1 2 3 4	Michael Freund & Associates 1919 Addison Street, Suite 105 Berkeley, CA 94704 Telephone: (510) 540-1992	FILED ALAMEDA COUNTY APR 07 2022 CLERK OF THE SUPERIOR COURT By	
5		Conter La	
6 7 8 9	Bao M. Vu Stoel Rives LLP Three Embarcadero Center, Suite 1120 San Francisco, CA 94111 Telephone: (415) 500-6572		
10 11	Attorney for Defendants Pruvit Ventures, Inc., I LLC, LaCore Nutraceuticals, Inc., LaCore Labs Logistics, LLC	LaCore Enterprises, , Inc., and LaCore	
12	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
13			
14	ENVIRONMENTAL RESEARCH	1 manufacture and the state of	
15	CENTER, INC., a California non-profit	CASE NO. RG20070991	
16	corporation,	STIPULATED CONSENT JUDGMENT	
17	Plaintiff, vs.	Health & Safety Code § 25249.5, et seq.	
18	PRUVIT VENTURES, INC.; LACORE	Action Filed: August 17, 2020	
19	ENTERPRISES, LLC; LACORE	Trial Date: None set	
20 21	NUTRACEUTICALS, INC.; LACORE LABS, INC.; LACORE LOGISTICS, LLC; and DOES 1-100,		
22			
23	Defendants.		
24	I. INTRODUCTION		
25	1.1 On August 17, 2020, Plaintiff Env	ironmental Research Center, Inc. ("ERC"), a	
26	non-profit corporation, as a private enforcer and i	n the public interest, initiated this action by	
27	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 pursuant to the		
28	provisions of California Health and Safety Code section 25249.5, et seq. ("Proposition 65"),		
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and the second se			

against Pruvit Ventures, Inc., LaCore Enterprises, LLC, LaCore Nutraceuticals, Inc., LaCore 1 Labs, Inc., and LaCore Logistics, ELC (collectively "Pruvit Ventures") and Does 1-100. 2 Subsequently, on September 18, 2020, a First Amended Complaint was filed. On March 23, 3 2021, a Second Amended Complaint was filed, and on September 20, 2021, a Third Amended 4 Complaint was filed (hereinafter referred to as the operative "Complaint"). In this action, ERC 5 alleges that a number of products manufactured, distributed, or sold by Pruvit Ventures contain 6 lead, a chemical listed under Proposition 65 as a carcinogen and reproductive toxin, and expose 7 consumers to this chemical at a level requiring a Proposition 65 warning. These products 8 (referred to hereinafter individually as a "Covered Product" or collectively as "Covered 9 Products") are: (1) KETO//OS NAT Pure Therapeutic Ketones Swiss Cacao, (2) KETO//OS 10 NAT Pure Therapeutic Ketones Lime Time, (3) Keto//OS NAT Pure Therapeutic Ketones 11 Maui Punch, (4) Keto//OS NAT Pure Therapeutic Ketones Raspberry Lemonade, (5) Keto//OS 12 NAT Pure Therapeutic Ketones Splash, (6) Keto//OS NAT Pure Therapeutic Ketones Heart 13 Tart, (7) Keto//OS NAT Pure Therapeutic Ketones Caffeine Free Heart Tart, (8) KETO//OS 14 NAT Pure Therapeutic Ketones Trü Passion Caffeine Free, (9) KETO//OS NAT Pure 15 Therapeutic Ketones Caffeine Free Lime Time, (10) KETO//OS NAT Pure Therapeutic 16 Ketones Trü Passion Charged, (11) KETO//OS NAT Pure Therapeutic Ketones Caffeine Free 17 Maui Punch, (12) KETO//OS NAT Pure Therapeutic Ketones Splash Caffeine Free, and (13) 18 KETO//OS NAT Pure Therapeutic Ketones Raspberry Lemonade Caffeine Free. 19 20 ERC and Pruvit Ventures are hereinafter referred to individually as a "Party" or 1.2 21 collectively as the "Parties." 22 ERC is a 501(c)(3) California non-profit corporation dedicated to, among other 1.3 causes, helping safeguard the public from health hazards by reducing the use and misuse of 23

hazardous and toxic chemicals, facilitating a safe environment for consumers and employees,
and encouraging corporate responsibility.

1.4 For purposes of this Consent Judgment, the Parties agree that each defendant is a
business entity, each of which has employed 10 or more persons at all times relevant to this
action, and qualifies as a "person in the course of doing business" within the meaning of

1. 1. 1.

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1 Proposition 65. Pruvit Ventures manufactures, distributes, and/or sells the Covered Products.

2 The Complaint is based on allegations contained in ERC's Notices of Violation 1.5 dated June 5, 2020, July 2, 2020, December 22, 2020, and March 9, 2021 that were served on 3 the California Attorney General, other public enforcers, and Pruvit Ventures ("Notices"). True 4 and correct copies of the 60-Day Notices dated June 5, 2020, July 2, 2020, December 22, 2020 S and March 9, 2021 are attached hereto as Exhibits A, B, C, and D respectively and each is 6 incorporated herein by reference. More than 60 days have passed since the Notices were served 7 on the Attorney General, public enforcers, and Pruvit Ventures and no designated 8 governmental entity has filed a Complaint against Pruvit Ventures with regard to the Covered 9 10 Products or the alleged violations.

1.6 ERC's Notices and Complaint allege that use of the Covered Products by
 California consumers exposes them to lead without first receiving clear and reasonable
 warnings from Pruvit Ventures, which is in violation of California Health and Safety Code
 section 25249.6. Pruvit Ventures denies all material allegations contained in the Notices and
 Complaint.

16 1.7 The Parties have entered into this Consent Judgment in order to settle,
17 compromise, and resolve disputed claims and thus avoid prolonged and costly litigation.
18 Nothing in this Consent Judgment nor compliance with this Consent Judgment shall constitute
19 or be construed as an admission by any of the Parties or by any of their respective officers,
20 directors, shareholders, employees, agents, parent companies, subsidiaries, divisions,
21 franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers of any fact,
22 issue of law, or violation of law.

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

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

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2. JI

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JURISDICTION AND VENUE

For purposes of this Consent Judgment and 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 and personal jurisdiction over Pruvit Ventures as to the acts alleged in the Complaint, that venue is proper in Alameda 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 that were or could have been asserted in this action based on the facts alleged in the Notices and Complaint.

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3.

INJUNCTIVE RELIEF, REFORMULATION, TESTING, AND WARNINGS

3.1 Beginning on the Effective Date, Pruvit Ventures shall be permanently enjoined
from manufacturing for sale in the State of California; "[d]istributing into the State of
California"; or directly selling in the State of California, any Covered Products that expose a
person to a "Daily Lead Exposure Level" of more than 0.5 micrograms of lead per day unless it
meets the warning requirements under Section 3.2.

3.1.1 As used in this Consent Judgment, the term "Distributing into the State
of California" shall mean to directly ship a Covered Product into California for sale in
California or to sell a Covered Product to a distributor that Pruvit Ventures knows or has
reason to know will sell the Covered Product in California.

3.1.2 For purposes of this Consent Judgment, the Daily Lead Exposure Level
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 serving size appearing on the product label), multiplied by servings
of the product per day (using the largest number of recommended daily servings appearing on
the label), which equals micrograms of lead exposure per day. If the label contains no
recommended daily servings, then the number of recommended daily servings shall be one.

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3.2 Clear and Reasonable Warnings

If Pruvit Ventures is required to provide a warning pursuant to Section 3.1, the following
warning must be utilized ("Warning"):

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1 || <u>OPTION 1</u>:

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

Or

OPTION 2:

WARNING: Cancer & Reproductive Harm - www.P65Warnings.ca.gov/food.

Pruvit Ventures shall use the phrase "cancer and" in the Warning if Pruvit Ventures has 8 reason to believe that the Daily Lead Exposure Level is greater than 15 micrograms of lead as 9 determined pursuant to the quality control methodology set forth in Section 3.4 or if Pruvit 10 Ventures has reason to believe that another Proposition 65 chemical is present that may require a 11 cancer warning. For the Option 2 Warning, the entire Warning must be in a type size no smaller 12 than the largest type size used for other consumer information on the product. In no case shall the 13 Warning appear in a type size smaller than 6-point type. Further, for Option 2, a symbol 14 consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline 15 shall be placed to the left of the text of the Warning, in a size no smaller than the height of the 16 word "WARNING." Where the sign, label or shelf tag for the product is not printed using the 17 18 color yellow, the symbol may be printed in black and white.

19The Warning shall be securely affixed to or printed on the label of each Covered20Product and it must be set off from other surrounding information and enclosed in a box. In21addition, for any Covered Product sold over the internet, the Warning shall be provided to the22customer prior to completing purchase when a California delivery address is indicated for any23purchase of any Covered Product, and such warning shall provide sufficient information for the24consumer to identify which product(s) are subject to the Warning. In no event shall any25internet or website Warning be contained in or made through a link.

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The Warning shall be at least the same size as the largest of any other health or safety warnings also appearing on the website or on the label and the word "WARNING" shall be in all capital letters and in **bold** print. No statements intended to or likely to have the effect of

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diminishing the impact of the Warning on the average layperson shall accompany the Warning.
 Further, no statements may accompany the Warning that state or imply that the source of the listed
 chemical has an impact on or results in a less harmful effect of the listed chemical.

Pruvit Ventures must display the above Warning with such conspicuousness, as compared
with other words, statements or designs on the label, or on its website, if applicable, to render the
Warning likely to be read and understood by an ordinary individual under customary conditions
of purchase or use of the product.

8 For purposes of this Consent Judgment, the term "label" means a display of written,
9 printed or graphic material that is printed on or affixed to a Covered Product or its immediate
10 container or wrapper.

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3.3 Conforming Covered Products

A Conforming Covered Product is a Covered Product for which the Daily Lead Exposure
Level is no greater than 0.5 micrograms of lead per day as determined by the exposure
methodology set forth in Section 3.1.2 and the quality control methodology described in Section
3.4, and that is not known by Pruvit Ventures to contain other chemicals that violate Proposition
65's safe harbor thresholds.

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3.4

Testing and Quality Control Methodology

18 3.4.1 Beginning within one year of the Effective Date, Pruvit Ventures shall arrange for lead testing of the Covered Products at least once a year for a minimum of three 19 consecutive years by arranging for testing of three randomly selected samples of each of the 20 Covered Products, in the form intended for sale to the end user, which Pruvit Ventures intends 21 to sell or is manufacturing for sale in California, directly selling to a consumer in California or 22 "Distributing into the State of California." If tests conducted pursuant to this Section 3.4 23 demonstrate that no Warning is required for a Covered Product during each of three 24 consecutive years, then the testing requirements of this Section 3.4 will no longer be required 25 as to that Covered Product. However, if during or after the three-year testing period, Pruvit 26 Ventures changes ingredient suppliers for any of the Covered Products and/or reformulates any 27 of the Covered Products, Pruvit Ventures shall test that Covered Product annually for at least 28

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1 || two consecutive years after such change is made.

3.4.2 For purposes of measuring the Daily Lead Exposure Level, the highest
lead detection result of the three randomly selected samples of the Covered Products will be
controlling.

3.4.3 All testing pursuant to 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 and limit of quantification, sensitivity,
accuracy and precision that meets the following criteria: Inductively Coupled Plasma-Mass
Spectrometry achieving a limit of quantification of less than or equal to 0.005 mg/kg.

3.4.4 All testing pursuant to this Consent Judgment shall be performed by an
 independent third-party laboratory certified by the California Environmental Laboratory
 Accreditation Program or an independent third-party laboratory that is registered with the U.S.
 Food and Drug Administration.

3.4.5 Nothing in this Consent Judgment shall limit Pruvit Ventures' ability to
conduct, or require that others conduct, additional testing of the Covered Products, including
the raw materials used in their manufacture.

3.4.6 Within 30 days of ERC's written request, which request shall not be
made more than once per year, Pruvit Ventures shall deliver lab reports obtained pursuant to
Section 3.4 to ERC. Pruvit Ventures shall retain all test results and documentation for a period
of five years from the date of each test.

21 3.4.7 The testing requirements of Section 3.4 do not apply to any Covered Product for which Pruvit Ventures is providing a Warning, continuously and without 22 interruption from the Effective Date, pursuant to Section 3.2 of this Agreement. In the event a 23 Warning is provided after the Effective Date but Pruvit Ventures thereafter ceases to provide 24 the Warning, the testing and reporting requirements of Section 3.4 of this Agreement shall 25 apply beginning within one year after the date the Warning ceases to be provided, unless Pruvit 26 Ventures can show to the satisfaction of ERC that the cessation in providing the Warning was a 27 temporary error that was resolved when discovered. 28

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4:

SETTLEMENT PAYMENT

2 In full satisfaction of all potential civil penalties, additional settlement 4.1 payments, attorneys' fees, and costs, Pruvit Ventures shall make a total payment of 3 \$400,000.00 ("Total Settlement Amount") to ERC within ten business days of Pruvit Venture's 4 receipt of ERC's notice of entry of the Court's Order adopting this Consent Judgment ("Due 5 Date"). Pruvit Ventures shall make this payment by wire transfer to ERC's account, for which 6 ERC will give Pruvit Ventures the necessary account information. The Total Settlement 7 Amount shall be apportioned as follows: 8

9 \$176,000.00 shall be considered a civil penalty pursuant to California Health 4.2 and Safety Code section 25249.7(b)(1). ERC shall remit 75% (\$132,000.00) of the civil 10 penalty to the Office of Environmental Health Hazard Assessment for deposit in the Safe 11 Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety 12 Code section 25249.12(c). ERC will retain the remaining 25% (\$44,000.00) of the civil 13 14 penalty.

15 \$11,366.00 shall be distributed to ERC as reimbursement to ERC for reasonable 4.3 16 costs incurred in bringing this action.

17 \$131,735.04 shall be distributed to ERC as an Additional Settlement Payment 4.4 ("ASP"), pursuant to California Code of Regulations, title 11, sections 3203, subdivision (d), 18 and 3204. ERC will utilize the ASP for activities that address the same public harm as 19 allegedly caused by Defendants in this matter. These activities are detailed 20 below and support ERC's overarching goal of reducing and/or eliminating hazardous and toxic 21 22 chemicals in dietary supplement products in California. ERC's activities have had, and will continue to have, a direct and primary effect within the State of California because California 23 consumers will be benefitted by the reduction and/or elimination of exposure to lead in dietary 24 supplements and/or by providing clear and reasonable warnings to California consumers prior 25 26 to ingestion of the Covered Products.

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Based on a review of past years' actual budgets, ERC is providing the following list of activities ERC engages in to protect California consumers through Proposition 65 citizen 28

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enforcement, along with a breakdown of how ASP funds will be utilized to facilitate those 1 activities: (1) ENFORCEMENT (65-80%): obtaining, shipping, analyzing, and testing dietary 2 supplement products that may contain lead and are sold to California consumers. This work 3 includes continued monitoring and enforcement of past consent judgments and settlements to 4 ensure companies are in compliance with their obligations thereunder, with a specific focus on 5 those judgments and settlements concerning lead. This work also includes investigation of new 6 companies that ERC does not obtain any recovery through settlement or judgment; (2) 7 VOLUNTARY COMPLIANCE PROGRAM (10-20%): maintaining ERC's Voluntary 8 Compliance Program by acquiring products from companies, developing and maintaining a 0 case file, testing products from these companies, providing the test results and supporting 10 documentation to the companies, and offering guidance in warning or implementing a self-11 testing program for lead in dietary supplement products; and (3) "GOT LEAD" PROGRAM 12 (up to 5%): maintaining ERC's "Got Lead?" Program, which reduces the number of 13 contaminated products that reach California consumers by providing access to free testing for 14 lead in dietary supplement products (products submitted to the program are screened for 15 ingredients that are suspected to be contaminated, and then may be purchased by ERC, 16 catalogued, and sent to a qualified laboratory for testing, and the results shared with the 17 18 consumer that submitted the product).

19 ERC shall be fully accountable in that it will maintain adequate records to document and will be able to demonstrate how the ASP funds will be spent and can ensure that the funds 20 are being spent only for the proper designated purposes described in this Consent Judgment. 21 ERC shall provide the Attorney General, within 30 days of any request, copies of 22 documentation demonstrating how such funds have been spent. 23

24 \$39,000.00 shall be distributed to Michael Freund as reimbursement of ERC's. 4.5 attorney's fees, while \$41,898.96 shall be distributed to ERC for its in-house legal fees. Except 25 as explicitly provided herein, each Party shall bear its own fees and costs. 26

If Pruvit Ventures fails to remit the Total Settlement Amount owed under 4.6 Section 4 of this Consent Judgment on or before the Due Date, Pruvit Ventures shall be 28

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deemed to be in material breach of its obligations under this Consent Judgment. ERC shall
 provide written notice of the delinquency to Pruvit Ventures via electronic mail. If Pruvit
 Ventures fails to deliver the Total Settlement Amount within five days from the written notice,
 the Total Settlement Amount shall accrue interest at the statutory judgment interest rate
 provided in California Code of Civil Procedure section 685.010. Additionally, Pruvit Ventures
 agrees to pay ERC's reasonable attorneys' fees and costs for any efforts to collect the payment
 due under this Consent Judgment.

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5.

MODIFICATION OF CONSENT JUDGMENT

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

If Pruvit Ventures seeks to modify this Consent Judgment under Section 5.1, 13 5.2 then Pruvit Ventures must provide written notice to ERC of its intent ("Notice of Intent"). If 14 ERC seeks to meet and confer regarding the proposed modification in the Notice of Intent, then 15 ERC must provide written notice to Pruvit Ventures within 30 days of receiving the Notice of 16 Intent. If ERC notifies Pruvit Ventures in a timely manner of ERC's intent to meet and confer, 17 then the Parties shall meet and confer in good faith as required in this Section 5.2. The Parties 18 shall meet in person or via telephone within 30 days of ERC's notification of its intent to meet 19 and confer. Within 30 days of such meeting, if ERC disputes the proposed modification, ERC 20 shall provide to Pruvit Ventures a written basis for its position. The Parties shall continue to 21 meet and confer for an additional 30 days in an effort to resolve any remaining disputes. 22 Should it become necessary, the Parties may agree in writing to different deadlines for the meet 23 24 and confer period.

5.3 If Pruvit Ventures initiates or otherwise requests a modification under Section
5.1, and the meet and confer process leads to a joint motion or application for a modification of
the Consent Judgment, Pruvit Ventures shall reimburse ERC its costs and reasonable attorneys'
fees for the time spent in the meet and confer process and filing and arguing the motion or

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1 application.

6.

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RETENTION OF JURISDICTION, ENFORCEMENT OF CONSENT JUDGMENT

4 6.1 This Court shall retain jurisdiction of this matter to enforce, modify, or
5 terminate this Consent Judgment.

If ERC alleges that any Covered Product fails to qualify as a Conforming 6 6.2 Covered Product (for which ERC alleges that no Warning has been provided), then ERC shall 7 inform Pruvit Ventures in a reasonably prompt manner of its test results, including information 8 sufficient to permit Pruvit Ventures to identify the Covered Products at issue. Pruvit Ventures 9 shall, within 30 days following such notice, provide ERC with the testing data from an 10 independent third-party laboratory meeting the requirements of Sections 3.4.3 and 3.4.4 for at 11 least the last 365 calendar days for any Covered Product(s) specifically at issue. If Pruvit 12 Ventures timely provides the testing data and such testing demonstrates to the satisfaction of 13 ERC that Pruvit Ventures is in compliance with the terms of this Consent Judgment, ERC shall 14 not pursue any claim related to the Covered Product(s) specifically at issue and for which 15 Pruvit Ventures provided such test results. Should Pruvit Ventures fail to provide such testing 16 data, the Parties shall first attempt to resolve the matter prior to ERC taking any further legal 17 action. Should there be any other alleged breach of the terms of this Consent Judgment, 18 including but not limited to Section 10, the Parties shall first attempt to resolve the matter prior 19 20 to seeking appropriate injunctive or other relief.

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7.

APPLICATION OF CONSENT JUDGMENT

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

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8.

BINDING EFFECT, CLAIMS COVERED AND RELEASED

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This Consent Judgment is a full, final, and binding resolution between, on the 1 8.1 one hand, ERC, on behalf of itself and its past and current officers, directors, shareholders, 2 agents, employees, representatives, attorneys, predecessors, successors, and/or assigns 3 (collectively, the "ERC Releasors"), and also in the public interest, and, on the other hand, 4 Pruvit Ventures and its respective officers, directors, shareholders, employees, agents, parent 5 companies, subsidiaries, divisions, suppliers, franchisees, licensees, customers (not including 6 private label customers of Pruvit Ventures), distributors, wholesalers, retailers, and all other 7 upstream and downstream entities in the distribution chain of any Covered Product, and the 8 predecessors, successors, and assigns of any of them, including but not limited to: LaCore 9 Enterprises, LLC; LaCore Nutraceuticals, LLC; LaCore Labs, Inc.; and LaCore Logistics, Inc. 10 11 (collectively, "Released Parties").

ERC, acting in the public interest, releases the Released Parties from any 12 8.2 and all claims for violations of Proposition 65 up to and including the Effective Date based on 13 exposure to lead from the Covered Products as set forth in the Notices of Violation. ERC, on 14 behalf of itself only, hereby fully releases and discharges the Released Parties from any and all 15 claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs, and 16 expenses asserted, or that could have been asserted from the handling, use, or consumption of 17 the Covered Products, as to any alleged violation of Proposition 65 or its implementing 18 regulations arising from the failure to provide Proposition 65 warnings on the Covered 19 Products regarding lead up to and including the Effective Date. 20

8.3 ERC, on behalf of the ERC Releasees only, and Pruvit Ventures, on its own
behalf and on behalf of the Released Parties only, 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 Notices and
Complaint up through and including the Effective Date, provided, however, that nothing in this
Section 8 shall affect or limit any Party's right to seek to enforce the terms of this Consent
Judgment.

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It is possible that other claims not known to the Parties, arising out of the facts

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1	alleged in the Notices and Complaint, and relating to the Covered Products, will develop or be
2	discovered. ERC, on behalf of the ERC Releasors only, and Pruvit Ventures, on behalf of itself
.3	and the Released Parties only, acknowledge that this Consent Judgment is expressly intended
4	to cover and include all such claims up through and including the Effective Date, including all
5	rights of action therefor. ERC and Pruvit Ventures acknowledge that the claims released in
6	Sections 8.2 and 8.3 above may include unknown claims, and nevertheless waive California
7	Civil Code section 1542 as to any such unknown claims. California Civil Code section 1542
8	reads as follows:
9	A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
10	CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE
11	AND THAT, IF KNOWN BY HIM OR HER. WOLLD HAVE MATERIALLY
12	AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.
13	ERC, on behalf of itself only, and Pruvit Ventures, on behalf of itself only, acknowledge and
14	understand the significance and consequences of this specific waiver of California Civil Code
15	section 1542.
16	8.5 Compliance with the terms of this Consent Judgment shall be deemed to
17	constitute compliance with Proposition 65 by any releasee regarding alleged exposures to lead
18	in the Covered Products as set forth in the Notices and Complaint.
19	8.6 Nothing in this Consent Judgment is intended to apply to any occupational or
20	environmental exposures arising under Proposition 65, nor shall it apply to any of Pruvit
21	Ventures' products other than the Covered Products.
22	9. SEVERABILITY OF UNENFORCEABLE PROVISIONS
23	If any of the provisions of this Consent Judgment are held by a court to be unenforceable,
24	the validity of the remaining enforceable provisions shall not be adversely affected.
25	10. GOVERNING LAW
26	The terms and conditions of this Consent Judgment shall be governed by and construed in
27	accordance with the laws of the State of California.
28	11. PROVISION OF NOTICE
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1	All notices required to be given to either Party to this Consent Judgment by the other shall
2	be in writing and sent to the following agents listed below via first-class mail or via electronic
3	mail where required. Courtesy copies via email may also be sent.
4	FOR ENVIRONMENTAL RESEARCH CENTER, INC.:
5	Chris Heptinstall, Executive Director, Environmental Research Center
6	3111 Camino Del Rio North, Suite 400 San Diego, CA 92108
7	Ph: (619) 500-3090
8	Email: chris.hcptinstall@erc501c3.org
9	With a copy to: Michael Freund
10	Michael Freund & Associates 1919 Addison Street, Suite 105
11	Berkeley, CA 94704
12	Ph: (510) 540-1992 Email: freund1@aol.com
13	
14	FOR PRUVIT VENTURES, INC.; LACORE ENTERPRISES, LLC; LACORE NUTRACEUTICALS, INC.; LACORE LABS, INC.; LACORE LOGISTICS, LLC:
15	Jenifer Grace, Esq.
16	President & Chief Legal Counsel Lacore Enterprises, LLC
17	901 Sam Rayburn Hwy
18	Melissa, TX 42121
19	With a copy to:
	Bao M. Vu Stoel Rives LLP
21	Three Embarcadero Center, Suite 1120
22	San Francisco, CA 94111 Ph: (415) 500-6572
	Email: bao.vu@stoel.com
24	12. COURT APPROVAL
25	12.1 Upon execution of this Consent Judgment by the Parties, ERC shall notice a
26	Motion for Court Approval. The Parties shall use their best efforts to support entry of this
	Consent Judgment.
28	12.2 If the California Attorney General objects to any term in this Consent Judgment,
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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.

3 12.3 If this Stipulated Consent Judgment is not approved by the Court, it shall be
4 void and have no force or effect.

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13. EXECUTION AND COUNTERPARTS

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

14. DRAFTING

The terms of this Consent Judgment have been reviewed by the respective counsel for 10 each Party prior to its signing, and each Party has had an opportunity to fully discuss the terms 11 and conditions with legal counsel. The Parties agree that, in any subsequent interpretation and 12 construction of this Consent Judgment, no inference, assumption, or presumption shall be drawn, 13 and no provision of this Consent Judgment shall be construed against any Party, based on the fact 14 that one of the Parties and/or one of the Parties' legal counsel prepared and/or drafted all or any 15 portion of the Consent Judgment. It is conclusively presumed that all of the Parties participated 16 equally in the preparation and drafting of this Consent Judgment. 17

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15. 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 and confer in person, by telephone, and/or
in writing 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.

16. ENFORCEMENT

ERC may, by motion or order to show cause before the Superior Court of Alameda
County, enforce the terms and conditions contained in this Consent Judgment. In any action
brought by ERC to enforce this Consent Judgment, ERC may seek whatever fines, costs,
penalties, or remedies as are provided by law for failure to comply with the Consent Judgment.
To the extent the failure to comply with the Consent Judgment constitutes a violation of

Page 15 of 19 STIPULATED CONSENT JUDGMENT

113640101.1 0073728-0000;

1	Proposition 65 or other laws, ERC shall not be limited to enforcement of this Consent
2	Judgment, but may seek in another action whatever fines, costs, penalties, or remedies as are
3	provided by law for failure to comply with Proposition 65 or other laws.
4	17. ENTIRE AGREEMENT, AUTHORIZATION
:5	17.1 This Consent Judgment contains the sole and entire agreement and
.6	understanding of the Parties with respect to the entire subject matter herein, including any and
7	all prior discussions, negotiations, commitments, and understandings related thereto. No
8	representations, oral or otherwise, express or implied, other than those contained herein have
9	been made by any Party. No other agreements, oral or otherwise, unless specifically referred to
10	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
12	authorized by the Party he or she represents to stipulate to this Consent Judgment.
13 14	18. REQUEST FOR FINDINGS, APPROVAL OF SETTLEMENT AND ENTRY OF CONSENT JUDGMENT
15	This Consent Judgment has come before the Court upon the request of the Parties. The
16	Parties request the Court to fully review this Consent Judgment and, being fully informed
17	regarding the matters that are the subject of this action, to:
18	(1) Find that the terms and provisions of this Consent Judgment represent a fair and
-19	equitable settlement of all matters raised by the allegations of the Complaint that the matter has
20	been diligently prosecuted, and that the public interest is served by such settlement; and
21	(2) Make the findings pursuant to California Health and Safety Code section
22	25249.7(1)(4), approve the Settlement, and approve this Consent Judgment:
23	IT IS SO STIPULATED:
24	Dated: 12/30 2021 ENVIRONMENTAL RESPARCH
25	CENTER, INC
Ż6	By:
27	Chris Heptingenth, Diccutive Director
28	
	Page 16 of 19
	STIPULATED CONSENT JUDGMENT Case No. RG20070991

Dated: December 31, 2021 1 PRUVIT VENTURES, INC. 2 3 4 By: .14 ce lis: Director and Corporate Secretary 5 6 Dated: December 31 , 2021 LACORE ENTERPRISES, LLC 7 8 ĝ By: J lfer ce Its: President and Manager 10 11 12 Dated: December 31 , 2021 LACORE NUTRACEUTICALS, INC. 13 14 15 By: **G**/ace hifer Its: Director and Corporate Secretary 16 17 18 Dated: December 31 , 2021 LACORE LABS, INC. 19 20 21 By: ace Its: Directory and Corporate Secretary 22 23 24 Dated: December 31 . 2021 LACORE LOGISTICS, LLC 25 26 27 By: ace lís anager and Corporate Secretary 28 Page 17 of 19 STIPULATED CONSENT JUDGMENT Case No. RG20070991 113040100101 DBFFFTZB DOBD1

APPROVED AS TO FORM: 1 2 3 Dated: 12/30/ 2021 MICAHEL FREUND & ASSOCIATES 4 TACK F. By: 5 Michael Freund 6 Attorney for Environmental Research Center, Inc. 7 Dated: December 30 , 2021 STOEL RIVES LLP 8 9 time of By: 10 Bao M. Vu Attorney for Pruvit Ventures, Inc., LaCore 11 Enterprises, LLC, LaCore Nutraceuticals, 12 Inc., LaCore Labs, Inc., and LaCore Logistics, LLC 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 Page 18 of 19 STIPULATED CONSENT JUDGMENT 117640151.1 0073778 00001 Case No. RG20070991

1 2	<u>OMPERAND JUE</u>			
2 3	Based upon the Parties' Stipulation, and good cause appearing, this Consent Judgment is			
4	approved and Judgment is hereby entered according to its terms.			
5	IT IS SO ORDERED, ADJUDGED AND DECREED			
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	Page 19 of 19			
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Michael Freund, Esq.

June 5, 2020

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

Dear Alleged Violators 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 product identified below. These violations have occurred and continue to occur because the alleged Violators identified below failed to provide required clear and reasonable warnings with this product. This letter serves as a notice of these violations to the alleged Violators 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.

<u>General Information about Proposition 65</u>. 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 Violators identified below.

Alleged Violators. The names of the companies covered by this notice that violated Proposition 65 (hereinafter the "Violators") are:

Pruvit Ventures, Inc. LaCore Enterprises, LLC LaCore Nutraceuticals, Inc. LaCore Labs, Inc. LaCore Logistics, LLC

<u>Consumer Product and Listed Chemical</u>. The product that is the subject of this notice and the chemical in that product identified as exceeding allowable levels is:

KETO//OS NAT Pure Therapeutic Ketones Swiss Cacao - 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 this product. 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 June 5, 2017, as well as every day since the product was 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 product. 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 Violators violated Proposition 65 because they failed to provide persons ingesting this product 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 Violators to: (1) reformulate the identified product so as to eliminate further exposures to the identified chemical, or provide appropriate warnings on the labels of this product: (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 product 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,

Miles Frend

Michael Freund

Attachments

Certificate of Merit Certificate of Service OEHHA Summary (to Pruvit Ventures, Inc., LaCore Enterprises, LLC, LaCore Nutraceuticals, Inc., LaCore Labs, Inc., LaCore Logistics, LLC, and their Registered Agents 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 Pruvit Ventures, Inc., LaCore Enterprises, LLC, LaCore Nutraceuticals, Inc., LaCore Labs, Inc., and LaCore Logistics, LLC

I. Michael Freund, declare:

1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged that 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 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 Violators 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: June 5, 2020

Mile French

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 June 5, 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 CEO or President Pruvit Ventures, Inc. 901 Sam Rayburn Hwy Melissa, TX 75454

Current CEO or President Pruvit Ventures, Inc. 1801 S Industrial Park Van Alstyne, TX 75495

Current CEO or President LaCore Labs, Inc. 901 Sam Rayburn Hwy Melissa, TX 75454

Current CEO or President LaCore Logistics, LLC 901 Sam Rayburn Hwy Melissa, TX 75454

The Grace Firm, PC (Registered Agent for LaCore Enterprises, LLC) 901 Sam Rayburn Hwy Melissa, TX 75454 Jenifer Grace (Registered Agent for Pruvit Ventures, Inc.) 901 Sam Rayburn Hwy Melissa, TX 75454

URS Agents Inc. (Registered Agent for Pruvit Ventures, Inc.) 7801 Folsom Blvd, Ste 202 Sacramento, CA 95826

Current CEO or President LaCore Enterprises, LLC 901 Sam Rayburn Hwy Melissa, TX 75454

Current CEO or President LaCore Nutraceuticals, Inc. 901 Sam Rayburn Hwy Melissa, TX 75454

Jenifer Grace (Registered Agent for LaCore Nutraceuticals, Inc.) 901 Sam Rayburn Hwy Melissa, TX 75454

Jenifer Grace (Registered Agent for LaCore Labs, Inc.) 901 Sam Rayburn Hwy Melissa, TX 75454

Jenifer Grace (Registered Agent for LaCore Logistics, LLC) 901 Sam Rayburn Hwy Melissa, TX 75454

On June 5, 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 June 5, 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

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

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

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

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 Ankcorn, 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 June 5, 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 June 5, 2020, in Fort Oglethorpe, Georgia.

Service List

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

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

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

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

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

District Attorney, El Dorado County 778 Pacific St 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 4th Floor Eureka, CA 95501

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

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

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

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

District Attorney, Los Angeles County Hall of Justice 211 West Temple St., Ste 1200 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, Nevada County 201 Commercial Street Nevada City, CA 95959

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

District Altorney, 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, San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney San Bernardino County 303 West Third Street San Bernadino, CA 92415 District Attorney, San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063

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

District Attorney, Sierra County. 100 Courthouse Square, 2nd Floor Downieville, CA 95936

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

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

District Attorney, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95354

District Attorney, Sutter County 463 2^{as} 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, Twolumne County 423 N. Washington Street Sonora, CA 95370

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

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: <u>http://www.oehha.ca.gov/prop65/prop65_list/Newlist.html</u>.

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.



Michael Freund, Esq.

July 2, 2020

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

Dear Alleged Violators 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 product identified below. These violations have occurred and continue to occur because the alleged Violators identified below failed to provide required clear and reasonable warnings with this product. This letter serves as a notice of these violations to the alleged Violators 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.

<u>General Information about Proposition 65</u>. 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 Violators identified below.

Alleged Violators. The names of the companies covered by this notice that violated Proposition 65 (hereinafter the "Violators") are:

Pruvit Ventures, Inc. LaCore Enterprises, LLC LaCore Nutraceuticals, Inc. LaCore Labs, Inc. LaCore Logistics, LLC

Consumer Product and Listed Chemical. The product that is the subject of this notice and the chemical in that product identified as exceeding allowable levels is:

KETO//OS NAT Pure Therapeutic Ketones Lime Time - 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 this product. Consequently, the route of exposure to this chemical has been and continues to be through ingestion.

<u>Approximate Time Period of Violations</u>. Ongoing violations have occurred every day since at least July 2, 2017, as well as every day since the product was 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 product. 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 Violators violated Proposition 65 because they failed to provide persons ingesting this product 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 Violators to: (1) reformulate the identified product so as to eliminate further exposures to the identified chemical, or provide appropriate warnings on the labels of this product; (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 product 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,

Miles Erent

Michael Freund

Attachments

Certificate of Merit Certificate of Service OEHHA Summary (to Pruvit Ventures, Inc., LaCore Enterprises, LLC, LaCore Nutraceuticals, Inc., LaCore Labs, Inc., LaCore Logistics, LLC, and their Registered Agents for Service of Process only) Additional Summaring Information for One 15 and their Registered Agents for Service of Process

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 Pruvit Ventures, Inc., LaCore Enterprises, LLC, LaCore Nutraceuticals, Inc., LaCore Labs, Inc., and LaCore Logistics, LLC

I, Michael Freund, declare:

1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged that 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 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 Violators 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 252249.7(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.

Miles French

Dated: July 2, 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 July 2, 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 CEO or President Pruvit Ventures, Inc. 901 Sam Rayburn Hwy Melissa, TX 75454

Current CEO or President Pruvit Ventures, Inc. 1801 S Industrial Park Van Alstyne, TX 75495

Current CEO or President LaCore Labs, Inc. 901 Sam Rayburn Hwy Melissa, TX 75454

Current CEO or President LaCore Logistics, LLC 901 Sam Rayburn Hwy Melissa, TX 75454

The Grace Firm, PC (Registered Agent for LaCore Enterprises, LLC) 901 Sam Rayburn Hwy Melissa, TX 75454 Jenifer Grace (Registered Agent for Pruvit Ventures, Inc.) 901 Sam Rayburn Hwy Melissa, TX 75454

URS Agents Inc. (Registered Agent for Pruvit Ventures, Inc.) 7801 Folsom Blvd, Ste 202 Sacramento, CA 95826

Current CEO or President LaCore Enterprises, LLC 901 Sam Rayburn Hwy Melissa, TX 75454

Current CEO or President LaCore Nutraceuticals, Inc. 901 Sam Rayburn Hwy Melissa, TX 75454

Jenifer Grace (Registered Agent for LaCore Nutraceuticals, Inc.) 901 Sam Rayburn Hwy Melissa, TX 75454

Jenifer Grace (Registered Agent for LaCore Labs, Inc.) 901 Sam Rayburn Hwy Melissa, TX 75454

Jenifer Grace (Registered Agent for LaCore Logistics, LLC) 901 Sam Rayburn Hwy Melissa, TX 75454

On July 2, 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 July 2, 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

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

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

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

Michelle Latimer, Program Coordinator Lassen County 220 S. Lassen Street Süsanville, 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. Zeilerbach, 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 Ankcorn, 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@sicda.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 Victoría Ave Ventura, CA 93009 daspecialops@ventura.org

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

On July 2, 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 July 2, 2020, in Fort Oglethorpe, Georgia.

Phyllis Dunwoody

Service List

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

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

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

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

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

District Attorney, El Dorado County 778 Pacific St Placerville, CA 95667

District Atlomey, 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 4th Floor Eureka, CA-95501

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

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, Los Angeles County Hall of Jüstice 211 West Temple St., Ste 1200 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, Mendecino County Post Office Box 1000 Ukiah, CA 95482

District Attorney, Merced County \$50 W. Main Street Merced, CA 95340

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

District Attorney, Mano County Post Office Bax 617 Bridgepon, CA 93517

District Attorney, Nevada County 201 Commercial Street Nevada City, CA 93959

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, Plamas County 520 Main Street, Room 404 Quincy, CA.95971

District Attorney, San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney, San Bernardino County 303 West Third Street San Bernadino, CA 92415 District Attomey, San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063

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

District Attorney, Sierra County 100 Courthouse Square, 2nd Floor Downleville, CA 95936

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

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

District Attorney, Stanislaus County 832 J2th Street, Ste 300 Modesto, CA 95354

District Attorney, Sutter County 463 2rd 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, Tuolumne County 423 N. Washington Street Sonora, CA 95370

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 José City Anorney's Office 200 East Santa Clara Street, 16th Floor San Jose, CA 95113

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 27001.⁴ 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: <u>http://www.oehha.ca.gov/prop65/prop65_list/Newlist.html</u>.

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.



Michael Freund, Esq.

December 22, 2020

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

Dear Alleged Violators 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 Violators 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 Violators 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.

<u>General Information about Proposition 65</u>. 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 Violators identified below.

Alleged Violators. The names of the companies covered by this notice that violated Proposition 65 (hereinafter the "Violators") are:

Pruvit Ventures, Inc. LaCore Enterprises, LLC LaCore Nutraceuticals, Inc. LaCore Labs, Inc. LaCore Logistics, LLC

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

- 1. Keto//OS NAT Pure Therapeutic Ketones Maui Punch Lead
- 2. Keto//OS NAT Pure Therapeutic Ketones Raspberry Lemonade Lead
- 3. Keto//OS NAT Pure Therapeutic Ketones Splash Lead
- 4. Keto//OS NAT Pure Therapeutic Ketones Heart Tart Lead
- 5. Keto//OS NAT Pure Therapeutic Ketones Caffeine Free Heart Tart 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 December 22, 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 Violators violated Proposition 65 because they 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 Violators 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,

Miles French

Michael Freund

Attachments

Certificate of Merit Certificate of Service

OEHHA Summary (to Pruvit Ventures, Inc., LaCore Enterprises, LLC, LaCore Nutraceuticals, Inc., LaCore Labs, Inc., LaCore Logistics, LLC, and their Registered Agents 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 Pruvit Ventures, Inc., LaCore Enterprises, LLC, LaCore Nutraceuticals, Inc., LaCore Labs, Inc., and LaCore Logistics, LLC

1, Michael Freund, declare:

1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged that 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 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 Violators 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: December 22, 2020

Mile French

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 December 22, 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 CEO or President Pruvit Ventures, Inc. 901 Sam Rayburn Hwy Melissa, TX 75454

Current CEO or President Pruvit Ventures, Inc. 1801 S Industrial Park Van Alstyne, TX 75495

Current CEO or President LaCore Labs, Inc. 901 Sam Rayburn Hwy Melissa, TX 75454

Current CEO or President LaCore Logistics, LLC 901 Sam Rayburn Hwy Melissa, TX 75454

The Grace Firm, PC (Registered Agent for LaCore Enterprises, LLC) 901 Sam Rayburn Hwy Melissa, TX 75454 Jenifer Grace (Registered Agent for Pruvit Ventures, Inc.) 901 Sam Rayburn Hwy Melissa, TX 75454

URS Agents Inc. (Registered Agent for Pruvit Ventures, Inc.) 7801 Folsom Blvd, Ste 202 Sacramento, CA 95826

Current CEO or President LaCore Enterprises, LLC 901 Sam Rayburn Hwy Melissa, TX 75454

Current CEO or President LaCore Nutraceuticals, Inc. 901 Sam Rayburn Hwy Melissa, TX 75454

Jenifer Grace (Registered Agent for LaCore Nutraceuticals, Inc.) 901 Sam Rayburn Hwy Melissa, TX 75454

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

On December 22, 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

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

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

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

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 Ankcorn, 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. Relsig, District Attorney Yolo County 301 Second Street Woodland, CA 95695 cfcpd@yolocounty.org

On December 22, 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 December 22, 2020, in Fort Oglethorpe, Georgia.

Phyllis Dunwoody

Service List

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

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

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

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

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

District Attorney, El Dorado County 778 Pacific St 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 4th Floor Eureka, CA 95501

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

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, Los Angeles County Hall of Justice 211 West Temple St., Ste 1200 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, Modoe County 204 S Court Street, Room 202 Alturas, CA 96101-4020

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

District Attorney, Nevada County 201 Commercial 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, San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney, San Bernardino County 303 West Third Street San Bernadino, CA 92415 District Attorney, San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063

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

District Attorney, Sierra County 100 Courthouse Square, 2rd Floor 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, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95354

District Attorney, Sutter County 463 2nd 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, Tuolumne County 423 N. Washington Street Sonora, CA 95370

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 Jose City Attorney's Office 200 East Santa Chara Street, 16th Floor San Jose, CA 95113

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/prop85/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: <u>http://www.oehha.ca.gov/prop65/prop65_list/Newlist.html</u>.

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 entitles 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(e)(4).

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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.

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EXHIBIT D

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Michael Freund, Esq.

March 9, 2021

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

Dear Alleged Violators 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 Violators 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 Violators 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.

<u>General Information about Proposition 65</u>. 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 Violators identified below.

Alleged Violators. The names of the companies covered by this notice that violated Proposition 65 (hereinafter the "Violators") are:

Pruvit Ventures, Inc. LaCore Enterprises, LLC LaCore Nutraceuticals, Inc. LaCore Labs, Inc. LaCore Logistics, LLC

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

- 1. KETO//OS NAT Pure Therapeutic Ketones Trü Passion Caffeine Free Lead
- 2. KETO//OS NAT Pure Therapeutic Ketones Caffeine Free Lime Time Lead
- 3. KETO//OS NAT Pure Therapeutic Ketones Trü Passion Charged Lead
- 4. KETO//OS NAT Pure Therapeutic Ketones Caffeine Free Maui Punch Lead
- 5. KETO//OS NAT Pure Therapeutic Ketones Splash Caffeine Free Lead
- 6. KETO//OS NAT Pure Therapeutic Ketones Raspberry Lemonade Caffeine Free 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.

<u>Route of Exposure</u>. 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 March 9, 2018, 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 Violators violated Proposition 65 because they 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 Violators 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,

Miles French

Michael Freund

Attachments

Certificate of Merit Certificate of Service OEHHA Summary (to Pruvit Ventures, Inc., LaCore Enterprises, LLC, LaCore Nutraceuticals, Inc., LaCore Labs, Inc., and LaCore Logistics, LLC and their Registered Agents 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 Pruvit Ventures, Inc., LaCore Enterprises, LLC, LaCore Nutraceuticals, Inc., LaCore Labs, Inc., and LaCore Logistics, LLC

I, Michael Freund, declare:

1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged that 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 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 Violators 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: March 9, 2021

Michael French

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 March 9, 2021 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:

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Current CEO or President Pruvit Ventures, Inc. 1801 S Industrial Park Van Alstyne, TX 75495

Current CEO or President LaCore Labs, Inc. 901 Sam Rayburn Hwy Melissa, TX 75454

Current CEO or President LaCore Logistics, LLC 901 Sam Rayburn Hwy Melissa, TX 75454

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Jenifer Grace (Registered Agent for LaCore Logistics, LLC) 901 Sam Rayburn Hwy Melissa, TX 75454 Jenifer Grace (Registered Agent for Pruvit Ventures, Inc.) 901 Sam Rayburn Hwy Melissa, TX 75454

URS Agents Inc. (Registered Agent for Pruvit Ventures, Inc.) 7801 Folsom Blvd, Ste 202 Sacramento, CA 95826

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Current CEO or President LaCore Nutraceuticals, Inc. 901 Sam Rayburn Hwy Melissa, TX 75454

Jenifer Grace (Registered Agent for LaCore Nutraceuticals, Inc.) 901 Sam Rayburn Hwy Melissa, TX 75454

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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

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

Barbara Yook, District Attorney Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249 Prop55Env@co.calaveras.ca.us

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

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

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

Walter W. Wall, District Attorney Mariposa County P.O. Box 730 Mariposa, CA 95338 mcda@mariposacounty.org

Kimberly Lewis, District Attorney Merced County 550 West Main St Merced, CA 95340 Prop65@countyofmerced.com Jeannine M. Pacioni, District Attorney Monterey County 1200 Aguajito Road Monterey, CA 93940 Prop65DA@co.monterey.ca.us

Allison Haley, District Attorncy Napa County 1127 First Street, Stc C Napa, CA 94559 CEPD@countyofnapa.org

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

Clifford H. Newell, District Attorney Nevada County 201 Commercial St Nevada City, CA 95959 DA.Prop65@co.nevada.ca.us

Morgan Briggs Gire, District Attorney Placer County 10810 Justice Center Drive Roseville, CA 95678 Prop65@placer.ca.gov

David Hollister, District Attorney Plumas County 520 Main St Quincy, CA 95971 davidhollister@countyofplumas.com

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

Alethea Sargent, Assistant District Attorney White Collar Division San Francisco District Attorney's Office 350 Rhode Island Street North Building, Suite 400N San Francisco, CA 94103 alethea.sargent@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 March 9, 2021 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 March 9, 2021, in Fort Oglethorpe, Georgia.

Phyllis Vermool Phyllis Dunwoody

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 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

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/prop85/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: <u>http://www.oehha.ca.gov/prop65/prop65_list/Newlist.html</u>.

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

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" 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

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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.