mariposa, CA 95338

District Attorney, Mendocino County Post Office Box 1000 Ukiah, CA 95482

District Attorney, Merced County 550 W. Main Street Merced, CA 95340

District Attorney, Modoc County 204 S Court Street, Room

202 Alturas, CA 96101-4020

District Attorney, Mono County Post Office Box 617 Bridgeport, CA 93517

District Attorney, Nevada County 201 Commercial Street Nevada City, CA 95959

District Attorney, Orange County 401 West Civic Center Drive Santa Ana, CA 92701

District Attorney, Placer County 10810 Justice Center Drive, Ste 240 Roseville, CA 95678

District Attorney, Plumas County 520 Main Street, Room 404 Quincy, CA 95971

District Attorney, San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney,San Bernardino County 316 N. Mountain View Avenue San Bernardino, CA 92415District Attorney, San Diego County 330 West Broadway, Suite 1300 San Diego, CA 92101

District Attorney, San Joaquin County 222 E. Weber Ave. Rm. 202 Stockton, CA 95202

District Attorney, San Luis Obispo County 1035 Palm St, Room 450 San Luis Obispo, CA 93408

District Attorney, San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063

District Attorney, Santa Barbara County 1112 Santa Barbara Street Santa Barbara, CA 93101

District Attorney, Santa Cruz County 701 Ocean Street, Room 200 Santa Cruz, CA 95060

District Attorney, Shasta County 1355 West Street Redding, CA 96001

District Attorney, Sierra County PO Box 457 Downieville, CA 95936

District Attorney, Siskiyou County Post Office Box 986 Yreka, CA 96097

District Attorney, Solano County 675 Texas Street, Ste 4500 Fairfield, CA 94533

District Attorney, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95354

District Attorney, Sutter County 446 Second Street Yuba City, CA 95991

District Attorney, Tehama County Post Office Box 519 Red Bluff, CA 96080

District Attorney, Trinity County Post Office Box 310 Weaverville, CA 96093

District Attorney, Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney, Yuba County 215 Fifth Street, Suite 152 Marysville, CA 95901 Los Angeles City Attorney's Office City Hall East 200 N. Main Street, Suite 800 Los Angeles, CA 90012

San Diego City Attorney's Office 1200 3rd Avenue, Ste 1620 San Diego, CA 92101

San Francisco, City Attorney City Hall, Room 234 1 Dr Carlton B Goodlett PL San Francisco, CA 94102

San Jose City Attorney's Office 200 East Santa Clara Street, 16th Floor San Jose, CA 95113

# EXHIBIT B



# December 19, 2017

To: President or CEO – Perrigo Company

Current President or CEO – Perrigo Nutritionals, LLC

Current President or CEO – PBM Products, LLC

Current President or CEO – PBM Nutritionals, LLC

California Attorney's Office

District Attorney's Office for 58 counties

City Attorney's for San Francisco, San Diego, San Jose, and Los Angeles

(See attached Certificate of Service)

From: Community Science Institute

Re: Notice of Violations of California Health & Safety Code Section 25249.5 et seq.

### Dear Addressees:

This firm represents Community Science Institute ("CSI") in connection with this Notice of Violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986, which is codified at California Health & Safety Code Section 25249.5 *et seq.* ("Proposition 65"). CSI is a fiscally sponsored project of the non-profit organization Social and Environmental Entrepreneurs. CSI's mission is to unite consumers and industrial neighbors to reform government and industry practices for a toxic free future. This letter serves to provide notification of these violations to you and to the public enforcement agencies of Proposition 65.

This letter constitutes notice that the entities listed below have violated and continue to violate provisions of Proposition 65. Specifically, the entities listed below have violated and continue to violate the warning requirement at § 25249.6 of the California Health & Safety Code, which provides that "[n]o 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..."

<u>Violator</u>: The names of the violators covered by this notice that violated Proposition 65 (hereinafter collectively referred to as the "Violator") are: (1) Perrigo Nutritionals, LLC; (2) PBM Products, LLC; (3) Perrigo Company; (4) PBM Nutritionals, LLC.

<u>Listed Chemical</u>: This violation involves exposure to the listed chemical lead. On February 27, 1987, California officially listed lead as a chemical known to the State of California to cause developmental toxicity and male and female reproductive toxicity. On October 1, 1992, California officially listed lead and lead compounds as chemicals known to cause cancer.

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<u>Consumer Products</u>: The following specific products that are the subject of this notice are causing exposures in violation of Proposition 65 are:

- 1. Parent's Choice 2 Toddler Beginnings Complete Nutrition DHA, Choline & Iron Milk-Based Powder Infant Formula with Iron
- 2. Up & Up Toddler Beginnings Infant Formula with Iron Milk-Based Powder

<u>Violation</u>: The alleged Violator knowingly and intentionally exposed and continues to expose consumers within the State of California to lead without providing a Proposition 65 warning. The Violator has manufactured, marketed, distributed, and/or sold the listed products, which have exposed and continue to expose numerous individuals within California to the identified chemical, lead.

Route of Exposure: Use of the product identified in this notice results in human exposures to lead. The primary route of exposure is ingestion, but may also occur through inhalation and/or dermal contact.

<u>Duration of Violation</u>: The violations have been occurring since at least October 26, 2014, and are ongoing.

A summary of Proposition 65, prepared by the California Office of Environmental Health Hazard Assessment, is enclosed with the copy of this letter sent to the Violator.

Pursuant to California Health & Safety Code § 25249.7(d), CSI intends to file a citizen enforcement action sixty days after effective service of this notice unless the Violator agrees in an enforceable written agreement to: (1) reformulate the listed products so as to eliminate further exposures to the identified chemicals; (2) pay an appropriate civil penalty; and (3) provide clear and reasonable warnings compliant with Proposition 65 to all persons located in California who purchased the above products in the last three years. Consistent with the public interest goals of Proposition 65 and my client's objectives in pursuing this notice, CSI is interested in seeking a constructive resolution to this matter. Such resolution will avoid both further unwarned consumer exposures to the identified chemical and expensive and time consuming litigation.

CSI's Executive Director is Denny Larson, and is located at 6263 Bernhard Avenue, Richmond, California 94805, Tel. 415-845-4705. CSI has retained my firm in connection with this matter. Please direct all questions concerning this notice to me, Rebecca Davis (rebecca@lozeaudrury.com), Lozeau Drury LLP, 410 12th Street, Suite 250, Oakland, California 94607, (510) 836-4200.

Sincerely,

Rebecca L. Davis

Attachments:

Certificate of Merit

Certificate of Service

OEHHA Summary (to Violators and their Registered Agents for Service of Process only)

Additional Supporting Information for Certificate of Merit (to AG only)

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# **CERTIFICATE OF MERIT**

Re: Community Science Institute's Notice of Proposition 65 Violations by Wal-Mart Stores, Inc.

# I, Rebecca Davis, declare:

- 1. This Certificate of Merit accompanies the attached sixty-day notice in which it is alleged that the parties identified in the notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
- 2. I am an attorney for the noticing party, Community Science Institute.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of the notice.
- 4. Based on the information obtained through those consultants and other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged violator(s) will be able to establish any of the affirmative defenses set forth in the statute.
- 5. Along with the copy of this Certificate of Merit, additional factual information sufficient to establish the basis for this certificate has been served on the Attorney General, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Dated: December 19, 2017

Rebecca Davis

# **CERTIFICATE OF SERVICE**

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States, over the age of 18 years old, and am not a party to the within action. My business address is 410 12th Street, Suite 250, Oakland, California 94607, in Alameda County, where the mailing occurred.

On December 19, 2017, I served the following documents: (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT; (3) THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY on the following entities by placing a true and correct copy thereof in a sealed envelope with postage fully prepaid for delivery by Certified Mail, addressed to the entity listed below, and placing the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.

Current President or CEO Perrigo Company 515 Eastern Ave. Allegan, MI 49010

Current President or CEO Perrigo Nutritionals 147 Industrial Park Road Georgia, Vermont 05468-2109

Current President or CEO PBM Products, LLC 515 Eastern Ave. Allegan, MI 49010

Current President or CEO PBM Nutritionals, LLC 147 Industrial Park Road Georgia, Vermont 05468-2109 Corporation Service Company Registered Agent for Service of Process for Perrigo Company 100 North Main Street, Suite 2 Barre, VT 05641

Corporation Service Company Registered Agent for Service of Process for Perrigo Nutritionals 100 North Main Street, Suite 2 Barre, VT 05641

Corporation Service Company Registered Agent for Service of Process for PBM Products, LLC 100 North Main Street, Suite 2 Barre, VT 05641

Corporate Service Company Registered Agent for Service of Process for PBM Nutritionals, LLC 251 Little Falls Drive Wilmington, DE 19808

On December 19, 2017, I served the following documents (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.;

# (2) CERTIFICATE OF MERIT; (3) ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE § 25249.7(d)(1) on the following party when a true and correct copy thereof was uploaded on the California Attorney General's website, which can be accessed at https://oag.ca.gov/prop65/add-60-day-notice:

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 Oakland, CA 94612-0550

On December 19, 2017, I served the following documents (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT were served on the following parties when a true and correct copy thereof was sent via electronic mail to the party listed below:

Stacey Grassini, Deputy District Attorney Contra Costa County 900 Ward Street Martinez, CA 94553

sgrassini@contracostada.org

Michelle Latimer, Program Coordinator

Lassen County 220 S. Lassen Street Susanville, CA 96130 mlatimer@co.lassen.ca.us

Dije Ndreu, Deputy District Attorney

Monterey County 1200 Aguajito Road Monterey, CA 93940

Prop65DA@co.monterey.ca.us

Gary Lieberstein, District Attorney

Napa County 931 Parkway Mall Napa, CA 94559

CEPD@countyofnapa.org

Paul E. Zellerbach, District Attorney

Riverside County 3072 Orange Street Riverside, CA 92501 Prop65@rivcoda.org

Anne Marie Schubert, District Attorney

Sacramento County 901 G Street

Sacramento, CA 95814 Prop65@sacda.org Gregory Alker, Assistant District Attorney

San Francisco County 732 Brannan Street San Francisco, CA 94103 gregory.alker@sfgov.org

Yen Dang, Supervising Deputy District Attorney

Santa Clara County 70 W Hedding St San Jose, CA 95110 EPU@da.sccgov.org

Stephan R. Passalacqua, District Attorney

Sonoma County 600 Administration Dr Sonoma, CA 95403

jbarnes@sonoma-county.org

Phillip J. Cline, District Attorney

Tulare County 221 S Mooney Blvd Visalia, CA 95370 Prop65@co.tulare.ca.us

Gregory D. Totten, District Attorney

Ventura County 800 S Victoria Ave Ventura, CA 93009 daspecialops@ventura.org

Jeff W. Reisig, District Attorney

Yolo County 301 Second Street Woodland, CA 95695 cfepd@yolocounty.org On December 19, 2017, I served the following documents (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope with postage fully prepaid for delivery by First Class Mail, addressed to each of the entities on the Service List attached hereto, and placing the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.

Executed on December 19, 2017, in Oakland, California.

Daniel Charlier-Smith

## **Service List**

District Attorney, Alameda County 1225 Fallon Street, Suite 900 Oakland, CA 94612

District Attorney, Alpine County P.O. Box 248 Markleeville, CA 96120

District Attorney, Amador County 708 Court Street Jackson, CA 95642

District Attorney, Butte County 25 County Center Drive, Suite 245 Oroville, CA 95965

District Attorney, Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249

District Attorney, Colusa County 346 Fifth Street Suite 101 Colusa, CA 95932

District Attorney, Del Norte County 450 H Street, Room 171 Crescent City, CA 95531

District Attorney, El Dorado County 515 Main Street Placerville, CA 95667

District Attorney, Fresno County 2220 Tulare Street, Suite 1000 Fresno, CA 93721

District Attorney, Glenn County Post Office Box 430 Willows, CA 95988

District Attorney, Humboldt County 825 5th Street 4<sup>th</sup> Floor Eureka, CA 95501

District Attorney, Imperial County 940 West Main Street, Ste 102 El Centro, CA 92243

District Attorney, Inyo County 230 W. Line Street Bishop, CA 93514

District Attorney, Kern County 1215 Truxtun Avenue Bakersfield, CA 93301

District Attorney, Kings County 1400 West Lacey Boulevard Hanford, CA 93230 District Attorney, Lake County 255 N. Forbes Street Lakeport, CA 95453

District Attorney, Los Angeles County 210 West Temple Street, Suite 18000 Los Angeles, CA 90012

District Attorney, Madera County 209 West Yosemite Avenue Madera, CA 93637

District Attorney, Marin County 3501 Civic Center Drive, Room 130 San Rafael, CA 94903

District Attorney, Mariposa County Post Office Box 730 Mariposa, CA 95338

District Attorney, Mendocino County Post Office Box 1000 Ukiah, CA 95482

District Attorney, Merced County 550 W. Main Street Merced, CA 95340

District Attorney, Modoc County 204 S Court Street, Room

202 Alturas, CA 96101-4020

District Attorney, Mono County Post Office Box 617 Bridgeport, CA 93517

District Attorney, Nevada County 201 Commercial Street Nevada City, CA 95959

District Attorney, Orange County 401 West Civic Center Drive Santa Ana, CA 92701

District Attorney, Placer County 10810 Justice Center Drive, Ste 240 Roseville, CA 95678

District Attorney, Plumas County 520 Main Street, Room 404 Quincy, CA 95971

District Attorney, San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney,San Bernardino County 316 N. Mountain View Avenue San Bernardino, CA 92415District Attorney, San Diego County 330 West Broadway, Suite 1300 San Diego, CA 92101

District Attorney, San Joaquin County 222 E. Weber Ave. Rm. 202 Stockton, CA 95202

District Attorney, San Luis Obispo County 1035 Palm St, Room 450 San Luis Obispo, CA 93408

District Attorney, San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063

District Attorney, Santa Barbara County 1112 Santa Barbara Street Santa Barbara, CA 93101

District Attorney, Santa Cruz County 701 Ocean Street, Room 200 Santa Cruz, CA 95060

District Attorney, Shasta County 1355 West Street Redding, CA 96001

District Attorney, Sierra County PO Box 457 Downieville, CA 95936

District Attorney, Siskiyou County Post Office Box 986 Yreka, CA 96097

District Attorney, Solano County 675 Texas Street, Ste 4500 Fairfield, CA 94533

District Attorney, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95354

District Attorney, Sutter County 446 Second Street Yuba City, CA 95991

District Attorney, Tehama County Post Office Box 519 Red Bluff, CA 96080

District Attorney, Trinity County Post Office Box 310 Weaverville, CA 96093

District Attorney, Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney, Yuba County 215 Fifth Street, Suite 152 Marysville, CA 95901 Los Angeles City Attorney's Office City Hall East 200 N. Main Street, Suite 800 Los Angeles, CA 90012

San Diego City Attorney's Office 1200 3rd Avenue, Ste 1620 San Diego, CA 92101

San Francisco, City Attorney City Hall, Room 234 1 Dr Carlton B Goodlett PL San Francisco, CA 94102

San Jose City Attorney's Office 200 East Santa Clara Street, 16th Floor San Jose, CA 95113

# PROOF OF SERVICE

I, Toyer Grear, declare as follows:

I am a resident of the State of California, and employed in Oakland, California. I am over the age of 18 years and am not a party to the above-entitled action. My business address is 410 12<sup>th</sup> Street, Suite 250, Oakland, CA 94607.

On February 28, 2018, I served a true and correct copy of the following documents:

# AMENDED SUMMONS

FIRST AMENDED COMPLAINT FOR INJUNCTIVE RELIEF AND CIVIL PENALTIES

**BY PERSONAL DELIVERY**: By personally delivering the document(s) listed above to the person(s) at the address(es) set forth below:

OFFICE OF THE ATTORNEY GENERAL 1515 Clay Street Oakland, CA 94612

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct, and that this declaration was executed February 28, 2018 at Oakland, California.

Toyer Grear