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8 Attorneys for Plaintiff
9 ENVIRONMENTAL RESEARCH CENTER

10 Arnold & Porter LLP
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17 Attorneys for Defendant
18 GNLD INTERNATIONAL, LLC

19 SUPERIOR COURT OF THE STATE OF CALIFORNIA
20 COUNTY OF SAN FRANCISCO

21 ENVIRONMENTAL RESEARCH CENTER,
22 a California non-profit corporation,

23 Plaintiff,

24 v.

25 GNLD INTERNATIONAL, LLC, and DOES
26 1-100,

27 Defendants.

Case No. CGC-12-526124

**[PROPOSED] STIPULATED CONSENT
JUDGMENT; [PROPOSED] ORDER**

Health & Safety Code § 25249.5 *et seq.*

ACTION FILED: November 15, 2012
TRIAL DATE: None set

28 **1. INTRODUCTION**

1.1 On November 15, 2012, Plaintiff Environmental Research Center ("ERC" or "Plaintiff"), a non-profit corporation, as a private enforcer, and in the public interest, initiated this action by filing its Complaint for injunctive and declaratory relief and civil penalties pursuant to the provisions of Cal. Health & Safety Code Section 25249.5 *et seq.* ("Proposition 65"), against Defendant GNLD International, LLC ("GNLD" or "Defendant"). ERC claims that various products manufactured and distributed by Defendant — specifically LTD Vitality Multi-Fiber Blend, GR2

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[PROPOSED] STIPULATED CONSENT JUDGMENT; [PROPOSED] ORDER

1 .Control Meal Replacement Protein Shake-Vanilla Whisper, All Natural Fiber Food and Drink Mix,
2 GR2 Control Appetite Reducer, Enersine, and GR2 Control Meal Replacement Protein Shake
3 Chocolate Dream (the "Covered Products") contain lead, a chemical listed under Proposition 65 as a
4 carcinogen and reproductive toxin, and expose consumers at a level requiring a Proposition 65
5 warning. ERC and Defendant may at times be referred to individually as a "Party" or collectively
6 as the "Parties."

7 1.2 ERC is a California non-profit corporation dedicated to, among other causes, helping
8 safeguard the public from health hazards by bringing about a reduction in the use and misuse of
9 hazardous and toxic chemicals, facilitating a safe environment for consumers and employees and
10 encouraging corporate responsibility. ERC has diligently prosecuted this matter and is settling this
11 case in the public interest.

12 1.3 Defendant is a business entity that employs ten or more persons. Defendant arranges
13 the manufacture, distribution and sale of the Covered Products.

14 1.4 The Complaint is based on allegations contained in two Notices of Violation dated
15 September 24, 2010 and January 14, 2011 ("Notices of Violation"), served on the California
16 Attorney General, other public enforcers, and GNLD. A true and correct copy of these Notices of
17 Violation is attached hereto as Exhibit A. More than 60-days have passed since these Notices of
18 Violation were mailed and no public enforcement entity has filed a complaint against Defendant
19 with regard to the Covered Products or the alleged violations.

20 1.5 ERC's Notices of Violation and the Complaint in this action allege that Defendant's
21 Covered Products expose persons in California to lead without first providing clear and reasonable
22 warnings, in violation of Cal. Health & Safety Code Section 25249.6. Defendant denies all material
23 allegations of the Notices of Violation and the Complaint and specifically denies that the Covered
24 Products require a Proposition 65 warning.

25 1.6 Subsequent to ERC's Notices of Violation, Defendant began a reformulation of GR2
26 Control Meal Replacement Protein Shake-Vanilla Whisper, GR2 Control Meal Replacement Protein
27 Shake-Chocolate Dream, Enersine, and All Natural Fiber for national sales; modified the label to
28 reduce suggested use for GR2 Control Appetite Reducer for national sales; discontinued LTD

1 Vitality Multi-Fiber Blend in California; and modified the label to reduce suggested use and serving
2 size for GR2 Control Meal Replacement Protein Shake-Vanilla Whisper and GR2 Control Meal
3 Replacement Protein Shake-Chocolate Dream for national sales.

4 1.7 Defendant denies and disputes the claims asserted in the Notices of Violation and the
5 Complaint. Defendant contends that any lead present in the Products are the result of naturally
6 occurring levels, as provided for in California Code of Regulations, Title 27, Section 25501(a).
7 Furthermore, Defendant maintains that all of its products satisfy applicable federal standards and
8 requirements.

9 1.8 The Parties have entered into this Consent Judgment in order to settle, compromise
10 and resolve disputed claims and thus avoid prolonged and costly litigation. Nothing in this Consent
11 Judgment shall constitute or be construed as an admission by any of the Parties, or by any of their
12 respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries,
13 divisions, affiliates, franchises, licensees, customers, distributors, wholesalers, or retailers, of any
14 fact, conclusion of law, issue of law, violation of law, fault, wrongdoing, or liability, including
15 without limitation, any admission concerning any alleged violation of Proposition 65, nor shall this
16 Consent Judgment be offered or admitted as evidence in any administrative or judicial proceeding
17 or litigation in any court, agency, or forum, except with respect to an action seeking to enforce the
18 terms of this Consent Judgment.

19 1.9 Except as expressly set forth herein, nothing in this Consent Judgment shall
20 prejudice, waive or impair any right, remedy, argument, or defense the Parties may have in any
21 other or future legal proceeding unrelated to these proceedings.

22 1.10 The Effective Date of this Consent Judgment shall be the date on which it is entered
23 as a judgment by this Court.

24 2. JURISDICTION AND VENUE

25 For purposes of this Consent Judgment only, the Parties stipulate that this Court has
26 jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction
27 over Defendants as to the acts alleged in the Complaint, that venue is proper in San Francisco
28 County, and that this Court has jurisdiction to enter this Consent Judgment as a full and final

1 resolution of all claims which were or could have been asserted in this action based on the facts
2 alleged in the Notices of Violation or the Complaint.

3 **3. INJUNCTIVE RELIEF, REFORMULATION, TESTING**

4 **3.1** As of the Effective Date, any Covered Product manufactured after the Effective Date
5 that GNLD thereafter sells in California, markets or distributes for sale in California, or offers for
6 sale to a third party for retail sale in California shall qualify as a "Reformulated Covered Product"
7 under Section 3.2. Covered Products manufactured before the Effective Date are therefore not
8 subject to the obligations imposed by Section 3 irrespective of when they are distributed or sold.

9 **3.2 Reformulated Covered Products**

10 A Reformulated Covered Product is one for which the daily lead exposure results in no more
11 than 0.5 micrograms ("mcg") of lead per day (as determined by the quality control methodology set
12 forth in Exhibit B), after subtracting out the amount of lead pursuant to Section 3.2.2 and Table 1.

13 **3.2.1 Formula for Permissible Lead Content**

14 For purposes of this Consent Judgment, daily lead exposures shall be measured in
15 micrograms, and shall be calculated using the following formula: micrograms of lead per gram of
16 product, multiplied by grams of product per serving of the product (using the serving size appearing
17 on the product label), multiplied by servings of the product per day (using the largest number of
18 daily suggested or recommended servings appearing on the product label), which equals
19 micrograms of lead exposure per day.

20 **3.2.2 Calculation of Lead Levels**

21 For purposes of calculating permissible lead content, GNLD may exclude the amount of
22 lead in the mineral ingredients listed below in Table 1 in accordance with the Attorney General's
23 Stipulation Modifying Consent Judgments in *People v. Warner Lambert et al.* (San Francisco
24 Super. Ct. Case No. 984503), as well as up to 1 microgram lead per gram of cocoa powder. If
25 appropriate, GNLD may exclude the sum of the amount of lead contained in each ingredient listed
26 in Table 1 present in the maximum daily serving recommended by GNLD in the Covered Product.
27 If GNLD seeks to subtract out the amount of lead pursuant to this Section, upon calculating lead
28 content, GNLD shall provide ERC with the name of the Covered Product that GNLD contends

1 .contains naturally occurring lead, the exact ingredient(s) listed below in Table 1 in the Covered
2 Product, and the concentration of each ingredient listed in Table 1 present in the maximum daily
3 serving recommended by GNLD in the Covered Product in grams.

4 For purposes of calculating lead content, GNLD may exclude the sum of the amount of lead
5 supplied by the quantity of each ingredient listed in Table 1 that is present in the maximum daily
6 serving recommended on the label of the Covered Product. The concentration of each of the
7 ingredients in each Covered Product is set forth as follows in Table 1. Provided however, GNLD
8 shall submit to ERC, prior to the Effective Date, a complete list showing all the ingredients,
9 including ingredients from Table 1, that are being used in a Covered Product, the percentage of each
10 ingredient being used in the overall Covered Product and supporting test results or other data that
11 independently confirm the percentage of each ingredient from Table 1 listed in the products.

12 GNLD may update this list from time to time. GNLD shall be entitled to submit this information to
13 ERC confidentially. In the event that a dispute arises with respect to compliance with the terms of
14 this Consent Judgment as to any contribution from naturally occurring lead levels under Section
15 3.2.2, ERC and GNLD shall employ good faith efforts to seek entry of a protective order that
16 governs access to and disclosure of the information provided confidentially by GNLD to ERC in
17 any litigation or proceeding, before any such information is disclosed by ERC in connection with
18 that litigation or proceeding.

19 **TABLE 1**

INGREDIENT	NATURALLY OCCURRING AMOUNT OF LEAD
Calcium (elemental)	0.8 mcg lead per gram of elemental calcium
Ferrous Fumarate	0.4 mcg lead per gram of ferrous fumarate
Zinc Oxide	8.0 mcg lead per gram of zinc oxide
Magnesium Oxide	0.4 mcg lead per gram of magnesium oxide
Potassium Chloride	1.0 mcg lead per gram of potassium chloride
Cocoa powder	1.0 mcg lead per gram of cocoa powder

1 **3.2.3** As used in this Consent Judgment, “no more than 0.5 mcg of lead per day”
2 means that the samples of the testing performed by GNLD under Section 3.3 collectively yield an
3 average daily exposure of no more than 0.5 mcg of lead (with daily exposure calculated pursuant to
4 Section 3.2.1 of this Consent Judgment), after excluding levels of lead pursuant to Section 3.2.2.
5 For products that cause exposures in excess of that permitted by Section 3.2.1, Defendant shall, at
6 the point of manufacture, prior to shipment to California, or prior to distribution within California,
7 (1) affix or print on the Product container, cap, label, or unit package, or (2) display at the point of
8 sale of the Products the following warning (the language in brackets in the warning below is
9 optional):

10 **WARNING:** This product contains lead, a chemical known [to the State of
11 California] to cause [cancer,] birth defects, or other reproductive harm.

12 The term “cancer” shall be included in the warning only if there is an exposure to a daily
13 dose of more than 15 micrograms of lead when taken as directed on the Product’s label and as
14 defined by Section 3.2.1.

15 The warning shall be securely affixed to or printed upon the container or label of the
16 Covered Product. The warning shall be displayed with such conspicuousness, as compared with
17 other words, statements, or design of the label or container, as applicable, to render the warning
18 likely to be read and understood by an ordinary individual under customary conditions of purchase
19 or use. The warning appearing on the label or container shall be at least the same size as the largest
20 of any other health or safety warnings correspondingly appearing on the label or container, as
21 applicable, of such product, and the word “warning” shall be in all capital letters and in bold print.

22 **3.3 Testing**

23 **3.3.1** Before GNLD’s first distribution or sale of a Covered Product in California
24 manufactured after the Effective Date, GNLD shall arrange for the lead testing of at least five (5)
25 randomly selected samples of any Covered Product intended by Defendant to be distributed or sold
26 in California (in the form intended for sale to the end-user). GNLD shall continue to arrange for
27 lead testing, at a minimum, once a year thereafter, of at least five (5) randomly selected samples of
28 each Covered Product to be distributed or sold in California. The testing shall continue so long as

1 the Covered Product is sold in California by GNLD or sold by GNLD to a third party for retail sale
2 in California, subject to the limitations set forth in Section 3.3.4. Furthermore, the testing
3 requirements of Section 3.3 do not apply to a Covered Product for which GNLD has provided the
4 warning specified in Section 3.2.3 since the Effective Date or during the preceding year.

5 **3.3.2** Testing for lead under Section 3.3 shall be performed using Inductively
6 Coupled Plasma-Mass Spectrometry (ICP-MS) and closed-vessel, microwave-assisted digestion
7 employing high-purity reagents that is consistent with the procedure set forth in Exhibit B or any
8 other testing method subsequently agreed upon in writing by the Parties. Furthermore, any testing
9 for lead required under Section 3.3 shall be performed by a laboratory that is approved by,
10 accredited by, or registered with the United States Food & Drug Administration for the analysis of
11 heavy metals. Nothing in this Consent Judgment shall limit GNLD's ability to conduct, or require
12 that others conduct, additional testing, beyond the testing that is required in Section 3, of the
13 Covered Products, including the raw materials used in their manufacture.

14 **3.3.3** Upon written request by ERC, GNLD shall provide to ERC any test results
15 and documentation of testing undertaken by GNLD pursuant to Section 3.3 within ten working days
16 of receipt by GNLD of ERC's request. GNLD shall retain all test results and documentation for a
17 period of three years from the date of the test.

18 **3.3.4** GNLD shall test the Covered Products for a minimum of three years. If
19 testing conducted pursuant to this Consent Judgment demonstrates that no warning is required for a
20 Covered Product during each of three consecutive years, then the testing requirements of this
21 Section 3.3 are no longer required as to that Covered Product. However, if after the three year
22 period GNLD changes ingredient suppliers for any of the Covered Products and/or reformulates any
23 of the Covered Products, GNLD shall test that Covered Product at least once after such change is
24 made.

25 **4. SETTLEMENT PAYMENT**

26 **4.1** In full satisfaction of all potential civil penalties, payment in lieu of civil penalties,
27 attorney's fees and costs, Defendants shall make a total payment of \$105,000.00 (One Hundred and
28

1 Five Thousand Dollars) within thirty (30) business days of receiving the Notice of Entry of
2 Judgment. Said payment shall be for the following:

3 4.2 \$13,970.00 shall be payable as civil penalties pursuant to Health & Safety Code
4 Section 25249.7 (b) (1). Of this amount, \$10,477.50 shall be payable to the Office of
5 Environmental Health Hazard Assessment ("OEHHA") and \$3,492.50 shall be payable to
6 Environmental Research Center. Cal. Health & Safety Code Section 25249.12 (c) (1) & (d).
7 Defendants shall send both civil penalty payments to ERC's counsel who shall be responsible to
8 forward the civil penalty payment to OEHHA along with a copy of the transmittal to Defendants.

9 4.3 \$41,899.00 payable to Environmental Research Center in lieu of further civil
10 penalties, for (A) activities such as (1) analysis, researching and testing consumer products that may
11 contain Proposition 65 listed chemicals; (2) funding ERC's Voluntary Compliance Program to work
12 with companies not subject to Proposition 65 to reformulate their products to reduce potential
13 consumer exposures; (3) funding ERC's Got Lead? Program to assist consumers in testing products
14 for lead; (4) maintaining, supporting and increasing ERC's Database of lead-free and Proposition 65
15 compliant products; (5) increasing ERC's tracking and cataloging of contamination-free sources for
16 specific ingredients used in the types of products ERC test, and sharing this information with
17 companies to try and reduce lead levels in their products; (6) post-settlement monitoring of past
18 consent judgments; and (7) the continuing enforcement of Proposition 65; and (B) \$24,116.00 as
19 reimbursement to ERC for reasonable work costs associated with the enforcement of Proposition 65
20 and other costs incurred as a result of investigating, bringing this matter to Defendants attention,
21 litigating and negotiating this settlement in the public interest.

22 4.4 \$21,015.00 payable to Michael Freund as reimbursement of ERC's attorney's fees
23 and \$4,000.00 payable to Karen Evans as reimbursement ERC's attorney's fees.

24 4.5 Defendants' payments shall be mailed to the Law Office of Michael Freund.

25 **5. MODIFICATION OF CONSENT JUDGMENT**

26 5.1 This Consent Judgment may be modified only upon written agreement or stipulation
27 between the Parties and upon entry of a modified Consent Judgment by the Court thereon. GNLD
28 shall additionally provide ERC, before the effective date of any modification, test results or other

1 data that independently confirm the percentage of such ingredient being used overall in the Covered
2 Product(s). GNLD may update such information from time to time and provide such information to
3 ERC confidentially. ERC is entitled to reasonable attorney's fees and costs for any modification of
4 the Consent Judgment initiated or requested by GNLD.

5 **6. RETENTION OF JURISDICTION, ENFORCEMENT OF CONSENT**
6 **JUDGMENT**

7 **6.1** This Court shall retain jurisdiction of this matter to enforce, modify or terminate this
8 Consent Judgment.

9 **6.2** Any Party may, by motion or application for an order to show cause filed with this
10 Court, enforce the terms and conditions contained in this Consent Judgment, provided that it first
11 undertakes a good faith effort to resolve the dispute informally as required under Section 13. The
12 prevailing Party may request that the Court award its reasonable attorneys' fees and costs associated
13 with such motion or application.

14 **6.3** In the event that Plaintiff alleges that any Covered Product fails to qualify as a
15 Reformulated Covered Product, Plaintiff shall inform Defendant in a reasonably prompt manner of
16 its test results, including information sufficient to permit Defendant to identify the Covered
17 Products at issue. Defendant shall, within thirty (30) days (or any extension thereto agreed to in
18 writing by the Parties) following such notice, provide Plaintiff testing information demonstrating its
19 compliance with Section 3. ERC shall not be permitted to move or apply to the Court under Section
20 6.2, unless ERC has a good faith basis to dispute that GNLD complied with the provisions set forth
21 in Section 3. In that event, the Parties shall first attempt to resolve the matter prior to ERC taking
22 any further legal action pursuant to Section 13.

23 **7. APPLICATION OF CONSENT JUDGMENT**

24 This Consent Judgment shall apply to, be binding upon and benefit the Parties, and
25 respective subsidiaries and divisions, and the successors and assigns of any of them.

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

27 **8.1** This Consent Judgment is a full, final, and binding resolution between ERC, on
28 behalf of itself and in the public interest, and GNLD, of any alleged violation of Proposition 65 or

1 its implementing regulations for failure to provide Proposition 65 warnings of exposure to lead from
2 the handling, use or consumption of the Covered Products. ERC, on behalf of itself, its agents,
3 officers, representatives, attorneys, successors and/or assignees, and on behalf of the general public
4 in the public interest, hereby waives all rights to institute or participate in (directly or indirectly) any
5 form of legal action and releases and discharges: (a) GNLD and its parent companies, subsidiaries,
6 affiliates, and divisions, including but not limited to Golden Neo-Life Diamite International, Inc.;
7 (b) each of their respective licensors, licensees, franchisors, franchisees, joint venturers, partners,
8 vendors, manufacturers, packagers, contractors, and finished product and ingredient suppliers; (c)
9 each of the distributors, wholesalers, retailers, users, packagers, customers (not including private
10 label customers), and all other entities in the distribution chain down to the consumer of any
11 Covered Product of the persons and entities described in (a) and (b), above; and (d) each of the
12 respective officers, directors, shareholders, employees, and agents of the persons and entities
13 described in (a) through (c), above (the persons and entities identified in (a), (b), (c), and (d), above,
14 including the predecessors, successors and assigns of any of them, are collectively referred to as the
15 "Released Parties") from any and all claims, actions, causes of action, suits, demands, liabilities,
16 damages, penalties, fees (including but not limited to investigation fees, attorneys' fees, and expert
17 fees), costs, and expenses (collectively, "Claims") as to any alleged violation of Proposition 65
18 arising from or related to the alleged failure to provide Proposition 65 warnings for the Covered
19 Products regarding lead, including but not limited to Covered Products manufactured before the
20 Effective Date. Compliance with the terms of this Consent Judgment shall be deemed to constitute
21 compliance with Proposition 65 regarding alleged exposures to lead in the Covered Products.

22 **8.2** ERC, on behalf of itself, its agents, representatives, attorneys, successors and/or
23 assignees, and not on behalf of the general public, hereby releases and discharges the Released
24 Parties from any and all known and unknown Claims for alleged violations of Proposition 65, or for
25 any other statutory or common law, arising from or relating to alleged exposures to lead and lead
26 compounds in the Covered Products. It is possible that other Claims not known to the Parties
27 arising out of the facts alleged in the Notices of Violation or the Complaint and relating to the
28 Covered Products will develop or be discovered. ERC, on behalf of itself only, acknowledges that

1 this Consent Judgment is expressly intended to cover and include all such Claims, including all
2 rights of action therefor. ERC has full knowledge of the contents of California Civil Code section
3 1542. ERC, on behalf of itself only, acknowledges that the Claims released in Sections 8.1 and 8.2
4 may include unknown Claims, and nevertheless waives California Civil Code section 1542 as to any
5 such unknown Claims. California Civil Code section 1542 reads as follows:

6 "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH
7 THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS
8 OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE,
9 WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY
AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

10 ERC, on behalf of itself only, acknowledges and understands the significance and consequences of
11 this specific waiver of California Civil Code section 1542.

12 **8.3** It is the intention of the Parties to this release that, upon entry of this Consent
13 Judgment by the Court, this Consent Judgment shall be effective as a full and final accord and
14 satisfaction and release of every released claim up to and including the date of entry of the Consent
15 Judgment.

16 **8.4** ERC, on one hand, and GNLD, on the other hand, release and waive all Claims they
17 may have against each other for any statements of actions made or undertaken by them in
18 connection with the Notices of Violation or the Complaint. Provided however, nothing in this
19 Section 8 shall affect or limit any Party's right to seek to enforce the terms of this Consent
20 Judgment.

21 **9. SEVERABILITY OF UNENFORCEABLE PROVISIONS**

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

24 **10. GOVERNING LAW**

25 The terms and conditions of this Consent Judgment shall be governed by and construed in
26 accordance with the laws of the state of California.

1 **11. PROVISION OF NOTICE**

2 All notices required to be given to either Party to this Consent Judgment by the other shall
3 be in writing and sent to the agents listed below by (a) first-class mail, (b) overnight courier, or (c)
4 personal delivery:

5 **FOR ENVIRONMENTAL RESEARCH CENTER:**

6 Chris Heptinstall, Executive Director
7 Environmental Research Center
8 3111 Camino del Rio North, Suite 400
9 San Diego, CA 92108

10 Michael Bruce Freund
11 Law Offices of Michael Freund
12 1919 Addison Street, Suite 105
13 Berkeley, CA 94704
14 Telephone: (510) 540-1992
15 Facsimile: (510) 540-5543

16 Karen Evans
17 Coordinating Counsel
18 Environmental Research Center
19 4218 Biona Place
20 San Diego, CA 92116
21 Telephone: (619) 640-8100

22 **FOR GNLD INTERNATIONAL, LLC:**

23 John E. Seibert
24 GNLD International, LLC
25 Vice President, Legal Service Secretary
26 3500 Gateway Blvd.
27 Fremont, CA 94538

28 With a copy to:
Arnold & Porter LLP
Trenton H. Norris (SBN 164781)
Sarah Esmaili (SBN 206053)
Three Embarcadero Center, 7th Floor
San Francisco, CA 94111-3823
Telephone: (415) 471-3100
Facsimile: (415) 471-3400

12. DRAFTING

The terms of this Consent Judgment have been reviewed by the respective counsel for the Parties to this Settlement prior to its signing, and each Party has had an opportunity to fully discuss the terms with counsel. The Parties agree that, in any subsequent interpretation and construction of

1 this Consent Judgment entered thereon, the terms and provisions shall not be construed against
2 either Party.

3 **13. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES**

4 In the event a dispute arises with respect to either Party's compliance with the terms of this
5 Consent Judgment entered by the Court, the Parties shall meet either in person or by telephone and
6 endeavor to resolve the dispute in an amicable manner. No action or motion may be filed in the
7 absence of such a good faith attempt to resolve the dispute beforehand. In the event an action or
8 motion is filed, however, the prevailing Party may seek to recover costs and reasonable attorney's
9 fees. As used in the preceding sentence, the term "prevailing Party" means a Party who is
10 successful in obtaining relief more favorable to it than the relief that the other Party was amenable
11 to providing during the Parties' good faith attempt to resolve the dispute that is the subject of such
12 enforcement action.

13 **14. ENTIRE AGREEMENT, AUTHORIZATION**

14 **14.1** This Consent Judgment contains the sole and entire agreement and understanding of
15 the Parties with respect to the entire subject matter hereof, and any and all prior discussions,
16 negotiations, commitments and understandings related hereto. No representations, oral or
17 otherwise, express or implied, other than those contained herein have been made by any Party
18 hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed
19 to exist or to bind any of the Parties.

20 **14.2** Each signatory to this Consent Judgment certifies that he or she is fully authorized
21 by the Party he or she represents to stipulate and agree to the terms herein.

22 **15. REQUEST FOR FINDINGS, APPROVAL OF SETTLEMENT AND**
23 **ENTRY OF CONSENT JUDGMENT**

24 **15.1** This settlement has come before the Court upon the request of the Parties. The
25 Parties request the Court to fully review this Settlement and, being fully informed regarding the
26 matters which are the subject of this action, to:
27
28

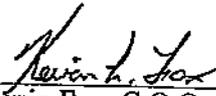
1 (1) Find that the terms and provisions of this Consent Judgment represent a fair
2 and equitable settlement of all matters raised by the allegations of the Complaint, that the matter has
3 been diligently prosecuted, and that the public interest is served by such settlement; and

4 (2) Make the findings pursuant to Health & Safety Code § 25249.7(f)(4),
5 approve the Settlement and approve this Consent Judgment.

6
7 **IT IS SO STIPULATED:**

GNLD INTERNATIONAL, LLC

8 Dated: 12/11, 2012


Kevin Fox, C.O.O

11 **ENVIRONMENTAL RESEARCH CENTER**

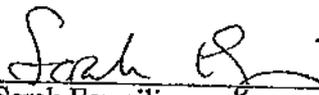
12 Dated: _____, 2012

Chris Heptinstall, Executive Director

14
15 **APPROVED AS TO FORM:**

ARNOLD & PORTER LLP

16 Dated: 12/13, 2012


Sarah Esmaili
Attorney for GNLD International, LLC

19 Dated: _____, 2012

LAW OFFICE OF MICHAEL FREUND

21 _____
22 Michael Freund
23 Attorney for Environmental Research Center

24 **ORDER AND JUDGMENT**

25 Based upon the Parties' stipulation, and good cause appearing therefor, this Consent
26 judgment is approved and judgment is hereby entered according to its terms.

27 Dated: _____

28 Judge, Superior Court of the State of California

1 (1) Find that the terms and provisions of this Consent Judgment represent a fair
2 and equitable settlement of all matters raised by the allegations of the Complaint, that the matter has
3 been diligently prosecuted, and that the public interest is served by such settlement; and
4

5 (2) Make the findings pursuant to Health & Safety Code § 25249.7(f)(4),
6 approve the Settlement and approve this Consent Judgment.

7 **IT IS SO STIPULATED:**

GNLD INTERNATIONAL, LLC

8 Dated: _____, 2012

Kevin Fox, C.O.O

ENVIRONMENTAL RESEARCH CENTER

9
10
11
12 Dated: 12/5/, 2012

Chris Heppinstall, Executive Director

13
14
15 **APPROVED AS TO FORM:**

ARNOLD & PORTER LLP

16 Dated: _____, 2012

Sarah Esmaili
Attorney for GNLD International, LLC

17
18
19 Dated: 12/13/, 2012

LAW OFFICE OF MICHAEL FREUND

Michael Freund
Attorney for Environmental Research Center

20
21
22
23 **ORDER AND JUDGMENT**

24 Based upon the Parties' stipulation, and good cause appearing therefor, this Consent
25 judgment is approved and judgment is hereby entered according to its terms.

26 Dated: _____

Judge, Superior Court of the State of California



Environmental Research Center

5694 Mission Center Road #199

San Diego, CA 92108

619.309.4194

September 24, 2010

VIA CERTIFIED MAIL

Current CEO or President
Golden Neo-Life Diamite Intl, Inc.
3500 Gateway Blvd
Fremont, CA 94538

Daniel L. Lewis
(Golden Neo-Life Diamite Intl, Inc.'s Agent
for Service of Process)
3500 Gateway Blvd
Fremont, CA 94538

National Registered Agents, Inc. of NV
(Golden Neo-Life Diamite Intl, Inc.'s Agent
for Service of Process)
1000 East William Street Suite 201
Carson City, NV 89701

Current CEO or President
GNLD International, LLC
2125 American Ave
Hayward, CA - 94545

Daniel L. Lewis
(GNLD International, LLC's Agent
for Service of Process)
3500 Gateway Blvd
Fremont, CA 94538

National Registered Agents, Inc. of NV
(GNLD International, LLC's Agent
for Service of Process)
1000 East William Street Suite 201
Carson City, NV 89701

VIA PRIORITY MAIL

District Attorneys of All California Counties
and Select City Attorneys
(See Attached Certificate of Service)

Re: Notice of Violations of California Health & Safety Code Section 25249.5 *et seq.*

Dear Addressees:

I am the Executive Director of the Environmental Research Center ("ERC") in connection with this Notice of Violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986, which is codified at California Health & Safety Code Section 25249.5 *et seq.* and also referred to as Proposition 65.

ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

The names of the Companies covered by this Notice that violated Proposition 65 are:

Golden Neo-Life Diamite International, Inc.
GNLD International, LLC

The products that are the subject of this Notice and the chemical in those products identified as exceeding allowable levels are:

LTD Vitality Multi-Fiber Blend - Lead
GR2 Control Meal Replacement Protein Shake-Vanilla Whisper - Lead
All Natural Fiber Food and Drink Mix - Lead

On February 27, 1987, the State of California officially listed lead as a chemical known to cause developmental toxicity, and male and female reproductive toxicity. On October 1, 1992, the State of California officially listed lead as chemical known to cause cancer.

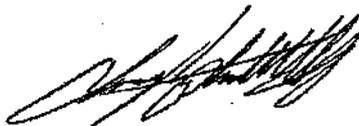
This letter is a Notice to Golden Neo-Life Diamite International, Inc., GNLD International, LLC, and the appropriate governmental authorities of the Proposition 65 violations concerning the listed products. This Notice covers all violations of Proposition 65 involving Golden Neo-Life Diamite International, Inc., and GNLD International, LLC currently known to ERC from the information now available. ERC may continue to investigate other products that may reveal further violations. A summary of Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, has been provided to the Noticed Companies with a copy of this letter.

Golden Neo-Life Diamite International, Inc., and GNLD International, LLC have manufactured, marketed, distributed, and/or sold the listed products, which have exposed and continue to expose numerous individuals within California to the identified chemicals. The primary route of exposure to these chemicals has been through ingestion, but may have also occurred through inhalation and/or dermal contact. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemicals. The method of warning should be a warning that appears on the product's label. Golden Neo-Life Diamite International, Inc., and GNLD International, LLC have violated Proposition 65 because the Companies have failed to provide an appropriate warning to persons using these products that they are being exposed to the identified chemical.

Pursuant to Section 25249.7(d) of the statute, ERC intends to file a citizen enforcement action sixty days after effective service of this Notice unless Golden Neo-Life Diamite International, Inc., and GNLD International, LLC agree in an enforceable written instrument to: (1) reformulate the listed products so as to eliminate further exposures to the identified chemicals; and (2) pay an appropriate civil penalty. Consistent with the public interest goals of Proposition 65 and ERC's objectives in pursuing this Notice, ERC is interested in seeking a constructive resolution to this matter. Such resolution will avoid both further unwarned consumer exposures to the identified chemicals and expensive and time consuming litigation.

Please direct all questions concerning this notice to ERC's attorney, Michael Freund, address: 1915 Addison Street, Berkeley, California, 94704-1101, telephone no.: 510-540-1992, e-mail: Freund1@aol.com.

Sincerely,



Chris Heptinstall
Executive Director
Environmental Research Center

cc: Karen Evans

Attachments

- Certificate of Merit
- Certificate of Service
- OEHHA Summary (to Golden Neo-Life Diamite International, Inc., GNLD International, LLC, and their Registered Agents of Process Only)
- Additional Supporting Information for Certificate of Merit (to AG only)

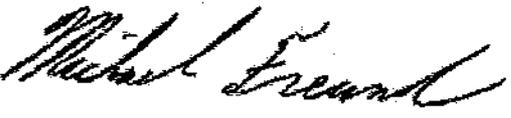
CERTIFICATE OF MERIT

Re: Environmental Research Center's Notice of Proposition 65 Violations by Golden Neo-Life Diamite International, Inc., and GNLD International, LLC

I, Michael Freund, declare:

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

Dated: September 24, 2010



Michael Freund
Attorney for Environmental Research Center

CERTIFICATE OF SERVICE

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States, over the age of 18 years of age, and am not a party to the within entitled action. My business address is 306 Joy Street, Fort Oglethorpe, Georgia 30742

On September 24, 2010, I served the following documents:

**NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE §25249.5 *ET SEQ.*;
CERTIFICATE OF MERIT; "THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT
ACT OF 1986 (PROPOSITION 65): A SUMMARY"**

On the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to the party listed below and depositing it in a US Postal Service Office for delivery by Certified Mail:

Current CEO or President
Golden Neo-Life Diamite Intl, Inc.
3500 Gateway Blvd
Fremont, CA 94538

Current CEO or President
GNLD International, LLC
2125 American Ave
Hayward, CA - 94545

Daniel L. Lewis
(Golden Neo-Life Diamite Intl, Inc.'s
Agent for Service of Process)
3500 Gateway Blvd
Fremont, CA 94538

Daniel L. Lewis
(GNLD International, LLC's Agent
for Service of Process)
3500 Gateway Blvd
Fremont, CA 94538

National Registered Agents, Inc. of NV
(Golden Neo-Life Diamite Intl, Inc.'s
Agent for Service of Process)
1000 East William Street Suite 201
Carson City, NV 89701

National Registered Agents, Inc. of NV
(GNLD International, LLC's Agent
for Service of Process)
1000 East William Street Suite 201
Carson City, NV 89701

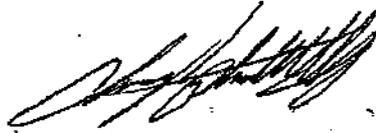
On September 24, 2010, I served the following documents: **NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 *ET SEQ.*; CERTIFICATE OF MERIT; ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE §25249.7(d)(1)** on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to the party listed below and depositing it in a US Postal Service Office for delivery by Certified Mail:

Office of the California Attorney General
Prop 65 Enforcement Reporting
1515 Clay Street, Suite 2000
Post Office Box 70550
Oakland, CA 94612-0550

Notice of Violations of California Health & Safety Code §25249.5 *et seq.*
September 24, 2010
Page 6

On September 24, 2010, I served the following documents: **NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT** on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties **on the Service List attached hereto**, and depositing it with the U.S. Postal Service for delivery by Priority Mail.

Executed on September 24, 2010, in Fort Oglethorpe, Georgia.



Chris Heptinstall

Service List

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

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

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

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

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

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

District Attorney, Contra Costa County
900 Ward Street
Martinez, CA 94553

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

District Attorney, El Dorado County
515 Main Street
Placerville, CA 95667

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

District Attorney, Glenn County
Post Office Box 430
Willows, CA 95988

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

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

District Attorney, Inyo County
230 W. Line Street
Bishop, CA 93514

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

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

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

District Attorney, Lassen County
220 South Lassen Street, Ste. 8
Susanville, CA 96130

District Attorney, Los Angeles County
210 West Temple Street, Rm 345
Los Angeles, CA 90012

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

District Attorney, Marin County
3501 Civic Center, Room 130
San Rafael, CA 94903

District Attorney, Mariposa County
Post Office Box 730
Mariposa, CA 95338

District Attorney, Mendocino County
Post Office Box 1000
Ukiah, CA 95482

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

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

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

District Attorney, Monterey County
230 Church Street, Bldg 2
Salinas, CA 93901

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

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

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

Notice of Violations of California Health & Safety Code §25249.5 *et seq.*
September 24, 2010

Page 8

District Attorney, Placer County
10810 Justice Center Drive, Ste 240
Roseville, CA 95678

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

District Attorney, Riverside County
4075 Main Street, 1st Floor
Riverside, CA 92501

District Attorney, Sacramento County
901 "G" Street
Sacramento, CA 9581

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

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

District Attorney, San Diego County
330 West Broadway, Room 1300
San Diego, CA 92101

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

District Attorney, San Joaquin County
Post Office Box 990
Stockton, CA 95201

District Attorney, San Luis Obispo County
1050 Monterey Street, Room 450
San Luis Obispo, CA 93408

District Attorney, San Mateo County
400 County Ctr., 3rd Floor
Redwood City, CA 94063

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

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

District Attorney, Santa Cruz County
701 Ocean Street, Room 200
Santa Cruz, CA 95060

District Attorney, Shasta County
1525 Court Street, Third Floor
Redding, CA 96001-1632

District Attorney, Sierra County
PO Box 457
Downieville, CA 95936

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

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

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

District Attorney, Stanislaus County
832 12th Street, Ste 300
Modesto, CA 95353

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

District Attorney, Tehama County
Post Office Box 519
Red Bluff, CA 96080

District Attorney, Trinity County
Post Office Box 310
Weaverville, CA 96093

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

District Attorney, Tuolumne County
423 N. Washington Street
Sonora, CA 95370

District Attorney, Ventura County
800 South Victoria Avenue
Ventura, CA 93009

District Attorney, Yolo County
301 2nd Street
Woodland, CA 95695

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

Los Angeles City Attorney's Office
City Hall East
200 N. Main Street, Rm 800
Los Angeles, CA 90012

San Diego City Attorney's Office
1200 3rd Avenue, Ste 1620
San Diego, CA 92101

San Francisco City Attorney's Office
City Hall, Room 234
1 Drive Carlton B Goodlett Place
San Francisco, CA 94102

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



Environmental Research Center

5694 Mission Center Road #199

San Diego, CA 92108

619.309.4194

January 14, 2011

VIA CERTIFIED MAIL

Current CEO or President
Golden Neo-Life Diamite Intl, Inc.
3500 Gateway Blvd
Fremont, CA 94538

Daniel L. Lewis
(Golden Neo-Life Diamite Intl, Inc.'s Agent
for Service of Process)
3500 Gateway Blvd
Fremont, CA 94538

National Registered Agents, Inc. of NV
(Golden Neo-Life Diamite Intl, Inc.'s Agent
for Service of Process)
1000 East William Street Suite 201
Carson City, NV 89701

Current CEO or President
GNLD International, LLC
2125 American Ave
Hayward, CA - 94545

Daniel L. Lewis
(GNLD International, LLC's Agent
for Service of Process)
3500 Gateway Blvd
Fremont, CA 94538

National Registered Agents, Inc. of NV
(GNLD International, LLC's Agent
for Service of Process)
1000 East William Street Suite 201
Carson City, NV 89701

VIA PRIORITY MAIL

District Attorneys of All California Counties
and Select City Attorneys
(See Attached Certificate of Service)

Re: Notice of Violations of California Health & Safety Code Section 25249.5 et seq.

Dear Addressees:

I am the Executive Director of the Environmental Research Center ("ERC") in connection with this Notice of Violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986, which is codified at California Health & Safety Code Section 25249.5 *et seq.* and also referred to as Proposition 65.

ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

The names of the Companies covered by this Notice that violated Proposition 65 are:

Golden Neo-Life Diamite International, Inc.
GNLD International, LLC

The products that are the subject of this Notice and the chemical in those products identified as exceeding allowable levels are:

GNLD International LLC GR2 Control Appetite Reducer 84 Tablets - Lead
GNLD International LLC Eusersine 90 Tablets - Lead
GNLD International LLC GR2 Control Meal Replacement Protein Shake Chocolate - Dream 510g - Lead

On February 27, 1987, the State of California officially listed lead as a chemical known to cause developmental toxicity, and male and female reproductive toxicity. On October 1, 1992, the State of California officially listed lead as chemical known to cause cancer.

This letter is a Notice to Golden Neo-Life Diamite International, Inc., GNLD International, LLC, and the appropriate governmental authorities of the Proposition 65 violations concerning the listed products. This Notice covers all violations of Proposition 65 involving Golden Neo-Life Diamite International, Inc., and GNLD International, LLC currently known to ERC from the information now available. ERC may continue to investigate other products that may reveal further violations. A summary of Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, has been provided to the Noticed Companies with a copy of this letter.

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Pursuant to Section 25249.7(d) of the statute, ERC intends to file a citizen enforcement action sixty days after effective service of this Notice unless Golden Neo-Life Diamite International, Inc., and GNLD International, LLC agree in an enforceable written instrument to: (1) reformulate the listed products so as to eliminate further exposures to the identified chemicals; and (2) pay an appropriate civil penalty. Consistent with the public interest goals of Proposition 65 and ERC's objectives in pursuing this Notice, ERC is interested in seeking a constructive resolution to this matter. Such resolution will avoid both further unwarned consumer exposures to the identified chemicals and expensive and time consuming litigation.

Please direct all questions concerning this notice to ERC's attorney, Michael Freund, address: 1915 Addison Street, Berkley, California, 94704-1101, telephone no.: 510-540-1992, e-mail: Freund1@aol.com.

Sincerely,



Chris Heptinstall
Executive Director
Environmental Research Center

cc: Karen Evans

Attachments

- Certificate of Merit
- Certificate of Service
- OEHHA Summary (to Golden Neo-Life Diamite International, Inc., GNLD International, LLC, and their Registered Agents of Process Only)
- Additional Supporting Information for Certificate of Merit (to AG only)

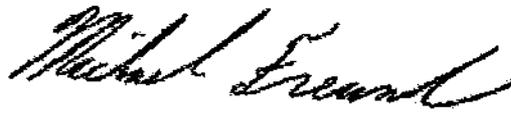
CERTIFICATE OF MERIT

Re: Environmental Research Center's Notice of Proposition 65 Violations by Golden Neo-Life Diamite International, Inc., and GNLD International, LLC

I, Michael Freund, declare:

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

Dated: January 14, 2011



Michael Freund
Attorney for Environmental Research Center

CERTIFICATE OF SERVICE

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States, over the age of 18 years of age, and am not a party to the within entitled action. My business address is 306 Joy Street, Fort Oglethorpe, Georgia 30742

On January 14, 2011, I served the following documents: **NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; "THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY"** On the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to the party listed below and depositing it in a US Postal Service Office for delivery by Certified Mail:

Current CEO or President
Golden Neo-Life Diamite Intl, Inc.
3500 Gateway Blvd
Fremont, CA 94538

Daniel L. Lewis
(Golden Neo-Life Diamite Intl, Inc.'s
Agent for Service of Process)
3500 Gateway Blvd
Fremont, CA 94538

National Registered Agents, Inc. of NV
(Golden Neo-Life Diamite Intl, Inc.'s
Agent for Service of Process)
1000 East William Street Suite 201
Carson City, NV 89701

Current CEO or President
GNLD International, LLC
2125 American Ave
Hayward, CA - 94545

Daniel L. Lewis
(GNLD International, LLC's
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3500 Gateway Blvd
Fremont, CA 94538

National Registered Agents, Inc. of NV
(GNLD International, LLC's
Agent for Service of Process)
1000 East William Street Suite 201
Carson City, NV 89701

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Office of the California Attorney General
Prop 65 Enforcement Reporting
1515 Clay Street, Suite 2000
Post Office Box 70550
Oakland, CA 94612-0550

On January 14, 2011, I served the following documents: **NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT** on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties on the Service List attached hereto, and depositing it with the U.S. Postal Service for delivery by Priority Mail.

Executed on January 14, 2011, in Fort Oglethorpe, Georgia.



Chris Heptinstall

Service List

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

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

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

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

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

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

District Attorney, Contra Costa County
900 Ward Street
Martinez, CA 94553

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

District Attorney, El Dorado County
515 Main Street
Placerville, CA 95667

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

District Attorney, Glenn County
Post Office Box 430
Willows, CA 95988

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

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

District Attorney, Inyo County
230 W. Line Street
Bishop, CA 93514

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

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

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

District Attorney, Lassen County
220 South Lassen Street, Ste. 8
Susanville, CA 96130

District Attorney, Los Angeles County
210 West Temple Street, Rm 345
Los Angeles, CA 90012

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

District Attorney, Marin County
3501 Civic Center, Room 130
San Rafael, CA 94903

District Attorney, Mariposa County
Post Office Box 730
Mariposa, CA 95338

District Attorney, Mendocino County
Post Office Box 1000
Ukiah, CA 95482

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

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

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

District Attorney, Monterey County
230 Church Street, Bldg 2
Salinas, CA 93901

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

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

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

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

January 14, 2011

Page 7

District Attorney, Placer County
10810 Justice Center Drive, Ste 240
Roseville, CA 95678

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

District Attorney, Riverside County
4075 Main Street, 1st Floor
Riverside, CA 92501

District Attorney, Sacramento County
901 "G" Street
Sacramento, CA 9581

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

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

District Attorney, San Diego County
330 West Broadway, Room 1300
San Diego, CA 92101

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

District Attorney, San Joaquin County
Post Office Box 990
Stockton, CA 95201

District Attorney, San Luis Obispo County
1050 Monterey Street, Room 450
San Luis Obispo, CA 93408

District Attorney, San Mateo County
400 County Ctr., 3rd Floor
Redwood City, CA 94063

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

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

District Attorney, Santa Cruz County
701 Ocean Street, Room 200
Santa Cruz, CA 95060

District Attorney, Shasta County
1525 Court Street, Third Floor
Redding, CA 96001-1632

District Attorney, Sierra County
PO Box 457
Downieville, CA 95936

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

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

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

District Attorney, Stanislaus County
832 12th Street, Ste 300
Modesto, CA 95353

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

District Attorney, Tehama County
Post Office Box 519
Red Bluff, CA 96080

District Attorney, Trinity County
Post Office Box 310
Weaverville, CA 96093

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

District Attorney, Tuolumne County
423 N. Washington Street
Sonora, CA 95370

District Attorney, Ventura County
800 South Victoria Avenue
Ventura, CA 93009

District Attorney, Yolo County
301 2nd Street
Woodland, CA 95695

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

Los Angeles City Attorney's Office
City Hall East
200 N. Main Street, Rm 800
Los Angeles, CA 90012

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EXHIBIT B

Lead (Pb) Testing for California Prop 65 using ICPMS

Introduction

This procedure is used to test solid samples for amounts of Pb. The sample is dissolved (or extracted) in a mineral acid digestion, spiked with internal standard (^{204}Pb), and diluted to volume. The solutions are then analyzed by Inductively Coupled Plasma-Mass Spectrometry (ICPMS).

Sample Preparation - Solids

Approximately 0.5 g of sample weighed to the nearest 0.01 g is digested in 10 mL of high purity nitric acid (Baker Ultrex or equivalent) at $\sim 110^\circ\text{C}$ for 1 Hr. The digestion can be carried out on a HotBlock using virgin polypropylene digestion vessels to minimize contamination. If the sample contains significant organic material, cool the digestate and add 0.5 mL of 30% hydrogen peroxide and continue the digestion for ~ 30 min or until the volume reduces to 2-3 mL. Cool the digestate and add 1000 μL of 1 $\mu\text{g}/\text{mL}$ ^{204}Pb internal standard solution. Dilute to a final mass of ~ 100 g and mix well. This represents a dilution factor of ~ 200 , therefore a 10 $\mu\text{g}/\text{L}$ solution result is equivalent to a 2 $\mu\text{g}/\text{g}$ sample result.

Sample Analysis

Analyze the solution using ICPMS according to the manufacturer's recommendations for tuning, etc. Calibration standards should cover the range of 1-100 $\mu\text{g}/\text{L}$ for Pb. Acquire data for all four naturally occurring isotopes 204-208. Calculate the results using the internal standard.

Quality Control

For each batch of 20 or fewer samples, prepare at least one method blank. The background from the method blank should not exceed 0.1 $\mu\text{g}/\text{L}$ (equivalent to 0.02 $\mu\text{g}/\text{g}$ in the sample). For each batch of 20 or fewer samples also prepare at least one sample in duplicate and a sample spiked with Pb. Spiking a 0.5 g sample with 0.5 μg (50 μL of a 10 $\mu\text{g}/\text{mL}$ Pb solution) will prepare a 1 $\mu\text{g}/\text{g}$ spiked sample.

For each batch of samples prepare a Laboratory Control Standard (LCS) using NIST 1486, Bone Meal (Certified Value ~ 1.3 $\mu\text{g}/\text{g}$.) The results for this QC sample should be within 20% of the certified value; typically the result is within 7%.

Within each ICPMS instrument run, the calibration should consist of at least 3 calibration standards (1, 10, and 100 $\mu\text{g}/\text{L}$) as well as a calibration blank. If the 1st order least squares regression > 0.995 , the midpoint standard may be used for calculating all results rather than the regression equation. Typically the regression fit is > 0.999 .

After calibration, analyze a Laboratory Control Standard solution such as NIST SRM 1640 Trace Metals in Water or similar solution with a Pb concentration in the range of 10-100 $\mu\text{g}/\text{L}$. The result should be within 7% of the certified value to confirm that the calibration standards were made correctly. Typically the result is within 5%.

Once the calibration is confirmed, analyze samples and blanks. After every 10 or fewer samples, repeat the calibration blank and the midpoint calibration standard. Calibration should not drift by more than 6%. One may re-calibrate on the continuing standards as long as the drift is $< 6\%$ between standards (typically $< 2\%$).

For any sample results $> 10\text{X}$ the method blank background, the results from duplicate sample aliquots should agree within 25%. For spikes greater than the sample concentration, the % recovery should be 80-120% (typically 94-106%).

Dilute and reanalyze any solution with a concentration outside the calibration range.