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13
14 SUPERIOR COURT OF THE STATE OF CALIFORNIA

15 COUNTY OF MARIN

16
17 ENVIRONMENTAL RESEARCH
18 CENTER, a California non-profit
corporation,

19 Plaintiff,

20 v.

21 ISAGENIX INTERNATIONAL, LLC and
22 DOES 1-100,

23 Defendants.

CASE NO. 1204688

[PROPOSED] STIPULATED CONSENT
JUDGMENT; [PROPOSED] ORDER

Health & Safety Code §§ 25249.5 *et seq.*

Action Filed: October 9, 2012

Trial Date: Not Set

1 **1. INTRODUCTION**

2 **1.1** On October 9, 2012, Plaintiff Environmental Research Center (“ERC”), a non-profit
3 corporation, as a private enforcer, and in the public interest, initiated this action by filing a Complaint
4 for Injunctive and Declaratory Relief and Civil Penalties (“Complaint”) pursuant to the provisions of
5 California Health and Safety Code section 25249.5 *et seq.* (“Proposition 65”), against Isagenix
6 International, LLC (“Isagenix”) and DOES 1-100. In this action, ERC alleges that the products
7 manufactured, distributed or sold by Isagenix, as more fully described below, contain lead, a chemical
8 listed under Proposition 65 as a carcinogen and reproductive toxin, and that such products expose
9 consumers at a level requiring a Proposition 65 warning. These products are: Isagenix Greens;
10 IsaFruits; IsaLean Shake—Natural Creamy Chocolate; Ionix Supreme; Isalean Shake—French Vanilla;
11 Isalean Shake—Rich Chocolate; Isalean Shake—Natural Creamy Vanilla; and IsaFlush! (collectively
12 the “Covered Products”). ERC and Isagenix are referred to individually as a “Party” or collectively as
13 the “Parties.”

14 **1.2** ERC is a California non-profit corporation dedicated to, among other causes, helping
15 safeguard the public from health hazards by bringing about a reduction in the use and misuse of
16 hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and
17 encouraging corporate responsibility.

18 **1.3** Isagenix is a business entity that at all times relevant for purposes of this Consent
19 Judgment employs ten or more persons. Isagenix manufactures, distributes, or sells the Covered
20 Products.

21 **1.4** The Complaint is based on allegations contained in ERC’s Notices of Violation dated
22 June 29, 2010; November 23, 2010; and December 23, 2010 (collectively, the “Notices of Violation”)
23 that were served on the California Attorney General, other public enforcers, and Isagenix. True and
24 correct copies of the Notices of Violation are attached hereto as Exhibit A. More than 60 days have
25 passed since these Notices of Violation were mailed and no designated governmental entity has filed
26 a complaint against Isagenix with regard to the Covered Products or the alleged violations.

27 **1.5** ERC’s Notices of Violation and the Complaint allege that use of the Covered Products
28 exposed persons in California to lead without first providing clear and reasonable warnings in

1 violation of California Health and Safety Code section 25249.6. Isagenix denies all material
2 allegations contained in the Notices of Violation and Complaint and specifically denies that the
3 Covered Products required a Proposition 65 warning or otherwise caused harm to any person.

4 **1.6** The Parties have entered into this Consent Judgment in order to settle, compromise,
5 and resolve disputed claims and thus avoid prolonged and costly litigation. Nothing in this Consent
6 Judgment shall constitute or be construed as an admission by any of the Parties, or by any of their
7 respective officers, directors, managers, shareholders, beneficial owners, employees, agents, parent
8 companies, subsidiaries, divisions, affiliates, franchises, licensees, customers, suppliers, distributors,
9 wholesalers, or retailers, of any fact, conclusion of law, issue of law, violation of law, fault,
10 wrongdoing, or liability, including without limitation, any admission concerning any alleged
11 violation of Proposition 65. This Consent Judgment shall not be offered or admitted as evidence in
12 any administrative or judicial proceeding or litigation in any court, agency or forum, except with
13 respect to an action seeking to enforce the terms of this Consent Judgment.

14 **1.7** Except as expressly set forth herein, nothing in this Consent Judgment shall prejudice,
15 waive, or impair any right, remedy, argument, or defense the Parties may have in any other or future
16 legal proceeding unrelated to these proceedings.

17 **1.8** The Effective Date of this Consent Judgment is the date on which it is entered as a
18 Judgment by this Court.

19 **2. JURISDICTION AND VENUE**

20 For purposes of this Consent Judgment only, the Parties stipulate that this Court has
21 jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction
22 over Isagenix as to the acts alleged in the Complaint, that venue is proper in Marin County, and that
23 this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims
24 that were or could have been asserted in this Action based on the facts alleged in the Notices of
25 Violation and the Complaint.

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

2 3.1 On and after the Effective Date, any Covered Products that Isagenix sells in
3 California, markets or distributes¹ for sale into California, or offers for sale to a third party for retail
4 sale to California must either: (1) qualify as a "Reformulated Covered Product" under Section 3.3
5 below, or (2) meet the warning requirements set out in Section 3.2.

6 3.2 **Clear and Reasonable Warnings**

7 If Isagenix provides a warning for Covered Products pursuant to Section 3.1, Isagenix shall
8 provide the following warning ("Warning")²:

9 [California Residents Proposition 65] **WARNING:** These products
10 contain chemicals known to the State of California to cause [cancer
11 and] birth defects or other reproductive harm.

12 The terms appearing in brackets are optional. Provided however, Isagenix shall be required to use the
13 term "cancer and" in the warning only if the maximum daily dose recommended on the label contains
14 more than 15 micrograms of lead as determined pursuant to Section 3.4.

15 Isagenix shall provide the Warning on at least one of the following: 1) on the container, cap, or
16 label of each Covered Product; 2) on Isagenix's checkout page on their website for California
17 consumers; 3) on Isagenix's insert in boxes of Covered Products shipped to California; or 4) on
18 Isagenix's packing list in boxes of Covered Products shipped to California.

19 For a Warning appearing on the checkout page, insert, or packing list, Isagenix shall identify
20 with an asterisk (or some other identifying method) each product to which the Warning applies and
21 Isagenix shall not include a Warning that does not identify (with an asterisk or some other identifying
22 method) the product to which the Warning applies.

23
24
25 ¹ As used in this Consent Judgment, the term "distributes for sale into California" shall mean
26 to directly ship a Covered Product into California for sale in California or to sell a Covered Product to
 a distributor that Isagenix knows will sell the Covered Product in California.

27 ² For a Warning appearing on the container, cap, or label of the Covered Product, a Warning
28 statement provided pursuant to Section 3.2 shall use the term "This product contains" in place of
 "These products contain."

1 Apart from the Warning, no additional statement regarding Proposition 65 or lead may be
2 stated within the same physical location as the Warning that appears on the checkout page, insert, or
3 packing list, as applicable. The preceding prohibition in this paragraph does not apply to a url
4 reference to a webpage.

5 For a Warning appearing on the container, cap, or label of the Covered Product, the Warning
6 shall be securely affixed to or printed upon the container, cap, or label of the Covered Product. The
7 Warning shall be displayed with such conspicuousness, as compared with other words, statements, or
8 design of the label, container or cap, as applicable, to render the Warning likely to be read and
9 understood by an ordinary individual under customary conditions of purchase or use of the product.
10 The Warning appearing on the label, container, or cap shall be at least the same size as the largest of
11 any other health or safety warnings correspondingly appearing on the label, container, or cap, as
12 applicable, of such product, and the word "WARNING" shall be in all capital letters and in bold
13 print.

14 If Isagenix provides the Warning in an insert, Isagenix shall provide one insert Warning for
15 each Covered Product in a box or one insert warning that lists all of the Covered Products in the box.
16 The insert Warning will be a minimum of 5 inches x 7 inches. If Isagenix provides the Warning in a
17 packing list, the packing list shall identify each Covered Product with an asterisk, and the Warning
18 must be present on the front of the packing list. An exemplar of a Warning in the packing list is
19 attached as Exhibit B.³ If a Warning is provided in an insert or packing list, the Covered Products
20 may be returned by the consumer for a refund within 30 days of the invoice date if the consumer
21 references the Warning as a reason for the return. If Isagenix provides the Warning in an insert, the
22 Warning must be present on the front of the insert.

23 3.3 Calculation of Lead Levels

24 For purposes of calculating lead content, Isagenix may exclude the sum of the amount of
25 lead supplied by the quantity of each ingredient listed in Table 1 that is present in the maximum
26

27 ³ This exemplar is not intended to bind Isagenix to the format or appearance shown in Exhibit
28 B; however, any Warning by Isagenix provided in the future on a packing list must comply with the
 applicable specifications set forth in Section 3.2.

1 daily serving recommended on the label of the Covered Product. For each ingredient, the amount
2 of lead that may be excluded in each ingredient in each Covered Product is set forth in Table 1. If
3 Isagenix uses this calculation, then Isagenix must submit to ERC, prior to the Effective Date, a
4 complete list showing all the ingredients, including ingredients from Table 1, that are being used in
5 a Covered Product, the percentage and amount in grams of each ingredient being used in the
6 overall Covered Product, and data that independently confirm the percentage of each ingredient in
7 the Covered Product using the maximum daily serving recommended by Isagenix. Isagenix may
8 update this list from time to time. Isagenix will be entitled to submit this information to ERC
9 confidentially. In the event that a dispute arises with respect to compliance with the terms of this
10 Consent Judgment as to any contribution from naturally occurring lead levels under this Section,
11 ERC and Isagenix shall employ good faith efforts to seek entry of a protective order that governs
12 access to and disclosure of the information provided confidentially by Isagenix to ERC in any
13 litigation or proceeding, before any such information is disclosed by ERC in connection with that
14 litigation or proceeding.

15 **TABLE 1**

16 INGREDIENT	NATURALLY OCCURRING AMOUNT OF
	LEAD
17 Calcium (elemental)	0.8 mcg lead per gram of elemental calcium
18 Ferrous Fumarate	0.4 mcg lead per gram of ferrous fumarate
19 Zinc Oxide	8.0 mcg lead per gram of zinc oxide
20 Magnesium Oxide	0.4 mcg lead per gram of magnesium oxide
21 Potassium Chloride	1.1 mcg lead per gram of potassium chloride
22 Cocoa powder	1.0 mcg lead per gram of cocoa powder

24
25 **3.3.1 Reformulated Covered Products**

26 A Reformulated Covered Product is one for which the maximum recommended daily serving
27 on the label contains no more than 0.5 micrograms of lead per day as determined by the quality
28 control methodology described in Section 3.4. As used in this Consent Judgment, "no more than 0.5

1 micrograms of lead per day” means that the samples of the testing performed by Isagenix under
2 Section 3.4 yield a daily exposure of no more than 0.5 micrograms of lead (with daily exposure
3 calculated pursuant to Section 3.4 of this Consent Judgment), after excluding levels of lead pursuant
4 to Section 3.3 and Table 1. For products that cause exposures in excess of 0.5 micrograms of lead per
5 day, Isagenix shall provide the warning set forth in Section 3.2. For purposes of determining whether
6 a Covered Product qualifies as a Reformulated Covered Product, the collective average result of the
7 five (5) randomly selected samples of the Covered Products will be controlling.

8 **3.4 Testing and Quality Control Methodology**

9 **3.4.1** For purposes of this Consent Judgment, daily lead exposure levels shall be
10 measured in micrograms, and shall be calculated using the following formula: micrograms of lead
11 per gram of product, multiplied by grams of product per serving of the product (using the largest
12 serving size appearing on the product label), multiplied by servings of the product per day (using the
13 largest number of servings in a recommended dosage appearing on the product label), which equals
14 micrograms of lead exposure per day, but excluding any naturally occurring levels as set forth in
15 Section 3.3 and Table 1.

16 **3.4.2** All testing pursuant to this Consent Judgment shall be performed using a
17 laboratory method that complies with the performance and quality control factors appropriate for the
18 method used including limit of detection, limit of qualification, accuracy, and precision and meets the
19 following criteria: Closed-vessel, microwave-assisted digestion employing high-purity reagents
20 followed by Inductively Coupled Plasma-Mass Spectrometry (ICP-MS) achieving a limit of
21 quantification of less than or equal to 0.010 mg/kg or any other testing method subsequently agreed
22 upon in writing by the Parties.

23 **3.4.3** All testing pursuant to this Consent Judgment shall be performed by an
24 independent third-party laboratory certified by the California Environmental Laboratory
25 Accreditation Program for the analysis of heavy metals or an independent third-party laboratory that
26 is approved by, accredited by, or registered with the United States Food & Drug Administration for
27 the analysis of heavy metals. Nothing in this Consent Judgment shall limit Isagenix’s ability to
28

1 conduct, or require that others conduct, additional testing of the Covered Products, including the raw
2 materials used in their manufacture.

3 3.4.4 For at least four consecutive years after the Effective Date and at least once per
4 year, Isagenix shall arrange for the lead testing of five (5) randomly selected samples of each Covered
5 Product in the form intended for sale to the end-user to be distributed or sold in California. Isagenix
6 shall continue testing so long as the Covered Products are sold in California or sold to a third party for
7 retail sale in California. If tests conducted pursuant to this Section demonstrate that no warning is
8 required for a Covered Product during each of four consecutive years, then the testing requirements of
9 this Section will no longer be required as to that Covered Product. However, if during or after the
10 four-year period, Isagenix changes ingredient suppliers for any of the Covered Products and/or
11 reformulates any of the Covered Products, Isagenix shall test that Covered Product at least once after
12 such change is made.

13 3.4.5 Upon written request by ERC, Isagenix shall provide to ERC all test results
14 and documentation of testing undertaken by Isagenix within ten (10) working days of receipt by
15 Isagenix of ERC's request. Isagenix shall retain all test results and documentation for a period of four
16 (4) years from the date of each test.

17 3.4.6 The requirements discussed in Section 3.4 are not applicable to any Covered
18 Product for which Isagenix has provided the warning as specified in Section 3.2.

19 4. SETTLEMENT PAYMENT

20 4.1 In full satisfaction of all potential civil penalties, payment in lieu of civil penalties,
21 attorney's fees and costs, Isagenix shall make a total payment of \$350,000 (Three Hundred Fifty
22 Thousand Dollars) by check within ten business days of receiving the Notice of Entry of this Consent
23 Judgment. Said payment shall be allocated as follows in Sections 4.1.1 through 4.1.3, which ERC
24 shall specify prior to its execution of this Consent Judgment.

25 4.1.1 \$87,000 shall be payable as civil penalties pursuant to California Health and
26 Safety Code section 25249.7(b)(1). Of this amount, \$65,250 shall be payable to the Office of
27 Environmental Health Hazard Assessment ("OEHHA") and \$21,750 shall be payable to
28 Environmental Research Center. California Health and Safety Code section 25249.12(c)(1) & (d).

1 Isagenix shall send both civil penalty payments to ERC's counsel who shall be responsible to forward
2 the civil penalty.

3 4.1.2 \$30,475 shall be payable to Environmental Research Center as reimbursement
4 to ERC for (A) reasonable costs associated with the enforcement of Proposition 65 and other costs
5 incurred as a result of work in bringing this action; and (B) \$171,072 shall be payable to
6 Environmental Research Center in lieu of further civil penalties, for activities such as: (1) continued
7 enforcement of Proposition 65, which includes analyzing, researching and testing consumer products
8 that may contain Proposition 65 chemicals; (2) the continued monitoring of past consent judgments
9 and settlements to ensure companies are in compliance with Proposition 65; and (3) ERC giving a
10 donation of \$8,550 to West County Toxics Coalition to address reducing toxic chemical exposures in
11 California.

12 4.1.3 \$39,645 shall be payable to Michael Freund as reimbursement of ERC's
13 attorney's fees. \$2,513 shall be payable to Karen Evans as reimbursement of ERC's attorney's fees.
14 \$19,295 shall be payable to Richard Drury as reimbursement of ERC's attorney's fees.

15 4.2 Isagenix shall mail or deliver the payments in this Section to the Law Office of
16 Michael Freund. Isagenix will be provided with taxpayer identification information to enable
17 Isagenix to process the payments.

18 5. MODIFICATION OF CONSENT JUDGMENT

19 5.1 This Consent Judgment may be modified only (i) by written stipulation of the Parties
20 or pursuant to Section 5.4 and (ii) upon entry by the Court of a modified consent judgment.

21 5.2 If Isagenix seeks to modify this Consent Judgment under Section 5.1, then Isagenix
22 shall provide written notice to ERC of its intent ("Notice of Intent"). If ERC seeks to meet and confer
23 regarding the proposed modification in the Notice of Intent, then ERC shall provide written notice to
24 Isagenix within thirty days of receiving the Notice of Intent. If ERC notifies Isagenix in a timely
25 manner of ERC's intent to meet and confer, then the Parties shall meet and confer in good faith as
26 required in this Section. The Parties shall meet in person or on the phone within thirty (30) days of
27 ERC's notification of its intent to meet and confer. Within thirty days of such meeting, if ERC
28 disputes the proposed modification, ERC shall provide to Isagenix a written factual basis for its

1 position. The Parties shall continue to meet and confer for an additional thirty (30) days in an effort to
2 resolve any remaining disputes. The Parties may agree in writing to different deadlines for the
3 meet-and-confer period.

4 **5.3** In the event Isagenix initiates or otherwise requests a modification under Section 5.1,
5 Isagenix shall reimburse ERC its reasonable attorney's fees for the time spent in the meet and confer
6 process and filing and arguing a joint motion or application in support of a modification of the
7 Consent Judgment as well as ERC's reasonable costs; provided, however, that these fees and costs
8 shall not exceed \$10,000 total without the prior written consent of Isagenix.

9 **5.4** Where the meet-and-confer process does not lead to a joint motion or application in
10 support of a modification of the Consent Judgment, then either Party may seek judicial relief on its
11 own. In such a situation, the prevailing Party may seek to recover costs and reasonable attorney's
12 fees. As used in the preceding sentence, the term "prevailing Party" means a Party who is successful
13 in obtaining relief more favorable to it than the relief that the other Party was amenable to providing
14 during the Parties' good faith attempt to resolve the dispute that is the subject of the modification.

15 **5.5** If Isagenix seeks to exclude naturally-occurring lead in its calculation of overall lead
16 content for any of the Covered Products, during the meet-and-confer process, then Isagenix shall
17 provide to ERC a complete list of all ingredients and corresponding percentages of each ingredient
18 within each Covered Product, including data that independently confirm the percentage of such
19 ingredient being used in each Covered Product, and any other data that independently supports
20 Isagenix's contention that the lead it seeks to exclude is naturally occurring. Isagenix is entitled to
21 submit to ERC documentation pursuant to this Section which ERC will keep confidential.

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

23 **6.1** This Court shall retain jurisdiction of this matter to enforce, modify or terminate this
24 Consent Judgment pursuant to Section 664.6 of the California Code of Civil Procedure.

25 **6.2** Only after it complies with Section 14 below may any Party, by motion or application
26 for an order to show cause filed with this Court, enforce the terms and conditions contained in this
27 Consent Judgment.
28

1 6.3 If ERC alleges that any Covered Product fails to qualify as a Reformulated Covered
2 Product (and for which ERC alleges that no warning has been provided), then ERC shall inform
3 Isagenix in a reasonably prompt manner of its test results, including information sufficient to permit
4 Isagenix to identify the Covered Products at issue. Isagenix shall, within thirty days following
5 Isagenix's receipt of such notice, provide ERC with testing information demonstrating Isagenix's
6 compliance with the Consent Judgment, if warranted. The Parties shall first attempt to resolve the
7 matter prior to ERC taking any further legal action pursuant to Section 14.

8 **7. APPLICATION OF CONSENT JUDGMENT**

9 This Consent Judgment may apply to, be binding upon and benefit the Parties, and their
10 respective officers, directors, managers, shareholders, beneficial owners, employees, agents, parent
11 companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers, (excluding private
12 labelers), distributors, wholesalers, retailers, predecessors, successors and assigns and ERC on its
13 own behalf and in the public interest as set forth in Section 8. This Consent Judgment shall have no
14 application to Covered Products which are both (i) manufactured, distributed, or sold outside the State
15 of California, and (ii) are not used by California consumers.

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

17 8.1 This Consent Judgment is a full, final, and binding resolution between ERC, on behalf
18 of itself and in the public interest, and Isagenix, of any alleged violation of Proposition 65 or its
19 implementing regulations for failure to provide Proposition 65 warnings of exposure to lead from the
20 handling, use or consumption of the Covered Products, and this Consent Judgment fully and finally
21 resolves all claims that have been or could have been asserted in this action up to and including the
22 date of entry of Judgment for failure to provide Proposition 65 warnings for exposure to lead from the
23 Covered Products. ERC, on behalf of itself, its agents, officers, representatives, attorneys, successors
24 and/or assignees, and on behalf of the general public in the public interest, hereby waives all rights to
25 institute or participate in any form of legal action and releases and discharges Isagenix and its
26 respective officers, directors, managers, shareholders, beneficial owners, employees, agents, parent
27 companies, subsidiaries, divisions, affiliates, suppliers, franchisees, licensees, customers, (not
28 including private label customers of Isagenix), distributors, wholesalers, retailers, and all other

1 upstream and downstream entities in the distribution chain down to any Covered Product, and the
2 predecessors, successors and assigns of any of them (collectively, "Released Parties"), from any and
3 all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs and
4 expenses (collectively "Claims") asserted, or that could have been asserted, as to any alleged
5 violation of Proposition 65 arising from Isagenix's alleged failure to provide Proposition 65 warnings
6 for the Covered Products for any alleged exposures to lead.

7 8.2 ERC, on behalf of itself only, hereby waives all rights to participate in any form of
8 legal action and releases and discharges the Released Parties from, any and all known and unknown
9 Claims for alleged violations of Proposition 65, or for any other statutory or common law, arising
10 from alleged exposures to lead in the Covered Products as set forth in the Notices of Violations and
11 the Complaint. It is possible that other claims not known to the Parties arising out of the facts alleged
12 in the Notices of Violation or the Complaint and relating to the Covered Products will develop or be
13 discovered. ERC, on behalf of itself only, acknowledges that this Consent Judgment is expressly
14 intended to cover and include all such claims, including all rights of action therefor. ERC has full
15 knowledge of the contents of California Civil Code section 1542. ERC, on behalf of itself only,
16 acknowledges that the claims released in Section 8.1 and 8.2 above may include unknown claims, and
17 nevertheless waives California Civil Code section 1542 as to any such unknown claims. California
18 Civil Code section 1542 reads as follows:

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

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

1 8.3 Compliance with the terms of this Consent Judgment shall be deemed to constitute
2 compliance by any Released Party with Proposition 65 regarding alleged exposures to lead in the
3 Covered Products.

4 8.4 ERC, on one hand, and Isagenix, on the other hand, release and waive all claims they
5 may have against each other for any statements or actions made or undertaken by them in connection
6 with the Notices of Violation or the Complaint; provided, however, that nothing in Section 8 shall
7 affect or limit any Party's right to seek to enforce the terms of this Consent Judgment.

8 **9. SEVERABILITY OF UNENFORCEABLE PROVISIONS**

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

11 **10. GOVERNING LAW**

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

14 **11. PROVISION OF NOTICE**

15 All notices required to be given to either Party to this Consent Judgment by the other shall be
16 in writing and sent to the following agents listed below by: (a) first-class, registered, or certified mail;
17 (b) overnight courier; or (c) personal delivery. Courtesy copies via email may also be sent.

18 **FOR ENVIRONMENTAL RESEARCH CENTER:**

19 Chris Heptinstall, Executive Director
20 Environmental Research Center
21 3111 Camino del Rio North, Suite 400
22 San Diego, CA 92108

23 With a copy to:

24 Michael Bruce Freund
25 Law Offices of Michael Freund
26 1919 Addison Street, Suite 105
27 Berkeley, CA 94704
28 Telephone: (510) 540-1992
 Facsimile: (510) 540-5543

 Karen Evans
 Coordinating Counsel
 Environmental Research Center

1 4218 Biona Place
2 San Diego, CA 92116
3 Telephone: (619) 640-8100

4 **FOR ISAGENIX INTERNATIONAL, LLC**

5 Richard Stagg
6 Vice President and General Counsel
7 2225 S. Price Road
8 Chandler, AZ 85286 USA

9 With a copy to:

10 Sarah Esmaili (State Bar No. 206053)
11 Trenton H. Norris (State Bar No. 164781)
12 Three Embarcadero Center, 7th Floor
13 San Francisco, CA 94111
14 Telephone: (415) 471-3100
15 Facsimile: (415) 471-3400

16 **12. COURT APPROVAL**

17 **12.1** If this Stipulated Consent Judgment is not approved by the Court, it shall be void and
18 have no force or effect.

19 **12.2** ERC shall comply with California Health and Safety Code section 25249.7(f) and with
20 Title II of the California Code Regulations, Section 3003.

21 **13. EXECUTION AND COUNTERPARTS**

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

25 **14. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES**

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

1 **15. ENTIRE AGREEMENT, AUTHORIZATION**

2 **15.1** This Consent Judgment contains the sole and entire agreement and understanding of
3 the Parties with respect to the entire subject matter hereof, and any and all prior discussions,
4 negotiations, commitments and understandings related hereto. No representations, oral or otherwise,
5 express or implied, other than those contained herein have been made by any Party. No other
6 agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to exist or to
7 bind any Party.

8 **15.2** Each signatory to this Consent Judgment certifies that he or she is fully authorized by
9 the Party he or she represents to stipulate to this Consent Judgment. Except as explicitly provided
10 herein, each Party shall bear its own fees and costs.

11
12 **16. REQUEST FOR FINDINGS, APPROVAL OF SETTLEMENT AND ENTRY OF
 CONSENT JUDGMENT**

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

- 16 (1) Find that the terms and provisions of this Consent Judgment represent a fair and
17 equitable settlement of all matters raised by the allegations of the Complaint, that the
18 matter has been diligently prosecuted, and that the public interest is served by such
19 settlement; and
20 (2) Make the findings pursuant to California Health and Safety Code section
21 25249.7(f)(4), approve the Settlement and approve this Consent Judgment.

22 **IT IS SO STIPULATED:**

23
24 Dated: 7/16, 2013

ENVIRONMENTAL RESEARCH
CENTER

25
26 By: 
27 Chris Hepinstall, Executive Director

1 Dated: July 16, 2013

ISAGENIX INTERNATIONAL, LLC

2 By: Scott Luther
3 Scott Luther, Chief Operating Officer

4 **APPROVED AS TO FORM:**

5
6 Dated: _____, 2013

LAW OFFICE OF MICHAEL FREUND

7 By: _____
8 Michael Freund
9 Attorney for Plaintiff
Environmental Research Center

10 Dated: July 17, 2013

ARNOLD & PORTER LLP

11 By: Sarah Esmaili
12 Sarah Esmaili
13 Attorney for Defendant
Isagenix International, LLC

14 **JUDGMENT**

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

17
18 Dated: _____, 2013

19 _____
Judge of the Superior Court

1 Dated: _____, 2013

ISAGENIX INTERNATIONAL, LLC

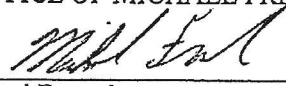
2 By: _____

3 Print Name: _____

4 APPROVED AS TO FORM:

5
6 Dated: 7/16, 2013

LAW OFFICE OF MICHAEL FREUND

8 By: 

9 Michael Freund
10 Attorney for Plaintiff
Environmental Research Center

11 Dated: _____, 2013

ARNOLD & PORTER LLP

12 By: _____

13 Sarah Esmaili
14 Attorney for Defendant
Isagenix International, LLC

15 **JUDGMENT**

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

18
19 Dated: _____, 2013

20 _____
Judge of the Superior Court

EXHIBIT A
NOTICES OF VIOLATION

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EXHIBIT A

MICHAEL FREUND
ATTORNEY AT LAW
1915 ADDISON STREET
BERKELEY, CALIFORNIA 94704-1101

TEL 510/540-1992
FAX 510/540-5543
EMAIL FREUND1@AOL.COM

June 29, 2010

Re: Notice of Violation Against Isagenix International for Violation of California Health & Safety Code Section 25249.6

Dear Prosecutors:

I represent the Environmental Research Center ("ERC"), a non-profit California corporation whose mission is to safeguard the public from health hazards that impact families, workers and the environment. ERC is dedicated to reducing the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees and encouraging corporate responsibility. ERC is located at 5694 Mission Center Road, # 199, San Diego, CA 92108. Through this Notice of Violation, ERC seeks to reduce exposure to the public from lead contained in the named products manufactured and distributed by Isagenix International.

This letter constitutes notification that Isagenix International located at 2225 S. Price Road, Chandler, AZ 85286 has violated the warning requirement of Proposition 65, the Safe Drinking Water and Toxic Enforcement Act (commencing with section 25249.5 of the Health and Safety Code).

In particular, this company has manufactured and distributed products which have exposed and continue to expose numerous individuals within California to lead. Lead was listed pursuant to Proposition 65 as a chemical known to cause developmental toxicity, and male and female reproductive toxicity on February 27, 1987. Lead was listed pursuant to Proposition 65 as a carcinogen on October 1, 1992. The time period of these violations commenced one year after the listed dates above. The primary route of exposure has been oral through ingestion.

Isagenix International is exposing people to lead from the following products: Fiber Pro; Isagenix Greens; Antioxidants; Natural Accelerator; IsaFruits; IsaLean Shake - Natural Creamy Chocolate; Cleanse for Life; - Tropical Berry; and Ionix Supreme.

Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to certain listed chemicals. Isagenix International is in violation of Proposition 65 because the company failed to provide a warning to persons using their products that they are being exposed to lead. (22 C.C.R. section 12601.) While in the course of doing business, the company is knowingly and intentionally exposing people to lead, without first providing clear and reasonable warning. (Health and Safety Code section 25249.6.) The method of warning should be a warning that appears on the product's label. 22 C.C.R. section 12601 (b)(1) (A).

Proposition 65 requires that notice and intent to sue be given to a violator 60-days before the suit is filed. With this letter, ERC gives notice of the alleged violation to the noticed party and

the appropriate governmental authorities. This notice covers all violations of Proposition 65 that are currently known to ERC from 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, and referenced as Appendix A, has been provided to the noticed party.

Based on the allegations set forth in this Notice, ERC intends to file a citizen enforcement action against Isagenix International unless the company agrees in an enforceable written instrument to: (1) reformulate these products so as to eliminate further lead exposures; and (2) pay an appropriate civil penalty. Consistent with the public interest goals of Proposition 65 and my client's objectives in pursuing this Notice, ERC will focus its efforts in seeking a constructive resolution of this matter. Such resolution will avoid both further unwarned consumer exposures to lead and expensive and time-consuming litigation.

If you have any questions, please contact my office at your earliest convenience.

Sincerely,



Michael Freund

cc: Chris Heptinstall, ERC
Karen Evans, Esq. ERC

the appropriate governmental authorities. This notice covers all violations of Proposition 65 that are currently known to ERC from 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, and referenced as Appendix A, has been provided to the noticed party.

Based on the allegations set forth in this Notice, ERC intends to file a citizen enforcement action against Isagenix International unless the company agrees in an enforceable written instrument to: (1) reformulate these products so as to eliminate further lead exposures; and (2) pay an appropriate civil penalty. Consistent with the public interest goals of Proposition 65 and my client's objectives in pursuing this Notice, ERC will focus its efforts in seeking a constructive resolution of this matter. Such resolution will avoid both further unwarned consumer exposures to lead and expensive and time-consuming litigation.

If you have any questions, please contact my office at your earliest convenience.

Sincerely,



Michael Freund

cc: Chris Heptinstall, ERC
Karen Evans, Esq. ERC

CERTIFICATE OF MERIT

Health and Safety Code Section 25249.7 (d)

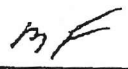
I, Michael Freund hereby declare:

1. This Certificate of Merit accompanies the Notice of Violation in which it is alleged that the party identified in the Notice has violated Health and Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
2. I am the attorney for the noticing party Environmental Research Center ("ERC"). ERC is dedicated to reducing the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees and encouraging corporate responsibility. The Notice of Violation alleges that the party identified has exposed persons in California to lead from products that it manufactures and distributes. Please refer to the Notice of Violation for additional details regarding the alleged violations.
3. I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the alleged exposure to the listed chemical that is the subject of the action. In particular, I have consulted with the laboratory that conducted the testing to determine the concentration of lead in the products identified in the Notice of Violation and I have relied on the testing results. The testing was conducted by a reputable testing laboratory with substantial experience in testing for lead. These facts, studies or other data derived through this investigation overwhelmingly demonstrate that the party identified in the Notice of Violation exposes persons to lead through oral exposure (ingestion).
4. Based on my consultation with the laboratory, the results of the laboratory testing, as well as published studies on lead, it is clear that there is sufficient evidence that human

exposures exist from exposure to the products from the noticed party. Furthermore, as a result of the above, I have concluded that 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 the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute.

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

Dated: June 27, 2010



Michael Freund
Attorney for Environmental Research Center

CERTIFICATE OF SERVICE

I am a citizen of the United States and a resident of the County of Alameda. I am over the age of eighteen years and not a party to the within entitled action; my business address is 1915 Addison Street, Berkeley, California 94704. On June 29, 2010 I served the within:

Notice of Violation and Certificate of Merit (Supporting documentation pursuant to 11 CCR section 3102 sent to Attorney General only)

on the parties in said action, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States Post Office mail box in Oakland, California to said parties addressed as follows:

See Attached Service List

I, Michael Freund, declare under penalty of perjury that the foregoing is true and correct.

Executed on June 29, 2010 at Berkeley, California.



Michael Freund

5 1 3 0
District Attorney of Alameda County
1225 Fallon Street, Room 900
Oakland, CA 94612

District Attorney of Glenn County
PO Box 430
Willows, CA 95988

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

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

District Attorney of Kings County
1400 West Lacey
Hanford, CA 93239

District Attorney of Mono County
PO Box 617
Bridgeport, CA 93517

District Attorney of Contra Costa
County
627 Ferry Street
Martinez, CA 94553

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

District Attorney of Mariposa County
PO Box 730
Mariposa, CA 95338

District Attorney of Alpine County
PO Box 248
Markleeville, CA 96120

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

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

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

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

District Attorney of Mendocino County
PO Box 1000
Ukiah, CA 95482

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

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

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

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

District Attorney of Inyo County
PO Drawer D
Independence, CA 93526

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

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

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

District Attorney of Nevada County
110 Union Street
Nevada City, CA 95959-2503

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

District Attorney of Madera County
209 West Yosemite Ave.
Madera, CA 93637

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

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

District Attorney of Kern County
1215 Truxtun Ave.
Bakersfield, CA 93301

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

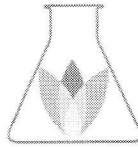
San Diego City Attorney's Office
1200 3rd Ave. # 1620
San Diego, CA 92101

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

California Attorney General's Office
Attn: Proposition 65 Coordinator
1515 Clay Street, Suite 2000
PO Box 70550
Oakland, CA 94612

Karen A. Evans, General Counsel
Environmental Research Center
Law Office of Karen A. Evans.
4218 Biona Place
San Diego, CA 92116

John Anderson
Isagenix International
2225 S. Price Road
Chandler, AZ 85286



Environmental Research Center

5694 Mission Center Road #199
San Diego, CA 92108
619.309.4194

November 23, 2010

VIA CERTIFIED MAIL

Current President or CEO
Isagenix International, LLC
2225 S Price Rd
Chandler, AZ 85248

CT Corporation System
(Isagenix International, LLC's Registered
Agent for Service of Process)
2394 E. Camelback Road
Phoenix, AZ 85016

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

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 name of the Company covered by this Notice that violated Proposition 65 is:

Isagenix International, LLC

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

Isagenix International LLC Isalean Shake- French Vanilla 30.10 oz - Lead
Isagenix International LLC Isalean Shake- Rich Chocolate 30.10 oz - Lead
Isagenix International LLC Isalean Shake- Natural Creamy Vanilla 30.10 oz - 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 Isagenix 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 Isagenix 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 Company with a copy of this letter.

Isagenix International, LLC has 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. Isagenix International, LLC violated Proposition 65 because the Company has 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 Isagenix International, LLC agrees 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 Isagenix International, LLC and its Registered Agent for Service of Process only)
Additional Supporting Information for Certificate of Merit (to AG only)

CERTIFICATE OF MERIT

Re: Environmental Research Center's Notice of Proposition 65 Violations by Isagenix 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: November 23, 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 November 23, 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 President or CEO
Isagenix International, LLC
2225 S Price Rd
Chandler, AZ 85248

CT Corporation System
(Isagenix International, LLC's Registered
Agent for Service of Process)
2394 E. Camelback Road
Phoenix, AZ 85016

On November 23, 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

On November 23, 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 November 23, 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



Environmental Research Center

5694 Mission Center Road #199
San Diego, CA 92108
619.309.4194

December 23, 2010

VIA CERTIFIED MAIL

Current President or CEO
Isagenix International, LLC
2225 S Price Rd
Chandler, AZ 85248

CT Corporation System
(Isagenix International, LLC's Registered
Agent for Service of Process)
2394 E. Camelback Road
Phoenix, AZ 85016

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

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 name of the Company covered by this Notice that violated Proposition 65 is:

Isagenix International, LLC

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

Isagenix International LLC IsaFlush! 60 Capsules - 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 Isagenix 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 Isagenix 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 Company with a copy of this letter.

Isagenix International, LLC has 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. Isagenix International, LLC violated Proposition 65 because the Company has 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 Isagenix International, LLC agrees 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 Isagenix International, LLC and its Registered Agent for Service of Process only)
Additional Supporting Information for Certificate of Merit (to AG only)

CERTIFICATE OF MERIT

Re: Environmental Research Center's Notice of Proposition 65 Violations by Isagenix 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: December 23, 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 December 23, 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 President or CEO
Isagenix International, LLC
2225 S Price Rd
Chandler, AZ 85248

CT Corporation System
(Isagenix International, LLC's Registered
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2394 E. Camelback Road
Phoenix, AZ 85016

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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 December 23, 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 December 23, 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.*
December 23, 2010
Page 6

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

EXHIBIT B

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601 S. 54th St, Suite 35
Chandler, AZ 85226, USA
Phone: 480-889-5777



Associate:
Sarah Esmaili
Three Embarcadero Center, 7th Floor
San Francisco CA 94111

Packing List #: TEST0001

Ship To:
Sarah Esmaili
Three Embarcadero Center, 7th Floor
San Francisco CA 94111

Page 1 of 1

Isagenix Id	Order Date	Invoice #	Ship Method	Weight	Sales Type	Internal #
	11-Jul-13	TEST0001	ONTRAC	1.0	TST	0003727887
Location	Order Qty	Description	Internal Sku	Ship Qty	Internal Use	
11052F	1	IsaFruits Canister - 30 serv *	351505	1		

*** California Residents Proposition 65 WARNING:** These products contain chemicals known to the State of California to cause birth defects or other reproductive harm. For more information, please see IsaProp65.com

Print Date: Thursday, July 11, 2013

Pick Ticket # 0003727887

Wave Key: 0000085833



TEST0001
ONTRAC

Ship To:

Sarah Esmaili
Three Embarcadero Center, 7th Floor
San Francisco CA 94111

Internal # 0003727887

11-Jul-13

