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12	ALLYSIAN SCIENCES INC.			
13	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
14	COUNTY OF ALAMEDA			
15	ENVIRONMENTAL RESEARCH	CASE NO. RG18899556		
16	CENTER, INC., a California non-profit	STIPULATED CONSENT		
17	corporation	JUDGMENT		
18	Plaintiff, vs.	Health & Safety Code § 25249.5 et seq.		
19	ALLYSIAN SCIENCES INC., a Nevada	Action Filed: Trial Date: None set		
20	Corporation, and DOES 1-100	-		
21	Defendants.	9		
22				
23	*			
24	1. INTRODUCTION			
25	1.1 On April 3, 2018, Plaintiff Environmental Research Center, Inc. ("ERC"), a			
26	non-profit corporation, as a private enforcer and in the public interest, initiated this action by			
27	filing a Complaint for Injunctive and Declaratory Relief and Civil Penalties (the "Complaint")			
28	pursuant to the provisions of California Health and Safety Code section 25249.5 et seq.			
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	STIPULATED CONSENT JUDGMENT			

("Proposition 65"), against Allysian Sciences Inc., a Nevada Corporation ("Allysian") and Does 1-100. In this action, ERC alleges that one of the products manufactured, distributed, or sold by Allysian contains lead and propargite, chemicals listed under Proposition 65 as carcinogens and reproductive toxins, and exposes consumers to these chemicals at levels requiring a Proposition 65 warning. This product (referred to hereinafter as the "Covered Product") is: Allysian Genesis Green + Berry Powder.

- 1.2 ERC and Allysian are hereinafter referred to individually as a "Party" or collectively as the "Parties."
- 1.3 ERC is a 501 (c)(3) California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by reducing the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.
- 1.4 For purposes of this Consent Judgment, the Parties agree that Allysian is a "person in the course of doing business" within the meaning of Proposition 65. Allysian manufactures, distributes, and/or sells the Covered Product.
- 1.5 The Complaint is based on allegations contained in ERC's Notice of Violation dated January 22, 2018 that was served on the California Attorney General, other public enforcers, and Allysian ("Notice"). A true and correct copy of the 60-Day Notice dated January 22, 2018 is attached hereto as Exhibit A and incorporated by reference. More than 60 days have passed since the Notice was served on the Attorney General, public enforcers, and Allysian and no designated governmental entity has filed a complaint against Allysian with regard to the Covered Product or the alleged violations.
- 1.6 ERC's Notice and Complaint allege that use of the Covered Product exposes persons in California to lead and propargite without first providing clear and reasonable warnings in violation of California Health and Safety Code section 25249.6. Allysian denies all material allegations contained in the Notice and Complaint.
- 1.7 The Parties have entered into this Consent Judgment in order to settle, compromise, and resolve disputed claims and thus avoid prolonged and costly litigation.

Nothing in this Consent Judgment nor compliance with this Consent Judgment shall constitute or be construed as an admission by any of the Parties or by any of their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers of any fact, issue of law, or violation of law.

- 1.8 Except as expressly set forth herein, nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy, argument, or defense the Parties may have in any current or future legal proceeding unrelated to these proceedings.
- 1.9 The Effective Date of this Consent Judgment is the date on which notice is given that it has been entered as a Judgment by this Court.

2. JURISDICTION AND VENUE

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

3. INJUNCTIVE RELIEF, REFORMULATION, TESTING AND WARNINGS

- 3.1 Beginning on the Effective Date, Allysian shall be permanently enjoined from manufacturing for sale in the State of California, "Distributing into the State of California", or directly selling in the State of California, any Covered Product which exposes a person to a "Daily Lead Exposure Level" of more than 0.5 micrograms of lead per day or any detectable level of propargite as determined by the quality control methodology described in Section 3.4 unless it meets the warning requirements under Section 3.2.
- 3.1.1 As used in this Consent Judgment, the term "Distributing into the State of California" shall mean to directly ship a Covered Product into California for sale in

California or to sell a Covered Product to a distributor that Allysian knows or has reason to know will sell the Covered Product in California.

3.1.2 For purposes of this Consent Judgment, the "Daily Lead Exposure Level" shall be measured in micrograms, and shall be calculated using the following formula: micrograms of lead per gram of product, multiplied by grams of product per serving of the product (using the largest serving size appearing on the product label), multiplied by servings of the product per day (using the largest number of servings in a recommended dosage appearing on the product label), which equals micrograms of lead exposure per day. If no recommended daily serving size is provided on the label, then the daily serving size shall equal one.

3.2 Clear and Reasonable Warnings

If Allysian is required to provide a warning pursuant to Section 3.1, the following warning must be utilized ("Warning"):

WARNING: Consuming this product can expose you to chemicals including lead which are known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov/food.

The Warning shall be securely affixed to or printed upon the container or label of each Covered Product. If the Warning is provided on the label, it must be set off from other surrounding information and enclosed in a box. In addition, for any Covered Product sold over the internet by Allysian, the Warning shall appear on the checkout page when a California delivery address is indicated for any purchase of any Covered Product, on the product display page for the Covered Product, or in a pop-up window. An asterisk or other identifying method must be utilized to identify which products on the checkout page are subject to the Warning.

The Warning shall be at least the same size as the largest of any other health or safety warnings also appearing on its website or on the label or container of Allysian's product packaging and the word "WARNING" shall be in all capital letters and in bold print. The Warning will not contain statements indicating that the chemicals in the Covered Product are naturally occurring.

Allysian must display the above Warning with such conspicuousness, as compared with other words, statements, design of the label, container, or on its website, as applicable, to render

the Warning likely to be read and understood by an ordinary individual under customary conditions of purchase or use of the product.

3.3 Reformulated Covered Product

A Reformulated Covered Product is one for which the "Daily Lead Exposure Level" is no greater than 0.5 micrograms of lead per day and for which there is no detectable presence of propargite as determined by the quality control methodology described in Section 3.4.

3.4 Testing and Quality Control Methodology

3.4.1 Beginning within one year of the Effective Date, Allysian shall arrange for lead and propargite testing of the Covered Product, if it does not comply with the warning requirements under Section 3.2, at least once a year for a minimum of five consecutive years by arranging for testing of five randomly selected samples of the Covered Product, in the form intended for sale to the end-user, which Allysian intends to sell or is manufacturing for sale in California, directly selling to a consumer in California or "Distributing into the State of California." If tests conducted pursuant to this Section demonstrate that no Warning is required for the Covered Product during each of five consecutive years, then the testing requirements of this Section will no longer be required as to the Covered Product. However, if during or after the five-year testing period, Allysian changes ingredient suppliers for the Covered Product and/or reformulates the Covered Product, Allysian shall test the Covered Product annually for at least four (4) consecutive years after such change is made.

- 3.4.2 For purposes of measuring the "Daily Lead Exposure Level," the highest lead detection result of the five (5) randomly selected samples of the Covered Product will be controlling.
- 3.4.3 All testing pursuant to this Consent Judgment shall be performed using a laboratory method that complies with the performance and quality control factors appropriate for the method used, including limit of detection, qualification, accuracy, and precision that meets the following criteria: for lead, Inductively Coupled Plasma-Mass Spectrometry ("ICP-MS") achieving a limit of quantification of less than or equal to 0.010 mg/kg; for propargite, Quick, Easy, Cheap, Effective, Rugged, and Safe ("QuEChERs") achieving a limit of quantification of

less than or equal to 0.05 mg/kg; or any other testing method subsequently agreed to in writing by the Parties and approved by the Court through entry of a modified consent judgment.

- 3.4.4 All testing pursuant to this Consent Judgment shall be performed by an independent third party laboratory certified by the California Environmental Laboratory Accreditation Program or an independent third-party laboratory that is registered with the United States Food & Drug Administration.
- 3.4.5 Nothing in this Consent Judgment shall limit Allysian's ability to conduct, or require that others conduct, additional testing of the Covered Product, including the raw materials used in their manufacture.
- 3.4.6 Within thirty (30) days of ERC's written request, which shall not be made more than once per year within the first five years after the Effective Date, Allysian shall deliver lab reports obtained pursuant to Section 3.4 to ERC. Allysian shall retain all test results and documentation for a period of five years from the date of each test.

4. SETTLEMENT PAYMENT

- 4.1 In full satisfaction of all potential civil penalties, additional settlement payments, attorney's fees, and costs, Allysian shall make a total payment of \$85,000.00 ("Total Settlement Amount") to ERC within five (5) months of the Effective Date in five (5) equal monthly installments of \$17,000.00 with the first payment due and owing within five (5) business days of the Effective Date and each additional payment to follow in thirty (30) day increments ("Due Dates"). Allysian shall make each payment by wire transfer to ERC's escrow account, for which ERC will give Allysian the necessary account information. The Total Settlement Amount shall be apportioned as follows:
- 4.2 \$26,240.32 shall be considered a civil penalty pursuant to California Health and Safety Code section 25249.7(b)(1). ERC shall remit 75% (\$19,680.24) of the civil penalty to the Office of Environmental Health Hazard Assessment ("OEHHA") for deposit in the Safe Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety Code section 25249.12(c). ERC will retain the remaining 25% (\$6,560.08) of the civil penalty.

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- 4.3 \$2,691.55 shall be distributed to ERC as reimbursement to ERC for reasonable costs incurred in bringing this action.
- 4.4 \$19,680.21 shall be distributed to ERC as an Additional Settlement Payment ("ASP"), pursuant to California Code of Regulations, title 11, sections 3203, subdivision (d) and 3204. ERC will utilize the ASP for activities that address the same public harm as allegedly caused by Allysian in this matter. ERC represents that these activities are detailed below and support ERC's overarching goal of reducing and/or eliminating hazardous and toxic chemicals in dietary supplement products in California. ERC represents that its activities have had, and will continue to have, a direct and primary effect within the State of California because California consumers will be benefitted by the reduction and/or elimination of exposure to lead and or propargite in dietary supplements and/or by providing clear and reasonable warnings to California consumers prior to ingestion of the products.

Based on its review of past years' actual budgets, ERC represents that it is providing the following list of activities ERC engages in to protect California consumers through Proposition 65 citizen enforcement, along with a breakdown of how ASP funds will be utilized to facilitate those activities: (1) ENFORCEMENT (65-80%): obtaining, shipping, analyzing, and testing dietary supplement products that may contain lead and/or propargite and are sold to California consumers. This work includes continued monitoring and enforcement of past consent judgments and settlements to ensure companies are in compliance with their obligations thereunder, with a specific focus on those judgments and settlements concerning lead and/or propargite. This work also includes investigation of new companies that ERC does not obtain any recovery through settlement or judgment; (2) VOLUNTARY COMPLIANCE PROGRAM (10-20%); maintaining ERC's Voluntary Compliance Program by acquiring products from companies, developing and maintaining a case file, testing products from these companies, providing the test results and supporting documentation to the companies, and offering guidance in warning or implementing a self-testing program for lead and/or propargite in dietary supplement products; and (3) "GOT LEAD" PROGRAM (up to 5%): maintaining ERC's "Got Lead?" Program which reduces the numbers of contaminated products that reach California

consumers by providing access to free testing for lead in dietary supplement products (Products submitted to the program are screened for ingredients which are suspected to be contaminated, and then may be purchased by ERC, catalogued, sent to a qualified laboratory for testing, and the results shared with the consumer that submitted the product).

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

- 4.5 \$2,835.00 shall be distributed to Michael Freund as reimbursement of ERC's attorney's fees, \$9,735.00 shall be distributed to Ryan Hoffman as reimbursement of ERC's attorney's fees, while \$23,817.92 shall be distributed to ERC for its in-house legal fees. Except as explicitly provided herein, each Party shall bear its own fees and costs.
- 4.6 In the event that Allysian fails to remit any settlement payment owed under Section 4 of this Consent Judgment on or before its respective Due Date, Allysian shall be deemed to be in material breach of its obligations under this Consent Judgment. ERC shall provide written notice of the delinquency to Allysian via electronic mail. If Allysian fails to deliver the delinquent payment within five (5) days from the written notice, the Total. Settlement Amount shall become immediately due and owing and shall accrue interest at the statutory judgment interest rate provided in the California Code of Civil Procedure section 685.010. Additionally, Allysian agrees to pay ERC's reasonable attorney's fees and costs for any efforts to collect any payment due under this Consent Judgment.

5. MODIFICATION OF CONSENT JUDGMENT

5.1 This Consent Judgment may be modified only as to injunctive terms (i) by written stipulation of the Parties and upon entry by the Court of a modified consent judgment or (ii) by motion of either Party pursuant to Section 5.3 or 5.4 and upon entry by the Court of a modified consent judgment.

5.2	If either party seeks to modify this Consent Judgment under Section 5.1, then
hat party must	provide written notice to the other party of its intent ("Notice of Intent"). The
parties shall m	eet and confer regarding the proposed modification within thirty (30) days of the
Notice of Inter	t. Should it become necessary, the Parties may agree in writing to different
leadlines for th	ne meet-and-confer period.

- 5.3 In the event that a party initiates or otherwise requests a modification under Section 5.1, and the meet and confer process leads to a joint motion or application of the Consent Judgment, the party requesting the modification shall prepare, file and argue the motion or application.
- 5.4 Where the meet-and-confer process does not lead to a joint motion or application in support of a modification of the Consent Judgment, then either Party may seek judicial relief on its own.

6. RETENTION OF JURISDICTION, ENFORCEMENT OF CONSENT JUDGMENT

- 6.1 This Court shall retain jurisdiction of this matter to enforce, modify, or terminate this Consent Judgment.
- 6.2 If ERC alleges that the Covered Product fails to qualify as a Reformulated Covered Product (for which ERC alleges that no Warning has been provided), then ERC shall inform Allysian in a reasonably prompt manner of its test results. Allysian shall, within thirty (30) days following such notice, provide ERC with testing information, from an independent third-party laboratory meeting the requirements of Sections 3.4.3 and 3.4.4, demonstrating Allysian's compliance with the Consent Judgment, if warranted. The Parties shall first attempt to resolve the matter prior to ERC taking any further legal action.

7. APPLICATION OF CONSENT JUDGMENT

This Consent Judgment may apply to, be binding upon, and benefit the Parties and their respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, franchisees, licensees, customers (excluding private labelers), distributors, wholesalers, retailers, predecessors, successors, and assigns. This Consent Judgment shall have no

application to any Covered Product which is distributed or sold exclusively outside the State of California and which is not used by California consumers.

8. BINDING EFFECT, CLAIMS COVERED AND RELEASED

- 8.1 This Consent Judgment is a full, final, and binding resolution between ERC, on behalf of itself and in the public interest, and Allysian and its respective officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions, suppliers, franchisees, licensees, customers (not including private label customers of Allysian), distributors, wholesalers, retailers, and all other upstream and downstream entities in the distribution chain of any Covered Product, and the predecessors, successors, and assigns of any of them (collectively, "Released Parties"). ERC, on behalf of itself and in the public interest, hereby fully releases and discharges the Released Parties from any and all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs, and expenses asserted, or that could have been asserted from the handling, use, or consumption of the Covered Product, as to any alleged violation of Proposition 65 or its implementing regulations arising from the failure to provide Proposition 65 warnings on the Covered Product regarding lead and propargite up to and including the Effective Date.
- 8.2 ERC on its own behalf only, and Allysian on its own behalf only, further waive and release any and all claims they may have against each other for all actions or statements made or undertaken in the course of seeking or opposing enforcement of Proposition 65 in connection with the Notice and Complaint up through and including the Effective Date, provided, however, that nothing in Section 8 shall affect or limit any Party's right to seek to enforce the terms of this Consent Judgment.
- 8.3 It is possible that other claims not known to the Parties, arising out of the facts alleged in the Notice and Complaint, and relating to the Covered Product, will develop or be discovered. ERC on behalf of itself only, and Allysian on behalf of itself only, acknowledge that this Consent Judgment is expressly intended to cover and include all such claims up through and including the Effective Date, including all rights of action therefore. ERC and Allysian acknowledge that the claims released in Sections 8.1 and 8.2 above may include

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14. DRAFTING

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

15. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES

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

16. ENFORCEMENT

ERC may, by motion or order to show cause before the Superior Court of Alameda

County, enforce the terms and conditions contained in this Consent Judgment. In any action
brought by ERC to enforce this Consent Judgment, ERC may seek whatever fines, costs,
penalties, or remedies as are provided by law for failure to comply with the Consent Judgment.

To the extent the failure to comply with the Consent Judgment constitutes a violation of
Proposition 65 or other laws, ERC shall not be limited to enforcement of this Consent Judgment,
but may seek in another action whatever fines, costs, penalties, or remedies as are provided by
law for failure to comply with Proposition 65 or other laws.

17. ENTIRE AGREEMENT, AUTHORIZATION

17.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter herein, and any and all prior discussions, negotiations, commitments, and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have

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1	APPROVED AS TO FORM:	MIGHT DE DE BUNE A LOGGOVERNA	
2	Dated: 3/26, 2018	MICHAEL FREUND & ASSOCIATES	
3		15127	
4		By: Michael Freund	
5		Ryan Hoffman Attorneys for Plaintiff Environmental	
6		Research Center, Inc.	
7 8	Dated: Feb. 7, 2018	SIDLEY AUSTIN LLP	
9	1 Looks of quantities the second COL 400 and additional COL	0 2101	
10		By: V- SUC	
11		Attorney for Defendant Allysian Sciences Inc.	
12		не,	
13	ORDER AND JUDGMENT		
14	Based upon the Parties' Stipulation, and good cause appearing, this Consent Judgment is approved and Judgment is hereby entered according to its terms.		
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16	IT IS SO ORDERED, ADJUDGED AND DECREED.		
7			
8	Dated:, 2018	Judge of the Superior Court	
9		suage of the superior sourt	
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