1	WILLIAM F. WRAITH (SBN 185927)				
2	WRAITH LAW 16485 Laguna Canyon Rd., Suite 250				
3	Irvine, California 92618 Tel: (949) 251-9977				
4	Fax: (949) 251-9978				
5	Attorneys for Plaintiff Environmental Research Center				
6	ELIZABETH V. McNULTY (SBN 192455)				
7	HEWITT WOLENSKY LLP 4041 MacArthur Blvd., Suite 300 Novement Beach, CA 02660				
8	Newport Beach, CA 92660 Tel: (949) 783-5050 Fax: (949) 783-5051				
9	Attorneys for Defendant				
10	Arbonne International, LLC				
11	CLIDEDIOD CO	NUME OF CALLEONALA			
12	SUPERIOR COURT OF CALIFORNIA				
13	COUNTY OF ORANGE, CENTRAL JUSTICE CENTER				
14					
15	ENVIRONMENTAL RESEARCH) Case No.: 30-2013-00632540			
16	CENTER, a California non-profit corporation,				
17	Plaintiffs,)) [PROPOSED] STIPULATED			
18	VS.) CONSENT JÚDGMENT;) [PROPOSED] ORDER			
19 20	ARBONNE INTERNATIONAL, LLC. and DOES 1-25, Inclusive,) 			
21	Defendants,				
22	,				
23					
24	1. INTRODUCTION				
25	1.1 This Action arises out of the	alleged violations of California's Safe Drinking			
26	Water and Toxic Enforcement Act of 1986, California Health and Safety Code Section 25249.5				
27	et seq. (also known as and herein after referred to as "Proposition 65") regarding the following				
28	three products (hereinafter collectively the "Covered Products" or "Covered Product" to refer to				

a single product):

- 1) Arbonne International LLC Arbonne Essentials Herbal Colon Cleanse
- 2) Arbonne International LLC Arbonne Essentials Metabolism Boost
- 3) Arbonne International LLC Arbonne Essentials 7-Day Body Cleanse
- 1.2 Plaintiff Environmental Research Center, Inc. ("ERC") is a California non-profit corporation acting as a private enforcer of Proposition 65 that is dedicated to, among other causes, helping safeguard the public from health hazards by reducing the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility. ERC brings this Action in the public interest pursuant to California Health and Safety Code Section 25249.7.
- 1.3 Defendant Arbonne International, LLC ("Arbonne") is a Delaware Corporation and at all relevant times for purposes of this Consent Judgment, employed ten or more persons, and is a "person in the course of doing business" within the meaning of Proposition 65. Arbonne manufactures, distributes and sells the Covered Products.
- 1.4 ERC and Arbonne are hereinafter sometimes referred to individually as a "Party" or collectively as the "Parties."
- 1.5 On May 9, 2012, pursuant to California Health and Safety Code Section 25249.7(d)(1), ERC served a Notice of Violations of Proposition 65 ("Notice of Violations") on the California Attorney General, other public enforcers, and Arbonne. A true and correct copy of the Notice of Violations is attached hereto as Exhibit A.
- 1.6 After more than sixty (60) days passed from service of the Notice of Violations, and no designated governmental agency filed a complaint against Arbonne with regard to the Covered Products or the alleged violations, ERC filed the Complaint in this Action (the "Complaint") for injunctive relief and civil penalties. The Complaint is based on the allegations in the Notice of Violations.
- 1.7 The Complaint and the Notice of Violations each allege that Arbonne manufactured, distributed, and/or sold in California the Covered Products, which contain lead, a chemical listed under Proposition 65 as a carcinogen and reproductive toxin, and expose

consumers at a level requiring a Proposition 65 warning. Further, that use of the Covered Products exposes persons in California to lead without first providing clear and reasonable warnings, in violation of California Health and Safety Code Section 25249.6. Arbonne denies all material allegations of the Notice of Violation and the Complaint, asserts numerous affirmative defenses, and specifically denies that the Covered Products require a Proposition 65 warning or otherwise cause harm to any person.

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

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 venue is proper in this Court, and that this Court has jurisdiction to enter this Consent Judgment pursuant to the terms set forth herein.

3. INJUNCTIVE RELIEF, REFORMULATION, TESTING, AND WARNINGS

3.1 Beginning on the Effective Date, Arbonne shall be permanently enjoined from manufacturing for sale in California, directly selling to a consumer in California or "Distributing into California" any of the Covered Products for which the maximum daily dose recommended

on the label contains more than 0.5 micrograms of lead, unless such Covered Product complies with the warning requirements in Section 3.3 or qualifies as a "Reformulated Covered Product" pursuant to Section 3.4. "Distributing into California" means to directly ship any of the Covered Products into California for sale or to sell any of the Covered Products to a distributor that Arbonne knows will sell the Covered Product in California.

3.2 Calculation of Lead Levels

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

3.3 Clear and Reasonable Warnings.

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

[California Proposition 65] WARNING: This product contains [lead,] a chemical known to the State of California to cause [cancer and] birth defects or other reproductive harm.

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

The warning shall be prominently affixed to or printed upon the Covered Product's label 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 and, if used, the words "California Proposition 65" shall be in bold print.

For any products sold via a website, the warning shall appear on Arbonne's checkout page on their website for California consumers relating to any of the Covered Products being

2

10 11

13

14

12

15 16

17

18 19

20

22 23

21

24

25 26

27

28

sold.

Arbonne shall not provide any additional information, statements, or comments regarding Proposition 65 in addition to the warning, except that only on Arbonne's website a question mark or help tab next to the warning is permissible, with a hover tab "What is this?" providing information about Proposition 65, should a customer wish to click on the tab.

Reformulated Covered Products. 3.4

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

Testing and Quality Control Methodology 3.5

- (a) Beginning within one year of the Effective Date, Arbonne shall test five (5) randomly selected samples of each of the Covered Products (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 Arbonne has provided the warning specified in Section 3.3.
- (b) Testing for lead shall be performed using Inductively Coupled Plasma-Mass Spectrometry ("ICP-MS") and closed-vessel, microwave-assisted digestion employing highpurity reagents or any other testing method subsequently agreed to in writing by the Parties.
- (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 metals.
- (d) Arbonne shall retain all test results and documentation for a period of four (4) years from the date of the test. Arbonne shall provide copies of the test results to ERC within 30 days of Arbonne's receipt of the test results.
- (e) Arbonne shall test each of the Covered Products at least once a year for a minimum of four (4) consecutive years by testing five randomly selected samples of each Covered Product which Arbonne intends to sell or is manufacturing for sale in California, directly selling to a consumer in California, or "Distributing into California. If tests conducted pursuant to this Section demonstrate that no warning is required for a Covered Product during

each of four (4) consecutive years, then the testing requirements of this Section will no longer be required as to that Covered Product.

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

4. SETTLEMENT PAYMENT

- 4.1 Arbonne shall make a total payment of \$86,500.00 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 made payable to "The Wraith Law Client Trust Account" and sent to counsel for ERC at the following address: William F. Wraith, Wraith Law, 16485 Laguna Canyon Road, Suite 250, Irvine, California, 92618. The payment shall be apportioned as follows:
- 4.2 \$14,388.00 as civil penalties pursuant to California Health and Safety Code Section 25249.7(b)(1). Of this amount, \$10,791.00 shall be payable to the Office of Environmental Health Hazard Assessment ("OEHHA"), and \$3,597.00 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 16,063.00 payable to ERC as reimbursement to ERC for costs associated with the enforcement of Proposition 65 and other costs incurred as a result of work in bringing this Action.
- 4.4 \$43,169.00 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 \$2,160.00 to the

Environmental Working Group (EWG) to address reducing toxic chemical exposures in California.

4.5 \$12,880.00 payable to William F. Wraith as reimbursement of ERC's attorney's fees and attorney's costs.

5. MODIFICATION OF CONSENT JUDGMENT

This Consent Judgment may be modified only by: (i) Written agreement and stipulation of the Parties or (ii) Upon entry of a modified Consent Judgment by the Court. ERC is entitled to reimbursement all reasonable attorneys' fees and costs regarding any modification requested or initiated by Arbonne.

6. RETENTION OF JURISDICTION, ENFORCEMENT OF CONSENT JUDGMENT

- 6.1 This Court shall retain jurisdiction of this matter to enforce, modify or terminate this Consent Judgment.
- 6.2 Any Party may, by motion or application for an order to show cause filed with this Court, enforce the terms and conditions contained in this Consent Judgment. The prevailing party in any such motion or application may request that the Court award its reasonable attorneys' fees and costs associated with such motion or application.

7. APPLICATION OF CONSENT JUDGMENT

This Consent Judgment shall apply to, be binding upon, and benefit the Parties and their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers (excluding private labelers), distributors, wholesalers, retailers, predecessors, successors, and assigns.

7. BINDING EFFECT, CLAIMS COVERED AND RELEASED

8.1 This Consent Judgment is a full, final, and binding resolution between ERC, on behalf of itself and in the public interest, and Arbonne, of any alleged violation of Proposition 65 or its implementing regulations for failure to provide Proposition 65 warnings for exposure to lead from the handling, use, or consumption of the Covered Products and fully resolves all claims that have been or could have been asserted in this action up to and including the date of entry of Judgment for failure to provide Proposition 65 warnings for the Covered Products. ERC,

on behalf of itself and in the public interest, hereby discharges Arbonne and its respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, suppliers, franchisees, licensees, customers (not including private label customers of Arbonne), distributors, independent consultants, wholesalers, retailers, and all other upstream and downstream entities in the distribution chain of any Covered Product, and the predecessors, successors and assigns of any of them (collectively, "Released Parties"), from all claims for violations of Proposition 65 up through the Effective Date based on exposure to lead from the Covered Products as set forth in the Notice of Violations and the Complaint.

- 8.2 ERC, on behalf of itself only, hereby releases and discharges the Released Parties from all known and unknown claims for alleged violations of Proposition 65, or for any other statutory or common law claims arising from or relating to alleged exposures to lead in the Covered Products as set forth in the Notice of Violations and the Complaint.
- **8.3** Compliance with the terms of this Consent Judgment shall be deemed to constitute compliance by any Released Party with Proposition 65 regarding alleged exposures to lead in the Covered Products.

8.4 Unknown Claims

It is possible that other claims not 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, acknowledges that this Consent Judgment acknowledges the claims released herein may include unknown claims, and nevertheless waives California Civil Code Section 1542 as to any such unknown claims. 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."

ERC, on behalf of itself only, acknowledges and understands the significance and consequences

- The terms and conditions of this Consent Judgment have been reviewed by the 9.1 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.
- 9.2 In the event that any of the provisions of this Consent Judgment is held by a court to be unenforceable, the validity of the remaining enforceable provisions shall not be adversely affected.
- The terms and conditions of this Consent Judgment shall be governed by and 9.3 construed in accordance with the laws of the State of California.

10. PROVISION OF NOTICE

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

For Environmental Research Center

- 22 Chris Heptinstall, Executive Director Environmental Research Center 3111 Camino Del Rio North, Suite 400 23 San Diego, CA 92108 24
- 25 William F. Wraith, Esq. Wraith Law 16485 Laguna Canyon Road, Suite 250 26 Irvine, CA 92618

27 28

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

1

Elizabeth V. McNulty Hewitt Wolensky LLP

4041 MacArthur Blvd., Suite 300

Newport Beach, CA 92660 Telephone: (949) 783-5050

With a Copy To:

Arbonne International, LLC Attn: Legal Department 9400 Jeronimo Road Irvine, CA 92618

11. COURT APPROVAL

- 11.1 Upon execution of this Consent Judgment by the Parties, ERC shall file a Motion for Court Approval. The Parties shall use their best efforts to support entry of this Consent Judgment.
- 11.2 If the California Attorney General objects to any term in this Consent Judgment, the Parties shall use their best efforts to resolve the concern in a timely manner, and if possible prior to the hearing on the motion.
- 11.3 If this Stipulated Consent Judgment is not approved by the Court despite the Parties best efforts, it shall be null and void and have no force or effect.

12. EXECUTION AND COUNTERPARTS

This Stipulated Consent Judgment may be executed in counterparts, which taken together shall be deemed one document. A facsimile or pdf signature shall be construed as valid and as the original signature.

13. ENTIRE AGREEMENT, AUTHORIZATION

- 13.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter herein, and any and all prior discussions, negotiations, commitments and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party. No other agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to exist or to bind any Party.
 - 13.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized

ļ					
1	by the Party he or she represents to stipulate to this Consent Judgment. Except as explicitly				
2	provided herein, each Party shall bear its own fees and costs.				
3	14. REQUEST FOR FINDINGS AND FOR APPROVAL				
4	14.1 This Consent Judgment has come before the Court upon the request of the Parties.				
5	The Parties request the Court to fully review this Consent Judgment and, being fully informed				
6	regarding the matters which are the subject of this action, to:				
7	(a) Find that the terms and provisions of this Consent Judgment represent a good				
8	faith settlement of all matters raised by the allegations of the Complaint, that the matter has been				
9	diligently prosecuted, and that the public interest is served by such settlement; and				
10	(b) Make the findings pursuant to California Health and Safety Code section				
11	25249.7(f)(4), and approve the settlement, and this Consent Judgment.				
12					
13	IT IS SO STIPULATED:				
14					
15	ENVIRONMENTAL RESEARCH CENTER				
16	a later hall				
17	Dated: 6/5/20/3				
18	Chris Heprifistall, Executive Director				
19					
20	ADDONNE INTEDNATIONAL LLC				
21	ARBONNE INTERNATIONAL, LLC				
22					
23	Dated:				
24	Name:				
25	Title:				
26 27					
28					
20					
	1.1				
	-11-				

[PROPOSED STIPULATED CONSENT JUDGMENT]

1	by the Party he or she represents to stipulate to this Consent Judgment. Except as explicitly				
2	provided herein, each Party shall bear its own fees and costs.				
3	14. REQUEST FOR FINDINGS AND FOR APPROVAL				
4	14.1 This Consent Judgment has come before the Court upon the request of the Parties.				
5	The Parties request the Court to fully review this Consent Judgment and, being fully informed				
6	regarding the matters which are the subject of this action, to:				
7	(a) Find that the terms and provisions of this Consent Judgment represent a good				
8	faith settlement of all matters raised by the allegations of the Complaint, that the matter has been				
9	diligently prosecuted, and that the public interest is served by such settlement; and				
10	(b) Make the findings pursuant to California Health and Safety Code section				
11	25249.7(f)(4), and approve the settlement, and this Consent Judgment.				
12					
13	IT IS SO STIPULATED:				
14					
15	ENVIRONMENTAL RESEARCH CENTER				
16					
17	Dated:				
18	Chris Heptinstall, Executive Director				
19					
20	The second section of the substitution of the second section of the section of				
21	ARBONNE INTERNATIONAL, LLC				
22					
23	Dated: June, 26, 2013				
24	Name: Kay Napier Title: CEO				
25	Title: CEO				
26					
27					
28					
,,-,-,-,-,-,-,-,-,-,-,-,-,-,-,-,-,-,-,					
	[PROPOSED STIPULATED CONSENT JUDGMENT]				

1	ADDROVED ACTO FORM.
1	APPROVED AS TO FORM:
2	
3	WRAITH LAW
5	Mile: Flile Dated: 6/7/2013
6	William F. Wraith
7	Counsel for Environmental Research Center
8	
9	HEWITT WOLENSKY LLP
10	
11	Dated:
12	Elizabeth V. McNulty Counsel for Arbonnne International, LLC
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
2324	
25	
26	
27	
28	
	-12-

[PROPOSED STIPULATED CONSENT JUDGMENT]

APPROVED	AS TO FORM:	
WRAITH LA	AW	
		Durat
William F. W	raith	Dated:
Counsel for E	nvironmental Research Center	
HEWITT W	OLENSKY LLP	
1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -		
Evizably	No. V. Liewet	Dated: 6 26 2013
Elizabeth V. M. Counsel for A	McNulty Online International, LLC	•
And the second s		
- Management of the control of the c		-12-

ļ			
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.		
5	•		
6			
7	Dated:		
8	Judge, Superior Court of the State of California		
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
	12		

WRAITH LAW

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

May 9, 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"), 3111 Camino Del Rio North, 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:

Arbonne International, LLC

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

Arbonne International LLC Arbonne Essentials Herbal Colon Cleanse - Lead Arbonne International LLC Arbonne Essentials Metabolism Boost - Lead Arbonne International LLC Arbonne Essentials 7- Day Body Cleanse - Lead Notice of Violations of California Health & Safety Code §25249.5 *et seq*. May 9, 2012 Page 2

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 May 9, 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 Falaith

William F. Wraith

Attachments

Certificate of Merit Certificate of Service

OEHHA Summary (to Arbonne 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 Arbonne International, LLC

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: May 9, 2012

William F Wraith

William Flelwith

Notice of Violations of California Health & Safety Code §25249.5 *et seq*. May 9, 2012 Page 4

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. I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail at Fort Oglethorpe, Georgia.

On May 9, 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 with the postage fully prepaid for delivery by Certified Mail:

President or CEO Arbonne International, LLC 9400 Jeronimo Road Irvine, CA 92618 CSC-Lawyers Incorporating Service (Registered Agent for Arbonne International, LLC) 2730 Gateway Oaks Drive, Suite 100 Sacramento, CA 95833

On May 9, 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 with the postage fully prepaid 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 May 9, 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 with the postage fully prepaid for delivery by Priority Mail.

Executed on May 9, 2012, in Fort Oglethorpe, Georgia.

Amber Schaub

Notice of Violations of California Health & Safety Code §25249.5 et seq. May 9, 2012

Page 5 <u>Service List</u>

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 940 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, Suite 18000 Los Angeles, CA 90012

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

District Attorney, Marin County 3501 Civic Center Drive, 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 Post Office Box 1131 Salinas, CA 93902

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 3960 Orange Street Riverside, CA 92501

District Attorney, Sacramento County 901 "G" Street Sacramento, CA 95814

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 322 San Francsico, CA 94103

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

District Attorney, San Luis Obispo County 1035 Palm St, 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 1112 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 1355 West Street Redding, CA 96001

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, Suite 152 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, 16th Floor San Jose, CA 95113