1 2 3 4	Michael Freund (SBN 99687) Ryan Hoffman (SBN 283297) Michael Freund & Associates 1919 Addison Street, Suite 105 Berkeley, CA 94704 Telephone: (510) 540-1992 Facsimile: (510) 540-5543	
5 6 7 8 9 110 111 112 113	Attorneys for Plaintiff ENVIRONMENTAL RESEARCH CENTER Margaret Carew Toledo (SBN 181227) Stacy E. Don (SBN 226737) Toledo Don LLP 3001 Douglas Blvd., Suite 340 Roseville, CA 95661-3853 Telephone: (916) 462-8950 Facsimile: (916) 791-0175 Email: toledo@toledodon.com don@toledodon.com Attorneys for Defendant ISATORI, INC. SUPERIOR COURT OF THE	E STATE OF CALIFORNIA
15	COUNTY OF ALAMEDA	
16 17 8 9 9 9 121 22 23 24 4 7	ENVIRONMENTAL RESEARCH CENTER, a California non-profit corporation, Plaintiff, v. ISATORI, INC. dba ISATORI TECHNOLOGIES, INC. and dba BIOGENETIC LABORATORIES, INC. and DOES 1-100 Defendants.	CASE NO. RG14724366 STIPULATED CONSENT JUDGMENT; [PROPOSED] ORDER Health & Safety Code § 25249.5 et seq. Action Filed: May 7, 2014 Trial Date: None set
.5	1. INTRODUCTION	
6	1.1 On May 7, 2014, Plaintiff Environmental Research Center ("ERC"), a non-profit	
7	corporation, as a private enforcer, and in the public interest, initiated this action by filing a	
.8	Complaint for Injunctive and Declaratory Relief and Civil Penalties (the "Complaint") pursuant	
	00061873.2 TD STIPULATED CONSENT JUDGMENT;	

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to the provisions of California Health and Safety Code section 25249.5 et seq. ("Proposition 65"), against iSatori, Inc. dba iSatori Technologies, Inc. and dba BioGenetic Laboratories, Inc. ("iSatori") and DOES 1-100. In this action, ERC alleges that the following products referred to hereinafter individually as "Covered Product" or collectively as "Covered Products", manufactured, distributed or sold by iSatori 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: (1) "iSatori LLC Lean System 7 Clinical Strength", (2) "iSatori LLC MX-LS7", (3) "iSatori Inc. Morph 180 GXR-3", (4) "iSatori Inc. Eat-Smart Chocolate Peanut Caramel Crunch", (4) "iSatori Inc. Eat-Smart The Smart Superior Protein Nutrition Shake Chocolate Chocolate Chip", (5) "iSatori Inc. Eat-Smart The Superior Protein Nutrition Shake Double Vanilla Ice Cream", (6) "iSatori Inc. ISA-Test GF", (8) "iSatori Inc. H-Blocker Fruit Punch", (9) "iSatori Inc. BioGenetic Laboratories hCG Activator", (10) "iSatori Inc. BioGenetic Laboratories Fenu Test", and (11) "iSatori Inc. BioGenetic Laboratories Garcinia Trim".

- 1.2 ERC is a California non-profit corporation 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.
- iSatori is a business entity that, at all relevant times for the purpose of this Consent 1.3 Judgment, employed ten or more persons and qualified as a "person in the course of business" within the meaning of Proposition 65. iSatori manufactures, distributes and sells the Covered Products.
- 1.4 ERC and iSatori are referred to individually as "Party" or collectively as the "Parties."
- The Complaint is based on allegations contained in ERC's Notices of Violation, 1.5 dated May 17, 2013 and January 31, 2014, that were served on the California Attorney General, other public enforcers, and iSatori ("Notices"). True and correct copies of these Notices are attached as Exhibit A and are hereby incorporated by reference. More than 60 days have

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passed since the Notices were mailed and uploaded onto the Attorney General's website, and no designated governmental entity has filed a complaint against iSatori with regard to the Covered Products or the alleged violations.

- 1.6 ERC's Notices and Complaint allege 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. iSatori denies all material allegations contained in the Notices and Complaint and specifically denies that the Covered Products required a Proposition 65 warning or otherwise caused harm to any person.
- The Parties have entered into this Consent Judgment in order to settle, 1.7 compromise and resolve disputed claims and thus avoid prolonged and costly litigation. Nothing in this Consent Judgment 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, franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers. Except for the representations made above, nothing in this Consent Judgment shall be construed as an admission by the Parties of any fact, issue of law, or violation of law, nor shall compliance with this Consent Judgment be construed as an admission by the Parties of any fact, issue of law, or violation of law, at any time, for any purpose.
- 1.8 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.
- 1.9 Since receiving ERC's Notices, iSatori represents that it discontinued Covered Products iSatori LLC Lean System 7 Clinical Strength on November 30, 2013 and iSatori Inc. BioGenetic Laboratories Fenu Test on August, 31, 2014. With respect to the remaining Covered Products, iSatori represents that it commenced providing Proposition 65 warnings on March 17, 2014.
- 1.10 The Effective Date of this Consent Judgment is the date on which it is entered as a Judgment by this Court.

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2. JURISDICTION AND VENUE

For purposes of this Consent Judgment only, the Parties stipulate that this Court has subject matter jurisdiction over the allegations of violations contained in the Complaint, personal jurisdiction over iSatori as to the acts alleged in the Complaint, that venue is proper in Alameda County, and that this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims up through and including the Effective Date which were or could have been asserted in this action based on the facts alleged in the Notices and Complaint.

3. INJUNCTIVE RELIEF

- 3.1 Beginning on the Effective Date, iSatori shall be permanently enjoined from manufacturing for sale in the State of California, "Distributing into the State of California", or directly selling in the State of California, any Covered Product which exposes a person to a "Daily Exposure Level" of more than 0.5 micrograms of lead per day when the maximum suggested dose is taken as directed on the Covered Product's label, unless it meets the warning requirements under Section 3.2.
- 3.1.1 As used in this Consent Judgment, the term "Distributing into the State of California" shall mean to directly ship a Covered Product into California for sale in California or to sell a Covered Product to a distributor that iSatori knows will sell the Covered Product in California.
- 3.1.2 For purposes of this Consent Judgment only, "Daily Exposure Level" means the maximum daily dose recommended on the label. Daily Exposure Level shall be measured in micrograms, and shall be calculated using the following formula: micrograms of lead per gram of product, multiplied by grams of product 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 a recommended dosage appearing on the product label), which equals micrograms of lead exposure per day.

3.2 Clear and Reasonable Warnings

If iSatori is required to provide a warning pursuant to Section 3.1, the following warning must be utilized:

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WARNING for California residents only: This product contains [a] substance[s] known to the State of California to cause [cancer and] birth defects or other reproductive harm.

iSatori shall use the phrase "cancer and" in the warning only if the maximum daily dose recommended on the label contains more than 15 micrograms of lead.

iSatori shall provide the warning on the label of Covered Products in retail stores in California. The warning shall be at least the same size as the largest of any other health or safety warnings correspondingly appearing on the label and the word "WARNING" shall be in all capital letters and in bold print. No other statements about Proposition 65 or lead may accompany the warning on the label.

iSatori must display the above warnings with such conspicuousness, as compared with other words, statements, or design of the label or container, as applicable, to render the warning likely to be read and understood by an ordinary individual under customary conditions of purchase or use of the product.

4. SETTLEMENT PAYMENT

- 4.1 In full satisfaction of all potential civil penalties, payment in lieu of civil penalties, attorney's fees, and costs, iSatori shall make a total payment of \$60,000.00 ("Total Settlement Amount") to ERC within 5 days of the Effective Date. iSatori shall make this payment by wire transfer to ERC's escrow account, for which ERC will give iSatori the necessary account information. The Total Settlement Amount shall be apportioned as follows:
- 4.2 \$18,000.00 shall be considered a civil penalty pursuant to California Health and Safety Code \$25249.7(b)(1). ERC shall remit 75% (\$13,500.00) of the civil penalty to the Office of Environmental Health Hazard Assessment ("OEHHA") for deposit in the Safe Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety Code \$25249.12(c). ERC will retain the remaining 25% (\$4,500.00) of the civil penalty.
- 4.3 \$3,665.15 shall be distributed to Environmental Research Center as reimbursement to ERC for reasonable costs incurred in bringing this action.
- 4.4 \$13,000.00 shall be distributed to Michael Freund as reimbursement of ERC's attorney's fees, \$8,000.00 shall be distributed to Ryan Hoffman as reimbursement of ERC's

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STIPULATED CONSENT JUDGMENT; [PROPOSED] ORDER

Parties agree to meet and confer in an attempt to settle any dispute in good faith.

CASE NO. RG14724366

attorney's fees, while \$17,334.85 shall be distributed to ERC for its in-house legal fees.

Parties or pursuant to Sections 5.3 and 5.4 and (ii) upon entry by the Court of a modified

must provide written notice to ERC of its intent ("Notice of Intent"). If ERC seeks to meet and

confer regarding the proposed modification in the Notice of Intent, then ERC must provide

written notice to iSatori within thirty days of receiving the Notice of Intent. If ERC notifies

iSatori in a timely manner of ERC's intent to meet and confer, then the Parties shall meet and

confer in good faith as required in this Section. The Parties shall meet in person or via

telephone within thirty (30) days of ERC's notification of its intent to meet and confer. Within

thirty days (30) of such meeting, if ERC disputes the proposed modification, ERC shall provide

to iSatori a written basis for its position. The Parties shall continue to meet and confer for an

additional thirty (30) days in an effort to resolve any remaining disputes. Should it become

necessary, the Parties may agree in writing to different deadlines for the meet-and-confer

Section 5.1 for its primary benefit, Isatori shall reimburse ERC its costs (as defined by

spent in the meet-and-confer process and filing and arguing a joint motion or application in

support of a modification of the Consent Judgment. Prior to enforcement of Section 5.3, the

application in support of a modification of the Consent Judgment, then either Party may seek

judicial relief on its own. In such a situation, the prevailing party may seek to recover 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

In the event that Isatori initiates or otherwise requests a modification under

Where the meet-and-confer process does not lead to a joint motion or

This Consent Judgment may be modified only (i) by written stipulation of the

If iSatori seeks to modify this Consent Judgment under Section 5.1, then iSatori

5. MODIFICATION OF CONSENT JUDGMENT

other party was amenable to providing during the Parties' good faith attempt to resolve the dispute that is the subject of the modification.

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.

7. APPLICATION OF CONSENT JUDGMENT

This Consent Judgment may 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. This Consent Judgment shall have no application to Covered Products which are distributed or sold exclusively outside the State of California and which are not used by California consumers.

8. 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 iSatori, 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 Effective Date for failure to provide Proposition 65 warnings for the Covered Products. ERC, on behalf of itself and in the public interest, hereby discharges iSatori and its respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, affiliates, suppliers, franchisees, licensees, customers (not including private label customers of iSatori), distributors, 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 any and all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs and expenses asserted, or that could have been asserted, as to any alleged violation of Proposition 65 arising from the failure

- 8.2 ERC, on behalf of itself only, hereby releases and discharges the Released Parties from all known and unknown claims, causes of action, suits, damages, penalties, liabilities, injunctive relief, declaratory relief, attorney's fees, costs, and expenses arising from or related to the claims asserted or that could have been asserted, under state or federal law, regarding the presence of lead in the Covered Products or the facts alleged in the Notices or the Complaint, including without limitation any and all claims concerning exposure to any person to lead in the Covered Products up to and including the Effective Date.
- 8.3 ERC on its own behalf only, on one hand, and iSatori on its own behalf only, on the other, further waive and release any and all claims they may have against each other for all actions or statements made or undertaken in the course of seeking or opposing enforcement of Proposition 65 in connection with the Notices or Complaint up through and including the Effective Date, provided, however, that nothing in Section 8 shall affect or limit any Party's right to seek to enforce the terms of this Consent Judgment.
- 8.4 It is possible that other claims not known to the Parties arising out of the facts alleged in the Notices or the Complaint and relating to the Covered Products will develop or be discovered. ERC on behalf of itself only acknowledges that this Consent Judgment is expressly intended to cover and include all such claims up through the Effective Date, including all rights of action therefore. ERC acknowledges that the claims released in Sections 8.1 through 8.3 above 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 of this specific waiver of California Civil Code section 1542.

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- 8.5 Compliance with the terms of this Consent Judgment shall be deemed to constitute compliance with Proposition 65 by any Released Party regarding alleged exposures to lead in the Covered Products.
- 8.6 Nothing in this Consent Judgment is intended to apply to any occupational or environmental exposures arising under Proposition 65, nor shall it apply to any of iSatori's products other than the Covered Products.

9. SEVERABILITY OF UNENFORCEABLE PROVISIONS

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

10. GOVERNING LAW

The terms and conditions of this Consent Judgment shall be governed by and construed in accordance with the laws of the State of California. In the event that Proposition 65 is repealed or preempted, then iSatori shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent the Covered Products are so affected.

11. 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, or certified mail; (b) overnight courier; or (c) personal delivery. Courtesy copies via email may also be sent.

FOR ENVIRONMENTAL RESEARCH CENTER:

- Chris Heptinstall, Executive Director, Environmental Research Center 3111 Camino Del Rio North, Suite 400
- San Diego, CA 92108
- Tel: (619) 500-3090
- Email: chris_erc501c3@yahoo.com With a copy to:
- Michael Freund Ryan Hoffman
- Michael Freund & Associates
 1919 Addison Street, Suite 105
- Berkeley, CA 94704 Telephone: (510) 540-1992 Facsimile: (510) 540-5543
- Email: freund1@aol.com

FOR ISATORI, INC.:

Michael Wilemon, CFO
iSatori
15000 W 6th Ave, STE 202
Golden, CO 80401

5 With a copy to:

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6 Margaret Carew Toledo
Toledo Don LLP
3001 Douglas Blvd., Suite 340
Roseville, CA 95661-3853
Telephone: (916) 462-8950
Facsimile: (916) 791-0175
Email: toledo@toledodon.com

12. COURT APPROVAL

- 12.1 Upon execution of this Consent Judgment by the Parties, ERC shall notice a Motion for Court Approval. The Parties shall use their best efforts to support entry of this Consent Judgment.
- 12.2 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.
- 12.3 If this Stipulated Consent Judgment is not approved by the Court, it shall be void and have no force or effect.

13. EXECUTION AND COUNTERPARTS

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

14. DRAFTING

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

15. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES

If a dispute arises with respect to either Party's compliance with the terms of this Consent Judgment entered by the Court, the Parties shall meet in person or by telephone and endeavor to 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 seek to recover 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.

16. ENTIRE AGREEMENT, AUTHORIZATION

- 16.1 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.
- 16.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the Party he or she represents to stipulate to this Consent Judgment. Except as explicitly provided herein, each Party shall bear its own attorney's fees and costs.

17. REQUEST FOR FINDINGS, APPROVAL OF SETTLEMENT AND ENTRY OF CONSENT JUDGMENT

This Consent Judgment has come before the Court upon the request of the Parties. The Parties request the Court to fully review this Consent Judgment and, being fully informed regarding the matters which are the subject of this action, to make the findings pursuant to California Health and Safety Code section 25249.7(f)(4), approve the Settlement, and approve this Consent Judgment.

	IT IS SO STIPULATED:	
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4	By: Christin, Executive Director	
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6	TECINICI COURT DIO 1 11	
7	Me to ONE	
8	By: MICHAEL WILEMON	
9	Its: CFO	
10	APPROVED AS TO FORM:	
11	Dated: 3/18 , 2015 MICHAEL FREUND & ASSOCIATES	
12	By: Mall Li	
13	Michael Freund Ryan Hoffman	
14	Attorneys for Plaintiff Environmental Research Center	
15	Association Collect	
16	Dated: 3/18, 2015 TOLEDO DON LLP	
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18	By: Margaret Carew Toledo	
19	Stacy E. Don Attorneys for Defendant iSatori, Inc.	
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21	ORDER AND JUDGMENT	
22	Based upon the Parties' Stipulation, and good cause appearing, this Consent Judgment is	
23	approved and Judgment is hereby entered according to its terms.	
24	IT IS SO ORDERED, ADJUDGED AND DECREED.	
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26	Dated:, 2015	
27	Judge of the Superior Court	
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	00061873.2 TD STIPULATED CONSENT JUDGMENT; [PROPOSED] ORDER CASE NO. RG14724366	
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LAW OFFICE OF MICHAEL FREUND

RYAN HOFFMAN ATTORNEY AT LAW 1919 ADDISON STREET, SUITE 105 BERKELEY, CALIFORNIA 94704-1101

TEL (510) 540-1992 FAX (510) 540-5543 EMAIL RRHOFFMA@GMAIL.COM

May 17, 2013

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

Dear Alleged Violator and the Appropriate Public Enforcement Agencies:

I represent Environmental Research Center ("ERC"), 3111 Camino Del Rio North. Suite 400, 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 Violator 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 Violator and the appropriate public enforcement agencies. Pursuant to Health and Safety Code Section 25249.7(d), 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 enclosed with this letter served to the alleged Violator identified below.

<u>Alleged Violator</u>. The name of the company covered by this notice that violated Proposition 65 (hereinafter the "Violator") is:

iSatori, Inc. dba iSatori Technologies, Inc.

<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:

iSatori LLC Lean System 7 Clinical Strength - Lead

iSatori LLC MX-LS7 - Lead

iSatori Inc. Morph 180 GXR-3 - Lead

iSatori Inc. Eat-Smart Chocolate Peanut Caramel Crunch - Lead

iSatori Inc. Eat-Smart The Smart Superior Protein Nutrition Shake Chocolate Chocolate Chip - Lead

iSatori Inc. Eat-Smart The Superior Protein Nutrition Shake Double Vanilla Ice Cream - 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 May 17, 2010, 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 Violator 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 Violator 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,

Rvan Hoffman

Attachments

Certificate of Merit Certificate of Service

OEHHA Summary (to iSatori, Inc. dba iSatori Technologies, 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 iSatori, Inc. dba iSatori Technologies, Inc.

I, Ryan Hoffman, declare:

- 1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged that 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 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 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: May 17, 2013

Ryan Hoffman

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 17, 2013, 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 at a U.S. Postal Service Office with the postage fully prepaid for delivery by Certified Mail:

Current President or CEO iSatori, Inc. 15000 W. 6th Avenue, Suite 202 Golden, CO 80401 Stephen Adele (iSatori, Inc.'s Registered Agent for Service of Process) 15000 W. 6th Avenue, Suite 202 Golden, CO 80401

On May 17, 2013, I electronically 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 party by uploading a true and correct copy thereof on the California Attorney General's website, which can be accessed at https://oag.ca.gov/prop65/add-60-day-notice:

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

On May 17, 2013, 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 at a U.S. Postal Service Office with the postage fully prepaid for delivery by Priority Mail.

Executed on May 17, 2013, in Fort Oglethorpe, Georgia.

Rebecca Turner-Smith

Service List

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

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

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

District Attorney, Butte County 25 County Center Drive, Suite 245 Oroville, CA 95965

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

District Attorney, Colusa County 346 Fifth Street Suite 101 Colusa, CA 95932

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

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

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

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

District Attorney, Humboldt County 825 5th Street 4th Floor Eureka, CA 95501

District Attorney, Imperial County 940 West Main Street, Ste 102 El Centro, CA 92243

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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

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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 95354

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 Blvd., Room 224 Visalia, CA 93291 District Attorney, Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney, Ventura County 800 South Victoria Ave, Suite 314 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

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

San Francisco, City Attorney City Hall, Room 234 1 Dr Carlton B Goodlett PL San Francisco, CA 94102

San Jose City Attorney's Office 200 East Santa Ciara Street, 16th Floor San Jose, CA 95113

Michael Freund & Associates

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Michael Freund, Esq. Ryan Hoffman, Esq.

OF COUNSEL: **Denise Ferkich Hoffman,** Esq.

January 31, 2014

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

Dear Alleged Violator and the Appropriate Public Enforcement Agencies:

I represent Environmental Research Center ("ERC"), 3111 Camino Del Rio North, Suite 400, 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 Violator 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 Violator and the appropriate public enforcement agencies. Pursuant to Health and Safety Code Section 25249.7(d), 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 enclosed with this letter served to the alleged Violator identified below.

<u>Alleged Violator</u>. The name of the company covered by this notice that violated Proposition 65 (hereinafter the "Violator") is:

iSatori, Inc. dba iSatori Technologies, Inc. and dba BioGenetic Laboratories, Inc.

<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:

iSatori Inc. ISA-Test GF - Lead

iSatori Inc. H-Blocker Fruit Punch - Lead

iSatori Inc. BioGenetic Laboratories hCG Activator - Lead

iSatori Inc. BioGenetic Laboratories Fenu Test - Lead

iSatori Inc. BioGenetic Laboratories Garcinia Trim - 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 31, 2011, 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 Violator 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 Violator 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 Violation to my attention at the law office address and telephone number indicated on the letterhead or at rrhoffma@gmail.com.

Sincerely,

Rvan Hoffman

Attachments

Certificate of Merit Certificate of Service

OEHHA Summary (iSatori, Inc. dba iSatori Technologies, Inc. and dba BioGenetic Laboratories, 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 iSatori, Inc. dba iSatori Technologies, Inc. and dba BioGenetic Laboratories, Inc.

I, Ryan Hoffman, declare:

- 1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged that 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 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 Violator will be able to establish any of the affirmative defenses set forth in the statute.
- 5. Along with the copy of this Certificate of Merit served on the Attorney General is attached additional factual information sufficient to establish the basis for this certificate, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Dated: January 31, 2014

Ryan Hoffman

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 January 31, 2014, I served the following documents: NOTICE OF VIOLATION 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 at a U.S. Postal Service Office with the postage fully prepaid for delivery by Certified Mail:

Current President or CEO iSatori, Inc. 15000 W. 6th Avenue, Suite 202 Golden, CO 80401 Stephen Adele (iSatori, Inc.'s Registered Agent for Service of Process) 15000 W. 6th Avenue, Suite 202 Golden, CO 80401

On January 31, 2014, I electronically 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 party by uploading a true and correct copy thereof on the California Attorney General's website, which can be accessed at https://oag.ca.gov/prop65/add-60-day-notice:

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

On January 31, 2014, 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 at a U.S. Postal Service Office with the postage fully prepaid for delivery by Priority Mail.

Executed on January 31, 2014, in Fort Oglethorpe, Georgia.

Tiffany Capehart

Service List

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

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

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

District Attorney, Butte County 25 County Center Drive, Suite 245 Oroville, CA 95965

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

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