

ENDORSED
FILED
ALAMEDA COUNTY

JUL 28 2020

CLERK OF THE SUPERIOR COURT
By SHARON BECERRA Deputy

Michael Freund SBN 99687
Michael Freund & Associates
1919 Addison Street, Suite 105
Berkeley, CA 94704
Telephone: (510) 540-1992
Email: freund1@aol.com

Attorney for Plaintiff Environmental Research Center, Inc.

Willis. M Wagner SBN 310900
Greenberg Traurig, LLP
1201 K St, Ste 1100
Sacramento, CA 95814
Telephone: (916) 868-0655
Email: wagnerw@gtlaw.com

Attorney for Defendant Redefine Nutrition, LLC., individually and dba
FINAFLEX

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ALAMEDA

ENVIRONMENTAL RESEARCH
CENTER, INC., a California non-profit
corporation

Plaintiff,

vs.

REDEFINE NUTRITION, LLC,
individually and dba FINAFLEX; and
DOES 1-100

Defendants.

CASE NO. RG20060598

STIPULATED CONSENT
JUDGMENT

Health & Safety Code § 25249.5 *et seq.*

Action Filed: May 11, 2020
Trial Date: None set

1. INTRODUCTION

1.1 On May 11, 2020, Plaintiff Environmental Research Center, Inc. ("ERC"), a non-profit corporation, as a private enforcer and in the public interest, initiated this action by filing a Complaint for Injunctive and Declaratory Relief and Civil Penalties (the "Complaint") pursuant to the provisions of California Health and Safety Code section 25249.5 *et seq.*

1 ("Proposition 65"), against Redefine Nutrition, LLC., individually and dba FINAFLEX
2 ("Redefine Nutrition" or "Redefine") and Does 1-100. In this action, ERC alleges that a
3 number of products manufactured, distributed, or sold by Redefine Nutrition contain lead, a
4 chemical listed under Proposition 65 as a carcinogen and reproductive toxin, and expose
5 consumers to this chemical at a level requiring a Proposition 65 warning. These products
6 (referred to hereinafter individually as a "Covered Product" or collectively as "Covered
7 Products") are: (1) Finaflex 100% Keto Food Ketogenic Meal Replacement Shake Key Lime
8 Pie, (2) Finaflex Flex Ultimate Joint Support Formula, (3) Finaflex Stimul8 Loaded Ultimate
9 Complete Pre-Workout Peach Mango Twister, (4) Finaflex 100% Keto Food Ketogenic Meal
10 Replacement Shake Vanilla Caramel, and (5) Finaflex Total Mass Premier Weight Gainer
11 Drink Mix Vanilla.

12 **1.2** ERC and Redefine Nutrition are hereinafter referred to individually as a "Party"
13 or collectively as the "Parties."

14 **1.3** ERC is a 501 (c)(3) California non-profit corporation dedicated to, among other
15 causes, helping safeguard the public from health hazards by reducing the use and misuse of
16 hazardous and toxic chemicals, facilitating a safe environment for consumers and employees,
17 and encouraging corporate responsibility.

18 **1.4** For purposes of this Consent Judgment, the Parties agree that Redefine Nutrition is
19 a business entity that has employed ten or more persons at all times relevant to this action, and
20 qualifies as a "person in the course of doing business" within the meaning of Proposition 65.
21 Redefine Nutrition manufactures, distributes, and/or sells the Covered Products.

22 **1.5** The Complaint is based on allegations contained in ERC's Notice of Violation
23 dated January 30, 2020 that was served on the California Attorney General, other public
24 enforcers, and Redefine Nutrition ("Notice"). A true and correct copy of the 60-Day Notice
25 dated January 30, 2020 is attached hereto as **Exhibit A** and incorporated herein by reference.
26 More than 60 days have passed since the Notice was served on the Attorney General, public
27 enforcers, and Redefine Nutrition and no designated governmental entity has filed a Complaint
28 against Redefine Nutrition with regard to the Covered Products or the alleged violations.

1 1.6 ERC's Notice and Complaint allege that use of the Covered Products exposes
2 persons in California to lead without first providing clear and reasonable warnings in violation
3 of California Health and Safety Code section 25249.6. Redefine Nutrition denies all material
4 allegations contained in the Notice and Complaint.

5 1.7 The Parties have entered into this Consent Judgment in order to settle,
6 compromise, and resolve disputed claims and thus avoid prolonged and costly litigation.
7 Nothing in this Consent Judgment nor compliance with this Consent Judgment shall constitute
8 or be construed as an admission by any of the Parties or by any of their respective officers,
9 directors, shareholders, employees, agents, parent companies, subsidiaries, divisions,
10 franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers of any fact,
11 issue of law, or violation of law.

12 1.8 Except as expressly set forth herein, nothing in this Consent Judgment shall
13 prejudice, waive, or impair any right, remedy, argument, or defense the Parties may have in
14 any current or future legal proceeding unrelated to these proceedings.

15 1.9 The Effective Date of this Consent Judgment is the date on which it is entered
16 as a Judgment by this Court.

17 **2. JURISDICTION AND VENUE**

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

25 **3. INJUNCTIVE RELIEF, REFORMULATION, TESTING AND WARNINGS**

26 3.1 Beginning on the Effective Date, Redefine Nutrition shall be enjoined from
27 manufacturing for sale in the State of California, "Distributing into the State of California," or
28 directly selling in the State of California, any Covered Product that exposes a person to a

1 "Daily Lead Exposure Level" of more than 0.5 micrograms of lead per day unless it meets the
2 warning requirements under Section 3.2.

3 **3.1.1** As used in this Consent Judgment, the term "Distributing into the State of
4 California" or "Distributed into the State of California" shall mean to directly ship a Covered
5 Product into California for sale in California or to sell a Covered Product to a distributor that
6 Redefine Nutrition knows or has reason to know will sell the Covered Product in California.

7 **3.1.2** So long as Redefine can provide documentation, if requested in writing by
8 ERC, Covered Products manufactured and not in the possession or under the control of Redefine
9 on or prior to the Effective Date, or that have been shipped or Distributed into the State of
10 California by Redefine prior to the Effective Date, are not bound by the injunctive terms set forth
11 in this Section 3, including but not limited to the Daily Lead Exposure Level and Warning and
12 Testing Requirements, and are instead permitted to be sold as is to California consumers and are
13 expressly released by Section 8.

14 **3.1.3** For purposes of this Consent Judgment, the "Daily Lead Exposure
15 Level" shall be measured in micrograms, and shall be calculated using the following formula:
16 micrograms of lead per gram of product, multiplied by grams of product per serving of the
17 product (using the largest serving size appearing on the product label), multiplied by servings
18 of the product per day (using the largest number of recommended daily servings appearing on
19 the label), which equals micrograms of lead exposure per day, excluding, pursuant to Section
20 3.1.4, amounts of allowances of lead in the ingredients listed in **Table 1** below. If the label
21 contains no recommended daily servings, then the number of recommended daily servings
22 shall be one.

23 **3.1.4** In calculating the Daily Lead Exposure Level for a Covered Product,
24 Redefine shall be allowed to deduct the amount of lead that is deemed "naturally occurring" in
25 any ingredient listed in **Table 1** that is contained in that Covered Product under the following
26 conditions: For each year that Redefine claims entitlement to a "naturally occurring" allowance,
27 Redefine shall provide ERC with the following information: (a) Redefine must produce to ERC a
28 list of each ingredient in the Covered Product for which a "naturally occurring" allowance is

1 claimed; (b) Redefine must provide ERC with documentation of laboratory testing that complies
2 with Sections 3.4.3 and 3.4.4 and that shows the amount of lead, if any, contained in any
3 ingredient listed in **Table 1** that is contained in the Covered Product and for which Redefine
4 intends to deduct "naturally occurring" lead; (c) If the laboratory testing reveals the presence of
5 lead in any ingredient listed in **Table 1** that is contained in the Covered Product, Redefine shall
6 be entitled to deduct up to the full amount of the allowance for that ingredient, as listed in **Table**
7 **1**, but not to exceed the total amount of lead actually contained in that ingredient in the Covered
8 Product; and (d) If the Covered Product does not contain an ingredient listed in **Table 1**,
9 Redefine shall not be entitled to a deduction for "naturally occurring" lead in the Covered
10 Product for that ingredient. The information required by Sections 3.1.4 (a) and (b) shall be
11 provided to ERC within thirty (30) days of the Effective Date or anniversary thereof for any year
12 that Redefine shall claim entitlement to the "naturally occurring" allowance.

13 **TABLE 1**

14 INGREDIENT	ALLOWANCES OF AMOUNT OF LEAD
15 Calcium (Elemental)	Up to 0.8 micrograms/gram
16 Ferrous Fumarate	Up to 0.4 micrograms/gram
17 Zinc Oxide	Up to 8.0 micrograms/gram
18 Magnesium Oxide	Up to 0.4 micrograms/gram
19 Magnesium Carbonate	Up to 0.332 micrograms/gram
20 Magnesium Hydroxide	Up to 0.4 micrograms/gram
21 Zinc Gluconate	Up to 0.8 micrograms/gram
22 Potassium Chloride	Up to 1.1 micrograms/gram
23 Cocoa-powder	Up to 1.0 micrograms/gram

25
26 **3.2 Clear and Reasonable Warnings**

27 If Redefine Nutrition is required to provide a warning pursuant to Section 3.1, the
28 following warning must be utilized ("Warning"):

1 **WARNING:** Consuming this product can expose you to chemicals including [lead] which
2 is [are] known to the State of California to cause [cancer and] birth defects or other
3 reproductive harm. For more information go to www.P65Warnings.ca.gov/food.

4 Redefine Nutrition shall use the phrase “cancer and” in the Warning if Redefine Nutrition
5 has reason to believe that the the “Daily Lead Exposure Level” is greater than 15 micrograms of
6 lead as determined pursuant to the quality control methodology set forth in Section 3.4 or if
7 Redefine Nutrition has reason to believe that another Proposition 65 chemical is present in an
8 amount requiring a cancer warning. As identified in the brackets, the Warning shall reflect at least
9 one Proposition 65 substance for each end point (cancer and/or reproductive harm) that is present
10 in each of the Covered Products.

11 The Warning shall be securely affixed to or printed upon the container or label of each
12 Covered Product. In addition, the Warning may be provided either (1) via a leaflet, containing
13 only the Warning and an identification of the associated Covered Product(s) (a representation
14 on a leaflet that all products in a shipment are associated with the Warning is compliant with
15 this Consent Judgment so long as all products in the shipment would require a Warning), with
16 each online order of Covered Product shipped into California, or (2) by a product-specific
17 Warning provided on a shelf tag, for the Covered Product at each point of display of the
18 product in brick and mortar locations. If the Warning is provided on the label, it must be set
19 off from other surrounding information and enclosed in a box and must be securely affixed
20 using adhesives or printed upon the label. In addition, for any Covered Product sold over the
21 internet to a California address, the Warning shall appear on the product’s primary display
22 page or checkout page. If the Warning is provided on the checkout page, it must be clearly
23 linked to the Covered Product by use of an asterisk or other identifying method. If the Warning
24 is provided on the product’s primary display page, it must be inserted either directly onto the
25 product’s primary display page or with a conspicuous hyperlink stating “**WARNING**” in all
26 capital and bold letters so long as the hyperlink goes directly to a page prominently displaying
27 the Warning without content that detracts from the Warning. Given Redefine’s lack of control
28 over third-party websites, the online warning requirements expressed in this Section apply only

1 to Covered Products sold through Redefine's website so long as Redefine complies with the
2 requirements of 27 CCR 25600.2 (in effect on the date of entry of this Consent Judgment).

3 The Warning shall be at least the same size as the largest of any other health or safety
4 warnings also appearing on Redefine's website or on the label or container of Redefine
5 Nutrition's product packaging and the word "**WARNING**" shall be in all capital letters and in
6 bold print. No statements intended to or likely to have the effect of diminishing the impact of the
7 Warning on the average lay person shall accompany the Warning. Further, no statements may
8 accompany the Warning that state or imply that the source of the listed chemical has an impact on
9 or results in a less harmful effect of the listed chemical.

10 Redefine Nutrition must display the above Warning with such conspicuousness, as
11 compared with other words, statements or designs on the label or container, or on its website,
12 leaflets and shelf tags, if applicable, to render the Warning likely to be read and understood by an
13 ordinary individual under customary conditions of purchase or use of the product.

14 **3.3 Conforming Covered Products**

15 A Conforming Covered Product is a Covered Product for which the "Daily Lead Exposure
16 Level" is no greater than 0.5 micrograms of lead per day as determined by the quality control
17 methodology described in Section 3.4.

18 **3.4 Testing and Quality Control Methodology**

19 **3.4.1** Beginning within one year of the Effective Date, Redefine Nutrition
20 shall arrange for lead testing of the Covered Products at least once a year for a minimum of
21 four consecutive years by arranging for testing of at least one randomly selected sample of
22 each of the Covered Products, in the form intended for sale to the end-user, which Redefine
23 Nutrition intends to sell or is manufacturing for sale in California, directly selling to a
24 consumer in California or "Distributing into the State of California." If tests conducted
25 pursuant to this Section demonstrate that no Warning is required for a Covered Product during
26 each of four consecutive years, then the testing requirements of this Section will no longer be
27 required as to that Covered Product.

28 **3.4.2** For purposes of measuring the "Daily Lead Exposure Level," the highest

1 lead detection result of the randomly selected sample of the Covered Product will be
2 controlling.

3 **3.4.3** All testing pursuant to this Consent Judgment shall be performed using a
4 laboratory method that complies with the performance and quality control factors appropriate
5 for the method used, including limit of detection, qualification, accuracy, and precision that
6 meets the following criteria: Inductively Coupled Plasma-Mass Spectrometry ("ICP-MS")
7 achieving a limit of quantification of less than or equal to 0.010 mg/kg.

8 **3.4.4** All testing pursuant to this Consent Judgment shall be performed by an
9 independent third party laboratory certified by the California Environmental Laboratory
10 Accreditation Program or an independent third-party laboratory that is registered with the
11 United States Food & Drug Administration.

12 **3.4.5** Nothing in this Consent Judgment shall limit Redefine Nutrition's
13 ability to conduct, or require that others conduct, additional testing of the Covered Products,
14 including the raw materials used in their manufacture.

15 **3.4.6** Within thirty (30) days of ERC's written request, Redefine Nutrition
16 shall deliver lab reports obtained pursuant to Section 3.4 to ERC. Redefine Nutrition shall
17 retain all test results and documentation for a period of three years from the date of each test.
18 ERC shall treat all documents provided by Redefine pursuant to this Section as confidential.

19 **3.4.7** The testing requirements of Section 3.4 do not apply to any Covered
20 Product Distributed into the State of California for which Redefine has provided the Warning
21 specified in Section 3.2 in a continuous and uninterrupted fashion since the Effective Date.
22 However, in the event Redefine ceases to provide the Warning specified in Section 3.2 as to a
23 particular Covered Product, Redefine shall be required to comply with the testing requirements
24 of this Section as to that Covered Product beginning immediately after the date the Warning
25 ceases to be provided or one year after the Effective Date, whichever date is later.

26 **3.4.8** During each yearly testing period required by Section 3.4.1, when the
27 required randomly selected testing for a Covered Product results in a "Daily Lead Exposure
28 Level" that is more than 0.5 micrograms of lead per day, Redefine shall have the right to test

1 other lots of that Covered Product, from which lots no randomly selected samples were tested
2 pursuant to Section 3.4.1, to determine if those lots may be excepted from the Warning
3 requirements of Section 3.2 during that yearly testing period. For each such lot that is tested,
4 Redefine shall test at least two randomly selected samples of the Covered Product from that lot,
5 and the highest lead detection result will be controlling in determining the "Daily Lead Exposure
6 Level." Lots that result in a "Daily Lead Exposure Level" of less than .5 micrograms of lead
7 per day may be sold in California without a Warning, but all other lots shall require a Warning
8 compliant with Section 3.2.

9 **4. SETTLEMENT PAYMENT**

10 **4.1** In full satisfaction of all potential civil penalties, additional settlement
11 payments, attorney's fees, and costs, Redefine Nutrition shall make a total payment of
12 \$32,500.00 ("Total Settlement Amount") to ERC within 5 days of the Effective Date ("Due
13 Date"). Redefine Nutrition shall make this payment by wire transfer to ERC's account, for
14 which ERC will give Redefine Nutrition the necessary account information. The Total
15 Settlement Amount shall be apportioned as follows:

16 **4.2** \$5,000.00 shall be considered a civil penalty pursuant to California Health and
17 Safety Code section 25249.7(b)(1). ERC shall remit 75% (\$3,750.00) of the civil penalty to the
18 Office of Environmental Health Hazard Assessment ("OEHHA") for deposit in the Safe
19 Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety
20 Code section 25249.12(c). ERC will retain the remaining 25% (\$1,250.00) of the civil penalty.

21 **4.3** \$6,153.58 shall be distributed to ERC as reimbursement to ERC for reasonable
22 costs incurred in bringing this action.

23 **4.4** \$3,695.45 shall be distributed to ERC as an Additional Settlement Payment
24 ("ASP"), pursuant to California Code of Regulations, title 11, sections 3203, subdivision (d)
25 and 3204. ERC will utilize the ASP for activities that address the same public harm as
26 allegedly caused by Defendant in this matter. These activities are detailed below and support
27 ERC's overarching goal of reducing and/or eliminating hazardous and toxic chemicals in
28 dietary supplement products in California. ERC's activities have had, and will continue to

1 have, a direct and primary effect within the State of California because California consumers
2 will be benefitted by the reduction and/or elimination of exposure to lead in dietary
3 supplements and/or by providing clear and reasonable warnings to California consumers prior
4 to ingestion of the products.

5 Based on a review of past years' actual budgets, ERC is providing the following list of
6 activities ERC engages in to protect California consumers through Proposition 65 citizen
7 enforcement, along with a breakdown of how ASP funds will be utilized to facilitate those
8 activities: (1) ENFORCEMENT (65-80%): obtaining, shipping, analyzing, and testing dietary
9 supplement products that may contain lead and are sold to California consumers. This work
10 includes continued monitoring and enforcement of past consent judgments and settlements to
11 ensure companies are in compliance with their obligations thereunder, with a specific focus on
12 those judgments and settlements concerning lead. This work also includes investigation of new
13 companies that ERC does not obtain any recovery through settlement or judgment; (2)
14 VOLUNTARY COMPLIANCE PROGRAM (10-20%): maintaining ERC's Voluntary
15 Compliance Program by acquiring products from companies, developing and maintaining a
16 case file, testing products from these companies, providing the test results and supporting
17 documentation to the companies, and offering guidance in warning or implementing a self-
18 testing program for lead in dietary supplement products; and (3) "GOT LEAD" PROGRAM
19 (up to 5%): maintaining ERC's "Got Lead?" Program which reduces the numbers of
20 contaminated products that reach California consumers by providing access to free testing for
21 lead in dietary supplement products (Products submitted to the program are screened for
22 ingredients which are suspected to be contaminated, and then may be purchased by ERC,
23 catalogued, sent to a qualified laboratory for testing, and the results shared with the consumer
24 that submitted the product).

25 ERC shall be fully accountable in that it will maintain adequate records to document
26 and will be able to demonstrate how the ASP funds will be spent and can assure that the funds
27 are being spent only for the proper, designated purposes described in this Consent Judgment.
28 ERC shall provide the Attorney General, within thirty days of any request, copies of

1 documentation demonstrating how such funds have been spent.

2 **4.5** \$10,350.00 shall be distributed to Michael Freund as reimbursement of ERC's
3 attorney's fees, while \$7,300.97 shall be distributed to ERC for its in-house legal fees. Except
4 as explicitly provided herein, each Party shall bear its own fees and costs.

5 **4.6** In the event that Redefine Nutrition fails to remit the Total Settlement Amount
6 owed under Section 4 of this Consent Judgment on or before the Due Date, Redefine Nutrition
7 shall be deemed to be in material breach of its obligations under this Consent Judgment. ERC
8 shall provide written notice of the delinquency to Redefine Nutrition via electronic mail. If
9 Redefine Nutrition fails to deliver the Total Settlement Amount within five (5) days from the
10 date of its receipt of the written notice, the Total Settlement Amount shall accrue interest at the
11 statutory judgment interest rate provided in the California Code of Civil Procedure section
12 685.010. Additionally, Redefine Nutrition agrees to pay ERC's reasonable attorney's fees and
13 costs for any efforts to collect the payment due under this Consent Judgment.

14 **5. MODIFICATION OF CONSENT JUDGMENT**

15 **5.1** This Consent Judgment may be modified only as to injunctive terms (i) by
16 written stipulation of the Parties and upon entry by the Court of a modified consent judgment
17 or (ii) by motion of either Party pursuant to Section 5.3 and upon entry by the Court of a
18 modified consent judgment.

19 **5.2** If Redefine Nutrition seeks to modify this Consent Judgment under Section 5.1,
20 then Redefine Nutrition must provide written notice to ERC of its intent ("Notice of Intent"). If
21 ERC seeks to meet and confer regarding the proposed modification in the Notice of Intent, then
22 ERC must provide written notice to Redefine Nutrition within thirty (30) days of receiving the
23 Notice of Intent. If ERC notifies Redefine Nutrition in a timely manner of ERC's intent to
24 meet and confer, then the Parties shall meet and confer in good faith as required in this Section.
25 The Parties shall meet in person or via telephone within thirty (30) days of ERC's notification
26 of its intent to meet and confer. Within thirty (30) days of such meeting, if ERC disputes the
27 proposed modification, ERC shall provide to Redefine Nutrition a written basis for its position.
28 The Parties shall continue to meet and confer for an additional thirty (30) days in an effort to

1 resolve any remaining disputes. Should it become necessary, the Parties may agree in writing
2 to different deadlines for the meet-and-confer period.

3 **5.3** In the event that Redefine Nutrition initiates or otherwise requests a modification
4 under Section 5.1, and the meet and confer process leads to a joint motion or application for a
5 modification of the Consent Judgment, Redefine Nutrition shall reimburse ERC its costs and
6 reasonable attorney's fees for the time spent in the meet-and-confer process and filing and
7 arguing the motion or application.

8 **6. RETENTION OF JURISDICTION, ENFORCEMENT OF CONSENT**
9 **JUDGMENT**

10 **6.1** This Court shall retain jurisdiction of this matter to enforce, modify, or
11 terminate this Consent Judgment.

12 **6.2** If ERC alleges that any Covered Product fails to qualify as a Conforming
13 Covered Product (for which ERC alleges that no Warning has been provided), then ERC shall
14 inform Redefine Nutrition in a reasonably prompt manner of its test results, including
15 information sufficient to permit Redefine Nutrition to identify the Covered Products at issue.
16 Redefine Nutrition shall, within thirty (30) days following such notice, provide ERC with
17 testing information, from an independent third-party laboratory meeting the requirements of
18 Sections 3.4.3 and 3.4.4, demonstrating Redefine Nutrition's compliance with the Consent
19 Judgment. The Parties shall first attempt to resolve the matter prior to ERC taking any further
20 legal action.

21 **7. APPLICATION OF CONSENT JUDGMENT**

22 This Consent Judgment may apply to, be binding upon, and benefit the Parties and their
23 respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries,
24 divisions, franchisees, licensees, customers (excluding private labelers), distributors, wholesalers,
25 retailers, predecessors, successors, and assigns. This Consent Judgment shall have no
26 application to any Covered Product that is distributed or sold exclusively outside the State of
27 California and that is not used by California consumers.

28 ///

1 **8. BINDING EFFECT, CLAIMS COVERED AND RELEASED**

2 **8.1** This Consent Judgment is a full, final, and binding resolution between ERC,
3 on behalf of itself and in the public interest, and Redefine Nutrition and its respective officers,
4 directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, suppliers,
5 franchisees, licensees, customers (not including private label customers of Redefine Nutrition),
6 distributors, wholesalers, retailers, and all other upstream and downstream entities in the
7 distribution chain of any Covered Product, and the predecessors, successors, and assigns of any
8 of them (collectively, "Released Parties"). ERC, on behalf of itself and in the public interest,
9 hereby fully releases and discharges the Released Parties from any and all claims, actions,
10 causes of action, suits, demands, liabilities, damages, penalties, fees, costs, and expenses
11 asserted, or that could have been asserted from the handling, use, or consumption of the
12 Covered Products, as to any alleged violation of Proposition 65 or its implementing regulations
13 arising from the failure to provide Proposition 65 warnings on the Covered Products placed in
14 the stream of commerce up to and including the Effective Date.

15 **8.2** ERC on its own behalf only, and Redefine Nutrition on its own behalf only,
16 further waive and release any and all claims they may have against each other for all actions or
17 statements made or undertaken in the course of seeking or opposing enforcement of
18 Proposition 65 in connection with the Notice and Complaint up through and including the
19 Effective Date, provided, however, that nothing in Section 8 shall affect or limit any Party's
20 right to seek to enforce the terms of this Consent Judgment.

21 **8.3** It is possible that other claims not known to the Parties, arising out of the facts
22 alleged in the Notice and Complaint, and relating to the Covered Products, will develop or be
23 discovered, including Covered Products that were sold and delivered to third-party distributors
24 and/or retailers, without a warning, prior to the Effective Date. ERC on behalf of itself only,
25 and Redefine Nutrition on behalf of itself only, acknowledge that this Consent Judgment is
26 expressly intended to cover and include all such claims up through and including the Effective
27 Date, including all rights of action arising therefrom. The Parties acknowledge that the claims
28 released in Sections 8.1 and 8.2 above may include unknown claims, and nevertheless waive

1 California Civil Code section 1542 as to any such unknown claims. California Civil Code
2 section 1542 reads as follows:

3 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
4 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
5 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE
6 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
7 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED
8 PARTY.

9 ERC on behalf of itself only, and Redefine Nutrition on behalf of itself only, acknowledge and
10 understand the significance and consequences of this specific waiver of California Civil Code
11 section 1542.

12 **8.4** Compliance with the terms of this Consent Judgment shall be deemed to
13 constitute compliance with Proposition 65 by any releasee regarding alleged exposures to lead
14 in the Covered Products as set forth in the Notice and Complaint.

15 **8.5** Nothing in this Consent Judgment is intended to apply to any of Redefine's
16 products other than the Covered Products.

17 **9. SEVERABILITY OF UNENFORCEABLE PROVISIONS**

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

21 **10. GOVERNING LAW**

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

24 **11. PROVISION OF NOTICE**

25 All notices required to be given to either Party to this Consent Judgment by the other shall
26 be in writing and sent to the following agents listed below via first-class mail or via electronic
27 mail where required. Courtesy copies via email may also be sent.

28 ///

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1 **FOR ENVIRONMENTAL RESEARCH CENTER, INC.:**

2 Chris Heptinstall, Executive Director, Environmental Research Center
3 3111 Camino Del Rio North, Suite 400
4 San Diego, CA 92108
5 Ph: (619) 500-3090
6 Email: chris.heptinstall@erc501c3.org

7 With a copy to:
8 Michael Freund
9 Michael Freund & Associates
10 1919 Addison Street, Suite 105
11 Berkeley, CA 94704
12 Ph: (510) 540-1992
13 Email: freund1@aol.com

14 **FOR REDEFINE NUTRITION, LLC, individually and dba FINAFLEX:**

15 Kyung Kim, CEO
16 Redefine Nutrition, LLC, dba FINAFLEX
17 3615 Francis Circle, Ste 100
18 Alpharetta, GA 30004
19 kim@finaflex.com

20 With a copy to:
21 Willis. M Wagner
22 Greenberg Traurig, LLP
23 1201 K St, Ste 1100
24 Sacramento, CA 95814
25 Ph: (916) 868-0655
26 Email: wagnerw@gtlaw.com

27 **12. COURT APPROVAL**

28 **12.1** Upon execution of this Consent Judgment by the Parties, ERC shall notice a
Motion for Court Approval. The Parties shall use their best efforts to support entry of this
Consent Judgment.

12.2 If the California Attorney General objects to any term in this Consent Judgment,
the Parties shall use their best efforts to resolve the concern in a timely manner, and if possible
prior to the hearing on the Motion for Court Approval.

12.3 If this Stipulated Consent Judgment is not approved by the Court, it shall be
void and have no force or effect.

///

1 **13. EXECUTION AND COUNTERPARTS**

2 This Consent Judgment may be executed in counterparts, which taken together shall be
3 deemed to constitute one document. A facsimile or .pdf signature shall be construed to be as valid
4 as the original signature.

5 **14. DRAFTING**

6 The terms of this Consent Judgment have been reviewed by the respective counsel for
7 each Party prior to its signing, and each Party has had an opportunity to fully discuss the terms
8 and conditions with legal counsel. The Parties agree that, in any subsequent interpretation and
9 construction of this Consent Judgment, no inference, assumption, or presumption shall be drawn,
10 and no provision of this Consent Judgment shall be construed against any Party, based on the fact
11 that one of the Parties and/or one of the Parties' legal counsel prepared and/or drafted all or any
12 portion of the Consent Judgment. It is conclusively presumed that all of the Parties participated
13 equally in the preparation and drafting of this Consent Judgment.

14 **15. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES**

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

19 **16. ENFORCEMENT**

20 ERC may, by motion or order to show cause before the Superior Court of Alameda
21 County, enforce the terms and conditions contained in this Consent Judgment. In any action
22 brought by ERC to enforce this Consent Judgment, ERC may seek whatever fines, costs,
23 penalties, or remedies as are provided by law for failure to comply with the Consent Judgment.
24 To the extent the failure to comply with the Consent Judgment constitutes a violation of
25 Proposition 65 or other laws, ERC shall not be limited to enforcement of this Consent
26 Judgment, but may seek in another action whatever fines, costs, penalties, or remedies as are
27 provided by law for failure to comply with Proposition 65 or other laws.
28 ///

17. ENTIRE AGREEMENT, AUTHORIZATION

17.1 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.

17.2 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.

18. REQUEST FOR FINDINGS, APPROVAL OF SETTLEMENT AND ENTRY OF CONSENT JUDGMENT

This Consent Judgment has come before the Court upon the request of the Parties. The Parties request the Court to fully review this Consent Judgment and, being fully informed regarding the matters which are the subject of this action, to:

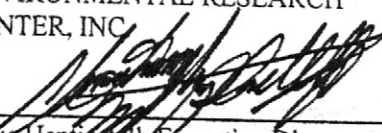
(1) Find that the terms and provisions of this Consent Judgment represent a fair and equitable settlement of all matters raised by the allegations of the Complaint that the matter has been diligently prosecuted, and that the public interest is served by such settlement; and

(2) Make the findings pursuant to California Health and Safety Code section 25249.7(f)(4), approve the Settlement, and approve this Consent Judgment.

IT IS SO STIPULATED:

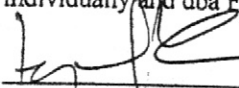
Dated: 5/19/, 2020

ENVIRONMENTAL RESEARCH
CENTER, INC.

By: 
Chris Hepfin, Executive Director

Dated: 5/29, 2020

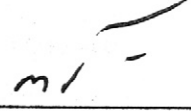
REDEFINE NUTRITION, LLC,
individually and dba FINAFLEX

By: 
BRYAN KRANTZ
Its: PRESIDENT

1 **APPROVED AS TO FORM:**

2
3 Dated: 5/29/, 2020

MICHAEL FREUND & ASSOCIATES

4
5 By: 
6 Michael Freund
7 Attorney for Environmental Research
8 Center, Inc.

9 Dated: May 29, 2020

GREENBERG TRAURIG LLP

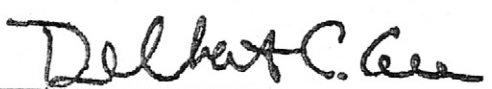
10
11 By: 
12 Willis M. Wagner
13 Attorney for Redefine Nutrition, LLC,
14 individually and dba FINAFLEX

15 **ORDER AND JUDGMENT**

16 Based upon the Parties' Stipulation, and good cause appearing, this Consent Judgment is
17 approved and Judgment is hereby entered according to its terms.

18 IT IS SO ORDERED, ADJUDGED AND DECREED.

19
20 Dated: JUL 28 2020

 
Judge of the Superior Court

21
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23 JUDGE DELBERT C. GEE
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EXHIBIT A

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Michael Freund & Associates

1919 Addison Street, Suite 105
Berkeley, CA 94704
Voice: 510.540.1992 • Fax: 510.371.0885

Michael Freund, Esq.

January 30, 2020

**NOTICE OF VIOLATION 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, Inc. ("ERC"), 3111 Camino Del Rio North, Suite 400, 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 Health and Safety Code Section 25249.7(d), 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 enclosed with 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:

Redefine Nutrition, LLC., individually and dba FINAFLEX

Consumer Products and Listed Chemical. The products that are the subject of this notice and the chemical in those products identified as exceeding allowable levels are:

1. **Finaflex 100% Keto Food Ketogenic Meal Replacement Shake Key Lime Pie - Lead**
2. **Finaflex Flex Ultimate Joint Support Formula - Lead**
3. **Finaflex Stimul8 Loaded Ultimate Complete Pre-Workout Peach Mango Twister - Lead**
4. **Finaflex 100% Keto Food Ketogenic Meal Replacement Shake Vanilla Caramel - Lead**
5. **Finaflex Total Mass Premier Weight Gainer Drink Mix Vanilla - 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.

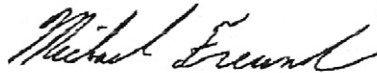
Route of Exposure. The consumer exposures that are the subject of this notice result from the recommended use of these products. Consequently, the route of exposure to this chemical has been and continues to be through ingestion.

Approximate Time Period of Violations. Ongoing violations have occurred every day since at least January 30, 2017, 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 this known toxic chemical is 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 chemical. 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 ingesting these products with appropriate warnings that they are being exposed to this chemical.

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 chemical, or provide appropriate warnings on the labels of these products; (2) pay an appropriate civil penalty; and (3) provide clear and reasonable warnings compliant with Proposition 65 to all persons located in California who purchased the above products in the last three years. Such a resolution will prevent further unwarned consumer exposures to the identified chemical, 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 Violation to my attention at the law office address and telephone number indicated on the letterhead or at freund1@aol.com.**

Sincerely,



Michael Freund

Attachments

Certificate of Merit

Certificate of Service

OEHHA Summary (to Redefine Nutrition, LLC., individually and dba FINAFLEX, and its Registered Agent for Service of Process only)

Additional Supporting Information for Certificate of Merit (to AG only)

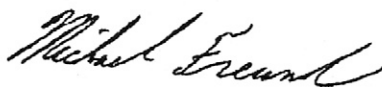
CERTIFICATE OF MERIT

Re: Environmental Research Center, Inc.'s Notice of Proposition 65 Violations by Redefine Nutrition, LLC., individually and dba FINAFLEX

I, Michael Freund, declare:

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

Dated: January 30, 2020



Michael Freund

CERTIFICATE OF SERVICE PURSUANT TO 27 CCR § 25903

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 and over the age of 18 years of age. 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 January 30, 2020 between 8:00 a.m. and 5:00 p.m. Eastern Time, I served the following documents: **NOTICE OF VIOLATION 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 each of the parties listed below and depositing it at a U.S. Postal Service Office with the postage fully prepaid for delivery by Certified Mail:

Current President or CEO
Redefine Nutrition, LLC., individually
and dba FINAFLEX
3615 Francis Circle, Ste 100
Alpharetta, GA 30004

Greg Krause
(Registered Agent for Redefine Nutrition, LLC., individually
and dba FINAFLEX)
1500 Greystone Summit Dr, Unit 1521
Cumming, GA 30040

On January 30, 2020 between 8:00 a.m. and 5:00 p.m. Eastern Time, I verified the following documents **NOTICE OF VIOLATIONS, 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)** were served on the following party when a true and correct copy thereof was uploaded 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 January 30, 2020 between 8:00 a.m. and 5:00 p.m. Eastern Time, I verified the following documents **NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT** were served on the following parties when a true and correct copy thereof was sent via electronic mail to each of the parties listed below:

Nancy O'Malley, District Attorney
Alameda County
7677 Oakport Street, Suite 650
Oakland, CA 94621
CEPDProp65@acgov.org

Stacey Grassini, Deputy District Attorney
Contra Costa County
900 Ward Street
Martinez, CA 94553
sgrassini@contracostada.org

Barbara Yook, District Attorney
Calaveras County
891 Mountain Ranch Road
San Andreas, CA 95249
Prop65Env@co.calaveras.ca.us

Thomas L. Hardy, District Attorney
Inyo County
168 North Edwards Street
Independence, CA 93526
inyoda@inyocounty.us

Notice of Violation of California Health & Safety Code §25249.5 *et seq.*

January 30, 2020

Page 5

Michelle Latimer, Program Coordinator
Lassen County
220 S. Lassen Street
Susanville, CA 96130
mlatimer@co.lassen.ca.us

Jeannine M. Pacioni, District Attorney
Monterey County
1200 Aguajito Road
Monterey, CA 93940
Prop65DA@co.monterey.ca.us

Gary Lieberstein, District Attorney
Napa County
931 Parkway Mall
Napa, CA 94559
CEPD@countyofnapa.org

Paul E. Zellerbach, District Attorney
Riverside County
3072 Orange Street
Riverside, CA 92501
Prop65@rivcoda.org

Anne Marie Schubert, District Attorney
Sacramento County
901 G Street
Sacramento, CA 95814
Prop65@sacda.org

Summer Stephan, District Attorney
San Diego County
330 West Broadway
San Diego, CA 92101
SanDiegoDAProp65@sdcda.org

Mark Ankorn, Deputy City Attorney
San Diego City Attorney
1200 Third Avenue
San Diego, CA 92101
CityAttyProp65@sandiego.gov

Gregory Alker, Assistant District Attorney
San Francisco County
732 Brannan Street
San Francisco, CA 94103
gregory.alker@sfgov.org

Valerie Lopez, Deputy City Attorney
San Francisco City Attorney
1390 Market Street, 7th Floor
San Francisco, CA 94102
Valerie.Lopez@sfcityatty.org

Tori Verber Salazar, District Attorney
San Joaquin County
222 E. Weber Avenue, Room 202
Stockton, CA 95202
DAConsumer.Environmental@sjcda.org

Eric J. Dobroth, Deputy District Attorney
San Luis Obispo County
County Government Center Annex, 4th Floor
San Luis Obispo, CA 93408
edobroth@co.slo.ca.us

Christopher Dalbey, Deputy District Attorney
Santa Barbara County
1112 Santa Barbara Street
Santa Barbara, CA 93101
DAProp65@co.santa-barbara.ca.us

Bud Porter, Supervising Deputy District Attorney
Santa Clara County
70 W Hedding St
San Jose, CA 95110
EPU@da.sccgov.org

Jeffrey S. Rosell, District Attorney
Santa Cruz County
701 Ocean Street
Santa Cruz, CA 95060
Prop65DA@santacruzcounty.us

Stephan R. Passalacqua, District Attorney
Sonoma County
600 Administration Dr
Sonoma, CA 95403
jbarnes@sonoma-county.org

Phillip J. Cline, District Attorney
Tulare County
221 S Mooney Blvd
Visalia, CA 95370
Prop65@co.tulare.ca.us

Gregory D. Totten, District Attorney
Ventura County
800 S Victoria Ave
Ventura, CA 93009
daspecialops@ventura.org

Jeff W. Reisig, District Attorney
Yolo County
301 Second Street
Woodland, CA 95695
cfepd@yolocounty.org

On January 30, 2020 between 8:00 a.m. and 5:00 p.m. Eastern Time, 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 First Class Mail.

Executed on January 30, 2020, in Fort Oglethorpe, Georgia.

Phyllis Dunwoody

Service List

District Attorney, Alpine County P.O. Box 248 Markleeville, CA 96120	District Attorney, Madera County 209 West Yosemite Avenue Madera, CA 93637	District Attorney, San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063
District Attorney, Amador County 708 Court Street, Suite 202 Jackson, CA 95642	District Attorney, Marin County 3501 Civic Center Drive, Room 130 San Rafael, CA 94903	District Attorney, Shasta County 1355 West Street Redding, CA 96001
District Attorney, Butte County 25 County Center Drive, Suite 245 Oroville, CA 95965	District Attorney, Mariposa County Post Office Box 730 Mariposa, CA 95338	District Attorney, Sierra County 100 Courthouse Square, 2 nd Floor Downieville, CA 95936
District Attorney, Colusa County 346 Fifth Street Suite 101 Colusa, CA 95932	District Attorney, Mendocino County Post Office Box 1000 Ukiah, CA 95482	District Attorney, Siskiyou County Post Office Box 986 Yreka, CA 96097
District Attorney, Del Norte County 450 H Street, Room 171 Crescent City, CA 95531	District Attorney, Merced County 550 W. Main Street Merced, CA 95340	District Attorney, Solano County 675 Texas Street, Ste 4500 Fairfield, CA 94533
District Attorney, El Dorado County 778 Pacific St Placerville, CA 95667	District Attorney, Modoc County 204 S Court Street, Room 202 Alturas, CA 96101-4020	District Attorney, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95354
District Attorney, Fresno County 2220 Tulare Street, Suite 1000 Fresno, CA 93721	District Attorney, Mono County Post Office Box 617 Bridgeport, CA 93517	District Attorney, Sutter County 463 2 nd Street Yuba City, CA 95991
District Attorney, Glenn County Post Office Box 430 Willows, CA 95988	District Attorney, Nevada County 201 Commercial Street Nevada City, CA 95959	District Attorney, Tehama County Post Office Box 519 Red Bluff, CA 96080
District Attorney, Humboldt County 825 5th Street 4 th Floor Eureka, CA 95501	District Attorney, Orange County 401 West Civic Center Drive Santa Ana, CA 92701	District Attorney, Trinity County Post Office Box 310 Weaverville, CA 96093
District Attorney, Imperial County 940 West Main Street, Ste 102 El Centro, CA 92243	District Attorney, Placer County 10810 Justice Center Drive, Ste 240 Roseville, CA 95678	District Attorney, Tuolumne County 423 N. Washington Street Sonora, CA 95370
District Attorney, Kern County 1215 Truxtun Avenue Bakersfield, CA 93301	District Attorney, Plumas County 520 Main Street, Room 404 Quincy, CA 95971	District Attorney, Yuba County 215 Fifth Street, Suite 152 Marysville, CA 95901
District Attorney, Kings County 1400 West Lacey Boulevard Hanford, CA 93230	District Attorney, San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023	Los Angeles City Attorney's Office City Hall East 200 N. Main Street, Suite 800 Los Angeles, CA 90012
District Attorney, Lake County 255 N. Forbes Street Lakeport, CA 95453	District Attorney, San Bernardino County 303 West Third Street San Bernadino, CA 92415	San Jose City Attorney's Office 200 East Santa Clara Street, 16th Floor San Jose, CA 95113
District Attorney, Los Angeles County Hall of Justice 211 West Temple St., Ste 1200 Los Angeles, CA 90012		

APPENDIX A

OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY

The following summary has been prepared by the California Office of Environmental Health Hazard Assessment (OEHHA), the lead agency for the implementation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as "Proposition 65"). A copy of this summary must be included as an attachment to any notice of violation served upon an alleged violator of the Act. The summary provides basic information about the provisions of the law, and is intended to serve only as a convenient source of general information. It is not intended to provide authoritative guidance on the meaning or application of the law. The reader is directed to the statute and OEHHA implementing regulations (see citations below) for further information.

FOR INFORMATION CONCERNING THE BASIS FOR THE ALLEGATIONS IN THE NOTICE RELATED TO YOUR BUSINESS, CONTACT THE PERSON IDENTIFIED ON THE NOTICE.

The text of Proposition 65 (Health and Safety Code Sections 25249.5 through 25249.13) is available online at: <http://oehha.ca.gov/prop65/law/P65law72003.html>. Regulations that provide more specific guidance on compliance, and that specify procedures to be followed by the State in carrying out certain aspects of the law, are found in Title 27 of the California Code of Regulations, sections 25102 through 27001.¹ These implementing regulations are available online at: <http://oehha.ca.gov/prop65/law/P65Regs.html>.

WHAT DOES PROPOSITION 65 REQUIRE?

The "Proposition 65 List." Under Proposition 65, the lead agency (OEHHA) publishes a list of chemicals that are known to the State of California to cause cancer and/or reproductive toxicity. Chemicals are placed on the Proposition 65 list if they are known to cause cancer and/or birth defects or other reproductive harm, such as damage to

¹ All further regulatory references are to sections of Title 27 of the California Code of Regulations unless otherwise indicated. The statute, regulations and relevant case law are available on the OEHHA website at: <http://www.oehha.ca.gov/prop65/law/index.html>.

female or male reproductive systems or to the developing fetus. This list must be updated at least once a year. The current Proposition 65 list of chemicals is available on the OEHHA website at: http://www.oehha.ca.gov/prop65/prop65_list/Newlist.html.

Only those chemicals that are on the list are regulated under Proposition 65. Businesses that produce, use, release or otherwise engage in activities involving listed chemicals must comply with the following:

Clear and reasonable warnings. A business is required to warn a person before "knowingly and intentionally" exposing that person to a listed chemical unless an exemption applies. The warning given must be "clear and reasonable." This means that the warning must: (1) clearly make known that the chemical involved is known to cause cancer, or birth defects or other reproductive harm; and (2) be given in such a way that it will effectively reach the person before he or she is exposed to that chemical. Some exposures are exempt from the warning requirement under certain circumstances discussed below.

Prohibition from discharges into drinking water. A business must not knowingly discharge or release a listed chemical into water or onto land where it passes or probably will pass into a source of drinking water. Some discharges are exempt from this requirement under certain circumstances discussed below.

DOES PROPOSITION 65 PROVIDE ANY EXEMPTIONS?

Yes. You should consult the current version of the statute and regulations (<http://www.oehha.ca.gov/prop65/law/index.html>) to determine all applicable exemptions, the most common of which are the following:

Grace Period. Proposition 65 warning requirements do not apply until 12 months after the chemical has been listed. The Proposition 65 discharge prohibition does not apply to a discharge or release of a chemical that takes place less than 20 months after the listing of the chemical.

Governmental agencies and public water utilities. All agencies of the federal, state or local government, as well as entities operating public water systems, are exempt.

Businesses with nine or fewer employees. Neither the warning requirement nor the discharge prohibition applies to a business that employs a total of nine or fewer employees. This includes all employees, not just those present in California.

Exposures that pose no significant risk of cancer. For chemicals that are listed under Proposition 65 as known to the State to cause cancer, a warning is not required if the business causing the exposure can demonstrate that the exposure occurs at a level that poses "no significant risk." This means that the exposure is calculated to result in not more than one excess case of cancer in 100,000 individuals exposed over a 70-year lifetime. The Proposition 65 regulations identify specific "No Significant Risk Levels" (NSRLs) for many listed carcinogens. Exposures below these levels are exempt from the warning requirement. See OEHHA's website at: <http://www.oehha.ca.gov/prop65/getNSRLs.html> for a list of NSRLs, and Section 25701 *et seq.* of the regulations for information concerning how these levels are calculated.

Exposures that will produce no observable reproductive effect at 1,000 times the level in question. For chemicals known to the State to cause reproductive toxicity, a warning is not required if the business causing the exposure can demonstrate that the exposure will produce no observable effect, even at 1,000 times the level in question. In other words, the level of exposure must be below the "no observable effect level" divided by 1,000. This number is known as the Maximum Allowable Dose Level (MADL). See OEHHA's website at: <http://www.oehha.ca.gov/prop65/getNSRLs.html> for a list of MADLs, and Section 25801 *et seq.* of the regulations for information concerning how these levels are calculated.

Exposures to Naturally Occurring Chemicals in Food. Certain exposures to chemicals that naturally occur in foods (i.e., that do not result from any known human activity, including activity by someone other than the person causing the exposure) are exempt from the warning requirements of the law. If the chemical is a contaminant² it must be reduced to the lowest level feasible. Regulations explaining this exemption can be found in Section 25501.

Discharges that do not result in a "significant amount" of the listed chemical entering any source of drinking water. The prohibition from discharges into drinking water does not apply if the discharger is able to demonstrate that a "significant amount" of the listed chemical has not, does not, or will not pass into or probably pass into a source of drinking water, and that the discharge complies with all other applicable laws, regulations, permits, requirements, or orders. A "significant amount" means any detectable amount, except an amount that would meet the "no significant risk" level for chemicals that cause cancer or that is 1,000 times below the "no observable effect" level for chemicals that cause reproductive toxicity, if an individual were exposed to that amount in drinking water.

² See Section 25501(a)(4).

HOW IS PROPOSITION 65 ENFORCED?

Enforcement is carried out through civil lawsuits. These lawsuits may be brought by the Attorney General, any district attorney, or certain city attorneys. Lawsuits may also be brought by private parties acting in the public interest, but only after providing notice of the alleged violation to the Attorney General, the appropriate district attorney and city attorney, and the business accused of the violation. The notice must provide adequate information to allow the recipient to assess the nature of the alleged violation. The notice must comply with the information and procedural requirements specified in Section 25903 of Title 27 and sections 3100-3103 of Title 11. A private party may not pursue an independent enforcement action under Proposition 65 if one of the governmental officials noted above initiates an enforcement action within sixty days of the notice.

A business found to be in violation of Proposition 65 is subject to civil penalties of up to \$2,500 per day for each violation. In addition, the business may be ordered by a court to stop committing the violation.

A private party may not file an enforcement action based on certain exposures if the alleged violator meets specific conditions. For the following types of exposures, the Act provides an opportunity for the business to correct the alleged violation:

- An exposure to alcoholic beverages that are consumed on the alleged violator's premises to the extent onsite consumption is permitted by law;
- An exposure to a Proposition 65 listed chemical in a food or beverage prepared and sold on the alleged violator's premises that is primarily intended for immediate consumption on- or off-premises. This only applies if the chemical was not intentionally added to the food, and was formed by cooking or similar preparation of food or beverage components necessary to render the food or beverage palatable or to avoid microbiological contamination;
- An exposure to environmental tobacco smoke caused by entry of persons (other than employees) on premises owned or operated by the alleged violator where smoking is permitted at any location on the premises;
- An exposure to listed chemicals in engine exhaust, to the extent the exposure occurs inside a facility owned or operated by the alleged violator and primarily intended for parking non-commercial vehicles.

If a private party alleges that a violation occurred based on one of the exposures described above, the private party must first provide the alleged violator a notice of special compliance procedure and proof of compliance form.

A copy of the notice of special compliance procedure and proof of compliance form is included in Appendix B and can be downloaded from OEHHA's website at:
<http://oehha.ca.gov/prop65/law/p65law72003.html>.

FOR FURTHER INFORMATION ABOUT THE LAW OR REGULATIONS...

Contact the Office of Environmental Health Hazard Assessment's Proposition 65 Implementation Office at (916) 445-6900 or via e-mail at
P65Public.Comments@oehha.ca.gov.

Revised: May 2017

NOTE: Authority cited: Section 25249.12, Health and Safety Code. Reference: Sections 25249.5, 25249.6, 25249.7, 25249.9, 25249.10 and 25249.11, Health and Safety Code.

Case Number: RG20060598

Case Name: Environmental Research Center, Inc. VS Redefine Nutrition, LLC

**CLERK'S CERTIFICATE OF MAILING
(CCP 1013a)**

I certify that the following is true and correct:

I am a Deputy Clerk employed by the Alameda County Superior Court. I am over the age of 18 years. My business address is 24405 Amador Street, Hayward, California 94544. I served **STIPULATED CONSENT JUDGMENT** by placing copies in envelope(s) addressed as shown below and then by sealing and placing them for collection, stamping or metering with prepaid postage, and mailing on the date stated below, in the United States mail at **Hayward**, California, following standard court practices.

Michael Freund SBN 99687
Michael Freund & Associates
1919 Addison Street, Suite 105
Berkeley, CA 94704

WILLIS M. WAGNER (SBN 310900)
GREENBERG TRAURIG, LLP
1201 K Street, Suite 1100
Sacramento, CA 95814-3938

Executed on 07/29/2020

Chad Finke Executive Officer / Clerk of the Superior Court

By

 digital

Sharon Becerra, Deputy Clerk