FILED
San Francisco County Superior Count

LAURA J. BAUGHMAN (SBN 263944) DEC 1 1 2012 BARON & BUDD, P.C. 3102 Oak Lawn Avenue, Suite 1100 CLERK OF THE COURT, Dallas, TX 75219 Telephone (214) 521-3605 Facsimile (214) 520-1181 Attuela 3 Deputy Clerk lbaughman@baronbudd.com 4 APRIL STRAUSS (SBN 163327) LAW OFFICE OF APRIL STRAUSS 5 2500 Hospital Drive, Suite 3B Mountain View, CA 94040 Telephone 650-281-7081 Facsimile 408-774-1906 8 Attorneys for Plaintiffs 9 Chris Manthey and Benson Chiles SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 COUNTY OF SAN FRANCISCO 11 Case No.: CGC-10-497334 CHRIS MANTHEY and BENSON CHILES, 12 13 [PROPOSED] CONSENT JUDGMENT AS Plaintiffs. TO TWINLAB CORPORATION, ET AL..; 14 ORDER VS. 15 CVS PHARMACY, INC.; GENERAL **NUTRITION CORPORATION; NOW** 16 HEALTH GROUP, INC.; OMEGA 17 PROTEIN, INC.; PHARMAVITE LLC; RITE AID CORPORATION; SOLGAR, INC.; and 18 TWINLAB CORPORATION, 19 Defendants. 20 21 22 INTRODUCTION 23 On March 2, 2010, Chris Manthey and Benson Chiles (collectively, "Plaintiffs"), 1.1 24 acting in the public interest, filed a complaint for civil penalties and injunctive relief in San 25 Francisco Superior Court, Case No. 497334 ("Complaint") against CVS Pharmacy, Inc., 26 General Nutrition Corp., NOW Health Group, Inc., Omega Protein, Inc., Rite Aide Corp., 27 Solgar, Inc., and Twinlab Corp. (collectively, "Defendants"). In their Complaint, Plaintiffs 28 [PROPOSED] CONSENT JUDGMENT AS TO TWINLAB CORPORATION ET AL.; ORDER - 1 LA1 2532055v.5

 allege that Defendants manufactured, packaged, distributed, marketed and/or sold dietary supplements made from fish oils, fish liver oils, shark oils, and/or shark liver oils ("Products") for human consumption containing the Proposition 65 listed chemical polychlorinated biphenyls ("PCBs") in an amount that violated the provisions of Health & Safety Code §§ 25249.5 et seq. ("Proposition 65") by knowingly and intentionally exposing persons to a chemical known to the State of California to cause reproductive toxicity and cancer, namely PCBs, without first providing a clear and reasonable warning to such individuals. This Consent Judgment resolves Plaintiffs claims against Twinlab Corporation, Twinlab Corporation d/b/a ISI Brands, Inc. and d/b/a Metabolife, Corp., Idea Sphere, Inc., and Natural 2U LLC (collectively, "Settling Defendants"). The Products covered by this Consent Judgment are described in Exhibit A attached hereto (the "Dietary Supplement Products"). If Plaintiff in the future inquires whether a Product is a Dietary Supplement Product subject to this Consent Judgment, Settling Defendants shall respond promptly (and in any event within fourteen (14) days of the inquiry) to Plaintiff's inquiry.

- 1.2 For purposes of this Consent Judgment only, Plaintiffs and Settling Defendants (hereafter referred to as the "Parties"), stipulate that this Court has jurisdiction over allegations of violations contained in the Complaint and personal jurisdiction over the Settling Defendants as to the acts alleged in the Complaint, that venue is proper in the County of San Francisco, and that this Court has jurisdiction to enter this Consent Judgment as a resolution of all claims which could have been raised in the Complaint based on the facts alleged therein. Each Settling Defendant employs ten (10) or more employees. More than sixty (60) days have lapsed since Plaintiff issued a notice of violation of Proposition 65 letter dated August 6, 2009, and no public prosecutor has commenced a legal action or intervened in Plaintiff's suit. A copy of the notice of violation letter and Complaint appear at Exhibit B.
 - 1.3 Each Settling Defendant denies the allegations set forth in the Complaint.
- 1.4 For the purpose of avoiding prolonged and costly litigation, the Parties enter into this Consent Judgment as a full settlement of all claims that were raised in the Complaint based on the facts alleged therein, or which could have been raised in the Complaint arising out of the

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

2.2

1

under this Consent Judgment. II. **MONITORING**

Settling Defendants shall monitor PCBs levels to which California consumers 2.1 are exposed in the Dietary Supplement Products. In monitoring such levels, Settling Defendants shall be entitled to conduct, or have conducted on their behalf, laboratory testing for PCBs, rely on the test results their raw, intermediate or bulk material suppliers provide, rely on test results their contract manufacturers provide and rely on additional relevant information (such as whether oils have been subject to molecular distillation or other processing to reduce impurities) to establish PCB levels for purposes of this Consent Judgment in the Dietary Supplement Products. The laboratory testing for purposes of this Section 2.1 may be conducted pursuant to US EPA Method 8082A, US EPA Method 1668 or 1668A or any other laboratory test method routinely employed in the United States, Canada or European countries to document PCB levels (or specific PCB congeners) in Products. The data and information on which a Settling Defendant relies shall be maintained for at least two (2) years after a Dietary Supplement Product is manufactured, distributed or sold (whatever is the latest date) by a Settling Defendant. A determinative level ("Determinative Level") of PCBs in any Dietary

facts alleged therein. By execution of this Consent Judgment, no Settling Defendant admits

Supplement Product for purposes of this Consent Judgment shall be established if a Settling

Defendant conducts, or has conducted on its behalf, testing of at least three (3) samples from

 finished product lots or raw, intermediate, or bulk material using US EPA Method 8082A, US EPA Method 1668 or 1668A, or any other laboratory test method routinely employed in the United States, Canada, or European countries to test PCBs levels (or specific PCB congeners). At the Settling Defendants' sole discretion, the Determinative Level shall be the arithmetic or geometric mean (average) of the samples so tested. The Determinative Level shall be the level evaluated to determine compliance with the obligations of this Consent Judgment, including Section 3.1 below. The Determinative Level for a given Dietary Supplement Product may be established at any time, and the Parties expressly contemplate that in the event of a dispute regarding the Determinative Level, the Settling Defendant shall be afforded an opportunity prior to enforcement of this Consent Judgment to generate supplemental data ("Supplemental Data") to supplement the existing test data and information on hand pursuant to Section 2.1 as set forth in this Section 2.2.

2.3 All data generated in compliance with Sections 2.1 and 2.2 herein shall be available to Plaintiffs within thirty (30) days of request therefor by Settling Defendant's delivering the information to Laura Baughman at Baron & Budd, P.C., 3102 Oak Lawn Ave., Suite 1100, Dallas, TX 75219 (lbaughman@baronbudd.com). Plaintiffs shall not request such data more often than once per calendar year, unless good cause is shown to request data more frequently. No test data or other information need be maintained or delivered to Plaintiff corresponding to the time period a Dietary Supplement Product carries a warning as provided for in Section 3.1. Plaintiffs shall keep all such information and data confidential except as is necessary to contest whether the warning obligation of Section 3.1 below has been violated, and if such data or information is required to be presented to the Court, Plaintiff shall do so under seal or take alternative measures to preserve the confidentiality of the data or information.

III. <u>CLEAR AND REASONABLE WARNINGS</u>

3.1 Warning Standard

Beginning with the date that is ninety (90) days after the Effective Date of this Consent Judgment (the "Compliance Date"), each Settling Defendant shall not manufacture for sale in the State of California, distribute into the State of California, or sell directly to a consumer in

28

the State of California any Dietary Supplement Product that exceeds an exposure limit for polychlorinated biphenyls ("PCBs") of 290 nanograms per day for birth defects and reproductive harm, or exceeds the exposure limit for PCBs of 350 nanograms per day for cancer, based on the maximum daily dosage recommended on the Dietary Supplement Product label, unless a warning is placed on the packaging, labeling or directly to or on the Product that states:

"[CALIFORNIA PROPOSITION 65] WARNING:

This product contains polychlorinated biphenyls ("PCBs"), a chemical known [to the State of California] to cause cancer, birth defects, or other reproductive harm."

(hereinafter, "Product Label Warning"). The text in [brackets] is optional in a Settling Defendant's sole discretion. To ensure accuracy in the warning text, a Settling Defendant may omit either the word "cancer" or the phrase "birth defects, or other reproductive harm" depending on whether the level of PCBs in the Dietary Supplement Product exceed only the warning trigger level for cancer, or exceed only the warning trigger level for birth defects and reproductive harm, or exceed the warning trigger levels for both cancer and birth defects or other reproductive harm. The Parties acknowledge that the warning trigger levels for PCBs may change over time and a Settling Defendant accordingly may adjust the warning text for purposes of accuracy. Product Label Warnings shall be placed with such conspicuousness as compared with other words, statements, designs and/or devices on the labeling as to render it likely to be read and understood by an ordinary individual under customary conditions of use or purchase. If the warning is displayed on the Product's container or labeling, the warning shall be at least the same size as the largest of any other health or safety warnings on the Product's container or labeling, and the word "warning" shall be in all capital letters and in bold print. If printed on the labeling, the warning shall be contained in the same section of the labeling that states other safety warnings concerning the use of the Product. A Settling Defendant may affix a sticker or a hang tag on each unit of a Dietary Supplement Product packaged in final form for consumer purchase to deliver the warning, if required, provided the sticker is affixed in a location a consumer is likely to see prior to first use.

3.2 Mail Order Sales

For any mail order sales by a Settling Defendant, the warning language required under this Consent Judgment shall also be included in the mail order catalogue, either on the same page as any order form, or on the same page upon which the Dietary Supplement Product's price is listed, in the same type size as the surrounding, non-heading text. Required warning text, if any, shall be added in the next print run of a catalogue which is scheduled in the ordinary course of business at least forty-five (45) days after entry of this Consent Judgment.

3.3 Internet Sales

For internet sales by a Settling Defendant of Dietary Supplement Products subject to the warning requirements of Section 3.1, the warning language required under this Consent Judgment shall be displayed in the same type size as the surrounding, non-heading text, either:

(a) on the same page upon which the Dietary Supplement Product is displayed or referenced; (b) on the same page as the order form for the Dietary Supplement Product; (c) on the same page as the price for the Dietary Supplement Product is displayed; or (d) in a dialogue box which appears when a California address for delivery is provided by the consumer, so long as the dialogue box appears prior to the completion of the internet sale and requires the consumer to affirmatively accept receipt of the warning set forth in the dialogue box (which shall be displayed in the same type size as the surrounding, non-heading text on the screen at the time of the appearance of the dialogue box), as a condition precedent to completing the sale.

3.4 Any non-discretionary changes to the language or format of the warnings required herein shall be made only after Court approval or obtaining Plaintiffs' and the California Attorney General's approval. If any Settling Defendant requests a non-discretionary change in language or format of the warnings and neither Plaintiffs nor the Attorney General respond to that request within forty-five (45) days, then that Settling Defendant may move the Court via a noticed motion to modify this Consent Agreement. The Parties agree that adjustments to the warning text for accuracy if warning trigger levels for PCBs change due to either Plaintiff or the Office of Environmental Health Hazard Assessment adopting (as set forth

in Section 3.6) final "safe harbor" figures which are higher than 290 ug/day shall be deemed a discretionary change.

- 3.5 Each Settling Defendant's compliance with Sections 3.1 through 3.4 of this Consent Judgment shall fully and completely satisfy such Settling Defendant's obligations under Proposition 65 with respect to PCBs in the Dietary Supplement Products and, additionally, all sales to California consumers of such Dietary Supplement Products by any person shall be deemed to be in compliance with Proposition 65 with respect to PCBs. For the avoidance of doubt, the Parties expressly agree sales of any Dietary Supplement Products any Settling Defendant already has manufactured, or distributed or sold prior to the Compliance Date shall not constitute a violation of this Consent Judgment, even if sales to, or use by, California consumers of such Dietary Supplement Products occur after the Compliance Date.
- settlement or judicially-entered injunction or consent judgment pursuant to Proposition 65 to a less stringent standard for PCBs in Products than set forth in Paragraph 3.1 above, or b) the California Office of Environmental Health Hazard Assessment ("OEHHA") subsequently establishes "safe harbor" warning trigger levels for PCBs in Products (including the Dietary Supplement Products) that are higher than the level set forth in Paragraph 3.1 above, Settling Defendants shall automatically, with no further action needed on Settling Defendants' part, be entitled to adopt such higher warning trigger level with respect to sales to California consumers of the Dietary Supplement Products by Settling Defendants or any other person.

IV. MONETARY RELIEF

4.1 Settling Defendants shall pay Plaintiffs a total of \$137,500.00 ("Settlement Proceeds") in two equal installments. The first installment amount of \$68,750.00 shall be paid within thirty (30) days of the Effective Date and the second installment shall be paid within sixty (60) days of the Effective Date. The Settlement Proceeds shall be made payable to Baron & Budd, P.C. and delivered to Laura Baughman at Baron & Budd, P.C., 3102 Oak Lawn Ave., Suite 1100, Dallas, Texas 75219. Of the Settlement Proceeds, \$3,000.00 shall be deemed a Civil Penalty. The Civil Penalty shall be deemed paid in the first installment. Plaintiffs shall

bear all responsibility for apportioning and paying to the State of California any portion of the Settlement Proceeds as required by California Health & Safety Code § 25249.12(d), and no Settling Defendant shall have any liability if payments to the State of California are not made by Plaintiffs.

4.2 The payment made pursuant to Section 4.1 shall be the only monetary obligation of the Settling Defendants with respect to this Consent Judgment, including as to any fees, costs, or expenses Plaintiffs have incurred in relation to this action and Plaintiffs hereby jointly and severally expressly release claims, if any, for any additional sums from Settling Defendants.

V. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)

Plaintiffs agree to comply with the reporting requirements referenced in California
Health & Safety Code § 25249.7(f). Pursuant to the regulations promulgated under that section,
Plaintiffs shall present this Settlement to the California Attorney General's Office within five
(5) days after receipt of all necessary signatures. The Parties acknowledge that, pursuant to
Health & Safety Code § 25249.7, a noticed motion must be filed to obtain judicial approval of
the Consent Judgment. Accordingly, a motion for approval of the settlement shall be prepared
and filed by Plaintiffs within a reasonable period of time after the date this Consent judgment is
signed by all Parties. Plaintiffs agree to serve a copy of the noticed motion to approve and enter
the Consent Judgment on the Attorney General's Office at least forty-five (45) days prior to the
date set for hearing of the motion in the Superior Court of the City and County of San
Francisco.

VI. MODIFICATION OF SETTLEMENT

This Settlement may be modified by: (1) written agreement among the Parties and upon entry of a modified Consent Judgment by the Court thereon, or (2) motion of Plaintiffs or any of the Settling Defendants as provided by law and upon entry of a modified Consent Judgment by the Court thereon. All Parties and the California Attorney General's Office shall be served with notice of any proposed modification to this Consent Judgment at least fifteen (15) days in advance of its consideration by the Court.

VII. APPLICATION OF CONSENT JUDGMENT

7.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the Party that he or she represents to enter into and execute the Consent Judgment on behalf of the Party represented and legally bind that Party.

7.2 This Consent Judgment shall apply to and be binding upon Plaintiffs and each of the Settling Defendants, their officers, directors, and shareholders, divisions, subdivisions, parent entities or subsidiaries, and successors or assigns of each of them.

VIII. CLAIMS COVERED

8.1 This Consent Judgment is a final and binding resolution between Plaintiffs, including Plaintiffs in their representative capacity in the interest of the general public, and the Settling Defendants, of any violation of Proposition 65 or any other statutory or common law claim that could have been asserted against the Settling Defendants for failure to provide clear, reasonable and lawful warnings of exposures to PCBs that result from ingestion of the Dietary Supplement Products. No claim is reserved as between the Parties hereto, and Plaintiffs in their individual capacities and Settling Defendants expressly waive any and all rights which they may have under Section 1542 of the Civil Code of the State of California, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

8.2 <u>Plaintiffs' Release of Settling Defendants</u>

In further consideration of the promises and agreements herein contained, and for the payment to be made pursuant to Section 4.1, Plaintiffs, on behalf of themselves, their past and current agents, representatives, attorneys, successors and/or assignees, and Plaintiffs, in their representative capacity in the interest of the general public, hereby release and waive all rights to institute or participate in, directly or indirectly, any form of legal action addressing any and all claims occurring on or before the entry of this Consent Judgment, and release all claims occurring on or before the entry of this Consent Judgment, including, without limitation, all actions, causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses or expenses, including, but not limited to, investigation fees, expert

13 14

12

15 16

17 18

19 20

21 22

23 24

25 26

27

28

fees and attorneys' fees of any nature whatsoever, whether known or unknown, fixed or contingent against each of the Settling Defendants and each of their suppliers, contract manufacturers, owners, parent companies, corporate affiliates, subsidiaries, distributors, retailers and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees arising under Proposition 65 related to each Settling Defendant's alleged failure to warn about exposures to or identification of PCBs contained in the Dietary Supplement Products.

Plaintiffs, on behalf of themselves, their past and current agents, representatives, attorneys, successors and/or assignees, and Plaintiffs, in their representative capacity in the interest of the general public, and the Settling Defendants further agree and acknowledge that this Consent Judgment is a full, final, and binding resolution of any violations occurring on or before the entry of this Consent Judgment by each of the Settling Defendants and each of their suppliers, contract manufacturers, owners, parent companies, corporate affiliates, subsidiaries, distributors, retailers and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees, of Proposition 65 that have been or could have been asserted for the failure to provide clear and reasonable warnings of exposure to or identification of PCBs contained in the Dietary Supplement Products manufactured, or distributed or sold by a Settling Defendant.

In addition, Plaintiffs, on behalf of themselves, their attorneys and agents, release and waive all rights to institute or participate in, directly or indirectly, any form of legal action addressing any and all claims occurring on or before the entry of this Consent Judgment, and release all claims occurring on or before the entry of this Consent Judgment against the Settling Defendants arising under Proposition 65 related to each of the Settling Defendants' alleged failure to warn about exposures to or identification of PCBs contained in the Dietary Supplement Products and for all actions or statements regarding the alleged failures to warn about exposures to or identification of PCBs contained in the Dietary Supplement Products made by each of the Settling Defendants or its attorneys or representatives in the course of responding to those alleged violations of Proposition 65 as alleged in the Complaint. For the

 avoidance of doubt, Plaintiffs expressly agree that all of the foregoing releases, waivers, agreements and acknowledgments in Sections 8.1 and 8.2, including those made by Plaintiffs in their representative capacity in the interest of the general public, apply to sales of any Dietary Supplement Products any Settling Defendant already has manufactured, or distributed or sold prior to the Compliance Date, even if sale to, or use by, California consumers of such Dietary Supplement Products occur after the Compliance Date.

8.3 Release of Plaintiffs

Each Settling Defendant waives all rights to institute any form of legal action against Plaintiffs or their officers, employees, agents, attorneys or representatives, for all actions taken or statements made or undertaken by Plaintiffs and their officers, employees, agents, attorneys or representatives, in the course of seeking enforcement of Proposition 65 in this action.

IX. <u>RETENTION OF JURISDICTION</u>

Pursuant to CCP § 664.6, this Court shall retain jurisdiction of this matter to implement this Consent Judgment.

X. COURT APPROVAL AND EFFECTIVE DATE

If this Consent Judgment is not approved by this Court, it shall be of no force or effect and cannot be used in any proceeding for any purpose. This Consent Judgment shall become effective on the date entered by the Court (the "Effective Date").

XI. ENFORCEMENT

In the event that a dispute arises with respect to any provisions of this Consent Judgment, the Parties shall meet and confer within thirty (30) days of receiving written notice of the alleged violation from another party. In the event that the Parties are unable to resolve their dispute through the meet and confer process, this Consent Judgment may be enforced using any available provision of law.

XII. GOVERNING LAW

The terms of this Consent Judgment shall be governed by the laws of the State of California. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Dietary Supplement Products specifically, then the Settling

10

12 13

14

15 16

17

18 19

20 21

22

2324

25

2627

28

Defendants shall have no further obligations pursuant to this Consent Judgment with respect to those Products that are so affected.

XIII. EXCHANGE IN COUNTERPARTS

Stipulations to this Consent Judgment may be executed in counterparts and by facsimile, each of which shall be deemed an original, and all of which, when taken together, shall be deemed to constitute one document.

XIV. NOTICES

All correspondence and notices required to be provided pursuant to this Consent
Judgment shall be in writing and personally delivered or sent by: (a) first-class, registered,
certified return receipt requested, or (b) by overnight courier on Plaintiffs or a Settling
Defendant by the others at the addresses set forth below. Either Plaintiffs or a Settling
Defendant may specify in writing to the other Parties a change of address to which all notices
and other communications shall be sent.

Whenever notice or a document is required to be sent to Plaintiffs, it shall be sent to:

Laura J. Baughman, Esq. Baron & Budd, P.C. 3102 Oak Lawn Avenue, Suite 1100 Dallas, TX 75219

Whenever notice or a document is required to be sent to a Settling Defendant, it shall be sent to:

Judith M. Praitis, Esq.
Sidley Austin, LLP
555 West Fifth St., Suite 4000
Los Angeles, CA 90013

Richard H. Neuwirth, Esq. General Counsel IdeaSphere, Inc. 632 Broadway, Suite 201 New York, New York 10012

XV. <u>SEVERABILITY</u>

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

XVI. ENTIRE AGREEMENT

This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties.

XVII. ASSIGNMENT

A Settling Defendant may assign its obligations under this Consent Judgment, subject to approval by the Court on a noticed motion. Notice of a request for assignment shall be served on Plaintiffs and the Attorney General of the State of California.

APPROVED AS TO SUBSTANCE:

14	Dated: December 7, 2012	Millen
15		Idea Sphere, Inc.
16	-	a Marto
7	Dated: December 7, 2012	July 1111
	·	Twinlab Corporation
18		Twinlab Corporation d/b/a ISI Brands, Inc.
9		Twinlab Corporation d/b/a Metabolife Corp.
20	Dated: December 7, 2012	MAHALO
20		Natural 2U LLC
11		
22		
23	Dated:	
24	Dateu:	Chris Manthey
25		•
.		
26	-	•
27	Dated:	Renson Chiles

[PROPOSED] CONSENT JUDGMENT AS TO TWINLAB CORPORATION ET AL.; ORDER - 13

XVI. ENTIRE AGREEMENT

This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties.

XVII. ASSIGNMENT

APPROVED AS TO SUBSTANCE:

.6

A Settling Defendant may assign its obligations under this Consent Judgment, subject to approval by the Court on a noticed motion. Notice of a request for assignment shall be served on Plaintiffs and the Attorney General of the State of California.

(PROPOSED) CONSENT JUDGMENT AS TO TWINLAB CORPORATION ET AL.; ORDER - 13

1	APPROVED AS TO FORM:	
2	Dated: 12/1/12 BARON & RUDD P.C	
3	Dated: 12 12 BARON & BUDD, P.C. LAW OFFICE OF APRIL STRAUSS	
4	1000	
5	By: am Banglin	
6	Laura Baughman Attorneys for Plaintiffs	
7		
8		
9	Dated: Sidley Austin, LLP	
10	D.	
11	By: Judith M. Praitis	
12	Attorneys for Defendants	
13		
14		
15		
16		
17		
18		
19	APPROVED AND ORDERED:	
20	Dated: 12-11-12 (Cu)	
-^	Dated: 12 - 12 Honorable Richard A. Kramer	
22	Judge of the Superior Court Department 304	
23	Department 30-7	
24		
25		
26		
27		
28		
	[PROPOSED] CONSENT JUDGMENT AS TO TWINLAB CORPORATION ET AL.; ORDER - 14	
	[FACTOSED] CONSENT JUDGMENT AS TO TWINLAB CORPORATION ET AL., ORDER - 14 2532055y.5	

	APPROVED AS TO FORM:	
}	Dated:	BARON & BUDD, P.C. LAW OFFICE OF APRIL STRAUSS
		LAW OFFICE OF AFRIL STRACSS
		Ву:
		Laura Baughman Attorneys for Plaintiffs
	·	·
]	Dated: 12/7/12	Sidley Austin, LLP
		By: Judith M. Praitis Afforneys for Defendants
		viminals or remining
		,
4	APPROVED AND ORDERED:	
ĺ	Dated:	Honorable Richard A. Kramer Judge of the Superior Court
		Department 304
		•
	•	

EXHIBIT A - "DIETARY SUPPLEMENT PRODUCTS"

The Dietary Supplement Products shall be all fish oils, fish, shark or cod liver oils, shark or squid oils, krill oil, algae oils and other oils containing eicosapentaenoic acid ("EPA") and/or docosahexaenoic acid ("DHA") for human consumption containing the Proposition 65 listed chemical polychlorinated biphenyls ("PCBs") which are manufactured, or distributed or sold by or on behalf of a Settling Defendant, whether manufactured, or distributed or sold prior to, or subsequent to entry of, this Consent Judgment.

Dietary Supplement Products include those sold under a brand or trademark owned or licensed for use by a Settling Defendant, and those "private label" products which a Settling Defendant manufactures, distributes or sells to third parties; provided, however, that for products sold to third parties the Settling Defendant prepares or approves the dose, serving size or consumer use instructions on the label which appear on the containers sold for direct consumer use of such products.

EXHIBIT B-NOTICE LETTER and COMPLAINT



August 6, 2009

'EDWARD G. WEIL DEPUTY ATTORNEY GENERAL OFFICE OF THE ATTORNEY GENERAL P.O. BOX 70550 OAKLAND CA 94612-0550

Re: Notice of Violation of Cal. Health & Safety Code \$ 25249.6 (PCB Exposure)

Greetings:

The Mateel Environmental Justice Foundation ("Mateel"), Chris Manthey and Benson Chiles give you notice that the private businesses listed on the attached Service List have been, are, will be and threaten to be in violation of Cal. Health & Safety Code \$25249.6. Mateel. Mr. Manthey and Mr. Chiles are private enforcers of Proposition 65, all may be contacted at the below listed address and telephone number. I am a responsible individual at Mateel. The Noticing Parties are also represented by David Roe, Mr. Roe may be reached at: Law Offices of David Roe, 1961 Walker Ave, Oakland, CA 94610, (510) 465-5860. The above referenced violations occur and have occurred when people ingest dietary supplements that are made wholly, or partly, from fish oil ("fish oil dietary supplements"). Some examples of these types of products are: cod liver oil, Omega -3 oils, supplements made from fish body oils, BPA fish oil concentrates, fish oil concentrates, and DHA fish oil supplements. Specific examples of these types of products are listed in the enclosed Product List. Though a specific variety or brand is mentioned, or an item, SKU or product number is provided as an example, this notice pertains to all kinds, and all variations, of the specific type of fish oil supplement of which the named variety is an example. These fish oil dietary supplements come in caplet form or are spooned out of a bottle. Each and every one of these fish oil dietary supplements exposes the people who take them to polychlorinated biphenyls ("PCBs") via the ingestion, dermal absorption and absorption through mucous membrane routes. The listed companies did not and do not provide people with clear and reasonable warnings before they expose them to PCBs. The above referenced violations have occurred every day since at least August 6, 2006 and will continue every day until the PCHs are taken out of these products or until warnings are given.

110 %

William Verick

424 First Street, Bureka, CA 95501 * 707.268.8900 (phone) 707.268.8901 (fax)

SERVICE LIST

EDWARD O. WELL DEEDLY ATYOKNEY CENERAL OFFICE OF THE ATTORNEY CENTRAL. EVEROK SOSSO CVETTORS OF BIRD SOSSO

Office of the city attorney City of Oakland 505 14th by 12th Floor OAKLAND, CA 9(6)2

Defice of the city attorney city of san francisco city hall room 186 400 van Hese San Francisco, camini

OFFICE OF THE CITY ATTORNEY CITY OF SACRAMENTO PO BOX 1918 SACRAMENTO, GA 93812-1918

Office of the city attorney City of Ean Jose 200 East Santa Clara Birest Sanjose, Ca 6413

OFFICE OF THE CITY ATTORNEY CITY OF LOS AMERICS 240 K. MAIN ST. LOS ANGBLES, CA 90012

Office of the city attoriey City of San Dieug Consumer & Environmental Protection 1200 there avenue, buyle 700 San Dieug, ca Pite!

Office of the district Attorney County of Alameda 1221 Fallon Strict Room 900 Oakland, Ca 94612

OFFICE OF THE DISTRICY ATTORNEY ATTORNEY COUNTY OF ALPHE P.O. BOX 248 MARKLEBYILLE, CA 96120

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF AMADOR 701 COURT STREET JACKSON, CA 95612

OFFICE OF THE DISTRICT ATTORNEY
COUNTY OF BUITE
25 COUNTY OF BUITE
NR.
OROVILLE, CA95165

OFFICE OF THE DISTALCT SAN ANDREAS, CASSES

OPPICE OF THE DISTRICT attorney Ounty of Colusa 547 MARKOT STREET COLUBA, CA 95932

OFFICE OF THE DISTRICT ATTORNEY ATTORNEY COUNTY OF CONTRA COSTA 2,0, 100x 616 MARTINEZ, CA 14553

OFFICE OF THE DISTRICT ATTORNSY COUNTY OF DEL NORTS 450 HET 2111 CREACENT CITY, CA 95511

office of the district attorney county of el dorado his man st. placerville, ca 95687

OFFICE OF THE DISTRICT COUNTY OF FRESNA 3220 TULAREST #1000 FRESHO, CA 93721

OFFICE OF THE DISTRICT ATTORNEY COUNTY OFGLERN Y.O. BOX 430 WILLOWS, CA 95911

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF HUMBOLDT BUREKA, CASSOL

COUNTY OF IMPERIAL COUNTHOUSE, FLOOR 2 939 W. MAINST BLGENTRO, CA 92143

INSTICE OF THE PRESIDEN ATTORNEY COUNTY OF INVO F.O. DRAWER D INDEPENDENCE, CA 51326

OFFICE OF THE DISTRICT OFFICE ATTORNEY
COUNTY OF KERY
1215 TRUXTUN AVB. FLOOR 4
EAKERBEIBLO, CA 10361

OPPICE OF THE DISCHASE ATTORNEY COUNTY OPKINGS 1460 W. LACRY BLYD. HAHVORD, CA 93210

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF LAKE 255 N. FORDES GT #424 LAKEFORT, CA 95493

DIFFICR OF THE DISTRICT attorney County of Lassin 210 south Lassin St. 8ta B St. 24 St. 25 St. 2

DESIGN OF THE DISTRICT ATTORNAY
COUNTY OF LOS ANOBLES
OFFICE OF THE DISTRICT EDS ANGELES, CA 20012 FULLDING THE STATE OF THE PROPERTY OF TH

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF MADERA 269 W. VOSEMITE AVE. MADERA, ÇA 93637

office of the district Attorney eva syactic cy being Evit of matice eig Evitoriel Viloriel

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF MARIPOSA T.O. BOX 130 MARIPOSA, CA 95338

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF MENDOCINO FO BOX 1000 LIKIAH, CA 95412

OFFICE OF THE DISTRICT COUNTY OF MERCED 2212 M ST MIRCED, CA 953(D

Office of the detrict Attorney County of Modoc 24 South Court Street Auturas, Ca. 14101

OFFICE OF THE DISTAICT ATTORNEY COUNTY OF MOND P.O. BOX'617 BRIDGETORT, CA 91517

OFFICE OF THE DISTRICT ATTORNEY
COUNTY OF MONTRARY
20 CHURCHSTREET
P.O. BOX 111
SALDIAS, CA 51991

OFFICE OF THE DISTRICT ATTORNEY
COUNTY OF SIRKYOU
P.O. BOX 101

COUNTY OF HAPA 931 PARKWAY MALL P.O. BOX 720 NAPA, CA PUSP-0720

NEVADA CITY, CA 93539 COUNTY OF MBYADA I to Union Street

OFFICE OF THE DISTRICT ATTORNBY COUNTY OF CRANGE 401 CAVIC CONTER DR WEST SANTA ANA, CA 92701

Oppics of the district attorney County of Placer 11552 Bavr AUBURN, CA 95601-2687

Office of the district attorney county of flumas 320 main Street 404 Quincy, ca 93971

office of the district attorney county of riverside 4075 MAIN ST. RIVERSIDB, CA 52501

Opfice of the district attorney County of sacramento SO O Street \$ACRAMENTO, CA 935(4

OPFICE UP THE DISTRICT ATTORNEY COUNTY OF AN HENITO 419 4TH ST HOLLISTER, CA 9502)

office of the district attorney County of an Bernardyo 216 Mr. View Ave. San Bernardyo, Ca 93/15-064

OFFICEOFTHE DISTRICT ATTORNEY County of Ban Disgo 310 W. Broadway San Dirgo, Ca93101

Dreice of the district attorney County of Ban Francisco Experyant 676322 Ban Francisco, Ca 94101

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF BAN JOAQUIN 212 E. WERBR AVB #202 BTOCKTON, CA 95202

Odfice of the district attorney County opean Luis Obero County Government Center M30 BAN Luis Obero, Ca 13481

office of the district attorney county offer matzo hall of rustice and records reowood city, cap466)

ornich of the district attorney County of Earta Dardara 1112 Santa Barbara et. Santa Bardara, Ca 91101

OFFICE OF THE INSTRUCT ATTORNEY COUNTY OF SANTA CLARA TO W. HERDING ST. EAN 108E, CA 95110

office of the district attorney county of easta cruz 701 ocean St. 1720 Santa Cruz, Ca 1700

OFFICE OF THE PISTRICT ATTORNEY COURTY OF SHARTA 1325 COURT &T. REDDING, CA 96001

office of the district attorney County of Sierra P.O. Box 157 DOWNEYILLE, CA 91816

Office of the district attorney County of Colano GOUMON AVE FAIRFIELD, CA 94533

office of the district attorney County of condma 600 administration dr. #212J 8anta Rosa, Ca #340J

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF STANISLAUS HOU'S T. 1200 MODESTO, CA 95354

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF SUTTER 1160 CIVIC CENTER BLVD, ZA YUDA CITY, CA 93993

Office of the district attorney County of Terama P.O. Box 519 Rudbluff, Ca 96010

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF TRINITY P.O. BOX 310 WRAYERVILLE, CA 98093

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF TULATEE COUNTILOISE \$224 VIEALIA, CA 91291

office of the district attorney County of Tuolumine 28, Oreen St. Sonora, Ca 9570

Ventura county district attoricry office 100 Scuth Victoria ave Vertura, ca 93669

opfice op the district attorney County of Yolo 101 Becond Street Yoodland, Ca 91691

Office of the district attorney County of Yuba 2185thet, Marysyller, Ca 85901

THORKS MRYAN, CEO CVS PRARMACY, RIC. ONE CVS DELVE WOONSOCKET, RI OSESS

тномая и кулу, сво Longs drug Stores, LLC. Co CVS Pharmagy, Inc. OME CVS DRIVE VOONSOCKST, RE02895

Joseph Fortunato, Cro General Mutrition Corporation Josephiave Pictsburgh, Pa 13222

Albert P Pówers, Presids How Health Group, Inc. 1958 Glen Bilyy Rd PLOOMINGDALS, JL 60109

Josephl, von Rosenberg III, President omeca protein, No. 2101 City West Blvd, Dldd 3, 212 500 Houston, TX 77012

ahunuchda, ceo Pharmayite Llo Bigoaceda bladiste (Q Northudde, ca 91725

Connebranny, Cro Prarmavitello Bio Balbua Blyd Str 100 Worthrudor, Ca 91115

Mary Sammons, CEO RITE AID CORPORATION 30 HUNTER LANE CAMP HILL, PA 17011

KARL RJUDSL PRESIDENT eulgar, inc. 2100 saethtown avenue иконкона, ну 1177

William Whicholson, Ceo Twinlab Corporation 672 Broadway 11th Pl MBW YORK, NY 10012

PRODUCT LIST

CVS PHARMACY, INC. .

NATURE MADE COD LIVER OIL 100 SOFTGELS UPC CODE: 031604 013257; NATURE MADE ODORLESS FISH OIL 1200 MG 60 SOFTGELS UPC CODE: 031604 014162 These product descriptions pertain not only to the specific types of the products listed, but also for all units of all types of similar products made out of fish oils,

GENERAL NUTRITION CORPORATION

GNC CHOLESTEROL FREE FISH BODY OILS WITH GLA UPC CODE: 048107 073312; GNC LIQUID COD LIVER OIL 16 FL OZ UPC CODE: 049107 057657; GNC CHOLESTEROL FREE FISH BODY OILS WITH GLA 1000 MG 180 SOFTGELS UPC CODE: 048107 073305; GNC LIQUID NORWEGIAN COD LIVER OIL 16 FL OZ UPC CODE: 048107 057657 These product descriptions pertain not only to the specific types of the products listed, but also for all units of all types of similar products made out of fish oils.

NOW HEALTH GROUP, INC.

DOUBLE STRENGTH COD LIVER OIL 650 MG / 100 SOFTGELS UPC CODE: 733739 017406; NOW FOODS SALMON OIL 100 SOFTGELS UPC CODE: 733739 016706; SHARK LIVER OIL 400 MG 120 SOFTGELS UPC CODE: 733739 003256; NOW FOOD MOLECULARLY DISTILLED OMEGA-3 100 SOFTGELS UPC CODE: 733739 016508 Those product descriptions pentain not only to the specific types of the products listed, but also for all units of all types of similar products made out of fish oils.

OMEGA PROTEIN, INC.

OMEGAPURE OMEGA-3 DIETARY SUPPLEMENT 1000MG 90 CAPSULES These product descriptions pertain not only to the specific types of the products listed, but also for all units of all types of similar products made out of fish oils.

PHARMAVITE LLC

NATURE MADE COD LIVER OIL 100 SOFTGELS UFC CODE: 031604 013257; NATURE MADE ODORLESS FISH OIL 1200 MG 60 SOFTGELS UFC CODE: 031604 014162; NATURE MADE COD LIVER OIL 100 SOFTGELS UFC CODE: 031604 013257 These product descriptions pertain not only to the specific types of the products listed, but also for all units of all types of similar products made out of fish cile.

RITE AID CORPORATION

NATURE MADE COD LIVER OIL 100 SOFTGELS UPC CODE: 031604 013257; NATURE MADE CODDILESS FISH OIL 1200MG 60 SOFTGELS UPC CODE: 031604 014162 These product descriptions pertain not only to the specific types of the products listed, but also for all units of all types of similar products made out of fish oils.

SOLGAR, INC.

SOLGAR 100% PURE NORWEGIAN SHARK LIVER OIL COMPLEX 500 MG 60 SOFTGELS UPC CODE; 033984 025660; SOLGAR NORWEGIAN COD LIVER OIL 100 SOFTGELS UPC CODE; 033984 009400 These product descriptions pertain not only to the specific types of the products listed, but also for all units of all types of similar products made out of fish oils.

TWINLAR CORPORATION

TWINLAB EMULSIFIED NORWEGIAN COD LIVER OIL 12 FL OZ UPC CODB; 027434 012102; TWINLAB NORWEGIAN COD LIVER OIL 12 FL OZ UPC CODB; 027434 012249 These product descriptions pertain not only to the specific types of the products listed, but also for all units of all types of similar products made out of fish oils.

CERTIFICATE OF MERIT

I, William Verick, hereby declare: This Certificate of Merit accompanies the attached sixty-day notice(s) in which it is alleged the parties identified in the notices have violated Health and Safety Code section 25249.6 by failing to provide clear and reasonable warnings. I am the attorney for the noticing party. I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of the action. Based on the information obtained through those consultations, and on all other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiffs' case can be established and the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute. The copy of this Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this pertificate, including the information identified in Health and Safety Code section 25249.7(h)(2), i.e., (1) the identity of the person(s) consulted with and relied on by the certifier, and (2) the facts studies, or other data reviewed by those persons,

Dated: August 6, 2009

William Verick

This notice alleges the violation of Proposition 65 with respect to occupational exposures governed by the California State Plan for Occupational Safety and Health. The State Plan incorporates the provisions of Proposition 65, as approved by Federal OSHA on June 6, 1997. This approval specifically placed certain conditions on Proposition 65, including that it does not apply to the conduct of manufacturers occurring ontside the State of California. The approval also provides that an employer may use the means of compliances in the general hazard communication requirements to comply with Proposition 65. It also requires that supplemental enforcement is subject to the supervision of the California Occupational Safety and Health Administration. Accordingly, any settlement, civil complaint, or substantive court orders in this matter must be submitted to the Attorney General.

CERTIFICATE OF SERVICE

I, Nicole Frank, declare:

If called, I could and would testify as follows: I am over eighteen. My business address is 424 First Street, Bureka, California, 95501. On August 6, 2009, I caused the attached 60-DAY NOTICE LETTER, or a letter identical in substance, to be served by U.S. Mail on those public enforcement agencies listed on the attached SERVICE LIST; in addition on the same date and by U.S. Mail I caused the attached 60-DAY NOTICE LETTER and PROPOSITION 65: A SUMMARY to be sent by Certified U.S. Mail to the private business entities also listed on the attached SERVICE LIST. I deposited copies of these documents in envelopes, postage pre-paid, with the U.S. Postal Service on the day on which the mail is collected. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and concertant? that this declaration was executed on August 6, 2009, at Eureka, California.

Nicole Frank

ENDORSED

MAR 0 2 2010

CLERK OF THE COURT

CASEMANAGE OF THE CONFESSION CE SET

JUL 8 0 2010 _ QMAM

DEPARTMENT 212

CGC-10-4973

COMPLAINT FOR INJUNCTIVE RELIEF

TOXIC TORT/ENVIRONMENTAL

AND CIVIL PENALTIES

Attorneys for Plaintiffs, CHRIS MANTHEY, BENSON CHILES and MATEEL ENVIRONMENTAL JUSTICE FOUNDATION

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO (Unlimited Jurisdiction)

CHRIS MANTHEY; BENSON CHILES and CASENO

MATEEL ENVIRONMENTAL

WILLIAM VERICK, CSB #140972 Klamath Environmental Law Center

Eureka, CA 95501 Telephone: (707) 268-8900 Fax: (707) 268-8901 wverick@igc.org

DAVID ROE, CSB # 62552 Law Offices of David Roe

Telephone: (510) 465-5860 daavidroe@mail.com

ecorights@earthlink.net

1061 Walker Ave Oakland, CA 94610

424 First Street

JUSTICE FOUNDATION,

· Plaintiffs.

CVS PHARMACY, INC.; GENERAL NUTRITION CORPORATION; NOW HEALTH

GROUP, INC.; OMEGA PROTEIN, INC.;

PHARMAVITE LLC; RITE AID

CORPORATION; SOLGAR, INC., and TWINLAB CORPORATION

23

Defendants,

CHRIS MANTHEY, BENSON CHILES and MATERL ENVIRONMENTAL JUSTICE

COMPLAINT FOR INJUNCTION AND CIVIL PENALTIES

1

3

10 11

> 13 .14

12

16 17

15

18 19

> 20 21

22

24

25 26

27

28

.20

·24

INTRODUCTION

- 1. This Complaint seeks civil penalties and an injunction to remedy the continuing failure of defendants CVS PHARMACY, INC.; GENERAL NUTRITION CORPORATION; NOW HEALTH GROUP, INC.; OMEGA PROTEIN, INC.; PHARMAVITE LLC; RITE AID CORPORATION; SOLGAR, INC.; and TWINLAB CORPORATION, (hereinafter "Defendants"), to give clear and reasonable warnings to those residents of California, who handle, ingest and use dietary supplements that are, or that are made from, fish oil, fish liver oil, shark oil or shark liver oil (hereinafter "fish oil supplements"), that ingestion of these products causes those residents to be exposed to polychlorinated biphenyls (hereinafter, collectively, "PCBs"). PCBs are known to the State of California to cause cancer and birth defects.

 Defendants manufacture, distribute, and/or market fish oil supplements. Defendants' products cause exposures to PCBs, which are chemicals known to the State of California to cause cancer, birth defects and other reproductive harm.
- 2. Defendants are businesses that manufacture, market, and/or distribute fish oil supplements. Defendants intend that residents of California ingest fish oil supplements that Defendants manufacture, market, and/or distribute. When these products are ingested in their normally intended manner, they expose people to PCBs. In spite of knowing that residents of California were and are being exposed to PCBs when they ingest Defendants' fish oil supplements, Defendants did not and do not provide clear and reasonable warnings that these products cause exposure to chemicals known to cause cancer, birth defects and other reproductive harm. The fish oil supplements to which this Complaint pertains are those

referenced in the Products List that accompanied the 60 Day Notice Letter, which is appended to and incorporated by reference in this Complaint.

- 3. Plaintiff seeks injunctive relief pursuant to Health & Safety Code Section 25249.7 to compel Defendants to bring their business practices into compliance with section 25249.5 et seq. by providing a clear and reasonable warning to each individual who has been and who in the future may be exposed to the above mentioned toxic chemicals from the reasonably anticipated and intended use of Defendants' products.
- 4. In addition to injunctive relief, plaintiff seeks civil penalties to remedy the failure of Defendants to provide clear and reasonable warnings regarding exposure to chemicals known to cause cancer, birth defects and other reproductive harm. Plaintiff also seeks an order that Defendants identify and locate each individual person who in the past has purchased Defendants' fish oil supplements and to provide to each such purchaser a clear and reasonable warning that those fish oil supplements cause exposures to chemicals known to cause cancer and birth defects,

PARTIES

5. Plaintiffs Christopher Manthey and Benson Chiles are individuals concerned about human health and environmental protection. Plaintiff MATEEL ENVIRONMENTAL JUSTICE FOUNDATION ("Mateel") is a non-profit corporation dedicated to, among other causes, the protection of the environment, promotion of human health, environmental education, and consumer rights. Mateel is based in Eureka, California, and is incorporated under the laws of the State of California. All plaintiffs are "persons" pursuant to Health & Safety Code Section 25118. Plaintiffs bring this enforcement action in the public interest pursuant to Health & Safety

. **5**

·21

Code §25249.7(d). Residents of California are regularly exposed to PCBs from fish oil supplements manufactured, distributed or marketed by Defendants and are intentionally so exposed without a clear and reasonable Proposition 65 warning.

- 6. Each Defendant is a person doing business within the meaning of Health & Safety Code Section 25249.11. Each defendant is a business that manufactures, distributes, and/or markets fish oil supplements in California, including in the City and County of San Francisco. Manufacture, distribution and/or marketing of these products in the City and County of San Francisco, and/or to people who live in San Francisco, causes people to be intentionally exposed to PCBs while they are physically present in the City and County of San Francisco.
- 7. Plaintiffs bring this enforcement action against Defendants pursuant to Health & Safety Code Section 25249.7(d). Attached hereto and incorporated by reference is a copy of the 60-day Notice letter, dated August 6, 2009, which Plaintiffs sent to California's Aftorney General. Letters identical in substance were sent to every District Attorney in the state, and to the City Attorneys of every California city with a population greater than 750,000. On the same date, Plaintiffs sent an identical 60 Day Notice letter to Defendants. Attached to the 60-Day Notice Letter sent to the Defendants was a summary of Proposition 65 that was prepared by California's Office of Environmental Health Hazard Assessment. In addition, the 60-Day Notice Letter Plaintiffs sent was accompanied by a Certificate of Service attesting to the service of the 60-Day Notice Letter on each entity which received it. Pursuant to California Health & Safety Code Section 25249.7(d), a Certificate of Merit attesting to the reasonable and meritorious basis for the action was also sent with the 60-Day Notice Letter. Factual information sufficient to establish the basis of the Certificate of Merit was enclosed with the 60-Day Notice letter

Plaintiffs sent to the Attorney General.

8. Each Defendant is a business that employs more than ten people.

JURISDICTION

- 9. The Court has jurisdiction over this action pursuant to California Health & Safety Code Section 25249.7. California Constitution Article VI, Section 10 grants the Superior Court "original jurisdiction in all causes except those given by statute to other trial courts." Chapter 6.6 of the Health & Safety Code, which contains the statutes under which this action is brought, does not grant jurisdiction to any other trial court.
- 10. This Court also has jurisdiction over Defendants because they are businesses that have sufficient minimum contacts in California and within the City and County of San Francisco. Defendants intentionally availed themselves of the California and San Francisco County markets for fish oil supplements. It is thus consistent with traditional notions of fair play and substantial justice for the San Francisco Superior Court to exercise jurisdiction over them.
- 11. Venue is proper in this Court because Defendants market their products in and around San Francisco and thus intentionally cause people to ingest PCBs while those people are physically present in San Francisco. Liability for Plaintiffs' causes of action, or some parts thereof, has accordingly arisen in San Francisco during the times relevant to this Complaint and Plaintiffs accordingly seek civil penalties and forfeitures imposed by statutes.

FIRST CAUSE OF ACTION (Claim for Injunctive Relief)

- 12. Plaintiff's reallege and incorporate by reference into this First Cause of Action, as if specifically set forth herein, paragraphs 1 through 11, inclusive.
 - 13. The People of the State of California have declared by referendum under

Proposition 65 (California Health & Safety Code § 25249.5 et seq.) their right "[t]o be informed about exposures to chemicals that cause cancer, birth defects, and reproductive harm."

- 14. To effectuate this goal, Section 25249.6 of the Health and Safety Code mandates that persons who, in the course of doing business, knowingly and intentionally expose any individual to a chemical known to the State of California to cause cancer or birth defects, must first provide a clear and reasonable warning to such individual prior to the exposure.
- 15. Since at least August 6, 2006, Defendants have engaged in conduct that violates Health and Safety Code Section 25249.6 et seq. This conduct includes knowingly and intentionally exposing to PCBs, those California residents who ingest fish oil supplements. The normally intended use of fish oil supplements causes people to ingest PCBs, which are chemicals known to the State of California to cause cancer, birth defects and other reproductive harm. Defendants have not provided clear and reasonable warnings within the meaning of Health & Safety Code Sections 25249.6 and 25249.11.
- 16. At all times relevant to this action, Defendants know that the fish oil supplements they manufactured, distributed or marketed were causing exposures to PCBs. Defendants intended that residents of California ingest fish oil supplements thereby causing significant exposures to these chemicals.
- 17. By the above described acts, Defendants have violated Cal. Health & Safety Code
 § 25249.6 and are therefore subject to an injunction ordering them to stop violating Proposition
 65, to provide warnings to all present and future customers, and to provide warnings to their past
 customers who purchased Defendants' products without receiving a clear and reasonable
 warning.

8· و

. 26

SECOND CAUSE OF ACTION (Claim for Civil Penalties)

- 18. Plaintiff realleges and incorporates by reference into this Second Cause of Action, as if specifically set forth herein, paragraphs 1 through 17, inclusive.
- 19. By the above described acts, Defendants and each of them are liable, pursuant to Health & Safety Code § 25249.7(b), for a civil penalty of up to \$2,500.00 per day for each exposure of an individual to PCBs without proper warning from the use of Defendants' fish oil supplements.

PRAYER FOR RELIEF

Wherefore, plaintiff prays for judgment against DEFENDANTS, as follows:

- A. Pursuant to the First Cause of Action, that Defendants be enjoined, restrained, and ordered to comply with the provisions of Section 25249.6 of the California Health & Safety Code;
- B. Pursuant to the Second Cause of Action, that Defendants be assessed a civil penalty in an amount equal to \$2,500.00 per individual knowingly and intentionally exposed per day, in violation of Section 25249.6 of the California Health & Safety Code, to PCBs as the result of Defendants' manufacturing, distributing or marketing of fish oil supplements;
- C. That Defendants be ordered to identify and locate each individual who purchased their fish oil supplements and to provide a warning to each such person that the purchased fish oil supplements have exposed, or will expose, that person to chemicals known to cause cancer and birth defects.

D. That, pursuant to Civil Procedure Code § 1021.5, Defendants be ordered to pay to Plaintiffs the attorneys fees and costs it incurred in bringing this enforcement action.

5. For such other relief as this court deems just and proper.

Dated: February 24, 2010

KLAMATH ENVIRONMENTAL LAW CENTER

William Verick

Attorney for Plaintiffs Christopher Manthey, Benson Chiles and the Mateel Environmental Justice Foundation



800.222.2766 tel 214.521.3605

fax 214.520.1181

3102 Oak Lawn Avenue Suite 1100 Dallas, TX 75219-4283

August 5, 2011

Via First Class U.S. Mail

Current CEO or President Thrifty Payless, Inc. P.O. Box 3165 Harrisburg, PA 17011

Current CEO or President AmerisourceBergen Drug Corporation P.O. Box 959 Valley Forge, PA 19482

Current CEO or President Stansfeld Scott Inc. 630 Brooker Creek Blvd., Ste. 325 Oldsmar, Florida 34677

Current CEO or President NBTY, Inc. d/b/a Good 'N Natural 2100 Smithtown Avenue Ronkonkoma, NY 11779 Current CEO or President Wal-Mart Stores, Inc. 702 SW 8th Street, Dept. 8687, M.S. #0555 Bentonville, AR 72716

Current CEO or President AmerisourceBergen Drug Corporation d/b/a Good Neighbor Pharmacy P.O. Box 959 Valley Forge, PA 19482

Current CEO or President NBTY, Inc. 2100 Smithtown Avenue Ronkonkoma, NY 11779

Re:

Notice of Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65), Section 25249.6 of the California Health and Safety Code, for Exposing Consumers to PCBs

Dear Sir/Madam:

Chris Manthey and Benson Chiles (hereinafter "Noticing Parties") are private enforcers of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code sections 25249.5 et seq. ("Proposition 65").

This letter constitutes notice that the entities identified in Exhibit A have violated and continue to violate provisions of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code sections 25249.5 et seq. Specifically, these entities have violated and continue to violate the warning requirement at section 25249.6 of the California Health and Safety Code, which provides, "No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause



cancer or reproductive toxicity without first giving clear and reasonable warning to such individual..."

The list of entities subject to this Notice is attached as Exhibit A. Consumer supplements that are made wholly, or partly, from fish oil ("fish oil dietary supplements") sold by these entities contain polychlorinated biphenyls ("PCBs"), a chemical known to the State to cause reproductive toxicity and cancer. On each and every day from August 5, 2010 through the present, these entities have exposed and continue to expose consumers of their fish oil dietary supplements to PCBs. Exposure to the consumers has occurred through ingestion of the fish oil dietary supplements. Specific examples of fish oil dietary supplement products that are the subject of this Notice are identified in the document attached as Exhibit B.

Because PCBs are a chemical listed in Proposition 65 as a human carcinogen and a reproductive toxin, pursuant to Health and Safety Code § 25249.6 the entities in Exhibit A were, and are, required to provide clear and reasonable warnings to all consumers of fish oil dietary supplements before exposing them to PCBs. Pursuant to Health and Safety Code section 25249.7(d), the Noticing Parties intend to bring suit in the public interest against the entities in Exhibit A sixty days hereafter to correct the violation occasioned by the failure to warn all consumers of the exposure to PCBs.

Pursuant to 27 California Code of Regulations § 25903(b)(1), attached is a copy of "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," a summary of Proposition 65 prepared by the Office of Environmental Health Hazard Assessment of the California Environmental Protection Agency.

Pursuant to Health and Safety Code § 25249.7(d)(1), the undersigned hereby includes with the copy of this notice a Certificate of Merit.

While violations are occurring throughout the State of California, the noticing parties are unable to know for certain if violations are occurring in all of the 58 counties in California. Therefore, pursuant to 27 California Code of Regulations § 25903(c)(3), the noticing parties are providing this notice to the district attorney for each of the 58 counties in California. Further, the noticing parties provide this notice to the California Attorney General and the city attorneys for the cities of Los Angeles, San Diego, San Francisco and San Jose.

The Noticing Parties are represented in this matter by the law firm of Baron & Budd, P.C. All communications concerning this matter should be directed to:

Laura Baughman Baron & Budd, P.C. 3102 Oak Lawn Ave., Suite 1100 Dallas, Texas 75219 (214) 521-3605. Sincerely,

BARON & BUDD, P.C.

Laura J. Baughman

LJB/abw Enclosures

cc: Attorney General of California

(with attached confidential factual information supporting Certificate of Merit)

Los Angeles City Attorney San Diego City Attorney City Attorney of San Francisco

San Jose City Attorney

District Attorneys for California's 58 Counties

(see attached certificate of service)

Exhibit A

Current CEO or President Thrifty Payless, Inc. P.O. Box 3165. Harrisburg, PA 17011

Current CEO or President AmerisourceBergen Drug Corporation P.O. Box 959 Valley Forge, PA 19482

Current CEO or President Stansfeld Scott Inc. 630 Brooker Creek Blvd., Ste. 325 Oldsmar, Florida 34677

Current CEO or President NBTY, Inc. d/b/a Good 'N Natural 2100 Smithtown Avenue Ronkonkoma, NY 11779 Current CEO or President Wal-Mart Stores, Inc. 702 SW 8th Street, Dept. 8687, M.S. #0555 Bentonville, AR 72716

Current CEO or President AmerisourceBergen Drug Corporation d/b/a Good Neighbor Pharmacy P.O. Box 959 Valley Forge, PA 19482

Current CEO or President NBTY, Inc. 2100 Smithtown Avenue Ronkonkoma, NY 11779

Exhibit B

- 1. Rite Aid Pharmacy Cod Liver Oil
- 2. Spring Valley Natural Cod Liver Oil Vitamin A & D
- 3. Spring Valley Wild Norwegian Salmon Oil, 1000 mg softgels
- 4. Good Neighbor Cod Liver Oil
- 5. Seven Seas Cod Liver Oil
- 6. Good 'N Natural Salmon Oil, 1000 mg softgels

CERTIFICATE OF MERIT Health & Safety Code Section 25249.7(d)

I, Laura Baughman, hereby declare:

- 1. This Certificate of Merit accompanies the attached notice of violation in which it is alleged that the parties identified in the notice have violated Health & Safety Code section 25249.6 by failing to provide clear and reasonable warnings.
- 2. I am an attorney representing Chris Manthey and Benson Chiles.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the alleged exposure to the listed chemical that is the subject of the action.
- 4. Based on the information obtained through those consultations, and on all other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiffs' case can be established and the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute.
- 5. The copy of this Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health & Safety Code section 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: August 5, 2011

Laura Baughman, Attorney for Chris Manthey and Benson Chiles

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 Office of Environmental Health Hazard Assessment, 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 its implementing regulations (see citations below) for further information.

Proposition 65 appears in California law as Health and Safety Code Sections 25249.5 through 25249.13. 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 22 of the California Code of Regulations, Sections 12000 through 14000.

WHAT DOES PROPOSITION 65 REQUIRE?

The "Governor's List." Proposition 65 requires the Governor to publish a list of chemicals that are known to the State of California to cause cancer, or birth defects or other reproductive harm. This list must be updated at least once a year. Over 735 chemical listings have been included as of November 16, 2001. Only those chemicals that are on the list are regulated under this law. Businesses that produce, use, release or otherwise engage in activities involving those 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. 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. Exposures are exempt from the warning requirement if they occur less than twelve months after the date of listing of the chemical.

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. Discharges are exempt from this requirement if they occur less than twenty months after the date of listing of the chemical.

DOES PROPOSITION 65 PROVIDE ANY EXEMPTIONS?

Yes. The law exempts: 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. Exposures that pose no significant risk of cancer. For chemicals that are listed as known to the State to cause cancer ("carcinogens"), a warning is not required if the business 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 for more than 250 listed carcinogens.

Exposures that will produce no observable reproductive effect at 1,000 times the level in question. For chemicals known to the State to cause birth defects or other reproductive harm ("reproductive toxicants"), a warning is not required if the business 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 (NOEL)," divided by a 1,000-fold safety or uncertainty factor. The "no observable effect level" is the highest dose level which has not been associated with an observable adverse reproductive or developmental effect.

Discharges that do not result in a "significant amount" of the listed chemical entering into 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 enter any drinking water source, 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" or "no observable effect" test if an individual were exposed to such an amount in drinking water.

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 (those in cities with a population exceeding 750,000). 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. A notice must comply with the information and procedural requirements specified in regulations (Title 22, California Code of Regulations, Section 25903). A private party may not pursue an enforcement action directly under Proposition 65 if one of the governmental officials noted above initiates an 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 of law to stop committing the violation.

FOR FURTHER INFORMATION...

Contact the Office of Environmental Health Hazard Assessment's Proposition 65 Implementation Office at (916) 445-6900.

CERTIFICATE OF SERVICE

I am employed in the City of Dallas in the County of Dallas, Texas. I am over the age of eighteen years and not a party to the within action. My business address is 3102 Oak Lawn Ave., Suite 1100, Dallas, Texas 75219.

On August 5, 2011 I served the following document(s):

Notice of Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65), Section 25249.6 of the California Health and Safety Code, for Exposing Consumers to PCBs

by UNITED STATES FIRST CLASS MAIL by placing a true and correct copy thereof in an envelope addressed to each of the persons named below at the address shown, and by sealing and depositing said envelope in the United States mail at Dallas, Texas, with postage fully prepaid to:

See Attached List.

Executed on this 5th day of August, 2011 at Dallas, Texas. I declare under penalty of perjury under the laws of the State of California and Texas that the foregoing is true and correct.

Amelia B. Wilson

SERVICE LIST

Current CEO or President Thrifty Payless, Inc. P.O. Box 3165 Harrisburg, PA 17011

Current CEO or President AmerisourceBergen Drug Corporation P.O. Box 959 Valley Forge, PA 19482

Current CEO or President Stansfeld Scott Inc. 630 Brooker Creek Blvd., Ste. 325 Oldsmar, Florida 34677

Current CEO or President NBTY, Inc. d/b/a Good 'N Natural 2100 Smithtown Avenue Ronkonkoma, NY 11779 Current CEO or President Wal-Mart Stores, Inc. 702 SW 8th Street, Dept. 8687, M.S. #0555 Bentonville, AR 72716

Current CEO or President AmerisourceBergen Drug Corporation d/b/a Good Neighbor Pharmacy P.O. Box 959 Valley Forge, PA 19482

Current CEO or President NBTY, Inc. 2100 Smithtown Avenue Ronkonkoma, NY 11779

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

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

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

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

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

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

District Attorney of Contra Costa County 725 Court Street, Room 402 Martinez, CA 94553 District Attorney of El Dorado County 515 Main Street Placerville, CA 95667

District Attorney of Fresno County 2220 Tulare Street, #1000 Fresno, CA 93721

District Attorney of Glenn County P.O. Box 430 Willows, CA 95988

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

District Attorney of Imperial County 939 Main Street El Centro, CA 92243

District Attorney of Inyo County P.O. Drawer D Independence, CA 93526

District Attorney of Kern County 1215 Truxtun Avenue Bakersfield, CA 93301 District Attorney of Del Norte County 450 H Street, Ste 171 Crescent City, CA 95531

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

District Attorney of Lassen County 220 S. Lassen St., Ste 8 Susanville, CA 96130

District Attorney of Los Angeles County 210 W. Temple Street, Room 345 Los Angeles, CA 90012

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

District Attorney of Marin County 3501 Civic Center Dr., Room 183 San Rafael, CA 94903

District Attorney of Mariposa County P.O. Box 730 Mariposa, CA 95338

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

District Attorney of Merced County 2222 "M" Street Merced, CA 95340

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

District Attorney of Mono County P.O. Box 617 Bridgeport, CA 93517

District Attorney of Monterey County PO Box 1131 Salinas, CA 93901

District Attorney of San Joaquin County P.O. Box 990 Stockton, CA 95201 District Attorney of Kings County 1400 West Lacey Hanford, CA 93230

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

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

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

District Attorney of Placer County 10810 Justice Center Drive Suite #240 Roseville, CA 95678

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

District Attorney of Riverside County 3960 Orange Street, Ste 5 Riverside, CA 92501

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

District Attorney of San Bernardino County 316 N. Mountain View Avenue San Bernardino, CA 92415-0004

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

District Attorney of San Diego County 330 West Broadway, Suite 1320 San Diego, CA 92112

District Attorney of San Francisco County 850 Bryant Street, Rm 325 San Francisco, CA 94103

District Attorney of Stanislaus County 800 11th Street, Room 200 Modesto, CA 95353 District Attorney of San Luis Obispo County 1050 Monterey St, Room 450 San Luis Obispo, CA 93408

District Attorney of San Mateo County 400 County Ctr, 3rd Fl Redwood City, CA 94063

District Attorney of Santa Barbara County 1105 Santa Barbara Street Santa Barbara, CA 93101

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

District Attorney of Santa Cruz County 701 Ocean Street, Room 200 Santa Cruz, CA 95061

District Attorney of Sierra County Courthouse, P.O. Box 457 Downieville, CA 95936

District Attorney of Siskiyou County P.O. Box 986 Yreka, CA 96097

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

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

District Attorney of Shasta County 1355 West Street Redding, CA 96001_1652

District Attorney of Tehama County P.O. Box 519 Red Bluff, CA 96080

District Attorney of Trinity County P.O. Box 1310 Weaverville, CA 96093 District Attorney of Sutter County 446 Second Street Yuba City, CA 95991

District Attorney of Tulare County 221 S. Mooney Ave, Room 224 Visalia, CA 93291

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

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

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

District Attorney of Yuba County 215 Fifth Street Marysville, CA 95901

San Jose City Attorney's Office 151 West Mission Street San Jose, CA 95110

Los Angeles City Attorney's Office Room 1800, City Hall East 200 N. Main Street Los Angeles, CA 90012

San Diego City Attorney's Office 1200 3rd Avenue, 12th Floor San Diego, CA 92101

San Francisco City Attorney's Office City Hall, Room 234 San Francisco, CA 94102

California Attorney General's Office Attn: Proposition 65 Coordinator 1515 Clay Street Oakland, CA 94612



800.222.2766 tel 214.521.3605 fax 214.520.1181 3102 Oak Lawn Avenue Suite 1100 Dallas, TX 75219-4283

February 1, 2012

Via First Class U.S. Mail

Current CEO or President NBTY, Inc. d/b/a Nature's Bounty 110 Orville Drive Bohemia, NY 11716 Current CEO or President NBTY, Inc. 2100 Smithtown Avenue Ronkonkoma, NY 11779

Re:

Notice of Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65), Section 25249.6 of the California Health and Safety Code, for Exposing Consumers to PCBs

Dear Sir/Madam:

Chris Manthey and Benson Chiles (hereinafter "Noticing Parties") are private enforcers of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code sections 25249.5 et seq. ("Proposition 65").

This letter constitutes notice that the entities identified in Exhibit A have violated and continue to violate provisions of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code sections 25249.5 et seq. Specifically, these entities have violated and continue to violate the warning requirement at section 25249.6 of the California Health and Safety Code, which provides, "No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual..."

The list of entities subject to this Notice is attached as Exhibit A. Consumer supplements that are made wholly, or partly, from fish oil ("fish oil dietary supplements") sold by these entities contain polychlorinated biphenyls ("PCBs"), a chemical known to the State to cause reproductive toxicity and cancer. On each and every day from February 1, 2011 through the present, these entities have exposed and continue to expose consumers of their fish oil dietary supplements to PCBs. Exposure to the consumers has occurred through ingestion of the fish oil dietary supplements. Specific examples of fish oil dietary supplement products that are the subject of this Notice are identified in the document attached as Exhibit B.

Because PCBs are a chemical listed in Proposition 65 as a human carcinogen and a reproductive toxin, pursuant to Health and Safety Code § 25249.6 the entities in Exhibit A were, and are, required to provide clear and reasonable warnings to all consumers of fish oil dietary supplements before exposing them to PCBs. Pursuant to Health and Safety Code section 25249.7(d), the Noticing Parties intend to bring suit in the public interest against the entities in Exhibit A sixty days hereafter to correct the violation occasioned by the failure to warn all consumers of the exposure to PCBs.

Pursuant to 27 California Code of Regulations § 25903(b)(1), attached is a copy of "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," a summary of Proposition 65 prepared by the Office of Environmental Health Hazard Assessment of the California Environmental Protection Agency.

Pursuant to Health and Safety Code § 25249.7(d)(1), the undersigned hereby includes with the copy of this notice a Certificate of Merit.

While violations are occurring throughout the State of California, the noticing parties are unable to know for certain if violations are occurring in all of the 58 counties in California. Therefore, pursuant to 27 California Code of Regulations § 25903(c)(3), the noticing parties are providing this notice to the district attorney for each of the 58 counties in California. Further, the noticing parties provide this notice to the California Attorney General and the city attorneys for the cities of Los Angeles, San Diego, San Francisco and San Jose.

The Noticing Parties are represented in this matter by the law firm of Baron & Budd, P.C. All communications concerning this matter should be directed to:

Laura Baughman Baron & Budd, P.C. 3102 Oak Lawn Ave., Suite 1100 Dallas, Texas 75219

Telephone: (214) 521-3605

Email: <u>lbaughman@baronbudd.com</u>.

Sincerely,

BARON & BUDD, P.C.

Laura J. Baughman

LJB/abw Enclosures

cc:

Attorney General of California

(with attached confidential factual information supporting Certificate of Merit)

Los Angeles City Attorney San Diego City Attorney

City Attorney of San Francisco

San Jose City Attorney

District Attorneys for California's 58 Counties (see attached certificate of service)

Judith Praitis, Esq.

Exhibit A

Current CEO or President NBTY, Inc. d/b/a Nature's Bounty 110 Orville Drive Bohemia, NY 11716 Current CEO or President NBTY, Inc. 2100 Smithtown Avenue Ronkonkoma, NY 11779

Exhibit B

- 1. Nature's Bounty Omega-3 Norwegian Cod Liver Oil, 100 softgels
- 2. Nature's Bounty Cold Water Salmon Oil 1000 mg softgels

CERTIFICATE OF MERIT Health & Safety Code Section 25249.7(d)

I, Laura Baughman, hereby declare:

- 1. This Certificate of Merit accompanies the attached notice of violation in which it is alleged that the parties identified in the notice have violated Health & Safety Code section 25249.6 by failing to provide clear and reasonable warnings.
- 2. I am an attorney representing Chris Manthey and Benson Chiles.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the alleged exposure to the listed chemical that is the subject of the action.
- 4. Based on the information obtained through those consultations, and on all other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiffs' case can be established and the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute.
- 5. The copy of this Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health & Safety Code section 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: February 1, 2012

Laura Baughman, Attorney for Chris Manthey and Benson Chiles

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 Office of Environmental Health Hazard Assessment, 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 its implementing regulations (see citations below) for further information.

Proposition 65 appears in California law as Health and Safety Code Sections 25249.5 through 25249.13. 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 22 of the California Code of Regulations, Sections 12000 through 14000.

WHAT DOES PROPOSITION 65 REQUIRE?

The "Governor's List." Proposition 65 requires the Governor to publish a list of chemicals that are known to the State of California to cause cancer, or birth defects or other reproductive harm. This list must be updated at least once a year. Over 735 chemical listings have been included as of November 16, 2001. Only those chemicals that are on the list are regulated under this law. Businesses that produce, use, release or otherwise engage in activities involving those 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. 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. Exposures are exempt from the warning requirement if they occur less than twelve months after the date of listing of the chemical.

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. Discharges are exempt from this requirement if they occur less than twenty months after the date of listing of the chemical.

DOES PROPOSITION 65 PROVIDE ANY EXEMPTIONS?

Yes. The law exempts: 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. Exposures that pose no significant risk of cancer. For chemicals that are listed as known to the State to cause cancer ("carcinogens"), a warning is not required if the business 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 for more than 250 listed carcinogens.

Exposures that will produce no observable reproductive effect at 1,000 times the level in question. For chemicals known to the State to cause birth defects or other reproductive harm ("reproductive toxicants"), a warning is not required if the business 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 (NOEL)," divided by a 1,000-fold safety or uncertainty factor. The "no observable effect level" is the highest dose level which has not been associated with an observable adverse reproductive or developmental effect.

Discharges that do not result in a "significant amount" of the listed chemical entering into 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 enter any drinking water source, 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" or "no observable effect" test if an individual were exposed to such an amount in drinking water.

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 (those in cities with a population exceeding 750,000). 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. A notice must comply with the information and procedural requirements specified in regulations (Title 22, California Code of Regulations, Section 25903). A private party may not pursue an enforcement action directly under Proposition 65 if one of the governmental officials noted above initiates an 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 of law to stop committing the violation.

FOR FURTHER INFORMATION...

Contact the Office of Environmental Health Hazard Assessment's Proposition 65 Implementation Office at (916) 445-6900.

CERTIFICATE OF SERVICE

I am employed in the City of Dallas in the County of Dallas, Texas. I am over the age of eighteen years and not a party to the within action. My business address is 3102 Oak Lawn Ave., Suite 1100, Dallas, Texas 75219.

On February 1, 2012, I served the following document(s):

Notice of Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65), Section 25249.6 of the California Health and Safety Code, for Exposing Consumers to PCBs

by UNITED STATES FIRST CLASS MAIL by placing a true and correct copy thereof in an envelope addressed to each of the persons named below at the address shown, and by sealing and depositing said envelope in the United States mail at Dallas, Texas, with postage fully prepaid to:

See Attached List.

Executed on this 1st day of February, 2012 at Dallas, Texas. I declare under penalty of perjury under the laws of the State of California and Texas that the foregoing is true and correct.

Amelia B. Wilson

SERVICE LIST

Current CEO or President NBTY, Inc. d/b/a Nature's Bounty 110 Orville Drive Bohemia, NY 11716 Current CEO or President NBTY, Inc. 2100 Smithtown Avenue Ronkonkoma, NY 11779

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

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

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

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

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

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

District Attorney of Contra Costa County 725 Court Street, Room 402 Martinez, CA 94553

District Attorney of Del Norte County 450 H Street, Ste 171 Crescent City, CA 95531 District Attorney of El Dorado County 515 Main Street Placerville, CA 95667

District Attorney of Fresno County 2220 Tulare Street, #1000 Fresno, CA 93721

District Attorney of Glenn County P.O. Box 430 Willows, CA 95988

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

District Attorney of Imperial County 939 Main Street El Centro, CA 92243

District Attorney of Inyo County P.O. Drawer D Independence, CA 93526

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

District Attorney of Kings County 1400 West Lacey Hanford, CA 93230 District Attorney of Lake County 255 N. Forbes Street Lakeport, CA 95453

District Attorney of Lassen County 220 S. Lassen St., Ste. 8 Susanville, CA 96130

District Attorney of Los Angeles County 210 W. Temple Street, Room 345 Los Angeles, CA 90012

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

District Attorney of Marin County 3501 Civic Center Dr., Room 183 San Rafael, CA 94903

District Attorney of Mariposa County P.O. Box 730 Mariposa, CA 95338

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

District Attorney of Merced County 2222 "M" Street Merced, CA 95340

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

District Attorney of Mono County P.O. Box 617 Bridgeport, CA 93517

District Attorney of Monterey County PO Box 1131 Salinas, CA 93901

District Attorney of Napa County 931 Parkway Mall Napa, CA 94559 District Attorney of Nevada County 110 Union Street Nevada City, CA 95959

District Attorney of Orange County 401 Civic Ctr. Drive West Santa Ana, CA 92701

District Attorney of Placer County 10810 Justice Center Drive Suite #240 Roseville, CA 95678

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

District Attorney of Riverside County 3960 Orange Street, Ste. 5 Riverside, CA 92501

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

District Attorney of San Bernardino County 316 N. Mountain View Avenue San Bernardino, CA 92415-0004

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

District Attorney of San Diego County 330 West Broadway, Suite 1320 San Diego, CA 92112

District Attorney of San Francisco County 850 Bryant Street, Rm. 325 San Francisco, CA 94103

District Attorney of San Joaquin County P.O. Box 990 Stockton, CA 95201

District Attorney of San Luis Obispo County 1050 Monterey St, Room 450 San Luis Obispo, CA 93408 District Attorney of San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063

District Attorney of Santa Barbara County 1105 Santa Barbara Street Santa Barbara, CA 93101

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

District Attorney of Santa Cruz County 701 Ocean Street, Room 200 Santa Cruz, CA 95061

District Attorney of Sierra County Courthouse, P.O. Box 457 Downieville, CA 95936

District Attorney of Siskiyou County P.O. Box 986 Yreka, CA 96097

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

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

District Attorney of Shasta County 1355 West Street Redding, CA 96001-1652

District Attorney of Stanislaus County 800 11th Street, Room 200 Modesto, CA 95353

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

District Attorney of Tehama County P.O. Box 519 Red Bluff, CA 96080 District Attorney of Trinity County P.O. Box 1310 Weaverville, CA 96093

District Attorney of Tulare County 221 S. Mooney Ave, Room 224 Visalia, CA 93291

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

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

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

District Attorney of Yuba County 215 Fifth Street Marysville, CA 95901

San Jose City Attorney's Office 151 West Mission Street San Jose, CA 95110

Los Angeles City Attorney's Office 200 N. Main Street, Room 1800, City Hall E. Los Angeles, CA 90012

San Diego City Attorney's Office 1200 3rd Avenue, 12th Floor San Diego, CA 92101

San Francisco City Attorney's Office City Hall, Room 234 San Francisco, CA 94102

California Attorney General's Office Attn: Proposition 65 Coordinator 1515 Clay Street Oakland, CA 94612

	•	
1	LAURA J. BAUGHMAN (SBN 263944)	
2	BARON & BUDD, P.C. 3102 Oak Lawn Avenue, Suite 1100	
3	Dallas, TX 75219 Tel.: (214) 521-3605/Fax: (214) 520-1181 lbaughman@baronbudd.com	
4		
5	APRIL STRAUSS (SBN 163327) LAW OFFICE OF APRIL STRAUSS 2500 Hospital Drive, Suite 3B	
6	Mountain View, CA 94040 Tel: 650-281-7081	
7	astrauss@sfaclp.com	
8	Assuments for Plaintiffs	
9	Attorneys for Plaintiffs, CHRIS MANTHEY and BENSON CHILES	
10		
11	SUPERIOR COURT OF THE	STATE OF CALIFORNIA
12	COUNTY OF SAN (Unlimited Jun	FRANCISCO risdiction)
13		, , , , , , , , , , , , , , , , , , ,
14	CHRIS MANTHEY and BENSON CHILES,	Case No.: CGC-10-497334
15		
16	Plaintiffs,	PLAINTIFFS' FIRST AMENDED
17	v.	COMPLAINT FOR INJUNCTIVE RELIEF AND CIVIL PENALTIES
18	CVS PHARMACY, INC.; GENERAL	
19	NUTRITION CORPORATION; NBTY, INC.; NOW HEALTH GROUP, INC.; OMEGA	
20	PROTEIN, INC.; PHARMAVITE LLC; RITE AID CORPORATION; SOLGAR, INC.; and	
21	TWINLAB CORPORATION,	
22	Defendants.	
23		_
24		
25		
26		
27		
28		
	PLAINTIFFS' FIRST AMENDED COMPLAINT	FOR INJUNCTION AND CIVIL PENALTIES
	I DAMINIAL DE LA CONTRACTOR DE LA CONTRA	

INTRODUCTION

failure of defendants CVS PHARMACY, INC.; GENERAL NUTRITION CORPORATION;

NOW HEALTH GROUP, INC.; OMEGA PROTEIN, INC.; PHARMAVITE LLC; RITE AID

CORPORATION; SOLGAR, INC.; NBTY, INC.1; and TWINLAB CORPORATION, (hereinafter

"Defendants"), to give clear and reasonable warnings to those residents of California, who handle,

ingest and use dietary supplements that are, or that are made from, fish oil, fish liver oil, shark oil

or shark liver oil (hereinafter "fish oil supplements"), that ingestion of these products causes those

residents to be exposed to polychlorinated biphenyls (hereinafter, collectively, "PCBs"). PCBs are

known to the State of California to cause cancer and birth defects. Defendants manufacture,

distribute, and/or market fish oil supplements. Defendants' products cause exposures to PCBs,

which are chemicals known to the State of California to cause cancer, birth defects and other

supplements. Defendants intend that residents of California ingest fish oil supplements that

Defendants manufacture, market, and/or distribute. When these products are ingested in their

normally intended manner, they expose people to PCBs. In spite of knowing that residents of

California were and are being exposed to PCBs when they ingest Defendants' fish oil

supplements, Defendants did not and do not provide clear and reasonable warnings that these

products cause exposure to chemicals known to cause cancer, birth defects and other reproductive

harm. The fish oil supplements to which this Complaint pertains are those referenced in the

Products Lists that accompanied the 60 Day Notice Letters, which are appended to and

Defendants are businesses that manufacture, market, and/or distribute fish oil

This Complaint seeks civil penalties and an injunction to remedy the continuing

1

3

1.

reproductive harm.

2.

4 5

6

7

8

9

10

11

12

13

14

15

16

17

18 19

20

21

22

23. 24

25

26

27 28

On information and belief, Plaintiffs allege that NBTY, Inc. is liable for the actions alleged herein that may have been caused by its direct or indirect subsidiaries, if any, under the theory of agency.

incorporated by reference in this Complaint.

3. Plaintiffs seek injunctive relief pursuant to Health & Safety Code Section 25249.7 to compel Defendants to bring their business practices into compliance with section 25249.5 et seq. by providing a clear and reasonable warning to each individual who has been and who in the future may be exposed to the above mentioned toxic chemicals from the reasonably anticipated and intended use of Defendants' products.

4. In addition to injunctive relief, Plaintiffs seek civil penalties to remedy the failure of Defendants to provide clear and reasonable warnings regarding exposure to chemicals known to cause cancer, birth defects and other reproductive harm. Plaintiffs also seek an order that Defendants identify and locate each individual person who in the past has purchased Defendants' fish oil supplements and to provide to each such purchaser a clear and reasonable warning that those fish oil supplements cause exposures to chemicals known to cause cancer and birth defects.

PARTIES

- 5. Plaintiffs Christopher Manthey and Benson Chiles are individuals concerned about human health and environmental protection. Plaintiffs are "persons" pursuant to Health & Safety Code Section 25118. Plaintiffs bring this enforcement action in the public interest pursuant to Health & Safety Code §25249.7(d). Residents of California are regularly exposed to PCBs from fish oil supplements manufactured, distributed or marketed by Defendants and are intentionally so exposed without a clear and reasonable Proposition 65 warning.
- 6. Each Defendant is a person doing business within the meaning of Health & Safety Code Section 25249.11. Each defendant is a business that manufactures, distributes, and/or markets fish oil supplements in California, including in the City and County of San Francisco. Manufacture, distribution and/or marketing of these products in the City and County of San Francisco, and/or to the people who live in San Francisco, causes people to be intentionally exposed to PCBs while they are physically present in the City and County of San Francisco.
- 7. Plaintiffs bring this enforcement action against Defendants pursuant to Health & Safety Code Section 25249.7 (d). Attached hereto and incorporated by reference are copies of the 60 day Notice letters, dated August 6, 2009, August 5, 2011, and February 1, 2012, which

Plaintiffs sent to California's Attorney General. Letters identical in substance were sent to every District Attorney in the state, and to the City Attorneys of every California city with a population greater than 750,000. On the same date, Plaintiffs sent an identical 60 Day Notice letter to Defendants. Attached to each 60-Day Notice Letter sent to the Defendants was a summary of Proposition 65 that was prepared by California's Office of Environmental Health Hazard Assessment. In addition, each 60-Day Notice Letter Plaintiffs sent was accompanied by a Certificate of Service attesting to the service of the 60-Day Notice Letter on each entity which received it. Pursuant to California Health & Safety Code Section 25249.7(d), a Certificate of Merit attesting to the reasonable and meritorious basis for the action was also sent with each 60-Day Notice Letter. Factual information sufficient to establish the basis of the Certificate of Merit was enclosed with each 60-Day Notice letter Plaintiffs sent to the Attorney General.

8. Each Defendant is a business that employs more than ten people.

JURISDICTION

- 9. The Court has jurisdiction over this action pursuant to California Health & Safety Code Section 25249.7. California Constitution Article VI, Section 10 grants the Superior Court "original jurisdiction in all causes except those given by statute to other trial courts." Chapter 6.6 of the Health & Safety Code, which contains the statutes under which this action is brought, does not grant jurisdiction to any other trial court.
- 10. This Court also has jurisdiction over Defendants because they are businesses that have sufficient minimum contacts in California and within the City and County of San Francisco. Defendants intentionally availed themselves of the California and San Francisco County markets for fish oil supplements. It is thus consistent with traditional notions of fair play and substantial justice for the San Francisco Superior Court to exercise jurisdiction over them.
- 11. Venue is proper in this Court because Defendants market their products in and around San Francisco and thus intentionally cause people to ingest PCBs while those people are physically present in San Francisco. Liability for Plaintiffs' causes of action, or some parts thereof, has accordingly arisen in San Francisco during the times relevant to this Complaint and Plaintiffs

accordingly seek civil penalties and forfeitures imposed by statutes.

FIRST CAUSE OF ACTION (Claim for Injunctive Relief)

- 12. Plaintiffs reallege and incorporate by reference into this First Cause of Action, as if specifically set forth herein, paragraphs 1 through 11, inclusive.
- 13. The People of the State of California have declared by referendum under Proposition 65 (California Health & Safety Code § 25249.5 et seq.) their right "[t]o be informed about exposures to chemicals that cause cancer, birth defects, and reproductive harm."
- 14. To effectuate this goal, Section 25249.6 of the Health and Safety Code mandates that persons who, in the course of doing business, knowingly and intentionally expose any individual to a chemical known to the State of California to cause cancer or birth defects, must first provide a clear and reasonable warning to such individual prior to the exposure.
- Health and Safety Code Section 25249.6 et seq. This conduct includes knowingly and intentionally exposing to PCBs, those California residents who ingest fish oil supplements. The normally intended use of fish oil supplements causes people to ingest PCBs, which are chemicals known to the State of California to cause cancer, birth defects and other reproductive harm. Defendants have not provided clear and reasonable warnings within the meaning of Health & Safety Code Section 25249.6 and 25249.11
- 16. At all times relevant to this action, Defendants knew that the fish oil supplements they manufactured, distributed or marketed were causing exposures to PCBs. Defendants intended that residents of California ingest fish oil supplements thereby causing significant exposures to these chemicals.
- 17. By the above described acts, Defendants have violated Cal. Health & Safety Code § 25249.6 and are therefore subject to an injunction ordering them to stop violating Proposition 65, to provide warnings to all present and future customers, and to provide warnings to their past customers who purchased Defendants' products without receiving a clear and reasonable warning.

SECOND CAUSE OF ACTION

(Claim for Civil Penalties)

- 18. Plaintiffs reallege and incorporate by reference into this Second Cause of Action, as if specifically set forth herein, paragraphs 1 through 17, inclusive.
- 19. By the above described acts, Defendants and each of them are liable, pursuant to Health & Safety Code § 25249.7(b), for a civil penalty of up to \$2,500.00 per day for each exposure of an individual to PCBs without proper warning from the use of Defendants' fish oil supplements.

PRAYER FOR RELIEF

Wherefore, Plaintiffs pray for judgment against DEFENDANTS, as follows:

- A. Pursuant to the First Cause of Action, that Defendants to be enjoined, restrained, and ordered to comply with the provisions of Section 25249.6 of the California Health & Safety Code;
- B. Pursuant to the Second Cause of Action, that Defendants be assessed a civil penalty in an amount equal to \$2,500.00 per individual knowingly and intentionally exposed per day, in violation of Section 25249.6 of the California Health & Safety Code, to PCBs as the result of Defendants' manufacturing, distributing or marketing of fish oil supplements;
- C. That Defendants be ordered to identify and locate each individual who purchased their fish oil supplements and to provide a warning to each such person that the purchased fish oil supplements have exposed, or will expose, that person to chemicals known to cause cancer and birth defects.
- D. That, pursuant to Civil Procedure Code § 1021.5, Defendants be ordered to pay to Plaintiffs the attorney's fees and costs they incurred in bringing this enforcement action.
 - E. For such other relief as this court deems just and proper.

1 2 3 4 5 6 7	Dated: Dec. 10, 2012 Respectfully submitted, BARON & BUDD, P.C. Laura J. Baughman 3102 Oak Lawn Avenue, Ste. 1100 Dallas, Texas 75219 Telephone: (214) 521-3605 Facsimile: (214) 520-1181 lbaughman@baronbudd.com	
8	April M. Strauss	
9	2500 Hospital Drive, Suite 3B Mountain View, CA 94040 Tel: 650-281-7081	
11	astrauss@sfaclp.com	
12		
13		,
14		
15		
16		
17		
18		
19 20		
21		
22		
23		
24		
25	; 	
26		
27		
28	6	

	•	. 1
1 2 3 4 5 6 7 8	LAURA J. BAUGHMAN (SBN 263944) BARON & BUDD, P.C. 3102 Oak Lawn Ave., Suite 1100 Dallas, TX 72519 Tel.: 214-521-3605 Fax: 214-520-1181 lbaughman@baronbudd.com APRIL STRAUSS (SBN 163327) LAW OFFICE OF APRIL STRAUSS 2500 Hospital Drive, Suite 3B Mountain View, CA 94040 Tel: 650-281-7081 astrauss@sfaclp.com Attorneys for Plaintiffs CHRIS MANTHEY AND BENSON CHILES	
10	IN THE SUPERIOR COURT O	F THE STATE OF CALIFORNIA
11	COUNTY OF S	AN FRANCISCO
12	CHRIS MANTHEY; BENSON CHILES; and	Case No. CGC-10-497334
13	MATEEL ENVIRONMENTAL JUSTICE FOUNDATION,	PROOF OF SERVICE
14	Plaintiffs,	
15	v.	·
16 17 18 19	CVS PHARMACY, INC.; GENERAL NUTRITION CORPORATION; NOW HEALTH GROUP, INC.; OMEGA PROTEIN, INC.; PHARMAVITE LLC; RITE AID CORPORATION; SOLGAR, INC.; and TWINLAB CORPORATION,	
20	Defendants.	
21		J
22		
23		
24		·
25		
26		
27		
28		
	PROOF OF SERVICE	1

PROOF OF SERVICE

I hereby certify that I am an employee of Baron & Budd, P.C. in the County of Dallas, State of Texas. I am over the age of 18 years and not a party to the within action; my business address is 3102 Oak Lawn Avenue, Suite 1100, Dallas, Texas 75219-4281. On December 10, 2012, I served a copy of the attached document titled:

PLAINTIFFS' FIRST AMENDED COMPLAINT FOR INJUNCTIVE RELIEF AND CIVIL PENALTIES

on the parties listed below, as noted:

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

18

19

20

21

22

(BY ELECTRONIC MAIL) By personally e-mailing a copy to the person(s) at the e-mail addresses listed below as follows; and/or

(BY MAIL) I placed such sealed envelope with postage fully prepaid for first class mail, for collection and mailing at Baron & Budd, P.C., Dallas, Texas following ordinary business practices. I am readily familiar with the practice of Baron & Budd, P.C. for collection and processing of correspondence, said practice being that in the ordinary course of business, correspondence is deposited in the United States Postal Service the same day as it is placed for collection. The person(s) served by U.S. mail are named as follows; and/or

X (BY LEXIS NEXIS FILE AND SERVE) By personally uploading a copy to Lexis Nexis File and Serve, which will send a notification of filing to the person(s) named as follows:

Andrew L. Packard Sarah Esmaili Law Offices of Andrew L. Packard 100 Petaluma Boulevard N, Suite 301 Petaluma, CA 94952 Telephone: (707) 763-7727 FAX: (707) 763-9227 16 Andrew@packardlawoffices.com 17 Attorney for Plaintiffs

MATEEL ENVIRONMENTAL JUSTICE **FOUNDATION**

Judith M. Praitis Sidley Austin, LLP 555 West Fifth Street, Suite 4000

Los Angeles, CA 90013 Telephone: 213-896-6000 23 Fax: 213-896-6600

ipraitis@sidley.com 24

Attorneys for Defendants 25 SOLGAR, INC. and TWINLAB **CORPORATION** 26

Trenton H. Norris ARNOLD & PORTER LLP One Embarcadero Center, 22nd Floor San Francisco, California 94111-3711 Telephone: 415-356-3300 Fax: 415-356-3099 trent.norris@aporter.com sarah.esmaili@aporter.com

Attorneys for Defendants NOW HEALTH GROUP, INC. and OMEGA PROTEIN, INC.

Susan L. Germaise Patricia L. Victory McGuire Woods, LLP 1800 Century Park East, 8th Floor Los Angeles, CA 90067 FAX: sgermaise@mcguirewoods.com pvictory@mcguirewoods.com

Attorneys for Defendant GENERAL NUTRITION CENTERS, INC., sued erroneously herein as GENERAL NUTRITION CORPORATION

27

	Storion D. Takonky	Honorable Kamala D. Harris
1	Steven R. Tekosky David B. Sadwick	Attorney General of California Janill Richards
2	Tatro Tekosky Sadwick, LLP 333 South Grand Avenue, Suite 4270	Supervising Deputy Attorney General
3	Los Angeles, CA 90071 Telephone: 213-225-7171	Susan S. Fiering Deputy Attorney General
4	Fax: 213-225-7151 SteveTekosky@ttsmlaw.com	1515 Clay Street, 20 th Floor P.O. Box 70550
5	davidsadwick@ttsmlaw.com	Oakland, CA 94612-0550 Telephone: 510-622-2142
6	Attorneys for Defendants	Fax: 510-622-2270
7	CVS PHARMACY, INC., PHARMAVITE LLC, and THRIFTY PAYLESS, INC., sued	Susan.Fiering@doj.ca.gov
8	erroneously herein as RITE AID CORPORATION	Attorneys for the PEOPLE OF THE STATE OF CALIFORNIA
9	XXVIII XV-si ala	David Roe
10	William Verick Klamath Environmental Law Center	Law Offices of David Roe 1061 Walker Avenue
11	421 1st Street Eureka, CA 95501	Oakland, CA 94610
12	Attorney for Plaintiffs	Attorney for Plaintiffs MATEEL ENVIRONMENTAL JUSTICE
13	MATEEL ENVIRONMENTAL JUSTICE FOUNDATION	FOUNDATION FOUNDATION
14	I declare under penalty of perjury under the laws of the United States of America and the State of Texas that the foregoing is true and correct.	
15		
		_
16	Dated: December 10, 2012	1 Dellew 45 Wlsm
16 17		Amelia B. Wilson
		Amelia B. Wilson Legal Secretary to Laura J. Baughman
17		Amelia B. Wilson
17 18		Amelia B. Wilson
17 18 19		Amelia B. Wilson
17 18 19 20		Amelia B. Wilson
17 18 19 20 21		Amelia B. Wilson
17 18 19 20 21 22		Amelia B. Wilson
17 18 19 20 21 22 23		Amelia B. Wilson
17 18 19 20 21 22 23 24		Amelia B. Wilson
17 18 19 20 21 22 23 24 25		Amelia B. Wilson
17 18 19 20 21 22 23 24 25 26		Amelia B. Wilson
17 18 19 20 21 22 23 24 25 26 27		Amelia B. Wilson

- 1		
1	LAURA J. BAUGHMAN (SBN 263944)	
2	BARON & BUDD, P.C. 3102 Oak Lawn Ave., Suite 1100	
3	Dallas, TX 72519 Tel.: 214-521-3605	
4	Fax: 214-520-1181 lbaughman@baronbudd.com	
5	APRIL STRAUSS (SBN 163327)	
	LAW OFFICE OF APRIL STRAUSS 2500 Hospital Drive, Suite 3B	
6 7	Mountain View, CA 94040 Tel: 650-281-7081	
	astrauss@sfaclp.com	
9	Attorneys for Plaintiffs CHRIS MANTHEY AND BENSON CHILES	
10	IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA	
11	COUNTY OF S	AN FRANCISCO
12	CHRIS MANTHEY; BENSON CHILES; and	Case No. CGC-10-497334
13	MATEEL ENVIRONMENTAL JUSTICE FOUNDATION,	PROOF OF SERVICE
14	Plaintiffs,	
15	v.	
16	CVS PHARMACY, INC.; GENERAL	
17	NUTRITION CORPORATION; NOW HEALTH GROUP, INC.; OMEGA	
18	PROTEIN, INC.; PHARMAVITE LLC; RITE AID CORPORATION; SOLGAR, INC.; and	·
19	TWINLAB CORPORATION,	
20	Defendants.	
21		
22		
23		
24		·
25	·	
26		
27		
28		
	PROOF OF SERVICE	

PROOF OF SERVICE

¹ ∥	<u></u>	
2 3	I hereby certify that I am an employee of Baron & Budd, P.C. in the County of Dallas State of Texas. I am over the age of 18 years and not a party to the within action; my busines address is 3102 Oak Lawn Avenue, Suite 1100, Dallas, Texas 75219-4281. On December 11 2012, I served a copy of the attached document titled:	
4 5	[PROPOSED] CONSENT JUDGMENT AS TO T	WINLAB CORPORATION, ET AL.;
6		
7	X (BY ELECTRONIC MAIL) By personally e-mailing a copy to the person(s) at the e-ma addresses listed below as follows; and/or	
8	X (BY LEXIS NEXIS FILE AND SERVE) By personally uploading a copy to Lexis Nex File and Serve, which will send a notification of filing to the person(s) named as follows:	
0	O Andrew L. Packard Trent Law Offices of Andrew L. Packard Sarah	on H. Norris Esmaili
1	Petaluma, CA 94952 Talanhana (707) 763 7727 San I	OLD & PORTER LLP Embarcadero Center, 22nd Floor Francisco, California 94111-3711
2	FAX: (707) 763-9227 Telep	phone: 415-356-3300 415-356-3099
3	3 Andrewa packardia wornees.com	norris@aporter.com
4	MATERI ENVIRONMENTAL JUSTICE	i.esmaili@aporter.com
15	5 FOUNDATION Attor	meys for Defendants V HEALTH GROUP, INC. and OMEGA TEIN, INC.
16	16	
17	Judith M. Praitis	n L. Germaise
18	555 West Fifth Street Suite 4000 McC	cia L. Victory Juire Woods, LLP
19	19 Los Angeles, CA 90013	Century Park East, 8th Floor Angeles, CA 90067
20	20 Fax: 213-896-6600 FAX	:: maise@mcguirewoods.com
21	jpraitis@sidley.com sger	tory@mcguirewoods.com
	Attorneys for Defendants	rneys for Defendant
2223	CORPORATION	NERAL NUTRITION CENTERS, INC., I erroneously herein as GENERAL FRITION CORPORATION
24		
25		
	26	
7.		

PROOF OF SERVICE

27

ĺ		
1		Hamarahla Vamala D. Harris
_	Steven R. Tekosky David B. Sadwick	Honorable Kamala D. Harris Attorney General of California
2	Tatro Tekosky Sadwick, LLP	Janill Richards
3	333 South Grand Avenue, Suite 4270	Supervising Deputy Attorney General
ر	Los Angeles, CA 90071	Susan S. Fiering
4	Telephone: 213-225-7171	Deputy Attorney General 1515 Clay Street, 20 th Floor
•	Fax: 213-225-7151	1515 Clay Street, 20" Floor
5	SteveTekosky@ttsmlaw.com	P.O. Box 70550
	davidsadwick@ttsmlaw.com	Oakland, CA 94612-0550 Telephone: 510-622-2142
6	Attorneys for Defendants	Fax: 510-622-2270
7	CVS PHARMACY, INC., PHARMAVITE	Susan.Fiering@doj.ca.gov
7	LLC, and THRIFTY PAYLESS, INC., sued	
8	erroneously herein as RITE AID	Attorneys for the PEOPLE OF THE
	CORPORĂTION	STATE OF CALIFORNIA
9		•
	William Vanial	David Roe
10	William Verick Klamath Environmental Law Center	Law Offices of David Roe
11	421 1st Street	1061 Walker Avenue
11	Eureka, CA 95501	Oakland, CA 94610
12		A Com D1-to-ACC
	Attorney for Plaintiffs	Attorney for Plaintiffs MATEEL ENVIRONMENTAL JUSTICE
13	MATEEL ENVIRONMENTAL JUSTICE	FOUNDATION
1.4	FOUNDATION	TOORDATION
14		
15	I declare under penalty of perjury ur	nder the laws of the United States of America and th
	State of Texas that the foregoing is true and	correct.
16	D . 1 D . 1 11 2012	
1.5	Dated: December 11, 2012	1 Managlan I KANA V CADA
17		\ \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\
18	·	Amelia B. Wilson
10		Legal Secretary to Laura J. Baughman
19		
20		
21		
4 1		
22		
	·	
23	·	
0.4		
24		
25		
26		
07		
-11	R .	