1 2 3	WILLIAM F. WRAITH, SBN 185927 WRAITH LAW 16485 Laguna Canyon Rd., Suite 250 Irvine, California 92618 Tel: (949) 251-9977 Fax: (949) 251-9978			
4 5	Attorneys for Plaintiff Environmental Research Center			
6 7 8 9	PAUL S. ROSENLUND, SBN 87660 MICHAEL L. REITZELL, SBN 215272 DUANE MORRIS LLP Spear Tower One Market Plaza, Suite 2200 San Francisco, CA 94105-1127 Tel: (415) 957-3000 Fax: (415) 957-3001			
10 11	Attorneys for Defendants ECONET, INC. and UNIVERA, INC.			
11 12 13	SUPERIOR COURT OF CALIFORNIA COUNTY OF ORANGE, CENTRAL JUSTICE CENTER			
<ol> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> <li>23</li> <li>24</li> <li>25</li> </ol>	ENVIRONMENTAL RESEARCH CENTER, a California non-profit corporation, Plaintiffs, vs. ECONET, INC., UNIVERA, INC., and DOES 1-50, Inclusive, Defendants. 1. INTRODUCTION 1.1 This Action arises out of the	<ul> <li>Case No.: 30-2012-00606434-CU-MC-CJC</li> <li>Judge: David T. McEachen</li> <li>[PROPOSED] STIPULATED CONSENT JUDGMENT; [PROPOSED] ORDER</li> <li>[Health &amp; Safety Code § 25249.5, et seq.]</li> <li>Action Filed: October 19, 2012</li> </ul>		
25		alleged violations of California's Safe Drinking		
26		California Health and Safety Code Section 25249.5		
27		red to as "Proposition 65") regarding the following		
28	products (hereinafter collectively the "Cove	red Products" or "Covered Product" to refer to a		
		-1-		
	[PROPOSED] STIPULATED CONSENT JUDGMENT			

1	single product):		
2	1) Solanyx Night		
3	2) Solanyx Day		
4	3) Univera Inc. Bone & Joint		
5	4) Univera Inc. Super Immune		
6	5) Univera Inc. MetaGreens (Capsule)		
7	6) Univera Inc. Florasterol		
8	7) Univera Inc. MetaGreens (Powder)		
9	8) Univera Inc. RegeniCARE Ultimate Joint Care Formula Lemon Flavored		
10	<b>1.2</b> Plaintiff Environmental Research Center, Inc. ("ERC") is a California non-profit		
11	corporation acting as a private enforcer of Proposition 65 that asserts it is dedicated to, among		
12	other causes, helping safeguard the public from health hazards by reducing the use and misuse of		
13	hazardous and toxic chemicals, facilitating a safe environment for consumers and employees,		
14	and encouraging corporate responsibility. ERC brings this Action in the public interest pursuant		
15	to California Health and Safety Code Section 25249.7.		
16	<b>1.3</b> Defendant UNIVERA, INC. is a Delaware Corporation and at all relevant times		
17	for purposes of this Consent Judgment, employed ten or more persons, and is a "person in the		
18	course of doing business" within the meaning of Proposition 65. UNIVERA, INC. manufactures,		
19	distributes and sells the Covered Products, and is referred to herein as Defendant or as		
20	UNIVERA.		
21	<b>1.4</b> ECONET, INC. asserts it is a parent company that does not manufacture, produce,		
22	market, sell, or distribute the Covered Products.		
23	<b>1.5</b> ERC and UNIVERA are hereinafter sometimes referred to individually as a		
24	"Party" or collectively as the "Parties."		
25	<b>1.6</b> On January 6, 2012, pursuant to California Health and Safety Code Section		
26	25249.7(d)(1), ERC served a Notice of Violations of Proposition 65 ("Notice of Violations") on		
27	the California Attorney General, other public enforcers, and Defendant. A true and correct copy		
28	of the Notice of Violations is attached hereto as Exhibit A.		
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	[PROPOSED] STIPULATED CONSENT JUDGMENT		

1.7 After more than sixty (60) days passed since service of the Notice of Violations, and no designated governmental agency filed a complaint against Defendant with regard to the 3 Covered Products or the alleged violations, ERC filed the Complaint in this Action (the 4 "Complaint") for injunctive relief and civil penalties. The Complaint is based on the allegations in the Notice of Violations.

1.8 The Complaint and the Notice of Violations each allege that Defendant 6 7 manufactured, distributed, and/or sold in California the Covered Products, which contain lead, a 8 chemical listed under Proposition 65 as a carcinogen and reproductive toxin, and expose 9 consumers at a level requiring a Proposition 65 warning. They further allege that use of the 10 Covered Products exposes persons in California to lead without first providing clear and 11 reasonable warnings, in violation of California Health and Safety Code Section 25249.6. 12 Defendant denies all material allegations of the Notice of Violation and the Complaint, asserts 13 numerous affirmative defenses, and specifically denies that the Covered Products require a 14 Proposition 65 warning or otherwise cause harm to any person.

15 1.9 The Parties enter into this Consent Judgment in order to settle, compromise and 16 resolve disputed claims and avoid prolonged and costly litigation. Nothing in this Consent 17 Judgment, nor compliance with its terms, shall constitute or be construed as an admission by any 18 of the Parties, or by any of their respective officers, directors, shareholders, employees, agents, 19 parent companies, subsidiaries, divisions, affiliates, suppliers, franchisees, licensees, distributors, 20 wholesalers, or retailers, of any fact, conclusion of law, issue of law, violation of law, fault, 21 wrongdoing, or liability, including without limitation, any admission concerning any alleged 22 violation of Proposition 65. Except as expressly set forth herein, nothing in this Consent 23 Judgment shall prejudice, waive, or impair any right, remedy, argument, or defense the Parties 24 may have in any other or future legal proceeding unrelated to these proceedings. However, 25 nothing in this Section shall affect the enforceability of this Consent Judgment.

26 1.10 The "Effective Date" of this Consent Judgment shall be the date this Consent 27 Judgment is entered by the Court.

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#### 2. JURISDICTION AND VENUE

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the subject matter of this Action and personal jurisdiction over the Parties, that 4 venue is proper in this Court, and that this Court has jurisdiction to enter this Consent Judgment pursuant to the terms set forth herein.

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### 3. INJUNCTIVE RELIEF, REFORMULATION, TESTING, AND WARNINGS

7 3.1 Beginning on April 1, 2014, Defendant shall be permanently enjoined from 8 manufacturing for sale in California, directly selling to a consumer in California or "Distributing 9 into California" any of the Covered Products for which the maximum daily dose recommended 10 on the label contains more than 0.5 micrograms of lead, unless such Covered Product complies 11 with the warning requirements in Section 3.3 or qualifies as a "Reformulated Covered Product" pursuant to Section 3.4. "Distributing into California" and "Distribute into California" mean to 12 13 ship any of the Covered Products to a California address for sale or consumption in California or to sell any of the Covered Products to a distributor that Defendant knows will sell the Covered 14 15 Product in California.

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3.2

#### **Calculation of Lead Levels**

17 As used in this Consent Judgment, lead levels are calculated pursuant to the testing 18 protocol described in Section 3.5. For purposes of measuring the lead, the highest lead detection 19 result of the 5 randomly selected samples of the Covered Products will be controlling.

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#### 3.3 **Clear and Reasonable Warnings**

21 For those Covered Products that are subject to the warning requirement of Section 3.1, 22 UNIVERA shall provide the following warning:

23 24

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

25 The text in brackets in the warning above is optional, except that the term "cancer" must 26 be included only if the maximum daily dose recommended on the label contains more than 15 27 micrograms of lead.

28 /// The warning shall be prominently affixed to or printed upon the product's label of the
 Covered Product so as to be clearly conspicuous, as compared with other statements or designs
 on the label as to render it likely to be read and understood by an ordinary purchaser or user of
 the product. If the warning is displayed on the product's label, it shall be at least the same size as
 the largest of any other health or safety warnings on the product and the word "WARNING"
 shall be in all capital letters and in bold print.

For any products sold via a website, the warning shall appear on the checkout page on the
website for Covered Products being shipped to a California address.

9 Defendants shall not provide any other statements to accompany the Warning, but
10 UNIVERA may refer customers to its company website and provide any information separately
11 on its website.

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#### **3.4** Reformulated Covered Products.

13 A Reformulated Covered Product is one for which the maximum recommended daily14 serving on the label contains no more than 0.5 micrograms of lead per day.

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#### 3.5 Testing and Quality Control Methodology

(a) Beginning within one year of the Effective Date, UNIVERA shall test five
randomly selected samples of each of the Covered Products that UNIVERA intends to sell in
California (in the form intended for sale to the end-user) for lead content. The testing
requirement does not apply to any of the Covered Products for which Defendants have provided
the warning specified in Section 3.3.

(b) Testing for lead shall be performed using Inductively Coupled Plasma-Mass
Spectrometry ("ICP-MS") or any other testing method of comparable accuracy and reliability
that UNIVERA may select and as agreed upon by the Parties. UNIVERA may perform this
testing itself only if it provides in an attachment to the test results UNIVERA provides to ERC,
proof that its laboratory meets the requirements in 3.5(c). Otherwise, UNIVERA must use a
third party.

(c) All testing pursuant to this Consent Judgment shall be performed by a laboratory
certified by the California Environmental Laboratory Accreditation Program or a laboratory that

is registered with the United States Food & Drug Administration for the analysis of heavy 1 2 metals.

3 (d) UNIVERA shall retain all test results and documentation for a period of four 4 years from the date of the test. UNIVERA shall provide copies of the test results to ERC upon 5 ERC's request within 21 days of receipt of the request.

6 (e) UNIVERA shall test each of the Covered Products at least once a year for a 7 minimum of four consecutive years by testing five randomly selected samples of each Covered 8 Product which Defendant intends to sell or is manufacturing for sale in California, directly 9 selling to a consumer in California, or "Distributing into California." If tests conducted pursuant 10 to this Section demonstrate that no warning is required for a Covered Product during each of four 11 consecutive years, then the testing requirements of this Section will no longer be required as to 12 that Covered Product. However, if during or after the four year period, Defendant changes 13 ingredient suppliers for any of the Covered Products and/or reformulate any of the Covered 14 Products, Defendant shall test that Covered Product annually for at least four consecutive years 15 after such change is made.

16 (f) For purposes of this Consent Judgment, daily lead exposure levels shall be 17 measured in micrograms, and shall be calculated using the following formula: Micrograms of 18 lead per gram of product, multiplied by grams per serving of the product (using the largest 19 serving size appearing on the product label), multiplied by servings of the product per day (using 20 the largest number of servings in the recommended dosage appearing on the product label). 21 which equals micrograms of lead exposure per day.

22 3.6 Covered Products manufactured or shipped to a consumer, retailer or other third party prior to the Effective Date are not subject to the reformulation, testing or warning 23 obligations of this Consent Judgment. On the Effective Date, UNIVERA shall provide ERC with 24 the last lot number and expiration date for each of the Covered Products that are subject to this 25 Section 3.6. 26

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#### 4. SETTLEMENT PAYMENT

4.1 Defendants shall make a total payment of \$75,000.00 within 10 business days of
the Effective Date, which shall be in full and final satisfaction of all potential civil penalties,
payment in lieu of civil penalties, and attorney's fees and costs. The payment will be sent to
counsel for ERC, William F. Wraith, Wraith Law, 16485 Laguna Canyon Road, Suite 250,
Irvine, California, 92618. The payment shall be apportioned as follows:

4.2 \$12,360.00 as civil penalties pursuant to California Health and Safety Code
Section 25249.7(b)(1). Of this amount, \$9,270.00 shall be payable to the Office of
Environmental Health Hazard Assessment ("OEHHA"), and \$3,090.00 shall be payable to ERC.
(Cal. Health & Safety Code § 25249.12(c)(1) & (d)). ERC's counsel will forward the civil
penalty to OEHHA.

4.3 \$20,384.00 payable to ERC as reimbursement to ERC for reasonable costs
associated with the enforcement of Proposition 65 and other costs incurred as a result of work in
bringing this Action.

4.4 \$18,541.05 payable to ERC in lieu of further civil penalties, for the day-to-day
business activities such as (1) continued enforcement of Proposition 65, which includes work,
analyzing, researching and testing consumer products that may contain Proposition 65 chemicals,
focusing on the same or similar type of ingestible products that are the subject matter of the
current action; (2) the continued monitoring of past consent judgments and settlements to ensure
companies are complying with Proposition 65; and (3) giving a donation of \$927.00 to the
Center for Environmental Health to address reducing toxic chemical exposures in California.

4.5 \$23,152.45 payable to William F. Wraith as reimbursement of ERC's attorney's
fees and attorney's costs.

4.6 \$562.50 payable to Karen Evans as reimbursement of ERC's attorney's fees and
attorney's costs.

26 5. RETENTION OF JURISDICTION

27 This Court shall retain jurisdiction of this matter to enforce, modify, or terminate this28 Consent Judgment.

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[PROPOSED] STIPULATED CONSENT JUDGMENT

#### 6. MODIFICATION OF CONSENT JUDGMENT

This Consent Judgment after its entry by the Court may be modified by the Parties only 3 as follows: (1) upon written agreement of the Parties and upon entry of a modified Consent 4 Judgment by the Court based on such a written agreement of the Parties; or (2) should there be 5 an amendment to Proposition 65 or should the Office of Environmental Health Hazard Assessment ("OEHHA") promulgate regulations that establish a Maximum Allowable Dose 6 7 Level for lead that is more or less stringent than 0.5 micrograms per day, this Consent Judgment 8 shall be deemed modified by the Parties on the date the amendment becomes effective or the 9 regulations become effective to incorporate the amendment or new standard into this Consent 10 Judgment. In the event of an agreed upon modification by the Parties, each party will bear its 11 own attorney's fees and costs.

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## 7. ENFORCEMENT OF CONSENT JUDGMENT; GOOD FAITH ATTEMPT TO RESOLVE DISPUTES

14 In the event a dispute arises with respect to any Party's compliance with the terms and/or 15 conditions of this Consent Judgment after its entry by the Court, the Party seeking compliance of 16 another Party shall make a good faith attempt to resolve the dispute by conferring with the other 17 Party in person, by telephone or by written communication before seeking relief from the Court. 18 If the dispute is not resolved after such an attempt, this Consent Judgment may be enforced in 19 this Court pursuant to any valid provision of the law. The prevailing party in any such dispute 20 brought to this Court for resolution shall be awarded all reasonable costs and attorney's fees. As 21 used in the preceding sentence, the term "prevailing party" means a party who is successful in 22 obtaining relief more favorable to it than the relief the other party was agreeable to providing 23 during the Parties' good faith attempt to resolve the dispute that is the subject of such an 24 enforcement proceeding.

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#### 7. BINDING EFFECT, CLAIMS COVERED AND RELEASED

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#### 7.1 Release

ERC acting on its own behalf and in the public interest releases UNIVERA and all other persons named in the Notice, each person that has distributed or sold Covered Products provided

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1 directly or indirectly by UNIVERA or other person named in the Notice, including but not 2 limited to downstream distributors, wholesalers, retailers, franchisees, and all of their 3 predecessors and successors in interest, parent, subsidiary and affiliated entities under common 4 ownership or control, directors, officers, employees, agents, shareholders, partners, members, 5 licensors, licensees and attorneys (excluding private label customer) from all claims for violations of Proposition 65 up through the Effective Date based on exposure to lead from the 6 7 Covered Products as set forth in the Notice of Violations. Compliance with the terms of this 8 Consent Judgment shall be deemed to constitute compliance with respect to exposure to lead 9 from the covered Products as set forth in the Notice of Violations and Complaint.

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#### 7.2 No Other Known Claims or Violations

ERC affirms that as of the date this Consent Judgment is executed it is not aware of any actual or alleged violations of Proposition 65 by Defendants or by any other person named in the Notice of Violations, other than those that are fully resolved by this Consent Judgment, and that as of such date they are not presently investigating any potential Proposition 65 violations involving such persons.

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#### 7.3 Unknown Claims

It is possible that other claims not now known to the Parties arising out of the facts
alleged in the Notice of Violations or the Complaint and relating to lead in the Covered Products
that were manufactured before the Effective Date will develop or be discovered. ERC, on behalf
of itself only, waives California Civil Code Section 1542 as to any such unknown claims.

21 California Civil Code Section 1542 reads as follows:

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

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7.4 ERC, on one hand, and UNIVERA and ECONET, INC., on the other hand, each
 release and waive all claims they may have against each other and their respective officers,
 directors, employees, agents, representatives, and attorneys for any statements or actions made or
 undertaken by them or their respective officers, directors, employees, agents, representatives, and
 attorneys in connection with the Notice of Violations or this Action.

7 Concurrent with entry this Consent Judgment, ERC shall file a request for
dismissal of this action in its entirety, with prejudice, as to defendant Econet, Inc. and all DOE
defendants.

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#### 8. CONSTRUCTION AND GOVERNING LAW

8.1 The terms and conditions of this Consent Judgment have been reviewed by the
respective counsel for the Parties prior to its signing, and each Party has had an opportunity to
fully discuss the terms and conditions with its counsel. In any subsequent interpretation or
construction of this Consent Judgment, the terms and conditions shall not be construed against
any Party.

15 8.2 The terms and conditions of this Consent Judgment shall be governed by and
16 construed in accordance with the laws of the State of California.

8.3 No inference, assumption or presumption shall be drawn, and no provision of this
Agreement shall be construed against any of the Parties, based upon the fact that one of the
Parties and/or one of the Parties' attorneys prepared and/or drafted all or any portion this
Agreement. It is conclusively presumed all of the Parties participated equally in the preparation
and drafting of this Agreement, and in this regard, the Parties hereby waive California Civil
Code § 1654, which states, in pertinent part: "the language of a contract should be interpreted
most strongly against the party who caused the uncertainty to exist."

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[PROPOSED] STIPULATED CONSENT JUDGMENT

# 1 9. PROVISION OF NOTICE

2	All notices required to be given to either Party to this Consent Judgment by the other
3	shall be in writing and sent to the following agents listed below by: (a) first-class, registered, (b)
4	certified mail, (b) overnight courier, or (c) personal delivery to the following
5	For Environmental Research Center
6	Chris Heptinstall, Executive Director
7	Environmental Research Center 3111 Camino del Rio North, Suite 400 San Diego, CA 92108
8	
9	William F. Wraith, Esq. Wraith Law
10	16485 Laguna Canyon Road, Suite 250 Irvine, CA 92618
11	For ECONET, INC. and UNIVERA, INC.
12	Univera, Inc.
13	c/o Casey Harris, In-House Counsel
14	3005 1st Avenue Seattle, WA 98121
15	With a copy to:
16	Paul S. Rosenlund, Esq. Michael L. Reitzell, Esq.
17	Duane Morris LLP Spear Tower
18	One Market Plaza, Suite 2200 San Francisco, CA 94105-1127
19	
20	Any party, from time to time, may specify in writing to the other party a change of address to
21	which all notices and other communications shall be sent.
22	10. COURT APPROVAL
23	<b>10.1</b> Upon execution of this Consent Judgment by the Parties, ERC shall notice a
24	Motion for Court Approval. The Parties shall use their best efforts to support entry of this
25	Consent Judgment.
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28	///
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	[PROPOSED] STIPULATED CONSENT JUDGMENT

1 10.2 If the California Attorney General objects to any term in this Consent Judgment, 2 the Parties shall use their best efforts to resolve the concern in a timely manner, and if possible 3 prior to the hearing on the motion. 4 10.3 If this Stipulated Consent Judgment is not approved by the Court despite the 5 Parties' best efforts, it shall be null and void and have no force or effect. 6 ERC will report this Consent Judgment as reasonably required by law. 10.4 7 **11. EXECUTION AND COUNTERPARTS** 8 This Stipulated Consent Judgment may be executed in counterparts, which taken together 9 shall be deemed one document. A facsimile or .pdf signature shall be construed as valid and as 10 the original signature. 11 **12. ENTIRE AGREEMENT, AUTHORIZATION** 12 12.1 This Consent Judgment contains the sole and entire agreement and understanding 13 of the Parties with respect to the entire subject matter herein, and any and all prior discussions, 14 negotiations, commitments and understandings related hereto. No representations, oral or 15 otherwise, express or implied, other than those contained herein have been made by any Party. 16 No other agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to 17 exist or to bind any Party. 18 12.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized 19 by the Party he or she represents to stipulate to this Consent Judgment. Except as explicitly 20 provided herein, each Party shall bear its own fees and costs. 21 **13. REQUEST FOR FINDINGS AND FOR APPROVAL** 22 13.1 This Consent Judgment has come before the Court upon the request of the Parties. 23 The Parties request the Court to fully review this Consent Judgment and, being fully informed 24 regarding the matters which are the subject of this action, to: 25 (a) Find that the terms and provisions of this Consent Judgment represent a good 26 faith settlement of all matters raised by the allegations of the Complaint, that the matter has been 27 diligently prosecuted, and that the public interest is served by such settlement; and 28 (b) Make the findings pursuant to California Health and Safety Code section -12-[PROPOSED] STIPULATED CONSENT JUDGMENT

1 25249.7(f)(4), and approve the Settlement, and this Consent Judgment. 2 IT IS SO STIPULATED: 3 4 ENVIRONMENTAL RESEARCH CENTER 5 Dated: 6 Chris Heptinstall, Executive Director 7 8 ECONET, INC. 9 10 03-24-2014 Dated: 11 intà CEO 12 13 UNIVERA, INC. 14 15 Dated: 3-25-2014 16 17 APPROVED AS TO FORM AND CONTENT: 18 19 WRAITH LAW 20 21 Dated: William F. Wraith 22 Counsel for Environmental Research Center 23 24 **DUANE MORRIS LLP** 25 Dated: 3-25-14 26 Paul S. Rosenlund 27 Michael L. Reitzell Counsel for Econet, Inc. and Univera, Inc. 28 -13-[PROPOSED] STIPULATED CONSENT JUDGMENT

25249.7(f)(4), and approve the Settlement, and t	his Consent Indoment
23249.7(1)(4), and approve the Settlement, and t	ms consent Judgment.
IT IS SO STIPULATED:	
ENVIRONMENTAL RESEARCH CENTER	
1 that settle	
	Dated: 3/21/2014
Chris Heptinstall, Executive Director	' '
FOONET INC.	
ECONET, INC.	
	Dated:
UNIVERA, INC.	
	Dated:
APPROVED AS TO FORM AND CONTENT	`:
11/15 A 1/15/11 Y A 11/	
WRAITH LAW	
	Dated:
William F. Wraith Counsel for Environmental Research Center	
DUANE MORRIS LLP	
Paul S. Rosenlund	Dated:
Michael L. Reitzell Counsel for Econet, Inc. and Univera, Inc.	
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1	25249.7(f)(4), and approve the Settlement, and this Consent Judgment.
2	
3	IT IS SO STIPULATED:
4	ENVIRONMENTAL RESEARCH CENTER
5	
6	Dated:       Chris Heptinstall, Executive Director     Dated:
7	
8	ECONET, INC.
9 10	
10	Dated:
12	
13	UNIVERA, INC.
14	
15	Dated:
16	
17	APPROVED AS TO FORM AND CONTENT:
18	
19 20	WRAITH LAW
20 21	Aller Helicie Dated: 3/21/2014
21	William F. Wraith Dated: 2/4//6/4
23	Counsel for Environmental Research Center
24	DUANE MORRIS LLP
25	
26	Dated:
27	Paul S. Rosenlund Michael L. Reitzell
28	Counsel for Econet, Inc. and Univera, Inc.
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	[PROPOSED] STIPULATED CONSENT JUDGMENT

1	ORDER AND JUDGMENT
2	Based upon the Parties' Stipulation, and good cause appearing therefor, this Consent
3	Judgment is approved and judgment is hereby entered according to its terms.
4	IT IS SO ORDERED, ADJUDGED AND DECREED.
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6	Dated:
7	Judge, Superior Court of the State of California
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	[PROPOSED] STIPULATED CONSENT JUDGMENT

# EXHIBIT "A"

### WRAITH LAW

16485 LAGUNA CANYON ROAD SUITE 250 IRVINE, CALIFORNIA 92618 Tel (949) 251-9977 Fax (949) 251-9978

January 6, 2012

#### NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE SECTION 25249.5 *ET SEQ.* (PROPOSITION 65)

Dear Alleged Violators and the Appropriate Public Enforcement Agencies:

I represent Environmental Research Center ("ERC"), 5694 Mission Center Road #199, San Diego, CA 92108; Tel. (619) 500-3090. ERC's Executive Director is Chris Heptinstall. 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.

ERC has identified violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), which is codified at California Health & Safety Code §25249.5 *et seq.*, with respect to the products identified below. These violations have occurred and continue to occur because the alleged Violators identified below failed to provide required clear and reasonable warnings with these products. This letter serves as a notice of these violations to the alleged Violators and the appropriate public enforcement agencies. Pursuant to Section 25249.7(d) of the statute, ERC intends to file a private enforcement action in the public interest 60 days after effective service of this notice unless the public enforcement agencies have commenced and are diligently prosecuting an action to rectify these violations.

<u>General Information about Proposition 65</u>. A copy of a summary of Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, is an attachment with the copy of this letter served to the alleged Violators identified below.

<u>Alleged Violators</u>. The names of the companies covered by this notice that violated Proposition 65 (hereinafter "the Violators") are:

Econet, Inc. Univera, Inc.

<u>Consumer Products and Listed Chemicals</u>. The products that are the subject of this notice and the chemicals in those products identified as exceeding allowable levels are:

Solanyx Night - Lead Solanyx Day – Lead Univera Inc. Bone & Joint – Lead Univera Inc. Super Immune – Lead Univera Inc. MetaGreens (Capsule) – Lead Univera Inc. Florasterol – Lead Univera Inc. MetaGreens (Powder) – Lead

#### Univera Inc. RegeniCARE Ultimate Joint Care Formula Lemon Flavored - 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 and lead compounds as chemicals known to cause cancer.

It should be noted that ERC may continue to investigate other products that may reveal further violations and result in subsequent notices of violations.

**Route of Exposure.** The consumer exposures that are the subject of this notice result from the purchase, acquisition, handling and recommended use of these products. Consequently, the primary route of exposure to these chemicals has been and continues to be through ingestion, but may have also occurred and may continue to occur through inhalation and/or dermal contact.

Approximate Time Period of Violations. Ongoing violations have occurred every day since at least January 6, 2009, as well as every day since the products were introduced into the California marketplace, and will continue every day until clear and reasonable warnings are provided to product purchasers and users or until these known toxic chemicals are either removed from or reduced to allowable levels in the products. 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 label. The Violators violated Proposition 65 because it failed to provide persons handling and/or using these products with appropriate warnings that they are being exposed to these chemicals.

Consistent with the public interest goals of Proposition 65 and a desire to have these ongoing violations of California law quickly rectified, ERC is interested in seeking a constructive resolution of this matter that includes an enforceable written agreement by the Violators to: (1) reformulate the identified products so as to eliminate further exposures to the identified chemicals, or provide appropriate warnings on the labels of these products; and (2) pay an appropriate civil penalty. Such a resolution will prevent further unwarned consumer exposures to the identified chemicals, as well as an expensive and time consuming litigation.

ERC has retained me as legal counsel in connection with this matter. **Please direct all** communications regarding this Notice of Violations to my attention at the law office address and telephone number indicated on the letterhead.

Sincerely,

William Fulaith

William F. Wraith

Attachments

Certificate of Merit Certificate of Service OEHHA Summary (to Econet, Inc., Univera, Inc. 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 Econet, Inc., and Univera, Inc.

I, William F. Wraith, declare:

1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged the parties 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 chemicals that are 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 Violators 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 6, 2012

William Fhlaith

William F. Wraith

#### **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 6, 2012, 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:

Stuark Ochiltree, President & CEO Econet, Inc. 2660 Willamette Drive, N.E. Lacey, WA 98516

Univera, Inc. 2660 Willamette Drive, N.E. Lacey, WA 98516 CT Corporation System (Registered Agent for Econet, Inc.) 1801 West Bay DR. NW Suite 206 Olympia, WA 98502

CT Corporation System (Registered Agent for Univera, Inc.) 1801 West Bay DR. NW Suite 206 Olympia, WA 98502

On January 6, 2012, 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 January 6, 2012, 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 6, 2012, in Fort Oglethorpe, Georgia.

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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

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, 2<sup>nd</sup> 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 Francsico, 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., 3<sup>rd</sup> 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 12<sup>th</sup> 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 2<sup>nd</sup> 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