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10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **COUNTY OF SAN FRANCISCO**

12 AS YOU SOW, a California Non-Profit
13 Public Benefit Corporation,

14 Plaintiff,

15 v.

16 TRADER JOE'S COMPANY, and DOES
17 1 through 10, inclusive,

18 Defendants.

Case No. CGC-15-548791

**CONSENT JUDGMENT AS
MODIFIED BY COURT ON
NOVEMBER 17, 2023**

Complaint Filed: November 3, 2015
Trial Date: N.A.

1 **1. INTRODUCTION**

2 1.1 As You Sow (“AYS”) is a non-profit corporation dedicated to, among other
3 causes, the protection of the environment, the promotion of human health, the improvement of
4 worker and consumer rights, environmental education, and corporate accountability. AYS is
5 based in Oakland, California and is incorporated under the laws of the State of California.

6 1.2 Between July 18, 2014 and November 10, 2017, AYS sent Proposition 65
7 (California Health & Safety Code Sections 25249.5, et seq.) 60-day Notices of Violation
8 (“Notices”) to various companies, including all of those companies identified as “Initial Settling
9 Defendants” (as defined in Section 2) that are listed in **Exhibit A**. The Notices were also sent
10 by AYS to all relevant public enforcers, as required by Health & Safety Code Section
11 25249.7(d).

12 1.3 In the Notices, AYS states that that the Chocolate Products manufactured,
13 distributed, and/or sold by the noticed companies, which are offered for sale to California
14 consumers, and/or which are used in products offered for sale to consumers in California, cause
15 exposures to lead and/or cadmium and that such Chocolate Products require warnings under
16 Health and Safety Code Section 25249.6.

17 1.4 After AYS’s October 24, 2017 Notice has run its course, and assuming no
18 authorized public prosecutor has filed a superseding claim, AYS individually and on behalf of
19 the public interest, will amend a Proposition 65 enforcement action concerning lead and
20 cadmium in the Chocolate Products that it had previously filed in the Superior Court of the State
21 of California for the County of San Francisco, Case No. CGC-15-548791 (the “Action”) in
22 contemplation of a motion for approval and entry of this Consent Judgment. The amended
23 complaint filed in the Action asserted a cause of action against each of the Initial Settling
24 Defendants for the alleged failure to warn under Proposition 65 on the basis of the allegations
25 contained in the Notices.

26 1.5 Each Initial Settling Defendant (as defined in Section 2 and listed on **Exhibit A**)
27 employs ten or more employees and manufactures, imports, distributes, sells, and/or directly or
28 indirectly offers for sale in California Chocolate Products or has done so in the past. Each Initial

Settling Defendant represents that, as of the date it executes this Consent Judgment, no public enforcer is diligently prosecuting a Proposition 65 action against it related to lead or cadmium in its Chocolate Products.

1.6 For the purpose of avoiding prolonged and costly litigation concerning the claims and defenses in this Action, the Parties (as defined in Section 2) enter into this Consent Judgment as a full settlement of all Proposition 65 claims that were raised in the Action, or which could have been raised in the Action, based on the facts alleged therein. By execution of this Consent Judgment, Settling Defendants do not admit any violation of Proposition 65 or any other law. Nothing in this Consent Judgment shall be construed as an admission by the Parties of any fact, finding, conclusion, issue of law, or violation of law. However, this paragraph shall not diminish or affect the responsibilities and duties of the Parties under this Consent Judgment.

2. DEFINITIONS

2.1 “Chocolate Product” means chocolate candy; chocolate bars, pieces, chips, beverages, and chocolate-based confections with or without inclusions; cocoa nibs and cocoa powder; chocolate and cacao-based compounds in any form; and other products derived primarily (i.e., in excess of 50%) from cacao. Chocolate Products include the preceding as sold on a standalone basis and/or as sold to be used as ingredients in other foods into which they are incorporated.

2.2 “Compliance Date” means one year following the Effective Date.

2.3 “Consensus Basis” means a creative and dynamic way of reaching agreement between all members of a group. Instead of simply voting for an item and having the majority of the group dictate the outcome, a group using consensus is committed to finding solutions that each member of the group actively supports, or at least can live with and that all opinions, ideas and concerns are taken into account. A Consensus Basis does not reflect compromise or unanimity – it aims to go further by weaving together everyone’s best ideas and key concerns. It is an acceptable resolution, one that can be supported, even if not the “favorite” of each individual. Multiple concerns and information shall be shared until the sense of the group is clear. Ideas and solutions belong to the group; no names are recorded. The group as a whole is

1 responsible for the decision and the decision belongs to the group. The goal is unity, not
2 unanimity.

3 2.4 “Covered Product” means a Chocolate Product that is manufactured, imported,
4 distributed, or sold by a Settling Defendant, including, but not limited to, the exemplar
5 Chocolate Product identified in a 60-Day Notice of Violation served on the Settling Defendant
6 by AYS.

7 2.5 “Effective Date” means the date on which this Consent Judgment is entered by the
8 Court.

9 2.6 “Feasible” means capable of being accomplished in a successful manner within a
10 reasonable period of time, taking into account public health, and economic, environmental,
11 social, and technological factors. In considering whether an action or performance level is
12 Feasible, consideration shall be given, among other things, to scaling as to the size and resources
13 of the potential implementing enterprise involved, the implementing enterprise’s place and role
14 within the chain of commerce, the prior demonstration of the viability of the concept or
15 technology at issue at both the research and actual commercial application scale, and the nature
16 of the issue being addressed.

17 2.7 “Lot” means all units of a given Chocolate Product bearing the same lot number,
18 best-by, or sell-by date.

19 2.8 “Opt-In Settling Defendants” refers to Settling Defendants that join into this
20 Consent Judgment pursuant to the procedure established in Section 7.

21 2.9 “Opt-In Stipulation” means a Stipulation for Entry of Judgment in the form
22 attached hereto as **Exhibit B**, for execution by a prospective Opt-In Settling Defendant pursuant
23 to the procedure established in Section 7.

24 2.10 “Parties” means AYS and Settling Defendants taken together; a “Party” means As
25 You Sow or any particular Settling Defendant taken individually.

26 2.11 “Settling Defendant” means a defendant who is a Party to this Consent Judgment
27 at the time it is entered, or who opts in to this Consent Judgment any time after its entry
28 pursuant to the procedure established in Section 7. The former are also specifically referred to

1 herein as “Initial Settling Defendants” (i.e., the companies specifically listed on **Exhibit A**) and
2 the latter are also specifically referred to herein as “Opt-In Settling Defendants.”

3 **3. INVESTIGATION REGARDING SOURCES AND POTENTIAL FOR**
4 **REDUCTION OF LEAD AND CADMIUM IN CHOCOLATE PRODUCTS**

5 3.1 **Overview.** An expert committee (“Committee”) shall be formed to investigate
6 and report on the predominant sources of lead and cadmium in Chocolate Products, and to make
7 findings and recommendations on Feasible measures that may be taken, if any, to meaningfully
8 reduce levels of lead and cadmium found in Chocolate Products. The Committee’s charges
9 include:

10 3.1.1. Researching and identifying the sources of lead and cadmium levels in
11 chocolate products, including both natural and anthropogenic sources (“Root Cause Phase”);

12 3.1.2. Identifying and making recommendations regarding Feasible means to
13 reduce lead and cadmium levels over the nearer and longer term, such as through agricultural
14 practices, manufacturing practices, and handling practices (“Reduction Recommendations
15 Phase”);

16 3.1.3. Evaluating and making recommendations as to whether, and, if so, when,
17 the lead and cadmium concentration levels in Chocolate Products that trigger Proposition 65
18 warnings shall be modified from the “drop down” levels described in Sections 6.2.1 and 6.2.2
19 of this Consent Judgment based on Feasible means to reduce lead and cadmium levels over time
20 (“Warning Trigger Phase”);

21 3.1.4. Preparing and submitting a final report with all Consensus Based
22 Committee findings and recommendations, including an appendix setting forth significant areas
23 where consensus could not be achieved, an appendix setting forth any significant conflicting
24 opinions on aspects of a Consensus Based finding where they exist, and an appendix containing
25 complete citations for all source materials used (“Final Report Phase”); and

26 3.1.5. Providing an oral presentation to the Parties to address follow up questions
27 or inquiries regarding the final report at a Committee member’s discretion.
28

1 **3.2 Formation and Direction of the Committee.** The Committee shall consist of four
2 subject matter experts (“SMEs”) and be supported by a retained project manager (“Project
3 Manager”). Within one hundred and twenty (120) days of the Effective Date, AYS, on the one
4 hand, and the Initial Settling Defendants, on the other hand, shall each appoint a qualified SME
5 to the Committee and shall jointly agree upon and appoint a third and fourth SME to the
6 Committee. These four individuals shall form the Committee.

7 3.2.1. SMEs shall be selected based on the following criteria:

8 (a) One SME selected by the Chocolate Industry with a relevant
9 background and expertise.

10 (b) One SME selected by As You Sow with a relevant background and
11 expertise.

12 (c) One additional SME with potential cadmium and cocoa expertise as
13 mutually identified with relevant backgrounds and expertise.

14 (d) One additional SME with potential lead and cocoa expertise as
15 mutually identified with relevant background and expertise.

16 3.2.2. In addition to the SMEs, one Project Manager shall be mutually identified
17 with relevant project management experience, who will provide administrative and logistical
18 support to the Committee, facilitate discussion among the Committee members, and help
19 manage its budget and keep it organized and on schedule in addressing the requirements and
20 timelines set forth in this Consent Judgment.

21 3.2.3. In the event a member of the Committee can no longer perform their duties,
22 a replacement member shall be appointed by the original nominating Party or Parties. AYS and
23 the Initial Settling Defendants shall jointly agree on the replacement for a member who was
24 originally jointly appointed. The Party or Parties appointing a replacement member shall first
25 confer with the remaining members of the Committee concerning potential replacement
26 nominees and solicit their input on appropriate candidates and qualifications. In the event of a
27 resignation of the retained project manager, AYS and the Initial Settling Defendants shall jointly
28 agree upon and arrange for the prompt retention of a replacement.

1 3.2.4. Within one hundred fifty (150) days of the Effective Date, AYS and the
2 Initial Settling Defendants, or a representative acting on the Initial Settling Defendants'
3 collective behalves, shall hold a kickoff meeting with the Committee and the retained project
4 manager to review the Scope of Work attached hereto as **Exhibit C**, which shall be provided to
5 the Committee members and the Project Manager along with a copy of this Consent Judgment
6 upon the Committee's formation. The Scope of Work shall, following clarifications or
7 modifications agreed upon by AYS and the Initial Settling Defendants made at or after the
8 kickoff meeting, guide the Committee's investigation and be binding on the Parties.

9 **3.3 Operation of Committee.**

10 3.3.1. The Committee shall operate on a Consensus Basis and within the budget
11 agreed upon by the Parties. It shall accept reasonable and relevant input from any willing source
12 available and evaluate its content based on professional standards and judgment consistent with
13 the Committee members' prior experience. The preliminary allocation of this budget to
14 different aspects of the Committee's work is set forth below, but it and the overall level of
15 expenditure will be subject to adjustment by mutual agreement of AYS and the Initial Settling
16 Defendants based on a request received from the Project Manager at or following the kickoff
17 meeting referred to in Section 3.2.4. In no event shall the budget, inclusive of the cost of the
18 Project Manager, exceed the aggregate cap agreed upon by the Parties under Section 8.5 of this
19 Consent Judgment.

20 3.3.2. Approximately three quarters (3/4ths) of the Committee's overall budget
21 shall be devoted to its investigative and assessment activities (including as supported by the
22 Project Manager), and one quarter (1/4th) of the Committee's overall budget shall be devoted to
23 formulating its findings and preparing the final report, unless the Committee determines that
24 another allocation of funds is more appropriate, and the Project Manager informs and obtains the
25 approval of AYS and the Initial Settling Defendants of such a revised allocation. The
26 Committee shall complete the Root Cause Phase within nine (9) months from the date of the
27 kickoff meeting established pursuant to Section 3.2.4; the Committee shall complete the
28 Reduction Recommendations Phase within eighteen (18) months from the date of the kickoff

1 meeting established pursuant to Section 3.2.4. Through the Project Manager, the Committee
2 shall provide AYS and the Initial Settling Defendants with brief quarterly progress reports
3 concerning the status of the relevant investigation and the overall budget and identify any
4 significant obstacles that may have arisen relative to timely completion of the Committee's
5 work. The deadlines set forth in this Section 3.3.2 may be modified with the agreement of both
6 AYS and the Initial Settling Defendants based on a significant obstacle to timely completion that
7 has been identified in a progress report or otherwise presented by Project Manager due to
8 unforeseeable circumstances or other reasonable and justifiable need.

9 3.3.3. Members of the Committee and the Project Manager shall sign a
10 confidentiality agreement concerning their work undertaken pursuant to this Consent Judgment
11 and shall not be subject to deposition concerning such work. Nor shall internal working
12 documents created by members of the Committee or the Project Manager during the course of
13 their work pursuant to this Consent Judgment, such as notes and drafts reflecting their mental
14 impressions, be discoverable or otherwise disclosed. Documents the Committee or its members
15 have obtained from public sources that members of the Committee have relied on to reach the
16 recommendations they provide pursuant to Section 3.3.4 are not subject to the discovery
17 restrictions of this Section. The final report the Committee issues pursuant to Section 3.3.4 shall
18 likewise be subject to disclosure and may be made publically available by any Party, as long as
19 any information that is subject to the requirements of Section 3.4.4 have been redacted from it.

20 3.3.4. No later than one hundred eighty (180) days after the conclusion of the
21 Root Cause Phase and the Reduction Recommendation Phase, the Committee shall complete the
22 Warning Trigger Phase and Final Report Phase and issue its final report to the Parties regarding
23 the findings and recommendations the Committee. Subject to Sections 3.3.3 and 3.4.4, AYS
24 and the Initial Settling Defendants shall have access to review the materials upon which the
25 Committee has relied in performing its work, which the Project Manager shall arrange to
26 preserve for a period of five (5) years.

1 **3.4 Means of Investigation by the Committee.**

2 3.4.1. As described in the Scope of Work, the Committee's investigation should
3 be based on a number of sources (whether existing or produced at the Committee's request),
4 including an initial literature review (including peer-reviewed published articles to the extent
5 possible); reviewing test data regarding cocoa beans and Chocolate Products; testing of
6 production equipment, packaging and equipment and materials used in the drying and storage of
7 cocoa beans and testing of cocoa beans and Chocolate Products (including in relation to testing
8 of production equipment, product packaging, and drying and storage methods); travel to cocoa
9 growing areas and processing plants; and interviews with academics, government agencies,
10 chocolate growers, chocolate suppliers, and chocolate manufacturers or others who have
11 relevant expertise on the subject. The Committee may also consult with outside subject matter
12 experts that are necessary to assist in the Committee's work.

13 3.4.2. To inform the investigation, each Initial Settling Defendant shall make
14 available to the Committee, on a rolling basis and, at most, within one hundred twenty (120)
15 days of the Effective Date, relevant information in its possession regarding lead and cadmium in
16 chocolate, including relevant test data regarding cocoa beans, cocoa butter, and/or Chocolate
17 Products and the results of any prior non-privileged substantive investigations into the sources
18 of lead and cadmium in cocoa beans and/or Chocolate Products.

19 3.4.3. The Committee may, at any time, reasonably request further information
20 (including existing test data) and/or samples of cocoa beans and Chocolate Products from one or
21 more Settling Defendants relevant to the Scope(s) of Work and the relevant Settling Defendants
22 shall make a good-faith effort to provide such requested information to the Committee within
23 thirty (30) days of the Committee's reasonable request.

24 3.4.4. Any information provided to the Committee may be provided anonymously
25 (i.e., on a blinded basis and through an intermediary entity such as a trade association or law
26 firm) in order to protect proprietary or commercially sensitive business information, and the
27 members of the Committee shall not disclose or disseminate to others any information they
28 receive from a Settling Defendant or, if it has been provided to the Committee through another

1 entity, the source from which the Committee obtained such Settling Defendant-originated
2 information.

3 **4. IMPLEMENTATION OF INVESTIGATION FINDINGS**

4 4.1 Within one hundred twenty (120) days of the issuance of the Committee's final
5 report pursuant to Section 3.3.4, AYS and the Initial Settling Defendants (or a designated
6 representative thereof) shall begin to meet and confer to determine whether the drop down
7 warning triggers set forth under Sections 6.2.1 and 6.2.2 of the Consent Judgment should be
8 modified based on the final report of the Committee. Such meet and confer period should
9 extend for a period of at least ninety (90) days, unless AYS and the Initial Settling Defendants
10 mutually agree to extend it, including to allow for the involvement of a mediator. Following the
11 conclusion of this meet and confer process, and no earlier than one hundred and twenty (120)
12 days after the commencement of the meet and confer process, AYS and/or the Initial Settling
13 Defendants may, as informed by the Committee's final report, jointly stipulate to or individually
14 move for a modification of this Consent Judgment pursuant to Section 10, including with respect
15 to any upward or downward adjustments of the drop down lead and cadmium warning triggers
16 set forth under Sections 6.2.1 and 6.2.2. Any Party may oppose such a modification before the
17 Court. If entered by the Court, such a modification shall be binding on and effective as to all
18 Settling Defendants, including Opt-In Settling Defendants, one year following written notice to
19 them of the Court's action approving of the modification.

20 4.2 If no modification is entered by the Court pursuant to Section 4.1, the "drop
21 down" warning triggers set forth in Sections 6.2.1 and 6.2.2 shall automatically go into effect as
22 scheduled.

23 4.2—Based on the outcome of the meet and confer process described in Section 4.1
24 above, the Initial Settling Defendants shall fund, implement, and share information with AYS as
25 specified in the Project Plan attached to AYS's motion to modify this Consent Judgment (and
26 now deemed appended hereto as Exhibit F).

27 4.3 Within sixty (60) days of the ninth anniversary of the Compliance Date, As You
28 Sow and the Initial Settling Defendants shall begin meeting and conferring to discuss the

1 implications of the results of the implementation of the Project Plan with respect to Covered
2 Products and the potential for further modifications to this Consent Judgment, including further
3 reductions in the warning thresholds, based on the reports provided pursuant to the Project Plan
4 and information then available to the Parties. Such meet and confer period should extend for a
5 period of at least ninety (90) days, unless AYS and the Initial Settling Defendants mutually
6 agree to extend it, including to allow for the involvement of a mediator. Following the
7 conclusion of this meet and confer process, and no earlier than one hundred and twenty (120)
8 days after the commencement of the meet and confer process, AYS and/or the Initial Settling
9 Defendants may, as informed by the results of the Project Plan and information then available to
10 the Parties, jointly stipulate to or individually move for a modification of this Consent Judgment
11 pursuant to Section 10, including with respect to any further adjustments to Section 6 of the
12 Consent Judgment.

13 **5. BEST PRACTICES AND COMPLIANCE VERIFICATION TESTING**

14 **5.1 Required Provisional Efforts to Ensure Lowest Level Currently Feasible.**

15 During the Committee's investigation and while the resulting meet and confer and any
16 modification process is underway, all Settling Defendants who are cocoa, chocolate, or candy
17 manufacturers (as opposed to retailers or distributors) must certify to AYS annually for five (5)
18 years following the Compliance Date that they have complied with FDA's applicable Good
19 Manufacturing Practice and Preventive Controls for Human Food requirements (21 C.F.R. Part
20 117) for their Covered Products distributed and sold in the United States as reviewed by a
21 qualified internal or third party food safety auditor.

22 **5.2 Compliance Verification Testing and Enforcement Procedures.** Utilizing the
23 funding provided by the Settling Defendants under Section 8.6, AYS will conduct compliance
24 verification testing after the requirements of Section 6 of this Consent Judgment become
25 effective. Any such testing and the provisions set forth in the remainder of this Section 5 shall
26 govern AYS's enforcement of Section 6 of this Consent Judgment. AYS's compliance
27 verification testing conducted pursuant to this Section 5 shall only utilize Covered Product
28 samples that (a) AYS obtains only from the California market or which are shipped to a

1 California address as the result of a purchase by AYS or its investigators via the internet, (b)
2 have been manufactured following the Compliance Date as identified by the Covered Product's
3 Lot identifier, and (c) do not bear the warning required by Section 6.3.

4 5.3 In conducting compliance verification testing, AYS shall use a laboratory that
5 employs inductively coupled plasma mass spectrometry ("ICP-MS") utilizing scientifically
6 appropriate adherence to the protocols set forth in AOAC Method 2015.01 with a LOD/LOQ of
7 0.010 ppm or less.

8 5.4 **Outlier Test Results.**

9 5.4.1. Any single test result obtained that exceeds 0.300 ppm of lead for a product
10 with less than 95% cacao content or 0.450 ppm of lead for a product with 95% or greater cacao
11 content; or 0.900 ppm of cadmium for a product with less than 95% cacao content or 1.92 ppm
12 of cadmium for a product with 95% or greater cacao content shall be deemed a potential
13 "Outlier."

14 5.4.2. At a Settling Defendant's option, any single Outlier test result must be
15 subject to validation before it is deemed to be an effective result for purposes of this Consent
16 Judgment. The validation process shall consist of two steps:

17 (a) First, the laboratory from which the test result in question was
18 obtained shall be required to check its equipment, test processes, validation procedures,
19 laboratory contamination, operator error, and any other factors which could have produced an
20 erroneous result. If the result is determined erroneous due to testing error or failure to satisfy
21 quality assurance or quality control procedures, the result shall be discarded and not used for any
22 purpose under this Consent Judgment. The Covered Product may then be re-tested as if such
23 test were the first test.

24 (b) Second, if the steps in Section 5.4.2(a) have not invalidated the
25 result, then the Settling Defendant may, in preparation for the meet and confer process set forth
26 in Section 5.5.4 and no later than sixty (60) days after the notice of violation is sent, collect up to
27 three (3) or more randomly selected samples of the Covered Product from the same Lot as the
28 Covered Product subject to the Notice of Violation. AYS, at its option, can also test up to three

1 (3) more products from the same Lot and have those additional products tested. The arithmetic
2 mean of these test results and the original Outlier test result shall then be determined. That
3 mean result shall be deemed the final result concerning the sample in question and shall
4 constitute the applicable test result for purposes of this Consent Judgment. If, between a
5 Settling Defendant and AYS, less than two (2) additional Covered Product samples from the
6 same Lot remain in either the Settling Defendant's or AYS's control or can reasonably be
7 acquired through purchase, the Settling Defendant and/or AYS may use such randomly selected
8 samples of the Covered Product as produced in the same calendar quarter as is indicated by the
9 Lot identifier of the potential Outlier sample.

10 **5.5 Stipulated Enforcement Process.**

11 5.5.1. Notice of Violation. In the event that AYS obtains qualified laboratory test
12 results showing that the Covered Product exceeds the applicable limit or limits set forth in
13 Section 6.2, it may issue a Notice of Violation pursuant to this Section 5.5. For the purposes of
14 this Consent Judgment, "Notice of Violation" shall mean violations of the Consent Judgment
15 and is not a sixty day notice subject to the requirements of California Code of Regulations Title
16 27 § 25903.

1 5.5.2. Service of Notice of Violation and Supporting Documentation.

2 (a) The Notice of Violation shall be sent to the person(s) identified in
3 Section 19 to receive notices for the Settling Defendant in question, and must be served within
4 sixty (60) days of the later of the date the Covered Product at issue was tested or the test result in
5 question was acquired by AYS, provided, however, that AYS may have up to an additional sixty
6 (60) days to send the Notice of Violation if, notwithstanding AYS's good faith efforts, the test
7 data required by Section 5.4.2(a) cannot be obtained by AYS from the laboratory before
8 expiration of the initial sixty (60) day period.

9 (b) The Notice of Violation shall, at a minimum, set forth: (a) the date
10 the Covered Product was purchased; (b) the location at which the Covered Product was
11 purchased; (c) the name of the Covered Product giving rise to the alleged violation, including
12 the name and address of the retail entity from which the sample was obtained and pictures of the
13 product packaging, which identifies the product's UPC number and lot number/best-by/sell-by
14 date; and (d) all compliance verification test data obtained by AYS regarding the Covered
15 Product, including any laboratory reports, quality assurance reports, and quality control reports
16 associated with testing of the Covered Product.

17 5.5.3. Notice of Election of Response. No more than thirty (30) days after
18 effectuation of service of a Notice of Violation, the Settling Defendant in question shall provide
19 written notice to AYS whether such Settling Defendant elects to contest the allegations
20 contained in a Notice of Violation ("Notice of Election"). Upon notice to AYS, Settling
21 Defendant may have up to an additional thirty (30) days to elect if, notwithstanding Settling
22 Defendant's good faith efforts, a Settling Defendant is unable to verify the test data provided by
23 AYS before expiration of the initial thirty (30) day period.

24 (a) If a Notice of Violation is contested, the Notice of Election shall
25 include all documents upon which the Settling Defendant is relying to contest the alleged
26 violation, including any test data that it wishes to rely on, including any laboratory reports,
27 quality assurance reports, and quality control reports associated with testing of the Covered
28

Product. (Such test data may include, but not be limited to, the test results obtained under Section 5.4.2(b), if applicable.)

5.5.4. Meet and Confer. If a Notice of Violation is contested, AYS and the Settling Defendant shall meet and confer to attempt to resolve their dispute. Within thirty (30) days of serving a Notice of Election, a Settling Defendant may withdraw the original Notice of Election contesting the violation and serve a new Notice of Election to not contest the violation, provided, however, that, in this circumstance, such Settling Defendant shall pay AYS's actual documented fees and costs up to a cap of \$5,000, in addition to the payments specified in Sections 5.5 and 5.6. for violations of the Consent Judgment. At any time, AYS may withdraw a Notice of Violation, in which case for purposes of Section 5.6, the result shall be as if AYS never issued any such Notice of Violation. If no informal resolution of a Notice of Violation results within thirty (30) days of a Notice of Election to contest, AYS may file an enforcement motion or application pursuant to Section 16. In any such proceeding, AYS may seek whatever fines, costs, penalties, attorneys' fees, or other remedies are provided by law for an alleged failure to comply with Proposition 65 or this Consent Judgment.

5.5.5. Non-Contested Notices. If a Settling Defendant elects to not contest the allegations in a Notice of Violation, it shall undertake corrective action and make payments as set forth below.

(a) A Settling Defendant electing to not contest shall include in its Notice of Election a detailed description with supporting documentation of the corrective action(s) that it has undertaken or proposes to undertake to address the alleged violation. Any such correction shall provide reasonable assurance that all Covered Products having the same UPC number and Lot identifier as that of the Covered Product identified in AYS's Notice of Violation (the "Noticed Covered Products") will not be thereafter sold in the State of California or offered for sale to California customers by the Settling Defendant without the product warning language specified in Section 6.3 having been provided prior to its sale, and that the Settling Defendant has sent instructions to any retailers or customers that offer the Noticed Covered Products for sale to cease offering the Noticed Covered Products for sale to California

1 consumers unless such product warning language is provided in conjunction with its sale.
2 Settling Defendant shall also document the additional steps, including product testing and/or
3 modification, that it will take to ensure that future Lots of the same Covered Product comply
4 with the requirements of the Consent Judgment. A Settling Defendant shall keep for a period of
5 one year and provide to AYS documentation confirming its implementation regarding the
6 foregoing. If there is a dispute over the corrective action, the Settling Defendant and AYS shall
7 meet and confer before seeking any remedy in court. In no case shall AYS issue to a Settling
8 Defendant more than one Notice of Violation per Covered Product within a calendar quarter.

9 (b) If the Notice of Violation is the first Notice of Violation received by
10 the Settling Defendant for a type of Covered Product (as identified by its UPC code) under
11 Section 5.5.1 that was not successfully contested or withdrawn, then a Settling Defendant as
12 defined by Sections 8.1.1 or 8.1.4 shall pay \$10,000, a Settling Defendant as defined by
13 Sections 8.1.2, 8.1.5, or 8.1.7 shall pay \$7,500, and a Settling Defendant as defined by Sections
14 8.1.3, 8.1.6, or 8.1.8 shall pay \$5,000, for each Notice of Violation. If the Notice of Violation is
15 the second Notice of Violation received by the Settling Defendant for a Covered Product under
16 Section 5.5.1 that was not successfully contested or withdrawn, then a Settling Defendant as
17 defined by Sections 8.1.1 or 8.1.4 shall pay \$15,000, a Settling Defendant as defined by Sections
18 8.1.2, 8.1.5, or 8.1.7 shall pay \$12,500, and a Settling Defendant as defined by Sections 8.1.3,
19 8.1.6, or 8.1.8 shall pay \$10,000, for each Notice of Violation. If the Notice of Violation is the
20 third or fourth Notice of Violation received by the Settling Defendant for a Covered Product
21 under Section 5.5.1 that was not successfully contested or withdrawn, then a Settling Defendant
22 as defined by Sections 8.1.1 or 8.1.4 shall pay \$25,000, a Settling Defendant as defined by
23 Sections 8.1.2, 8.1.5, or 8.1.7 shall pay \$20,000, and a Settling Defendant as defined by Sections
24 8.1.3, 8.1.6, or 8.1.8 shall pay \$15,000, for each Notice of Violation.

25 (c) If a Settling Defendant produces with its Notice of Election test data
26 for the Covered Product (as identified by its UPC code and a best-by or sell-by date falling
27 within the same calendar quarter) that: (i) was obtained prior to the date AYS gave Notice of
28 Violation; (ii) was conducted on the same type of Covered Product (as identified by its UPC

code); and (iii) demonstrates levels below the applicable warning triggers set forth in Section 6.2.1 and 6.2.2, then any payment under this Section shall be reduced by one hundred percent (100%) for the first Notice of Violation, except that the Settling Defendant shall reimburse AYS for AYS's actual documented fees and costs associated with testing the Covered Product up to limit of \$5,000. Pursuant to Section 5.5.5(a), the Settling Defendant shall also document the measures, including product testing, warnings, and/or modification, that it will take to ensure that future Lots of the same Covered Product comply with the requirements of the Consent Judgment.

5.5.6. Payments. Any payments under Section 5.5.5 shall be made by check payable to "As You Sow" and shall be paid within thirty (30) days of service of a Notice of Election triggering a payment and shall be used by AYS as reimbursement for costs for investigating, preparing, sending, and prosecuting Notices of Violation, and to reimburse attorneys' fees and costs incurred in connection with these activities. To the extent such reimbursement exceeds AYS's associated costs, AYS will use these funds to replenish the Compliance Testing Fund established pursuant to Section 8.6 of this Consent Judgment.

5.6 **Repeat Violations**. If a Settling Defendant has received more than four (4) Notices of Violation concerning the same Covered Product that were not successfully contested or withdrawn in any two (2) year period then, at AYS's option, AYS may seek whatever fines, costs, penalties, attorneys' fees, or other remedies that are provided by law for failure to comply with Proposition 65. Prior to seeking such relief, AYS shall meet and confer with the Settling Defendant for at least thirty (30) days to determine if the Settling Defendant and AYS can instead agree on measures that the Settling Defendant can undertake to prevent future alleged violations.

6. INJUNCTION GOVERNING COVERED PRODUCT FORMULATIONS AND WARNINGS

6.1 **Applicability**. Covered Products subject to this Consent Judgment are subject to the requirements for Proposition 65 warnings set forth in Sections 6.3, 6.4, and 6.5, as applicable, depending on their cacao content (by %) and lead and cadmium levels as further

1 specified in Section 6.2. The requirements set forth in this Section 6 shall apply only to Covered
2 Products: (a) manufactured on or following the Compliance Date, and (b) which are (i) sold or
3 may be offered for sale to California consumers (“consumer products”) or (ii) sold or may be
4 offered for sale as inputs to Covered Products (“non-consumer products”) which are sold or may
5 be offered for sale to California consumers.

6 6.2 Product Warning Triggers.

7 6.2.1. Product Warning Triggers Based on Lead Concentration Levels.

8 (a) For Covered Products with up to 65% cacao content: Product
9 Warnings are required if the Covered Product’s associated lead concentration level exceeds
10 0.100 ppm, provided, however, that as of the sixth anniversary of the Compliance Date, the
11 foregoing lead concentration level shall be deemed to have been reduced to 0.065 ppm unless (i)
12 the Committee has recommended that the 0.100 ppm lead concentration level be continued, a
13 lead concentration level between 0.100 and 0.065 ppm be instituted, or that a lead concentration
14 level less than 0.065 ppm replace the 0.065 ppm level, and (ii) a modification of this Consent
15 Judgment has been entered which reflects the level that shall supersede the drop down to 0.065
16 ppm. As of the seventh anniversary of the Compliance Date, the foregoing lead concentration
17 level shall be deemed to have been reduced to 0.060 ppm, and as of the eighth anniversary of the
18 Compliance Date, the foregoing lead concentration level shall be deemed to have been reduced
19 to 0.055 ppm.

20 (b) For Covered Products with greater than 65% and up to 95% cacao
21 content: Product Warnings are required if the Covered Product’s associated lead concentration
22 level exceeds 0.150 ppm, provided, however, that as of the sixth anniversary of the Compliance
23 Date, the foregoing lead concentration level shall be deemed to have been reduced to 0.100 ppm
24 unless (i) the Committee has recommended that the 0.150 ppm lead concentration level be
25 continued, a lead concentration level between 0.150 and 0.100 ppm be instituted, or that a lead
26 concentration level less than 0.100 ppm replace the 0.100 ppm level, and (ii) a modification of
27 this Consent Judgment has been entered which reflects the level that shall supersede the drop
28 down to 0.100 ppm. As of the seventh anniversary of the Compliance Date, the foregoing lead

1 concentration level shall be deemed to have been reduced to 0.095 ppm, and as of the eighth
2 anniversary of the Compliance Date, the foregoing lead concentration level shall be deemed to
3 have been reduced to 0.090 ppm.

4 (c) For Covered Products with greater than 95% cacao content: Product
5 Warnings are required if the Covered Product's associated lead concentration level exceeds
6 0.225 ppm, provided, however, that as of the sixth anniversary of the Compliance Date, the
7 foregoing lead concentration level shall be deemed to have been reduced to 0.200 ppm unless (i)
8 the Committee has recommended that the 0.225 ppm lead concentration level be continued, a
9 lead concentration level between 0.225 and 0.200 ppm be instituted, or that a lead concentration
10 less than 0.200 ppm replace the 0.200 ppm level, and (ii) a modification of this Consent
11 Judgment has been entered which reflects the level that shall supersede the drop down to 0.200
12 ppm. As of the seventh anniversary of the Compliance Date, the foregoing lead concentration
13 level shall be deemed to have been reduced to 0.195 ppm, and as of the eighth anniversary of the
14 Compliance Date, the foregoing lead concentration level shall be deemed to have been reduced
15 to 0.190 ppm.

16 **6.2.2. Product Warning Triggers Based on Cadmium Concentration Levels.**

17 (a) For Covered Products with up to 65% cacao content: Product
18 Warnings are required if the Covered Product's associated cadmium concentration level exceeds
19 0.400 ppm, provided, however, that as of the sixth anniversary of the Compliance Date, the
20 foregoing cadmium concentration level shall be deemed to have been reduced to 0.320 ppm
21 unless (i) the Committee has recommended that the 0.400 ppm cadmium concentration level be
22 continued, a cadmium concentration level between 0.400 and 0.320 ppm be instituted, or that a
23 cadmium concentration level less than 0.320 ppm replace the 0.320 ppm level, and (ii) a
24 modification of this Consent Judgment has been entered which reflects the level that shall
25 supersede the drop down to 0.320 ppm.

26 (b) For Covered Products with greater than 65% and up to 95% cacao
27 content: Product Warnings are required if the Covered Product's associated cadmium
28 concentration level exceeds 0.450 ppm, provided, however, that as of the sixth anniversary of

1 the Compliance Date, the foregoing cadmium concentration level shall be deemed to have been
2 reduced to 0.400 ppm unless (i) the Committee has recommended that the 0.450 ppm lead
3 concentration level be continued, a cadmium concentration level between 0.450 and 0.400 ppm
4 be instituted, or that a cadmium concentration level less than 0.400 ppm replace the 0.400 ppm
5 level, and (ii) a modification of this Consent Judgment has been entered which reflects the level
6 that shall supersede the drop down to 0.400 ppm.

7 (c) For Covered Products with greater than 95% cacao content: Product
8 Warnings are required if the Covered Product's associated cadmium concentration level exceeds
9 0.960 ppm, provided, however, that as of the sixth anniversary of the Compliance Date, the
10 foregoing cadmium concentration level shall be deemed to have been reduced to 0.800 ppm
11 unless (i) the Committee has recommended that the 0.960 ppm cadmium concentration level be
12 continued, a cadmium concentration level between 0.960 and 0.800 ppm be instituted, or that a
13 cadmium concentration level less than 0.800 ppm replace the 0.800 ppm level, and (ii) a
14 modification of this Consent Judgment has been entered which reflects the level that shall
15 supersede the drop down to 0.800 ppm.

16 **6.3 Product Warning Language.** Following the Compliance Date, the following
17 Product Warning statement shall be used on any Covered Product authorized or offered for sale
18 in the State of California which exceeds an applicable trigger as set forth in Section 6.2:

19 **WARNING:** Consuming this product may expose you to chemicals including lead and
20 cadmium, which are known to the State of California to cause [cancer and] birth defects
21 or other reproductive harm. For further information go to www.p65warnings.ca.gov

22 The bracketed language in the preceding Product Warning statement may be deleted or included
23 at a Settling Defendant's option.

24 For Covered Products that are not able to obtain the levels set forth in Section 6.2.1 of the
25 Consent Judgment as of the seventh or eighth anniversary of the Compliance Date, but which do
26 not exceed the levels Section 6.2.1 of the Consent Judgment specifies as requiring a Proposition
27 65 warning as of the sixth anniversary of the Compliance Date, the following alternative
28 language is authorized:

1 CA WARNING: Risk of reproductive harm from exposure to lead. See
2 www.P65warnings.ca.gov/food
3

4 **6.4 Method of Transmission for Product Warnings.**

5 **6.4.1. Labeling Requirement.** Where required pursuant to Sections 6.1 and 6.2,
6 the Product Warning statement set forth in Section 6.3 shall be placed on a consumer Covered
7 Product's labeling with such conspicuousness as compared with other words, statements, or
8 designs on the labeling or packaging as to render it likely to be read and understood by an
9 ordinary individual under customary conditions of use or purchase. The Product Warning
10 statement shall be displayed in at least the same size as the largest of any other health or safety
11 warnings or chemical or allergen disclosures on the Covered Product's label. The Product
12 Warning statement shall be contained in the same section of the label that states other safety
13 warnings or chemical/allergen disclosures about the Covered Product.

14 **6.4.2. Warning for a Settling Defendant's Internet Sales.** In addition to
15 complying with the labeling requirement in subsection 6.4.1, Settling Defendants who maintain
16 their own websites that sell Covered Products to a California consumer, must also provide
17 Product Warnings, where required for a Covered Product under Sections 6.1 and 6.2, by
18 including either the Product Warning statement set forth in Section 6.3 or a clearly marked
19 hyperlink using the word "WARNING" to such a Product Warning statement, either: (a) on the
20 product display page for the Covered Product, (b) on the same page as serves as the order form
21 for the Covered Product, (c) on the same page as where the price for the Covered Product is
22 otherwise displayed; or (d) in a dialogue box that appears and is visible when a California
23 address for delivery is provided by the consumer (but only if the dialogue box appears prior to
24 the completion of the internet sale).

25 **6.5 Non-Consumer Chocolate Products.** The Product Warning requirements set
26 forth in this Section 6 do not directly apply to commercial, non-consumer Chocolate Products
27 that are intended to be used as ingredients in consumer products, as long as such products are
28 not made available for sale directly to California consumers. However, Settling Defendants that

1 manufacture, distribute or sell commercial, non-consumer Chocolate Products that do exceed the
2 limits set forth in Section 6.2 shall advise their customers in writing at least annually that
3 consumer products made with their commercial products may not be offered for sale in the State
4 of California without the applicable warning as set forth in Section 6.3 and 6.4, unless the
5 resulting consumer products do not exceed the limits as set forth in Sections 6.2.1 and 6.2.2.

6 6.6 Any changes to the language or format of the Product Warnings required under
7 this Section 6 shall be made only after Court approval and following written notice to AYS and
8 to the California Attorney General.

9 **7. OPT-IN PROGRAM**

10 7.1 This Consent Judgment is executed with the understanding that additional persons
11 and entities who manufacture, distribute, sell, or offer for sale Chocolate Products in the State of
12 California may wish to subscribe to the terms of this Consent Judgment. Each Opt-In Settling
13 Defendant that has not already received a 60-Day Notice of Violation from AYS concerning the
14 range of Chocolate Products it wishes to address through the Opt-In must be able to certify to
15 the facts enumerated in Section 7.3.

16 7.2 At any time before one hundred eighty (180) days following the Effective Date,
17 prospective Opt-In Settling Defendants who are willing to confirm the representations listed in
18 Section 7.3 may become Settling Defendants under this Consent Judgment by executing an Opt-
19 In Stipulation as provided in Section 7.3 and tendering the applicable payment amounts, as set
20 forth in Section 8. Each Opt-In Defendant that has not received a 60-day Notice of Violation
21 from AYS for the Chocolate Products to be covered by this Consent Judgment shall cooperate
22 with AYS in providing an evidentiary basis upon which AYS can complete a certificate of merit
23 for the 60-day Notice of Violation, as required by Health and Safety Code section
24 25249.7(d)(1).

25 7.3 Each Opt-In Settling Defendant shall execute and deliver to AYS an Opt-In
26 Stipulation in the general form appearing as **Exhibit B** hereto identifying whether the Opt-In
27 Settling Defendant has manufactured, imported, distributed, sold, or offered for use and sale in
28 the State of California Chocolate Products, and certifying to the following facts: (1) it employs

1 ten or more persons; (2) it manufactured, imported, distributed, sold, or offered for use and sale
2 in the State of California one or more specifically identified Chocolate Products without a “clear
3 and reasonable” Proposition 65 warning during the preceding year; and (3) it knows or has
4 reason to believe that one or more of the identified Chocolate Products has in the past contained
5 or presently contains lead or cadmium in excess of at least one of the drop down levels set forth
6 in Section 6.2.1 or 6.2.2.

7 7.4 Not later than ninety (90) days after AYS receives a completed Opt-In Stipulation
8 for a prospective Opt-In Settling Defendant for which a 60-day Notice of Violation has not been
9 issued, any additional information and representations necessary to support a 60-day Notice of
10 Violation, and payment of the applicable payments required in Section 8, AYS shall serve a
11 Notice of Violation pursuant to California Health and Safety Code section 25249.7(d) on the
12 Opt-In Settling Defendant, to the California Attorney General, to every California District
13 Attorney and every California city attorney required to receive such a notice pursuant to
14 California Health and Safety Code section 25249.7.

15 7.5 No earlier than seventy (70) days from the date specified in the Notice of
16 Violation sent to an Opt-In Settling Defendant, and provided that no authorized public
17 prosecutor of Proposition 65 has filed an action against that Opt-In Settling Defendant for
18 alleged exposures to lead or cadmium in the Covered Products and is diligently prosecuting it,
19 AYS shall file in this Court an application for entry of the executed Opt-In Stipulation that AYS
20 has received pursuant to this Section 7 and shall serve notice thereof on all other Settling
21 Defendants. If the Court approves the application for entry of the Opt-In Stipulation, the
22 Complaint shall be deemed to have been amended to specifically name the Opt-In Settling
23 Defendant that executed the Opt-In Stipulation as named defendants in this Action, and each
24 such Opt-In Settling Defendant shall be deemed to be a full Settling Defendant under this
25 Consent Judgment, with all applicable obligations and rights conferred by this Consent
26 Judgment.

27 7.6 In the event that a public prosecutor is diligently prosecuting an Opt-In Settling
28 Defendant’s alleged Proposition 65 violation prior to the expiration of the 60-day notice period,

1 AYS shall refund the full payment made by that Opt-In Settling Defendant and have no further
2 obligation to that Opt-In Settling Defendant under this Section 7.

3 7.7 At the time AYS files the final application for entry of the Opt-In Stipulations with
4 the Court pursuant to Section 7.5, it shall prepare and file with the Court and serve on the
5 California Attorney General, an application for approval of the Opt-In Stipulations pursuant to
6 Section 8.2. The application shall be supported by one or more declarations reporting the results
7 of the opt-in program, including all expenses and attorneys' fees incurred by AYS's counsel
8 with respect to the lead and cadmium enforcement process and opt-in process to date. In the
9 event that the application demonstrates that the total amount of the expenses and attorneys' fees
10 incurred by AYS is less than the total amount of reimbursement provided pursuant to Section
11 8.2, AYS shall within thirty (30) days disgorge any attorneys' fees and costs reimbursements in
12 excess of its costs actually incurred in AYS's chocolate-related Proposition 65 matters to the
13 Initial Settling Defendants as set forth in Section 8.2 below.

14 7.8 Opt-In Settling Defendants are subject to the timelines as set forth in Sections 5
15 and 6 of this Consent Judgment, without modification.
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8. MONETARY RELIEF

8.1 For the purposes of this Section 8 regarding monetary relief, Settling Defendants shall fall into one of the following categories and provide certification of their qualifications therefore to AYS upon request:

8.1.1. Large Grinders/Wholesalers/Chocolate Ingredient Suppliers: Total annual U.S. sales of Covered Products of \$500 Million or more

8.1.2. Medium Grinders/Wholesalers/Chocolate Ingredient Suppliers: Total annual U.S. sales of Covered Products in excess of \$50 Million but less than \$500 Million

8.1.3. Small Grinders/Wholesalers/Chocolate Ingredient Suppliers: Total annual U.S. sales of Covered Products of less than \$50 Million

8.1.4. Not Otherwise Completely Released Large Candy Manufacturer: Total annual U.S. sales of Covered Products of \$500 Million or more

8.1.5. Not Otherwise Completely Released Medium Candy Manufacturer: Total annual U.S. sales of Covered Products of \$50 Million but less than \$500 Million

8.1.6. Not Otherwise Completely Released Small Candy Manufacturer: Total annual U.S. sales of Covered Products of less than \$50 Million

8.1.7. Large Retailer With Exposure Not Covered By a Downstream Release: Total annual U.S. sales of Covered Products not subject to downstream release of \$100 Million or more

8.1.8. Small Retailer With Exposure Not Covered By a Downstream Release: Total annual U.S. sales of Covered Products not subject to downstream release of less than \$100 Million.

8.2 **Fee Reimbursement.** Within thirty (30) days of the Effective Date, the Initial Settling Defendants, or an entity acting on their behalves, shall collectively reimburse AYS's attorneys' fees, investigative costs, and other reasonable litigation costs and expenses in the aggregate amount of \$900,000. The individual amounts set forth in Sections 8.2.1 through 8.2.8 shall apply to the calculation of fee reimbursement payments for Opt-In Settling Defendants pursuant to Section 7 and shall be reimbursed to the Initial Settling Defendants by AYS within sixty (60) days of the Court's action on the application AYS must file pursuant to Section 7.7. AYS shall make this reimbursement through a lump sum payment to Morrison and Foerster Client Trust LLP (or an alternate designee of the Initial Settling Defendants), which will distribute the funds on a pro rata basis based on each Initial Settling Defendant's total payments

made under this Section 8.2 relative to all other Initial Settling Defendants' total payments made under this Section 8.2 or pursuant to such other allocation as has been agreed upon among the Initial Settling Defendants. In the event the amount provided to the Initial Settling Defendants under this Section 8.2 and Section 8.5 exceeds the fees and costs the Initial Settling Defendants have incurred with respect to this Consent Judgment, excluding any payments made under Sections 8.3, 8.4, or 8.6, but including the legal fees they have incurred in its development and approval and entry by the Court ("Settlement Related Costs"), the Initial Settling Defendants shall disgorge any such excess amount to the California Office of Environmental Health Hazard Assessment ("OEHHA").

8.2.1. Large Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$95,000

8.2.2. Medium Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$45,000

8.2.3. Small Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$20,000

8.2.4. Not Otherwise Completely Released Large Candy Manufacturer: \$95,000

8.2.5. Not Otherwise Completely Released Medium Candy Manufacturer:
\$45,000

8.2.6. Not Otherwise Completely Released Small Candy Manufacturer: \$20,000

8.2.7. Large Retailer With Exposure Not Covered By a Downstream Release:
\$12,500

8.2.8. Small Retailer With Exposure Not Covered By a Downstream Release:
\$10,000

8.3 Civil Penalties. Within thirty (30) days of the Effective Date, each Initial Settling Defendant, or an entity acting on their collective behalves, shall also make the following payments to AYS as civil penalties, pursuant to Health and Safety Code section 25249.7(b), as set forth in Sections 8.3.1 through 8.3.8. The individual amounts set forth in Sections 8.3.1 through 8.3.8 shall also apply to the calculation of payments for Opt-In Settling Defendants pursuant to Section 7. AYS shall remit 75% of the amount to the State of California pursuant to Health and Safety Code section 25249.12(b). Settling Defendants shall have no liability if payments to the State of California are not made by AYS.

- 1 8.3.1. Large Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$22,000
2 8.3.2. Medium Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$16,500
3 8.3.3. Small Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$11,000
4 8.3.4. Not Otherwise Completely Released Large Candy Manufacturer: \$22,000
5 8.3.5. Not Otherwise Completely Released Medium Candy Manufacturer:
6 \$16,500
7 8.3.6. Not Otherwise Completely Released Small Candy Manufacturer: \$11,000
8 8.3.7. Large Retailer With Exposure Not Covered By a Downstream Release:
 \$16,500
9 8.3.8. Small Retailer With Exposure Not Covered By a Downstream Release:
10 \$11,000.

11 **8.4 Additional Settlement Payments In Lieu Of Penalties.** Additionally, within
12 thirty (30) days of the Effective Date, each Initial Settling Defendant, or an entity acting on their
13 collective behalves, shall make the following additional payments to AYS in lieu of additional
14 civil penalties, as set forth in Sections 8.4.1 through 8.4.8. The individual amounts set forth in
15 Sections 8.4.1 through 8.4.8 shall also apply to the calculation of payments for Opt-In Settling
16 Defendants pursuant to Section 7. These additional settlement payments may be used by AYS
17 for grants to California 501(c)(3) non-profit organizations and by AYS itself for research and
18 educational purposes associated with reducing or remediating exposures to lead and cadmium
19 contained in consumer products sold in California and/or to increase consumer awareness of the
20 health hazards posed by these chemicals in consumer products sold in California and how such
21 hazards may be mitigated, but may not be used by AYS or its grantees in support of litigation, or
22 for public relations, directed at the Settling Defendants or their Covered Products. In deciding
23 among grantee proposals, the AYS Board of Directors ("Board") takes into consideration a
24 number of important factors, including: (1) the nexus between the harm posed by lead and
25 cadmium in consumer products sold in California and the grant program work; (2) the potential
26 for lead or cadmium reduction, prevention, mitigation, remediation, or education benefits to
27 California citizens from the proposal; (3) the budget requirements of the proposed grantee and
28 the alternate funding sources available to it for its project; and (4) the Board's assessment of the

1 grantee's chances for success in its program work. AYS shall ensure that all funds will be
2 disbursed and used in accordance with this Section 8.4, as well as with AYS's mission
3 statement, articles of incorporation, bylaws, and applicable state and federal laws and
4 regulations. AYS shall obtain and maintain adequate records to document that the funds are
5 spent on the activities described in this Section 8.4, and shall provide the Attorney General,
6 within thirty (30) days of any request, copies of all documentation demonstrating how such
7 funds have been spent. No party to this Consent Judgment, or counsel of record, or spouse or
8 dependent child thereof, has an economic interest in any entity or individual, besides itself, that
9 is designated in this paragraph to receive all or a party of any Additional Settlement Payments.

10 The payments required under this Section 8.4 are as follows:

11 8.4.1. Large Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$3,875

12 8.4.2. Medium Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$2,125

13 8.4.3. Small Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$500

14 8.4.4. Not Otherwise Completely Released Large Candy Manufacturer: \$3,875

15 8.4.5. Not Otherwise Completely Released Medium Candy Manufacturer: \$2,125

16 8.4.6. Not Otherwise Completely Released Small Candy Manufacturer: \$500

17 8.4.7. Large Retailer With Exposure Not Covered By a Downstream Release:
18 \$2,125

19 8.4.8. Small Retailer With Exposure Not Covered By a Downstream Release:
\$500.

20 **8.5 Payments to Fund Committee's Work.** Additionally, within thirty (30) days of
21 the Effective Date, as contemplated in Section 3.3.2, the Initial Settling Defendants, or an entity
22 acting on their behalves, shall collectively tender to AYS an aggregate amount of \$500,000 to
23 fund the Committee investigation. The individual amounts of payments set forth in Sections
24 8.5.1 through 8.5.8 shall apply to the calculation of payments towards the Committee's work for
25 Opt-In Settling Defendants pursuant to Section 7. The first \$100,000 of payments received by
26 AYS from Opt-In Settling Defendants pursuant to this Section 8.5 will be used exclusively to
27 fund the remaining expense, if any, associated with the Committee's investigation and final
28 report pursuant to Section 3. Any portion of the \$100,000 that is not required for the remaining

1 expense of the Committee shall be transferred to the Compliance Testing Fund established under
2 Section 8.6. Any funds raised from Opt-In Settling Defendants pursuant to this Section 8.5 in
3 excess of the \$100,000 amount shall be paid to the Initial Settling Defendants by AYS within
4 sixty (60) days of the Court's action on the application AYS must file pursuant to Section 7.7.
5 AYS shall make this reimbursement through a lump sum payment to the Morrison and Foerster
6 LLP Client Trust (or an alternate designees of the Initial Settling Defendants), which will
7 distribute the funds on a pro rata basis based on each Initial Settling Defendant's total payments
8 made under this Section 8.5 relative to all other Initial Settling Defendants' total payments made
9 under this Section 8.5 or pursuant to such other allocation as has been agreed upon by the Initial
10 Settling Defendants. If the funds raised from the Opt-In Settling Defendants under this Section
11 8.5 are not sufficient to generate the additional \$100,000, the Initial Settling Defendants shall
12 collectively tender the difference to AYS within one year of the Effective Date. The payments
13 required by Opt-In Settling Defendants under this Section 8.5 shall be:

14 8.5.1. Large Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$77,500

15 8.5.2. Medium Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$35,000

16 8.5.3. Small Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$15,000

17 8.5.4. Not Otherwise Completely Released Large Candy Manufacturer: \$77,500

18 8.5.5. Not Otherwise Completely Released Medium Candy Manufacturer:
19 \$35,000

20 8.5.6. Not Otherwise Completely Released Small Candy Manufacturer: \$15,000

21 8.5.7. Large Retailer With Exposure Not Covered By a Downstream Release:
22 \$7,500

23 8.5.8. Small Retailer With Exposure Not Covered By a Downstream Release:
24 \$2,500.

25 8.6 **Payments to Fund Compliance Verification Testing and Oversight Program.**

26 Additionally, within thirty (30) days of the Effective Date, each Initial Settling Defendant, or an
27 entity acting on their collective behalves, shall make the following additional payments to AYS
28 to provide seed funding for the compliance verification testing and oversight program set forth
in Sections 5.2 to 5.5 ("Compliance Testing Fund"). The individual amounts of payments set

1 forth in Sections 8.6.1 through 8.6.8 shall also apply to the calculation of payments towards the
2 compliance verification testing and oversight program for Opt-In Settling Defendants pursuant
3 to Section 7. The payments received by AYS pursuant to this Section 8.6 shall be used
4 exclusively to fund the compliance verification testing and oversight program described in
5 Sections 5.2 through 5.5. The payments required under this Section 8.6 shall be:

6 8.6.1. Large Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$12,500

7 8.6.2. Medium Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$10,000

8 8.6.3. Small Grinders/Wholesalers/Chocolate Ingredient Suppliers: \$7,500

9 8.6.4. Not Otherwise Completely Released Large Candy Manufacturer: \$12,500

10 8.6.5. Not Otherwise Completely Released Medium Candy Manufacturer:
11 \$10,000

12 8.6.6. Not Otherwise Completely Released Small Candy Manufacturer: \$7,500

13 8.6.7. Large Retailer With Exposure Not Covered By a Downstream Release:
14 \$10,000

15 8.6.8. Small Retailer With Exposure Not Covered By a Downstream Release:
16 \$7,500.

17 8.7 Initial Settling Defendants, or an entity acting on their collective behalves, shall
18 issue all payments as required under this Section 8 with a check made payable to Shute, Mihaly
19 & Weinberger LLP Client Trust Account and delivered to Ellison Folk, Shute, Mihaly &
20 Weinberger LLP, 396 Hayes Street, San Francisco, CA 94102 or via wire or ACH electronic
21 funds transfer if mutually arranged with Shute, Mihaly & Weinberger LLP in advance. Funds
22 tendered by the Opt-In Defendants for purposes of Section 8.2 shall be provided along with the
23 other documentation and payments required under Section 7.4 and maintained in the Shute,
24 Mihaly & Weinberger LLP Client Trust Account until disbursed for fee and cost reimbursement
25 approved by the Court or, if there is a surplus, until disbursed to the Initial Settling Defendants.
26 Funds tendered for purposes of Section 8.5 shall be maintained in the Shute, Mihaly &
27 Weinberger LLP Client Trust Account until disbursed for the Committee's expenses or, if there
28 is a surplus, until disbursed to the Initial Settling Defendants.

1 8.8 Except as provided in Sections 5.5, 5.6, and 16.1, the payments made pursuant to
2 this Section 8 shall be the only monetary obligation of Settling Defendants with respect to this
3 Consent Judgment, including as to any fees, costs, or expenses AYS has incurred in relation to
4 this Action.

5 **9. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)**

6 AYS agrees to comply with the reporting requirements referenced in California Health
7 and Safety Code section 25249.7(f). Pursuant to the regulations promulgated under that section,
8 AYS shall present this Consent Judgment to the California Attorney General's Office within two
9 (2) days after receipt of all necessary Initial Settling Defendant signatures. The Parties
10 acknowledge that, pursuant to Health and Safety Code section 25249.7, a noticed motion must
11 be filed to obtain judicial approval of the Consent Judgment. Accordingly, a motion for
12 approval of the Consent Judgment shall be prepared and filed by AYS within a reasonable
13 period of time after the date this Consent Judgment is signed by all Parties.

14 **10. MODIFICATION OF SETTLEMENT**

15 This Consent Judgment may be modified by: (1) written agreement among the Parties
16 and upon entry of a modified Consent Judgment by the Court thereon, or (2) motion of AYS or a
17 Settling Defendant as provided by law and upon entry of a modified Consent Judgment by the
18 Court thereon. All Parties and the California Attorney General's Office shall be served with
19 notice of any proposed modification to this Consent Judgment in advance of its consideration by
20 the Court.

21 **11. APPLICATION OF CONSENT JUDGMENT**

22 This Consent Judgment shall apply to and be binding upon AYS, acting in the public
23 interest, and the Settling Defendants and the predecessors, successors or assigns of each of them.

24 **12. CLAIMS COVERED/RELEASES**

25 12.1 **Release of Settling Defendants.** This Consent Judgment is a full, final, and
26 binding resolution between AYS, on behalf of itself and in the public interest, and the Settling
27 Defendants, of any alleged violation of Proposition 65 for failure to provide Proposition 65
28 warnings of exposure to lead and/or cadmium in the Covered Products. AYS, on behalf of

1 itself, its affiliates, agents, officers, directors, representatives, attorneys, successors and/or
2 assignees, and on behalf of the general public in the public interest, hereby releases and
3 discharges: (a) Settling Defendants and their parent companies, subsidiaries, affiliates, and
4 divisions; (b) their respective joint venturers and partners; and (c) each of the respective officers,
5 directors, shareholders, employees, agents, and representatives of the persons and entities
6 described in (a) and (b) (including the predecessors, successors and assigns of any of them, are
7 collectively referred to as the “Released Parties”) from any and all claims, actions, causes of
8 action, suits, demands, liabilities, damages, penalties, fees (including but not limited to
9 investigation fees, attorneys’ fees, and expert fees), costs, and expenses (collectively, “Claims”) as to any alleged violation of Proposition 65 arising from the failure to provide Proposition 65
10 warnings regarding alleged exposures to lead and/or cadmium in the Chocolate Products
11 manufactured, imported distributed, or sold before the Effective Date.

12
13 **12.2 Settling Defendants’ Waiver and Release of Plaintiff.** Settling Defendants, on
14 behalf of themselves and their affiliates, agents, officers, directors, representatives, attorneys,
15 successors and/or assignees, hereby release AYS and its affiliates, agents, officers, directors,
16 representatives, attorneys, successors and/or assignees from and waive any claims against AYS
17 for injunctive relief or damages, penalties, fines, sanctions, mitigation, fees (including fees of
18 attorneys, experts, and others), costs, expenses, or any other sum incurred or claimed or which
19 could have been claimed for matters related to the Notices or Complaint[s].

20 **12.3 Effect of Judgment.** From the Effective Date forward, compliance with the terms
21 of this Consent Judgment shall be deemed to constitute compliance by any Settling Defendant or
22 Released Party with Proposition 65 regarding alleged exposures to lead and/or cadmium in the
23 Covered Products.

24 **12.4 Downstream Release.** A distributor, wholesaler, retailer, customer, user, or other
25 entity that is downstream in the chain of commerce from a Settling Defendant or Released Party
26 (“Downstream Entity”) shall be released from any liability under Proposition 65 as to the lead or
27 cadmium contribution from the cocoa-based ingredients or chocolate in a Covered Product
28 provided that the cocoa-based ingredients or chocolate in the Covered Product contains

1 concentrations of lead and cadmium at or below the applicable warning trigger levels set forth in
2 Section 6.2.1 and 6.6.2. This release to Downstream Entities does not extend to the cocoa-based
3 ingredients or chocolate used in the protein bar and nutritional drink products whose names
4 appear on **Exhibit D**.

5 12.5 Nothing in this Section 12 shall affect or limit any Party's right to seek to enforce
6 the terms of this Consent Judgment.

7 **13. RETENTION OF JURISDICTION**

8 This Court shall retain jurisdiction of this matter to implement this Consent Judgment.

9 **14. COURT APPROVAL**

10 If this Consent Judgment is not approved by this Court, it shall be of no force or effect
11 and cannot be used in any proceeding for any purpose.

12 **15. DURATION OF CONSENT JUDGMENT**

13 15.1 At any time after the ~~seventh~~ tenth anniversary of the Effective Date, any Party
14 may move for the Court to terminate the Consent Judgment for good cause shown and any Party
15 may oppose such motion.

16 15.2 At least six (6) months prior to bringing a motion to terminate pursuant to Section
17 15.1, a Party shall first offer to meet and confer with all other Parties concerning the basis on
18 which they intend to seek termination and set forth its position as to: (a) how Section 6 of this
19 Consent Judgment could be modified to address their position, and (b) why such modifications
20 and the means to achieve them have become Feasible or why Feasible technologies or methods
21 have not become available or proven Feasible. To the extent that the meet and confer does not
22 result in a stipulated modification of the Consent Judgment being submitted to the Court for
23 approval pursuant to Section 10 within three (3) months after a Party gives notice of its intention
24 to bring a motion for termination, the Party or Parties which elect to oppose the proposed motion
25 for termination may seek to have the matter referred to a mutually acceptable mediator, to be
26 paid for at its or their sole expense, who shall be given another three (3) months to attempt to
27 resolve the matter in a manner that allows the Consent Judgment to remain in effect by mutual
28 agreement.

1 15.3 The Committee's findings concerning Feasible measures or limits shall be
2 admissible but not be dispositive for purposes of this Section 15.

3 15.4 The meet and confer and potential mediation deadlines specified under Section
4 15.2 may be modified in writing by the Parties pursuant to Section 10.

5 **16. ENFORCEMENT**

6 16.1 In the event that a dispute arises with respect to any provisions of this Consent
7 Judgment, the respective Parties shall meet and confer within thirty (30) days of receiving
8 written notice of the alleged violation. In the event that the respective Parties are unable to
9 resolve their dispute through the meet and confer process, this Consent Judgment may be
10 enforced using any available provision of law. If AYS is the prevailing Party in any dispute
11 regarding compliance with the terms of this Consent Judgment, it may seek any fines, costs,
12 penalties, or remedies provided by law for failure to comply with California Health and Safety
13 Code sections 25249.5, et seq. A prevailing Party in such a dispute regarding compliance with
14 the terms of this Consent Judgment is entitled to seek recovery of its reasonable attorneys' fees
15 and costs incurred in any such motion or proceeding pursuant to the provisions of Code of Civil
16 Procedure section 1021.5. Notwithstanding any language to the contrary in Sections 3, 5, or
17 otherwise herein, AYS may disclose test results received from a Settling Defendant in a court
18 filing in support of any motion to enforce this Consent Judgment provided that AYS first
19 provides the Settling Defendant an opportunity to make a motion for leave to seal such data
20 pursuant to a protective order.

21 16.2 In the event that a Settling Defendant misses any deadline required under this
22 Consent Judgment for the submission of reports, testing, or of any other notifications to AYS,
23 the Settling Defendant shall nonetheless be deemed to be in compliance with such a deadline if
24 it submits the required information or notification to AYS within fourteen days of discovering
25 the missed deadline. If AYS brings a missed deadline to the attention of a Settling Defendant,
26 such Settling Defendant shall pay penalties to AYS in the amount of up to \$5,000 per incident as
27 may be reasonably requested by AYS given the nature of the deadline and materiality of the
28

timeliness of the information involved. All missed deadlines within a calendar quarter shall be deemed to constitute a single "incident."

17. GOVERNING LAW

The terms of this Consent Judgment shall be governed by the laws of the State of California.

18. EXCHANGE IN COUNTERPARTS

Stipulations to this Consent Judgment may be executed in counterparts (and, without limitation, by facsimile or by electronic mail in "portable document format" (.pdf), each of which shall be deemed an original, and all of which, when taken together, shall be deemed to constitute one and the same instrument.

19. NOTICES

All correspondence and notices required to be provided by a Party to the other Parties pursuant to this Consent Judgment shall be in writing and personally delivered or sent by: (a) first-class, registered mail, certified return receipt requested, or (b) by overnight or Two Day courier at the addresses set forth below. AYS or the Settling Defendants may specify in writing to the other Parties a change of address to which all notices and other communications shall be sent.

Whenever notice or a document is required to be sent to AYS, it shall be sent to:

Danielle Fugere
President
As You Sow
1611 Telegraph Ave, Suite 1450
Oakland, CA 94612

and

Ellison Folk
Shute, Mihaley & Weinberger LLP
396 Hayes Street
San Francisco, CA 94104

Whenever notice or a document is required to be sent to a Settling Defendant, it shall be sent to the contact name(s) and address(es) identified in **Exhibit E**, which shall also be completed and appended to each Opt-In Stipulation submitted pursuant to Section 7.3.

20. SEVERABILITY

If, subsequent to court approval of this Consent Judgment, any of the provisions of this Consent Judgment are held by a court to be unenforceable or preempted, the validity of the enforceable provisions remaining shall not be adversely affected.

21. ENTIRE AGREEMENT

This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, 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 hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties.

22. AUTHORIZATION TO ENTER INTO AGREEMENT

Each signatory to this Consent Judgment certifies that he or she is fully authorized by the Party that he or she represents to enter into and execute the Consent Judgment on behalf of the Party represented and legally bind that Party.

DATED: 12/20/23

AS YOU SOW


Andrew Behar, CEO

DATED:

BARRY CALLEBAUT U.S.A., LLC


Name: Jerry Hagedorn
Title: EVP pm

1 DATED: December 1, 2023

BLOMMER CHOCOLATE CO.

2
3 

4 Name: Robert W. Karr, Jr.

5 Title: Chief Legal Officer & SVP

6
7 DATED:

GUITTARD CHOCOLATE CO.

8
9
10 Name:

11 Title:

12 DATED:

THE HERSHEY COMPANY

13
14
15 Name:

16 Title:

17
18 DATED:

LINDT & SPRUNGLI (NORTH AMERICA) INC.

19
20
21 Name:

22 Title:

1
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25
26
27
28

DATED: _____

BLOMMER CHOCOLATE CO.

Name: _____
Title: _____

DATED: 11/17/2023

GUITTARD CHOCOLATE CO.


Name: Gregory W. Guittard
Title: CEO

DATED: _____

THE HERSHEY COMPANY

Name: _____
Title: _____

DATED: _____

LINDT & SPRUNGLI (NORTH AMERICA) INC.

Name: _____
Title: _____

1 DATED: _____

BLOMMER CHOCOLATE CO.

2
3
4 Name: _____

5 Title: _____

6
7 DATED: _____

GUITTARD CHOCOLATE CO.

8
9
10 Name: _____

11 Title: _____

12 DATED: November 28, 2023

THE HERSHEY COMPANY

13
14 

15 Name: Kathleen S. Purcell

16 Title: Assistant Corporate Secretary

17
18 DATED: _____

LINDT & SPRUNGLI (NORTH AMERICA) INC.

19
20
21 Name: _____

22 Title: _____

1 DATED: _____

BLOMMER CHOCOLATE CO.

2
3
4 Name: _____
5 Title: _____

6
7 DATED: _____

GUITTARD CHOCOLATE CO.

8
9
10 Name: _____
11 Title: _____

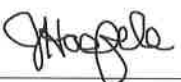
12 DATED: _____

THE HERSHEY COMPANY

13
14
15 Name: _____
16 Title: _____

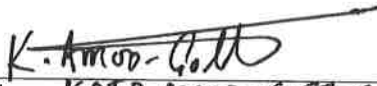
17
18 DATED: _____

LINDT & SPRUNGLI (NORTH AMERICA) INC.

19
20 
21 Name: Jessica Haefele
22 Title: Head Legal, North America

1 DATED: 12/14/2023

CARGILL, INC., on behalf of itself, its affiliates, and subsidiaries


Name: KOJO AMOD-GOTTFRIED
Title: MANAGING DIRECTOR - CCNA

7 DATED: _____

MARS, INC.

Name: _____
Title: _____

13 DATED: _____

MONDELEZ GLOBAL LLC, as the United States operating company for MONDELEZ INTERNATIONAL, INC.

Name: _____
Title: _____

20 DATED: _____

NESTLÉ USA, INC.

Name: _____
Title: _____

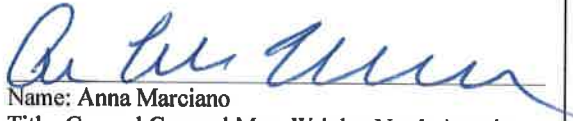
1 DATED: _____
2
3
4

CARGILL, INC., on behalf of itself, its affiliates, and subsidiaries

Name: _____
Title: _____

6
7 DATED: 12/20/23
8
9

MARS, INC.


Name: Anna Marciano
Title: General Counsel Mars Wrigley North America

10
11
12
13 DATED: _____
14
15
16

MONDELEZ GLOBAL LLC, as the United States operating company for MONDELEZ INTERNATIONAL, INC.

Name: _____
Title: _____

17
18
19
20 DATED: _____
21
22

NESTLÉ USA, INC.

Name: _____
Title: _____

1 DATED: _____

CARGILL, INC., on behalf of itself, its affiliates, and subsidiaries

2
3
4 Name: _____
5 Title: _____

6
7 DATED: _____

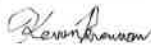
MARS, INC.

8
9
10 Name: _____
11 Title: _____

12
13 DATED: November 21, 2023

MONDELEZ GLOBAL LLC, as the United States operating company for MONDELEZ INTERNATIONAL, INC.

14
15
16 DocuSigned by:



74782C8F285E4D6...

17 Name: Kevin Brennan
18 Title: chief counsel litigation

19
20 DATED: _____

NESTLÉ USA, INC.

21
22
23 Name: _____
24 Title: _____

1 DATED: _____ CARGILL, INC., on behalf of itself, its affiliates, and
2 subsidiaries

3
4 Name: _____
5 Title: _____
6

7 DATED: _____ MARS, INC.

8
9 Name: _____
10 Title: _____
11

12
13 DATED: _____ MONDELEZ GLOBAL LLC, as the United States
14 operating company for MONDELEZ
15 INTERNATIONAL, INC.
16

17 Name: _____
18 Title: _____
19

20 DATED: 11/30/2023 NESTLÉ USA, INC.

21
22 
23 Name: Robert O. Winters
24 Title: Senior Counsel - Food Law
25
26
27
28

1 **EXHIBIT A**

2 Initial Settling Defendants

3
4 Barry Callebaut USA, LLC

5 Blommer Chocolate Co.

6 Cargill, Inc.
7 (on behalf of itself, its affiliates, and subsidiaries)

8 Guittard Chocolate Co.

9 The Hershey Company

10 Lindt & Sprüngli (North America) Inc.
11 (on behalf of itself, its affiliates, and its subsidiaries, including Lindt & Sprüngli (USA) Inc.,
12 the Ghirardelli Chocolate Company, and Russell Stover Chocolates, LLC)

13 Mars Incorporated

14 Mondelez Global LLC
15 (as the United States operating company for Mondelez International, Inc.)

16 Nestlé USA, Inc.

1 **EXHIBIT B**

2 Opt-In Stipulation

3
4 ELLISON FOLK (State Bar No. 149232)
5 LAURA D. BEATON (State Bar No. 294466)
6 SHUTE, MIHALY & WEINBERGER LLP
7 396 Hayes Street
8 San Francisco, California 94102
9 Telephone: (415) 552-7272
10 Facsimile: (415) 552-5816
11 Folk@smwlaw.com
12 Beaton@smwlaw.com

13 Attorneys for AS YOU SOW

14 SUPERIOR COURT OF THE STATE OF CALIFORNIA

15 COUNTY OF SAN FRANCISCO

16 UNLIMITED JURISDICTION

17 AS YOU SOW,

18 Plaintiff,

19 v.

20 TRADER JOES COMPANY; and DOES 1
21 through 150,

22 Defendants.

Case No. CGC-15-548791

**STIPULATION FOR ENTRY OF
JUDGMENT**

1 1. The following constitutes the knowing and voluntary election and stipulation of
2 the entity named below (“Company” or “Opt-In Defendant”) to join as a Settling Defendant
3 under the Consent Judgment previously entered by the Court in *As You Sow v. Trader Joe’s*
4 *Company, et al.*, San Francisco Superior Court Case No. CGC-15-548791 (“Action”) and to
5 be bound by the terms of that “Consent Judgment.”

6 2. At any time during the three (3)-year period prior to the filing of this Stipulation
7 (“Relevant Period”), the Company has employed ten or more persons on a full or part time
8 basis and manufactured, distributed, or offered for use or sale in California, or sold in
9 California, one or more Covered Products, as defined in the Consent Judgment Section 2.4.

10 3. Based on information and good faith belief, the Company knows or has
11 reason to believe that one or more of its Covered Products has in the past contained or
12 presently may contain lead or cadmium in excess of an applicable drop down level set forth in
13 Section 6.2.1 or 6.2.2 of the Consent Judgment.

14 4. The Company has not provided Proposition 65 warnings in conjunction with the
15 sale or use of its Covered Products in California at all times during the Relevant Period.

16 5. The Company agrees to be bound by all terms of the Consent Judgment,
17 including, but not limited to, the injunctive relief provisions set forth in Section 6 of the
18 Consent Judgment.

19 6. In conjunction with the execution of this Stipulation, the Company had provided
20 the payments required of it under the Consent Judgment and shall make all future payments
21 that may apply to the Company.

22 7. At least 70 days prior to the submissions of this Stipulation to the Court for
23 entry, provided that it has been mailed to the address for notice shown in Exhibit E of the
24 Consent Judgment, a completed copy of which is attached to this Stipulation, the Company
25 agrees to be deemed to have accepted service of a 60-day notice letter from As You Sow
26 (“AYS”) alleging certain violations of Proposition 65 with respect to sales of the Covered
27 Products.

8. The Company hereby stipulates to be deemed to have voluntarily accepted service of the summons and complaint in this Action upon the filing of this Stipulation and, without waiving its rights to contest the issue in any other action, agrees to be subject to the jurisdiction of the Court for purposes of the Consent Judgment.

9. The undersigned have read, and the person and/or entity named below knowingly and voluntarily agree to be bound by, all terms and conditions of this Stipulation and the Consent Judgment as it was previously approved and entered by the San Francisco County Superior Court in this Action.

10. The undersigned has full authority to make the written representations above and to enter into this Stipulation for the person/entity on behalf of which he/she is signing.

IT IS HEREBY STIPULATED AND AGREED TO:

On Behalf of Opt-In Defendant:

Date: _____

By: _____
(signature)

Name (printed/typed)

Title (printed/typed)

Company Name (printed/typed)

On Behalf of Plaintiff, As You Sow:

Date: _____

By: _____
(signature and title)

EXHIBIT C

Scope of Work – Chocolate Consent Judgment¹

I. Phases of Investigation and Committee Work

A. Phase 1: Scope of Root Cause

The Root Cause Phase of the investigation is intended to identify any potential sources of lead and cadmium in chocolate across all phases of the cacao and Chocolate Products process and supply chains. For each source that the Committee identifies, the Committee should also identify the likelihood that each source would contribute lead or cadmium to chocolate (e.g., “common source,” “infrequent source,” “rare source,” etc.). The Committee’s conclusions may be based on literature review; consultation with subject matter experts and chocolate industry personnel; testing for lead/cadmium in soil, water, beans, ingredients, equipment, packaging, tools, etc.; and any information the Committee deems relevant and reliable. The Committee should evaluate all of the following as potential sources of lead/cadmium contamination in chocolate:

1. Soil;
2. Water;
3. Potential lead or cadmium pollution sources proximate to significant cocoa growing or processing locations (such as smelters, incinerators, diesel traffic), or other historic or less proximate sources (such as prior use of leaded gasoline, or deposition patterns from other sources of pollution);
4. Cacao plant fertilization, pest, disease and weed control practice and materials; and irrigation sources and practices;
5. Cacao bean harvesting, fermentation, drying, and transportation practices and materials, including but not limited to:
 - a. harvesting tools;
 - b. bean transportation vessels, such as sacks, tarps, baskets, and buckets;
 - c. open-air drying and open-air transport of cocoa beans; and
 - d. fermentation tarps, racks, cloths, or other materials that come into contact with beans.
6. Cocoa bean processing and chocolate manufacturing practices that may introduce lead or cadmium, including but not limited to:

¹ All defined terms as used herein shall have the meaning assigned to them in the Consent Judgment. A glossary of such terms is provided in Attachment 1.

- a. processing water;
- b. sugar or other inclusions;
- c. factory conveyance implements;
- d. other factory equipment, such as roasters, winnowers, crushers, melangers, grinders, blenders, melters, molds, etc.;
- e. product packaging.

The Committee's investigation is not limited to these potential sources. If the Committee identifies other potential sources of lead/cadmium in cocoa beans or Chocolate Products, it shall evaluate whether each additional potential source is a contributor of lead or cadmium, and what that source's likelihood and significance of contribution is.

B. Phase 2: Scope of Reduction Recommendations

After identifying the likely sources of lead/cadmium in cocoa beans and Chocolate Products, the Committee will identify Feasible methods for reducing lead/cadmium in the Chocolate Products. As with the Root Cause Phase of the investigation, the Committee's recommendations will be Consensus Based and result from the Root Cause Phase as well as further literature review, consultation with outside subject matter experts, review of test results, and any other information the Committee deems relevant and reliable.

The Committee should evaluate lead/cadmium reduction options for all of the following phases of the cocoa bean and Chocolate Product production and supply chain. Then, it should identify which reduction measures are Feasible at each phase of the production process.

1. Growing cacao, harvesting and fermentation of cocoa beans -- Some options for potential evaluation may include soil remediation, testing irrigation water and avoiding contaminated water, soil amendments to reduce heavy metal uptake, growing different varieties of cacao that uptake less heavy metals, changing fertilizers and pesticides/herbicides, etc.;
2. Storage and transport of fermented cocoa beans -- Some options for potential evaluation may include changing storage and transportation implements; avoiding open-air drying near roads and other sources of pollution, etc.;
3. Cacao bean processing and chocolate manufacturing -- Some options for potential evaluation may include comprehensive testing of a manufacturer's equipment, replacing outdated equipment, substituting non-cacao ingredients, blending beans to lower lead/cadmium levels, implementing processes that extract lead/cadmium from the cacao beans or chocolate, and/or modifying product packaging.

If the Committee believes other options may prove Feasible, it should evaluate those options as well.

C. Phase 3: Evaluation of Future Proposition 65 Warning Triggers

The Committee shall evaluate whether the levels to trigger warnings shall be modified from the “drop down” levels described in Sections 6.2.1 and 6.2.2 of the Consent Judgement. The Committee shall make recommendations in this regard based on:

1. The identification of Feasible reduction methods (Phase 2) that could reasonably lower levels of lead and cadmium in Chocolate Products below the drop down levels to trigger warnings.
2. The inability to identify Feasible reduction methods (Phase 2) that could reasonably lower levels of lead and cadmium in Chocolate Products below the drop down levels to trigger warnings.
3. The conclusion that the drop down levels to trigger warnings are not Feasible to achieve and an identification of the levels between the drop down levels and the initial levels which are Feasible.

In the event the Committee determines that levels other than the specified drop down levels are appropriate and can be achieved through Feasible measures, the Committee shall specify what those levels are, when the levels of lead and/or cadmium in Chocolate Products can be expected to be reduced, and by whom.

As with the first two phases of the Scope of Work, the Committee’s recommendations shall be Consensus Based and be based on literature review, consultation with outside subject matter experts, review of test results, and any other information the Committee deems relevant and reliable.

D. Final Report Phase

The Committee shall prepare a final, written report to describe and explain its findings, conclusions, and recommendations for all three phases of its investigation. The final report shall include supporting references with complete citations for the Committee’s conclusions and identify any SMEs who advised the Committee during its deliberations. The final report shall not be edited by any persons other than the members of the Committee. The final report shall present all Consensus Based Committee findings and recommendations and may include an appendix setting forth significant areas where consensus could not be achieved and an appendix setting forth any significant conflicting opinions on aspects of a Consensus Based finding where they exist.

II. Deliverables and Schedule

1. Based on a schedule developed by the Project Manager, the Committee members will commit to standing meetings (by phone conference) on a periodic basis or on an as needed basis to ensure coordination and the efficient sharing of information. The Project Manager shall develop a working agenda for each meeting and provide the Committee members with a brief written summary highlighting the discussion points and action items.
2. After the investigative portion of each of the first three phases of the Scope of Work is complete (as agreed upon by the Committee members), an outline of the findings,

1 conclusions, and recommendations shall be produced by the Committee and Project
2 Manager for each investigative phase. These interim documents will be used to assist in
3 internal discussions of the Committee and will form the basis of the final report.

- 4 3. The Committee and the Project Manager, in providing quarterly reports as required under
5 the Consent Judgment, will produce a list of all outside SMEs consulted with and a brief
6 description of the information gathered.
- 7 4. The Committee will produce an alphabetized list of all information sources with complete
8 citations, including Internet URLs when available, to be included in the final report
9 appendix.
- 10 5. Following submission of the final report, the Committee may be asked to present an oral
11 summary of its main findings, conclusions, and recommendations (including any
12 alternative conclusions and recommendations by any Committee members) as deemed
13 desirable by the Initial Settling Defendants and/or As You Sow.
- 14 6. The Committee, with the approval of the Initial Settling Defendants and As You Sow,
15 may elect to prepare the final report for submission to an appropriate trade journal for
16 public access. The Committee shall agree not to pursue this publication until all of its
17 work as outlined in the Scope of Work and the final report has been submitted.

18 Unless otherwise agreed upon by the Initial Settling Defendants and AYS, the final report shall
19 be delivered by the Committee through the Project Manager within 18 to 24 months of the
20 kickoff meeting that will be held pursuant to Section 3.2.2 of the Consent Judgment.

21 **III. Cost/Budget**

22 Unless revisited by AYS and the Initial Settling Defendants, all work and deliverables set forth
23 in this Scope of Work shall be completed at a cost of \$90,000 for each Committee member plus
24 some funds to set aside for a part time Project Manager and possible outside expert consultation,
25 up to an aggregate cap of \$500,000.

26 **IV. Confidentiality**

27 All work by the Committee members and the Project Manager shall be subject to the
28 confidentiality provisions set forth in Sections 3.3.3 and 3.4.4 of the Consent Judgment.

1 **ATTACHMENT 1 to EXHIBIT C—GLOSSARY OF DEFINED TERMS**

2

3 **“Chocolate Product”** means chocolate candy; chocolate bars, pieces, chips,

4 beverages, and confections with or without inclusions; cocoa nibs and cocoa powder;

5 chocolate and cacao-based compounds in any form; and other products derived

6 primarily (i.e., in excess of 50%) from cacao. Chocolate Products include the preceding

7 as sold on a standalone basis and/or as sold to be used as ingredients in other foods

8 into which they are incorporated.

9 **“Consensus Basis”** means a creative and dynamic way of reaching agreement

10 between all members of a group. Instead of simply voting for an item and having the

11 majority of the group dictate the outcome, a group using consensus is committed to

12 finding solutions that each member of the group actively supports, or at least can live

13 with and that all opinions, ideas and concerns are taken into account. A Consensus

14 Basis does not reflect compromise or unanimity - it aims to go further by weaving

15 together everyone’s best ideas and key concerns. It is an acceptable resolution, one

16 that can be supported, even if not the “favorite” of each individual. Multiple concerns

17 and information shall be shared until the sense of the group is clear. Ideas and

18 solutions belong to the group; no names are recorded. The group as a whole is

19 responsible for the decision and the decision belongs to the group. The goal is unity,

20 not unanimity.

21 **“Feasible”** means capable of being accomplished in a successful manner within a

22 reasonable period of time, taking into account public health, and economic,

23 environmental, social, and technological factors. In considering whether an action or

24 performance level is Feasible, consideration shall be given, among other things, to

25 scaling as to the size and resources of the potential implementing enterprise involved,

26 the implementing enterprise’s place and role within the chain of commerce, the prior

27 demonstration of the viability of the concept or technology at issue at both the research

28 and actual commercial application scale, and the nature of the issue being addressed.

“Settling Defendant” means a defendant who is a party to the Consent Judgment at

 the time it is entered, or who opts in to the Consent Judgment any time after its entry.

 The former are also specifically referred to herein as “Initial Settling Defendants” and

 the latter are also specifically referred to herein as “Opt-In Settling Defendants.”

EXHIBIT D

Products Not Subject to Section 12.4 Downstream Release:

PowerBar Protein Plus Chocolate Peanut Butter

ZonePerfect Nutrition Bar Dark Chocolate Almond

Atkins Meal Cookies n' Crème Bar

Atkins Treat Nutty Fudge Brownie Bar

thinkThin High Protein Bar, Chocolate Fudge

thinkThin High Protein Bar, Brownie Crunch

QuestBar Protein Bar, Chocolate Brownie

MET-Rx Protein Plus, Chocolate Chocolate Chunk

MET-Rx Protein Plus, Super Cookie Crunch

Vega Sport Protein Bar, Chocolate Peanut Butter

Pure Protein Bar, Chocolate Deluxe

NuGo Dark Chocolate Coconut

NuGo Dark Mint Chocolate Chip

NuGo Dark Mocha Chocolate

Go Macro Macrobar Protein Pleasure, Peanut Butter Chocolate Chip

Go Macro Macrobar Everlasting Joy, Coconut + Almond Butter + Chocolate

Pro Bar Meal Chocolate Coconut

Vega One All-In-One Nutritional Shake, Chocolate

EXHIBIT E

Designees to Receive Notices Under Consent Judgment

Company Name: _____

Attention of: _____

Address: _____

Telephone: _____

Email: _____

(Optional) with a CC to:

Name: _____

(legal counsel or other designee)

Firm/Company: _____

Address: _____

Telephone: _____

Email: _____

EXHIBIT F

PROJECT PLAN

Project Management

Engage John Wilhelmi / ERG (or, if unavailable or unreasonably expensive) an agreed upon cost-effective alternative) to function as the Project Manager for the Project Plan. The Project Manager will be responsible for the following:

- Administratively guide the Project Plan Work Streams to ensure appropriate confidentiality and timeliness of deliverables;
- Periodically meet with Work Stream Leads to assess progress and resources needed, if any;
- Forward progress reports, including all lab results, received from Work Stream Leads to As You Sow (AYS) and to the Initial Settling Defendants (ISDs);
- Provide coordination, if needed, of the final reports for each Work Stream and, upon completion, forward the final reports to As You Sow (AYS) and to the Initial Settling Defendants (ISDs).

Timing: RFP to be issued to ERG upon mutual-agreement of the Project Plan by AYS and the ISDs.

Work Stream #1: Manufacturing Practices for the Reduction of Lead

An independent consultant with cocoa processing industry expertise) will be retained as Work Stream Lead to define and document optimal practices for bean processing facilities regarding Lead (Pb) control and testing during bean cleaning, breaking and/or winnowing. This work will be done in consultation with at least three (3) ISDs with cocoa-processing facilities.

This Work Stream shall address:

- Operational practices (e.g. maintenance, establishment of standard operating conditions);
- Verification and effectiveness testing of the identified practices relative to magnitude of Pb reduction results;
- Consideration of differences, if any, between large and small processors and equipment types;
- Compliance audit procedures; and
- Final report on results of the Work Stream.

Work Stream Lead: Tim Ahn (or, if unavailable or unreasonably expensive, an agreed upon cost effective alternative)

Timing: Completion and publication of "best practices" documentation by December 15, 2023.

Implementation Obligations of Initial Settling Defendants (ISDs): Corrective actions in place for pilot testing by at least three ISDs that process cocoa beans and reflect different size companies in the industry by not later than October 31, 2024; Verification/effectiveness testing completed by October 31, 2025.

Obligations of Settling Defendants: Both Initial and Opt-In Settling Defendants shall be obligated to comply with modified terms of Section 6.2.1 of the Consent Judgment reflecting the magnitude of the anticipated level of Pb reduction associated with implementation of the best practices as set forth in the prior expert committees' Final Report. Any Settling Defendant that does not comply with modified terms of the Consent Judgment will be subject to enforcement pursuant to Sections 15 and 16 of the Consent Judgment.

Work Stream #2: Technological Innovation for Cleaning and Winnowing Equipment to Reduce Lead

1 **Objective:** Reduce Pb by a significant magnitude in cocoa liquor and resulting Chocolate Products by identifying
2 and developing technological innovation in bean cleaning and winnowing process equipment, including during
3 cracking and breaking.

4 **Approach:**

- 5 ■ Work with industrial equipment manufacturers to develop modifications to existing cleaning and winnowing
6 equipment to increase removal of Pb particles during these stages of cocoa bean processing, including
7 during cracking and breaking.
- 8 ■ Challenge equipment suppliers to develop new cleaning and winnowing systems to further reduce Pb
9 concentrations in chocolate liquor.

10 **Key Cocoa Equipment Manufacturers:** Buhler; Kocotech/Duyvis/Lehmann; FoodMaster; Bauermeister

11 **Work Stream Outline:**

- 12 1. ISDs to form a team of at least three in-house industry experts to retain and work with an independent
13 consultant to move the effort ahead. The Team Leader will be selected by the assembled in-house team and
14 the independent consultant will be retained by the 4th Quarter of 2023;
- 15 2. The Consultant and Team Leader to prepare project overview to clearly outline the project for presentation
16 to suppliers by February 15, 2024 and provide brief interim report on same;
- 17 3. Present to each processing equipment supplier willing to engage on the project by end of 1st Quarter 2024.
18 Include information regarding previous findings regarding lead removal and mobilization during processing
19 stages in the Expert Committee's Reports.
- 20 4. Provide interim report, by end of 2nd Quarter 2024 on processing equipment supplier response to
21 presentations and their willingness to pursue the project. If no processing equipment suppliers indicate
22 willingness to pursue the project, the ISDs the Consultant and Team Leader shall, by the end of the 3rd
23 Quarter 2024, issue a request for proposal (RFP) to solicit an alternative candidate to pursue the project,
24 including by engineering firms and/or academic institutions, and provide a further interim report, by the end
25 of the 1st Quarter 2025 on responses received to the RFP.
- 26 5. Willing processing equipment suppliers or alternative candidates to initiate laboratory and pilot scale testing
27 to identify improvements to existing systems or develop new cleaning and winnowing (includes breaking)
28 prototypes. (Estimated 18 to 24 months from end of 2nd Quarter 2024 or from the end of the 1st Quarter
2025 in the case of an alternative candidate.)
 - a. Process will be iterative as suppliers evaluate processes to remove lead from cocoa beans and the
resulting nib stream.
 - b. Quarterly follow ups will be conducted with supplier to understand progress and give feedback on
viability of the technology, with results of the follow-ups reflected in short interim reports.
 - c. Once a significant improvement has been identified, the supplier will be advanced to the next level of
development and be asked to provide a timeline for implementation of pilot testing and associated
effectiveness testing;

1 Work Stream #2: Technological Innovation for Cleaning and Winnowing Equipment to Reduce Lead
2 (continued)

- 3 6. Interim report on status of overall project, including results of pilot tests and what they suggest relative to
4 magnitude of lead reductions in cocoa liquor and resulting Chocolate Products to be issued by end of 3rd
5 Quarter 2026 (or by the end of the 1st Quarter 2027 in the case of an alternative candidate).
- 6 7. Work with suppliers to retrofit existing cleaning/winnowing industrial process equipment or build
7 manufacturing scale process equipment to demonstrate proof of concept of the new technology at a
8 minimum of three processing facilities and obtain associated test results. (Estimated to take 12 to 24
9 months from end of 3rd Quarter 2026 or the end of the 1st Quarter 2027 in the case of an alternative
10 candidate).
- 11 8. Provide final report by the end of the 2nd Quarter 2028 (or the end of the 4th Quarter 2028 in the case of an
12 alternative candidate) evaluating the new processes at the manufacturing scale for associated
13 effectiveness/magnitude of Pb reduction and cost/feasibility. If effectiveness and commercial-scale
14 feasibility for different sizes of companies are mutually determined among the ISDs to warrant further
15 pursuing this Work Stream, the report shall present a likely timetable for widespread implementation.

1 Work Stream #3: Bean Blending to Reduce Cd Levels

2 All Settling Defendants (ISDs and Opt-Ins) may use bean blending practices where needed and not subject to
3 FDA restrictions to achieve the Consent Judgment Cd levels.

4 For Chocolate Products that cannot achieve the Consent Judgment's Cd levels via blending, Industry shall be
5 given a new option to be specified in the Consent Judgment to use a truncated warning.

1 **Work Stream #4: Study of Potential Effectiveness of Modified Fermenting and Drying Practices on Lead**
2 **Reduction**

3 **Objective:** Evaluate the potential effects on Pb levels in cocoa beans as a result of modifications to
4 fermentation and drying practices at the farm level.

5 **Approach:** After consultation with relevant Origin Governments and local NGOs, ISD-sponsored academically-
6 focused research will be conducted at five (5) farms, at least three (3) of which will be located in Ivory Coast
7 and/or Ghana unless the consent of the governments of those countries is not granted, to assess if significant
8 changes occur to the magnitude of Pb content in cocoa beans as a result of changes in fermentation and drying
9 practices. If the consent of a government is withheld, the Parties will meet and confer regarding the selection of
10 replacement farms. The changes in practices shall include:

- 11 ▪ Modification of coverings used during fermentation;
- 12 ▪ Raised-table drying only (no drying on ground);
- 13 ▪ No drying near roads.

14 **Work Stream Outline:**

- 15 1. This Work Stream shall be executed by a limited number of ISDs (up to 3), which will have an option to
16 engage a third party consultant with expertise in cocoa cultivation practices and heavy metals. The Work
17 Stream ISDs shall be identified and a Work Stream Lead selected among them by November 30, 2023. If a
18 consultant will be engaged, they will be identified and retained by the end of the 4th Quarter of 2023.
- 19 2. By February 15, 2024, each Work Stream ISD will select suitable farms, for an aggregate total of 5 farms,
20 from the farmer cooperatives in the selected origin countries; care will be needed in farm selection to
21 ensure that a variety of farming practices are in place that can be subject to modification pursuant to the
22 study;
- 23 3. By the end of 1st Quarter 2024, the ISDs shall prepare and agree on a briefing document suitable for review
24 with, and any necessary approval by, the relevant Origin Governments. The Work Stream activities shall
25 commence upon receipt of governmental approval.
- 26 4. **Reporting:** The Work Stream Lead and/or consultant if retained shall prepare a brief report upon
27 completion of each of the following Work Stream Phases.
- 28 5. **Baseline Phase:** Within 90 days of governmental approval of the Work Stream, the Work Stream Lead
and/or consultant if retained shall document the “as is” fermenting and drying practices at each of the 5
selected farms (“Farming Practices”). During the next main-crop harvest following government approval
(i.e., October to March), and at the next mid-crop harvest (i.e., April to September) (“Baseline Harvests”),
cocoa beans shall be tested for Pb levels at the following four stages: (i) unfermented cocoa beans taken
directly from the cabosse; (ii) at the end of fermentation; (iii) on Day Two of the drying cycle; and (iv) at the
end of the drying cycle. All testing shall be contracted with ISO 17025 certified labs that are accredited for
heavy metal analysis and that employ inductively coupled plasma mass spectrometry (“ICP-MS”), or
equivalent, utilizing scientifically appropriate adherence to the protocols set forth in AOAC Method 2015.01
with a LOD/LOQ of 0.010 ppm or less. The data collected on Farming Practices and Pb levels shall form the
baseline data for the study.
6. **Design Phase:** Upon completion of the documentation of the Farming Practices, the Work Stream ISDs
together with the Work Stream Lead and/or consultant if retained shall design and document the
modifications to Farming Practices to be implemented for the study. These modifications, which may vary

1 from farm to farm, may include changes to fermentation practices, drying practices, and/or possible changes
2 to locations where both occur. In all instances, the modifications must be practicable with respect to the
working conditions and operation of the farms.

3 **7. Implementation Phase:** The Work Stream Lead and/or consultant if retained shall be responsible for farmer
4 training for the implementation of the modified Farmer Practices. At the next ensuing main-crop harvest
5 and mid-crop harvest (the "Research Harvests"), Pb levels in cocoa beans shall be tested again as was done
in the Baseline Phase.

6 **8. Results Phase:** The focus of the report for the Results Phase shall be to assess if significant changes occur to
7 the magnitude of Pb content in cocoa beans as a result of changes in Farming Practices from the Baseline
8 Harvest to the Research Harvests. The Results Phase report shall include a comparative exhibit for each
farm.

Work Stream Lead: TBD

STIPULATION AND AGREEMENT

This stipulation and agreement ("Agreement") is entered into by and between *As You Sow* on the one hand and Barry Callebaut USA, LLC, Blommer Chocolate Co., Cargill, Inc., Guittard Chocolate Co., The Hershey Company, Lindt & Sprungli (North America) Inc., Mars, Incorporated, Mondelez Global LLC, and Nestle USA, Inc. (the "Initial Settling Defendants") on the other hand (collectively, *As You Sow* and the Initial Settling Defendants are referred to herein as "the Parties") with respect to certain matters relating to the consent judgment previously entered in the matter of *As You Sow v. Trader Joe's Company, et al.*, San Francisco Superior Court No. CGC-15- 548791 ("Consent Judgment") pursuant to the terms and conditions set forth below.

1. EFFECTIVE DATE AND DEFINITIONS

The "Effective Date" shall be the date when all Parties have signed the Agreement. Any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Consent Judgment.

2. OBLIGATIONS OF THE INITIAL SETTLING DEFENDANTS

2.1 The Initial Settling Defendants agree to stipulate to a motion by *As You Sow* to modify the terms of the Consent Judgment as set forth below.

2.2 Except as to the retention and payment of the Project Manager, the Initial Settling Defendants shall address, fund, and implement the project plan appended hereto as Exhibit A ("Project Plan"). The Project Plan shall also be appended as an exhibit to the motion by *As You Sow* to modify the Consent Judgment described in Section 3.1 below and, if the San Francisco Superior Court ("Court") grants the motion, shall be deemed incorporated into the Consent Judgment as a further exhibit (Exhibit F) thereto. In the event a modification of the Consent Judgment pursuant to Section 3.1 below is not approved and entered by February 14, 2024, the obligations of the Initial Settling Defendants under this Section shall be suspended and tolled and the Parties shall meet and confer to discuss revising all scheduled dates and deadlines set forth in this Agreement.

2.3 Within sixty (60) days of notice of the Court's approval and entry of the modification of the Consent Judgment to incorporate the terms set forth in Section 3.1 below, the Initial Settling Defendants shall provide the Compliance Testing Fund established under the Consent Judgment with an additional \$50,000 for *As You Sow's* anticipated legal fees and cost, testing costs and review of the reports to be provided pursuant to the Project Plan and related

discussions with the Initial Settling Defendants concerning the Project Plan's results. The Initial Settling Defendants shall also provide As You Sow with \$100,000 to retain and compensate an agreed upon Project Manager. Except as to the enforcement of this Agreement, As You Sow shall not disclose the reports to be provided pursuant to the Project Plan or any related testing information without first obtaining the prior written consent of the Initial Settling Defendants to such proposed disclosure.

3. OBLIGATIONS INCORPORATED INTO CONSENT JUDGMENT

3.1 Within forty-five (45) days following the Effective Date, As You Sow shall file a duly noticed motion based on stipulation, appending this Agreement and the Project Plan, seeking to modify the terms of the Consent Judgment as follows. During the duration of this modification, As You Sow shall not otherwise unilaterally seek to modify the terms of the Consent Judgment.

3.1.1 Upon the Court's approval of the motion, the following language shall be added to the Consent Judgment as new Section 4.3:

Based on the outcome of the meet and confer process described in Section 4.1 above, the Initial Settling Defendants shall fund, implement, and share information with AYS as specified in the Project Plan attached to AYS's motion to modify this Consent Judgment.

3.1.2 The following language shall be added to the Consent Judgment as a new Section 4.4:

Within sixty (60) days of the ninth anniversary of the Compliance Date, As You Sow and the Initial Settling Defendants shall begin meeting and conferring to discuss the results of the implementation of the Project Plan with respect to Covered Products and the potential for further modifications to this Consent Judgment, including further reductions in the warning thresholds, based on the reports provided pursuant to the Project Plan and information then available to the Parties. Such meet and confer period should extend for a period of at least ninety (90) days, unless AYS and the Initial Settling Defendants mutually agree to extend it, including to allow for the involvement of a mediator. Following the conclusion of this meet and confer process, and no earlier than one hundred and twenty (120) days after the commencement of the meet and confer process, AYS and/or the Initial Settling Defendants may, as informed by the results of the Project Plan and information then available to the Parties, jointly stipulate to or individually move for a modification of this Consent Judgment pursuant to Section 10, including with respect to any further adjustments to Section 6 of the Consent Judgment.

3.1.3 The "drop down" warning triggers set forth in Sections 6.2.1 and 6.2.2 shall go into effect as previously scheduled and the following language shall be added to Section 6.2.1(a), Section 6.2(b), and Section 6.2(c) respectively:

For Section 6.2.1(a) of the Consent Judgment:

As of the seventh anniversary of the Compliance Date, the foregoing lead concentration level shall be deemed to have been reduced to 0.060 ppm, and as of the eighth anniversary of the Compliance Date, the foregoing lead concentration level shall be

deemed to have been reduced to 0.055 ppm.

For Section 6.2.1(b) of the Consent Judgment:

As of the seventh anniversary of the Compliance Date, the foregoing lead concentration level shall be deemed to have been reduced to 0.095 ppm, and as of the eighth anniversary of the Compliance Date, the foregoing lead concentration level shall be deemed to have been reduced to 0.090 ppm.

For Section 6.2.1(c) of the Consent Judgment:

As of the seventh anniversary of the Compliance Date, the foregoing lead concentration level shall be deemed to have been reduced to 0.195 ppm, and as of the eighth anniversary of the Compliance Date, the foregoing lead concentration level shall be deemed to have been reduced to 0.190 ppm.

3.1.4 Section 6.3 of the Consent Judgment shall be modified to add to its existing language, the following:

For Covered Products that are not able to obtain the levels set forth in Section 6.2.1 of the Consent Judgment as of the seventh or eighth anniversary of the Compliance Date, but which do not exceed the levels Section 6.2.1 of the Consent Judgment specifies as requiring a Proposition 65 warning as of the sixth anniversary of the Compliance Date, the following alternative language is authorized:

CA WARNING: Risk of reproductive harm from exposure to lead -
www.prop65warnings.ca.gov/food

3.1.5 The word “seventh” in Section 15.1 of the Consent Judgment shall be changed to “tenth.”

4. ENFORCEMENT OF THE AGREEMENT

The Parties shall meet their obligations under this Agreement on a timely basis and in good faith. A violation of this Agreement shall be considered a violation of the Consent Judgment and may be enforced as such under the Consent Judgment. However, in the event, a Party fails to meet its obligations under this Agreement, written notice of said breach shall be given within sixty [60] days and the Parties shall meet and confer within an additional sixty [60] days to attempt to rectify the breach or otherwise resolve the issue by means of further agreement.

5. GOVERNING LAW AND CONSTRUCTION

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

6. MODIFICATION OF AGREEMENT

6.1 This Agreement may be modified only upon written agreement of the Parties.

7. ENTIRE AGREEMENT

The Parties declare and represent that this Agreement, its related stipulation and motion for modification of the Consent Judgment, and, if approved by the Court, the Consent Judgment as modified contain the entire agreement pertaining to the subject matter hereof.

8. APPLICATION OF AGREEMENT

This Agreement shall apply to and be binding upon the Parties hereto, their divisions, subdivisions and subsidiaries, and the successors or assigns of any of them.

9. EXECUTION AND COUNTERPARTS

This Agreement may be executed in one or more counterparts and by means of facsimile or portable document format (.pdf), which taken together shall be deemed to constitute one document.

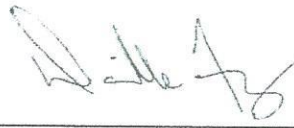
10. AUTHORIZATION

Each signatory to this Agreement certifies that he or she is fully authorized by the Party he or she represents to stipulate to this Agreement and to enter into and execute the Agreement on behalf of the Party represented and legally bind that Party. The undersigned have read, understand, and agree to all of the terms and conditions of this Agreement.

APPROVED AS TO FORM:

Dated: September 17, 2023

For As You Sow

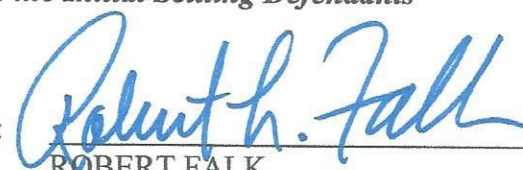
By: 

DANIELLE FUGERE

Attorneys for AS YOU SOW

Dated: 9/18, 2023

For the Initial Settling Defendants

By: 

ROBERT FALK

Attorney for the National Confectioners Association

SO AGREED:

Dated: 9/17, 2023

AS YOU SOW

By: 

Name: ANDREW BEHAR

Title: CEO

Dated: 9/20, 2023

Company Name: Barry Callebaut U.S.A. LLC

By: Jerry Hagedorn

Name: Jerry Hagedorn

Title: EVP

PM

APPROVED AS TO FORM:

Dated: September 17, 2023

For As You Sow

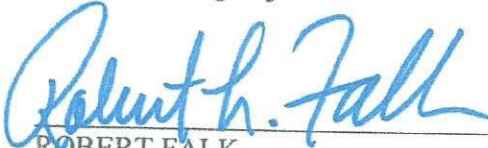
By: 

DANIELLE FUGERE

Attorneys for AS YOU SOW

Dated: 9/18, 2023

For the Initial Settling Defendants

By: 

ROBERT FALK

Attorney for the National Confectioners Association

SO AGREED:

Dated: 9/17, 2023

AS YOU SOW

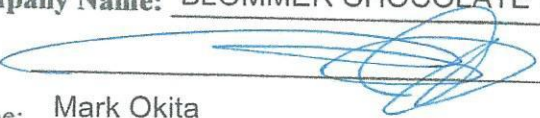
By: 

Name: ANDREW BEHAR

Title: CEO

Dated: 9/25, 2023

Company Name: BLOMMER CHOCOLATE COMPANY

By: 

Name: Mark Okita

Title: Chief Operating Officer

APPROVED AS TO FORM:

Dated: September 17, 2023

For As You Sow

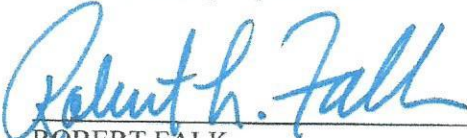
By: 

DANIELLE FUGERE

Attorneys for AS YOU SOW

Dated: 9/18, 2023

For the Initial Settling Defendants

By: 

ROBERT FALK

Attorney for the National Confectioners Association

SO AGREED:

Dated: 9/17, 2023

AS YOU SOW

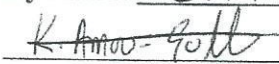
By: 

Name: ANDREW BEHAR

Title: CEO

Dated: 9/25, 2023

Company Name: CARGILL INC.

By: 

Name: KOJO AMOD-GOTTFRIED

Title: MANAGING DIRECTOR - COCOA & CHOCOLATE N.A.

APPROVED AS TO FORM:

Dated: September 17, 2023

For As You Sow

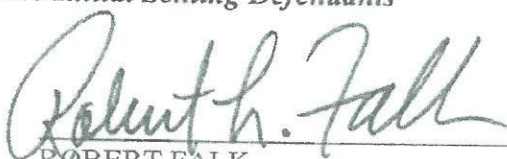
By: 

DANIELLE FUGERE

Attorneys for AS YOU SOW

Dated: 9/18, 2023

For the Initial Settling Defendants

By: 

ROBERT FALK

Attorney for the National Confectioners Association

SO AGREED:

Dated: 9/17, 2023

AS YOU SOW

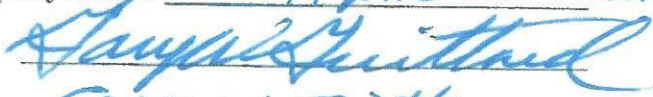
By: 

Name: ANDREW BEHAR

Title: CEO

Dated: 9/27, 2023

Company Name: GUITTARD CHOCOLATE

By: 

Name: GARY W GUITTARD

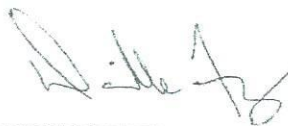
Title: CEO

APPROVED AS TO FORM:

Dated: September 17, 2023

For As You Sow

By:



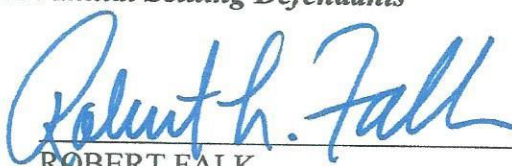
DANIELLE FUGERE

Attorneys for AS YOU SOW

Dated: 9/18, 2023

For the Initial Settling Defendants

By:



ROBERT FALK

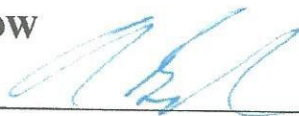
Attorney for the National Confectioners Association

SO AGREED:

Dated: 9/17, 2023

AS YOU SOW

By:



Name: ANDREW BEHAR

Title: CEO

Dated: September 19, 2023

Company Name: THE HERSHEY COMPANY

By:



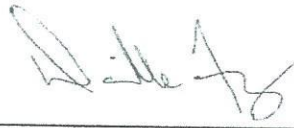
Name: Kathleen S. Purcell

Title: Assistant Corporate Secretary

APPROVED AS TO FORM:

Dated: September 17, 2023

For As You Sow

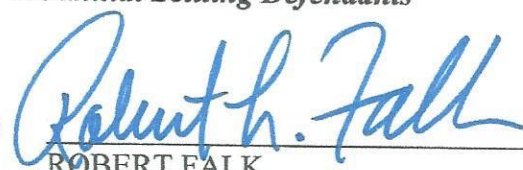
By: 

DANIELLE FUGERE

Attorneys for AS YOU SOW

Dated: 9/18, 2023

For the Initial Settling Defendants

By: 

ROBERT FALK

Attorney for the National Confectioners Association

SO AGREED:

Dated: 9/17, 2023

AS YOU SOW

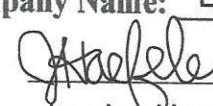
By: 

Name: ANDREW BEHAR

Title: CEO

Dated: 9/26, 2023

Company Name: Lindt & Sprungli (North America) Inc.

By: 

Name: Jessica Haefele

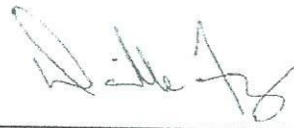
Title: Head Legal, North America

APPROVED AS TO FORM:

Dated: September 17, 2023

For As You Sow

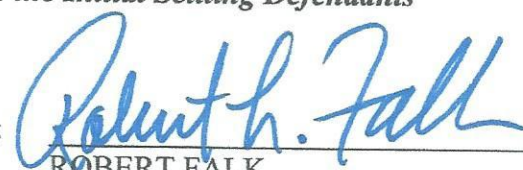
By:


DANIELLE FUGERE

Attorneys for AS YOU SOW

For the Initial Settling Defendants

By:


ROBERT FALK

Attorney for the National Confectioners Association

SO AGREED:

Dated: 9/17, 2023

AS YOU SOW

By:

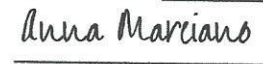

Name: ANDREW BEHAR

Title: CEO

Dated: 10/2, 2023

Company Name: Mars Incorporated

By:

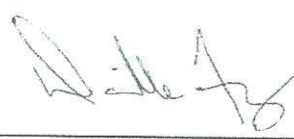

Name: Anna Marciano

Title: General Counsel, Mars Wrigley NA

APPROVED AS TO FORM:

Dated: September 17, 2023

For As You Sow

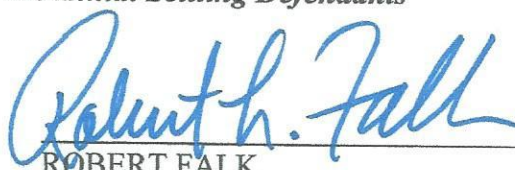
By: 

DANIELLE FUGERE

Attorneys for AS YOU SOW

Dated: 9/18, 2023

For the Initial Settling Defendants

By: 

ROBERT FALK

Attorney for the National Confectioners Association

SO AGREED:

Dated: 9/17, 2023

AS YOU SOW

By: 

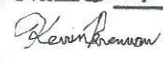
Name: ANDREW BEHAR

Title: CEO

Dated: September 19, 2023, 2023

Company Name:

Mondelez Global LLC

By: 

Kevin Brennan

Name:

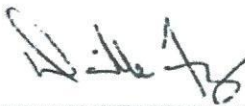
Title:

Chief Counsel Litigation

APPROVED AS TO FORM:

Dated: September 17, 2023

For As You Sow

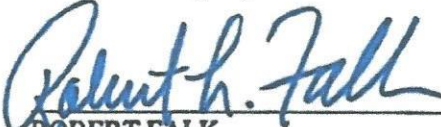
By: 

DANIELLE FUGERE

Attorneys for AS YOU SOW

Dated: 9/18, 2023

For the Initial Settling Defendants

By: 

ROBERT FALK

Attorney for the National Confectioners Association

SO AGREED:

Dated: 9/17, 2023

AS YOU SOW

By: 

Name: ANDREW BEHAR

Title: CEO

Dated: 9/26, 2023

Company Name: Nestlé USA, Inc.

By: 

Name: Robert O. Winters

Title: Senior Counsel, Food Law