

1 ANDREW L. PACKARD (State Bar No. 168690)
2 PETER FREDMAN (State Bar No. 189097)
3 LAW OFFICES OF ANDREW L. PACKARD
4 294 Page Street
5 San Francisco, CA 94102
6 Tel. (415) 431-2970
7 Fax. (415) 431-0410

8 Attorneys for Plaintiff
9 AS YOU SOW

ENDORSED
FILED
San Francisco County Superior Court

MAY 1 - 2002

GORDON PARK-LI, Clerk
BY: DANIAL LEMIRE
Deputy Clerk

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 CITY AND COUNTY OF SAN FRANCISCO – UNLIMITED JURISDICTION

12 AS YOU SOW, a non-profit corporation,

13 Plaintiff,

14 vs.

15 ADG CONCERNS, INC., BRION
16 CORPORATION, TAI SANG TRADING
17 COMPANY, INC., K'AN HERB
18 COMPANY, INC. [DOE 1], LOTUS
19 HERBS, INC. [DOE 2], BIO ESSENCE
20 CORPORATION [DOE 3], and DOES 4 to
21 100, inclusive,

22 Defendants.

CASE NO. 323070

**CONSENT JUDGMENT AGAINST
DEFENDANT TAI SANG TRADING CO.,
INC.**

23 This Consent Judgment is entered into by and between Plaintiff AS YOU SOW, a non-
24 profit organization (“AYS”), and Defendant TAI SANG TRADING CO., INC. (“TAI SANG”) to
25 resolve all claims raised in the Complaint filed in the above-captioned action. This Consent
26 Judgment shall be effective upon entry. AYS and TAI SANG (collectively “the Parties”) agree to
27 the terms and conditions set forth below.

28 **1. INTRODUCTION**

1.1. AYS is a non-profit foundation dedicated to, among other causes, the protection of
the environment, the promotion of human health, the improvement of worker and consumer

LAW OFFICES
ANDREW L. PACKARD
294 PAGE STREET SAN FRANCISCO CALIFORNIA 94102
415-431-2970 FAX 415-431-0410

1 rights, environmental education, and corporate accountability. AYS is based in San Francisco,
2 California and incorporated under the laws of the State of California.

3 1.2. TAI SANG is a California corporation that imports and sells in California certain
4 herbs, herbal products, traditional patent medicines (defined as "herbal and patent medicines
5 consisting of single or multiple herbal ingredients, including botanical, mineral and animal
6 products, formulated into tablets, pills, powders and liquids") bulk herbs, infusions, extracted
7 powders, tea pills, traditional pills, patent formulas, teas, bulk teas, liquid herbal extracts,
8 capsules, plasters and ointments, all of which allegedly contain chemicals regulated by the State
9 of California as known to cause cancer and/or reproductive toxicity pursuant to the Safe Drinking
10 Water and Toxic Enforcement Act of 1986 ("Proposition 65"), California Health and Safety Code
11 §25249.5 et.; Title 22, California Code of Regulations, §12000 et seq. ("Product" or "Products").

12 1.3. The names of each of the Products covered by this Consent Judgment are set forth in
13 Exhibit A hereto (any items not appearing on Exhibit A are not covered by the injunctive
14 provisions or the release of liability set forth herein).

15 1.4. On February 27, 1987, the State of California officially listed the chemical lead as a
16 chemical known to cause reproductive toxicity, pursuant to California Health and Safety Code §
17 25249.8.

18 1.5. On October 1, 1992, the State of California officially listed the chemicals lead and
19 lead compounds as chemicals known to cause cancer, pursuant to California Health and Safety
20 Code § 25249.8.

21 1.6. On May 1, 1997, the State of California officially listed the chemical arsenic as a
22 chemical known to cause reproductive toxicity, pursuant to California Health and Safety Code §
23 25249.8.

24 1.7. On February 27, 1987, the State of California officially listed the chemical arsenic
25 as a chemical known to cause cancer, pursuant to California Health and Safety Code § 25249.8.

26 1.8. On July 1, 1990, the State of California officially listed the chemicals mercury and
27 mercury compounds as chemicals known to cause reproductive toxicity, pursuant to California
28 Health and Safety Code § 25249.8.

1 1.9. On May 1, 1997, the State of California officially listed the chemical cadmium as a
2 chemical known to cause reproductive toxicity, pursuant to California Health and Safety Code §
3 25249.8.

4 1.10. On October 1, 1987, the State of California officially listed the chemicals cadmium
5 and cadmium compounds as chemicals known to cause cancer, pursuant to California Health and
6 Safety Code § 25249.8.

7 1.11. The Products allegedly have been imported and sold by the TAI SANG for use in
8 California since at least October 5, 1997.

9 1.12. On April 27, 2001 AYS served TAI SANG and each of the appropriate public
10 enforcement agencies with documents entitled "60-Day Notice" that provided TAI SANG and the
11 public enforcement agencies with notice that TAI SANG allegedly was in violation of California
12 Health and Safety Code §25249.6 et seq. ("Proposition 65") for failing to warn the purchasers and
13 individuals using the Products that the use of the Products exposes them to certain chemicals
14 known to the State of California to cause cancer and/or reproductive toxicity. A copy of this
15 notice is attached hereto as Exhibit B. TAI SANG stipulates for the purpose of this Consent
16 Judgment that the Notice complies with Cal. Code Regs. Tit. 22, § 12903.

17 1.13. On July 20, 2001, AYS filed a complaint against TAI SANG entitled As You Sow v.
18 ADG Concerns, et al, Case Number 323070 (the "Action"), in San Francisco Superior Court,
19 alleging violations of Proposition 65, The Sherman Food, Drug and Cosmetic Law ("Sherman
20 Law"), California Business and Professions Code §17200 et seq. and California Business and
21 Professions Code §17500.

22 1.14. The Action was brought by AYS in the public interest at least 60 days after AYS
23 provided notice of the alleged Proposition 65 violations to TAI SANG and the appropriate public
24 enforcement agencies and none of the public enforcement agencies had commenced and begun
25 diligently prosecuting an action against TAI SANG for such violations.

26 1.1.5. For purposes of this Consent Judgment, the Parties stipulate that this Court has
27 subject matter jurisdiction over the allegations contained in the Complaint. TAI SANG does not
28 contest the exercise of jurisdiction by this Court to enter this Consent Judgment as a full and final

1 resolution of all causes of action pled in the Complaint.

2 1.16. The Parties enter into this Consent Judgment to settle disputed claims between them
3 and to avoid prolonged litigation. By execution of this Consent Judgment, TAI SANG does not
4 admit any violations of Proposition 65, the Sherman Law, or the Business and Professions Code,
5 or any other law or standard applicable to warning or disclosure concerning the manufacture,
6 distribution and/or sale of the Products. Nothing in this Consent Judgment shall be construed as
7 an admission by TAI SANG of any fact, issue of law, or violation of law; nor shall compliance
8 with this Consent Judgment constitute or be construed as an admission by TAI SANG of any fact,
9 issue of law, or violation of law.

10 1.17. Nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy
11 or defense the Parties may have in any other or further legal proceeding. This paragraph shall not
12 diminish or otherwise affect the obligations, responsibilities, and duties of TAI SANG under this
13 Consent Judgment.

14 **2. INJUNCTIVE PROVISIONS**

15 **2.1. Provision of Clear and Reasonable Health Hazard Warnings for All Products**

16 **On Exhibit A Hereto On Or Before November 1, 2001.** On or before November 1, 2001, TAI
17 SANG shall permanently cease and no longer ship or cause to be shipped for sale or use in
18 California any of the Products (as defined in Exhibit A per paragraph 1.3 above) unless each
19 individual unit of such Product bears the following warning statement on its individual unit label
20 packaging in both English and Chinese:

21 **WARNING: The use of this product will expose you to chemicals known to**
22 **the State of California to cause cancer and birth defects or other**
23 **reproductive harm.**

24 The agreed upon Chinese translation of the above warning statement language is attached hereto
25 as Exhibit C. The warning statement, in both English and Chinese, shall be prominent and
26 displayed on the unit packaging of each Product with such conspicuousness, as compared with
27 other words, statements, or designs so as to render it likely to be read and understood by an
28 ordinary individual purchasing or using the Product. Notwithstanding the above, the warning
statement shall be written on the unit packaging of each Product in no less than 10 point font.

1 2.2. **Provision of Additional Information For Products Sold To Intermediaries/**
2 **Non-End Users.** Within 30 days after the Execution Date of this Agreement (“Execution Date”
3 is used herein to mean the last date upon which the representatives of the Settling Parties,
4 excluding counsel, sign this Consent Judgment), TAI SANG shall send a Notification Letter to
5 each of their customers who have purchased any of the Products from TAI SANG in the year
6 preceding the Execution Date and who TAI SANG knows or has reason to know repackage the
7 Products in any fashion (such customers are hereafter referred to as “Intermediaries/Non-End
8 Users”). This Notification Letter shall notify these customers regarding the warning requirements
9 of Proposition 65 as they apply to each of the Products, and instruct such customers as to how
10 they may comply with Proposition 65 as it applies to each of the Products. The verbatim
11 language of the body of the Notification Letter is attached hereto as Exhibit D. A copy of the
12 final Notification Letter sent in accordance with this subsection shall also be mailed to AYS
13 simultaneously with the mailing to the Intermediaries/Non-End Users.

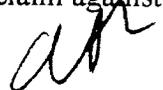
14 **3. CIVIL PENALTIES**

15 3.1. **Stipulated Civil Penalties For Future Violations of This Agreement.** Proposition
16 65 provides for penalties of up to \$2500, per violation, per day. The parties stipulate to a future
17 civil penalty in the amount of \$100 per individual unit item sold in alleged violation of Paragraph
18 2 herein, subject to a satisfactory evidentiary showing by Plaintiff of such violation(s) upon a
19 duly noticed motion in the San Francisco Superior Court. AYS shall remit 75% of this amount to
20 the State of California pursuant to Health & Safety Code § 25192.

21 3.2. **Civil Penalty Assessment.** TAI SANG shall pay a civil penalty in the amount of
22 \$5,000 to AYS, pursuant to Health & Safety Code § 25249.7(b). AYS shall remit 75% of this
23 amount to the State of California pursuant to Health & Safety Code § 25192.

24 3.3 No penalties paid herein shall be construed as a credit against ant future claim against
25 Defendant.

** These funds shall not be used to fund
Proposition 65 litigation.*



26 **4. ADDITIONAL PAYMENT IN LIEU OF CIVIL PENALTIES**

27 4.1. TAI SANG shall make an additional payment in lieu of further civil penalties in the
28 amount of \$50,000 to AYS. AYS shall forward these funds to: (a) California non-profit groups
and (b) the AYS Proposition 65 Enforcement Fund; these funds shall be ~~directed~~ towards efforts
to reduce exposures to toxic chemicals and to increase consumer, worker and community
awareness of the health hazards posed by toxic chemicals. ** In deciding among grantee proposals,*
the AYS Board of Directors takes into consideration a number of important factors, including: (1)
the nexus between the harm done in the underlying case(s), and the grant program work; (2) the
potential for toxics reduction, prevention, remediation or education benefits to California citizens
from the proposal; (3) the budget requirements of the proposed grantee and the alternate funding
sources available to it for its project; and (4) the Board's assessment of the grantee's chances for
success in its program work. (Declaration of Lawrence E. Fahn In Support Of As You Sow's
Motions To Approve Proposition 65 Settlements As To Defendants Tai Sang Trading Company,
K'an Herb Company and Lotus Herbs, Inc., at ¶4, filed herein on April 8, 2002.)

distributed to other non profit groups

LAW OFFICES
ANDREW L. PACKARD
294 PAGE STREET SAN FRANCISCO CALIFORNIA 94102
415-431-2970 FAX 415-431-0410

1 **5. REIMBURSEMENT OF FEES AND COSTS**

2 5.1. **Reimbursement of AYS's Investigative, Expert and Legal Fees and Costs.** TAI
3 SANG shall reimburse AYS for its reasonable investigative, expert, and legal fees and costs
4 incurred as a result of investigating, bringing this matter to TAI SANG's attention, and
5 negotiating a settlement in the public interest. The amount of these fees and costs is \$17,500.

6 **6. PAYMENT OBLIGATIONS**

7 6.1. Pursuant to Paragraphs 3.2, 4.1 and 5.1 herein, TAI SANG agrees to remit the
8 amount of \$72,500 to AYS, payable to "As You Sow" (Employer Identification Number 94-
9 3169008). This payment shall be remitted within five days after the Execution Date of this
10 Consent Judgment and held in escrow by AYS' counsel until the entry of this Consent Judgment.
11 The payment is conditioned upon approval of this settlement by the Court and California
12 Attorney General.

13 **7. RELEASE OF LIABILITY**

14 7.1. **Release of Liability Of TAI SANG.** AYS waives all rights to prosecute any form of
15 legal action against TAI SANG, its owners, officers, directors, employees, agents, attorneys,
16 representatives, parents, subsidiaries, affiliates, divisions, subdivisions and customers, under
17 Proposition 65, the Sherman Law or the Business & Professions Code based upon TAI SANG's
18 alleged failure to warn, within the meaning of Proposition 65, about exposure to lead, lead
19 compounds, mercury, mercury compounds, arsenic, cadmium and cadmium compounds
20 contained in any of the Products sold on or before the entry of this Consent Judgment.

21 7.2. **Release of Liability of AYS.** TAI SANG waives all rights to institute any form of
22 legal action against AYS, its officers, directors, attorneys and representatives (the "AYS
23 Releasees") for all actions or statements made or undertaken by the AYS Releasees in the course
24 of seeking enforcement of Proposition 65 or Business & Profession Code §§ 17200 et seq. against
25 TAI SANG.

26 **8. CONSENT JUDGMENT**

27 8.1. **Consent Judgment.** Within 35 days after the Execution Date of this Consent
28 Judgment, the Parties shall submit this Consent Judgment to be approved by the San Francisco

1 Superior Court pursuant to California Code of Civil Procedure § 664.6.

2 **8.2. Submission to the Attorney General.** Within five days after the Execution Date of
3 this Consent Judgment, AYS shall serve an executed copy of this Consent Judgment on the
4 California Attorney General on behalf of the Parties so that the California Attorney General may
5 review this Consent Judgment prior to its submittal to the Court for approval. No sooner than 30
6 days after the California Attorney General has received the aforementioned copy of this
7 Agreement, and in the absence of any written objection by the California Attorney General to the
8 terms of this Agreement, the Parties shall then submit it to the Court for approval. Prior to
9 submittal to the Court for approval, AYS shall attach as Exhibit E hereto a proof of service
10 attesting that this Agreement has been served on the California Attorney General and the manner
11 and date on which that service was made.

12 **9. SEVERABILITY**

13 **9.1. Severability.** In the event that any of the provisions of this Consent Judgment are
14 held by a Court to be unenforceable, the validity of the enforceable provisions shall not be
15 adversely affected.

16 **10. ENFORCEMENT AND MODIFICATION**

17 **10.1. Enforcement and Stipulated Civil Penalties.** In the event that a dispute arises
18 with respect to any of the provisions of this Consent Judgment, the Parties shall meet and confer
19 within 10 days after receiving written notice of an alleged violation of Paragraph 3.1 herein. In
20 the event the Parties cannot resolve the dispute, this Consent Judgment may be enforced pursuant
21 to Code of Civil Procedure § 664.6 or any other valid provision of law. The prevailing party in
22 any dispute regarding compliance with the terms of this Consent Judgment shall be awarded its
23 reasonable fees and costs incurred, in addition to any other relief otherwise ordered by the Court,
24 including but not limited to civil penalties assessed pursuant to Paragraph 3.1 herein.

25 **10.2. Modification of Judgment - Grounds.** The Parties acknowledge that new
26 toxicological information or exposure assessments concerning hazardous substances are
27 continuously becoming available, and that statutory and regulatory standards applicable to the
28 Products may evolve in the future. Accordingly, the Parties agree that either Party may elect to

1 file a motion pursuant to California Code of Civil Procedure § 664.6, and under the conditions set
2 forth below, move the Court for modification of the warning requirement set forth in Paragraph 2
3 herein on the grounds that they conflict with the applicable law or science concerning the
4 Products.

5 **10.3. Modification of Judgment – Procedure.** In the spirit of cooperation and in the
6 interests of minimizing the investigative, expert and attorneys’ fees and costs associated with a
7 motion to modify the judgment, the Parties agree to meet and confer in good faith as follows.
8 Prior to filing a motion pursuant to paragraph 10.2 herein, the Party seeking to modify the
9 judgment first provide the non-moving Party and the California Attorney General’s Office with
10 any legal or scientific data upon which the motion would rely. The non-moving Party and the
11 California Attorney General’s Office shall be allowed a period of 45 days to review that data and
12 provide the moving party with its formal written response (the California Attorney General’s
13 Office’s failure to respond to this submission shall not be construed in any manner to reflect any
14 particular view, on the part of the California Attorney General’s Office, of this Consent Judgment
15 or of the applicable law or science). The Parties shall then meet and confer within 10 days after
16 the non-moving Party’s written response. If, after meeting and conferring, the moving Party
17 elects to proceed with a motion to modify this judgment, it may do so with proper notice to the
18 other Party and the California Attorney General’s Office as required under the California Code of
19 Civil Procedure. Such a motion may be accompanied by scientific data, studies, written
20 declarations, live testimony and/or discovery responses.

21 **10.4. Modification of Judgment – Product Exemption As Additional Grounds.** TAI
22 SANG shall also be entitled to seek a modification of this Consent Judgment on the additional
23 ground that a Product has been reformulated or otherwise modified such that it does not require a
24 warning under Proposition 65. In seeking such a modification of this judgment, the burden shall
25 rest on TAI SANG to adduce clear and convincing evidence that the modification is warranted as
26 a matter of law. TAI SANG shall produce, as part of its obligation to meet and confer pursuant to
27 paragraph 10.3 herein, test results from at least three different manufacturing batches of the
28 Product, each batch manufactured at least one month apart from any other, conducted by an EPA-

1 accredited laboratory using inductively coupled plasma-mass spectrometry. Any such motion
2 under this subsection shall comply with the procedural requirements of paragraph 10.3 herein.

3 **11. GOVERNING LAW**

4 11.1. **Governing Law.** The terms of this Agreement shall be governed by the laws of the
5 State of California.

6 **12. NOTICES**

7 12.1. **Notices.** All correspondence and notices required to be provided under this
8 Agreement shall be in writing and shall be sent by first class registered or certified mail addressed
9 as follows:

10 All correspondence to AYS shall be mailed to:

11 Lawrence E. Fahn, Executive Director
12 As You Sow
13 540 Pacific Avenue
14 San Francisco, CA 94133

14 With a copy to:

15 Andrew L. Packard, Esq.
16 The Law Offices of Andrew L. Packard
17 294 Page Street
18 San Francisco, CA 94102

17 All correspondence to TAI SANG shall be mailed to:

18 Tai Sang Trading Co., Inc.
19 c/o Mark C. Phillips, Esq.
20 Burnham Brown
21 P.O. Box 119
22 Oakland, CA 94604-0119

21 **13. INTEGRATION AND MODIFICATION**

22 13.1. **Integration & Modification.** This Agreement, together with the Exhibits hereto
23 which are specifically incorporated herein by this reference, constitutes the entire agreement
24 between the Parties relating to the rights and obligations herein granted and assumed, and
25 supersedes all prior agreements and understandings between the Parties. This Agreement may be
26 modified only upon the written agreement of the Parties.

27 **14. COUNTERPARTS**

28 14.1. **Counterparts.** This Agreement may be executed in counterparts, each of which

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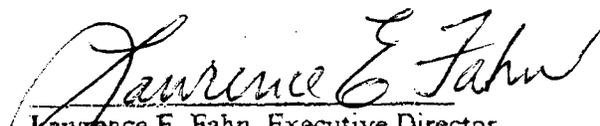
shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

15. AUTHORIZATION

15.1. **Authorization.** The undersigned are authorized to execute this Agreement on behalf of their respective parties and have read, understood, and agree to all of the terms and conditions of this Agreement

IT IS SO STIPULATED:

DATED: 11/26/01


Lawrence E. Fahn, Executive Director
AS YOU SOW

DATED:

Chin Lien, President
TAI SANG TRADING CO., INC.

APPROVED AS TO FORM:

DATED: 11/26/01


Andrew L. Packard
Counsel for Plaintiff
AS YOU SOW

DATED:

Mark C. Phillips
Counsel for Defendant
TAI SANG TRADING CO., INC.

IT IS SO ORDERED:

DATED:

Judge of the Superior Court

LAW OFFICES
ANDREW L. PACKARD
374 PAGE STREET SAN FRANCISCO CALIFORNIA 94102
415-331-2970 FAX 415-331-0910

1 shall be deemed an original, and all of which, when taken together, shall constitute one and the
2 same document.

3 15. AUTHORIZATION

4 15.1. Authorization. The undersigned are authorized to execute this Agreement on
5 behalf of their respective parties and have read, understood, and agree to all of the terms and
6 conditions of this Agreement.

8 IT IS SO STIPULATED:

9 DATED:

11 Lawrence B. Fahn, Executive Director
AS YOU SOW

12 DATED: 11/28/01

13 *Chin Lien*

14 Chin Lien, President
TAI SANG TRADING CO., INC.

15 APPROVED AS TO FORM:

16 DATED: 11/26/01

17 *Andrew L. Packard*
18 Andrew L. Packard
19 Counsel for Plaintiff
20 AS YOU SOW

21 DATED: 11/26/01

22 *Mark C. Phillips*
23 Mark C. Phillips
24 Counsel for Defendant
TAI SANG TRADING CO., INC.

25 IT IS SO ORDERED:

26 DATED:

27 Judge of the Superior Court

LAW OFFICES
ANDREW L. PACKARD
195 PAGES STREET SAN FRANCISCO CALIFORNIA 94102
415-391-2928 FAX 415-481-8418

1 shall be deemed an original, and all of which, when taken together, shall constitute one and the
2 same document.

3 **15. AUTHORIZATION**

4 15.1. **Authorization.** The undersigned are authorized to execute this Agreement on
5 behalf of their respective parties and have read, understood, and agree to all of the terms and
6 conditions of this Agreement.

7
8 **IT IS SO STIPULATED:**

9
10 DATED:

11 _____
Lawrence E. Fahn, Executive Director
AS YOU SOW

12
13 DATED:

14 _____
Chin Lien, President
TAI SANG TRADING CO., INC.

15 **APPROVED AS TO FORM:**

16
17 DATED: 11/26/01

18 _____
Andrew L. Packard
Counsel for Plaintiff
AS YOU SOW

19
20
21 DATED:

22 _____
Mark C. Phillips
Counsel for Defendant
TAI SANG TRADING CO., INC.

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25 **IT IS SO ORDERED:**

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27 DATED: May 1, 2002

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Judge of the Superior Court

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INDEX OF ATTACHED EXHIBITS

EXHIBIT A

[Product List]

EXHIBIT B

[Notice of Proposition 65 Violation]

EXHIBIT C

[Chinese Language Warning Statement]

EXHIBIT D

[Verbatim Notification Letter Language]

EXHIBIT E

[Proof Of Service on Attorney General]

EXHIBIT A

EXHIBIT A

Product Name	Alternate Name
Acne Sweeping Pill	
An Mien Pien	Peaceful Sleep Tablets
AnShen Bu Xin Wan	Peaceful Shen Tonify Heart Pill
Angelica Tea	Dang Gui Pian
Angelicae Longana Tea	Gui Pi Wan
Anti-Lumbago Pills	Yao Tong Pian
Aplotaxis Ammom Tea	Xiang Sha Liu Lun Zi Wan
Armadillo Counter Poison	Chuan Shan Jia Qu Shi Qing Du Wan
Astragalus Extractum	
Ba Xian Chang Shou Wan	Mai Wei Di Huang Wan
Ban Lan Gen	Isatis
Bao He Wan	Preserve Harmony Pill
Bi Yan Pian	Nose Inflammation Pill
Bi Yuan Wan	Deep Nasal Congestion Pills
Bo Ying Pills	Protect Baby Pills
Boienmi Chinese Tea- Bags	Bao Jian Mei Jian Fei Cha
Boienmi Chinese Tea-Loose	Ba Jian Mei Jian Fei Cha
Carmichaeli Tea	Fu Zi Li Zhong Wan
Central Chi Tea	Bu Zhong Yi Qi Tang
Cerebral Tonic Pills	Bu Nao Wan
Chien Chin Chih Tai Wan	1000 Pieces of God Stop Leukorrhea Pill
Chin Koo Tieh Shang	JinGu Die Shang Wan
Ching Fei Yi Huo Pien	Clear Lungs Restrain Fire Tablet
Ching Wan Hung	
Chuan Xin Lian	Andrographis Anti-Inflammatory Tablets
Chuan Xiong Cha Tiao Wan	Tea Blended Ligusticum Pill
Clean Air Tea	Pinellia Expectorant (Qing Qi Hua Tan Wan)
Compound Cortex Eucommia	Du Zhong Pian
Dan Shen Tablet	Salvia Tablet
Ding Xin Wan	Heart Stabilizing Pill
Dit Da Jiao	
Du Huo Ji Sheng Wan	Du Huo & Loranthus
Eight Flavor Tea	Zhi Bai Di Huang Wan
Eight Treasure Tea	Women's Precious Pill
Emperor Tea	Tian Wang Bu Xin Wan
Erh Chen Wan	Pinellia Pachyma Compound
Farfun	
Fargelin Extra Strength	Hua Zhi Ling Wan
Fritillaria Extract	Chuan Bei Jing Pian
Gan Mao Ling	Common Cold Effective Remedy
Gan Mao Tuire Chongji	Common Cold Fever Abating Preparation
Gejie Da Bu Wan	Gecko Great Tonifying Pill
Ginseng & Royal Jelly	
Ginseng Stomachi Pill	Jian Pi Wan

EXHIBIT A

Product Name	Alternate Name
Golden Book Tea	Rehmannia 8 (Sexoton) (Jin Kui Shen Qi Wan)
Golden Book Tea	Jin Suo Gu Jing Wan
Good Sleeping Pill-Small	
Hsiao Keh Chuan-Liquid	Cough Relieving Formula
Hsiao Yao Wan	Bupleurum Sedative Pill
Huang Lian Su	Coptis
Huang Lien Shang Qing Wan Pian	Coptis Upper Body Clearing Tablets
Hypertension Repressing Tabs	Jiang Ya Ping Pian
Imperial Antler Ginseng	
Imperial Ling Chi Royal Jelly	
Jiang Ya Pian	Hypotensor Pills
Jie Geng Wan	Platycodon Pill
Kai Kit Pill	Jie Jie Wan
Kai Yeung Pill	Hau She Jie Yang Wan
Kang Gu Zeng Sheng Pian	Hyperosteogenesis Tablets
King To Nin	Loquat Syrup
Kwan Loong Oil	
Lian Qiao Bai Du San	Forsythia toxin-vanquishing tablets
Ligan Pian	Liver Disinhibiting Tablet
Lo Han Kuo Infusion	Luo Han Guo Chang Ji
Lophanthus Antifebrile Pill	Huo Xiang Zheng Qi Wan
Lu Shen Wan	Six Spirits Pill
Lung Tan Xie Gan Pill	Gentian Liver Draining Pill
Lycii/Chrysantemum Tea	Qi Gou Di Huang Wan
Mao Dung Qing	Ilex Root
Margarite Acne Pills	Cai Feng Zhen Zhu An Chuang Wan
Mu Xiang Shun Qi Wan	Aplotaxis Carminative Pill
Nan Bao	Males's Treasure
Pai Tzu Yang Yin Wan	Biota Sedative Pill
Pe Min Kan Wan	Nasal Allergy Pill
Pearl Powder	
Pill Curing	Kang Ning Wan
Ping Chuan Pills	Calm Asthma Pill
Ping Wei	
Po Chi Pill (Bao Ji Wan)	Bao Ji Wan
Po Sum On-Medicated Oil	
Pollen Allergy	
Prostate Gland Pills	Qian Lie Xian Wan
Pulmonary Tonic Lab (Li Fei)	Lie Fie Tang Yi Pian
Qivellian Analgesic	Scheffer Root Extract
Rehmannia Tea	Ming Mu Di Huang Wan
Ren Shen Lu Jeng Wan	Ginseng & Young Deer Antler Pill
Ren Shen Zai Zao Wan	Ginseng Renewal Pill
Restorative Pills	Placenta Compound

EXHIBIT A

Product Name	Alternate Name
Foai Jeliu	Feng Want Jiang
Sai Mei An	
San She Dan Chuan Bei Ye	3 Snake Gall Fritillaria Eriobotrya
San She Tan Chui Feng Wan	3 Snake Gallbladder Dispel Wind Pill
Sang Chu Tablets	Sang Chu Yin Pian
Sciatica	
Sea Horse Genital	Hai Ma Bu Shen Wan
Shen Ling Bai Zhu Pian	Codonopsis, Poria & Atractylodes
Shen Qi Da Bu Wan	Shen Qi Tonic Pills
Shi Lin Tong	Stone Strangury Tablet
Shou Wu Gin	Polygonum Juice
Shou Wu Gin	Polygonum Pill
Shu Kan Wan	Liver Soothing Pill
Shun Chi Wan (Chi Kuan Yen Wan)	Chi Kuan Yen Wan
Six Flavor Tea	Liu Wei Di Huang Wan
Specific Lumbaglin	Te Xiao Yao Tong Ling
Specific Passwan	Te Xiao Pai Shi Wan
Suan Zao Ren Tang	Zizyphus Comb.
Sugar Coated Placenta Pill	Tai Pan Tang Yi Pian
Superior Sore Throat Powder	Shuang Liao Hou Feng San
Tang Kuei Gin	Angelica Syrup
Tang Kuei Gin-no sugar	Angelica Syrup
Ten Flavor Tea	Shih Chuan Da Bu Wan
Tian Ma Chu Feng Pu Pian	Gastrodia Dispel Wind Formula
Tien Chi (Pseudo-Ginseng) Raw	San Qi
Tien Chi Tablets	San Qi Tablets
Tiger Balm Red	
Tiger Balm White	
Tin Tzat To Chung Pills	
To Jing Wan	
To Ku Han Medical Plasters	
Tso Tzu Otic	Er Long Zuo Ci Wan
Tujin Linament	
Wan Hua Oil (30 cc)	
Wei Sen U	
Whale Brand Eye Ointment	
White Flower Oil	
Wood Lock Oil	
Wu Cha Seng (Ci Wu Jia)	Acanthopanax Root
Wu Cha Seng Extract	Acanthopanax
Wuchi Pai Feng (Black Chicken)	Black Chicken & White Phoenix Pill
Wuchi Pai Feng Pills	Black Chicken & White Phoenix Pill
Xiang Sha Yang Wei Wan	Saussurea & Cardomom Stomach Nourishing
Yin Chiao (NO Sugar)	Lonicera & Forsythia

EXHIBIT A

Product Name	Alternate Name
Yin Chiao (sugar coated)	Lonicera & Forsythia
Yuan Hu Zhi Tong Pian	Corydalis fraction
Yunnan Baiyao	Yunnan White Medicine
Yunnan Baiyao-caps	Yunnan White Medicine
Zheng Gu Shui	
Zhi Chuan Gao (hemorrhoid)	Hemorrhoid cream
Zhi Sou Ding Chuan Wan	Cough Suppressing Dyspnea Stabilize Pill
Zisheng Stomachic Pills	Provide Life Pills

EXHIBIT B



Tel: (415) 391-3212

A Foundation Planting Seeds for Social Change

Fax: (415) 391-3245

A NON-PROFIT CORPORATION
540 Pacific Avenue
San Francisco, California 94133
www.asyousow.org

April 27, 2001

**NOTICE OF VIOLATION OF
CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.**

Dear Mr. Lien and Public Enforcement Agencies:

As You Sow ("AYS") is a non-profit foundation organized under California's Non-Profit Public Benefit Corporation Law. AYS is dedicated to, among other causes, the protection of the environment, the promotion of human health, the improvement of worker and consumer safety, and environmental education.

AYS has documented violations of California's Safe Drinking Water & Toxic Enforcement Act of 1986 ("Proposition 65"), codified at Health & Safety Code §25249.5 *et seq.* This letter serves to provide AYS' notification of these violations to the public enforcement agencies and to the violator. Pursuant to §25249.7(d) of the statute, AYS intends to bring an enforcement action sixty (60) days after effective service of this notice unless the public enforcement agencies have commenced and are diligently prosecuting an action to rectify these violations.

A summary of the statute and its implementing regulations, which was prepared by the lead agency designated under the statute, is enclosed with the copy of this notice served upon the violator. The specific details of the violations that are the subject of this notice are provided below.

The name of the violator covered by this notice is **TAI SANG TRADING CO., INC.** ("Tai Sang"). These violations involve lead, lead compounds, mercury, mercury compounds, arsenic, cadmium and cadmium compounds found in the type of consumer products described below and in Exhibit A hereto. On February 27, 1987, the State of California officially listed lead as a chemical known to cause reproductive toxicity. On October 1, 1992, the State of California officially listed lead and lead compounds as chemicals known to cause cancer. On July 1, 1990, the State of California officially listed mercury and mercury compounds as chemicals known to cause reproductive toxicity. On May 1, 1997, the State of California officially listed arsenic (inorganic oxides) as a chemical known to cause reproductive toxicity. On February 27, 1987, the State of California officially listed arsenic as a chemical known to cause cancer. On October 1, 1987, the State of California officially listed cadmium and cadmium compounds as chemicals known to cause cancer. On May 1, 1997, the State of California officially listed cadmium as a chemical known to cause reproductive toxicity. This notice covers each of the specific types of products set forth below, and those products listed in Exhibit A hereto with respect to each of the above-referenced chemicals.

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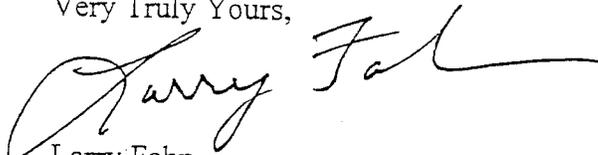
The products covered by this notice are *herbs and herbal products, traditional patent medicines, bulk herbs, infusions, extracted powders, tea pills, traditional pills, patent formulas, teas, bulk teas, liquid herbal extracts, capsules, plasters and ointments* that are imported, exported, manufactured, packaged, distributed, marketed and/or sold by Tai Sang. The phrase "traditional patent medicines" above is used herein as defined by the California Department of Health Services: "herbal and patent medicines consisting of single or multiple herbal ingredients, including botanical, mineral and animal products, formulated into tablets, pills, powders and liquids."

These toxic exposures have occurred and continue to occur primarily through the ingestion exposure route, but also may occur through inhalation and/or and dermal contact, depending on each medicine's particular application. These ongoing violations have occurred every day since at least April 27, 1997, and will continue every day until clear and reasonable warnings are provided or until these deleterious chemicals are removed from the products.

In keeping with its public interest mission and to expeditiously rectify these ongoing violations of California law, AYS is interested in seeking a constructive resolution of this matter without engaging in costly and protracted litigation. Please direct all communications regarding this notice to AYS' counsel in this matter:

Andrew L. Packard, Esq.
Law Offices of Andrew L. Packard
294 Page Street
San Francisco, CA 94102
Telephone: (415) 431-2970

Very Truly Yours,



Larry Fahn
Executive Director

Enclosure

Exhibit-B 2

EXHIBIT C

EXHIBIT C
(Chinese Language Warning Statement)

警 告：
使用本產品將會使你遭受到加利
福來亞州已確認的化學品的影響
，導致癌症和生育缺陷或其他生
殖傷害。

EXHIBIT D

EXHIBIT D

[DATE]

IMPORTANT NOTICE TO BUYERS OF CHINESE HERBAL PRODUCTS

TAI SANG has closed its business for personal reasons not related to the law suit brought against it for failing to warn consumers about the health hazards associated with its products. The products you have purchased from TAI SANG, ~~and possibly other sellers of Chinese herbal products~~ contain levels of **lead, arsenic, mercury or cadmium** that require a warning pursuant to California's "Proposition 65" (Health & Safety Code §25249.5, et seq.) because they cause cancer and birth defects. We have been ordered by the Court to distribute this notice to inform you of this serious health problem.

am

If you resell these products (either in whole or in part) you are required to provide a clear and reasonable warning within the meaning of Proposition 65 to the purchasers of the product. Failure to provide these warning may result in your being subject to civil penalties of up to \$2500 per violation and other sanctions. ~~Many Chinese herbal medicines have this problem and we urge you to have your products tested for lead, arsenic, mercury and cadmium.~~ You should also ~~consult with a lawyer concerning your obligations under the law.~~

Other

am

appropriately

consult with your supplier or to

The warning must be provided unless you can establish in court that the levels of Proposition 65 listed chemicals (including, but not limited to lead, arsenic and mercury) in the products you sell are low enough that the maximum daily recommended dosage of the product will not result in exposures above the levels requiring health hazard warnings. For additional information regarding the requirements of Proposition 65, you should contact the Office of Environmental Health Hazard Assessment at (510) 622-3170, Fax: (510) 622-3218, or on the Internet at www.oehha.ca.gov.

EXHIBIT E

PROOF OF SERVICE

I, Andrew L. Packard, 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 of age, and am not a party to the within entitled action. My business address is 294 Page Street, San Francisco, California 94102.

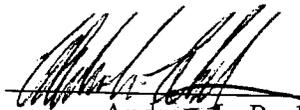
On December 10, 2001, I served the following documents:

**CONSENT JUDGMENT AGAINST DEFENDANT TAI SANG TRADING
CO., INC.**

in this action by placing a true and correct copy thereof in a sealed envelope, first class, postage pre-paid, addressed to the party listed below, and depositing it in a United States Postal Service mail box:

Edward G. Weil, Esq.
Deputy Attorney General
California Attorney General's Office
1515 Clay Street, 20th Floor
Oakland, CA 94612-1413

Executed on January 31, 2002, at San Francisco, California.



Andrew L. Packard