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Clad Fluke, Executive Officer / Clerk of the Court

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23 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
24 **COUNTY OF ALAMEDA**

25 **ENVIRONMENTAL RESEARCH**  
26 **CENTER, INC., a California non-profit**  
27 **corporation**

28 **Plaintiff,**

**vs.**

**SKOUT ORGANIC, LLC; ELEMENT**  
**BARS, INC.; and DOES 1-100**

**Defendants.**

**CASE NO. RG21112721**

**STIPULATED CONSENT**  
**JUDGMENT**

Health & Safety Code § 25249.5 *et seq.*

Action Filed: September 10, 2021

Trial Date: None set

1     **1. INTRODUCTION**

2           **1.1**     On September 10, 2021, Plaintiff Environmental Research Center, Inc.  
3 (“ERC”), a non-profit corporation, as a private enforcer and in the public interest, initiated this  
4 action by filing a Complaint for Injunctive and Declaratory Relief and Civil Penalties pursuant  
5 to the provisions of California Health and Safety Code section 25249.5 *et seq.* (“Proposition  
6 65”), against Skout Organic, LLC (“Skout Organic”) and Does 1-100. Subsequently, on April  
7 25, 2022, and pursuant to a Stipulation and Order entered on February 7, 2022 permitting ERC  
8 to amend the original Complaint to add Element Bars, Inc. (“Element Bars”) as a party  
9 defendant, a First Amended Complaint was filed (the operative Complaint hereinafter referred  
10 to as “Complaint”). In this action, ERC alleges that a number of products manufactured,  
11 distributed, or sold by Skout Organic and Element Bars contain lead and/or cadmium,  
12 chemicals listed under Proposition 65 as carcinogens and reproductive toxins, and expose  
13 consumers to these chemicals at a level requiring a Proposition 65 warning. These products  
14 (referred to hereinafter individually as a “Covered Product” or collectively as “Covered  
15 Products”) are: (1) Skout Organic 10g Protein Bar Chocolate Cherry (55G) (lead, cadmium),  
16 (2) Skout Organic 10g Protein Bar Coconut (55 G) (lead, cadmium), (3) Skout Organic 10g  
17 Protein Bar Lemon Zest (55 G) (lead, cadmium), (4) Skout Organic 10g Protein Bar Peanut  
18 Butter (55G) (lead), (5) Skout Organic 10g Protein Bar Salted Chocolate (55G) (lead,  
19 cadmium), and (6) Skout Organic Real Food Bar Raspberry Rush (24 G) (lead).

20           **1.2**     ERC, Skout Organic and Element Bars are hereinafter referred to individually as  
21 a “Party” or collectively as the “Parties.”

22           **1.3**     ERC is a 501 (c)(3) California non-profit corporation dedicated to, among other  
23 causes, helping safeguard the public from health hazards by reducing the use and misuse of  
24 hazardous and toxic chemicals, facilitating a safe environment for consumers and employees,  
25 and encouraging corporate responsibility.

26           **1.4**     For purposes of this Consent Judgment only, the Parties agree that Skout Organic  
27 and Element Bars are business entities that employed ten or more persons at all times relevant to  
28 this action, and qualify as “persons in the course of doing business” within the meaning of

1 Proposition 65. Skout Organic and Element Bars manufacture, distribute, and/or sell the Covered  
2 Products.

3 **1.5** The Complaint is based on allegations contained in ERC’s Notices of Violation  
4 dated July 1, 2021 and November 12, 2021 that were served on the California Attorney  
5 General, other public enforcers, Skout Organic and Element Bars (“Notices”). True and correct  
6 copies of the 60-Day Notices dated July 1, 2021 and November 12, 2021 are attached hereto as  
7 **Exhibits A and B** and incorporated herein by reference. More than 60 days have passed since  
8 the Notices were served on the Attorney General, public enforcers, and Skout Organic and  
9 Element Bars and no designated governmental entity has filed a Complaint against Skout  
10 Organic or Element Bars with regard to the Covered Products or the alleged violations.

11 **1.6** ERC’s Notices and Complaint allege that use of the Covered Products by  
12 California consumers exposes them to lead and/or cadmium without first receiving clear and  
13 reasonable warnings from Skout Organic and/or Element Bars, which is in violation of  
14 California Health and Safety Code section 25249.6.

15 **1.7** The Parties have entered into this Consent Judgment in order to settle,  
16 compromise, and resolve disputed claims and thus avoid prolonged and costly litigation.  
17 Nothing in this Consent Judgment nor compliance with this Consent Judgment shall constitute  
18 or be construed as an admission by any of the Parties or by any of their respective officers,  
19 directors, shareholders, employees, agents, parent companies, subsidiaries, divisions,  
20 franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers of any fact,  
21 issue of law, or violation of law.

22 **1.8** Except as expressly set forth herein, nothing in this Consent Judgment shall  
23 prejudice, waive, or impair any right, remedy, argument, or defense the Parties may have in  
24 any current or future legal proceeding unrelated to these proceedings. Skout Organic and  
25 Element Bars, Inc. deny the material factual and legal allegations of the Notices and Complaint  
26 and maintain that all of the products they have manufactured, sold, and/or distributed for sale  
27 in California, including Covered Products, have been, and are, in compliance with all laws.  
28 This Section shall not, however, diminish or otherwise affect any obligations, responsibilities,

1 and duties under this Consent Judgment.

2           **1.9**     The Effective Date of this Consent Judgment is the date on which it is entered  
3 as a Judgment by this Court.

4           **2.     JURISDICTION AND VENUE**

5           For purposes of this Consent Judgment and any further court action that may become  
6 necessary to enforce this Consent Judgment, the Parties stipulate that this Court has subject matter  
7 jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction  
8 over Skout Organic and Element Bars as to the acts alleged in the Complaint, that venue is proper  
9 in Alameda County, and that this Court has jurisdiction to enter this Consent Judgment as a full  
10 and final resolution of all claims up through and including the Effective Date that were or could  
11 have been asserted in this action based on the facts alleged in the Notices and Complaint.

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

13           **3.1**     Beginning on the Effective Date, Skout Organic and Element Bars shall be  
14 permanently enjoined from manufacturing for sale in the State of California, “Distributing into  
15 the State of California,” or directly selling in the State of California, any Covered Product that  
16 exposes a person to a “Daily Lead Exposure Level” of more than 0.5 micrograms of lead per  
17 day and/or “Daily Cadmium Exposure Level” of more than 4.1 micrograms of cadmium per  
18 day unless it meets the warning requirements under Section 3.2.

19                   **3.1.1**   As used in this Consent Judgment, the terms “Distributing into the State  
20 of California” and “Distributed into the State of California” shall mean to directly ship a  
21 Covered Product into California for sale in California or to sell a Covered Product to a  
22 distributor that Skout Organic or Element Bars knows or has reason to know will sell the  
23 Covered Product in California.

24                   **3.1.2**   For purposes of this Consent Judgment, the “Daily Lead Exposure  
25 Level” shall be measured in micrograms, and shall be calculated using the following formula:  
26 micrograms of lead per gram of product, multiplied by grams of product per serving of the  
27 product (using the largest serving size appearing on the product label), multiplied by servings  
28 of the product per day (using the largest number of recommended daily servings appearing on

1 the label), which equals micrograms of lead exposure per day. If the label contains no  
2 recommended daily servings, then the number of recommended daily servings shall be one.

3 **3.1.3** For purposes of this Consent Judgment, the “Daily Cadmium Exposure  
4 Level” shall be measured in micrograms, and shall be calculated using the following formula:  
5 micrograms of cadmium per gram of product, multiplied by grams of product per serving of  
6 the product (using the largest serving size appearing on the product label), multiplied by  
7 servings of the product per day (using the largest number of recommended daily servings  
8 appearing on the label), which equals micrograms of cadmium exposure per day. If the label  
9 contains no recommended daily servings, then the number of recommended daily servings  
10 shall be one.


### 11 **3.2 Clear and Reasonable Warnings**

12 If Skout Organic and Element Bars are required to provide a warning pursuant to Section  
13 3.1, one of the following warnings maybe utilized (“Warning”):

#### 14 **Option 1:**

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

#### 18 **Option 2:**

19  **WARNING:** [Cancer and] Reproductive Harm - [www.P65Warnings.ca.gov/](http://www.P65Warnings.ca.gov/)  
20

21 Skout Organic and Element Bars shall use the phrase “cancer and” in the Warning if  
22 Skout Organic or Element Bars has reason to believe that the “Daily Lead Exposure Level” is  
23 greater than 15 micrograms of lead as determined pursuant to the quality control methodology set  
24 forth in Section 3.4 or if Skout Organic or Element Bars has reason to believe that another  
25 Proposition 65 chemical is present which may require a cancer warning. As identified in the  
26 brackets, the Warning shall appropriately reflect whether there is lead, cadmium, or both  
27 chemicals present in each of the Covered Products. For the Option 2 Warning, the entire Warning  
28 must be in a type size no smaller than the largest type size used for other consumer information on

1 the product. In no case shall the Warning appear in a type size smaller than 6-point type. Further,  
2 for Option 2, a symbol consisting of a black exclamation point in a yellow equilateral triangle  
3 with a bold black outline shall be placed to the left of the text of the Warning, in a size no smaller  
4 than the height of the word “**WARNING.**” Where the sign, label or shelf tag for the product is  
5 not printed using the color yellow, the symbol may be printed in black and white.

6 The Warning shall be securely affixed to or printed upon the label of each Covered  
7 Product and it must be set off from other surrounding information and enclosed in a box. In  
8 addition, for any Covered Product sold over the internet, the Warning shall appear on the  
9 checkout page when a California delivery address is indicated for any purchase of any Covered  
10 Product. An asterisk or other identifying method must be utilized to identify which products on  
11 the checkout page are subject to the Warning. In no event shall any internet or website  
12 Warning be contained in or made through a link.

13 The Warning shall be at least the same size as the largest of any other health or safety  
14 warnings also appearing on the website or on the label and the word “**WARNING**” shall be in all  
15 capital letters and in bold print. No statements intended to or likely to have the effect of  
16 diminishing the impact of the Warning on the average lay person shall accompany the Warning.  
17 Further no statements may accompany the Warning that state or imply that the source of the listed  
18 chemical has an impact on or results in a less harmful effect of the listed chemical.

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

23 For purposes of this Consent Judgment, the term “label” means a display of written,  
24 printed or graphic material that is printed on or affixed to a Covered Product or its immediate  
25 container or wrapper.

26 If subsequently enacted changes to Proposition 65 or its implementing regulations require  
27 the use of additional or different information on any warning specifically applicable to the  
28 Covered Products (the “New Safe Harbor Warning”), the Parties agree that the New Safe Harbor

1 warning may be utilized in place of or in addition to, as applicable, the warning set forth in this  
2 Section.

### 3 **3.3 Conforming Covered Products**

4 A Conforming Covered Product is a Covered Product for which the “Daily Lead Exposure  
5 Level” is no greater than 0.5 micrograms of lead per day and/or “Daily Cadmium Exposure  
6 Level” is no more than 4.1 micrograms of cadmium per day as determined by the exposure  
7 methodology set forth in Section 3.1.2 and the quality control methodology described in Section  
8 3.4, and that is not known by Skout Organic and Element Bars to contain other chemicals that  
9 violate Proposition 65’s safe harbor thresholds.

### 10 **3.4 Testing and Quality Control Methodology**

11 **3.4.1** Beginning within one year of the Effective Date, Skout Organic and  
12 Element Bars shall arrange for lead and cadmium testing of the Covered Products for which a  
13 Warning has not been provided, continuously and without interruption from the Effective Date,  
14 in accordance with Section 3, at least once a year for a minimum of three (3) consecutive year  
15 by arranging for testing of three (3) randomly selected samples of each of the Covered  
16 Products, in the form intended for sale to the end-user, which Skout Organic and Element Bars  
17 intend to sell or are manufacturing for sale in California, directly selling to a consumer in  
18 California or “Distributing into the State of California.” If tests conducted pursuant to this  
19 Section demonstrate that no Warning is required for a Covered Product during each of three (3)  
20 consecutive years, then the testing requirements of this Section will no longer be required as to  
21 that Covered Product. However, if during or after the three-year testing period, Skout Organic  
22 or Element Bars changes ingredient suppliers for any of the Covered Products and/or  
23 reformulates any of the Covered Products, Skout Organic and Element Bars shall test that  
24 Covered Product annually for at least two (2) consecutive years after such change is made.

25 **3.4.2** For purposes of measuring the “Daily Lead Exposure Level” and/or  
26 “Daily Cadmium Exposure Level,” the highest lead and/or cadmium detection result of the  
27 three (3) randomly selected samples of the Covered Products will be controlling.

28 **3.4.3** All testing pursuant to this Consent Judgment shall be performed using a

1 laboratory method that complies with the performance and quality control factors appropriate  
2 for the method used, including limit of detection and limit of quantification, sensitivity,  
3 accuracy and precision that meets the following criteria: Inductively Coupled Plasma-Mass  
4 Spectrometry (“ICP-MS”) achieving a limit of quantification of less than or equal to 0.005  
5 mg/kg.

6 **3.4.4** All testing pursuant to this Consent Judgment shall be performed by an  
7 independent third party laboratory certified by the California Environmental Laboratory  
8 Accreditation Program or an independent third-party laboratory that is registered with the  
9 United States Food & Drug Administration.

10 **3.4.5** Nothing in this Consent Judgment shall limit Skout Organic or Element  
11 Bars’ ability to conduct, or require that others conduct, additional testing of the Covered  
12 Products, including the raw materials used in their manufacture.

13 **3.4.6** Within thirty (30) days of ERC’s written request, which request shall not  
14 be made more than once per year, Skout Organic and Element Bars shall deliver lab reports  
15 obtained pursuant to Section 3.4 to ERC. Skout Organic and Element Bars shall retain all test  
16 results and documentation for a period of five years from the date of each test.

17 **3.4.7** The testing and reporting requirements of Section 3.4 shall not apply to  
18 any Covered Product for which a Warning is provided, continuously and without interruption  
19 from the Effective Date, pursuant to Section 3.2 of this Consent Judgment. In the event a  
20 Warning is provided after the Effective Date but Skout Organic or Element Bars thereafter  
21 ceases to provide the Warning, the testing and reporting requirements of Section 3.4 of this  
22 Consent Judgment shall apply beginning within one year after the date the Warning ceases to  
23 be provided, unless the cessation in providing the Warning was a temporary error that was  
24 resolved when discovered.

25 **3.5 Sell-Through Period**

26 Notwithstanding anything else in this Consent Judgment, the Covered Products that are  
27 manufactured and have “entered the stream of commerce” prior to the Effective Date shall be  
28 subject to release of liability pursuant to this Consent Judgment, without regard to when such



1 Covered Products were, or are in the future, distributed or sold to customers. As a result, the  
2 obligations of Skout Organic and/or Element Bars or any Releasees (if applicable), do not apply to  
3 these Covered Products that are manufactured and have “entered the stream of commerce” prior  
4 to the Effective Date. For purposes of this Consent Judgment, the term “entered the stream of  
5 commerce” means that manufactured Covered Products are put into final packaging for consumer  
6 sales and (1) have been Distributed into the State of California or sold in the State of California  
7 by Skout Organic and Element Bars or (2) are no longer in the possession of or under the control  
8 of Skout Organic or Element Bars.

#### 9 **4. SETTLEMENT PAYMENT**

10 **4.1** In full satisfaction of all potential civil penalties, additional settlement payments,  
11 attorney’s fees, and costs in this action, Skout Organic shall make a total payment of  
12 \$115,000.00 (“Total Settlement Amount”) to ERC in six periodic payments (the “Periodic  
13 Payments”) according to the following payment schedule (“Due Dates”):

- 14 • Payment 1 -- \$19,166.70 within 10 days of the transmittal to Skout’s counsel of the  
15 paperwork from the Court indicating that this Consent Judgment has been approved  
16 by the Court.
- 17 • Payment 2 -- \$19,166.66 within 35 days of the Effective Date
- 18 • Payment 3 -- \$19,166.66 within 65 days of the Effective Date
- 19 • Payment 4 -- \$19,166.66 within 95 days of the Effective Date
- 20 • Payment 5 -- \$19,166.66 within 125 days of the Effective Date
- 21 • Payment 6 -- \$19,166.66 within 155 days of the Effective Date

22 Skout Organic shall make these payment by wire transfer to ERC’s account, for which  
23 ERC will give Skout Organic the necessary account information. The Total Settlement Amount  
24 shall be apportioned as follows:

25 **4.2** \$50,175.00 shall be considered a civil penalty pursuant to California Health and  
26 Safety Code section 25249.7(b)(1). ERC shall remit 75% (\$37,631.25) of the civil penalty to  
27 the Office of Environmental Health Hazard Assessment (“OEHHA”) for deposit in the Safe  
28 Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety

1 Code section 25249.12(c). ERC will retain the remaining 25% (\$12,543.75) of the civil  
2 penalty.

3 **4.3** \$2,325.15 shall be distributed to ERC as reimbursement to ERC for reasonable  
4 costs incurred in bringing this action.

5 **4.4** \$37,630.60 shall be distributed to ERC as an Additional Settlement Payment  
6 (“ASP”), pursuant to California Code of Regulations, title 11, sections 3203, subdivision (d)  
7 and 3204. ERC will utilize the ASP for activities that address the same public harm as  
8 allegedly caused by Defendant in this matter. These activities are detailed  
9 below and support ERC’s overarching goal of reducing and/or eliminating hazardous and toxic  
10 chemicals in dietary supplement products in California. ERC’s activities have had, and will  
11 continue to have, a direct and primary effect within the State of California because California  
12 consumers will be benefitted by the reduction and/or elimination of exposure to lead and/or  
13 cadmium in dietary supplements and/or by providing clear and reasonable warnings to  
14 California consumers prior to ingestion of the products.

15 Based on a review of past years’ actual budgets, ERC is providing the following list of  
16 activities ERC engages in to protect California consumers through Proposition 65 citizen  
17 enforcement, along with a breakdown of how ASP funds will be utilized to facilitate those  
18 activities: (1) ENFORCEMENT (65-80%): obtaining, shipping, analyzing, and testing dietary  
19 supplement products that may contain lead and/or cadmium and are sold to California  
20 consumers. This work includes continued monitoring and enforcement of past consent  
21 judgments and settlements to ensure companies are in compliance with their obligations  
22 thereunder, with a specific focus on those judgments and settlements concerning lead and/or  
23 cadmium. This work also includes investigation of new companies that ERC does not obtain  
24 any recovery through settlement or judgment; (2) VOLUNTARY COMPLIANCE PROGRAM  
25 (10-20%): maintaining ERC’s Voluntary Compliance Program by acquiring products from  
26 companies, developing and maintaining a case file, testing products from these companies,  
27 providing the test results and supporting documentation to the companies, and offering  
28 guidance in warning or implementing a self-testing program for lead and/or cadmium in dietary

1 supplement products; and (3) “GOT LEAD” PROGRAM (up to 5%): maintaining ERC’s “Got  
2 Lead?” Program which reduces the numbers of contaminated products that reach California  
3 consumers by providing access to free testing for lead in dietary supplement products (Products  
4 submitted to the program are screened for ingredients which are suspected to be contaminated,  
5 and then may be purchased by ERC, catalogued, sent to a qualified laboratory for testing, and  
6 the results shared with the consumer that submitted the product).

7 ERC shall be fully accountable in that it will maintain adequate records to document  
8 and will be able to demonstrate how the ASP funds will be spent and can assure that the funds  
9 are being spent only for the proper, designated purposes described in this Consent Judgment.  
10 ERC shall provide the Attorney General, within thirty days of any request, copies of  
11 documentation demonstrating how such funds have been spent.

12 **4.5** \$24,869.25 shall be distributed to ERC for its in-house legal fees. Except as  
13 explicitly provided herein, each Party shall bear its own fees and costs.

14 **4.6** In the event that Skout Organic fails to remit, in full, any of the Periodic  
15 Payments owed under Section 4.1 of this Consent Judgment on or before the applicable Due  
16 Date, Skout Organic shall be deemed to be in material breach of its obligations under this  
17 Consent Judgment. ERC shall provide written notice of the delinquency to Skout Organic via  
18 electronic mail. If Skout Organic fails to deliver the delinquent payment within five (5) days  
19 from the written notice, the Total Settlement Amount, less any amounts previously paid  
20 pursuant to Section 4.1., shall be immediately due and owing and shall accrue interest at the  
21 statutory judgment interest rate provided in the California Code of Civil Procedure section  
22 685.010. Additionally, Skout Organic agrees to pay ERC’s reasonable attorney’s fees and costs  
23 for any efforts to collect the payment(s) due under this Consent Judgment.

24 **5. MODIFICATION OF CONSENT JUDGMENT**

25 **5.1** This Consent Judgment may be modified only as to injunctive terms (i) by  
26 written stipulation of the Parties and upon entry by the Court of a modified Consent Judgment  
27 or (ii) by motion of either Party pursuant to Section 5.3 and upon entry by the Court of a  
28 modified Consent Judgment.

1           **5.2**     If Skout Organic and/or Element Bars seeks to modify this Consent Judgment  
2 under Section 5.1, then Skout Organic and/or Element Bars must provide written notice to ERC  
3 of its intent (“Notice of Intent”). If ERC seeks to meet and confer regarding the proposed  
4 modification in the Notice of Intent, then ERC must provide written notice to Skout Organic  
5 and/or Element Bars within thirty (30) days of receiving the Notice of Intent. If ERC notifies  
6 Skout Organic and/or Element Bars in a timely manner of ERC’s intent to meet and confer, then  
7 the Parties shall meet and confer in good faith as required in this Section. The Parties shall  
8 meet in person or via telephone within thirty (30) days of ERC’s notification of its intent  
9 to meet and confer. Within thirty (30) days of such meeting, if ERC disputes the proposed  
10 modification, ERC shall provide to Skout Organic and/or Element Bars a written basis for its  
11 position. The Parties shall continue to meet and confer for an additional thirty (30) days in an  
12 effort to resolve any remaining disputes. Should it become necessary, the Parties may agree in  
13 writing to different deadlines for the meet-and-confer period.

14           **5.3**     In the event that Skout Organic and/or Element Bars initiates or otherwise  
15 requests a modification under Section 5.1, and the meet and confer process leads to a joint  
16 motion or application for a modification of the Consent Judgment, Skout Organic and/or  
17 Element Bars shall reimburse ERC its costs and reasonable attorney’s fees for the time spent in  
18 the meet-and-confer process and filing and arguing the motion or application.

19       **6.     RETENTION OF JURISDICTION, ENFORCEMENT OF CONSENT**  
20       **JUDGMENT**

21           **6.1**     This Court shall retain jurisdiction of this matter to enforce, modify, or  
22 terminate this Consent Judgment.

23           **6.2**     If ERC alleges that any Covered Product fails to qualify as a Conforming  
24 Covered Product (for which ERC alleges that no Warning has been provided), then ERC shall  
25 inform Skout Organic and Element Bars in a reasonably prompt manner of its test results,  
26 including information sufficient to permit Skout Organic and Element Bars to identify the  
27 Covered Products at issue. Skout Organic and Element Bars shall, within thirty (30) days  
28 following such notice, provide ERC with testing information, from an independent third-party

1 laboratory meeting the requirements of Sections 3.4.3 and 3.4.4, demonstrating Skout Organic  
2 and Element Bars' compliance with the Consent Judgment. The Parties shall first attempt to  
3 resolve the matter prior to ERC taking any further legal action.

4 **7. APPLICATION OF CONSENT JUDGMENT**

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

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

12 **8.1** This Consent Judgment is a full, final, and binding resolution between ERC,  
13 on behalf of itself and in the public interest, and Skout Organic and Element Bars, and their  
14 respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries,  
15 divisions, suppliers, franchisees, licensees, customers (not including private label customers of  
16 Skout Organic), distributors, wholesalers, retailers, and all other upstream and downstream  
17 entities in the distribution chain of any Covered Product, and the predecessors, successors, and  
18 assigns of any of them (collectively, "Released Parties").

19 **8.2** ERC, acting in the public interest, releases the Released Parties from any  
20 and all claims for violations of Proposition 65 up through the Effective Date based on exposure  
21 to lead and/or cadmium from the Covered Products as set forth in the Notices. ERC, on behalf  
22 of itself only, hereby fully releases and discharges the Released Parties from any and all  
23 claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs, and  
24 expenses asserted, or that could have been asserted from the handling, use, or consumption of  
25 the Covered Products, as to any alleged violation of Proposition 65 or its implementing  
26 regulations arising from the failure to provide Proposition 65 warnings on the Covered  
27 Products regarding lead and/or cadmium up to and including the Effective Date.

28 **8.3** ERC on its own behalf only, and Skout Organic and Element Bars on their

1 own behalf only, further waive and release any and all claims they may have against each other  
2 for all actions or statements made or undertaken in the course of seeking or opposing  
3 enforcement of Proposition 65 in connection with the Notices and Complaint up through and  
4 including the Effective Date, provided, however, that nothing in Section 8 shall affect or limit  
5 any Party's right to seek to enforce the terms of this Consent Judgment.

6 **8.4** It is possible that other claims not known to the Parties, arising out of the facts  
7 alleged in the Notices and Complaint, and relating to the Covered Products, will develop or be  
8 discovered. ERC on behalf of itself only, and Skout Organic and Element Bars, on their own  
9 behalf only, acknowledge that this Consent Judgment is expressly intended to cover and  
10 include all such claims up through and including the Effective Date, including all rights of  
11 action therefore. ERC, Skout Organic and Element Bars acknowledge that the claims released  
12 in Sections 8.2 and 8.3 above may include unknown claims, and nevertheless waive California  
13 Civil Code section 1542 as to any such unknown claims. California Civil Code section 1542  
14 reads as follows:

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

19 ERC on behalf of itself only, and Skout Organic and Element Bars on their own behalf only,  
20 acknowledge and understand the significance and consequences of this specific waiver of  
21 California Civil Code section 1542.

22 **8.5** Compliance with the terms of this Consent Judgment shall be deemed to  
23 constitute compliance with Proposition 65 by any of the Released Parties regarding alleged  
24 exposures to lead and/or cadmium in the Covered Products as set forth in the Notices and  
25 Complaint.

26 **8.6** Nothing in this Consent Judgment is intended to apply to any occupational or  
27 environmental exposures arising under Proposition 65, nor shall it apply to any of Skout  
28 Organic's or Element Bars' products other than the Covered Products.

1     **9. SEVERABILITY OF UNENFORCEABLE PROVISIONS**

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

5     **10. GOVERNING LAW**

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

8     **11. PROVISION OF NOTICE**

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

12 **FOR ENVIRONMENTAL RESEARCH CENTER, INC.:**  
13 Chris Heptinstall, Executive Director, Environmental Research Center  
14 3111 Camino Del Rio North, Suite 400  
15 San Diego, CA 92108  
16 Ph: (619) 500-3090  
17 Email: [chris.heptinstall@erc501c3.org](mailto:chris.heptinstall@erc501c3.org)

18 With a copy to:  
19 Charles W. Poss  
20 Environmental Research Center, Inc.  
21 3111 Camino Del Rio North, Suite 400  
22 San Diego, CA 92108  
23 Ph: (619) 500-3090  
24 Email: [charles.poss@erc501c3.org](mailto:charles.poss@erc501c3.org)

25 **SKOUT ORGANIC, LLC**  
26 Skout Organic LLC  
27 200 E Live Oak Street  
28 Austin TX 78704  
Contact: Mark Collis  
email: [mark@skoutorganic.com](mailto:mark@skoutorganic.com)

With a copy to:  
Sophia B. Castillo  
Downey Brand LLP  
455 Market Street, Suite 1500  
San Francisco, California 94105  
Ph: (415) 848-4800  
Email: [scastillo@downeybrand.com](mailto:scastillo@downeybrand.com)

1 **ELEMENT BARS, INC.**

2 Element Bars Inc  
3 1140 S Washtenaw  
4 Chicago, IL 60612  
5 Contact: Thomas Kane  
6 **email: tom@elementbars.com**

7 With a copy to:

8 Sophia B. Castillo  
9 Downey Brand LLP  
10 455 Market Street, Suite 1500  
11 San Francisco, California 94105  
12 Ph: (415) 848-4800  
13 Email: [scastillo@downeybrand.com](mailto:scastillo@downeybrand.com)

14 **12. COURT APPROVAL**

15 **12.1** Upon execution of this Consent Judgment by the Parties, ERC shall notice a  
16 Motion for Court Approval. The Parties shall use their best efforts to support entry of this  
17 Consent Judgment.

18 **12.2** If the California Attorney General objects to any term in this Consent Judgment,  
19 the Parties shall use their best efforts to resolve the concern in a timely manner, and if possible  
20 prior to the hearing on the motion.

21 **12.3** If this Stipulated Consent Judgment is not approved by the Court, it shall be  
22 void and have no force or effect.

23 **13. EXECUTION AND COUNTERPARTS**

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

27 **14. DRAFTING**

28 The terms of this Consent Judgment have been reviewed by the respective counsel for  
each Party prior to its signing, and each Party has had an opportunity to fully discuss the terms  
and conditions with legal counsel. The Parties agree that, in any subsequent interpretation and  
construction of this Consent Judgment, no inference, assumption, or presumption shall be drawn,  
and no provision of this Consent Judgment shall be construed against any Party, based on the fact



1 that one of the Parties and/or one of the Parties' legal counsel prepared and/or drafted all or any  
2 portion of the Consent Judgment. It is conclusively presumed that all of the Parties participated  
3 equally in the preparation and drafting of this Consent Judgment.

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

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

9 **16. ENFORCEMENT**

10 ERC may, by motion or order to show cause before the Superior Court of Alameda  
11 County, enforce the terms and conditions contained in this Consent Judgment. In any action  
12 brought by ERC to enforce this Consent Judgment, ERC may seek whatever fines, costs,  
13 penalties, or remedies as are provided by law for failure to comply with the Consent Judgment.  
14 To the extent the failure to comply with the Consent Judgment constitutes a violation of  
15 Proposition 65 or other laws, ERC shall not be limited to enforcement of this Consent  
16 Judgment, but may seek in another action whatever fines, costs, penalties, or remedies as are  
17 provided by law for failure to comply with Proposition 65 or other laws.

18 **17. ENTIRE AGREEMENT, AUTHORIZATION**

19 **17.1** This Consent Judgment contains the sole and entire agreement and  
20 understanding of the Parties with respect to the entire subject matter herein, including any and  
21 all prior discussions, negotiations, commitments, and understandings related thereto. No  
22 representations, oral or otherwise, express or implied, other than those contained herein have  
23 been made by any Party. No other agreements, oral or otherwise, unless specifically referred to  
24 herein, shall be deemed to exist or to bind any Party.

25 **17.2** Each signatory to this Consent Judgment certifies that he or she is fully  
26 authorized by the Party he or she represents to stipulate to this Consent Judgment.

27 ///

28 ///

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

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

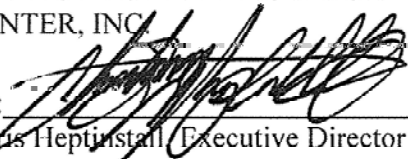
6 (1) Find that the terms and provisions of this Consent Judgment represent a fair and  
7 equitable settlement of all matters raised by the allegations of the Complaint that the matter has  
8 been diligently prosecuted, and that the public interest is served by such settlement; and

9 (2) Make the findings pursuant to California Health and Safety Code section  
10 25249.7(f)(4), approve the Settlement, and approve this Consent Judgment.

11 **IT IS SO STIPULATED:**

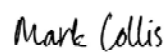
12  
13 Dated: 4/28/, 2022

ENVIRONMENTAL RESEARCH  
CENTER, INC.

By:   
Chris Heptinstall, Executive Director

17 Dated: 4/28, 2022

SKOUT ORGANIC, LLC

DocuSigned by:  
  
0348F4261D42417...

By: Mark collis  
Its: chief snacking officer

23 Dated: \_\_\_\_\_, 2022

ELEMENT BARS, INC.

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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


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

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

9 (2) Make the findings pursuant to California Health and Safety Code section  
10 25249.7(f)(4), approve the Settlement, and approve this Consent Judgment.

11 **IT IS SO STIPULATED:**

12  
13 Dated: 4/28/, 2022

ENVIRONMENTAL RESEARCH  
CENTER, INC.  
By:   
Chris Heptinstall, Executive Director

14  
15  
16  
17 Dated: \_\_\_\_\_, 2022

SKOUT ORGANIC, LLC  
  
\_\_\_\_\_  
By:  
Its:

18  
19  
20  
21  
22 Dated: \_\_\_\_\_, 2022


ELEMENT BARS, INC.  
  
**Thomas Kane**  
Digitally signed by Thomas Kane  
DN: cn=Thomas Kane, o, ou,  
email=tom@elementbars.com, c=US  
Date: 2022.04.29 12:02:29 -05'00'  
\_\_\_\_\_  
By: Thomas Kane  
Its: General Manager

23  
24  
25  
26  
27  
28

1 **APPROVED AS TO FORM:**

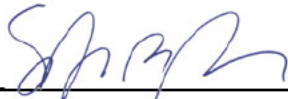
2 Dated: April 28, 2022

ENVIRONMENTAL RESEARCH  
CENTER, INC.

3  
4 By:   
5 Charles W. Poss  
6 In-House Counsel

7 Dated: April 29, 2022

DOWNEY BRAND LLP

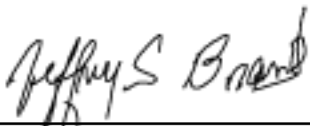
8  
9 By:   
10 Sophia B. Castillo  
11 Attorney for Defendants Skout Organic,  
12 LLC and Element Bars, Inc.

13 **ORDER AND JUDGMENT**

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

16 IT IS SO ORDERED, ADJUDGED AND DECREED.

17  
18 Dated: 09/13/2022, 2022

  
19 Judge of the Superior Court  
20 **Jeffrey Brand / Judge**

# **EXHIBIT A**



## Environmental Research Center

3111 Camino Del Rio North, Suite 400  
San Diego, CA 92108  
619-500-3090

July 1, 2021

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

Dear Alleged Violator and the Appropriate Public Enforcement Agencies:

I am the Executive Director of Environmental Research Center, Inc. (“ERC”). ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

ERC has identified violations of California’s Safe Drinking Water and Toxic Enforcement Act of 1986 (“Proposition 65”), which is codified at California Health & Safety Code §25249.5 *et seq.*, with respect to the products identified below. These violations have occurred and continue to occur because the alleged Violator identified below failed to provide required clear and reasonable warnings with these products. This letter serves as a notice of these violations to the alleged Violator and the appropriate public enforcement agencies. Pursuant to Section 25249.7(d) of the statute, ERC intends to file a private enforcement action in the public interest 60 days after effective service of this notice unless the public enforcement agencies have commenced and are diligently prosecuting an action to rectify these violations.

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

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

**Skout Organic, LLC**

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

- 1. Skout Organic 10g Protein Bar Chocolate Cherry (55G) – Lead, Cadmium**
- 2. Skout Organic 10g Protein Bar Coconut (55 G) – Lead, Cadmium**

- 3. Skout Organic 10g Protein Bar Lemon Zest (55 G) – Lead, Cadmium**
- 4. Skout Organic 10g Protein Bar Peanut Butter (55G) - Lead**
- 5. Skout Organic 10g Protein Bar Salted Chocolate (55G) – Lead, Cadmium**
- 6. Skout Organic Real Food Bar Raspberry Rush (24 G) – 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.

Cadmium was officially listed as a chemical known to cause developmental toxicity and male reproductive toxicity on May 1, 1997, while cadmium and cadmium compounds were listed as chemicals known to the State of California to cause cancer on October 1, 1987.

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 these chemicals has been and continues to be through ingestion.

**Approximate Time Period of Violations.** Ongoing violations have occurred every day since at least July 1, 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 these known toxic chemicals are either removed from or reduced to allowable levels in the products. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemicals. The method of warning should be a warning that appears on the product label. The Violator violated Proposition 65 because it failed to provide persons ingesting these products with appropriate warnings that they are being exposed to these chemicals.

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

July 1, 2021

Page 3

Please direct all questions concerning this notice to ERC at the above listed address and telephone number.

Sincerely,



---

Chris Heptinstall  
Executive Director  
Environmental Research Center

Attachments

Certificate of Merit

Certificate of Service

OEHHA Summary (to Skout Organic, LLC and its 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 Skout Organic, LLC**

I, Chris Heptinstall, declare:

1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged the party identified in the notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.

2. I am the Executive Director for the noticing party.

3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemicals that are the subject of the notice.

4. Based on the information obtained through those consultants, and on other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged Violator will be able to establish any of the affirmative defenses set forth in the statute.

5. Along with the copy of this Certificate of Merit served on the Attorney General is attached additional factual information sufficient to establish the basis for this certificate, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.



Dated: July 1, 2021

---

Chris Heptinstall

**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 1, 2021, between 8:00 a.m. and 5:00 p.m. Eastern Time, I served the following documents: **NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; “THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY”** on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties listed below and depositing it in a U.S. Postal Service Office with the postage fully prepaid for delivery by Certified Mail:

Current President or CEO  
Skout Organic, LLC  
200 E Live Oak St  
Austin, TX 78704

Agents and Corporations, Inc.  
(Registered Agent for Skout Organic, LLC)  
1201 N Orange St, Ste 600  
Wilmington, DE 19801

David Ferdman  
(Registered Agent for Skout Organic, LLC)  
200 E Live Oak St  
Austin, TX 78704

On July 1, 2021, 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  
Post Office Box 70550  
Oakland, CA 94612-0550

On July 1, 2021, between 8:00 a.m. and 5:00 p.m. Eastern Time, verified the following documents **NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT** were served on the following parties when a true and correct copy thereof was sent via electronic mail to each of the parties listed below:

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

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

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

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

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

July 1, 2021

Page 6

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 Attorney  
Napa County  
1127 First Street, Ste C  
Napa, CA 94559  
CEPD@countyofnapa.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

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@sdca.org

Mark Ankcorn, 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, 7<sup>th</sup> 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, 4<sup>th</sup> 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

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

July 1, 2021

Page 7

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

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

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

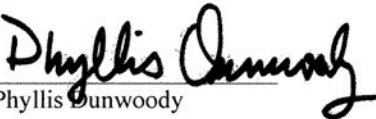
Gregory D. Totten, District Attorney  
Ventura County  
800 S Victoria Ave  
Ventura, CA 93009  
daspecialops@ventura.org

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

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

On July 1, 2021, between 8:00 a.m. and 5:00 p.m. Eastern Time, I served the following documents: **NOTICE OF VIOLATIONS, 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 with the U.S. Postal Service with the postage fully prepaid for delivery by First Class Mail.

Executed on July 1, 2021, 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 4<sup>th</sup> 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, Mendocino  
County  
Post Office Box 1000  
Ukiah, CA 95482

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, Orange  
County  
300 N Flower St  
Santa Ana, CA 92703

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  
Post Office Box 457  
100 Courthouse Square, 2<sup>nd</sup>  
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 2<sup>nd</sup> 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 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.<sup>1</sup> 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

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

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

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

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

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

#### ***DOES PROPOSITION 65 PROVIDE ANY EXEMPTIONS?***

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

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

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

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

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

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

**Exposures to Naturally Occurring Chemicals in Food.** Certain exposures to chemicals that naturally occur in foods (i.e., that do not result from any known human activity, including activity by someone other than the person causing the exposure) are exempt from the warning requirements of the law. If the chemical is a contaminant<sup>2</sup> 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.

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<sup>2</sup> 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](mailto: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.

# **EXHIBIT B**



## Environmental Research Center

3111 Camino Del Rio North, Suite 400  
San Diego, CA 92108  
619-500-3090

November 12, 2021

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

Dear Alleged Violator and the Appropriate Public Enforcement Agencies:

I am the Executive Director of Environmental Research Center, Inc. (“ERC”). ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

ERC has identified violations of California’s Safe Drinking Water and Toxic Enforcement Act of 1986 (“Proposition 65”), which is codified at California Health & Safety Code §25249.5 *et seq.*, with respect to the products identified below. These violations have occurred and continue to occur because the alleged Violator identified below failed to provide required clear and reasonable warnings with these products. This letter serves as a notice of these violations to the alleged Violator and the appropriate public enforcement agencies. Pursuant to Section 25249.7(d) of the statute, ERC intends to file a private enforcement action in the public interest 60 days after effective service of this notice unless the public enforcement agencies have commenced and are diligently prosecuting an action to rectify these violations.

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

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

**Element Bars, Inc.**

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

- 1. Skout Organic 10g Protein Bar Chocolate Cherry (55G) – Lead, Cadmium**
- 2. Skout Organic 10g Protein Bar Coconut (55 G) – Lead, Cadmium**

- 3. Skout Organic 10g Protein Bar Lemon Zest (55 G) – Lead, Cadmium**
- 4. Skout Organic 10g Protein Bar Peanut Butter (55G) - Lead**
- 5. Skout Organic 10g Protein Bar Salted Chocolate (55G) – Lead, Cadmium**
- 6. Skout Organic Real Food Bar Raspberry Rush (24 G) – 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.

Cadmium was officially listed as a chemical known to cause developmental toxicity and male reproductive toxicity on May 1, 1997, while cadmium and cadmium compounds were listed as chemicals known to the State of California to cause cancer on October 1, 1987.

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 these chemicals has been and continues to be through ingestion.

**Approximate Time Period of Violations.** Ongoing violations have occurred every day since at least November 12, 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 these known toxic chemicals are either removed from or reduced to allowable levels in the products. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemicals. The method of warning should be a warning that appears on the product label. The Violator violated Proposition 65 because it failed to provide persons ingesting these products with appropriate warnings that they are being exposed to these chemicals.

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

Please direct all questions concerning this notice to ERC at the above listed address and telephone number.

Sincerely,



---

Chris Heptinstall  
Executive Director  
Environmental Research Center

Attachments

Certificate of Merit

Certificate of Service

OEHHA Summary (to Element Bars, Inc. and its Registered Agent for Service of Process only)

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

**CERTIFICATE OF MERIT**

**Re: Environmental Research Center, Inc.'s Notice of Proposition 65 Violations by Element Bars, Inc.**

I, Chris Heptinstall, declare:

1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged the party identified in the notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.

2. I am the Executive Director for the noticing party.

3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemicals that are the subject of the notice.

4. Based on the information obtained through those consultants, and on other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged Violator will be able to establish any of the affirmative defenses set forth in the statute.

5. Along with the copy of this Certificate of Merit served on the Attorney General is attached additional factual information sufficient to establish the basis for this certificate, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.



Dated: November 12, 2021

---

Chris Heptinstall

**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 November 12, 2021, between 8:00 a.m. and 5:00 p.m. Eastern Time, I served the following documents: **NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; “THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY”** on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties listed below and depositing it in a U.S. Postal Service Office with the postage fully prepaid for delivery by Certified Mail:

Current President or CEO  
Element Bars, Inc.  
1140 S Washtenaw Ave  
Chicago, IL 60612

Jonathan Miller  
(Registered Agent for Element Bars, Inc.)  
4839 N Hoyne Ave  
Chicago, IL 60625

On November 12, 2021, 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  
Post Office Box 70550  
Oakland, CA 94612-0550

On November 12, 2021, between 8:00 a.m. and 5:00 p.m. Eastern Time, verified the following documents **NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT** were served on the following parties when a true and correct copy thereof was sent via electronic mail to each of the parties listed below:

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

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

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

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



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

November 12, 2021

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Michelle Latimer, Program Coordinator  
Lassen County  
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P.O. Box 730  
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Merced, CA 95340  
Prop65@countyofmerced.com

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

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Napa, CA 94559  
CEPD@countyofnapa.org

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201 Commercial St  
Nevada City, CA 95959  
DA.Prop65@co nevada.ca.us

Morgan Briggs Gire, District Attorney  
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Roseville, CA 95678  
Prop65@placer.ca.gov

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davidhollister@countyofplumas.com

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

Anne Marie Schubert, District Attorney  
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Valerie.Lopez@sfcityatty.org

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DAConsumer.Environmental@sjcda.org

Eric J. Dobroth, Deputy District Attorney  
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County Government Center Annex, 4<sup>th</sup> 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

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

November 12, 2021

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

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

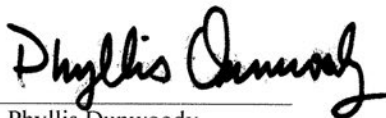
Gregory D. Totten, District Attorney  
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Ventura, CA 93009  
daspecialops@ventura.org

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

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

On November 12, 2021, between 8:00 a.m. and 5:00 p.m. Eastern Time, I served the following documents: **NOTICE OF VIOLATIONS, 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 with the U.S. Postal Service with the postage fully prepaid for delivery by First Class Mail.

Executed on November 12, 2021, 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 4<sup>th</sup> 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, Mendocino  
County  
Post Office Box 1000  
Ukiah, CA 95482

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, Orange  
County  
300 N Flower St  
Santa Ana, CA 92703

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  
Post Office Box 457  
100 Courthouse Square, 2<sup>nd</sup>  
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 2<sup>nd</sup> 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  
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200 East Santa Clara Street,  
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San Jose, CA 95113

## APPENDIX A

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

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

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

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

#### ***DOES PROPOSITION 65 PROVIDE ANY EXEMPTIONS?***

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

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

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

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

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

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

**Exposures to Naturally Occurring Chemicals in Food.** Certain exposures to chemicals that naturally occur in foods (i.e., that do not result from any known human activity, including activity by someone other than the person causing the exposure) are exempt from the warning requirements of the law. If the chemical is a contaminant<sup>2</sup> 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.

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<sup>2</sup> 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](mailto: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.



<b>SUPERIOR COURT OF CALIFORNIA COUNTY OF ALAMEDA</b>	Reserved for Clerk's File Stamp
COURTHOUSE ADDRESS: Rene C. Davidson Courthouse 1225 Fallon Street, Oakland, CA 94612	<b>FILED</b> Superior Court of California County of Alameda 09/13/2022
PLAINTIFF/PETITIONER: Environmental Research Center, Inc.	Chad Finke, Executive Officer / Clerk of the Court By:  Deputy
DEFENDANT/RESPONDENT: Skout Organic, LLC et al	B. Mercado
<b>CERTIFICATE OF ELECTRONIC SERVICE CODE OF CIVIL PROCEDURE 1010.6</b>	CASE NUMBER: RG21112721

I, the below named Executive Officer/Clerk of Court of the above-entitled court, do hereby certify that I am not a party to the cause herein, and that on this date I served one copy of the Stipulated Judgment entered herein upon each party or counsel of record in the above entitled action, by electronically serving the document(s) from my place of business, in accordance with standard court practices.

Charles W Poss  
Environmental Research Center, Inc.  
charles.poss@erc501c3.org

Sophia Benson Castillo  
Downey Brand LLP  
scastillo@downeybrand.com

Dated: 09/13/2022

Chad Finke, Executive Officer / Clerk of the Court

By:



B. Mercado, Deputy Clerk