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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

COUNCIL FOR EDUCATION AND RESEARCH ON TOXICS, a California corporation, acting as a private attorney general in the public interest

Plaintiff,

vs.

STARBUCKS CORPORATION, a Washington corporation; et al.,

Defendants.

Case No. BC435759

Related to Case No. BC461182 (*CERT v. Brad Barry, et al.*)

*Assigned to Hon. Elihu Berle, Dept. 323*

**[PROPOSED] CONSENT JUDGMENT  
AS TO YUM YUM DONUT SHOPS, INC.**

**1. INTRODUCTION**

1.1. On April 13, 2010, the Council for Education and Research on Toxics (“CERT”) filed a complaint for civil penalties and injunctive relief for violations of Proposition 65 in the Superior Court for the County of Los Angeles. CERT’s complaint alleges that the defendants failed to provide clear and reasonable warnings that ingestion of the Covered Products (as defined in Paragraph 2.1), would result in exposure to acrylamide, a chemical known to the State of California to cause cancer. The complaint further alleges that under the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6, also known as “Proposition 65,” businesses must provide persons with a “clear and reasonable warning” before exposing individuals to these chemicals, and that defendants failed to do so.

1           1.2     Yum Yum Donuts Shops, Inc. is among the defendants named in the complaint. Yum  
2 Yum Donut Shops, Inc. is referred to below as the “Settling Defendant.”

3           1.3     The Settling Defendant is a corporation that employs more than 10 persons, or  
4 employed 10 or more persons at some time relevant to the allegations of the complaint, and which  
5 sells Covered Products in the State of California or has done so in the past.

6           1.4     For purposes of this Consent Judgment only, Plaintiff and the Settling Defendant  
7 (collectively, the “Parties”) stipulate that this Court has jurisdiction over the alleged violations  
8 contained in CERT’s complaint, personal jurisdiction over the Settling Defendant as to the acts  
9 alleged in CERT’s complaint, that venue is proper in the County of Los Angeles, and that this Court  
10 has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims which were  
11 or could have been raised against the Settling Defendant in the complaint based on the facts alleged  
12 therein and in Plaintiff’s 60-day notice.

13           1.5.    CERT and the Settling Defendant enter into this Consent Judgment as a full and final  
14 settlement of all claims relating to Covered Products arising from the alleged failure to warn persons  
15 of the presence of acrylamide in such Covered Products. Nothing in this Consent Judgment,  
16 including the Settling Defendant’s execution of this Consent Judgment and agreement to provide the  
17 relief and remedies specified herein, shall be construed as an admission by the Settling Defendant of  
18 any fact, finding, issue of law, or violation of law, nor shall compliance with this Consent Judgment  
19 constitute or be construed as an admission by the Settling Defendant of any fact, finding, conclusion,  
20 issue of law, or violation of law, such being specifically denied by the Settling Defendant. The  
21 Settling Defendant does not admit that the chemical acrylamide in food poses any risk to human  
22 health. However, this paragraph shall not diminish or otherwise affect the obligations,  
23 responsibilities, and duties of the Parties under this Consent Judgment.

24           **2.     DEFINITIONS**

25           2.1.    “Covered Products” means all ready-to-drink coffee containing acrylamide, sold in  
26 restaurants and/or coffee houses owned and/or operated by the Settling Defendant (“Company  
27 Restaurants”) or restaurants and/or coffee houses owned and operated by third parties pursuant to  
28 franchise, license, or other agreements with the Settling Defendant (“Franchise Restaurants”).

1 “Covered Products” does not include coffee beans or grounds, flaked or instant coffee, or any other  
2 packaged coffee that is not sold as ready-to-drink and that is sold in any establishment in the State of  
3 California, including in Settling Defendant’s Company Restaurants and Franchise Restaurants.

4 “Covered Products” also does not include any claims that are the subject of *Council for Education*  
5 *and Research on Toxics v. Brad Barry Company, Ltd., et al.*, Los Angeles Superior Court Case  
6 Number BC461182, except to the extent that such claims may be deemed to apply in whole or in part  
7 to Settling Defendant.

8 2.2. “Effective Date” means the date upon which this Court enters this Consent Judgment.

9 **3. INJUNCTIVE RELIEF: CLEAR AND REASONABLE WARNINGS**

10 3.1 The Settling Defendant shall provide warnings in the manner required by this Consent  
11 Judgment for all Covered Products sold in California in Company Restaurants.

12 3.2 Warning Message. The warning message provided, under the permitted warning  
13 methods, shall be the following:

14 (a) **WARNING:** Chemicals known to the State of California to  
15 cause cancer and reproductive toxicity, including acrylamide,  
16 are present in coffee, baked goods, and other foods or beverages  
17 sold here. Acrylamide is not added to our products, but results  
18 from cooking, such as when coffee beans are roasted or baked  
19 goods are baked. As a result, acrylamide is present in our  
20 brewed coffee, including coffee made at home or elsewhere  
21 from our beans, ground or instant coffee, baked goods or other  
22 foods sold here, in grocery stores or other retail locations.  
23 Your personal cancer risk is affected by a wide variety of  
24 factors. For more information regarding the FDA’s views, see  
25 [www.fda.gov](http://www.fda.gov). For more information about acrylamide and  
26 Proposition 65, visit  
27 [www.oehha.ca.gov/prop65/acrylamide.html](http://www.oehha.ca.gov/prop65/acrylamide.html)

28 (b) Settling Defendant may, at its discretion, add additional examples of foods or  
29 beverages after the words “baked goods” and before the words “and other foods or beverages” in the  
30 first sentence of the warning message.

31 3.3. Warning Method and Location. The Settling Defendant shall provide a warning  
32 through the posting of a sign, or signs, that, in dimension, are reasonably likely to be seen by  
33 individuals. Any of the warning methods described in Paragraphs 3.3(a) to 3.3(d) are sufficient for  
34 this purpose:

1 (a) An 8½ by 11 inch sign, printed in no smaller than 28-point type placed so that  
2 it is readable and conspicuous to customers as they enter each public entrance to the restaurant or  
3 facility where food or beverages may be consumed.

4 (b) A notice or sign no smaller than 5 by 5 inches, printed no smaller than 20-point  
5 type placed at each point of sale so as to assure that it is readable and conspicuous.

6 (c) Combination with Nutrition Information: If the Settling Defendant provides  
7 “nutrition facts,” i.e., information concerning the nutritional contents of the foods served in its  
8 restaurants or retail locations, the warning may be provided within that sign or poster if all of the  
9 following requirements are satisfied:

10 (1) The sign or poster indicates that it describes the nutritional content of  
11 foods served in the restaurant or store either by a title or heading using words such as  
12 “nutrition facts,” “nutrition information,” or similar heading or title;

13 (2) The Proposition 65 warning is clearly visible to anyone reading the sign  
14 or poster. It will be set off by a distinctive border, and the word “Warning” shall be in print  
15 no smaller than other section headings in the sign or poster;

16 (3) The sign or poster is located at or on the counter where food is  
17 purchased, on a wall either adjacent and parallel to or clearly visible to consumers standing at  
18 the counter where food is purchased, or any other place that is reasonably likely to be seen by  
19 customers entering the restaurant or store to order food; and

20 (4) the sign or poster is not located on an entrance or exit door, on a  
21 restroom door, in a hallway that leads only to the restrooms, or on a refuse container.

22 (d) A warning on any menu or list describing the food or non-alcoholic beverage  
23 offerings, in a type size no smaller than the largest type size used for the names of general menu  
24 items.

### 25 3.4 Implementation of Warning

26 3.4.1. The Settling Defendant shall provide its Company Restaurants and all  
27 Franchise Restaurants with a sufficient supply of warning signs to meet the requirements of this  
28 Consent Judgment.

1                   3.4.2. Company Restaurants. Within 60 days of the Effective Date, the Settling  
2 Defendant shall send, or cause to be sent, a letter or other form of communication, in substantially the  
3 form and content set forth in Exhibit A, to the managers of its existing Company Restaurants within  
4 the State of California, directing them to post the warning in the manner described above or to  
5 confirm that such warning is already provided. In addition, the Settling Defendant shall include  
6 inspection for compliance with these requirements in its existing inspection programs. The Settling  
7 Defendant currently maintains inspection, reporting, and follow-up programs that result in inspection  
8 of each of its Company Restaurants in California at least every 6 months. Where inspection shows  
9 that a Company Restaurant has not complied, the Settling Defendant shall take all reasonably  
10 available steps to assure compliance within 75 days. The Settling Defendant shall be deemed to be in  
11 compliance with the requirements of this paragraph if any deficiencies noted in the inspection, or  
12 otherwise brought to its attention by any person in writing at any time, are corrected within 75 days  
13 of receipt.

14                   3.4.3. Franchise Restaurants. Within 60 days of the Effective Date, the Settling  
15 Defendant shall send, or cause to be sent, a letter or other form of communication, in substantially the  
16 same form and content set forth in Exhibit B, to the managers of its Franchise Restaurants within the  
17 State of California, instructing them to post the warning in the manner described above or to confirm  
18 that such warning is already provided. This letter shall state the Covered Products may result in an  
19 exposure to one or more listed chemicals; include the exact name or description of the Covered  
20 Products or specific identifying information for the product; and include all necessary warning  
21 materials. The letter shall also state that the Franchise Restaurant is released from liability for past  
22 violations and it is in compliance with future requirements with respect to the sale of the Covered  
23 Products only if the Franchise Restaurant complies with the warning requirements of this Consent  
24 Judgment. Settling Defendant shall send such letter to its Franchise Restaurants and obtain  
25 confirmation of receipt of the letter. Nothing in this Consent Judgment requires the Settling  
26 Defendant to ensure that any Franchise Restaurant complies with the requirements set out in  
27 Section 3.  
28

1           3.5. Scope of Warnings. Nothing in this Consent Judgment requires that warnings be  
2 given for Covered Products sold outside the State of California.

3 **4. CIVIL PENALTIES**

4           4.1. Calculation of Civil Penalties.

5                   4.1.1. A company that violates Proposition 65 shall be liable for civil penalties not to  
6 exceed two thousand five hundred dollars (\$2,500) per day *for each violation* in addition to any other  
7 penalty established by law pursuant to Health and Safety Code section 25249.7(b)(1).

8                   4.1.2. In assessing the amount of civil penalties for violations of Proposition 65, all  
9 of the following factors must be considered pursuant to Health and Safety Code section  
10 25249.7(b)(2):

- 11                           (a) The nature and extent of the violation;
- 12                           (b) The number of, and severity of, the violations;
- 13                           (c) The economic effect of the penalty on the violator;
- 14                           (d) Whether the violator took good faith measures to comply with this  
15 chapter and the time these measures were taken;
- 16                           (e) The willfulness of the violator's misconduct;
- 17                           (f) The deterrent effect that the imposition of the penalty would have on  
18 both the violator and the regulated community as a whole; and
- 19                           (g) Any other factor that justice may require.

20           4.2. The Settling Defendant has provided proof to CERT's counsel that demonstrates it  
21 took good faith measures to comply with Proposition 65 by posting warning signs in its restaurants  
22 since 2007, including but not limited to: posting Proposition 65 warnings that specifically referred to  
23 acrylamide in its stores beginning in May 2007; updating its signs within days of receiving CERT's  
24 60-day notice to specifically refer to acrylamide in coffee; and modifying its warning signs in 2011 to  
25 make them larger in size and adopt warning language for acrylamide in coffee that had been  
26 approved by this Court in consent judgments with other defendants. As a result, the parties have  
27 agreed to a settlement amount for civil penalties in this case. This settlement amount is based on  
28

1 consideration of all the penalty factors set forth in Health and Safety Code Section 25249.7(b)(2),  
2 taking into account the Settling Defendant's good faith measures to comply with Proposition 65.

3 **5. SETTLEMENT PAYMENTS**

4 5.1 The Settling Defendant shall pay the total amount identified below in settlement of  
5 both this case and the related case, *Council for Education and Research on Toxics v. Brad Barry*  
6 *Company*, Case No. BC461182.

7 5.2. The Settling Defendant shall pay the total amount of \$249,390.20 ("Settlement  
8 Proceeds") within thirty days of entry of this Consent Judgment. The Settlement Proceeds shall be  
9 applied as follows:

10 (a) Civil Penalty. Settling Defendant shall pay civil penalties pursuant to Health  
11 and Safety Code section 25249.7(b) in the amount of \$124,390.20. Of this sum, \$93,292.65  
12 shall be paid in the form of a check made payable to the Safe Drinking Water and Toxic  
13 Enforcement Fund, and \$31,097.55 shall be paid in the form of a check made payable to the  
14 Council for Education and Research on Toxics.

15 (b) Attorneys' Fees and Costs: Settling Defendant shall pay \$125,000.00 to  
16 reimburse CERT for its attorneys' fees and costs incurred in investigating and litigating this  
17 matter, and negotiating this Consent Judgment on behalf of itself and the public interest. Said  
18 payment shall be made in the form of a check made payable to the Metzger Law Group  
19 Attorney-Client Trust Account.

20 (c) The Settling Defendant shall deliver all three checks within 10 days following  
21 the Effective Date to Metzger Law Group, 401 E. Ocean Blvd., Suite 800, Long Beach, CA  
22 90802-4966. Upon receipt of the checks, CERT's counsel shall promptly forward the check  
23 made payable to the Safe Drinking Water and Toxic Enforcement Fund to the Attorney  
24 General of the State of California, with a transmittal letter advising that the payment is being  
25 made to the Safe Drinking Water and Toxic Enforcement Fund by the Settling Defendant as  
26 to the State's portion of the civil penalties pursuant to the Consent Judgment, a copy of which  
27 CERT's counsel shall also enclose with said letter. CERT's counsel shall also send a copy of  
28 the transmittal letter to Settling Defendant's counsel.

1 **6. MODIFICATION OF CONSENT JUDGMENT**

2 6.1. This Consent Judgment may be modified by written agreement of CERT and the  
3 Settling Defendant, after noticed motion, and upon entry of a modified consent judgment by the  
4 Court thereon, or upon motion of CERT or the Settling Defendant as provided by law and upon entry  
5 of a modified consent judgment by the Court. Before filing an application or motion with the Court  
6 to modify this Consent Judgment, the Settling Defendant may meet and confer with CERT to  
7 determine whether CERT will consent to the proposed modification, and shall submit any proposed  
8 modification to the California Attorney General for comment. If a proposed modification is agreed  
9 upon between the Settling Defendant and CERT, then the Settling Defendant and CERT will jointly  
10 present the modification to the Court by means of a stipulated modification to the Consent Judgment.

11 6.2. If Proposition 65 or its implementing regulations are changed from their terms as they  
12 exist on the date of entry of this Consent Judgment, the Parties may jointly or separately seek  
13 modification of this Consent Judgment through stipulation or noticed motion, as follows:

14 (a) If the change establishes that warnings for acrylamide in some or all the  
15 Covered Products are not required, the Settling Defendant may seek a modification of this Consent  
16 Judgment to eliminate its duties to warn as to such covered products.

17 (b) If the change establishes that the warnings provided by this Consent Judgment  
18 would not comply with Proposition 65 or its implementing regulations, either party may seek a  
19 modification of the Consent Judgment to conform the judgment to the change in law.

20 (c) If any federal court issues a judgment that federal law preempts the application  
21 of Proposition 65 to the Covered Products, the Settling Defendant may seek a modification of this  
22 Consent Judgment to eliminate its duties to warn as to such Covered Products.

23 (d) If CERT or the Attorney General agree or have agreed in a settlement or  
24 judicially entered consent judgment that some or all Covered Products do not require a warning under  
25 Proposition 65 (based on the presence of acrylamide), or if a court of competent jurisdiction renders a  
26 final judgment and the judgment becomes final, that some or all Covered Products do not require a  
27 warning for acrylamide under Proposition 65, then any party may seek a modification of this Consent  
28 Judgment to eliminate the Settling Defendant's duties to warn as to such Covered Products.

1           6.3. If the Settling Defendant corresponds in writing to an agency or branch of the United  
2 States Government in connection with the application of Proposition 65 to acrylamide in ready-to-  
3 drink coffee, then, so long as such correspondence is not confidential and would be retrievable by  
4 CERT under the Freedom of Information Act, the Settling Defendant originating such  
5 communication shall provide CERT with a copy of such communication as soon as practicable, but  
6 not more than 10 days after sending or receiving the correspondence; provided, however, that this  
7 section shall not apply to correspondence to or from trade associations or other groups for which the  
8 Settling Defendant is a member.

9           **7. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT**

10           7.1. Each signatory to this Consent Judgment certifies that he or she is fully authorized by  
11 the party he or she represents to stipulate to this Consent Judgment and to enter into and execute the  
12 Consent Judgment on behalf of the party represented and legally to bind that party.

13           **8. CLAIMS COVERED AND RELEASES**

14           8.1. This Consent Judgment is a full, final, and binding resolution between CERT and the  
15 Settling Defendant, of any violation of Proposition 65 or its implementing regulations that has been  
16 or could have been asserted in the Notice of Violation dated February 2, 2010 and/or in the  
17 complaint, up through the Effective Date, for failure to provide clear and reasonable warnings of  
18 exposures to acrylamide from the use of the Covered Products, whether based on actions committed  
19 by the Settling Defendant or by any Franchise Restaurant who sells or has sold Covered Products in  
20 the State of California. Compliance with the terms of this Consent Judgment constitutes compliance  
21 with Proposition 65 with respect to exposures to acrylamide from Covered Products as set forth in the  
22 Notice of Violation dated February 2, 2010 and/or the complaint.

23           8.2. Release. CERT, on its own behalf, its past and current agents, representatives,  
24 attorneys, successors and/or assignees, and in a representative capacity in the public interest pursuant  
25 to Health & Safety Code section 25249.7(d), does hereby fully, completely, finally, and forever  
26 waive all rights to institute or participate in, directly or indirectly, any form of legal action, and  
27 releases and discharges: (a) the Settling Defendant; (b) the past and present authorized franchisees,  
28 and Franchise Restaurants; and (c) the past, present, and future officers, directors, shareholders,

1 agents, principals, employees, attorneys, and successors and assigns of Settling Defendant (the  
2 persons and entities identified in (a), (b), and (c), above, are collectively referred to as the  
3 “Releasees”), from all claims, actions, causes of action, suits, demands, rights, debts, agreements,  
4 promises, liabilities, damages, penalties, royalties, fees, (including but not limited to investigation  
5 fees, attorneys’ fees, and expert fees), accountings, costs and expenses of any nature whatsoever  
6 (collectively, “Claims”) against all Releasees as to any alleged violation of Proposition 65 that is or  
7 that could have been asserted in the Notice or Action based on the facts alleged therein (the  
8 “Released Claims”), prior to the Effective Date. It is specifically understood and agreed that  
9 compliance with the terms of this Consent Judgment resolves all issues and liability, now and in the  
10 future, concerning any Releasee’s compliance with the requirements of Proposition 65 as to alleged  
11 exposures to the Covered Products based on the allegations of CERT’s 60-day Notice and/or this  
12 action. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition  
13 65 with respect to any alleged consumer product, environmental, or occupational exposures to  
14 acrylamide in connection with the Covered Products at Company Restaurants and Franchise  
15 Restaurants.

16 8.3. General Release. CERT also, on behalf of itself, its past and current agents,  
17 representatives, attorneys, successors, and/or assignees, and its individual capacity only, provides a  
18 general release herein which shall be effective as full and final accord and satisfaction, as a bar to all  
19 Claims of CERT against Releasees of any nature, character or kind, known or unknown, suspected or  
20 unsuspected, arising under Proposition 65 or for an alleged failure to provide warnings for exposures  
21 to acrylamide. CERT additionally acknowledges that it is familiar with California Civil Code  
22 section 1542, which provides as follows:

23 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH  
24 THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN  
25 HIS OR HER FAVOR AT THE TIME OF EXECUTING THE  
26 RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE  
27 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH  
28 THE DEBTOR.

1 CERT, in its individual capacity, waives and relinquishes all of the rights and benefits that  
2 CERT has or may have under Civil Code section 1542 (as well as any similar rights and benefits  
3 which it may have by virtue of any statute or rule of law in any other state or territory of the United  
4 States). CERT acknowledges that it may hereafter discover facts in addition to, or different from,  
5 those which it now knows or believes to be true with respect to the subject matter of this Consent  
6 Judgment and the matters covered by the provisions of this Section 8, and that notwithstanding the  
7 foregoing, it is CERT's intention to fully, finally, completely, and forever settle and release all such  
8 claims, and that in furtherance of such intention, the release here given shall be and remain in effect  
9 as a full and complete general release, notwithstanding the discovery or existence of any such  
10 additional or different facts.

11 8.5. Preclusive Effect of Consent Judgment. Entry of the Consent Judgment by the Court  
12 shall, *inter alia*:

13 8.5.1. Constitute full and fair adjudication of all Claims against the Releasees.

14 8.5.2. Bar all other persons, on the basis of *res judicata*, collateral estoppel and/or the  
15 doctrine of mootness, from prosecuting the Claims, or any of them, against any Releasee.

16 8.6. CERT's Ability to Represent the Public. CERT hereby warrants and represents to  
17 Releasees that (a) CERT has not previously assigned any of the Claims; and (b) CERT has the right,  
18 ability and power to release each and every one of the Claims. CERT further represents and warrants  
19 that it is a public benefit corporation formed for the specific purposes of (a) protecting and educating  
20 the public as to harmful products and activities; (b) encouraging members of the public to become  
21 involved in issues affecting the environment and the enforcement of environmental statutes and  
22 regulations including, but not limited to, Proposition 65; and (c) instituting litigation to enforce the  
23 provisions of Proposition 65.

24 **9. RETENTION OF JURISDICTION**

25 9.1. Notwithstanding any provisions of Code of Civil Procedure section 664.6, this Court  
26 shall retain jurisdiction of this matter to implement this Consent Judgment and to enforce any and all  
27 violations thereof.  
28

1 **10. PROVISION OF NOTICE**

2 10.1. When any party is entitled to receive any notice under this Consent Judgment, the  
3 notice shall be sent by overnight courier service to the person and address set forth in this Paragraph.  
4 Any party may modify the person and address to whom the notice is to be sent by sending each other  
5 party notice by certified mail, return receipt requested. Said change shall take effect for any notice  
6 mailed at least five days after the date the party sends notice.

7 10.2. Notices shall be sent to the following when required:

8 For Plaintiff:

9 Raphael Metzger, Esq.  
10 Metzger Law Group  
401 E. Ocean Blvd., Suite 800  
11 Long Beach, CA 90802

12 For Yum Yum Donut Shops, Inc.:

13 President and/or CEO  
18830 E. San Jose Avenue  
14 City of Industry, California 91748

15 *With copy to:*

16 Trenton H. Norris  
Arnold & Porter Kaye Scholer LLP  
17 Three Embarcadero Center, 10th Floor  
San Francisco, CA 94111

18 **11. COURT APPROVAL**

19 11.1. CERT agrees to comply with the reporting requirements referenced in California  
20 Health and Safety Code section 25249.7(f). Pursuant to the regulations promulgated under that  
21 section, CERT shall present this Consent Judgment to the California Attorney General's Office  
22 within two (2) days after receipt of all necessary signatures.

23 11.2. The Parties acknowledge that, pursuant to Health and Safety Code section 25249.7, a  
24 noticed motion must be filed to obtain judicial approval of this Consent Judgment. Accordingly,  
25 CERT shall file a motion for approval of the settlement within a reasonable period of time after the  
26 date this agreement is signed by all Parties. CERT also agrees to serve a copy of the noticed motion  
27  
28

1 to approve and enter the Consent Judgment on the California Attorney General's Office, consistent  
2 with the requirements set forth in California Code of Regulations, title 11, section 3000(a).

3 11.3 If this Consent Judgment is not approved by the Court, it shall be of no force or effect  
4 and cannot be used in any proceeding for any purpose, and any settlement payments made to CERT  
5 hereunder shall be refunded in full upon the Settling Defendant's written request to CERT.

6 **12. ENTIRE AGREEMENT; MUTUAL DRAFTING**

7 12.1. This Consent Judgment contains the sole and entire agreement and understanding of  
8 the Parties with respect to the entire subject matter hereof, and any and all prior discussions,  
9 negotiations, commitments, and understandings related hereto. No representations, oral or otherwise,  
10 express or implied, other than those contained herein have been made by any party hereto. No other  
11 agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind  
12 any of the parties.

13 12.2. This Consent Judgment is the result of mutual drafting and no ambiguity found herein  
14 shall be construed in favor of or against any party.

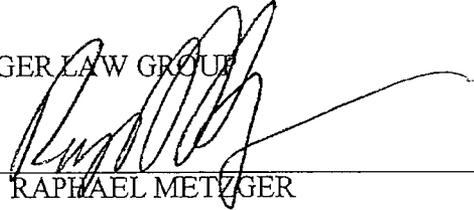
15 **13. EXECUTION IN COUNTERPARTS**

16 13.1. The stipulations to this Consent Judgment may be executed in counterparts and by  
17 means of facsimile or pdf, which taken together shall be deemed to constitute one document.

18 IT IS SO STIPULATED:

19 Dated: <sup>June</sup>~~May~~ 20, 2017

METZGER LAW GROUP

20 By:   
21 \_\_\_\_\_

RAPHAEL METZGER

22 For Plaintiff  
23 COUNCIL FOR EDUCATION AND  
RESEARCH ON TOXICS

24 Dated: May \_\_, 2017

YUM YUM DONUT SHOPS, INC.

25 By: \_\_\_\_\_  
26 \_\_\_\_\_

Lincoln Watase  
27 President and CEO  
28

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12 any of the parties.

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19 Dated: May \_\_, 2017

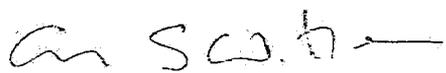
METZGER LAW GROUP

20  
21 By: \_\_\_\_\_  
22 RAPHAEL METZGER

23 For Plaintiff  
COUNCIL FOR EDUCATION AND  
RESEARCH ON TOXICS

24 Dated: May <sup>26</sup>\_, 2017

YUM YUM DONUT SHOPS, INC.

25  
26 By:   
27 Lincoln Watase  
28 President and CEO

1 IT IS SO ORDERED, ADJUDGED, AND DECREED:

2 Dated: \_\_\_\_\_

\_\_\_\_\_  
Hon. Elihu Berle  
Judge of the Superior Court

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1 EXHIBIT A

2 **ACTION REQUIRED: THIS COMMUNICATION APPLIES**  
3 **ONLY TO RESTAURANTS LOCATED IN CALIFORNIA**

4 Yum Yum Donut Shops, Inc. has entered into a consent judgment with the Council for Education and  
5 Research on Toxics regarding the presence of acrylamide in ready-to-drink coffee sold at Yum Yum  
6 Donut Shops restaurants in California.

7 **Under the terms of this consent judgment, all Yum Yum Donut Shops' restaurants in**  
8 **California are required to post the enclosed warning sign. If you already have a warning sign**  
9 **up in the restaurant that differs from the enclosed version, you must immediately replace it**  
10 **with the version enclosed.**

11 The warning sign must be located as follows:

- 12 • For 8½ by 11 inch signs: At each public entrance to the restaurant or facility where food  
or beverages may be consumed, OR
- 13 • For 5 by 5 inch signs: At each point of sale, OR
- 14 • For menus or lists: On any menu or list describing food or non-alcoholic beverage  
offerings.

15 Your compliance with this instruction is mandatory, and you must continue to post the enclosed  
16 warning sign unless and until you receive written instructions from Yum Yum Donut Shops to the  
17 contrary. If you need new warning signs or have any questions, such as appropriate sign locations for  
18 your specific restaurant, please contact \_\_\_\_\_.

1 **EXHIBIT B**

2 **ACTION REQUIRED: THIS COMMUNICATION APPLIES**  
3 **ONLY TO RESTAURANTS LOCATED IN CALIFORNIA**

4 Yum Yum Donut Shops, Inc. has entered into a consent judgment with the Council for Education and  
5 Research on Toxics regarding the presence of acrylamide in ready-to-drink coffee sold at restaurants  
6 in California under the Yum Yum Donuts brand.

7 Ready-to-drink coffee may result in an exposure to acrylamide, a chemical known to the State of  
8 California to cause cancer. This includes all ready-to-drink coffee sold at Yum Yum Donuts brand  
9 restaurants, regardless of cup size.

10 **Under the terms of this consent judgment, all restaurants in California operating under the**  
11 **Yum Yum Donuts brand are required to post the enclosed warning sign. If you already have a**  
12 **warning sign up in the restaurant that differs from the enclosed version, you must immediately**  
13 **replace it with the version enclosed.**

14 The warning sign must be located as follows:

- 15 • For 8½ by 11 inch signs: At each public entrance to the restaurant or facility where food  
or beverages may be consumed, OR
- 16 • For 5 by 5 inch signs: At each point of sale, OR
- 17 • For menus or lists: On any menu or list describing food or non-alcoholic beverage  
offerings.

18 Your compliance with this instruction is mandatory and will be checked as part of routine  
19 evaluations. Additionally, if you as a franchisee of Yum Yum Donut Shops, Inc. are to benefit from  
20 the protection in the consent judgment described above, including being released from liability for  
21 past violations and in compliance with future requirements, you must continue to post the enclosed  
22 warning sign unless and until you receive written instructions from Yum Yum Donut Shops, Inc. to  
23 the contrary. If you need new warning signs or have any questions, such as appropriate sign locations  
24 for your specific restaurant, please contact \_\_\_\_\_.