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Attorneys for Plaintiff,
COUNCIL FOR EDUCATION AND
RESEARCH ON TOXICS ("CERT")

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 7-ELEVEN 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 7-Eleven Inc. is among the defendants named in the complaint. 7-Eleven Inc. is
2 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 stores owned and/or operated by the Settling Defendant ("Company Stores") or stores owned and
27 operated by third parties pursuant to franchise, license, or other agreements with the Settling
28 Defendant ("Franchise Stores"). "Covered Products" does not include coffee beans or grounds,

1 flaked or instant coffee, or any other packaged coffee that is not sold as ready-to-drink and that is
2 sold in any establishment in the State of California, including in Settling Defendant's Company
3 Stores and Franchise Stores. "Covered Products" also does not include any claims that are the
4 subject of *Council for Education and Research on Toxics v. Brad Barry Company, Ltd., et al.*, Los
5 Angeles Superior Court Case Number BC461182, except to the extent that such claims may be
6 deemed to apply in whole or in part to Settling Defendant.

7 2.2. "Effective Date" means the date upon which this Court enters this Consent Judgment.

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

9 3.1 The Settling Defendant shall provide warnings in the manner required by this Consent
10 Judgment for all Covered Products sold in California in Company Stores.

11 3.2 Warning Message. The warning message provided, under the permitted warning
12 methods, shall be the following:

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

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

29 3.3. Warning Method and Location. The Settling Defendant shall provide a warning
30 through the posting of a sign, or signs, that, in dimension, are reasonably likely to be seen by
31 individuals. Any of the warning methods described in Paragraphs 3.3(a) to 3.3(d) are sufficient for
32 this purpose:

- 1 (a) A 10 by 10 inch sign, printed in no smaller than 24-point type placed so that it
2 is readable and conspicuous to customers in either of the following locations:
- 3 (1) as they enter each public entrance to the store or facility where food or
4 beverages may be consumed; or
- 5 (2) at the locations where ready-to-drink coffee or coffee condiments are
6 displayed in the store or facility.
- 7 (b) A notice or sign no smaller than 5 by 5 inches, printed no smaller than 20-point
8 type placed at each point of sale so as to assure that it is readable and conspicuous.
- 9 (c) Combination with Nutrition Information: If the Settling Defendant provides
10 "nutrition facts," i.e., information concerning the nutritional contents of the foods served in its stores
11 or retail locations, the warning may be provided within that sign or poster if all of the following
12 requirements are satisfied:
- 13 (1) The sign or poster indicates that it describes the nutritional content of
14 foods served in the store either by a title or heading using words such as "nutrition facts,"
15 "nutrition information," or similar heading or title;
- 16 (2) The Proposition 65 warning is clearly visible to anyone reading the sign
17 or poster. It will be set off by a distinctive border, and the word "Warning" shall be in print
18 no smaller than other section headings in the sign or poster;
- 19 (3) The sign or poster is located at or on the counter where food is
20 purchased, on a wall either adjacent and parallel to or clearly visible to consumers standing at
21 the counter where food is purchased, or any other place that is reasonably likely to be seen by
22 customers entering the store to order food; and
- 23 (4) the sign or poster is not located on an entrance or exit door, on a
24 restroom door, in a hallway that leads only to the restrooms, or on a refuse container.
- 25 (d) A warning on any menu or list describing the food or non-alcoholic beverage
26 offerings, in a type size no smaller than the largest type size used for the names of general menu
27 items.
- 28

1 3.4 Implementation of Warning

2 3.4.1. The Settling Defendant will ensure that its Company Stores and all Franchise
3 Stores have a sufficient supply of warning signs to meet the requirements of this Consent Judgment.

4 3.4.2. Company Stores. Within 60 days of the Effective Date, the Settling Defendant
5 shall send, or cause to be sent, a letter or other form of communication, in substantially the form and
6 content set forth in Exhibit A, to the managers of its existing Company Stores within the State of
7 California, directing them to post the warning in the manner described above or to confirm that such
8 warning is already provided. In addition, the Settling Defendant shall include inspection for
9 compliance with these requirements in its existing inspection programs. The Settling Defendant
10 currently maintains inspection, reporting, and follow-up programs that result in inspection of each of
11 its Company Stores in California at least every 6 months. Where inspection shows that a Company
12 Store has not complied, the Settling Defendant shall within 90 days, send a new warning sign to that
13 Company Store with instructions to immediately post the sign. Within 30 days of sending the new
14 warning sign, Settling Defendant shall confirm that the warning sign has been posted at that
15 Company Store. The Settling Defendant shall be deemed to be in compliance with the requirements
16 of this paragraph if any deficiencies noted in the inspection, or otherwise brought to its attention by
17 any person in writing at any time, are corrected within 120 days of receipt.

18 3.4.3. Franchise Stores. Within 60 days of the Effective Date, the Settling Defendant
19 shall send, or cause to be sent, a letter or other form of communication, in substantially the same form
20 and content set forth in Exhibit B, to the franchisees of its Franchise Stores within the State of
21 California. This letter shall state the Covered Products may result in an exposure to one or more
22 listed chemicals; include the exact name or description of the Covered Products or specific
23 identifying information for the product; and include all necessary warning materials. The letter shall
24 also state that the Franchise Store is released from liability for past violations and it is in compliance
25 with future requirements with respect to the sale of the Covered Products only if the Franchise Store
26 complies with the warning requirements of this Consent Judgment. Settling Defendant shall send
27 such letter to its Franchise Stores and obtain confirmation of receipt of the letter. The Settling
28 Defendant currently maintains inspection, reporting, and follow-up programs that result in inspection

1 of each of its Franchise Stores in California at least every 6 months. Where inspection shows that a
2 Franchise Store has not complied, the Settling Defendant shall, within 90 days, send a new warning
3 sign to that Franchise Store with a letter or other form of communication, in substantially the same
4 form and content set forth in Exhibit B. Within 30 days of sending the new warning sign, Settling
5 Defendant shall confirm whether the warning sign has been posted at that Franchise Store.

6 3.5. Scope of Warnings. Nothing in this Consent Judgment requires that warnings be
7 given for Covered Products sold outside the State of California.

8 **4. CIVIL PENALTIES**

9 4.1. Calculation of Civil Penalties.

10 4.1.1. A company that violates Proposition 65 shall be liable for civil penalties not to
11 exceed two thousand five hundred dollars (\$2,500) per day *for each violation* in addition to any other
12 penalty established by law pursuant to Health and Safety Code section 25249.7(b)(1).

13 4.1.2. In assessing the amount of civil penalties for violations of Proposition 65, all
14 of the following factors must be considered pursuant to Health and Safety Code section
15 25249.7(b)(2):

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

25 4.2. The Settling Defendant has provided proof to CERT's counsel that demonstrates it
26 took good faith measures to comply with Proposition 65 by posting warning signs in its stores since
27 2012 that specifically refer to acrylamide in coffee. As a result, the parties have agreed to a
28 settlement amount for civil penalties in this case. This settlement amount is based on consideration

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

5. SETTLEMENT PAYMENTS

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

5.2. The Settling Defendant shall pay the total amount of \$900,000.00 ("Settlement Proceeds") within thirty days of entry of this Consent Judgment. The Settlement Proceeds shall be applied as follows:

(a) Civil Penalty. Settling Defendant shall pay civil penalties pursuant to Health and Safety Code section 25249.7(b) in the amount of \$545,185.19. Of this sum, \$408,888.89 shall be paid in the form of a check made payable to the Safe Drinking Water and Toxic Enforcement Fund, and \$136,296.30 shall be paid in the form of a check made payable to the Council for Education and Research on Toxics.

(b) Attorneys' Fees and Costs: Settling Defendant shall pay \$354,814.81 to reimburse CERT for its costs incurred in investigating and litigating this matter, and negotiating this Consent Judgment on behalf of itself and the public interest. Said payment shall be made in the form of a check made payable to the Metzger Law Group Attorney-Client Trust Account.

(c) The Settling Defendant shall deliver all three checks within 30 days following the Effective Date to Metzger Law Group, 401 E. Ocean Blvd., Suite 800, Long Beach, CA 90802-4966. Upon receipt of the checks, CERT's counsel shall promptly forward the check made payable to the Safe Drinking Water and Toxic Enforcement Fund to the Attorney General of the State of California, with a transmittal letter advising that the payment is being made to the Safe Drinking Water and Toxic Enforcement Fund by the Settling Defendant as to the State's portion of the civil penalties pursuant to the Consent Judgment, a copy of which CERT's counsel shall also enclose with said letter. CERT's counsel shall also send a copy of 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.

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

7. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT

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

8. CLAIMS COVERED AND RELEASES

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

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

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

15 8.3. General Release. CERT also, on behalf of itself, its past and current agents,
16 representatives, attorneys, successors, and/or assignees, and its individual capacity only, provides a
17 general release herein which shall be effective as full and final accord and satisfaction, as a bar to all
18 Claims of CERT against Releasees of any nature, character or kind, known or unknown, suspected or
19 unsuspected, arising under Proposition 65 or for an alleged failure to provide warnings for exposures
20 to acrylamide. CERT additionally acknowledges that it is familiar with California Civil Code
21 section 1542, which provides as follows:

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

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

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

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

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

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

9. RETENTION OF JURISDICTION

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

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 7-Eleven Inc.:

13 Amanda Childs
14 Senior Counsel
 7-Eleven Inc.
15 3200 Hackberry Road
 Irving, Texas 75063

16 *With copy to:*

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

19 **11. COURT APPROVAL**

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

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

20 Dated: October 9, 2017

METZGER LAW GROUP

21 By: 
22

RAPHAEL METZGER

23 For Plaintiff
24 COUNCIL FOR EDUCATION AND
RESEARCH ON TOXICS

25 Dated: October __, 2017

7-ELEVEN INC.

26
27 By: _____

AMANDA CHILDS
Senior Counsel

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.

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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
19 IT IS SO STIPULATED:

20 Dated: October __, 2017


METZGER LAW GROUP

21
22 By: _____
RAPHAEL METZGER

23 For Plaintiff
24 COUNCIL FOR EDUCATION AND
RESEARCH ON TOXICS

25 Dated: October 9, 2017

7-ELEVEN INC.

26
27 By:  _____
RANKIN GASAWAY
28 SVP, General Counsel & Secretary

1 **IT IS SO ORDERED, ADJUDGED, AND DECREED:**

2 Dated: _____

3 _____
4 Hon. Elihu Berle
5 Judge of the Superior Court
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1 **EXHIBIT A**

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

4 7-Eleven Inc. has entered into a consent judgment with the Council for Education and Research on
5 Toxics regarding the presence of acrylamide in ready-to-drink coffee sold at 7-Eleven stores in
6 California.

7 **Under the terms of this consent judgment, all 7-Eleven stores in California are required to post**
8 **a 10" x 10" warning sign that says:**

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

23 The warning sign must be continuously posted and located as follows:

- 24
- 25 • At each public entrance to the store or facility where food or beverages may be
 - 26 consumed; or
 - 27 • at the locations where ready-to-drink coffee or coffee condiments are displayed in
 - 28 the store or facility.

29 Your compliance with this instruction is mandatory and you must continue to post the warning sign
30 unless and until you receive written instructions from 7-Eleven Inc. to the contrary. If you need new
31 warning signs or have any questions, such as appropriate sign locations for your specific store, please
32 contact _____.

1 **EXHIBIT B**

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

4 7-Eleven Inc. has entered into a consent judgment with the Council for Education and Research on
5 Toxics ("CERT") regarding the presence of acrylamide in ready-to-drink coffee sold at stores in
6 California under the 7-Eleven 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 7-Eleven brand stores,
9 regardless of cup size.

10 In order for franchisees to benefit from the consent judgment between CERT and 7-Eleven Inc.,
11 franchisees **must** post the warning sign. CERT has agreed that franchisees who post the warning
12 sign will not be held liable for past violations of Proposition 65. Failure to post the warning sign
13 may expose you to liability.

14 **The warning sign is 10" x 10" and it says:**

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

28 The warning sign is to be continuously posted and located as follows:

- At each public entrance to the store or facility where food or beverages may be consumed; or
- at the locations where ready-to-drink coffee or coffee condiments are displayed in the store or facility.

29 If you need new warning signs or have any questions, such as appropriate sign locations for your
30 specific store, please contact _____.