1 2 3 4 5 6 7 8	WILLIAM F. WRAITH, SBN 185927 WRAITH LAW 16485 Laguna Canyon Rd., Suite 250 Irvine, California 92618 Tel: (949) 251-9977 Fax: (949) 251-9978 Attorneys for Plaintiff Environmental Research Center MARGARET CAREW TOLEDO (SBN 181227) STACY E. DON (SBN 226737) TOLEDO DON LLP 3001 Douglas Blvd., Suite 340	SUPERIOR COURT OF CALIFORNIA COUNTY OF ORANGE CENTRAL JUSTICE CENTER JAN 3 1 2014 ALAN CARLSON, Clerk of the Court HALLE S. GARCIA BY S. GARCIA
9	Roseville, CA 95661 Telephone: (916) 462-8950 Fax: (916) 791-0175	
11	Email: toledo@toledodon.com don@toledodon.com	
12	Attorneys for Defendant STARWEST BOTANICALS, INC.	
13 14	STARWEST BUTAINCALS, INC.	
15	STIPERTOR CO	OURT OF CALIFORNIA
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18	ENVIRONMENTAL RESEARCH) Case No.: 30-2012-00606439-CU-MC-CJC
19	CENTER, a California non-profit corporation,) Judge: Honorable Andrew P. Banks
20	Plaintiffs,)) [P ROPOSED] STIPULATED CONSENT
21	vs.) JUDGMENT; [PROPOSED] ORDER)
22	STARWEST BOTANICALS, INC., and) [Health & Safety Code § 25249.5, et seq.]
23 24	DOES 1-50, Inclusive,	Action Filed: October 19, 2012
24 25	Defendants.	}
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27	1. INTRODUCTION	
28		alleged violations of California's Safe Drinking
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- 1.4 Defendant STARWEST BOTANICALS, INC. is a California Corporation and at all relevant times for purposes of this Consent Judgment, employed ten or more persons, and is a "person in the course of doing business" within the meaning of Proposition 65. STARWEST BOTANICALS, INC. manufactures, distributes and/or sells the Covered Products.
- 1.5 ERC and STARWEST BOTANICALS, INC. are hereinafter sometimes referred to individually as a "Party" or collectively as the "Parties."
- 1.6 On January 6, 2012, pursuant to California Health and Safety Code Section 25249.7(d)(1), ERC served a Notice of Violations of Proposition 65 ("Notice of Violations") on the California Attorney General, other public enforcers, and STARWEST BOTANICALS, INC. A true and correct copy of the Notice of Violations is attached hereto as Exhibit A.
- 1.7 After more than sixty (60) days passed since service of the Notice of Violations, and no designated governmental agency filed a complaint against STARWEST BOTANICALS, INC. with regard to the Covered Products or the alleged violations, ERC filed the Complaint in this Action (the "Complaint") for injunctive relief and civil penalties. The Complaint is based on the allegations in the Notice of Violations.
- 1.8 The Complaint and the Notice of Violations each allege that STARWEST BOTANICALS, INC. manufactured, distributed, and/or sold in California the Covered Products, which contain lead, a chemical listed under Proposition 65 as a carcinogen and reproductive toxin, and expose consumers at a level requiring a Proposition 65 warning. They further allege that use of the Covered Products exposes persons in California to lead without first providing clear and reasonable warnings, in violation of California Health and Safety Code Section 25249.6. STARWEST BOTANICALS, INC. denies all material allegations of the Notice of Violation and the Complaint, asserts numerous affirmative defenses, and specifically denies that the Covered Products require a Proposition 65 warning or otherwise cause harm to any person.
- 1.9 The Parties enter into this Consent Judgment in order to settle, compromise and resolve disputed claims and 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,

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parent companies, subsidiaries, divisions, affiliates, suppliers, franchisees, licensees, 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. 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. However, nothing in this Section shall affect the enforceability of this Consent Judgment.

1.10 The "Effective Date" of this Consent Judgment shall be the date this Consent Judgment is entered by the Court.

2. JURISDICTION AND VENUE

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the subject matter of this Action and personal jurisdiction over the Parties, that venue is proper in this Court, and that this Court has jurisdiction to enter this Consent Judgment pursuant to the terms set forth herein.

3. INJUNCTIVE RELIEF, REFORMULATION, TESTING, AND WARNINGS

3.1 Beginning on the Effective Date, STARWEST BOTANICALS, INC. shall be permanently enjoined from manufacturing for sale in California, directly selling to a consumer in California or "Distributing into California" any of the Covered Products 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 requirements in Section 3.3 or qualifies a "Reformulated Covered Product" pursuant to Section 3.4. "Distributing into California" and "Distribute into California" mean to directly ship any of the Covered Products into California for sale or to sell any of the Covered Products to a distributor that STARWEST BOTANICALS, INC. knows will sell the Covered Product in California.

3.2 Calculation of Lead Levels

As used in this Consent Judgment, lead levels are calculated pursuant to the testing protocol described in Section 3.5. For purposes of this Consent Judgment, lead content shall be calculated by averaging the lead concentration in the two (2) samples from each lot of each

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Covered Product.

3.3 Clear and Reasonable Warnings.

For those Covered Products that are subject to the warning requirement of Section 3.1, STARWEST BOTANICALS, INC. shall provide one of the following warnings:

[California Residents Proposition 65] WARNING [(California Proposition 65)]: This product contains [lead,] [a] chemical[s] known to the State of California to cause [cancer and] birth defects or other reproductive harm.

[California Residents Proposition 65] WARNING [(California Proposition 65)]: This product contains [lead,] [a] substance[s] 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 daily dose recommended on the label contains more than 15 micrograms of lead.

The warning shall be prominently affixed to or printed upon the label of the Covered Product so as to be clearly conspicuous, as compared with other statements or designs on the label as to render it likely to be read and understood by an ordinary purchaser or user of the Covered Product. If the warning is displayed on the Covered Product's label, it shall be at least the same size as the largest of any other health or safety warnings on the Covered Product and the word "WARNING" shall be in all capital letters and in bold print.

For any Covered Product sold via a website, the warning shall appear prior to the California customer completing the checkout process on the website for any of the Covered Products being shipped to California.

STARWEST BOTANICALS, INC. shall not provide any additional information, statements, or comments regarding Proposition 65 in addition to the Warning.

3.4 Reformulated Covered Products.

A Reformulated Covered Product is one for which the maximum recommended daily serving on the label contains no more than 0.5 micrograms of lead per day.

3.5 Testing and Quality Control Methodology

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- (a) Beginning within one year of the Effective Date, STARWEST BOTANICALS. INC. shall test two (2) randomly selected samples of each lot of the Covered Products (in the form intended for sale to the end-user) for lead content. The testing requirement does not apply to any of the Covered Products for which STARWEST BOTANICALS, INC. has provided the warning specified in Section 3.3.
- (b) Testing for lead shall be performed using Inductively Coupled Plasma-Mass Spectrometry ("ICP-MS") or any other testing method subsequently agreed to in writing by the Parties.
- (c) All testing pursuant to this Consent Judgment shall be performed by an independent third party laboratory certified by the California Environmental Laboratory Accreditation Program or a laboratory that is registered with the United States Food & Drug Administration.
- (d) STARWEST BOTANICALS, INC. shall retain all test results and documentation for a period of four (4) years from the date of the test.
- (e) STARWEST BOTANICALS, INC. shall test each lot of the Covered Products once a year for a minimum of four (4) consecutive years by testing two randomly selected samples from each lot of the Covered Product which STARWEST BOTANICALS, INC. intends to sell in California or is manufacturing for sale in California, directly selling to a consumer in California, or "Distributing into California." If tests conducted pursuant to this Section demonstrate that no warning is required for a Covered Product during each of four (4) consecutive years, then the testing requirements of this Section will no longer be required as to that Covered Product.
- (f) For purposes of this Consent Judgment, daily lead exposure levels shall be measured in micrograms, and shall be calculated using the following formula: Micrograms of lead per gram of Covered Product, multiplied by grams per serving of the Covered Product (using the largest serving size appearing on the Covered Product's label), multiplied by servings of the Covered Product per day (using the largest number of servings in the recommended dosage appearing on the Covered Product's label), which equals micrograms of lead exposure -6-

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4. SETTLEMENT PAYMENT

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4.1 STARWEST BOTANICALS, INC. shall make a total payment of \$60,000.00 within 10 business days of the Effective Date, which shall be in full and final satisfaction of all potential civil penalties, payment in lieu of civil penalties, and attorney's fees and costs. The payment will be sent to counsel for ERC, William F. Wraith, Wraith Law, 16485 Laguna Canyon Road, Suite 250, Irvine, California, 92618. The payment shall be made by separate checks and apportioned as follows:

- 4.2 \$5,780.00 as civil penalties pursuant to California Health and Safety Code Section 25249.7(b)(1). Of this amount, \$4,335.00 shall be payable to the Office of Environmental Health Hazard Assessment ("OEHHA"), and \$1,445.00 shall be payable to ERC. (Cal. Health & Safety Code § 25249.12(c)(1) & (d)). ERC's counsel will forward the civil penalty to OEHHA.
- 4.3 \$15,000.00 payable to ERC as reimbursement to ERC for reasonable costs associated with the enforcement of Proposition 65 and other costs incurred as a result of work in bringing this Action.
- 4.4 \$17,348.60 payable to ERC in lieu of further civil penalties, for the day-to-day business activities such as (1) continued enforcement of Proposition 65, which includes work, analyzing, researching and testing consumer products that may contain Proposition 65 chemicals. focusing on the same or similar type of ingestible products that are the subject matter of the Action; (2) the continued monitoring of past consent judgments and settlements to ensure companies are complying with Proposition 65; and (3) giving a donation of \$870.00 to As You Sow to address reducing toxic chemical exposures in California.
- 4.5 \$21,308.90 payable to William F. Wraith as reimbursement of ERC's attorney's fees and attorney's costs.
- 4.6 \$562.50 payable to Karen A. Evans as reimbursement of ERC's attorney's fees and attorney's costs.

5. MODIFICATION OF CONSENT JUDGMENT

This Consent Judgment may be modified only by: (i) Written agreement and stipulation 00051494.1 TD

of the Parties and (ii) upon entry of a modified Consent Judgment by the Court. ERC is entitled to reimbursement of all reasonable attorneys' fees and costs regarding any modification requested or initiated by STARWEST BOTANICALS, INC.

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 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 in any such motion or application may request that the Court award its reasonable attorneys' fees and costs associated with such motion or application.

7. APPLICATION OF CONSENT JUDGMENT

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, franchisees, licensees, customers, distributors, wholesalers, retailers, predecessors, successors, and assigns.

8. BINDING EFFECT, CLAIMS COVERED AND RELEASED

8.1 This Consent Judgment is a full, final, and binding resolution between ERC, on behalf of itself and in the public interest, and STARWEST BOTANICALS, INC., of any alleged violations 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 STARWEST BOTANICALS, INC. for failure to provide Proposition 65 warnings for the Covered Products regarding lead. ERC acting on its own behalf and in the public interest hereby releases and discharges STARWEST BOTANICALS, INC. and its respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, suppliers, franchisees, licensees, 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 all claims for violations of Proposition 65 up through the Effective Date based on exposure to lead from the Covered Products as set forth in the Notice of

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Violation and the Complaint.

- 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 by the Released Parties with Proposition 65 with respect to alleged exposures to lead contained in the Covered Products.
- 8.4 Unknown Claims. 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 It is the intention of the Parties to this release that, upon entry of this Consent

Judgment by the Court, this Consent Judgment shall be effective as a full and final accord and satisfaction and release of every released claim up to and including the date of entry of the Consent Judgment.

8.6 ERC, on the one hand, and STARWEST BOTANICALS, INC., 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 AND 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.
- 9.2 In the event that any of the provisions of this Consent Judgment is held by a court to be unenforceable, the validity of the remaining enforceable provisions shall not be adversely affected.
- 9.3 The terms and conditions of this Consent Judgment shall be governed by and construed in accordance with the laws of the State of California.
- 9.4 Should there be an amendment to Proposition 65 or should OEHHA promulgate regulations that establish a Maximum Allowable Dose Level that is more or less stringent than the current 0.5 micrograms per day, this Agreement shall be deemed modified on the date the amendment becomes final or the regulations become effective to incorporate that new standard into Section 3.

10. PROVISION OF NOTICE

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

For Environmental Research Center

Chris Heptinstall, Executive Director Environmental Research Center

1	3111 Camino Del Rio North, Suite 400 San Diego, CA 92108
2	With a copy to:
3	William F. Wraith, Esq.
4	Wraith Law 16485 Laguna Canyon Road, Suite 250 Irvine, CA 92618
5	Irvine, CA 92618
6	For STARWEST BOTANICALS, INC.
7	Margaret Carew Toledo, Esq.
8	TOLEDO DON LLP 3001 Douglas Blvd., Suite 340
9	Roseville, CA 95661
10	With a copy to:
11	Van Joerger, President Starwest Botanicals, Inc.
12	1 1253 Trade Center Drive Rancho Cordova, CA 95742
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14	11. COURT APPROVAL
15	11.1 Upon execution of this Consent Judgment by the Parties, ERC shall notice a
16	Motion for Court Approval. The Parties shall use their best efforts to support entry of this
17	Consent Judgment.
18	11.2 If the California Attorney General objects to any term in this Consent Judgment,
19	the Parties shall use their best efforts to resolve the concern in a timely manner, and if possible
20	prior to the hearing on the motion.
21	11.3 If this Consent Judgment is not approved by the Court despite the Parties' best
22	efforts, it shall be null and void and have no force or effect.
23	12. EXECUTION AND COUNTERPARTS
24	This Consent Judgment may be executed in counterparts, which taken together shall be
25	deemed one document. A facsimile or .pdf signature shall be construed as valid and as the
26	original signature.
27	13. ENTIRE AGREEMENT, AUTHORIZATION
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1	13.1 This Consent Judgment contains the sole and entire agreement and understanding
2	of the Parties with respect to the entire subject matter herein, and any and all prior discussions,
3	negotiations, commitments and understandings related hereto. No representations, oral or
4_	otherwise, express or implied, other than those contained herein have been made by any Party.
5	No other agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to
6	exist or to bind any Party.
7	13.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized
8	by the Party he or she represents to stipulate to this Consent Judgment. Except as explicitly
9	provided herein, each Party shall bear its own fees and costs.
10	14. REQUEST FOR FINDINGS AND FOR APPROVAL
11	(a) This Consent Judgment has come before the Court upon the request of the Parties.
12	The Parties request the Court to fully review this Consent Judgment and, being fully informed
13	regarding the matters which are the subject of this action, make the requisite findings pursuant to
14	California Health and Safety Code section 25249.7(f)(4), and approve this Consent Judgment.
15	IT IS SO STIPULATED:
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17	ENVIRONMENTAL RESEARCH CENTER
18	1 Robert 10 1 A A A A A A A A A A A A A A A A A
19	Dated: 9/16/2013
20	Chris Heptustall Executive Director
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22	STARWEST BOTANICALS, INC.
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24	Dated:
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1	13.1 This Consent Judgment contains the sole and entire agreement and understanding	
2	of the Parties with respect to the entire subject matter herein, and any and all prior discussions,	
3	negotiations, commitments and understandings related hereto. No representations, oral or	
4	otherwise, express or implied, other than those contained herein have been made by any Party.	
5	No other agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to	
6	exist or to bind any Party.	
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13	regarding the matters which are the subject of this action, make the requisite findings pursuant to	
14	California Health and Safety Code section 25249.7(f)(4), and approve this Consent Judgment.	
15	IT IS SO STIPULATED:	
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17	ENVIRONMENTAL RESEARCH CENTER	
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19	Dated:	
20	Chris Heptinstall, Executive Director	
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22	STARWEST BOTANICALS, INC.	
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24	Mn m 200 Dated: 9/16/13	
25	VAN TOERER, MUSIDENT	
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7	APPROVED AS TO FORM:	
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9	WRAITH LAW	
10	Mar Allen	Dated: 9/19/20/3
11	William F. Wraith Counsel for Environmental Research Cent	er
12	Country to Part I commented Tropout of the	•
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14	TOLEDO DON LLP	
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16		Dated:
17	Margaret Carew Toledo Counsel for Starwest Botanicals, Inc.	
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WRAITH LAW		
		Details
William F. Wraith		Dated:
Counsel for Environment	al Research Center	
TOLEDO DON LLP		
Marcuet	en Tolek	Dated: 5-18-13
Margaret Carew Toledo Counsel for Starwest Bot		
Counsel for their west how	ameats, me.	
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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.

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Judge, Superior Court of the State of California

ANDREW P. BANKS