

1 ANDREW L PACKARD (BAR NO. 168690)
2 LAW OFFICES OF ANDREW L. PACKARD
3 100 Petaluma Blvd. N., Ste. 301
4 Petaluma, California 94952
5 Telephone: (707) 763-7227
6 Facsimile: (707) 763-9227
7 Email: Andrew@Packardlawoffices.com

8 Attorneys for Plaintiff
9 STEPHEN D. GILLETT

10 TRENTON H. NORRIS (BAR NO. 164781)
11 RHONDA S. GOLDSTEIN (BAR NO. 250387)
12 ARNOLD & PORTER LLP
13 7th Floor
14 Three Embarcadero Center
15 San Francisco, CA 94111
16 Telephone: (415) 471-3100
17 Facsimile: (415) 471-3400
18 E-Mail: Trent.Norris@aporter.com
19 E-Mail: Rhonda.Goldstein@aporter.com

20 Attorneys for Defendant
21 RON TEEGUARDEN ENTERPRISES, INC.

22 SUPERIOR COURT OF THE STATE OF CALIFORNIA
23 COUNTY OF SAN FRANCISCO

24 STEPHEN D. GILLETT,

25 Plaintiff,

26 v.

27 RON TEEGUARDEN ENTERPRISES, INC.,

28 Defendant.

CASE No.: CGC-08-477910

~~[PROPOSED]~~ AMENDED STIPULATED
CONSENT JUDGMENT

29 This Amended Consent Judgment is entered into by and between STEPHEN D. GILLETT
30 ("Plaintiff"), an individual and citizen enforcer of Proposition 65 who resides in San Francisco,
31 California, and RON TEEGUARDEN ENTERPRISES, INC. ("Defendant") to resolve all claims
32 raised against Defendant in the Complaint filed in the above-captioned action ("Action"). This
33 Amended Consent Judgment incorporates and supersedes the original Consent Judgment entered

ENDORSED
FILED
San Francisco County Superior Court
MAY 21 2012
CLERK OF THE COURT
BY: ERICKA LARNAUTI
Deputy Clerk

1 into between Plaintiff and Defendant in the Action (“Original Consent Judgment”), which was
2 entered by the Court on July 27, 2009 and deemed effective as of that date (“Effective Date”). In
3 consideration of the promises, covenants and agreements herein contained and for other
4 consideration, the sufficiency and adequacy of which is hereby acknowledged by Plaintiff and
5 Defendant (collectively “the Parties”), the Parties agree to the terms and conditions set forth
6 below.

7 **1. INTRODUCTION**

8 1.1 Stephen D. Gillett is a citizen enforcer of Proposition 65 who resides in San
9 Francisco, California.

10 1.2 Defendant is a California corporation headquartered in Los Angeles, California.
11 Defendant manufactures, packages, distributes and sells in California certain traditional Chinese
12 herbal dietary supplements which consist of single or multiple herbal ingredients. The products
13 covered under this Amended Consent Judgment are listed by their trade names on Exhibit A to
14 this Amended Consent Judgment and are hereinafter referred to as the “Products.”

15 1.3 On February 27, 1987, the State of California officially listed the chemical lead as a
16 chemical known to cause reproductive toxicity within the meaning of “Proposition 65,” the
17 popular name for the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health
18 and Safety Code § 25249.5 et seq.

19 1.4 On October 1, 1992, the State of California officially listed the chemicals lead and
20 lead compounds as chemicals known to cause cancer, pursuant to California Health and Safety
21 Code § 25249.8.

22 1.5 The Products have been imported, manufactured, packaged, distributed and/or
23 sold by Defendant for use in California since at least May 9, 2007.

24 1.6 On May 9, 2008, on February 28, 2009, and on April 6, 2012, Plaintiff served
25 Defendant and each of the appropriate public enforcement agencies with documents entitled “60 –
26 Day Notice” alleging that Defendant was in violation of Proposition 65 because the Products
27 contain lead or lead compounds, and the Defendants had failed to warn individuals in California of
28 exposure to such chemicals arising from the use of the Products. Copies of these Notices are

1 attached as **Exhibit B** to this Amended Consent Judgment. Defendant stipulates for the purpose of
2 this Amended Consent Judgment that these Notices are adequate to comply with Cal. Code Regs.
3 Tit. 27. § 25903.

4 1.7 The Action was brought by Mr. Gillett in the public interest at least sixty (60)
5 days after Mr. Gillett provided notice of the Proposition 65 violations to Defendant and the
6 appropriate public enforcement agencies, and none of the public enforcement agencies had
7 commenced and begun diligently prosecuting an action against Defendant for such violations.

8 **2. INJUNCTIVE PROVISIONS**

9 2.1 *Defendant's Duty To Ascertain Lead Content of All Products within Sixty*
10 *Days Following the Effective Date of the Original Consent Judgment.* On or before sixty (60)
11 days following the Effective Date of the Original Consent Judgment, Defendant was required to
12 ascertain the concentration of lead in each of the Products by having the products tested at an
13 EPA-certified laboratory using inductively coupled plasma mass spectrometry ("ICP-MS") under
14 the protocol set forth in EPA Method 6020A. For the purposes of fulfilling its obligations under
15 Paragraph 2.2 below, Defendant was also required to have the laboratory test for the average
16 serving size, in grams, for each Product by measuring the mass of ten servings combined and
17 dividing by ten (10), or produce a certification as to average serving size by the manufacturer of
18 the Products and a statement that the Products are manufactured using Good Manufacturing
19 Practices, as that term is defined in regulations promulgated by the United States Food and Drug
20 Administration at 72 Fed. Reg. 34751 (June 25, 2007). On or before ninety (90) days following the
21 Effective Date of the Original Consent Judgment, Defendant was required to provide the average
22 serving weight (in grams), lead concentration found by the laboratory pursuant to Paragraph 2.1
23 above (expressed in micrograms per gram) and the maximum recommended daily dose (in number
24 of servings per day) to Plaintiff on a confidential basis.

25 2.2 *Defendant's Duty To Ascertain Lead Content of All Product Again, On Or*
26 *Before April 2, 2012.* On or before April 2, 2012, Defendant shall ascertain the concentration of
27 lead in each of the Products by having the products tested at an EPA-certified laboratory using
28 inductively coupled plasma mass spectrometry ("ICP-MS") under the protocol set forth in EPA

1 Method 6020A. For the purposes of fulfilling its obligations under Paragraph 2.4 below,
2 Defendant shall also direct and have the laboratory test for the average serving size, in grams, for
3 each Product by measuring the mass of ten servings combined and dividing by ten (10). On or
4 before April 2, 2012, Defendant shall provide the average serving weight (in grams) for each
5 Product, lead concentrations found by the laboratory (expressed in micrograms per gram) and the
6 maximum recommended daily dose (in number of servings per day) to Plaintiff on a confidential
7 basis.

8 **2.3 Defendant's Duty to Implement Warning Scheme within Ninety Days**

9 *Following the Effective Date of the Original Consent Judgment.* On or before ninety (90) days
10 following the Effective Date of the Original Consent Judgment, Defendant was required to
11 ascertain which Products require a Proposition 65 warning for reproductive toxicity (as further
12 described in Paragraph 2.5 below) by multiplying: (a) the lead concentration found by the
13 laboratory pursuant to Paragraph 2.1 above, expressed in micrograms per gram; by (b) the
14 maximum recommended daily dosage (in servings per day, as set forth on the product label); by
15 (c) the average serving weight in grams for that Product. The product of this calculation is referred
16 to hereinafter in this Amended Consent Judgment as the "Exposure Calculation."

17 **2.4 Defendant's Duty to Re-Implement Warning Scheme On Or Before April 2, 2012.**

18 On or before April 2, 2012, Defendant shall ascertain which Products require a Proposition 65
19 warning for reproductive toxicity (as further described in Paragraph 2.5 below) by undertaking the
20 Exposure Calculation described in Paragraph 2.3 above (using the laboratory data generated
21 pursuant to Paragraph 2.2 above).

22 **2.5 Clear and Reasonable Reproductive Toxicity Warnings for All Products Sold**

23 *in California Within Ninety (90) Days After The Effective Date of The Original Consent*
24 *Judgment.* As of ninety (90) days after the Effective Date of the Original Consent Judgment,
25 Defendant was required to permanently cease all sales in California and no longer ship for sale or
26 use in California any of the Products that contain lead in an amount for which the Exposure
27 Calculation exceeds 0.5 micrograms per day, or the Maximum Allowable Daily Level ("MADL")
28 as defined in the Proposition 65 implementing regulations, unless each unit of such Product bears

1 the following warning statement (“Warning Statement”) on its individual unit packaging:

2 **WARNING:** The use of this product will expose you to lead, a
3 substance known to the State of California to cause birth defects or
4 other reproductive harm.

5 The Warning Statement shall be prominently displayed on the unit packaging of each Product
6 with such conspicuousness, as compared with other words, statements, or designs, so as to render
7 it likely to be read and understood by an ordinary individual purchasing or using the Product. By
8 April 2, 2012, Defendant shall affix to each such Product a sticker bearing the Warning Statement
9 and no other text (“Warning Sticker”). By April 1, 2013, Defendant shall incorporate the Warning
10 Statement into the text of the label of the Product, subject to the following limited exceptions
11 under which Defendant may continue to affix a Warning Sticker to the Product:

- 12 a. Between production runs, to cover a period of no more than sixty (60) days in which
13 Defendant has run out of stock of a Product labeled for the California market, and
14 needs to apply Warning Stickers to products originally labeled for the national market
15 to sell in California until the next production run;
- 16 b. In the twelve (12)-month Launch Period for a new Product (as set forth in Paragraph
17 10.4 below). For purposes of this Amended Consent Judgment, the Launch Period
18 shall mean the twelve (12)-month period following the date that a new Product is first
19 sold in California by Defendant;
- 20 c. For any Product sold by Defendant, but for which Defendant has neither
21 manufacturing control nor labeling control (“Third Party Products”). For purposes of
22 this Amended Consent Judgment, “manufacturing control” shall mean the power to
23 determine the Product formulation and to establish the quality control standards for the
24 Product and its raw materials. “Labeling control” shall mean the power to determine
25 the design and content of the Product label and packaging; or,
- 26 d. As otherwise provided under Paragraph 10.6 (“Warnings for Products Re-Tested By
27 Plaintiff After Entry of this Amended Consent Judgment”).

28 2.6 *Provision of Additional Language.* Defendant may add additional language
addressing lead (“Additional Language”) to the label of a Product sold by Defendant on or after

1 April 2, 2012, or, if the Product bears a Warning Sticker pursuant to Paragraph 2.5 above, to a
2 sticker on the Product that is separate and apart from the Warning Sticker, provided that: (1) a
3 graphic mock-up showing the language of the Additional Language and the placement of the
4 Additional Language on the Product, or, if the Additional Language is being added by means of
5 stickers, the placement of such stickers bearing the Additional Language in relation to the Warning
6 Statement, irrespective of whether the Warning Statement itself is provided by way of
7 incorporated label artwork or by stickers has been specifically reviewed and approved in writing
8 by Plaintiff, and, (2) the Additional Language is physically separated from the Warning Statement,
9 as follows:

- 10 a. The Warning Statement and the Additional Language shall be located parallel to each
11 other, but neither on the top nor bottom of the Product bottle or container;
- 12 b. The Warning Statement and the Additional Language shall appear in differing fonts,
13 and the Warning Statement shall be in a font size that is equal to or greater than the font
14 size of the Additional Language; and
- 15 c. The Warning Statement and the Additional Language shall be positioned in a manner
16 that either: i) prevents both sets of language from being legible at the same time, or ii)
17 ensures that the two sets of language are separated by a gap of at least 25% of the total
18 length of the Product label.

19 Defendant shall, before implementing any Additional Language, provide to Plaintiff for his review
20 exemplar template mock-ups demonstrating the language and placement of the Additional
21 Language on the Products' individual unit packaging ("Template Mock-ups"). All such Template
22 Mock-ups affirmatively approved by Plaintiff shall be deemed compliant with the requirements of
23 this Paragraph 2.4.

24 **2.7 Modifications to Template Mock-ups.** For a period of ten (10) years following the
25 entry of this Amended Consent Judgment, every new label or sticker bearing Additional Language
26 that, insofar as either the language of the Additional Language or the placement of the Additional
27 Language and Warning Statement is concerned, is different from any Product labels in use on
28 April 2, 2012, or any previously approved Template Mock-up, will require Plaintiff's pre-

1 approval, as follows: Defendant will notify Plaintiff under the Notice provisions herein and
2 provide Plaintiff with a Template Mock-up of any proposed new sticker or label incorporating
3 Additional Language at least forty-five (45) days prior to the sale in California of the Product
4 using the new sticker or label. Plaintiff shall provide a response within fifteen (15) days of
5 receiving such new Template Mock-up by email. Plaintiff shall review the proposed new
6 Template Mock-up in good faith, and shall not unreasonably withhold his consent thereto.

7 In the event that Plaintiff does not agree to the proposed new Template Mock-up, the new
8 label or sticker shall not be used and the Parties shall meet and confer regarding any disputes
9 within five (5) business days of Plaintiff's response, subject to Plaintiff's obligations to meet and
10 confer in good faith and to refrain from unreasonably withholding his consent to the proposed new
11 Template Mock-up. In the event that the Parties cannot resolve this dispute, Defendant may, by
12 noticed motion filed in this action, seek an order from the Court allowing the proposed new
13 Template Mock-up.

14 *2.8 Relief from Warning Requirements for Products Modified or Reformulated*
15 *after Entry of This Amended Consent Judgment.* The Parties contemplate that, after this
16 Amended Consent Judgment is entered and the Injunctive Provisions take effect, Defendant may
17 reformulate or modify any or all of the Products, their recommended dosages, manufacturing
18 processes, or their sources of ingredients in ways that may reduce the level of exposure to lead,
19 such that a Proposition 65 warning for some or all of the Products may no longer be required under
20 the Exposure Calculation. The Parties further acknowledge that the amount of lead in any of the
21 Products may vary, depending on such factors as the formula, manufacturing processes or sources
22 of ingredients. Accordingly, Defendant, at its option, may conduct further testing for any batch of
23 any or all of the Products. If the results of such tests, when conducted in accordance with the
24 methods set forth at Paragraphs 2.1 and 2.2 above, result in an Exposure Calculation for any
25 Product, when conducted in accordance with the method at Paragraph 2.3 and 2.4 above, that does
26 not exceed 0.5 micrograms per day, then the Injunctive Provisions set forth at Paragraph 2.5 shall
27 not apply for such batch of such Product, provided that Defendant provides a copy of the test
28 results for such Product to Plaintiff thirty (30) days prior to sale or shipment and informs Plaintiff

1 by letter that such Product will be sold or shipped for sale in California without the Warning
2 Statement. Any disputes regarding the implementation of this Paragraph 2.8 shall be resolved
3 pursuant to Paragraph 9.1 below.

4 2.9 *Clear and Reasonable Warnings For Products In the Stream of Commerce Prior*
5 *to Effective Date of Consent Judgment.* Within ninety (90) days following the Effective
6 Date of the Original Consent Judgment, Defendant was required to send a Wholesale Customer
7 Notification Letter to each of its wholesale customers in California that purchased any of the
8 Products from Defendant in the one hundred and eighty (180) days preceding the Effective Date of
9 the Original Consent Judgment. The Wholesale Customer Notification Letter notified Defendant's
10 wholesale customers regarding the warning requirements of Proposition 65 as they apply to each
11 of the Products, on the basis of the Exposure Calculations described above, and provided each
12 such customer with a sufficient supply of Warning Stickers to apply to all units of the Products
13 then remaining in stock. An exemplar of the verbatim language of the Wholesale Customer
14 Notification Letter is attached as **Exhibit C** to this Amended Consent Judgment.

15 2.10 *Clear and Reasonable Warnings For Products In The Stream Of Commerce*
16 *Prior to April 2, 2012.* On or before the date that is thirty (30) days after the entry of the
17 Amended Consent Judgment, Defendant shall send a copy of the Wholesaler Notification Letter
18 attached as **Exhibit D** to each of its wholesale customers in California who purchased any of the
19 Products from Defendant in the one hundred and eighty (180) days preceding the date of the letter.

20 2.11 *Ban On California Sales Of Products For Which Exposure Calculation*
21 *Exceeds 15 Micrograms Per Day.* No Product subject to this Amended Consent Judgment may be
22 sold or shipped by Defendant for sale in the State of California after April 2, 2012, if the Exposure
23 Calculation for the Product, as determined pursuant to Paragraphs 2.3, 2.4 and 10.6 herein exceeds
24 fifteen (15) micrograms/day.

25 2.12 *Accountant's Certification.* On or before July 1, 2009, Defendant was required to
26 provide Plaintiff with a certification from Defendant's accountant stating that the two summary
27 financial reports previously presented to Plaintiff by Defendant accurately summarize the
28 information set forth in the accounting books and records presented to him by Defendant for his

1 review.

2 2.13 *Defendant's Sworn Declaration.* On or before July 1, 2009, Defendant was
3 required to provide Plaintiff with a sworn declaration from an officer of Defendant, stating that the
4 accounting books and records presented to Defendant's accountant by Defendant for his review
5 and preparation of summary reports were true and correct copies of the actual books and records
6 of Defendant, and that those records were maintained in the ordinary course of Defendant's
7 business, and accurately reflect the financial position of Defendant at the times prepared.

8 2.14 *Website Modification.* On or before April 2, 2012, Defendant shall make a
9 thorough review of its website and make a good faith effort to remove any and all misleading or
10 inaccurate information relating to the presence of lead in its products, such as representations that
11 the user of Defendant's products "will not be in any danger of consuming lead when he or she
12 consumes any of our products."

13 3. CIVIL PENALTIES

14 3.1 *Civil Penalty Assessment Related to Original Consent Judgment.* Defendant
15 previously paid a civil penalty in the amount of \$80,000 pursuant to Health & Safety Code §
16 25249.7(b) related to the Original Consent Judgment. Such payment was made to the "Law
17 Offices of Andrew L. Packard Attorney-Client Trust Account;" Plaintiff remitted 75% of this
18 amount to the State of California pursuant to Health & Safety Code § 25192.

19 3.2 *Civil Penalty Assessment Related to Amended Consent Judgment.* Defendant
20 agrees to pay a civil penalty in the amount of \$45,000 pursuant to Health & Safety Code §
21 25249.7(b). Such payment shall be made to the "Law Offices of Andrew L. Packard Attorney-
22 Client Trust Account;" Plaintiff shall remit 75% of this amount to the State of California pursuant
23 to Health & Safety Code § 25192.

24 3.3 *Stipulated Penalties For Future Violations of This Agreement.* Proposition 65
25 provides for civil penalties of up to \$2500 per violation per day, pursuant to California Health &
26 Safety Code § 25249.7. In the event that, after the Court's entry of the Amended Consent
27 Judgment, Defendant violates Section 2 herein, the Parties stipulate that Defendant shall be liable
28 for a stipulated civil penalty in the amount of \$5.00 per unit item sold by Defendant in California

1 or shipped for sale or use in California by Defendant in violation of this Amended Consent
2 Judgment, unless Defendant's actual per unit sale price to the buyer was less than \$5.00, in which
3 case the stipulated penalty shall be fifty percent (50%) of the sale price Defendant received from
4 the relevant buyer for the Products at issue. Plaintiff may establish such violation(s) hereunder by
5 a preponderance of the evidence upon a duly noticed motion in the San Francisco Superior Court
6 and subject to the provisions of Paragraph 9.1 herein. Plaintiff shall remit 75% of this amount to
7 the State of California pursuant to Health & Safety Code § 25249.12(b).

8 4. REIMBURSEMENT OF FEES AND COSTS

9 4.1 *Reimbursement of Plaintiff's Fees and Costs Related to Original Consent*

10 *Judgment.* Defendant previously reimbursed Plaintiff in the amount of \$50,000 to defray
11 Plaintiff's reasonable investigative, expert, consultant and attorneys' fees and costs, and all other
12 costs incurred as a result of investigating and bringing the matter related to the Original Consent
13 Judgment to Defendant's attention, and negotiating a settlement in the public interest. Such
14 payment was paid to the "Law Offices of Andrew L. Packard Attorney-Client Trust Account" and
15 remitted to the firm's address noted in the Notice provision below.

16 4.2 *Reimbursement of Plaintiff's Fees and Costs Related to Amended Consent*

17 *Judgment.* Defendant agrees to reimburse Plaintiff in the amount of \$82,500 to defray Plaintiff's
18 reasonable investigative, expert, consultant and attorneys' fees and costs, and all other costs
19 incurred as a result of investigating and bringing this matter to Defendant's attention, and
20 negotiating a settlement in the public interest. Such payment shall be payable to the "Law Offices
21 of Andrew L. Packard Attorney-Client Trust Account" and remitted to the firm's address noted in
22 the Notice provision below.

23 5. MANNER OF PAYMENT

24 5.1 *Payment Schedule for Payments Related to Original Consent Judgment.* Within

25 ten (10) days following the Effective Date of the Original Consent Judgment, Defendant was
26 required to remit an initial payment of Twenty Thousand Dollars (\$20,000) ("Initial Payment")
27 payable to the "Law Offices of Andrew L. Packard Attorney-Client Trust Account" and delivered
28 to 319 Pleasant Street Petaluma, California 94952. The remaining One Hundred Ten Thousand

1 Dollars (\$110,000) enumerated in Paragraphs 3.1 and 4.1 above was required to be made in
2 eighteen (18) equal monthly payments of \$6,111.11, the first payment was due thirty (30) calendar
3 days after the Initial Payment was due, and each subsequent payment was paid on the same date of
4 each month thereafter.

5 5.2 *Payment Schedule for Payment Related to Amended Consent Judgment.* Within
6 five (5) business days following the Court's approval of the Amended Consent Judgment,
7 Defendant shall remit an initial payment of Sixty Thousand Dollars (\$60,000) payable to the "Law
8 Offices of Andrew L. Packard Attorney-Client Trust Account" and delivered to 100 Petaluma
9 Blvd. N., Suite 301, Petaluma, California 94952. The remaining \$67,500 enumerated in
10 Paragraphs 3.2 and 4.2 above shall be made in three equal (3) monthly payments of \$22,500 each:
11 the first payment shall be due thirty (30) calendar days after the Court's approval of the Amended
12 Consent Judgment, the second payment shall be due sixty (60) calendar days after the Court's
13 approval of the Amended Consent Judgment, and the third and final payment shall be due ninety
14 (90) calendar days after the Court's approval of the Amended Consent Judgment. Consistent with
15 the terms of Original Consent Judgment's Payment Schedule, in the event that any payment owed
16 by Defendant under this Amended Consent Judgment is not remitted or post-marked on or before
17 its due date, Defendant shall be deemed to be in default of its obligations under this Amended
18 Consent Judgment. Plaintiff shall provide written notice to Defendant of any default; if Defendant
19 fails to remedy the default within five (5) business days of such notice, then all future payments
20 due hereunder shall become immediately due and payable, with the prevailing federal funds rate
21 applying to all interest accruing on unpaid balances due hereunder, beginning on the due date of
22 the funds in default.

23 6. RELEASE OF LIABILITY

24 6.1 *Release of Liability of Defendant.* Plaintiff, acting on behalf of Plaintiff and on
25 behalf of the general public, hereby releases from liability under Proposition 65 and waives all
26 rights to institute or participate in, directly or indirectly, any claim or form of legal action against
27 Defendant and its parents, subsidiaries, officers, directors, investors, affiliates, shareholders,
28 employees, agents, attorneys, customers, divisions, subdivisions, predecessors, successors,

1 downstream distributors, downstream retailers, downstream customers, and upstream suppliers
2 (including manufacturers of the Products and manufacturers of the raw materials of the Products)
3 and any other person or entity in the course of doing business who distributes, markets or sells the
4 Products sold to them through Defendant, brought under Proposition 65 concerning any alleged
5 failure to provide adequate health hazard warnings for consumer exposures to lead or lead
6 compounds in the Products, as to any Product sold in California on or before the entry of this
7 Amended Consent Judgment. Nothing in this release is intended to apply to any occupational or
8 environmental exposures arising under Proposition 65, or to any products either not set forth on
9 Exhibit A to this Amended Consent Judgment or not deemed to be added to Exhibit A pursuant to
10 Paragraph 10.4 or Paragraph 10.5 below.

11 6.2 *Release of Liability of Plaintiff.* Defendant waives all rights to institute any form of
12 legal action against Mr. Gillett for all actions or statements made or undertaken by Mr. Gillett in
13 the course of seeking enforcement of Proposition 65 against Defendant on or before the entry of
14 this Amended Consent Judgment.

15 7. AMENDED CONSENT JUDGMENT

16 7.1 *Amended Consent Judgment.* On or before April 6, 2012, Defendant shall submit
17 this Amended Consent Judgment to be approved by the San Francisco Superior Court pursuant to
18 California Health & Safety Code § 25249.7(f)(4).

19 7.2 *Submission to the Attorney General.* Upon execution of this Amended Consent
20 Judgment by all Parties, and no later than April 6, 2012, Defendant shall notice a Motion for
21 Approval & Entry of Amended Consent Judgment in the San Francisco Superior Court pursuant to
22 Title 11, Cal. Code of Regs. § 3000, et seq. Plaintiff shall be afforded at least forty-eight (48)
23 hours to review, modify and/or approve all of the motion papers. This motion shall be served
24 upon all of the Parties to the Action and upon the California Attorney General's Office. In the
25 event that the Court fails to approve and order entry of the judgment, this Amended Consent
26 Judgment shall become null and void upon the election of any Party as to them and upon written
27 notice to all of the Parties to the Action pursuant to the notice provisions herein. However,
28 Defendant and Plaintiff shall use best efforts to support entry of this Amended Consent Judgment

1 in the form submitted to the Office of the Attorney General. If the Attorney General objects in
2 writing to any term in this Amended Consent Judgment, the Parties shall use best efforts to resolve
3 the concern in a timely manner and prior to the hearing on the motion to approve this Amended
4 Consent Judgment. If the Parties cannot resolve an objection of the Attorney General, then
5 Plaintiff and Defendant shall proceed with seeking entry of an order by the Court approving this
6 Amended Consent Judgment in the form originally submitted to the Office of the Attorney
7 General. If the Attorney General elects to file papers with the Court stating that the People shall
8 appear at the hearing for entry of this Amended Consent Judgment so as to oppose entry of the
9 Amended Consent Judgment, then a Party may withdraw from this Amended Consent Judgment
10 prior to the date of the hearing, with notice to all Parties and the Attorney General, and upon such
11 notice this Amended Consent Judgment shall be null and void.

12 **7.3 Stipulation as to Jurisdiction.** For purposes of this Amended Consent Judgment,
13 the Parties stipulate that this Court has subject matter jurisdiction over the allegations in the
14 Complaint. Defendant does not contest the exercise of jurisdiction by this Court to enter this
15 Amended Consent Judgment as a full and final resolution of all causes of action pled against
16 Defendant in the Complaint.

17 **7.4 No Admissions.** The Parties enter into this Amended Consent Judgment to settle
18 disputed claims between them and to avoid prolonged litigation. By execution of this Consent
19 Judgment, Defendant does not admit any violations of Proposition 65 or any other law or standard
20 applicable to warning or disclosure concerning the manufacture, distribution and/or sale of the
21 Products. Nothing in this Amended Consent Judgment shall be construed as an admission by
22 Defendant of any fact, issue of law, or violation of law; nor shall compliance with this Amended
23 Consent Judgment constitute or be construed as an admission by Defendant of any fact, issue of
24 law, or violation of law. Nothing in this Amended Consent Judgment shall prejudice, waive or
25 impair any right, remedy or defense the Parties may have in any other or future legal proceeding.
26 This paragraph shall not diminish or otherwise affect the obligations, responsibilities, and duties of
27 Defendant under this Amended Consent Judgment.

28 **7.5 Amendment To Complaint.** The 60-Day Notice issued on or about February 28,

1 2009 and attached hereto as part of Exhibit B has expired and no public prosecutors have
2 commenced diligent prosecution against Defendant for such violations. Accordingly, as of the
3 Effective Date of the Original Consent Judgment, the Complaint herein was deemed amended to
4 include all violations described in that 60-Day Notice. Provided that, as of the date that is sixty
5 (60) days after the issuance of the April 6, 2012 Notice of Violation that is attached hereto as part
6 of Exhibit B, no public prosecutor has commenced diligent prosecution against Defendant
7 pertaining to the violations described in the April 6, 2012 Notice, the Complaint herein shall be
8 deemed amended as of that date to include allegations regarding the products at issue in the April
9 6, 2012 Notice (the "Noticed Products").

10 8. SEVERABILITY

11 8.1 *Severability.* In the event that any of the provisions of this Amended Consent
12 Judgment are held by a court to be unenforceable, the validity of the enforceable provisions shall
13 not be adversely affected.

14 9. ENFORCEMENT

15 9.1 *Disputes and Enforcement.* The Parties agree that compliance with the
16 Injunctive Provisions of this Amended Consent Judgment constitutes compliance with Proposition
17 65 as to any Product distributed for sale or use in California ninety (90) days after the Effective
18 Date of the Original Consent Judgment. In the event that a dispute arises regarding performance of
19 any of the obligations under this Amended Consent Judgment or with respect to any of the
20 provisions of this Amended Consent Judgment, the Parties shall meet and confer within twenty
21 (20) days of receiving written notice of any alleged violation. In the event the Parties cannot
22 resolve the dispute, this Amended Consent Judgment may be enforced pursuant to Code of Civil
23 Procedure § 664.6 or any other valid provision of law. In addition, Plaintiff may, at his option,
24 also file a new action based upon statutory violations wholly separate from the settlement
25 agreement, occurring after the Effective Date, and subject to a new Notice of Violation. The
26 prevailing party in any dispute regarding compliance with the terms of this Amended Consent
27 Judgment shall be awarded its reasonable fees and costs incurred, in addition to any other relief
28 otherwise ordered by the Court.

1 10. MODIFICATION

2 10.1 *Modification of Judgment – Grounds.* The Parties acknowledge that new
3 toxicological information or exposure assessments concerning hazardous substances are
4 continuously becoming available, and that statutory and regulatory standards applicable to the
5 Products may evolve in the future. Accordingly, the Parties agree that either Party may elect to
6 file a motion pursuant to § 664.6 of the California Code of Civil Procedure, and under the
7 conditions set forth below, move the Court for modification of the warning requirements set forth
8 herein on the grounds that (a) they conflict with the applicable law or science concerning the
9 Products, or (b) if a similar case is decided by a court, or settled without objection from the
10 California Attorney General, and such decision or settlement endorses an allowance for
11 comparable products, Defendant shall be entitled to seek judicial modification of this Amended
12 Consent Judgment to allow the sale without Proposition 65 warning labels of Products with lead
13 concentrations causing lead exposures of less than such allowance, plus the statutorily allowed
14 level of 0.5 micrograms per day. Should Defendant seek such judicial modification of this
15 Amended Consent Judgment, Plaintiff shall be free to oppose such modification to the extent he
16 does not believe the products in the “similar case” are truly comparable to Defendant’s products.
17 Any disputes regarding the issues set forth in this subparagraph shall be resolved in accordance
18 with the procedures set forth in Paragraph 9.1 above.

19 10.2 *Modification of Judgment – Procedure.* In the spirit of cooperation and in the
20 interests of minimizing the investigative, expert and attorneys’ fees and costs associated with a
21 motion to amend this Amended Consent Judgment, the Parties agree to meet and confer in good
22 faith as follows. Prior to filing a motion to amend the Amended Consent Judgment, the Party
23 seeking to modify the Amended Consent Judgment shall first provide the non-moving Party and
24 the California Attorney General’s Office with any legal or scientific data upon which the motion
25 would rely. The non-moving Party and the California Attorney General’s Office shall be allowed
26 a period of forty-five (45) days to review that data and provide the moving Party with its formal
27 written response (the Attorney General’s Office’s failure to respond to this submission shall not be
28 construed in any manner to reflect any particular view, on the part of the Attorney General’s

1 Office of this Consent Judgment or of the applicable law or science). The Parties then shall meet
2 and confer within ten (10) days of the non-moving Party's written response. If, after meeting and
3 conferring, the moving Party elects to proceed with a motion to amend this Amended Consent
4 Judgment, it may do so with proper notice to the other Party and the Attorney General's Office as
5 required under the California Code of Civil Procedure. Such a motion may be accompanied by
6 scientific data, studies, written declarations, live testimony or discovery responses.

7 10.3 *Modification of Judgment Based on Modification or Reformulation of*
8 *Products.* The Parties contemplate that Defendant, after carrying out the Injunctive Provisions set
9 forth at Section 2 of this Amended Consent Judgment as to batches of the Products produced prior
10 to the date of entry of this Amended Consent Judgment, may continue to conduct further testing in
11 accordance with the methods set forth at Paragraphs 2.1 through 2.4 to generate Exposure
12 Calculations for batches of any or all of the Products manufactured subsequently. If the results of
13 such tests for two (2) consecutive batches for any Product result in Exposure Calculations that do
14 not exceed 0.5 micrograms per day when such batches are produced three (3) or more months
15 apart, then Defendant, at its option, may seek a modification of this Amended Consent Judgment
16 to be relieved from complying with the warning requirement for such Product set forth at
17 Paragraph 2.5, provided only that Defendant does not change the manufacturing process or source
18 of ingredients for such Product. In seeking such a modification, the burden shall rest on Defendant
19 to adduce clear and convincing evidence that the modification is warranted. Defendant shall
20 produce, as part of its obligation to meet and confer pursuant to Paragraph 9.1 herein all test
21 results concerning Proposition 65-listed chemicals in the Product(s) at issue and an exemplar of
22 the Product. Plaintiff shall be allowed a period of forty-five (45) days to review that data and
23 provide Defendant with its formal written response.

24 The Parties then shall meet and confer within ten (10) days of the non-moving party's
25 written response. If, after meeting and conferring, Defendant elects to proceed with a motion to
26 amend this Amended Consent Judgment, it may do so with proper notice to the other Party and the
27 Attorney General's Office as required under the California Code of Civil Procedure. Such a
28 motion may be accompanied by scientific data, studies, written declarations, live testimony or

1 discovery responses. Plaintiff agrees not to contest such a motion unless Plaintiff produces test
2 results of its own, from tests conducted by EPA Method 6020A at an EPA-accredited laboratory,
3 demonstrating that Defendant's test results are not valid.

4 10.4 *Modification of Judgment for New Products.* After June 1, 2012, Defendant may
5 elect to add either a) new herbal product(s) not in existence as of April 2, 2012, or b) new Third-
6 Party Products not sold by Defendant in California as of April 2, 2012 to this Amended Consent
7 Judgment, provided that, before selling or shipping for sale or for use in California, Defendant
8 shall comply with the Injunctive Provisions set forth at Section 2 with respect to such new
9 product(s), as applicable. Such new product(s) shall then be deemed Products(s) pursuant to
10 Paragraph 1.2 and, if applicable, shall also be deemed Third Party Products subject to Paragraph
11 2.5(c), and shall be subject to all of the terms of this Amended Consent Judgment. Defendant shall
12 provide Plaintiff with an annual updated list of new product(s) that Defendant shipped for sale or
13 use in California in the preceding calendar year for which Defendant has ascertained that warnings
14 are required under this Amended Consent Judgment.

15 10.5 *Modification of Judgment for Noticed Products.* Provided that, as of the date that
16 is sixty (60) days after the service of the April 6, 2012 Notice of Violation, no public prosecutor
17 has commenced diligent prosecution against Defendant pertaining to the violations alleged in the
18 April 6, 2012 Notice with respect to the Noticed Products, the Noticed Product shall be deemed
19 Products pursuant to Paragraph 1.2 and, if applicable, shall also be deemed Third Party Products
20 subject to Paragraph 2.5(c), and shall be deemed added to Exhibit A to the Amended Consent
21 Judgment, and shall be subject to all of the terms of this Amended Consent Judgment. Defendant
22 shall comply with the Injunctive Provisions set forth at Section 2 with respect to the Noticed
23 Product(s), as applicable.

24 10.6 *Warnings for Products Re-Tested By Plaintiff After Entry of this Amended Consent*
25 *Judgment.* The Parties recognize that, after this Amended Consent Judgment is entered and the
26 Injunctive Provisions take effect, Defendant has no continuing obligation to test Products that,
27 based on the Exposure Calculation pursuant to Paragraphs 2.2 and 2.4 above, contain lead in an
28 amount at or below 0.5 micrograms per day, such that no Proposition 65 warning is required for

1 the Products under this Amended Consent Judgment. The Parties further acknowledge that the
2 amount of lead in any of the Products may vary, depending on such factors as the formula,
3 manufacturing processes or sources of ingredients. Accordingly, if, after this Amended Consent
4 Judgment is entered and the Injunctive Provisions take effect, Plaintiff conducts testing of any
5 Product, which, when conducted in accordance with the methods set forth at Paragraphs 2.1 and
6 2.2 above, results in an Exposure Calculation for any Product that, when conducted in accordance
7 with the method at Paragraph 2.3 and 2.4 above, exceeds 0.5 micrograms of lead per day, then
8 Plaintiff shall provide a copy of the laboratory test results for such Product to Defendant within
9 thirty (30) days of learning of the result. As of the date that is thirty (30) days after Defendant's
10 receipt of such test results ("Suspension Date"), Defendant shall either suspend all sales in
11 California and no longer ship for sale or use in California any such Product, or apply Warning
12 Stickers to any such Products sold by Defendant in California after the Suspension Date, unless
13 before the Suspension Date Defendant provides a copy of a test result for such Product
14 (undertaken after the entry of this Amended Consent Judgment) to Plaintiff demonstrating that the
15 Exposure Calculation for the Product does not exceed 0.5 micrograms per day. Any disputes
16 regarding the implementation of this Paragraph 10.6 shall be resolved pursuant to Paragraph 9.1
17 above; however, during the pendency of the dispute, Defendant shall either suspend all of its sales
18 in California and no longer ship for sale or use in California any such Product, or apply Warning
19 Stickers to any such Products sold by Defendant in California after the Suspension Date.

20 (a) In the event that Defendant has not provided a test result for the Product to Plaintiff
21 prior to the Suspension Date, Defendant shall be required to continue to provide the Warning
22 Statement on the Product. Unless Warning Stickers are permitted on the Product pursuant to
23 Paragraph 2.5(a) or 2.5(c) above, within one (1) year after the Suspension Date Defendant shall
24 integrate the Warning Statement onto the label for the Product, consistent with the guidelines
25 regarding the provision of warnings set forth in Paragraphs 2.5 through 2.7 above. The Parties
26 agree that a violation of this Amended Consent Judgment does not occur when a Product initially
27 tested at or below 0.5 micrograms of lead per day based on the Exposure Calculation pursuant to
28 Paragraphs 2.2 and 2.4 above and therefore does not bear the Warning Statement, but is

1 subsequently determined by test results conducted after the entry of this Amended Consent
2 Judgment to contain lead in an amount that exceeds 0.5 micrograms per day; in such instance, and
3 where Defendant has not provided a test result to the contrary before the Suspension Date, the
4 period of non-violation would terminate on the Suspension Date.

5 (b) In the event that Defendant has provided its own test result to Plaintiff prior to the
6 Suspension Date, but the Parties, after meeting and conferring, cannot agree as to whether the
7 Warning Statement is required, then Defendant shall provide the Warning Statement on the
8 Product after the Suspension Date until either: (1) the Parties agree in writing otherwise; (2) the
9 Court determines that the Warning Statement is not required; or (3) as provided under Paragraphs
10 2.8 or 10.3 above. Unless Warning Stickers are permitted on the Product pursuant to Paragraph
11 2.5(a) or 2.5(c) above, within one (1) year after the Suspension Date, Defendant shall integrate the
12 Warning Statement onto the label for the Product, consistent with the guidelines regarding the
13 provision of warnings set forth in Paragraphs 2.5 through 2.7 above. The Parties agree that a
14 violation of this Amended Consent Judgment does not occur when a Product initially tested at or
15 below 0.5 micrograms of lead per day based on the Exposure Calculation pursuant to Paragraphs
16 2.2 and 2.4 above and therefore does not bear the Warning Statement, but is subsequently
17 determined by test results conducted after the entry of this Amended Consent Judgment to contain
18 lead in an amount that exceeds 0.5 micrograms per day; in such instance, and where Defendant has
19 provided a test result to the contrary before the Suspension Date, the period of non-violation would
20 terminate on the Suspension Date.

21 11. GOVERNING LAW

22 11.1 *Governing Law.* The terms of this Amended Consent Judgment shall be governed
23 by the laws of the State of California.

24 12. NOTICES

25 12.1 *Notices.* All correspondence and notices required to be provided under this Consent
26 Judgment shall be in writing and shall be sent by both Certified Return Receipt Mail and email
27 addressed as follows:

28 All correspondence to Mr. Gillett shall be mailed and emailed to:

1 Stephen D. Gillett
2 Post Office Box 170142
3 San Francisco, CA 94117

4 Andrew L. Packard
5 THE LAW OFFICES OF ANDREW PACKARD
6 100 Petaluma Blvd. North, Suite 301
7 Petaluma, California 94952

8 Required E-mails: Andrew@packardlawoffices.com; sdg3@comcast.net

9 All correspondence to Defendant shall be mailed to:

10 Yanlin Teegarden, Chief Executive Officer
11 RON TEEGUARDEN ENTERPRISES, INC.
12 315 Wilshire Boulevard
13 Santa Monica, California 90401

14 With a copy to:

15 Trenton H. Norris, Esq.
16 ARNOLD & PORTER LLP
17 7th Floor
18 Three Embarcadero Center
19 San Francisco, California 94111

20 Required E-mails: Trent.Norris@aporter.com; yanlint@dragonherbs.com

21 13. INTEGRATION AND MODIFICATION

22 13.1 *Integration & Modification.* This Amended Consent Judgment, together with the
23 Exhibits hereto and all approved Template Mock-Ups, which are specifically incorporated herein
24 by this reference, constitutes the entire agreement between the Parties relating to the rights and
25 obligations herein granted and assumed, and supersedes all prior agreements and understandings
26 between the Parties. This Amended Consent Judgment may be modified only upon the written
27 agreement of the Parties, or as otherwise provided herein.

28 14. COUNTERPARTS

14.1 *Counterparts.* This Amended Consent Judgment may be executed in counterparts,
each of which shall be deemed an original, and all of which, when taken together, shall constitute
one and the same document.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

15. AUTHORIZATION

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

DATED: 4/2/2012 BY: 
Stephen D. Gillett

DATED: _____ BY: _____
Yanlin Teegarden
Ron Teegarden Enterprises, Inc.

IT IS SO ORDERED.

Dated: _____ JUDGE OF THE SUPERIOR COURT

EXHIBITS:

- A - Products
- B - Notices of Violation
- C - Wholesale Customer Notification Letter
- D - Wholesaler Notification Letter

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

15. AUTHORIZATION

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

DATED: _____ BY: _____
Stephen D. Gillett

DATED: 4/2/2012 BY: _____
Yanlin Teeguarden
Ron Teeguarden Enterprises, Inc.

IT IS SO ORDERED.

Dated: MAY 21 2012

HAROLD KAHN

JUDGE OF THE SUPERIOR COURT

EXHIBITS:

- A – Products
- B – Notices of Violation
- C – Wholesale Customer Notification Letter
- D – Wholesaler Notification Letter

EXHIBIT A

EXHIBIT A

- 001 Heaven Drops Wild Ginseng
- 002 Earth Drops Wild Ginseng
- 003 500 Ginseng Drops
- 004 Wild Reishi Drops
- 005 Duanwood Reishi Drops
- 006 Deer Antler Drops
- 007 Chinese Mountain Ant Extract
- 008 Spring Dragon Drops
- 009 Super Yang Jing Drops
- 011 Sweetfruit Drops
- 012 Schizandra and Lycium Drops
- 014 Male Silk Moth Drops
- 015 Supreme Shen Drops
- 016 American Ginseng
- 017 8 Immortals
- 018 Gecko Rockclimber
- 019 Ginseng Sublime
- 020 Siberian Ginseng (Eliuethero)
- 021 Yin Replenisher
- 022 House Ginseng
- 023 Diamond Mind Drops
- 024 Qi Drops
- 025 Dew Drops
- 026 Eucommia Drops
- 027 Heaven Drops Wild Ginseng
- 028 Earth Drops Wild Ginseng
- 029 500 Ginseng Drops
- 100 Supreme Protector
- 104 Ron Teegarden's Super Pill
- 107 Pearl Shen
- 109 Supreme Creation
- 112 Magu's Treasure
- 115 Magu's Secret
- 116 Eternal Jing
- 117 Jing
- 118 Super Jing
- 121 Dragon Jing
- 124 Microcosmic Orbit
- 126 Jeevani
- 127 Women's Jing
- 130 Easy Qi
- 133 Shou Wu Formulation
- 134 Ant Essence
- 137 Strong Bones
- 142 Imperial Garden
- 145 Strength Builder
- 146 Ant Power
- 148 Young at Heart
- 151 Golden Air
- 157 Profound Essence
- 160 Diamond Mind
- 161 Tao in a Bottle
- 166 Buddha's Yang
- 169 Primal Yin Replenisher
- 172 Young Lungs
- 174 Love Goddess Elixir
- 180 Will Power
- 185 Adaptogen Energizer
- 186 Super Adaptogen
- 190 Endocrine Health
- 193 Protector 2000
- 195 Liver Tonic
- 196 CardioPro 2000
- 197 Four Kings
- 200 Isatis Supreme
- 201 Magnolia Sinus
- 205 PerillaClear
- 221 Lights Out
- 224 Hair and Nails
- 236 Remove Stagnation
- 251 Lighten Up Diet Formula
- 252 Golden Voice
- 254 Frame Builder
- 260 Cardiovascular Protector
- 261 Small Volcano
- 263 Open the Lungs
- 264 Daily Regulator
- 291 Eagle Vision
- 306 OptDigest
- 308 Four Things
- 310 Ginseng and Astragalus Combina
- 312 Ten Complete Supertonic
- 314 Ginseng and Longon Combination
- 316 Ginseng Nutritive Combination
- 318 Ginseng and Zizyphus Combinati
- 320 Return to Youth Formula
- 326 Rehmannia Six Combination
- 344 Poria Five Combination
- 372 Dang Gui and Gelatin
- 404 Bupleurum and Rehmannia
- 406 Platycodon and Fritillary
- 408 Yin Qiao
- 410 Pueraria Combination
- 412 Pueraria Nasal
- 416 Cinnamon and Poria
- 420 Gentiana Combination
- 422 Minor Blue Dragon
- 428 Coptis and Scute
- 436 Bupleurum and Cyperus
- 448 Bupleurum and Dragon Bone
- 450 Bupleurum and Peony
- 452 Bupleurum and Dang Gui
- 454 Minor Bupleurum
- 501 Agaricus
- 502 Astragalus
- 506 Cordyceps

514 Duanwood Reishi
516 Deer Placenta
525 Active Ginseng
526 Shilajit
527 Goji
529 Caralluma
530 Muscadinia
534 Gynostemma
539 Pearl Powder
542 He Shou Wu
546 Salvia
548 Schizandra
549 Standardized Scute
557 Tribulus
560 TomKat
562 Salacia
588 Reishi Spore Oil - 30 softgels
589 Reishi Spore Oil - 90 softgels
590 Kinetic Ginseng 30 cap
591 Kinetic Ginseng 100 cap
601 Spring Dragon Longevity Tea
605 Hermit's Mix
683 Beauty Bonbon 1pc
684 Beauty Bonbon - 4pcs
685 Beauty Bonbon - 12pcs
686 Tonic Alchemy
686P30 Tonic Alchemy Packettes
698 Longan Fruit
699 Heaven Mountain Goji Berries

EXHIBIT B

LAW OFFICES OF
ANDREW L. PACKARD

319 PLEASANT STREET, PETALUMA, CALIFORNIA 94952
PHONE (707) 763-7227 FAX (707) 763-9227
INFO@PACKARDLAWOFFICES.COM

May 9, 2008

VIA CERTIFIED MAIL

Mr. Ron Teegarden
President & Chief Executive Officer
RON TEEGUARDEN ENTERPRISES, INC.
315 Wilshire Boulevard
Santa Monica, CA 90401

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

Dear Sir,

This firm represents Stephen D. Gillett in connection with this notice of violations of California's Safe Drinking Water & Toxic Enforcement Act of 1986, codified at Health & Safety Code §25249.5 *et seq.* (also referred to as "Proposition 65"). This letter serves to provide notification of these violations to you and to the public enforcement agencies.

Pursuant to §25249.7(d) of the statute, Mr. Gillett 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 RON TEEGUARDEN ENTERPRISES, INC. (hereafter, the "Violator"). The Violator manufactures, markets, distributes and/or sells in California herbal dietary supplements. These ongoing violations arise out of exposures to lead and lead compounds from the following herbal dietary supplement products: "Primal Yin Replenisher" and "CardioPro 2000." On February 27, 1987, the State of California officially listed lead as a substance known to cause reproductive toxicity. On October 1, 1992, the State of California officially listed lead and lead compounds as a substance known to cause cancer.

Route of exposure. The consumer exposures that are the subject of this notice result from the purchase, acquisition, handling and recommended use of these products by consumers. Accordingly, consumer exposures have occurred and continue to occur

primarily through the ingestion route, but also may occur through the inhalation and/or and dermal contact routes of exposure.

Duration of violations. Each of these ongoing violations has occurred on every day since at least May 9, 2007, as well as every day since the products were introduced in the California marketplace, and will continue every day until clear and reasonable warnings are provided to product purchasers and users.

In keeping with the public interest goals of the statute and my client's objectives in issuing this notice, Mr. Gillett is interested in seeking a constructive resolution of this matter. Such resolution will avoid both further unwarned consumer exposures to lead and additional fees and costs incurred by the parties. Mr. Gillett's address is Post Office Box 170142, San Francisco, California 94117. Tel. (415) 850-5233. However, he has retained this firm in this matter; all communications regarding this Notice of Violation may be directed to my attention at the above-listed firm address and telephone number.

Very Truly Yours,



Andrew L. Packard

Attachments:
OEHHA Summary
Certificate of Merit (w/o AG attachments)
Certificate of Service

LAW OFFICES OF

ANDREW L. PACKARD

319 PLEASANT STREET, PETALUMA, CALIFORNIA 94952

PHONE (707) 763-7227 FAX (707) 763-9227

INFO@PACKARDLAWOFFICES.COM

February 28, 2009

VIA CERTIFIED MAIL

Mr. Ron Teegarden
President & Chief Executive Officer
RON TEEGUARDEN ENTERPRISES, INC.
315 Wilshire Boulevard
Santa Monica, CA 90401

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

Dear Sir,

This firm represents Stephen D. Gillett in connection with this notice of violations of California's Safe Drinking Water & Toxic Enforcement Act of 1986, codified at Health & Safety Code §25249.5 *et seq.* (also referred to as "Proposition 65"). This letter serves to provide notification of these violations to you and to the public enforcement agencies.

Pursuant to §25249.7(d) of the statute, Mr. Gillett 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 RON TEEGUARDEN ENTERPRISES, INC. (hereafter, the "Violator"). The Violator manufactures, markets, distributes and/or sells in California herbal dietary supplements. These ongoing violations arise out of exposures to lead and lead compounds from herbal dietary supplement products listed on Exhibit A, attached hereto. On February 27, 1987, the State of California officially listed lead as a substance known to cause reproductive toxicity. On October 1, 1992, the State of California officially listed lead and lead compounds as a substance known to cause cancer.

Route of exposure. The consumer exposures that are the subject of this notice result from the purchase, acquisition, handling and recommended use of these products by consumers. Accordingly, consumer exposures have occurred and continue to occur primarily through the ingestion route, but also may occur through the inhalation and/or and dermal contact routes of exposure.

Notice of Violation of California Health & Safety Code §25249.5 *et seq.*
February 28, 2009
Page 2

Duration of violations. Each of these ongoing violations has occurred on every day since at least February 28, 2008, as well as every day since the products were introduced in the California marketplace, and will continue every day until clear and reasonable warnings are provided to product purchasers and users.

In keeping with the public interest goals of the statute and my client's objectives in issuing this notice, Mr. Gillett is interested in seeking a constructive resolution of this matter. Such resolution will avoid both further unwarned consumer exposures to lead and additional fees and costs incurred by the parties. Mr. Gillett's address is Post Office Box 170142, San Francisco, California 94117. Tel. (415) 850-5233. However, he has retained this firm in this matter; all communications regarding this Notice of Violation may be directed to my attention at the above-listed firm address and telephone number.

Very Truly Yours,



Andrew L. Packard

Attachments:
OEHHA Summary
Certificate of Merit (w/o AG attachments)
Certificate of Service

EXHIBIT A

- | | |
|----------------------------------|------------------------------------|
| 001 Heaven Drops Wild Ginseng | 169 Primal Yin Replenisher |
| 002 Earth Drops Wild Ginseng | 172 Young Lungs |
| 003 500 Ginseng Drops | 174 Love Goddess Elixir |
| 004 Wild Reishi Drops | 180 Will Power |
| 005 Duanwood Reishi Drops | 185 Adaptogen Energizer |
| 006 Deer Antler Drops | 186 Super Adaptogen |
| 007 Chinese Mountain Ant Extract | 190 Endocrine Health |
| 008 Spring Dragon Drops | 193 Protector 2000 |
| 009 Super Yang Jing Drops | 195 Liver Tonic |
| 011 Sweetfruit Drops | 196 CardioPro 2000 |
| 012 Schizandra and Lycium Drops | 197 Four Kings |
| 014 Male Silk Moth Drops | 200 Isatis Supreme |
| 015 Supreme Shen Drops | 201 Magnolia Sinus |
| 016 American Ginseng | 205 PerillaClear |
| 017 8 Immortals | 221 Lights Out |
| 018 Gecko Rockclimber | 224 Hair and Nails |
| 019 Ginseng Sublime | 236 Remove Stagnation |
| 020 Siberian Ginseng (Eluethero) | 251 Lighten Up Diet Formula |
| 021 Yin Replenisher | 252 Golden Voice |
| 022 House Ginseng | 254 Frame Builder |
| 023 Diamond Mind Drops | 260 Cardiovascular Protector |
| 024 Qi Drops | 261 Small Volcano |
| 025 Dew Drops | 263 Open the Lungs |
| 026 Eucommia Drops | 264 Daily Regulator |
| 027 Heaven Drops Wild Ginseng | 291 Eagle Vision |
| 028 Earth Drops Wild Ginseng | 306 OptDigest |
| 029 500 Ginseng Drops | 308 Four Things |
| 100 Supreme Protector | 310 Ginseng and Astragalus Combina |
| 104 Ron Teegarden's Super Pill | 312 Ten Complete Supertonic |
| 107 Pearl Shen | 314 Ginseng and Longon Combination |
| 109 Supreme Creation | 316 Ginseng Nutritive Combination |
| 112 Magu's Treasure | 318 Ginseng and Zizyphus Combinati |
| 115 Magu's Secret | 320 Return to Youth Formula |
| 116 Eternal Jing | 326 Rehmannia Six Combination |
| 117 Jing | 344 Poria Five-Combination |
| 118 Super Jing | 372 Dang Gui and Gelatin |
| 121 Dragon Jing | 404 Bupleurum and Rehmannia |
| 124 Microcosmic Orbit | 406 Platycodon and Frifillary |
| 126 Jeevani | 408 Yin Qiao |
| 127 Women's Jing | 410 Pueraria Combination |
| 130 Easy Qi | 412 Pueraria Nasal |
| 133 Shou Wu Formulation | 416 Cinnamon and Poria |
| 134 Ant Essence | 420 Gentiana Combination |
| 137 Strong Bones | 422 Minor Blue Dragon |
| 142 Imperial Garden | 428 Coptis and Scute |
| 145 Strength Builder | 436 Bupleurum and Cyperus |
| 146 Ant Power | 448 Bupleurum and Dragon Bone |
| 148 Young at Heart | 450 Bupleurum and Peony |
| 151 Golden Air | 452 Bupleurum and Dang Gui |
| 157 Profound Essence | 454 Minor Bupleurum |
| 160 Diamond Mind | 501 Agaricus |
| 161 Tao in a Bottle | 502 Astragalus |
| 166 Buddha's Yang | 506 Cordyceps |

514 Duanwood Reishi
516 Deer Placenta
525 Active Ginseng
526 Shilajit
527 Goji
529 Caralluma
530 Muscadinia
534 Gynostemma
539 Pearl Powder
542 He Shou Wu
546 Salvia
548 Schizandra
549 Standardized Scute
557 Tribulus
560 TomKat
562 Salacia
588 Reishi Spore Oil - 30 softgels
589 Reishi Spore Oil - 90 softgels
590 Kinetic Ginseng 30 cap
591 Kinetic Ginseng 100 cap
601 Spring Dragon Longevity Tea
605 Hermit's Mix
683 Beauty Bonbon 1pc
684 Beauty Bonbon - 4pcs
685 Beauty Bonbon - 12pcs
686 Tonic Alchemy
686P30 Tonic Alchemy Packettes
698 Longan Fruit
699 Heaven Mountain Goji Berries

LAW OFFICES OF
ANDREW L. PACKARD

100 PETALUMA BLVD N, STE 301, PETALUMA, CA 94952
PHONE (707) 763-7227 FAX (707) 763-9227
INFO@PACKARDLAWOFFICES.COM

April 6, 2012

VIA CERTIFIED MAIL

Mr. Ron Teegarden
President & Chief Executive Officer
RON TEEGUARDEN ENTERPRISES, INC.
315 Wilshire Boulevard
Santa Monica, CA 90401

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

Dear Sir,

This firm represents Stephen D. Gillett in connection with this notice of violations of California's Safe Drinking Water & Toxic Enforcement Act of 1986, codified at Health & Safety Code § 25249.5 *et seq.* (also referred to as "Proposition 65"). This letter serves to provide notification of these violations to you and to the public enforcement agencies.

Pursuant to § 25249.7(d) of the statute, Mr. Gillett 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 RON TEEGUARDEN ENTERPRISES, INC. (hereafter, the "Violator"). The Violator manufactures, markets, distributes and/or sells in California herbal dietary supplements. These ongoing violations arise out of exposures to lead and lead compounds from herbal dietary supplement products listed on Exhibit A, attached hereto. On February 27, 1987, the State of California officially listed lead as a substance known to cause reproductive toxicity. On October 1, 1992, the State of California officially listed lead and lead compounds as a substance known to cause cancer.

Route of exposure. The consumer exposures that are the subject of this notice result from the purchase, acquisition, handling and recommended use of these products by consumers. Accordingly, consumer exposures have occurred and continue to occur primarily through the ingestion route, but also may occur through the inhalation and/or dermal contact routes of exposure.

Notice of Violations
April 6, 2012
Page 2

Duration of violations. Each of these ongoing violations has occurred on every day since at least April 6, 2009, as well as every day since the products were introduced in the California marketplace, and will continue every day until clear and reasonable warnings are provided to product purchasers and users.

In keeping with the public interest goals of the statute and my client's objectives in issuing this notice, Mr. Gillett is interested in seeking a constructive resolution of this matter. Such resolution will avoid both further unwarned consumer exposures to lead and additional fees and costs incurred by the parties. Mr. Gillett's address is Post Office Box 170142, San Francisco, California 94117. Tel. (415) 850-5233. However, he has retained this firm in this matter; all communications regarding this Notice of Violation may be directed to my attention at the above-listed firm address and telephone number.

Very Truly Yours,



Andrew L. Packard

Attachments:

Exhibit A Product List
OEHHA Summary
Certificate of Merit (w/o AG attachments)
Certificate of Service

Exhibit A -- Product List

Code	Product Name	Year 2012
010	22 Reishis	2012
030	Antler Reishi Drops	2012
105	Ron Teegarden's Super Pill No. 2	2012
503	Super Ant	2012
505	Wild Siberian Chaga	2012
600	Hangover Prevention Formula	2012
604	Skinless Walnuts	2012
606	Walnut Oil-La Nogalera	2012
612	Curing Pill	2012
613	Yunnan Baiyao Capsules	2012
614	Yunnan Baiyao Powder	2012
615	999 Gastro Capsules	2012
616	999 Gastro Granules	2012
617	Watermelon Frost	2012
617P	Watermelon Frost Powder	2012
662	Loquat and Fritillary Cough Syrup	2012
679	Aloe 22	2012
683	Beauty Bonbon 1pc	2012
684	Beauty Bonbon - 9pcs	2012
686P	Tonic Alchemy Packet	2012
687	Xylitol 1 lb.	2012
689	Rice - Black Dragon	2012
692	Rice - Red Bhutanese	2012
695	Heaven Mountain Goji Pack 1 oz.	2012
697	Amolo Tea	2012
701	Tibetan Magic	2012
702	Magu's Beauty Tea	2012
704	Healer's Tea	2012
711	Zen Shen	2012
713	Fritillary Lung	2012
737	Pearl Shen Elixir	2012
743	Goji Pouch	2012
811	Schizandra Tea eeTee in jar	2012
813	Green eeTee in jar	2012
815	Chrysanthemum eeTee in jar	2012
816	He Shou Wu eeTee 30 Stick Pack	2012
817	He Shou Wu eeTee in jar	2012
819	Astragalus eeTee in jar	2012
821	Ginseng eeTee in Jar	2012
823	Longan eeTee in Jar	2012
976	Argentyn 23 2 oz Bottle	2012

Notice of Violations

April 6, 2012

Page 4

978	Argentyn 23 4 oz Bottle	2012
979	Argentyn 23 8 oz Bottle	2012
1011	Silkworm Cordyceps	2012
1012	Wuyi Red Mushroom	2012
2001	Bilberry Extract 60 caps	2012
2004	Borage Oil	2012
2005	Bromelain	2012
2006	Cats Claw (wildcrafted)	2012
2008	Colostrum	2012
2009	Complete EFA	2012
2010	Cranberry Extract	2012
2012	Echinacea	2012
2013	Echinacea w/ Goldenseal	2012
2015	Evening Primrose	2012
2017	Feverfew Extract	2012
2018	Fiber Clean Psyllium Husk Powder	2012
2019	Flax Oil	2012
2020	Garlic	2012
2021	Ginko Extract	2012
2022	Glucosamine/Chondroitin Plus	2012
2026	Hawthorne Extract	2012
2027	Horsechestnut Extract	2012
2028	Maca	2012
2032	Milk Thistle Liquid (organic) 2 fl oz	2012
2033	Olive Leaf	2012
2034	Papaya Enzyme	2012
2035	Pau D'Arco	2012
2036	Pycnogenol	2012
2038	Saw Palmetto/Pygeum 120	2012
2043	Spirulina	2012
2044	St. John's Wort	2012
2046	Superzymes	2012
2047	Suprema-Dophilus 120	2012
2050	Valerian Root Liquid (organic) 2oz.	2012
2052	Vinpocetine Plus	2012
2054	Organic Flax Oil High Lignan	2012
2055	Cod Liver Oil 8 oz	2012
2056	Fish Oil 8 oz	2012
2057	Complete EFA Liquid	2012
2058	Oregano Oil Veggie Caps 60	2012
2061	Tumeric Caps 120	2012
2063	Quicktein Vanilla	2012
2064	Quicktein Chocolate	2012
2072	Life Essentials 60	2012

Notice of Violations
 April 6, 2012
 Page 5

2090	CoQ10 50 mg 60 softgels	2012
2091	Calcium & Magnesium 250	2012
2092	Zinc Lozenges	2012
2094	L-OptiZinc	2012
2096	L-Lysine	2012
2097	PureWay-C	2012
2098	Children's Chewable Multi with Probiotics	2012
2099	Vanilla Whey Protein	2012
2100	Lecithin Granules	2012
2102	Peak Energy	2012
3106	Brain Tonic	2012
8021	Jasmine Dragon Pearl Tea (green tea)	2012
8025	A Dot of Red	2012
8026	Lily Star	2012
8027	Sun Shine	2012
8028	Five Jasmines	2012
8029	Lychee Black Tea	2012
8040	Moonlight White Tea	2012
8044	Butterfly Love	2012
8045	Lychee Carnation Blossom Tea	2012
8046	Snow Lotus	2012
8047	Double Happiness	2012
8048	Sunrise Blossom Tea	2012
A02	Super 8 Kidney Tonic	2012
A06	4 Sages Tonic	2012
A07	Zhi Bai Kidney Tonic	2012
A10	Body Yin Essence	2012
A16	Qi Ju Kidney Tonic	2012
A17	Vita Vision Kidney Tonic	2012
B03	Warm Soother	2012
B06	Liver Soother	2012
B07	Bupleurum Dragon Formula	2012
B08	Honey Licorice Formula	2012
B09	Licorice Wheat Date Formula	2012
B10	Stress Formula	2012
C01	Headache Relief Formula	2012
C02	Ten Wonders	2012
C03	Ginseng Detox Formula	2012
C05	Bupleurum Cold Remedy	2012
C07	Cinnamon Cold Formula	2012
C09	Headache Formula	2012
D03	Breathe Smooth	2012

Notice of Violations

April 6, 2012

Page 6

D05	Perilla Breathe Easy	2012
D06	No More Cough	2012
D07	Citrus & Pinella Formula	2012
D09	Trichosanthes Expectorant	2012
D10	Pinellia Headache Formula	2012
E01	Stomach Comfort	2012
E03	Combined Strength Stomach	2012
E07	Xiang Sha 6 Sages	2012
E08	Agastache GI Tract Soother	2012
E10	Bao He Digestant	2012
E12	Pinella Stomach Formula	2012
E13	Pinella Magnolia Formula	2012
E14	Stomach Cleanser	2012
E16	Prunus Cheng Qi Formula	2012
E21	Medium Strength Cheng Qi Formula	2012
E22	Acid Away	2012
E23	Diarrhea Formula	2012
E25	Shen Ling Digestive Tonic	2012
E30	Zhen Wu Energy Formula	2012
F01	Angelica Joint Formula	2012
F02	All Purpose Joint Relief	2012
F03	Du Huo Joint Relief	2012
F05	Shu Jing Blood Flow	2012
F06	Muscle & Tendon Relaxant	2012
F07	Coix Joint Formula	2012
G03	Astragalus Super Five Formula	2012
G06	Pressure Reduce Formula	2012
H01	Angelica Peonia Blood Tonic	2012
H02	Angelica Menstrual Pain Formula	2012
H06	Menstrual Regulator	2012
H07	Leuko Relief	2012
H10	Super 13 Pregnancy Tonic	2012
H11	Sheng Hua Post Delivery Remedy	2012
I01	Energy & Blood Flow Formula	2012
I02	Trauma Injury Formula	2012
I03	Peony Licorice Abdominal Formula	2012
I04	Panax Pseudoginseng	2012
I07	Energy Flow Pain Relief Formula	2012
I08	Xue Fu Homeostasis Formula	2012
I09	Back Ease Formula	2012
J01	Diabetic Formula	2012
J05	Siler Skin Cleanser	2012
J06	Allergy Remedy Plus	2012

Notice of Violations
April 6, 2012
Page 7

J10	Grifolla Kidney Formula	2012
J11	Wu Lin Urinary Formula	2012
J12	Ba Zheng Urinary Formula	2012
J15	Hemorrhoid Formula Plus	2012
J17	Sore Throat Soother	2012
J18	Stop Smoking Detox Formula	2012
J19	Gall Stone Formula	2012
J20	Kidney Stone Formula	2012
J22	Tumor Cancer Fighter #1	2012
J24	Prostate Ease	2012
J25	Liver Guard	2012
J26	Ear Ringing Formula	2012
J28	Skin Detox Formula	2012
J29	Liver Cleanser	2012
J31	After-Itch Remedy	2012
L02	Clean Skin Detox Formula	2012
M01	Body Refresh Cooler	2012
N01	Artemisia Liver Formula	2012

CERTIFICATE OF MERIT

**(Re: Stephen D. Gillett's April 6, 2012 Notice of Proposition 65 Violations Issued to
RON TEEGUARDEN ENTERPRISES, INC.)**

I, Andrew L. Packard, declare:

1. This Certificate of Merit accompanies the attached sixty-day notice in which it is alleged the party in the notice has violated Health & Safety Code §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 has reviewed facts, studies, or other data regarding the exposure to the listed chemicals that are the subject of the action.

4. Based on the information obtained through those consultations, and on all 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. The copy of this Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health and 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: April 6, 2012



Andrew L. Packard

Attachments (for Attorney General Copy only)

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 100 Petaluma Boulevard North, Suite 301, Petaluma, California 94952.

On April 6, 2012, I served the following documents: **NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; "SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986: 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:

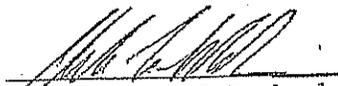
Mr. Ron Teegarden
President & Chief Executive Officer
RON TEEGUARDEN ENTERPRISES, INC.
315 Wilshire Boulevard
Santa Monica, CA 90401

On April 6, 2012, I served the following documents: **NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT (including supporting documentation required by Title 11 CCR §3102)** 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 April 6, 2012, 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 in a US Postal Service Office for delivery by First Class Mail.

Executed on April 6, 2012, in Petaluma, California.



Andrew L. Packard

SERVICE LIST (Page 1 of 2)

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

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

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

Office of the District Attorney
Butte County
25 County Center Drive
Oroville, CA 95965

Office of the District Attorney
Calaveras County
Government Center
891 Mountain Ranch Road
San Andreas, CA 95249

Office of the District Attorney
Colusa County
547 Market Street
Colusa, CA 95932

Office of the District Attorney
Contra Costa County
PO Box 670
Martinez, CA 94553

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

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

Office of the District Attorney
Fresno County
2220 Tulare St, #1000
Fresno, CA 93721

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

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

Office of the District Attorney
Imperial County
939 West Main St, #102
El Centro, CA 92243

Office of the District Attorney
Inyo County
Post Office Drawer D
Independence, CA 93526

Office of the District Attorney
Kern County
1215 Truxtun Avenue, Floor 4
Bakersfield, CA 93301

Office of the District Attorney
Kings County
1400 West Lacey Boulevard
Hanford, CA 93230

Office of the District Attorney
Lake County
255 N. Forbes Street, #424
Lakeport, CA 95453

Office of the District Attorney
Lassen County
220 South Lassen Street, Ste. 8
Susanville, CA 96130

Office of the District Attorney
Los Angeles County
210 West Temple Street
Los Angeles, CA 90012

Office of the District Attorney
Madera County
209 West Yosemite Avenue
Madera, CA 93637

Office of the District Attorney
Marin County
Hall of Justice, #183
San Rafael, CA 94903

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

Office of the District Attorney
Mendocino County
P.O. Box 1000
Ukiah, CA 95482

Office of the District Attorney
Merced County
2222 M Street
Merced, CA 95340

Office of the District Attorney
Modoc County
204 South Court Street
Alturas, CA 96101-4020

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

Office of the District Attorney
Monterey County
240 Church Street
PO Box 1131
Salinas, CA 93902

Office of the District Attorney
Napa County
931 Parkway Mall
P.O. Box 720
Napa, CA 94559

Office of the District Attorney
Nevada County
110 Union Street
Nevada City, CA 95959

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

Office of the District Attorney
Placer County
10810 Justice Center Dr, #240
Roseville, CA 95678

SERVICE LIST (Page 2 of 2)

Office of the District Attorney
Plumas County
520 Main Street, # 404
Quincy, CA 95971

Office of the District Attorney
Riverside County
4075 Main Street
Riverside, CA 92501

Office of the District Attorney
Sacramento County
901 G Street
Sacramento, CA 95814

Office of the District Attorney
San Benito County
419 Fourth Street
Hollister, CA 95023

Office of the District Attorney
San Bernardino County
316 N. Mountain View Avenue
San Bernardino, CA 92415

Office of the District Attorney
San Diego County
330 West Broadway, Ste. 1100
San Diego, CA 92101

Office of the District Attorney
San Francisco County
850 Bryant Street, #322
San Francisco, CA 94103

Office of the District Attorney
San Joaquin County
222 E. Weber Ave, #202
Stockton, CA 95202

Office of the District Attorney
San Luis Obispo County
County Government Ctr #450
San Luis Obispo, CA 93408

Office of the District Attorney
San Mateo County
Hall of Justice and Records
Redwood City, CA 94063

Office of the District Attorney
Santa Barbara County
1112 Santa Barbara Street
Santa Barbara, CA 93101

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

Office of the District Attorney
Santa Cruz County
701 Ocean Street, #200
Santa Cruz, CA 95060

Office of the District Attorney
Shasta County
1355 West Street
Redding, CA 96001-1632

Office of the District Attorney
Sierra County
Post Office Box 457
Downieville, CA 95936

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

Office of the District Attorney
Solano County
600 Union Avenue
Fairfield, CA 94533

Office of the District Attorney
Sonoma County
600 Administration Dr., #212J
Santa Rosa, CA 95403

Office of the District Attorney
Stanislaus County
1100 I Street, #200
Modesto, CA 95353

Office of the District Attorney
Sutter County
1160 Civic Center Blvd., #A
Yuba City, CA 95993

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

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

Office of the District Attorney
Tulare County
Courthouse, # 224
Visalia, CA 93291

Office of the District Attorney
Tuolumne County
2 South Green Street
Sonora, CA 95370

Office of the District Attorney
Ventura County
800 South Victoria Ave
Ventura, CA 93009

Office of the District Attorney
Yolo County
301 Second Street
Woodland, CA 95695

Office of the District Attorney
Yuba County
215 5th Street
Marysville, CA 95901

Office of the City Attorney
City of Los Angeles
200 N. Main Street
Los Angeles, CA 90012

Office of the City Attorney
City of San Diego
1200 Third Avenue, Ste. 700
San Diego, CA 92101

Office of the City Attorney
City of San Francisco
City Hall, Room 206
400 Van Ness
San Francisco, CA 94102

Office of the City Attorney
City of San Jose City
200 East Santa Clara Street
San Jose, CA 95113

Office of the City Attorney
City of Sacramento
Post Office Box 1948
Sacramento, CA 95812

Office of the City Attorney
City of Oakland
City Hall, 6th Floor
1 Frank Ogawa Plaza
Oakland, CA 94612

EXHIBIT C

EXHIBIT C



[DATE]

**IMPORTANT NOTICE TO BUYERS OF
HERBAL PRODUCTS**

Dragon Herbs (DH) has initiated a compliance program with California's law concerning toxic exposures: Health & Safety Code §25249.5, also referred to as Proposition 65. It is against California law to expose consumers to lead—or other potentially harmful substances—without providing a clear and reasonable warning concerning the health hazards associated with these substances (e.g., cancer; birth defects and other reproductive harm). The products you have purchased from DH likely contain levels of lead that require such a warning. These substances that trigger the warning are not intentionally added in the making of DH products, but are believed to come from environmental sources, such as the soil, both from lead naturally present in soil and also due to human activities (e.g., poor agricultural practices, burning coal, smelting factories, residual effect of leaded gasoline utilization).

As of [DATE], DH will apply warning labels to products it sells to Californians or that you may resell to Californians. As part of this compliance program, any DH products you sell to Californians must have this warning label. If you have any DH products purchased before [DATE], 200X, DH will provide stickers that you can apply to these products to bring them into compliance when selling to California customers (please let DH know how many stickers you will need).

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 California purchasers of the product (i.e., include the warning sticker). Failure to provide these warnings may result in your being subject to civil penalties of up to \$2,500 per violation and other sanctions. You should consult with a lawyer concerning your obligations under the law. The warning requirements described above are likely to apply to other plant based products that you did not obtain from DH. The only way to know is to have such products tested. For additional information regarding the requirements of Proposition 65, you should contact the Office of Environmental Health Hazard Assessment at 916-445-6900 or at www.oehha.ca.gov.

The warning must be provided for *any* products that could contain lead or other substances that come under Proposition 65 regulations (when you sell in California) unless you can establish that the levels of these substances are low enough that the maximum daily recommended dosage of the product will not result in exposures above the levels requiring health hazard warnings.

Yanlin Teeguarden

CEO

Dragon Herbs

315 Wilshire Blvd., Santa Monica, Ca 90401 Tel: (310) 917-2288 Fax: (310) 919-1134
wholesale@dragonherbs.com www.dragonherbs.com

EXHIBIT D

EXHIBIT D



[DATE]

**IMPORTANT NOTICE TO WHOLESALERS OF
BOTANICAL PRODUCTS**

Dragon Herbs ("DH") has initiated a compliance program with California's law concerning toxic exposures: Health & Safety Code §25249.5, also referred to as Proposition 65. It is against California law to expose California consumers to lead—or other potentially harmful substances—without providing a clear and reasonable warning concerning the health hazards associated with these substances (e.g., cancer; birth defects and other reproductive harm). The attached list of products you purchase from DH with lead daily exposure exceeding 0.5 microgram ("Products") will require the following warning ("Warning Statement"):

WARNING: The use of this product will expose you to lead, a substance known to the State of California to cause birth defects or other reproductive harm.

These substances that trigger the warning are not intentionally added in the making of the Products, but are believed to come from environmental sources, such as the soil, both from lead naturally present in soil and also due to human activities (e.g., poor agricultural practices, burning coal, smelting factories, residual effect of leaded gasoline utilization).

As of April 1, 2012, DH will apply labels or stickers with this Warning Statement to such Products it sells to Californians.

If you resell any DH Products requiring this Warning Statement to the California consumers of the Products California (either in whole or in part), you are required to provide a clear and reasonable warning within the meaning of Proposition 65 (e.g., by including a warning sticker on the Product or by requesting Product stock labeled for the California market from DH). Failure to provide these warnings may result in your being subject to civil penalties of up to \$2,500 per violation and other sanctions. You should consult with a lawyer concerning your obligations under this California law.

The warning requirements described above are likely to apply to other botanical products that you do not obtain from DH. The only way to know is to have such products tested. For additional information regarding the requirements of Proposition 65, you should contact the California Office of Environmental Health Hazard Assessment at 916-445-6900 or at www.oehha.ca.gov.

The warning must be provided for *any* products that could contain lead or other substances that come under Proposition 65 regulations (when you sell to Californians) unless you can establish that the levels of these substances are low enough that the maximum daily recommended dosage of the product will not result in exposures above the levels requiring health hazard warnings.