

Michael Freund (SBN 99687) 1 Law Office of Michael Freund 1915 Addison Street Berkeley, CA 94704 Telephone: (510) 540-1992 3 Facsimile: (510) 540-5543 MAR 0 9 2012 Email: freund1@aol.com Attorneys for Plaintiff HE SUPERIOR COURT ENVIRONMENTAL RESEARCH CENTER 6 Margaret Carew Toledo (SBN 181227) MENNEMEIER, GLASSMAN & STROUD LLP 980 9th Street, Suite 1700 Sacramento, CA 95814 8 Telephone: (916) 551-2592 Facsimile: (916) 553-4011 9 Email: toledo@mgslaw.com 10 Attorneys for Defendant BARLEAN'S ORGANIC OILS, LLC 11 12 SUPERIOR COURT OF THE STATE OF CALIFORNIA 13 COUNTY OF ALAMEDA 14 15 16 ENVIRONMENTAL RESEARCH CENTER. CASE NO. RG11599984 17 a California non-profit corporation, RBM (PROPOSED) STIPULATED CONSENT 18 Plaintiff, JUDGMENT; [PROPOSED] ORDER 19 BBM Health & Safety Code § 25249.5 et seq. 20 BARLEAN'S ORGANIC OILS, LLC and DOES 1-100: ACTION FILED: October 14, 2011 21 TRIAL DATE: None Set Defendants. HEARING DATE: March 9, 2012 22 TIME: 9:00 a.m. 23 DEPT.: 25 24 25 26 27 28

PROPOSED | STIPULATED CONSENT JUDGMENT

On October 14, 2011, Plaintiff Environmental Research Center ("ERC"), a non-profit corporation, as a private enforcer and in the public interest, initiated this action by filing its Complaint for civil penalties pursuant to the provisions of California Health & Safety Code section 25249.5, et seq. ("Proposition 65") against Defendant Barlean's Organic Oils, LLC ("Barlean's"). ERC alleges that certain products ("Covered Products") manufactured, distributed and sold by Barlean's contain lead, a chemical listed under Proposition 65 as a carcinogen and reproductive toxin, and require a Proposition 65 warning. The Covered Products are listed by name in Exhibit A to this Consent Judgment. ERC and Barlean's shall sometimes be referred to individually as a "Party" or collectively as the "Parties."

- 1.2 ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees and encouraging corporate responsibility. ERC has diligently prosecuted this matter and is settling this case in the public interest.
 - 1.3 Barlean's employs ten or more persons. Barlean's distributes and sells the Covered Products.
 - January 14, 2011, served on the California Attorney General, other public enforcers, and Barlean's, by ERC. A true and correct copy of the Notice of Violation is attached hereto as Exhibit B. No public enforcer has filed suit against Barlean's with regard to the Covered Products or the alleged violations. After receiving the Notice of Violation, Barlean's reformulated the Covered Products so that the maximum daily dose recommended on the label contains no more than 0.5 micrograms of lead.
 - 1.5 ERC's Notice of Violation and the Complaint in this action allege that Barlean's exposes persons in California to lead without first providing clear and reasonable warnings, in violation of California Health & Safety Code section 25249.6. Barlean's denies all material

allegations of the Notice of Violation and the Complaint, has asserted numerous affirmative defenses, and specifically denies that the Covered Products require a Proposition 65 warning or otherwise cause harm to any person.

- 1.6 The Parties have entered into this Consent Judgment in order to settle, compromise and resolve disputed claims and thus avoid prolonged and costly litigation. Nothing in this Consent Judgment, nor compliance with its terms, shall constitute or be construed as an admission by any of the Parties, or by any of their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, suppliers, franchisees, licensees, customers, distributors, wholesalers, or retailers, of any fact, conclusion of law, issue of law, violation of law, fault, wrongdoing, or liability, including without limitation, any admission concerning any alleged violation of Proposition 65 nor shall this Consent Judgment be offered or admitted as evidence in any administrative or judicial proceeding or litigation in any court, agency, or forum, except in an action seeking to enforce the terms of this Consent Judgment or for purposes of issue or claim preclusion or any other similar defense.
- 1.7 Except as expressly set forth herein, nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy, argument, or defense the Parties may have in any other or future legal proceeding unrelated to these proceedings.
- 1.8 The Effective Date of this Consent Judgment shall be the date on which it is entered as a judgment by this Court.

2. JURISDICTION AND VENUE

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction over Barlean's as to the acts alleged in the Complaint, that venue is proper in the County of Alameda, and that this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims which were or could have been asserted in this action based on the facts alleged in the Notice of Violation or the Complaint. This Consent Judgment shall have no application or effect on Barlean's for Covered Products or other products manufactured,

distributed or sold by or on behalf of Barlean's to consumers outside of the state of California.

3. INJUNCTIVE RELIEF, REFORMULATION, TESTING AND WARNINGS

- 3.1 On and after the Effective Date, Barlean's shall be permanently enjoined from manufacturing for sale in California, distributing into California, or directly selling to a consumer in California any Covered Product for which the maximum daily dose recommended on the label contains more than 0.5 micrograms of lead, unless such Covered Product complies with the warning requirement set forth in Section 3.2 below. "Distributing into California" means to directly ship a Covered Product into California for sale in California or to sell a Covered Product to a distributor that Barlean's knows will sell the Covered Product in California. This injunction shall not apply to products which Barlean's puts into the stream of commerce before the Effective Date.
- 3.2 Clear and Reasonable Warnings. For those Covered Products that are subject to the warning requirement of Section 3.1, Barlean's shall provide the following warning as specified below:

WARNING: The product contains [lead,] a chemical known to the State of California to cause [cancer and] birth defects or other reproductive harm.

The text in brackets in the warning above is optional, except that the term "cancer" must be included only if the maximum dose recommended on the label contains more than 15 micrograms of lead.

- 3.3 Testing.
- (a) Once a year, on or before the anniversary of the entry of the Consent Judgment, Barlean's shall test, or require its supplier to test, five (5) randomly selected samples of each Covered Product (in the form intended for sale to the end-user) for lead content. This testing requirement does not apply to a Covered Product for which Barlean's has provided the warning specified in Section 3.2 since the Effective Date or during the preceding year.
- (b) Testing for lead shall be performed using Inductively Coupled Plasma-Mass
 Spectrometry ("ICP-MS") and closed-vessel, microwave-assisted digestion employing high-purity

reagents or any other testing method subsequently agreed upon in writing by the Parties.

- (c) All testing pursuant to this Consent Judgment shall be performed by a laboratory certified by the California Environmental Laboratory Accreditation Program or a laboratory that is registered with the United States Food & Drug Administration.
- (d) Barlean's shall provide any test results within fifteen (15) business days of any written request from ERC and Barlean's shall retain all test results and documentation for a period of four years from the date of the test.
- (e) Barlean's shall test the Covered Products for a minimum of three (3) years. If tests conducted pursuant to this Consent Judgment demonstrate that no warning is required for a Covered Product during each of three (3) consecutive years, then the testing requirements of this Section 3.3 are no longer required as to that Covered Product. However, if after the three (3) year period Barlean's changes ingredient suppliers for any of the Covered Products and/or reformulates any of the Covered Products, Barlean's shall test that Covered Product at least once after such change is made.

4. SETTLEMENT PAYMENT

- 4.1 In full and final satisfaction of all potential civil penalties, payment in lieu of civil penalties, attorney's fees, and costs, Barlean's shall make a total payment of \$70,000.00, payable to the Law Office of Michael Freund (counsel for ERC), within ten (10) business days of receiving the Notice of Entry of this Consent Judgment. Michael Freund shall be responsible for allocating and sending the payments to the other recipients as follows:
- 4.2 \$10,000.00 as civil penalties pursuant to California Health & Safety Code section 25249.7(b)(1). Of this amount, \$7,500.00 shall be payable to OEHHA, and \$2,500.00 shall be payable to ERC. Cal. Health & Safety Code §§ 25249.12(c)(1) & (d). ERC's counsel shall forward the civil penalty payment to OEHHA, and send a copy of the transmittal letter to counsel for Barlean's.
- 4.3 \$30,250.00 in lieu of further civil penalties, payable to ERC, for activities such as
 (1) investigating, researching and testing consumer products that may contain Proposition 65 listed

chemicals; (2) awarding grants to California non-profit foundations/entities dedicated to public health; (3) funding the ERC Eco Scholarship Fund for high school students in California interested in pursuing an education in the field of environmental sciences; (4) funding ERC's Voluntary Compliance Program to work with companies not subject to Proposition 65 to reformulate their products to reduce potential consumer exposures; (5) funding ERC's RxY Program to assist various medical personnel to provide testing assistance to independent distributors of various products; (6) funding ERC's Got Lead? Program to assist consumers in testing products for lead; (7) post-settlement monitoring of past consent judgments; and (8) the continued enforcement of Proposition 65.

- 4.4 \$10,000.00 payable to ERC, as reimbursement to ERC for reasonable investigation costs associated with the enforcement of Proposition 65 and other costs incurred as a result of investigating, bringing this matter to Barlean's attention, litigating and negotiating this settlement in the public interest.
- 4.5 \$15,750.00 payable to Michael Freund and \$4,000.00 payable to Karen Evans as reimbursement of ERC's attorney's fees.

5. MODIFICATION OF CONSENT JUDGMENT

This Consent Judgment may be modified only by written agreement and stipulation of the Parties, or upon noticed motion filed by any Party, followed by entry of a modified consent judgment by the Court.

6. RETENTION OF JURISDICTION, ENFORCEMENT OF CONSENT JUDGMENT

- 6.1 This Court shall retain jurisdiction of this matter to enforce, modify or terminate this Consent Judgment.
- 6.2 Only after it complies with Section 10 below, any Party may, by motion or application for an order to show cause filed with this Court, enforce the terms and conditions contained in this Consent Judgment. The prevailing party may request that the Court award its reasonable attorneys' fees and costs associated with such motion or application.

11 12

13

14 15

16

17

19

20

21 22

23

24

26

27 28

APPLICATION OF CONSENT JUDGMENT 7.

This Consent Judgment shall apply to, be binding upon and benefit the Parties, and their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, suppliers, franchisees, licensees, customers, distributors, wholesalers, retailers, and all other entities in the distribution chain of any Covered Product, the predecessors. successors and assigns of any of them, and the general public.

8. BINDING EFFECT, CLAIMS COVERED AND RELEASED

- This Consent Judgment is a full, final, and binding resolution between ERC, on 8.1 behalf of itself, the general public, and in the public interest, and Barlean's, of any alleged violation of Proposition 65 or its implementing regulations, and fully and finally resolves all claims that have been or could have been asserted in this action against Barlean's for failure to provide Proposition 65 warnings for the Covered Products regarding lead. ERC, on behalf of itself, the general public, and in the public interest, hereby releases and discharges Barlean's and its respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, suppliers, franchisees, licensees, customers, distributors, wholesalers, retailers, and all other entities in the distribution chain of any Covered Product, and the predecessors, successors and assigns of any of them (collectively, "Released Parties"), from any and all claims asserted, or that could have been asserted, in this action arising from or related to the alleged failure to provide Proposition 65 warnings for the Covered Products regarding lead.
- 8.2 ERC, on behalf of itself only, hereby releases and discharges the Released Parties from any and all known and unknown past, present, and future rights, claims, causes of action, suits, damages, penalties, liabilities, injunctive relief, declaratory relief, and attorneys' fees, costs, and expenses arising from or related to the claims asserted, or that could have been asserted, under state or federal law, regarding the presence of lead in the Covered Products or the facts alleged in the Notice of Violation or the Complaint, including without limitation any and all claims concerning exposure of any person to lead in the Covered Products.
 - 8.3 Compliance with the terms of this Consent Judgment shall constitute compliance

.8

by the Released Parties with Proposition 65 with respect to alleged exposures to lead contained in the Covered Products.

8.4 <u>Unknown Claims</u>. It is possible that other injuries, damages, liability, or claims not now known to the Parties arising out of the facts alleged in the Notice of Violation or the Complaint and relating to the Covered Products will develop or be discovered. ERC, on behalf of itself only, acknowledges that this Consent Judgment is expressly intended to cover and include all such injuries, damages, liability, and claims, including all rights of action therefor. ERC has full knowledge of the contents of California Civil Code section 1542. ERC, on behalf of itself only, acknowledges that the claims released in Sections 8.1 and 8.2 above may include unknown claims, and nevertheless waives California Civil Code section 1542 as to any such unknown claims. California Civil Code section 1542 reads as follows:

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

ERC, on behalf of itself only, acknowledges and understands the significance and consequences of this specific waiver of California Civil Code section 1542.

- 8.5 ERC, on the one hand, and Barlean's, on the other hand, release and waive all claims they may have against each other for any statements or actions made or undertaken by them in connection with the Notice of Violation or this action.
 - 9. CONSTRUCTION OF CONSENT JUDGMENT, SEVERABILITY,
- 9.1 The terms and conditions of this Consent Judgment have been reviewed by the respective counsel for the Parties prior to its signing, and each Party has had an opportunity to fully discuss the terms and conditions with its counsel. In any subsequent interpretation or construction of this Consent Judgment, the terms and conditions shall not be construed against any Party.

4

7

9

1011

12 13

> 14 15

16

17

18 19

20

21

2223

24

2526

27

28

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

10. NOTICE AND CURE

- 10.1 No motion to enforce this Consent Judgment or application to show cause may be filed by ERC, unless ERC notifies Barlean's of the specific acts alleged to breach this Consent Judgment at least forty-five (45) days before filing and serving any such motion or application. Any notice to Barlean's must contain (1) the name of the product; (2) the lead content of the product, with a copy of the analytical results and description of the testing methodology; (3) specific dates when the product was sold in California; (4) the store or other place at which the product was available for sale to California consumers; and (5) any other evidence or other support for the allegations in the notice.
- 10.2 Within thirty (30) days of receiving the notice described in Section 10.1, Barlean's shall either (1) withdraw the product from sale in California, (2) provide the warning described in Section 3.2 for the product, or (3) refute the information provided under Section 10.1. Should the Parties be unable to resolve the dispute, any Party may seek relief under Section 6 of this Consent Judgment.

11. GOVERNING LAW

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

12. PROVISION OF NOTICE

All notices required by this Consent Judgment shall be sent by first-class, registered, or certified mail, or overnight delivery, to the following:

For Environmental Research Center:

Chris Heptinstall, Executive Director Environmental Research Center 5694 Mission Center Road, # 199 San Diego, CA 92108

Michael Bruce Freund Law Offices of Michael Freund 1915 Addison Street Berkeley, CA 94704

Karen Evans Coordinating Counsel Environmental Research Center 4218 Biona Place San Diego, CA 92116 For Barlean's: Margaret Carew Toledo Mennemeier, Glassman & Stroud LLP 980 9th Street, Suite 1700 Sacramento, CA 95814 Karen Barlean Chief Financial Officer Barlean's Organic Oils, L.L.C. 4936 Lake Terrell Rd. Ferndale, Washington 98248 10 13. 11 COURT APPROVAL 12 13.1 If this Stipulated Consent Judgment is not approved by the Court, it shall be void 13 and have no force or effect. ERC shall comply with California Health & Safety Code section 25249.7(f) and 14 13.2 with Title 11 of the California Code Regulations, section 3003. 15 14. 16 **EXECUTION AND COUNTERPARTS** 17 This Stipulated Consent Judgment may be executed in counterparts, which taken together shall be deemed to constitute one document. A facsimile or pdf signature shall be construed as 18 valid as the original signature. 15. ENTIRE AGREEMENT, AUTHORIZATION 20 15.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, 22 negotiations, commitments and understandings related hereto. No representations, oral or 23 otherwise, express or implied, other than those contained herein have been made by any Party. No 24 other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties.

19

21

25

26

27

1	15.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized			
2	by the Party he or she represents to stipulate to the terms and conditions of this Consent Judgment,			
3	to enter into and execute this Consent Judgment on behalf of the Party represented, and legally to			
4	bind that Party to this Consent Judgment. The undersigned have read, understand and agree to all			
5	of the terms and conditions of this Consent Judgment. Except as explicitly provided herein, each			
6	Party shall bear its own fees and costs.			
7	IT IS SO STIPULATED:			
8	ENVIRONMENTAL RESEARCH CENTER			
9				
10	Chris Heptinstall, Executive			
11	Citis repulistan, executive			
12				
13	BARLEAN'S ORGANIC OILS, LLC			
14	DARLEAN S ORGANIC OILS, LLC			
15	Dated:			
16	Karen Barlean, Chief Financial Officer			
17				
18	APPROVED AS TO FORM:			
19	LAW OFFICE OF MICHAEL FREUND			
20				
21	Michael Freund, Counsel for ERC			
22	Witchael Freund, Counsel for ERC			
23				
24	MENNEMEIER, GLASSMAN & STROUD LLP			
25	THE ATTEMPT OF THE STROOP EDI			
26	Dated:			
27	Margaret Carew Toledo, Counsel for Barlean's			
28				
	[PROPOSED] STIPULATED CONSENT JUDGMENT			
	[FREE CONSENT FOR OWNER]			

1					
1	15.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized				
2	by the Party he of she represents to stipulate to the terms and conditions of this Consent Judgment,				
3	to enter into and execute this Consent Judgment on behalf of the Party represented, and legally to				
4	bind that Party to this Consent Judgment. The undersigned have read, understand and agree to all				
5.	of the terms and conditions of this Consent Judgment. Except as explicitly provided herein, each				
6:	Party shall bear its own fees and costs.				
7	IT IS SO STIPULATED:				
8	ENVIRONMENTAL RESEARCH CENTER				
9					
10	Chris Heptinstall Executive				
11	Chitto i tobatholana Discouse, a				
12					
13	BARLEAN'S ORGANIC OILS, LLC				
14					
15	Karen Barlean, Chief Financial Officer Dated: 12-15-11				
16 17					
18	A TOTAL AND THE POPULATION OF				
19	APPROVED AS TO FORM:				
20	LAW OFFICE OF MICHAEL FREUND				
21	Dated:				
22	Michael Freund, Counsel for ERC				
23					
24					
25	MENNEMEIER, GLASSMAN & STROUD LLP				
26	Dated:				
27	Margaret Carew Toledo, Counsel for Barlean's				
28					
	[PROPOSED] STIPULATED CONSENT JUDGMUNT				
	Etworking in the best day,				

1	15.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized		
2	by the Party he or she represents to stipulate to the terms and conditions of this Consent Judgment		
3	to enter into and execute this Consent Judgment on behalf of the Party represented, and legally to		
4	bind that Party to this Consent Judgment. The undersigned have read, understand and agree to all		
5	of the terms and conditions of this Consent Judgment. Except as explicitly provided herein, each		
6	Party shall bear its own fees and costs.		
7	IT IS SO STIPULATED:		
8	ENVIRONMENTAL RESEARCH CENTER		
9			
10	Chris Heptinstall, Executive		
11	Omis Hopenistan, Exocutivo		
12			
13	BARLEAN'S ORGANIC OILS, LLC		
14			
15	Dated: Dated:		
16	Traitin Buriour, Onto I mundiar Officer		
17			
18	APPROVED AS TO FORM:		
19	LAW OFFICE OF MICHAEL FREUND		
20	Date		
21	Michael Freund, Counsel for ERC		
23			
24			
25	MENNEMEIER, GLASSMAN & STROUD LLP		
26	m 16 7,		
27	Margaret Carew Toledo, Counsel for Barlean's Dated: 12-16-11		
28			
	11		
	[PROPOSED] STIPULATED CONSENT JUDGMENT		

- 1				
1	15.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized			
2	by the Party he or she represents to stipulate to the terms and conditions of this Consent Judgment,			
3	to enter into and execute this Consent Judgment on behalf of the Party represented, and legally to			
4	bind that Party to this Consent Judgment. The undersigned have read, understand and agree to all			
5	of the terms and conditions of this Consent Judgment. Except as explicitly provided herein, each			
6	Party shall bear its own fees and costs.			
7	IT IS SO STIPULATED:			
8	ENVIRONMENTAL RESEARCH CENTER			
10	Dated:			
11	Chris Heptinstall, Executive			
12				
13	BARLEAN'S ORGANIC OILS, LLC			
14	, and the contract of the cont			
15	Dated:			
16	Karen Barlean, Chief Financial Officer			
17				
18	APPROVED AS TO FORM:			
19	LAW OFFICE OF MICHAEL FREUND			
20	Mall In Dated: 12/20/4			
21 22	Michael Freund, Counsel for ERC			
23				
24				
25	MENNEMEIER, GLASSMAN & STROUD LLP			
26	D-1-1			
27	Margaret Carew Toledo, Counsel for Barlean's			
28				
	11			
	[PROPOSED] STIPULATED CONSENT JUDGMENT			

ORDER AND JUDGMENT

Based upon the Parties' stipulation, and good cause appearing therefor, this Consent Judgment is approved and judgment is hereby entered according to its terms.

IT IS SO ORDERED, ADJUDGED AND DECREED.

Dated:	March 9	,2012_
Dated.	1 4000	

Monnell Paux Xues
Judge, Superior Court of the State of California

EXHIBIT A

1. Barlean's Greens

- 2. Barlean's Berry Greens
- 3. Barlean's Greens Capsules
- 4. Barlean's Kiwi Strawberry Superfruit Greens
- 5. Barlean's Cacao Greens Chocolate Silk



Environmental Research Center

5694 Mission Center Road #199 San Diego, CA 92108 619.309.4194

January 14, 2011

YIA CERTIFIED MAIL

Current President or CEO Barlean's Organic Oils, LLC 4936 Lake Terrell Road Ferndale, WA 98248

Karen Martin (Barlean's Organic Oils, LLC's Registered Agent for Service of Process) 4936 Lake Terrell Road Ferndale, WA 98248

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 P.O. Box 70550 Oakland, CA 94612-0550

VIA PRIORITY MAIL

District Attorneys of All California Counties and Select City Attorneys (See Attached Certificate of Service)

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

Dear Addressees:

I am the Executive Director of the Environmental Research Center ("ERC") 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. and also referred to as Proposition 65.

ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

The name of the Company covered by this Notice that violated Proposition 65 is:

Barlean's Organic Oils, LLC

The product that is the subject of this Notice and the chemical in that product identified as exceeding allowable levels is:

Barlean's Organic Oils Barlean's Greens Powder Formula/15 Day Supply 132g - Lead

On February 27, 1987, the State of California officially listed lead as a chemical known to cause developmental toxicity, and male and female reproductive toxicity. On October 1, 1992, the State of California officially listed lead as chemical known to cause cancer.

This letter is a Notice to Barlean's Organic Oils, LLC and the appropriate governmental authorities of the Proposition 65 violations concerning the listed products. This Notice covers all violations of Proposition 65 involving Barlean's Organic Oils, LLC currently known to ERC from the information now available. ERC may continue to investigate other products that may reveal further violations. A summary of Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, has been provided to the Noticed Company with a copy of this letter.

Barlean's Organic Oils, LLC has manufactured, marketed, distributed, and/or sold the listed products, which have exposed and continue to expose numerous individuals within California to the identified chemicals. The primary route of exposure to these chemicals has been through ingestion, but may have also occurred through inhalation and/or dermal contact. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemicals. The method of warning should be a warning that appears on the product's label. Barlean's Organic Oils, LLC violated Proposition 65 because the Company has failed to provide an appropriate warning to persons using these products that they are being exposed to the identified chemical.

Pursuant to Section 25249.7(d) of the statute, ERC intends to file a citizen enforcement action sixty days after effective service of this Notice unless Barlean's Organic Oils, LLC agrees in an enforceable written instrument to: (1) reformulate the listed products so as to eliminate further exposures to the identified chemicals; and (2) pay an appropriate civil penalty. Consistent with the public interest goals of Proposition 65 and ERC 's objectives in pursuing this Notice, ERC is interested in seeking a constructive resolution to this matter. Such resolution will avoid both further unwarned consumer exposures to the identified chemicals and expensive and time consuming litigation.

Please direct all questions concerning this notice to ERC's attorney, Michael Freund, address: 1915 Addison Street, Berkley, California, 94704-1101, telephone no.: 510-540-1992, e-mail: Freund1@aol.com.

Sincerely,

Chris Heptinstall, Executive Director Environmental Research Center

cc: Karen Evans

Attachments

Certificate of Merit Certificate of Service

OEHHA Summary (to Barlean's Organic Oils, LLC and its Registered Agent of Service for Process only) Additional Supporting Information for Certificate of Merit (to AG only)

CERTIFICATE OF MERIT

Re: Environmental Research Center's Notice of Proposition 65 Violations by Barlean's Organic Oils, LLC

I, Michael Freund, declare:

- 1. This Certificate of Merit accompanies the attached sixty-day Notice in which it is alleged the party 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.
- 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 on 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 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 served on the Attorney General is attached additional factual information sufficient to establish the basis for this Certificate, 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: January 14, 2011

Michael Freund

Attorney for Environmental Research Center

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 of age, and am not a party to the within entitled action. My business address is 306 Joy Street, Fort Oglethorpe, Georgia 30742

On January 14, 2011, I served the following documents: NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; "THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY" on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to the party listed below and depositing it in a US Postal Service Office for delivery by Certified Mail:

Current President or CEO Barlean's Organic Oils, LLC 4936 Lake Terrell Road Ferndale, WA 98248 Karen Martin (Barlean's Organic Oils, LLC's Registered Agent for Service of Process) 4936 Lake Terrell Road Ferndale, WA 98248

On January 14, 2011, I served the following documents: NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE §25249.7(d)(1) on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to the party listed below and depositing it in a US Postal Service Office for delivery by Certified Mail:

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 Post Office Box 70550 Oakland, CA 94612-0550

On January 14, 2011, I served the following documents: NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; 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, addressed to each of the parties on the Service List attached hereto, and depositing it with the U.S. Postal Service for delivery by Priority Mail.

Executed on January 14, 2011, in Fort Oglethorpe, Georgia.

Chris Heptinstall

Service List

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

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

District Attorney, Amador County 708 Court Street, #202 Jackson, CA 95642

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

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

District Attorney, Colusa County 547 Market Street Colusa, CA 95932

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

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

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

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

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

District Attorney, Humboldt County 825 5th Street Eureka, CA 95501

District Attorney, Imperial County 939 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, Lassen County 220 South Lassen Street, Ste. 8 Susanville, CA 96130

District Attorney, Los Angeles County 210 West Temple Street, Rm 345 Los Angeles, CA 90012

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

District Attorney, Marin County 3501 Civic Center, 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 2222 M 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, Monterey County 230 Church Street, Bldg 2 Salinas, CA 93901

District Attorney, Napa County 931 Parkway Mall Napa, CA 94559

District Attorney, Nevada County 110 Union Street Nevada City, CA 95959

District Attorney, Orange County 401 Civic Center Drive West 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, Riverside County 4075 Main Street, 1st Floor Riverside, CA 92501

District Attorney, Sacramento County 901 "G" Street Sacramento, CA 9581

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 92415-0004

District Attorney, San Diego County 330 West Broadway, Room 1300 San Diego, CA 92101

District Attorney, San Francisco County 850 Bryant Street, Room 325 San Francsico, CA 94103

District Attorney, San Joaquin County Post Office Box 990 Stockton, CA 95201

District Attorney, San Luis Obispo County 1050 Monterey Street, 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 1105 Santa Barbara Street Santa Barbara, CA 93101

District Attorney, Santa Clara County 70 West Hedding Street San Jose, CA 95110

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

District Attorney, Shasta County 1525 Court Street, Third Floor Redding, CA 96001-1632

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, Sonoma County 600 Administration Drive, Room 212J Santa Rosa, CA 95403

District Attorney, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95353

District Attorney, Sulter 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, Tulare County 221 S. Mooney Avenue, Room 224 Visalia, CA 93291

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

District Attorney, Ventura County 800 South Victoria Avenue Ventura, CA 93009

District Attorney, Yolo County 301 2nd Street Woodland, CA 95695

District Attorney, Yuba County 215 Fifth Street Marysville, CA 95901

Los Angeles City Attorney's Office City Hall East 200 N. Main Street, Rm 800 Los Angeles, CA 90012

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

San Francisco City Attorney's Office City Hall, Room 234 1 Drive Carlton B Goodlett Place San Francisco, CA 94102

San Jose City Attorney's Office 200 East Santa Clara Street San Jose, CA 95113 Case Title: Environmental Research Center vs. Barlean's Organic Oils, LLC Case No. RG11599984

CLERK'S CERTIFICATE OF MAILING

I certify that the following is true and correct:

I am a Deputy Clerk employed by the Alameda County Superior Court. I am over the age of 18 years. My business address is 1221 Oak Street, Oakland, California. I served the STIPULATED CONSENT JUDGMENT by placing copies in envelopes addressed as shown below and then by sealing and placing them for collection, stamping or metering with prepaid postage, and mailing on the date stated below, in the United States mail at Alameda County, California, following standard court practices.

Michael Freund, Esq. 1919 Addison St., Suite 105 Berkeley, CA 94704

Margaret Carew Toledo MENNEMEIER, GLASSMAN & STROUD LLP 980 9th St., Suite 1700 Sacramento, CA 95814

Dated: March 12, 2012

Executive Officer/Clerk of the Superior Court

By: Trinidad R., Bigayan, Deputy Clerk