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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ALAMEDA

**ENVIRONMENTAL RESEARCH
CENTER, INC., a California non-profit
corporation**

Plaintiff,

vs.

310 NUTRITION LLC and DOES 1-100

Defendants.

CASE NO. RG16843054

**STIPULATED CONSENT
JUDGMENT**

Health & Safety Code § 25249.5 *et seq.*

Action Filed: December 19, 2016

Trial Date: None set

1. INTRODUCTION

1.1 On December 19, 2016, Plaintiff Environmental Research Center, Inc. (“ERC”), a non-profit corporation, as a private enforcer and in the public interest, initiated this action by filing a Complaint for Injunctive and Declaratory Relief and Civil Penalties (the “Complaint”) pursuant to the provisions of California Health and Safety Code section 25249.5

1 *et seq.* (“Proposition 65”), against 310 Nutrition LLC (“310 Nutrition”) and Does 1-100. In this
2 action, ERC alleges that a number of products manufactured, distributed, or sold by 310
3 Nutrition contain lead and/or cadmium, chemicals listed under Proposition 65 as carcinogens
4 and reproductive toxins, and expose consumers to these chemicals at a level requiring a
5 Proposition 65 warning. These products (referred to hereinafter individually as a “Covered
6 Product” or collectively as “Covered Products”) are: (1) 310 Nutrition LLC 310 Shake Plant
7 Based Meal Replacement Vegan Chocolate (lead and cadmium), (2) 310 Nutrition LLC 310
8 Shake Plant Based Meal Replacement Vegan Vanilla (lead), (3) 310 Nutrition 310 Shake
9 Healthy Meal Replacement Chocolate (lead), (4) 310 Nutrition 310 Lemonade Appetite
10 Suppression (lead), (5) 310 Nutrition 310 Juice Daily Superfood & Cleanse Organic Red Fruits
11 Blend (lead), (6) 310 Nutrition 310 Cleanse 5 Day Detox Natural Orange Flavor (lead).

12 **1.2** ERC and 310 Nutrition are hereinafter referred to individually as a “Party” or
13 collectively as the “Parties.”

14 **1.3** ERC is a 501 (c)(3) California non-profit corporation dedicated to, among other
15 causes, helping safeguard the public from health hazards by reducing the use and misuse of
16 hazardous and toxic chemicals, facilitating a safe environment for consumers and employees,
17 and encouraging corporate responsibility.

18 **1.4** For purposes of this Consent Judgment, the Parties agree that 310 Nutrition is a
19 business entity that has employed ten or more persons at all times relevant to this action, and
20 qualifies as a “person in the course of business” within the meaning of Proposition 65. 310
21 Nutrition manufactures, distributes, and/or sells the Covered Products.

22 **1.5** The Complaint is based on allegations contained in ERC’s Notice of Violation
23 dated July 20, 2016 that was served on the California Attorney General, other public enforcers,
24 and 310 Nutrition (“Notice”). A true and correct copy of the 60-Day Notice dated July 20, 2016
25 is attached hereto as **Exhibit A** and is incorporated herein by reference. More than 60 days
26 have passed since the Notice was served on the Attorney General, public enforcers, and 310
27 Nutrition and no designated governmental entity has filed a complaint against 310 Nutrition
28 with regard to the Covered Products or the alleged violations.

1 **1.6** ERC’s Notice and Complaint allege that use of the Covered Products exposes
2 persons in California to lead and/or cadmium without first providing clear and reasonable
3 warnings in violation of California Health and Safety Code section 25249.6. 310 Nutrition
4 denies all material allegations contained in the Notice and Complaint.

5 **1.7** The Parties have entered into this Consent Judgment in order to settle,
6 compromise, and resolve disputed claims and thus avoid prolonged and costly litigation.
7 Nothing in this Consent Judgment nor compliance with this Consent Judgment shall constitute
8 or be construed as an admission by any of the Parties or by any of their respective officers,
9 directors, shareholders, employees, agents, parent companies, subsidiaries, divisions,
10 franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers of any fact,
11 issue of law, or violation of law.

12 **1.8** Except as expressly set forth herein, nothing in this Consent Judgment shall
13 prejudice, waive, or impair any right, remedy, argument, or defense the Parties may have in any
14 current or future legal proceeding unrelated to these proceedings.

15 **1.9** The Effective Date of this Consent Judgment is the date on which service of
16 Notice of Entry of Judgment is effectuated. Service of the Notice of Entry may occur via email.

17 **2. JURISDICTION AND VENUE**

18 For purposes of this Consent Judgment and any further court action that may become
19 necessary to enforce this Consent Judgment, the Parties stipulate that this Court has subject matter
20 jurisdiction over the allegations of violations contained in the Complaint, personal jurisdiction over
21 310 Nutrition as to the acts alleged in the Complaint, that venue is proper in Alameda County, and
22 that this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all
23 claims up through and including the Effective Date which were or could have been asserted in this
24 action based on the facts alleged in the Notice and Complaint.

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

26 **3.1** Beginning six months from the Effective Date, 310 Nutrition shall be
27 permanently enjoined from manufacturing for sale in the State of California, “Distributing into
28 the State of California”, or directly selling in the State of California, any Covered Products

1 which exposes a person to a “Daily Lead Exposure Level” of more than 0.5 micrograms of lead
2 per day and/or “Daily Cadmium Exposure Level” of more than 4.10 micrograms of cadmium
3 per day unless it meets the warning requirements under Section 3.2.

4 **3.1.1** As used in this Consent Judgment, the term “Distributing into the State of
5 California” shall mean to directly ship a Covered Product into California for sale in California
6 or to sell a Covered Product to a distributor that 310 Nutrition knows or has reason to know will
7 sell the Covered Product in California.

8 **3.1.2** For purposes of this Consent Judgment, the “Daily Lead Exposure Level”
9 and “Daily Cadmium Exposure Level” shall be measured in micrograms, and shall be calculated
10 using the following formula: micrograms of lead or cadmium per gram of product, multiplied
11 by grams of product per serving of the product (using the largest serving size appearing on the
12 product label), multiplied by servings of the product per day (using the largest number of
13 servings in a recommended dosage appearing on the product label), which equals micrograms of
14 lead or cadmium exposure per day.

15 **3.2 Clear and Reasonable Warnings**

16 If 310 Nutrition is required to provide a warning pursuant to Section 3.1, the following
17 warning must be utilized (“Warning”):

18 ⚠ **WARNING:** This product can expose you to chemicals including [lead] [and] [cadmium]
19 which is [are] known to the State of California to cause [cancer and] birth defects or other
20 reproductive harm. For more information go to www.P65Warnings.ca.gov.

21 310 Nutrition shall use the phrase “cancer and” in the Warning only if the “Daily Lead
22 Exposure Level” is greater than 15 micrograms of lead as determined pursuant to the quality
23 control methodology set forth in Section 3.4. As identified in the brackets, the warning shall
24 appropriately reflect whether there is lead, cadmium, or both chemicals present in each of the
25 Covered Products. If 310 Nutrition has a good faith belief that more chemicals are present,
26 “chemicals” may be used without the subsequent list (“including . . .”).

27 The Warning shall be securely affixed to or printed upon the container or label of each
28 Covered Product. In addition, for any Covered Product sold over the internet, the Warning shall

1 appear on the checkout page when a California delivery address is indicated for any purchase of
2 any Covered Product. An asterisk or other identifying method must be utilized to identify
3 which products on the checkout page are subject to the Warning.

4 The Warning shall be at least the same size as the largest of any other health or safety
5 warnings also appearing on its website or on the label or container of 310 Nutrition's product
6 packaging and the word "WARNING" shall be in all capital letters and in bold print. No
7 statements intended to or likely to have the effect of diminishing the impact of the Warning on the
8 average lay person shall accompany the Warning. Further no statements may accompany the
9 Warning that state or imply that the source of the listed chemical has an impact on or results in a
10 less harmful effect of the listed chemical.

11 310 Nutrition must display the above Warning with such conspicuousness, as compared
12 with other words, statements, design of the label, container, or on its website, as applicable, to
13 render the Warning likely to be read and understood by an ordinary individual under customary
14 conditions of purchase or use of the product.

15 3.3 Reformulated Covered Products

16 A Reformulated Covered Product is one for which the "Daily Lead Exposure Level" is no
17 greater than 0.5 micrograms of lead per day and/or "Daily Cadmium Exposure Level" is no more
18 than 4.10 micrograms of cadmium per day as determined by the quality control methodology
19 described in Section 3.4, excluding amounts of naturally occurring lead in the ingredients listed in
20 the table below.

21 Ingredient	Amount of lead (Pb) per gram of ingredient deemed naturally occurring
22 Calcium (elemental)	0.8 mcg Pb per gram of elemental calcium
23 Ferrous Fumarate	0.4 mcg Pb per gram of ferrous fumarate
Zinc Oxide	8.0 mcg Pb per gram of zinc oxide
24 Magnesium Oxide	0.4 mcg Pb per gram of magnesium oxide
25 Magnesium Carbonate	0.332 mcg Pb per gram of magnesium carbonate
26 Magnesium Hydroxide	0.4 mcg Pb per gram of magnesium hydroxide
Zinc Gluconate	0.8 mcg Pb per gram of zinc gluconate
27 Potassium Chloride	1.1 mcg Pb per gram of potassium chloride
28 Cocoa powder	1.0 mcg Pb per gram of cocoa powder

1 If, at any time after the Effective Date, ERC tests a Covered Product and the test results
2 indicate that the Daily Lead Exposure Level is greater than 0.5 micrograms per day, 310 Nutrition
3 agrees to confidentially supply to ERC within 30 days a list of ingredients, including the
4 percentage of each ingredient (“Ingredient List”), of that particular covered product that ERC may
5 be able to calculate the daily exposure based on the allowances contained in the table above.

6 In the event that a dispute arises with respect to compliance with the terms of this Consent
7 Judgment as to any contribution from naturally occurring lead levels under the Section, the Parties
8 shall first meet and confer in an effort to fully resolve any dispute. If the meet and confer process
9 is unsuccessful, any Party may elect to proceed pursuant to the enforcement provisions of Section
10 5.4 below. In the event that Court intervention is sought by any Party, the Parties shall employ
11 good faith efforts to seek entry of a protective order by the Court that limits public access to and
12 disclosure of the Ingredient List provided prior to disclosure of the Ingredient List in any
13 enforcement proceedings before the Court.

14 **3.4 Testing and Quality Control Methodology**

15 **3.4.1** Beginning within one year of the Effective Date, 310 Nutrition shall
16 arrange for lead and/or cadmium testing of the Covered Products at least once a year for a
17 minimum of three consecutive years by arranging for testing of five randomly selected samples
18 of each of the Covered Products, in the form intended for sale to the end-user, which 310
19 Nutrition intends to sell or is manufacturing for sale in California, directly selling to a
20 consumer in California or “Distributing into the State of California.” If tests conducted
21 pursuant to this Section demonstrate that no Warning is required for a Covered Product during
22 each of three consecutive years, then the testing requirements of this Section will no longer be
23 required as to that Covered Product. However, if during or after the three-year testing period,
24 310 Nutrition changes ingredient suppliers for any of the Covered Products and/or reformulates
25 any of the Covered Products, 310 Nutrition shall test that Covered Product annually for at least
26 three (3) consecutive years after such change is made.

27 **3.4.2** For purposes of measuring the “Daily Lead Exposure Level” and/or
28 “Daily Cadmium Exposure Level,” the highest lead and/or cadmium detection result of the five

1 (5) randomly selected samples of the Covered Products will be controlling.

2 **3.4.3** All testing pursuant to this Consent Judgment shall be performed using a
3 laboratory method that complies with the performance and quality control factors appropriate
4 for the method used, including limit of detection, qualification, accuracy, and precision that
5 meets the following criteria: Inductively Coupled Plasma-Mass Spectrometry (“ICP-MS”)
6 achieving a limit of quantification of less than or equal to 0.010 mg/kg or any other testing
7 method subsequently agreed to in writing by the Parties and approved by the Court through
8 entry of a modified consent judgment.

9 **3.4.4** All testing pursuant to this Consent Judgment shall be performed by an
10 independent third party laboratory certified by the California Environmental Laboratory
11 Accreditation Program or an independent third-party laboratory that is registered with the
12 United States Food & Drug Administration.

13 **3.4.5** Nothing in this Consent Judgment shall limit 310 Nutrition’s ability to
14 conduct, or require that others conduct, additional testing of the Covered Products, including the
15 raw materials used in their manufacture.

16 **3.4.6** Within thirty (30) days of ERC’s written request, 310 Nutrition shall
17 deliver lab reports obtained pursuant to Section 3.4 to ERC. 310 Nutrition shall retain all test
18 results and documentation for a period of five years from the date of each test.

19 **4. SETTLEMENT PAYMENT**

20 **4.1** In full satisfaction of all potential civil penalties, additional settlement payments,
21 attorney’s fees, and costs, 310 Nutrition shall make six (6) equal consecutive monthly payments
22 in the amount of \$10,000, for a total settlement amount of \$60,000.00 (“Total Settlement
23 Amount”) to ERC. The first installment payment will be due within 5 business days of the
24 Effective Date (“Due Date”) and each subsequent installment shall be due every thirty (30) days
25 thereafter. 310 Nutrition shall make these installment payments by wire transfer to ERC’s
26 escrow account, for which ERC will give 310 Nutrition the necessary account information. The
27 Total Settlement Amount shall be apportioned as follows:
28

1 **4.2** \$18,419.90 shall be considered a civil penalty pursuant to California Health and
2 Safety Code section 25249.7(b)(1). ERC shall remit 75% (\$13,814.93) of the civil penalty to
3 the Office of Environmental Health Hazard Assessment (“OEHHA”) for deposit in the Safe
4 Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety
5 Code section 25249.12(c). ERC will retain the remaining 25% (\$4,604.97) of the civil penalty.

6 **4.3** \$3,961.02 shall be distributed to ERC as reimbursement to ERC for reasonable
7 costs incurred in bringing this action.

8 **4.4** \$ 13,814.90 shall be distributed to ERC as an Additional Settlement Payment
9 (“ASP”), pursuant to California Code of Regulations, title 11, sections 3203, subdivision (d)
10 and 3204. ERC will utilize the ASP for activities that address the same public harm as allegedly
11 caused by 310 Nutrition in this matter. These activities are detailed below and support ERC’s
12 overarching goal of reducing and/or eliminating hazardous and toxic chemicals in dietary
13 supplement products in California. ERC’s activities have had, and will continue to have, a
14 direct and primary effect within the State of California because California consumers will be
15 benefitted by the reduction and/or elimination of exposure to lead and/or cadmium in dietary
16 supplements and/or by providing clear and reasonable warnings to California consumers prior to
17 ingestion of the products.

18 Based on a review of past years’ actual budgets, ERC is providing the following list of
19 activities ERC engages in to protect California consumers through Proposition 65 citizen
20 enforcement, along with a breakdown of how ASP funds will be utilized to facilitate those
21 activities: (1) ENFORCEMENT (65-80%): obtaining, shipping, analyzing, and testing dietary
22 supplement products that may contain lead and/or cadmium and are sold to California
23 consumers. This work includes continued monitoring and enforcement of past consent
24 judgments and settlements to ensure companies are in compliance with their obligations
25 thereunder, with a specific focus on those judgments and settlements concerning lead and/or
26 cadmium. This work also includes investigation of new companies that ERC does not obtain
27 any recovery through settlement or judgment; (2) VOLUNTARY COMPLIANCE PROGRAM
28 (10-20%): maintaining ERC’s Voluntary Compliance Program by acquiring products from

1 companies, developing and maintaining a case file, testing products from these companies,
2 providing the test results and supporting documentation to the companies, and offering guidance
3 in warning or implementing a self-testing program for lead and/or cadmium in dietary
4 supplement products; and (3) "GOT LEAD" PROGRAM (up to 5%): maintaining ERC's "Got
5 Lead?" Program which reduces the numbers of contaminated products that reach California
6 consumers by providing access to free testing for lead in dietary supplement products (Products
7 submitted to the program are screened for ingredients which are suspected to be contaminated,
8 and then may be purchased by ERC, catalogued, sent to a qualified laboratory for testing, and
9 the results shared with the consumer that submitted the product).

10 ERC shall be fully accountable in that it will maintain adequate records to document and
11 will be able to demonstrate how the ASP funds will be spent and can assure that the funds are
12 being spent only for the proper, designated purposes described in this Consent Judgment. ERC
13 shall provide the Attorney General, within thirty days of any request, copies of documentation
14 demonstrating how such funds have been spent.

15 **4.5** \$990.00 shall be distributed to Michael Freund as reimbursement of ERC's
16 attorney's fees, 5,610.00 shall be distributed to Ryan Hoffman as reimbursement of ERC's
17 attorney's fees, while \$17,204.18 shall be distributed to ERC for its in-house legal fees. Except
18 as explicitly provided herein, each Party shall bear its own fees and costs.

19 **4.6** In the event that 310 Nutrition fails to remit the Total Settlement Amount owed
20 under Section 4 of this Consent Judgment on or before the Due Date, 310 Nutrition shall be
21 deemed to be in material breach of its obligations under this Consent Judgment. ERC shall
22 provide written notice of the delinquency to 310 Nutrition via electronic mail. If 310 Nutrition
23 fails to deliver the Total Settlement Amount within five (5) days from the written notice, the
24 Total Settlement Amount shall accrue interest at the statutory judgment interest rate provided in
25 the California Code of Civil Procedure section 685.010. Additionally, 310 Nutrition agrees to
26 pay ERC's reasonable attorney's fees and costs for any efforts to collect the payment due under
27 this Consent Judgment.

1 **5. MODIFICATION OF CONSENT JUDGMENT**

2 **5.1** This Consent Judgment may be modified only as to injunctive terms (i) by
3 written stipulation of the Parties or pursuant to Section 5.4 and (ii) upon entry by the Court of a
4 modified consent judgment.

5 **5.2** If 310 Nutrition seeks to modify this Consent Judgment under Section 5.1, then
6 310 Nutrition must provide written notice to ERC of its intent (“Notice of Intent”). If ERC
7 seeks to meet and confer regarding the proposed modification in the Notice of Intent, then ERC
8 must provide written notice to 310 Nutrition within thirty (30) days of receiving the Notice of
9 Intent. If ERC notifies 310 Nutrition in a timely manner of ERC’s intent to meet and confer,
10 then the Parties shall meet and confer in good faith as required in this Section. The Parties shall
11 meet in person or via telephone within thirty (30) days of ERC’s notification of its intent to
12 meet and confer. Within thirty (30) days of such meeting, if ERC disputes the proposed
13 modification, ERC shall provide to 310 Nutrition a written basis for its position. The Parties
14 shall continue to meet and confer for an additional thirty (30) days in an effort to resolve any
15 remaining disputes. Should it become necessary, the Parties may agree in writing to different
16 deadlines for the meet-and-confer period.

17 **5.3** Where the meet-and-confer process does not lead to a joint motion or application
18 in support of a modification of the Consent Judgment, then either Party may seek judicial relief
19 on its own.

20 **6. RETENTION OF JURISDICTION, ENFORCEMENT OF CONSENT**
21 **JUDGMENT**

22 **6.1** This Court shall retain jurisdiction of this matter to enforce, modify, or terminate
23 this Consent Judgment.

24 **6.2** If ERC alleges that any Covered Product fails to qualify as a Reformulated
25 Covered Product (for which ERC alleges that no Warning has been provided), then ERC shall
26 inform 310 Nutrition in a reasonably prompt manner of its test results, including information
27 sufficient to permit 310 Nutrition to identify the Covered Products at issue. 310 Nutrition shall,
28 within thirty (30) days following such notice, provide ERC with testing information, from an

1 independent third-party laboratory meeting the requirements of Sections 3.4.3 and 3.4.4,
2 demonstrating 310 Nutrition's compliance with the Consent Judgment, if warranted. The
3 Parties shall first attempt to resolve the matter prior to ERC taking any further legal action.

4 **7. APPLICATION OF CONSENT JUDGMENT**

5 This Consent Judgment may apply to, be binding upon, and benefit the Parties and their
6 respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries,
7 divisions, franchisees, licensees, customers (excluding private labelers), distributors, wholesalers,
8 retailers, predecessors, successors, and assigns. This Consent Judgment shall have no
9 application to any Covered Product which is distributed or sold exclusively outside the State of
10 California and which is not used by California consumers.

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

12 **8.1** This Consent Judgment is a full, final, and binding resolution between ERC,
13 on behalf of itself and in the public interest, and 310 Nutrition and its respective officers,
14 directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, suppliers,
15 franchisees, licensees, customers (not including private label customers of 310 Nutrition),
16 distributors, wholesalers, retailers, and all other upstream and downstream entities in the
17 distribution chain of any Covered Product, and the predecessors, successors, and assigns of any
18 of them (collectively, "Released Parties"). ERC hereby fully releases and discharges the
19 Released Parties from any and all claims, actions, causes of action, suits, demands, liabilities,
20 damages, penalties, fees, costs, and expenses asserted, or that could have been asserted from the
21 handling, use, or consumption of the Covered Products, as to any alleged violation of
22 Proposition 65 or its implementing regulations arising from the failure to provide Proposition 65
23 warnings on the Covered Products regarding lead and/or cadmium up to and including the
24 Effective Date.

25 **8.2** ERC on its own behalf only, and 310 Nutrition on its own behalf only,
26 further waive and release any and all claims they may have against each other for all actions or
27 statements made or undertaken in the course of seeking or opposing enforcement of Proposition
28 65 in connection with the Notice and Complaint up through and including the Effective Date,

1 provided, however, that nothing in Section 8 shall affect or limit any Party's right to seek to
2 enforce the terms of this Consent Judgment.

3 **8.3** It is possible that other claims not known to the Parties, arising out of the facts
4 alleged in the Notice and Complaint, and relating to the Covered Products, will develop or be
5 discovered. ERC on behalf of itself only, and 310 Nutrition on behalf of itself only,
6 acknowledge that this Consent Judgment is expressly intended to cover and include all such
7 claims up through and including the Effective Date, including all rights of action therefore. ERC
8 and 310 Nutrition acknowledge that the claims released in Sections 8.1 and 8.2 above may
9 include unknown claims, and nevertheless waive California Civil Code section 1542 as to any
10 such unknown claims. California Civil Code section 1542 reads as follows:

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

15 ERC on behalf of itself only, and 310 Nutrition on behalf of itself only, acknowledge and
16 understand the significance and consequences of this specific waiver of California Civil Code
17 section 1542.

18 **8.4** Compliance with the terms of this Consent Judgment shall be deemed to
19 constitute compliance with Proposition 65 by any releasee regarding alleged exposures to lead
20 and/or cadmium in the Covered Products as set forth in the Notice and Complaint.

21 **8.5** Nothing in this Consent Judgment is intended to apply to any occupational or
22 environmental exposures arising under Proposition 65, nor shall it apply to any of 310
23 Nutrition's products other than the Covered Products.

24 **9. SEVERABILITY OF UNENFORCEABLE PROVISIONS**

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

1 **10. GOVERNING LAW**

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

4 ///

5 **11. PROVISION OF NOTICE**

6 All notices required to be given to either Party to this Consent Judgment by the other shall
7 be in writing and sent to the following agents listed below via first-class mail. Courtesy copies via
8 email may also be sent.

9 **FOR ENVIRONMENTAL RESEARCH CENTER, INC.:**

10 Chris Heptinstall, Executive Director, Environmental Research Center
11 3111 Camino Del Rio North, Suite 400
12 San Diego, CA 92108
13 Tel: (619) 500-3090
14 Email: chris_erc501c3@yahoo.com

15 With a copy to:

16 Michael Freund
17 Ryan Hoffman
18 Michael Freund & Associates
19 1919 Addison Street, Suite 105
20 Berkeley, CA 94704
21 Telephone: (510) 540-1992
22 Facsimile: (510) 540-5543

23 Kirk Fabrizio

24 **310 NUTRITION LLC**
25 4270 S. Decatur Blvd., Suite B8-9
26 Las Vegas, NV 89103
27 Email: kirk@310nutrition.com

28 With a copy to:

29 Anthony Cortez
30 Greenberg Traurig, LLP
31 1201 K Street, Suite 1100
32 Sacramento, CA 95814
33 Telephone: (916) 442-1111
34 Facsimile: (916) 448-1709
35 Email: sperlag@gtlaw.com

1 **12. COURT APPROVAL**

2 **12.1** Upon execution of this Consent Judgment by the Parties, ERC shall notice a
3 Motion for Court Approval. The Parties shall use their best efforts to support entry of this
4 Consent Judgment.

5 **12.2** If the California Attorney General objects to any term in this Consent Judgment,
6 the Parties shall use their best efforts to resolve the concern in a timely manner, and if possible
7 prior to the hearing on the motion.

8 **12.3** If this Stipulated Consent Judgment is not approved by the Court, it shall be void
9 and have no force or effect.

10 **13. EXECUTION AND COUNTERPARTS**

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

14 **14. DRAFTING**

15 The terms of this Consent Judgment have been reviewed by the respective counsel for each
16 Party prior to its signing, and each Party has had an opportunity to fully discuss the terms and
17 conditions with legal counsel. The Parties agree that, in any subsequent interpretation and
18 construction of this Consent Judgment, no inference, assumption, or presumption shall be drawn,
19 and no provision of this Consent Judgment shall be construed against any Party, based on the fact
20 that one of the Parties and/or one of the Parties' legal counsel prepared and/or drafted all or any
21 portion of the Consent Judgment. It is conclusively presumed that all of the Parties participated
22 equally in the preparation and drafting of this Consent Judgment.

23 **15. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES**

24 If a dispute arises with respect to either Party's compliance with the terms of this Consent
25 Judgment entered by the Court, the Parties shall meet and confer in person, by telephone, and/or in
26 writing and endeavor to resolve the dispute in an amicable manner. No action or motion may be
27 filed in the absence of such a good faith attempt to resolve the dispute beforehand.

1 **16. ENFORCEMENT**

2 ERC may, by motion or order to show cause before the Superior Court of Alameda
3 County, enforce the terms and conditions contained in this Consent Judgment. In any action
4 brought by ERC to enforce this Consent Judgment, ERC may seek whatever fines, costs,
5 penalties, or remedies as are provided by law for failure to comply with the Consent Judgment.
6 To the extent the failure to comply with the Consent Judgment constitutes a violation of
7 Proposition 65 or other laws, ERC shall not be limited to enforcement of this Consent
8 Judgment, but may seek in another action whatever fines, costs, penalties, or remedies as are
9 provided by law for failure to comply with Proposition 65 or other laws.

10 **17. ENTIRE AGREEMENT, AUTHORIZATION**

11 **17.1** This Consent Judgment contains the sole and entire agreement and understanding
12 of the Parties with respect to the entire subject matter herein, and any and all prior discussions,
13 negotiations, commitments, and understandings related hereto. No representations, oral or
14 otherwise, express or implied, other than those contained herein have been made by any Party.
15 No other agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to
16 exist or to bind any Party.

17 **17.2** Each signatory to this Consent Judgment certifies that he or she is fully
18 authorized by the Party he or she represents to stipulate to this Consent Judgment.

19 **18. REQUEST FOR FINDINGS, APPROVAL OF SETTLEMENT AND ENTRY OF**
20 **CONSENT JUDGMENT**

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

24 (1) Find that the terms and provisions of this Consent Judgment represent a fair and
25 equitable settlement of all matters raised by the allegations of the Complaint that the matter has
26 been diligently prosecuted, and that the public interest is served by such settlement; and

27 (2) Make the findings pursuant to California Health and Safety Code section
28 25249.7(f)(4), approve the Settlement, and approve this Consent Judgment.

1 **IT IS SO STIPULATED:**

2 Dated: 3/3/, 2017

ENVIRONMENTAL RESEARCH
CENTER, INC.

3
4 By: [Signature]
Chris Hepinstall, Executive Director

5 Dated: 3-3-17, 2017

310 NUTRITION LLC

6
7 By: [Signature]
Kirk Fabrizio, Co-Founder

8
9
10 **APPROVED AS TO FORM:**

11 Dated: 3/8, 2017

MICHAEL FREUND & ASSOCIATES

12 By: [Signature]
13 Michael Freund
14 Ryan Hoffman
15 Attorneys for Plaintiff Environmental
Research Center, Inc.

16 Dated: March 3, 2017

GREENBERG TRAUERIG, LLP

17 By: [Signature]
18 Anthony J. Cortez
19 Attorney for Defendant 310 Nutrition LLC

20
21 **ORDER AND JUDGMENT**

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

24 IT IS SO ORDERED, ADJUDGED AND DECREED.

25
26 Dated: _____, 2017

27 Judge of the Superior Court

Michael Freund & Associates

1919 Addison Street, Suite 105
Berkeley, CA 94704
Voice: 510.540.1992 • Fax: 510.540.5543

Michael Freund, Esq.
Ryan Hoffman, Esq.

OF COUNSEL:
Denise Ferkich Hoffman, Esq.

July 20, 2016

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

Dear Alleged Violator and the Appropriate Public Enforcement Agencies:

I represent Environmental Research Center, Inc. (“ERC”), 3111 Camino Del Rio North, Suite 400, San Diego, CA 92108; Tel. (619) 500-3090. ERC’s Executive Director is Chris Heptinstall. ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

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

General Information about Proposition 65. A copy of a summary of Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, is enclosed with this letter served to the alleged Violator identified below.

Alleged Violator. The name of the company covered by this notice that violated Proposition 65 (hereinafter the “Violator”) is:

310 Nutrition LLC

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

- **310 Nutrition LLC 310 Shake Plant Based Meal Replacement Vegan Chocolate – Lead, Cadmium**
- **310 Nutrition LLC 310 Shake Plant Based Meal Replacement Vegan Vanilla - Lead**
- **310 Nutrition 310 Shake Healthy Meal Replacement Chocolate - Lead**
- **310 Nutrition 310 Lemonade Appetite Suppression - Lead**
- **310 Nutrition 310 Juice Daily Superfood & Cleanse Organic Red Fruits Blend - Lead**
- **310 Nutrition 310 Cleanse 5 Day Detox Natural Orange Flavor - Lead**

On February 27, 1987, the State of California officially listed lead as a chemical known to cause developmental toxicity, and male and female reproductive toxicity. On October 1, 1992, the State of California officially listed lead and lead compounds as chemicals known to cause cancer.

Cadmium was officially listed as a chemical known to cause developmental toxicity and male reproductive toxicity on May 1, 1997 while cadmium and cadmium compounds were listed as chemicals known to the State of California to cause cancer on October 1, 1987

Exhibit A

July 20, 2016

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

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

Approximate Time Period of Violations. Ongoing violations have occurred every day since at least July 20, 2013, as well as every day since the products were introduced into the California marketplace, and will continue every day until clear and reasonable warnings are provided to product purchasers and users or until these known toxic chemicals are either removed from or reduced to allowable levels in the products. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemicals. The method of warning should be a warning that appears on the product label. The Violator violated Proposition 65 because it failed to provide persons handling and/or using these products with appropriate warnings that they are being exposed to these chemicals.

Consistent with the public interest goals of Proposition 65 and a desire to have these ongoing violations of California law quickly rectified, ERC is interested in seeking a constructive resolution of this matter that includes an enforceable written agreement by the Violator to: (1) reformulate the identified products so as to eliminate further exposures to the identified chemicals, or provide appropriate warnings on the labels of these products; (2) pay an appropriate civil penalty; and (3) provide clear and reasonable warnings compliant with Proposition 65 to all persons located in California who purchased the above products in the last three years. Such a resolution will prevent further unwarned consumer exposures to the identified chemicals, as well as an expensive and time consuming litigation.

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

Sincerely,



Ryan Hoffman

Attachments

Certificate of Merit

Certificate of Service

OEHHA Summary (to 310 Nutrition LLC and its Registered Agent for Service of Process only)

Additional Supporting Information for Certificate of Merit (to AG only)

CERTIFICATE OF MERIT

Re: Environmental Research Center, Inc.'s Notice of Proposition 65 Violations by 310 Nutrition LLC

I, Ryan Hoffman, declare:

1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged that the party identified in the notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.

2. I am an attorney for the noticing party.

3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemicals that are the subject of the notice.

4. Based on the information obtained through those consultants, and on other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged Violator will be able to establish any of the affirmative defenses set forth in the statute.

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

Dated: July 20, 2016



Ryan Hoffman

CERTIFICATE OF SERVICE

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States, over the age of 18 years of age, and am not a party to the within entitled action. My business address is 306 Joy Street, Fort Oglethorpe, Georgia 30742. I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail at Fort Oglethorpe, Georgia.

On July 20, 2016, I served the following documents: **NOTICE OF VIOLATION OF CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; “THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY”** on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to the party listed below and depositing it at a U.S. Postal Service Office with the postage fully prepaid for delivery by Certified Mail:

Current President or CEO
310 Nutrition LLC
4270 South Decatur Boulevard, Suite B8-9
Las Vegas, NV 89103

Current President or CEO
310 Nutrition LLC
3208 Walnut Avenue
Manhattan Beach, CA 90266

Current President or CEO
310 Nutrition LLC
2235 East Flamingo Road, Suite 152
Las Vegas, NV 89119

Current President or CEO
310 Nutrition LLC
320 Stewart Road
Hanover Township, PA 18706

Current President or CEO
310 Nutrition LLC
211 Nevada Street
El Segundo, CA 90245

CHQ Incorporated
(310 Nutrition LLC’s Registered
Agent for Service of Process)
2235 East Flamingo Road, Suite 152
Las Vegas, NV 89119

On July 20, 2016, I verified the following documents **NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE §25249.7(d)(1)** were served on the following party when a true and correct copy thereof was uploaded on the California Attorney General’s website, which can be accessed at <https://oag.ca.gov/prop65/add-60-day-notice> :

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

On July 20, 2016, I verified the following documents **NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT** were served on the following parties when a true and correct copy thereof was sent via electronic mail to each of the parties listed below:

Stacey Grassini, Deputy District Attorney
Contra Costa County
900 Ward Street
Martinez, CA 94553
sgrassini@contracostada.org

Michelle Latimer, Program Coordinator
Lassen County
220 S. Lassen Street
Susanville, CA 96130
mlatimer@co.lassen.ca.us

Notice of Violation of California Health & Safety Code §25249.5 *et seq.*

July 20, 2016

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Dije Ndreu, Deputy District Attorney
Monterey County
1200 Aguajito Road
Monterey, CA 93940
Prop65DA@co.monterey.ca.us

Gary Lieberstein, District Attorney
Napa County
931 Parkway Mall
Napa, CA 94559
CEPD@countyofnapa.org

Paul E. Zellerbach, District Attorney
Riverside County
3072 Orange Street
Riverside, CA 92501
Prop65@rivcoda.org

Anne Marie Schubert, District Attorney
Sacramento County
901 G Street
Sacramento, CA 95814
Prop65@sacda.org

Gregory Alker, Assistant District Attorney
San Francisco County
732 Brannan Street
San Francisco, CA 94103
gregory.alker@sfgov.org

Tori Verber Salazar, District Attorney
San Joaquin County
222 E. Weber Avenue, Room 202
Stockton, CA 95202
DAConsumer.Environmental@sjcda.org

Eric J. Dobroth, Deputy District Attorney
San Luis Obispo County
County Government Center Annex, 4th Floor
San Luis Obispo, CA 93408
edobroth@co.slo.ca.us

Yen Dang, Supervising Deputy District Attorney
Santa Clara County
70 W Hedding St
San Jose, CA 95110
EPU@da.sccgov.org

Stephan R. Passalacqua, District Attorney
Sonoma County
600 Administration Dr
Sonoma, CA 95403
jbarnes@sonoma-county.org

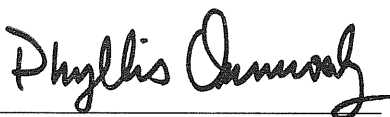
Phillip J. Cline, District Attorney
Tulare County
221 S Mooney Blvd
Visalia, CA 95370
Prop65@co.tulare.ca.us

Gregory D. Totten, District Attorney
Ventura County
800 S Victoria Ave
Ventura, CA 93009
daspecialops@ventura.org

Jeff W. Reisig, District Attorney
Yolo County
301 Second Street
Woodland, CA 95695
cfepd@yolocounty.org

On July 20, 2016, I served the following documents: **NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT** on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties on the Service List attached hereto, and depositing it at a U.S. Postal Service Office with the postage fully prepaid for delivery by Priority Mail.

Executed on July 20, 2016, in Fort Oglethorpe, Georgia.



Phyllis Dunwoody

Notice of Violation of California Health & Safety Code §25249.5 *et seq.*

July 20, 2016

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Service List

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

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

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

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

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

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

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

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

District Attorney, Fresno
County
2220 Tulare Street, Suite 1000
Fresno, CA 93721

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

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

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

District Attorney, Inyo County
230 W. Line Street
Bishop, CA 93514

District Attorney, Kern County
1215 Truxtun Avenue
Bakersfield, CA 93301

District Attorney, Kings
County
1400 West Lacey Boulevard
Hanford, CA 93230

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

District Attorney, Los Angeles
County
210 West Temple Street, Suite
18000
Los Angeles, CA 90012

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

District Attorney, Marin
County
3501 Civic Center Drive,
Room 130
San Rafael, CA 94903

District Attorney, Mariposa
County
Post Office Box 730
Mariposa, CA 95338

District Attorney, Mendocino
County
Post Office Box 1000
Ukiah, CA 95482

District Attorney, Merced
County
550 W. Main Street
Merced, CA 95340

District Attorney, Modoc
County
204 S Court Street, Room 202
Alturas, CA 96101-4020

District Attorney, Mono
County
Post Office Box 617
Bridgeport, CA 93517

District Attorney, Nevada
County
201 Commercial Street
Nevada City, CA 95959

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

District Attorney, Placer
County
10810 Justice Center Drive,
Ste 240
Roseville, CA 95678

District Attorney, Plumas
County
520 Main Street, Room 404
Quincy, CA 95971

District Attorney, San Benito
County
419 Fourth Street, 2nd Floor
Hollister, CA 95023

District Attorney, San
Bernardino County
316 N. Mountain View
Avenue
San Bernardino, CA 92415-
0004

District Attorney, San Diego
County
330 West Broadway, Suite
1300
San Diego, CA 92101

District Attorney, San Mateo
County
400 County Ctr., 3rd Floor
Redwood City, CA 94063

District Attorney, Santa
Barbara County
1112 Santa Barbara Street
Santa Barbara, CA 93101

District Attorney, Santa Cruz
County
701 Ocean Street, Room 200
Santa Cruz, CA 95060

District Attorney, Shasta
County
1355 West Street
Redding, CA 96001

District Attorney, Sierra
County
PO Box 457
Downieville, CA 95936

District Attorney, Siskiyou
County
Post Office Box 986
Yreka, CA 96097

District Attorney, Solano
County
675 Texas Street, Ste 4500
Fairfield, CA 94533

District Attorney, Stanislaus
County
832 12th Street, Ste 300
Modesto, CA 95354

District Attorney, Sutter
County
446 Second Street
Yuba City, CA 95991

District Attorney, Tehama
County
Post Office Box 519
Red Bluff, CA 96080

District Attorney, Trinity
County
Post Office Box 310
Weaverville, CA 96093

District Attorney, Tuolumne
County
423 N. Washington Street
Sonora, CA 95370

District Attorney, Yuba
County
215 Fifth Street, Suite 152
Marysville, CA 95901

Los Angeles City Attorney's
Office
City Hall East
200 N. Main Street, Suite 800
Los Angeles, CA 90012

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

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

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

Appendix A

OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986
(PROPOSITION 65): A SUMMARY

The following summary has been prepared by the California Office of Environmental Health Hazard Assessment (OEHHA), the lead agency for the implementation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as “Proposition 65”). A copy of this summary must be included as an attachment to any notice of violation served upon an alleged violator of the Act. The summary provides basic information about the provisions of the law, and is intended to serve only as a convenient source of general information. It is not intended to provide authoritative guidance on the meaning or application of the law. Please refer to the statute and OEHHA's implementing regulations (see citations below) for further information.

FOR INFORMATION CONCERNING THE BASIS FOR THE ALLEGATIONS IN THE NOTICE RELATED TO YOUR BUSINESS, CONTACT THE PERSON IDENTIFIED ON THE NOTICE.

The text of Proposition 65 (Health and Safety Code Sections 25249.5 through 25249.13) is available online at: <http://oehha.ca.gov/prop65/law/P65law72003.html>. Regulations that provide more specific guidance on compliance, and that specify procedures to be followed by the State in carrying out certain aspects of the law, are found in Title 27 of the California Code of Regulations, sections 25102 through 27001.¹ These implementing regulations are available online at: <http://oehha.ca.gov/prop65/law/P65Regs.html>.

WHAT DOES PROPOSITION 65 REQUIRE?

The “Proposition 65 List.” Under Proposition 65, the lead agency (OEHHA) publishes a list of chemicals that are known to the State of California to cause cancer and/or reproductive toxicity. Chemicals are placed on the Proposition 65 list if they are known to cause cancer and/or birth defects or other reproductive harm, such as damage to female or male reproductive systems or to the developing fetus. This list must be updated at least once a year. The current Proposition 65 list of chemicals is available on the OEHHA website at: http://www.oehha.ca.gov/prop65/prop65_list/Newlist.html.

Only those chemicals that are on the list are regulated under Proposition 65. Businesses that produce, use, release or otherwise engage in activities involving listed chemicals must comply with the following:

Clear and reasonable warnings. A business is required to warn a person before “knowingly and intentionally” exposing that person to a listed chemical unless an exemption applies. The warning given must be “clear and

reasonable.” This means that the warning must: (1) clearly say that the chemical involved is known to cause cancer, or birth defects or other reproductive harm; and (2) be given in such a way that it will effectively reach the person before he or she is exposed to that chemical. Some exposures are exempt from the warning requirement under certain circumstances discussed below.

Prohibition from discharges into drinking water. A business must not knowingly discharge or release a listed chemical into water or onto land where it passes or probably will pass into a source of drinking water. Some discharges are exempt from this requirement under certain circumstances discussed below.

DOES PROPOSITION 65 PROVIDE ANY EXEMPTIONS?

Yes. You should consult the current version of the statute and regulations (<http://www.oehha.ca.gov/prop65/law/index.html>) to determine all applicable exemptions, the most common of which are the following:

Grace Periods. Proposition 65 warning requirements do not apply until 12 months after the chemical has been listed. The Proposition 65 discharge prohibition does not apply to a discharge or release of a chemical that takes place less than 20 months after the listing of the chemical.

Governmental agencies and public water utilities. All agencies of the federal, state or local government, as well as entities operating public water systems, are exempt.

Businesses with nine or fewer employees. Neither the warning requirement nor the discharge prohibition applies to a business that employs a total of nine or fewer employees. This includes all employees, not just those present in California.

Exposures that pose no significant risk of cancer. For chemicals that are listed under Proposition 65 as known to the State to cause cancer, a warning is not required if the business causing the exposure can demonstrate that the exposure occurs at a level that poses “no significant risk.” This means that the exposure is calculated to result in not more than one excess case of cancer in 100,000 individuals exposed over a 70-year lifetime. The Proposition 65 regulations identify specific “No Significant Risk Levels” (NSRLs) for many listed carcinogens. Exposures below these levels are exempt from the warning requirement. See OEHHA's website at:

<http://www.oehha.ca.gov/prop65/getNSRLs.html> for a list of NSRLs, and Section 25701 *et seq.* of the regulations for information concerning how these levels are calculated.

Exposures that will produce no observable reproductive effect at 1,000 times the level in question. For chemicals known to the State to cause reproductive toxicity, a warning is not required if the business causing the exposure can demonstrate that the exposure will produce no observable effect, even at 1,000 times the level in question. In other words, the level of exposure must be below the “no observable effect level” divided by 1,000. This number is known as the Maximum Allowable Dose Level (MADL). See OEHHA's website at:

<http://www.oehha.ca.gov/prop65/getNSRLs.html> for a list of MADLs, and Section 25801 *et seq.* of the regulations for information concerning how these levels are calculated.

Exposures to Naturally Occurring Chemicals in Food. Certain exposures to chemicals that naturally occur in foods (i.e., that do not result from any known human activity, including activity by someone other than the person causing the exposure) are exempt from the warning requirements of the law. If the chemical is a contaminant² it must be reduced to the lowest level feasible. Regulations explaining this exemption can be found in Section 25501.

Discharges that do not result in a “significant amount” of the listed chemical entering any source of drinking water. The prohibition from discharges into drinking water does not apply if the discharger is able to demonstrate that a “significant amount” of the listed chemical has not, does not, or will not pass into or probably pass into a source of drinking water, and that the discharge complies with all other applicable laws, regulations, permits, requirements, or orders. A “significant amount” means any detectable amount, except an amount that would meet the “no significant risk” level for chemicals that cause cancer or that is 1,000 times below the “no observable effect” level for chemicals that cause reproductive toxicity, if an individual were exposed to that amount in drinking water.

HOW IS PROPOSITION 65 ENFORCED?

Enforcement is carried out through civil lawsuits. These lawsuits may be brought by the Attorney General, any district attorney, or certain city attorneys. Lawsuits may also be brought by private parties acting in the public interest, but only after providing notice of the alleged violation to the Attorney General, the appropriate district attorney and city attorney, and the business accused of the violation. The notice must provide adequate information to allow the recipient to assess the nature of the alleged violation. The notice must comply with the information and procedural requirements specified in Section 25903 of Title 27 and sections 3100-3103 of Title 11. A private party may not pursue an independent enforcement action under Proposition 65 if one of the governmental officials noted above initiates an enforcement action within sixty days of the notice.

A business found to be in violation of Proposition 65 is subject to civil penalties of up to \$2,500 per day for each violation. In addition, the business may be ordered by a court to stop committing the violation.

A private party may not file an enforcement action based on certain exposures if the alleged violator meets specific conditions. For the following types of exposures, the Act provides an opportunity for the business to correct the alleged violation:

- An exposure to alcoholic beverages that are consumed on the alleged violator's premises to the extent onsite consumption is permitted by law;
- An exposure to a Proposition 65 listed chemical in a food or beverage prepared and sold on the alleged violator's premises that is primarily intended for immediate consumption on- or off- premises. This only applies if the chemical was not intentionally added to the food, and was formed by cooking or similar preparation of food or beverage components necessary to render the food or beverage palatable or to avoid microbiological contamination;

- An exposure to environmental tobacco smoke caused by entry of persons (other than employees) on premises owned or operated by the alleged violator where smoking is permitted at any location on the premises;
- An exposure to listed chemicals in engine exhaust, to the extent the exposure occurs inside a facility owned or operated by the alleged violator and primarily intended for parking non-commercial vehicles.

If a private party alleges that a violation occurred based on one of the exposures described above, the private party must first provide the alleged violator a notice of special compliance procedure and proof of compliance form.

A private party may not file an action against the alleged violator for these exposures, or recover in a settlement any payment in lieu of penalties any reimbursement for costs and attorney's fees, if the notice was served on or after October 5, 2013, and the alleged violator has done *all* of the following within 14 days of being served notice:

- Corrected the alleged violation;
 - Agreed to pay a civil penalty of \$5B500 (subject to change as noted below) to the private party within 30 days;
- and
- Notified the private party serving the notice in writing that the violation has been corrected.

The written notification to the private-party must include a notice of special compliance procedure and proof of compliance form completed by the alleged violator as directed in the notice. On April 1, 2019, and every five years thereafter, the dollar amount of the civil penalty will be adjusted by the Judicial Council based on the change in the annual California Consumer Price Index. The Judicial Council will publish the dollar amount of the adjusted civil penalty at each five-year interval, together with the date of the next scheduled adjustment.

An alleged violator may satisfy these conditions only one time for a violation arising from the same exposure in the same facility or on the same premises. The satisfaction of these conditions does not prevent the Attorney General, a district attorney, a city attorney of a city of greater than 750,000 population, or any full-time city prosecutor with the consent of the district attorney, from filing an enforcement action against an alleged violator. The amount of any civil penalty for a violation shall be reduced to reflect any payment made by the alleged violator for the same alleged violation to a private-party.

A copy of the notice of special compliance procedure and proof of compliance form is included with this notice and can be downloaded from OEHHA's website at: <http://oehha.ca.gov/prop65/law/p65law72003.html>.

The notice is reproduced here:

Date: July 20, 2016

Name of Noticing Party or attorney for Noticing Party: Environmental Research Center, Inc.

Address: 3111 Camino Del Rio North, Suite 400, San Diego, CA 92108

Phone number: 619-500-3090

SPECIAL COMPLIANCE PROCEDURE

PROOF OF COMPLIANCE

You are receiving this form because the Noticing Party listed above has alleged that you are violating California Health and Safety Code §25249.6 (Prop. 65).

The Noticing Party may not bring any legal proceedings against you for the alleged violation checked below if:

- 1. You have actually taken the corrective steps that you have certified in this form**
- 2. The Noticing Party has received this form at the address shown above, accurately completed by you, postmarked within 14 days of your receiving this notice**
- 3. The Noticing Party receives the required \$500 penalty payment from you at the address shown above postmarked within 30 days of your receiving this notice.**
- 4. This is the first time you have submitted a Proof of Compliance for a violation arising from the same exposure in the same facility on the same premises.**

PART 1: TO BE COMPLETED BY THE NOTICING PARTY OR ATTORNEY FOR THE NOTICING PARTY

The alleged violation is for an exposure to: (check one)

Alcoholic beverages that are consumed on the alleged violator's premises to the extent on-site consumption is permitted by law.

A chemical known to the state to cause cancer or reproductive toxicity in a food or beverage prepared and sold on the alleged violator's premises for immediate consumption on or off premises to the extent: (1) the chemical was not intentionally added; and (2) the chemical was formed by cooking or similar preparation of food or beverage components necessary to render the food or beverage palatable or to avoid microbiological contamination.

Environmental tobacco smoke caused by entry of persons (other than employees) on premises owned or operated by the alleged violator where smoking is permitted at any location on the premises.

Chemicals known to the State to cause cancer or reproductive toxicity in engine exhaust, to the extent the exposure occurs inside a facility owned or operated by the alleged violator and primarily intended for parking noncommercial vehicles.

IMPORTANT NOTES:

- 1. You have no potential liability under California Health and Safety Code §25249.6 if your business has nine (9) or fewer employees.**
- 2. Using this form will NOT prevent the Attorney General, a district attorney, a city attorney, or a prosecutor in whose jurisdiction the violation is alleged to have occurred from filing an action over the same alleged violations, and that in any such action, the amount of civil penalty shall be reduced to reflect any payment made at this time.**

Date: July 20, 2016

Name of Noticing Party or attorney for Noticing Party: Environmental Research Center, Inc.
Address: 3111 Camino Del Rio North, Suite 400, San Diego, CA 92108
Phone number: 619-500-3090

PART 2: TO BE COMPLETED BY THE ALLEGED VIOLATOR OR AUTHORIZED REPRESENTATIVE

Certification of Compliance

Accurate completion of this form will demonstrate that you are now in compliance with California Health and Safety Code §25249.6 for the alleged violation listed above. You must complete and submit the form below to the Noticing Party at the address shown above, postmarked within 14 days of you receiving this notice.

I hereby agree to pay, within 30 days of completion of this notice, a civil penalty of \$500 to the Noticing Party only and certify that I have complied with Health and Safety Code §25249.6 by (check only one of the following):

- Posting a warning or warnings about the alleged exposure that complies with the law, and attaching a copy of that warning and a photograph accurately showing its placement on my premises;
- Posting the warning or warnings demanded in writing by the Noticing Party, and attaching a copy of that warning and a photograph accurately its placement on my premises; OR
- Eliminating the alleged exposure, and attaching a statement accurately describing how the alleged exposure has been eliminated.

Certification

My statements on this form, and on any attachments to it, are true, complete, and correct to the best of my knowledge and belief and are made in good faith. I have carefully read the instructions to complete this form. I understand that if I make a false statement on this form, I may be subject to additional penalties under the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65).

Signature of alleged violator or authorized representative Date

Name and title of signatory

FOR FURTHER INFORMATION ABOUT THE LAW OR REGULATIONS. . .

Contact the Office of Environmental Health Hazard Assessment's Proposition 65 Implementation Office at (916) 445-6900 or via e-mail at P65Public.Comments@oehha.ca.gov.

Revised: May 2014

¹ All further regulatory references are to sections of Title 27 of the California Code of Regulations unless otherwise indicated. The statute, regulations and relevant case law are available on the OEHHA website at: <http://www.oehha.ca.gov/prop65/law/index.html>.

² See Section 25501(a)(4).

Note: Authority cited: Section 25249.12, Health and Safety Code. Reference: Sections 25249.5, 25249.6, 25249.7, 25249.9, 25249.10 and 25249.11, Health and Safety Code.

HISTORY

1. New Appendix A filed 4-22-97; operative 4-22-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 17).
2. Amendment filed 1-7-2003; operative 2-6-2003 (Register 2003, No. 2).
3. Change without regulatory effect renumbering title 22, section 12903 and Appendix A to title 27, section 25903 and Appendix A, including amendment of appendix, filed 6-18-2008 pursuant to section 100, title 1, California Code of Regulations (Register 2008, No. 25).
4. Amendment filed 11-19-2012; operative 12-19-2012 (Register 2012, No. 47).
5. Amendment of appendix and Note filed 11-19-2014; operative 1-1-2015 (Register 2014, No. 47).

This database is current through 9/18/15 Register 2015, No. 38

27 CCR Appendix A, 27 CA ADC Appendix A