# **EXHIBIT 1**

1 WILLIAM F. WRAITH SBN 185927 WRAITH LAW 2 16485 Laguna Canyon Rd., Suite 250 Irvine, California 92618 Sherri R. Carter, Executive Officer/Clerk 3 Tel: (949) 251-9977 Fax: (949) 251-9978 By Michele Gonzalez, Deputy 4 Attorney for Plaintiff ENVIRONMENTAL RESEARCH CENTER 5 Judith Praitis (SBN 151303) 6 Amy P. Lally (SBN 198555) 7 SIDLEY AUSTIN LLP 555 West Fifth Street, Suite 4000 Los Angeles, California 90013-1010 8 Telephone: (213)896-6000 9 Facsimile: (213) 896-6600 10 Attorneys for Plaintiff ZIJA IŇTERNATIONAL, INC. 11 SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES 12 CENTRAL DISTRICT, STANLEY MOSK COURTHOUSE 13 ENVIRONMENTAL RESEARCH 14 CASE NO. BC528052 CENTER, a California non-profit 15 corporation, STIPULATED CONSENT JUDGMENT; [PROPOSED] ORDER 16 Plaintiff, Health & Safety Code § 25249.5 et seq. 17 VS. ZIJA INTERNATIONAL, INC. and DOES 18 Action Filed: November 25, 2013 1-25, Inclusive, Trial Date: None set 19 20 Defendants. 21 22 INTRODUCTION 23 On November 25, 2013 Plaintiff Environmental Research Center ("ERC"), a 24 1.1 non-profit corporation, as a private enforcer, and in the public interest, initiated this action by 25 filing a Complaint for Injunctive and Declaratory Relief and Civil Penalties (the "Complaint") 26 pursuant to the provisions of California Health and Safety Code section 25249.5 et seq. 27 28 STIPULATED CONSENT JUDGMENT; [PROPOSED] ORDER CASE NO. BC528052 ACTIVE 203752405v.1

("Proposition 65"), against Zija International, Inc. and DOES 1-25 (collectively "Zija"). In this action, ERC alleges that the following products referred to hereinafter individually as "Covered Product" or collectively as "Covered Products", manufactured, distributed or sold by Zija 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:

- 1. Zija International Inc. Moringa SmartMix (now known as SmartMix 2.0)
- 2. Zija International Inc. Pr1 me90 Dutch Chocolate
- 3. Zija International Inc. Pr1me90 Vanilla Bean
- 4. Zija International Inc. XM3
- 5. Zija International Inc. XM+
- 6. Zija International Inc. Moringa SuperMix.
- 1.2 ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by reducing the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.
- 1.3 Zija is a Utah corporation, at all relevant times for the purpose of this Consent Judgment, employed ten or more persons and qualified as a "person in the course of business" within the meaning of Proposition 65. Zija manufactures, distributes and/or sells the Covered Products.
- 1.4 ERC and Zija are referred to individually as "Party" or collectively as the "Parties."
- 1.5 The Complaint is based on allegations contained in ERC's Notice of Violation, dated September 13, 2013, that was served on the California Attorney General, other public enforcers, and Zija ("Notice"). A true and correct copy of the Notice is attached as Exhibit A and is hereby incorporated by reference. More than 60 days have passed since the Notice was mailed and uploaded onto the Attorney General's website, and no designated governmental entity has filed a complaint against Zija with regard to the Covered Products or the alleged

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ERC's Notice and Complaint allege that use of the Covered Products exposes 1.6 persons in California to lead without first providing clear and reasonable warnings in violation of California Health and Safety Code section 25249.6. Zija denies all material allegations contained in the Notice and Complaint.

- The Parties have entered into this Consent Judgment in order to settle, 1.7 compromise and resolve disputed claims and thus avoid prolonged and costly litigation. Nothing in this Consent Judgment shall constitute or be construed as an admission by any of the Parties, or by any of their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchises, licensees, customers, suppliers, distributors, wholesalers, or retailers. Except for the representations made above, nothing in this Consent Judgment shall be construed as an admission by the Parties of any fact, issue of law, or violation of law.
- Except as expressly set forth herein, nothing in this Consent Judgment shall 1.8 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.
- The Effective Date of this Consent Judgment is the date on which it is entered as 1.9 a Judgment by this Court.

#### 2. JURISDICTION AND VENUE

For purposes of this Consent Judgment and for any further court action that may become necessary to enforce this Consent Judgment, the Parties stipulate that this Court has subject matter jurisdiction over the allegations of violations contained in the Complaint, personal jurisdiction over Zija as to the acts alleged in the Complaint, that venue is proper in Los Angeles County, and that this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims up through and including the Effective Date which were or could have been asserted in this action based on the facts alleged in the Notice and Complaint.

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meets the warning requirements under Section 3.2.

Clear and Reasonable Warnings

Product to consumers in California.

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exposure per day.

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must be utilized:

reproductive harm.

### STIPULATED CO ACTIVE 203752405v.1

INJUNCTIVE RELIEF, REFORMULATION, TESTING AND WARNINGS

manufacturing for sale in the State of California, "Distributing into the State of California," or

directly selling in the State of California to California consumers, any Covered Product which

exposes a consumer to a "Daily Exposure Level" of more than 0.5 micrograms per day when

the maximum recommended dose is taken as directed on the Covered Product's label, unless it

California" shall mean to directly ship a Covered Product into California for sale to consumers

in California or to sell a Covered Product to a distributor that Zija knows will sell the Covered

shall be measured in micrograms, and shall be calculated using the following formula:

micrograms of lead per gram of product, multiplied by grams of product per serving of the

product (using the largest recommended daily serving size appearing on the product label),

multiplied by servings of the product per day (using the largest number of servings in a

recommended daily dosage appearing on the product label), which equals micrograms of lead

If Zija is required to provide a warning pursuant to Section 3.1, the following warning

[California] [Proposition 65] WARNING: This product contains lead, a chemical

The text in [brackets] is optional in Zija's sole discretion, but Zija shall use the phrase "cancer

and" in the warning only if the maximum daily dose recommended on the label contains more

than 15 micrograms of lead as determined pursuant to the quality control methodology set forth in

known to the State of California to cause [cancer and] birth defects or other

Beginning on the Effective Date, Zija shall be permanently enjoined from

3.1.1 As used in Consent Judgment, the term "Distributing into the State of

3.1.2 For all purposes of this Consent Judgment, "Daily Lead Exposure Level"

When a warning is required, Zija shall provide the warning in any one of the following manners:

- 1) For Covered Products ordered online, if a California shipping address is identified by the consumer ordering a Covered Product; the warning shall be given prior to completion of checkout and the purchaser shall be required to accept the warning prior to completing checkout. If more than one product is purchased, Zija shall clearly identify the Covered Product or Covered Products for which the warning is being given; or
  - 2) on the label of Zija's products.

The warning shall be at least the same size as the largest of any other health or safety warnings correspondingly appearing on the label, container, or website, and the word "WARNING" shall be in all capital letters and in bold print. No other statements about Proposition 65 or lead may be made within or near the warning.

Zija must display the above warnings with such conspicuousness, as compared with other words, statements, or design of the label or container, as applicable, to render the warning likely to be read and understood by an ordinary individual under customary conditions of purchase or use of the Covered Product.

### 3.3 Reformulated Covered Products

A Reformulated Covered Product is one for which the Daily Exposure Level when the maximum suggested dose is taken as directed on the Reformulated Covered Product's label, contains no more than 0.5 micrograms of lead per day as determined by the quality control methodology described in Section 3.4.

### 3.4 Testing and Quality Control Methodology

3.4.1 All testing for purposes of this Consent Judgment shall be performed using a laboratory method that complies with the performance and quality control factors appropriate for the method used, including limit of detection, qualification, accuracy, and precision that meets the following criteria: Inductively Coupled Plasma-Mass Spectrometry

(ICP-MS) achieving a limit of quantification of less than or equal to 0.010 mg/kg or any other testing method subsequently agreed upon in writing by the Parties.

- 3.4.2 All testing for purposes of this Consent Judgment shall be performed by an independent third-party laboratory certified by the California Environmental Laboratory Accreditation Program or by an otherwise qualified independent third-party laboratory experienced in testing for lead in foods, or an in-house laboratory which can conduct the testing in compliance with Section 3.4.1. Nothing in this Consent Judgment shall limit Zija's ability to conduct, or require that others conduct, additional testing of the Covered Products, including the raw materials used in their manufacture.
- 3.4.3 Zija shall arrange, for at least three consecutive years and at least once per year, for the lead testing of five randomly selected samples of each Covered Product in the form intended for sale to consumers in California. Zija shall continue testing over the three year term so long as the Covered Products are sold to California consumers or sold to a third party for retail sale in California. If tests conducted pursuant to this Section demonstrate that no warning is required for a Covered Product during each of the three consecutive years, then the testing requirements of this Section will no longer be required as to that Covered Product. However, if after the three-year period, Zija changes any of the Covered Products in a manner such that Zija could reasonably expect a possible change in lead levels in the Covered Product, Zija shall test that Covered Product at least once after such change is made. The testing requirements discussed in Section 3.4 are not applicable to any Covered Product for which Zija has provided the warning as specified in Section 3.2.
- 3.4.4 Zija shall retain all test results and documentation for a period of three years from the date of each test.

### 4. SETTLEMENT PAYMENT

4.1 In full satisfaction of all potential civil penalties, payment in lieu of civil penalties, attorney's fees, and costs, Zija shall make a total payment of \$160,000.00 ("Total Settlement Amount") to ERC within 5 days of the Effective Date. Zija shall make this payment

by wire transfer to ERC's escrow account, for which ERC will give Zija the necessary account information. The Total Settlement Amount shall be apportioned as follows:

- 4.2 \$74,580.00 shall be considered a civil penalty pursuant to California Health and Safety Code §25249.7(b)(1). ERC shall remit 75% (\$55,935.00) of the civil penalty to the Office of Environmental Health Hazard Assessment ("OEHHA") for deposit in the Safe Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety Code §25249.12(c). ERC will retain the remaining 25% (\$18,645.00) of the civil penalty.
- 4.3 \$1,955.50 shall be distributed to Environmental Research Center as reimbursement to ERC for reasonable costs as a result of work in bringing this action.
- 4.4 \$ 56,264.79 shall be distributed to Environmental Research Center 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 current action; (2) the continued monitoring of past consent judgments and settlements to ensure companies are in compliance with Proposition 65; and (3) giving a donation of \$2,813.00 to the As You Sow to address reducing toxic chemical exposures in California.
- 4.5 \$12,390.00 shall be distributed to William F. Wraith as reimbursement of ERC's attorney's fees while \$14,809.71 shall be retained by ERC as reimbursement for its inhouse legal fees.

# 5. MODIFICATION OF CONSENT JUDGMENT

- 5.1 This Consent Judgment may be modified only (i) by written stipulation of the Parties or pursuant to Section 5.3 and (ii) upon entry by the Court of a modified consent judgment. The Attorney General shall be served with any such stipulations or motions to modify this Consent Judgment.
- 5.2 If any Party seeks to modify this Consent Judgment then that Party must provide written notice of its intent ("Notice of Intent"). The Parties shall meet and confer in good faith

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regarding the proposed modification in the Notice of Intent within thirty (30) days. Should it become necessary, the Parties may agree in writing to different deadlines for the meet and In the event that Zija initiates or otherwise requests a modification under confer period. Section 5.1, and the meet and confer process leads to a joint motion or application of the Consent Judgment, Zija shall reimburse ERC its costs and reasonable attorney's fees for the time spent in the meet-and-confer process and filing and arguing the motion or application.

5.3 Where the meet-and-confer process does not lead to a joint motion or an uncontested application in support of a modification of the Consent Judgment, then either Party may seek judicial relief on its own. In such a situation, the prevailing party may seek to recover costs and reasonable attorney's fees. As used in the preceding sentence, the term "prevailing party" means a party who is successful in obtaining relief more favorable to it than the relief that the other party was amenable to providing during the Parties' good faith attempt to resolve the dispute that is the subject of the modification.

# RETENTION OF JURISDICTION, ENFORCEMENT OF CONSENT **JUDGMENT**

- This Court shall retain jurisdiction of this matter to enforce, modify or 6.1 terminate this Consent Judgment.
- If ERC alleges that any Covered Product fails to qualify as a Reformulated 6.2 Covered Product as determined under Section 3 and ERC alleges that no warning has been provided, then ERC shall inform Zija in a reasonably prompt manner of its test results, including information sufficient to permit Zija to identify the Covered Products at issue. Zija shall, within thirty days following such notice, provide ERC with testing information meeting the requirements of Sections 3.4.1 and 3.4.2 demonstrating Defendant's compliance with the Consent Judgment, if warranted. The Parties shall first attempt to resolve the matter prior to ERC taking any further legal action.

#### APPLICATION OF CONSENT JUDGMENT 7.

This Consent Judgment may apply to, be binding upon, and benefit the Parties and their

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respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers (excluding private labelers), distributors, wholesalers, retailers, predecessors, successors, and assigns. This Consent Judgment shall have no application to Covered Products which are distributed or sold outside the State of California and which are not used by California consumers.

### 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 Zija, of any alleged violation of Proposition 65 or its implementing regulations for failure to provide Proposition 65 warnings of exposure to lead from the handling, use, or consumption of the Covered Products and fully resolves all claims that have been or could have been asserted in the Notice and Complaint up to and including the Effective Date for failure to provide Proposition 65 warnings for the Covered Products. ERC, on behalf of itself and in the public interest, hereby releases and discharges Zija and its respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, suppliers, franchisees, licensees, customers (not including private label customers of Zija), distributors, wholesalers, retailers, and all other upstream and downstream entities in the distribution chain of any Covered Product, and the predecessors, successors and assigns of any of them (collectively, "Released Parties"), from any and all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs and expenses asserted, or that could have been asserted in the Notice and Complaint, as to any alleged violation of Proposition 65 arising from the failure to provide Proposition 65 warnings on the Covered Products regarding lead.
- 8.2 ERC on its own behalf only, on one hand, and Zija on its own behalf only, on the other, further waive and release any and all claims they may have against each other for all actions or statements made or undertaken in the course of seeking or opposing enforcement of Proposition 65 in connection with the Notice or Complaint up through and including the Effective Date, provided, however, that nothing in Section 8 shall affect or limit any Party's

right to seek to enforce the terms of this Consent Judgment.

It is possible that other claims not known to ERC arising out of the facts 8.3 alleged in the Notice or the Complaint and relating to the Covered Products will develop or be ERC on behalf of itself only, on one hand, and Zija, on the other hand, acknowledge that this Consent Judgment is expressly intended to cover and include all such claims up through the Effective Date, including all rights of action therefore. ERC and Zija acknowledge that the claims released in Sections 8.1 and 8.2 above may include unknown claims, and nevertheless waive 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.

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ERC on behalf of itself only, on the one hand, and Zija, on the other hand, acknowledge and understand the significance and consequences of this specific waiver of California Civil Code section 1542.

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Compliance with the terms of this Consent Judgment by Defendant shall be 8.4 deemed to constitute compliance with Proposition 65 by any Released Party regarding alleged exposures to lead in the Covered Products as set forth in the Notice and the Complaint.

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8.5 Nothing in this Consent Judgment is intended to apply to any occupational or environmental exposures arising under Proposition 65, nor shall it apply to any of Zija's products other than the Covered Products.

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#### 9. SEVERABILITY OF UNENFORCEABLE PROVISIONS

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

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#### 10. **GOVERNING LAW**

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The terms and conditions of this Consent Judgment shall be governed by and construed in

1 accordance with the laws of the State of California. 2 PROVISION OF NOTICE 3 All notices required to be given to either Party to this Consent Judgment by the other shall 4 be in writing and sent to the following agents listed below by: (a) first-class, registered, or certified 5 mail; (b) overnight courier; or (c) personal delivery. Courtesy copies via email may also be sent. 6 FOR ENVIRONMENTAL RESEARCH CENTER: 7 Chris Heptinstall, Executive Director, Environmental Research Center 8 3111 Camino Del Rio North, Suite 400 9 San Diego, CA 92108 10 Tel: (619) 500-3090 11 Email: chris erc501c3@yahoo.com 12 With a copy to: 13 WILLIAM F. WRAITH SBN 185927 14 WRAITH LAW 15 16485 Laguna Canyon Rd., Suite 250 16 Irvine, California 92618 17 Tel: (949) 251-9977 18 Fax: (949) 251-9978. 19 FOR ZIJA INTERNATIONAL, INC. 20 Brent F. Ashworth General Counsel 21 Zija International, Inc. 22 3300 North Ashton Blvd. Suite 100 23 Lehi, UT 84043 24 25 With a copy to: 26

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STIPULATED CONSENT JUDGMENT; [PROPOSED] ORDER

CASE NO. BC528052

ACTIVE 203752405v.1

1	Judith Praitis (SBN 151303)
2	Amy P. Lally (SBN 198555)
3	SIDLEY AUSTIN LLP
4	555 West Fifth Street, Suite 4000
5	Los Angeles, California 90013-1010
6	Telephone: (213)896-6000
7	Facsimile: (213) 896-6600.
8	12. COURT APPROVAL
9	12.1 Upon execution of this Consent Judgment by the Parties, ERC shall notice a
10	Motion for Court Approval. ERC shall comply with the reporting requirements of Proposition
11	65.
12	12.2 If this Stipulated Consent Judgment is not approved by the Court, it shall be
13	void and have no force or effect.
14	13. EXECUTION AND COUNTERPARTS
15	This Consent Judgment may be executed in counterparts, which taken together shall be
16	deemed to constitute one document. A facsimile or .pdf signature shall be construed as valid as
17	the original signature.

DRAFTING

The terms of this Consent Judgment have been reviewed by the respective counsel for each Party prior to its signing, and each Party has had an opportunity to fully discuss the terms with counsel. The Parties agree that, in any subsequent interpretation and construction of this Consent Judgment entered thereon, the terms and provisions shall not be construed against any Party.

# GOOD FAITH ATTEMPT TO RESOLVE DISPUTES

If a dispute arises with respect to either Party's compliance with the terms of this Consent Judgment entered by the Court, the Parties shall meet in person or by telephone and endeavor to resolve the dispute in an amicable manner. No action or motion may be filed in the absence of such a good faith attempt to resolve the dispute beforehand. In the event an action or motion is

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filed, however, the prevailing party may seek to recover costs and reasonable attorney's fees. As used in the preceding sentence, the term "prevailing party" means a party who is successful in obtaining relief more favorable to it than the relief that the other party was amenable to providing during the Parties' good faith attempt to resolve the dispute that is the subject of such enforcement action.

# 16. ENTIRE AGREEMENT, AUTHORIZATION

- 16.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter herein, and any and all prior discussions, negotiations, commitments and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party. No other agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to exist or to bind any Party.
- 16.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the Party he or she represents to stipulate to this Consent Judgment. Except as explicitly provided herein, each Party shall bear its own fees and costs.

IT IS SO STIPULATED:

Dated:	ENVIRONMENTAL RESEARCH CENTER By:
Dated:, 2014	ZIJA INTERNATIONAL, INC.
	By: Its:

filed, however, the prevailing party may seek to recover costs and reasonable attorney's fees. As used in the preceding sentence, the term "prevailing party" means a party who is successful in obtaining relief more favorable to it than the relief that the other party was amenable to providing during the Parties' good faith attempt to resolve the dispute that is the subject of such enforcement action. ENTIRE AGREEMENT, AUTHORIZATION 16.

- This Consent Judgment contains the sole and entire agreement and 16.1 understanding of the Parties with respect to the entire subject matter herein, and any and all prior discussions, negotiations, commitments and understandings related hereto. representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party. No other agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to exist or to bind any Party.
- 16.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the Party he or she represents to stipulate to this Consent Judgment. Except as explicitly provided herein, each Party shall bear its own fees and costs.

IT IS SO STIPULATED:

Dated:, 2014	ENVIRONMENTAL RESEARCH CENTER
	By:
Dated: 30 6 43, 2014	By: Performational, INC.  By: Performational, INC.

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1	APPROVED AS TO FORM:	
2	Dated: 10/31, 2014	WRAITHLAW
3		By: Main
4		William F. Wraith Attorney for Environmental Research
5		Center
6	Dated:, 2014	SIDLEY AUSTIN LLP
7		By:
8		Amy P. Lally Attorneys for Zija International, Inc.
9		Attorneys for Eija international, inc.
10		
11	9	ORDER AND JUDGMENT
12	Based upon the Parties' Stipulation, and good cause appearing therefor, this Consent	
13	Judgment is approved and Judgment is hereby entered according to its terms.	
14	IT IS SO ORDERED, ADJUDGE	D AND DECREED.
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16	Dated:, 2014	
17		Judge of the Superior Court
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28	STIPULATED CONSENT JUDGMENT; [	PROPOSED] ORDER CASE NO. BC528052
20	ACTIVE 203752405v.1	14 .
- 1	MC 11 VE 203/32403V.1	

1	APPROVED AS TO FORM:	•
2	Dated:, 2014	WRAITH LAW
3		By:  William F. Wraith  Attorney for Environmental Research
5	10/30/	Center
6	Dated: $\frac{10/30}{,2014}$	SIDLEY AUSTIN LLP
7		By: Jugath Praitis
8		Amy P. Lally Attorneys for Zija International, Inc.
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12		AND JUDGMENT
13		on, and good cause appearing therefor, this Consent
14	Judgment is approved and Judgment is here	
15	IT IS SO ORDERED, ADJUDGED AND	DECREED.
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16	Dated: FEB 26, 2012	GREGORY W. ALARCON
16 17	Dated: F63 26, 2014	Judge of the Superior Court
	Dated: FG 26, 2012	
17	Dated: FG 26, 2012	
17 18	Dated: FB 26, 2012	
17 18 19	Dated: FG 26, 2014	
17 18 19 20	Dated: FG 26, 2012	
17 18 19 20 21	Dated: FG 26, 2014	
17 18 19 20 21 22	Dated: FG 26, 2012	
17 18 19 20 21 22 23	Dated: FG 26, 2014	
17 18 19 20 21 22 23 24	Dated: F33 26, 2012	
17 18 19 20 21 22 23 24 25	Dated: FG 26, 2014	

ACTIVE 203752405v.1

### **WRAITH LAW**

16485 LAGUNA CANYON ROAD SUITE 250 IRVINE, CALIFORNIA 92618 Tel (949) 251-9977 Fax (949) 251-9978

September 13, 2013

### NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE SECTION 25249.5 ET SEQ. (PROPOSITION 65)

Dear Alleged Violator and the Appropriate Public Enforcement Agencies:

I represent Environmental Research Center ("ERC"), 3111 Camino Del Rio North, San Diego, CA 92108; Tel. (619) 500-3090. ERC's Executive Director is Chris Heptinstall. ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

ERC has identified violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), which is codified at California Health & Safety Code §25249.5 et seq., with respect to the products identified below. These violations have occurred and continue to occur because the alleged Violator identified below failed to provide required clear and reasonable warnings with these products. This letter serves as a notice of these violations to the alleged Violator and the appropriate public enforcement agencies. Pursuant to Section 25249.7(d) of the statute, ERC intends to file a private enforcement action in the public interest 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.

General Information about Proposition 65. A copy of a summary of Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, is attached with the copy of this letter served to the alleged Violator identified below.

Alleged Violator. The name of the company covered by this notice that violated Proposition 65 (hereinafter the "Violator") is:

Zija International, Inc.

<u>Consumer Products and Listed Chemicals</u>. The products that are the subject of this notice and the chemical in those products identified as exceeding allowable levels are:

Zija International Inc. Moringa SmartMix - Lead

Zija International Inc. Pr1me90 Dutch Chocolate - Lead

Zija International Inc. Pr1me90 Vanilla Bean - Lead

Zija International Inc. XM3 - Lead

Notice of Violations of California Health & Safety Code §25249.5 *et seq*. September 13, 2013 Page 2

Zija International Inc. XM+ - Lead Zija International Inc. Moringa SuperMix - Lead

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

It should be noted that ERC may continue to investigate other products that may reveal further violations and result in subsequent notices of violations.

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. Consequently, the primary route of exposure to these chemicals has been and continues to be through ingestion, but may have also occurred and may continue to occur through inhalation and/or dermal contact.

Approximate Time Period of Violations. Ongoing violations have occurred every day since at least September 13, 2010, as well as every day since the products were introduced into the California marketplace, and will continue every day until clear and reasonable warnings are provided to product purchasers and users or until these known toxic chemicals are either removed from or reduced to allowable levels in the products. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemicals. The method of warning should be a warning that appears on the product label. The Violator violated Proposition 65 because it failed to provide persons handling and/or using these products with appropriate warnings that they are being exposed to these chemicals.

Consistent with the public interest goals of Proposition 65 and a desire to have these ongoing violations of California law quickly rectified, ERC is interested in seeking a constructive resolution of this matter that includes an enforceable written agreement by the Violator to: (1) reformulate the identified products so as to eliminate further exposures to the identified chemicals, or provide appropriate warnings on the labels of these products; and (2) pay an appropriate civil penalty. Such a resolution will prevent further unwarned consumer exposures to the identified chemicals, as well as an expensive and time consuming litigation.

ERC has retained me as legal counsel in connection with this matter. Please direct all communications regarding this Notice of Violations to my attention at the law office address and telephone number indicated on the letterhead.

Sincerely,

William F. Wraith

Attachments

Certificate of Merit Certificate of Service

OEHHA Summary (to Zija International Inc. and its Registered Agent for Service of Process only) Additional Supporting Information for Certificate of Merit (to AG only)

Notice of Violations of California Health & Safety Code §25249.5 *et seq*. September 13, 2013 Page 3

### **CERTIFICATE OF MERIT**

Re: Environmental Research Center's Notice of Proposition 65 Violations by Zija International, Inc.

I, William F. Wraith, declare:

- 1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged the parties identified in the notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
  - 2. I am an attorney for the noticing party.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemicals that are the subject of the notice.
- 4. Based on the information obtained through those consultants, and on other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged Violator will be able to establish any of the affirmative defenses set forth in the statute.
- 5. Along with the copy of this Certificate of Merit served on the Attorney General is attached additional factual information sufficient to establish the basis for this certificate, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Dated: September 13, 2013

William F Wraith

Villian Falaith

Notice of Violations of California Health & Safety Code §25249.5 et seq. September 13, 2013 Page 4

### **CERTIFICATE OF SERVICE**

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

I am a citizen of the United States, over the age of 18 years of age, and am not a party to the within entitled action. My business address is 306 Joy Street, Fort Oglethorpe, Georgia 30742. I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail at Fort Oglethorpe, Georgia.

On September 13, 2013, I served the following documents: NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; "THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY" on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to the party listed below and depositing it at a U.S. Postal Service Office with the postage fully prepaid for delivery by Certified Mail:

President or CEO Zija International, Inc. 3300 N Ashton Blvd Suite 100 Lehi, Utah 84043 Rodney Larsen (Registered Agent for Zija International, Inc.) 3300 N Ashton Blvd Suite 100 Lehi, Utah 84043

President or CEO Zija International, Inc. 382 S 400 West Lindon, Utah 84042

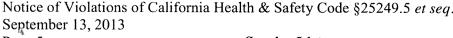
On September 13, 2013, I electronically served the following documents: NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE §25249.7(d)(1) on the following party by uploading a true and correct copy thereof on the California Attorney General's website, which can be accessed at https://oag.ca.gov/prop65/add-60-day-notice:

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

On September 13, 2013, 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 at a U.S. Postal Service Office with the postage fully prepaid for delivery by Priority Mail.

Executed on September 13, 2013, in Fort Oglethorpe, Georgia.

Tiffany Capehart



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**Service List** 

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

District Attorney, Lake County 255 N. Forbes Street Lakeport, CA 95453

District Attorney, Lassen County 220 South Lassen Street, Ste. 8 Susanville, CA 96130 District Attorney, Los Angeles County 210 West Temple Street, Suite 18000 Los Angeles, CA 90012

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

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

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

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

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

District Attorney, Modoc County 204 S Court Street, Room 202 Alturas, CA 96101-4020

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

District Attorney, Monterey County Post Office Box 1131 Salinas, CA 93902

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

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

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

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

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

District Attorney, Riverside County 3960 Orange Street Riverside, CA 92501

District Attorney, Sacramento County 901 "G" Street Sacramento, CA 95814

District Attorney, San Benito County 419 Fourth Street, 2<sup>nd</sup> Floor Hollister, CA 95023

District Attorney, San Bernardino County 316 N. Mountain View Avenue San Bernardino, CA 92415-0004 District Attorney, San Diego County 330 West Broadway, Suite 1300 San Diego, CA 92101

District Attorney, San Francisco County 850 Bryant Street, Suite 322 San Francsico, CA 94103

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

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

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

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

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

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

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

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

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

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

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

District Attorney, Stanislaus County 832 12<sup>th</sup> Street, Ste 300 Modesto, CA 95354

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

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

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

District Attorney, Tulare County 221 S. Mooney Blvd., Room 224 Visalia, CA 93291 District Attorney, Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney, Ventura County 800 South Victoria Ave, Suite 314 Ventura, CA 93009

District Attorney, Yolo County 301 2<sup>nd</sup> Street Woodland, CA 95695

District Attorney, Yuba County 215 Fifth Street, Suite 152 Marysville, CA 95901

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

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

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

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

### 1 PROOF OF SERVICE 2 I, William F. Wraith, am an active member of the State Bar of California and not a party to this action. I am a resident or employed in the county where the mailing took place. My 3 business address is 24422 Avenida de la Carlota, Suite 400, Laguna Hills, CA 92653. 4 On March 10, 2015, I served the foregoing documents described as: 5 NOTICE OF ENTRY OF JUDGMENT 6 on the following interested parties in this action in the manner identified below: 7 Judith Praitis, Esq. Amy P. Lally, Esq. 8 Sidley Austin LLP 9 555 West Fifth Street. Suite 4000 Los Angeles, California 90013-1010 10 Attorneys for Defendant Zija International, Inc. 11 BY MAIL - COLLECTION: I placed the envelope for collection and mailing 12 [X]following this business's ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the 13 ordinary course of business with the United States Postal Service in a sealed envelope 14 with postage fully prepaid. 15 I declare under penalty of perjury under the laws of the State of California that the above is true 16 and correct. Executed on March 10, 2015 at Laguna Hills, California. 17 18 William Falaith 19 20 William F. Wraith 21 22 23 24 25 26 27 28