Caspar Jivalagian, Esq., State Bar No.: 282818 Vache Thomassian, Esq., State Bar No.: 289053 KJT LAW GROUP, LLP 1 2 230 N. Maryland Avenue, Suite 306 Glendale, California 91206 Telephone: 1-818-507-8525 3 Facsimile: 1-818-507-8588 Attorneys for Plaintiff, 5 TAMAR KALOUSTIAN 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 **COUNTY OF LOS ANGELES** 9 10 11 Civil Action No.: BC718067 12 TAMAR KALOUSTIAN, in the public interest, KJTLAWGROUP_{LD} 13 Plaintill, STIPULATION RE ENTRY OF CONSENT JUDGMENT AS TO RAW GREEN ORGANICS 14 ٧. 15 Complaint Filed: August 16, 2018 RAW GREEN ORGANICS, a California 16 Corporation; and DOES 1 through 100, inclusive, Department 40 17 Hon. David Sotelo Defendants. 18 19 20 21 INTRODUCTION 22 The Parties This Stipulation and [Proposed] Order Re: Consent Judgment ("Consent Judgment") is 23 hereby entered into by and between TAMAR KALOUS FIAN, acting on behalf of the public interest 24 (hereinafter "Kaloustian") and RAW GREEN ORGANICS (hereinafter "Raw Green" or 25 "Defendant"). Collectively Kaloustian and Raw Green shall be referred to hereafter as the "Parties" 26 and each of them as a "Party." Kaloustian is an individual residing in California who seeks to 27 28 STIPULATION RE ENTRY OF CONSENT JUDGMENT Kaloustian v. Raw Green Organics

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27 28 promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products.

Allegations and Representations

Kaloustian alleges that Defendant has offered for sale in the State of California and has sold in California, Organic Psyllium Husk Powder, which contain lead, and that such sales have not been accompanied by Proposition 65 warnings. Lead is listed under Proposition 65 as a chemical known to the State of California to cause cancer and birth defects or other reproductive harm.

Covered Products Description

The products that are covered by this Consent Judgment are defined as "Organic Psyllium Husk Powder.* All such items shall be referred to herein as the "Covered Products."

Notices of Violation/Complaint

On or about March 19, 2018, Kaloustian served Raw Green and various public enforcement agencies with a document entitled '60-Day Notice of Violation' pursuant to Health & Safety Code \$25249.7(d) (the "Notice"), alleging that Raw Green was in violation of Proposition 65 for failing to warn consumers and customers that the Covered Products exposed users in California to lead. No public enforcer diligently prosecuted the claims threatened in the Notice within sixty days plus service time relative to the provision of the Notice to them by Kaloustian.

1.4.2 On August 16, 2018, Kaloustian, acting in the interest of the general public in the State of California, filed a complaint in the Superior Court of Los Angeles County alleging violations of Health & Safety Code \$25249.6 (the "Complaint") based on the alleged failure to warn of exposures to lead contained in Covered Products manufactured, distributed, or sold by Defendant.

Stipulation as to Jurisdiction/No Admission 1.5

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Defendant as to the allegations contained in the complaint filed in this matter, that venue is proper in the County of Los Angeles, and that this Court has jurisdiction to approve, enter, and oversee the enforcement of this Consent Judgment as a full and final binding resolution of all claims which were or could have been raised in the Complaint based on the facts alleged therein

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and/or in the Notice.

Nothing in this Consent Judgment shall be construed as an admission by Defendant of any fact, finding, issue of law, or violation of law; nor shall compliance with this Consent Judgment constitute or be construed as an admission by Defendant of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Defendant. However, this section shall not diminish or otherwise affect the obligations, responsibilities, and duties of Defendant under this Consent Judgment.

1.6 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date this Consent Judgment is entered as a judgment of the Court. All Covered Products already shipped on or before the "Effective Date" or within 90 days thereafter are deemed to be covered by the waiver and release provisions of Paragraph 5.1 of this Consent Judgment and shall not be subject to any future enforcement action by Kaloustian hereunder. The reformulation and warning requirements of Paragraphs 2.1 and 2.2 shall apply to any Covered Product shipped later than 90 days after the Effective Date.

For purposes of this Consent Judgment, the term "Execution Date" shall mean the date this Consent Judgment is signed by all parties in Clause 14 below.

2. INJUNCTIVE RELIEF: WARNINGS AND REFORMULATION

Commencing Ninety (90) days after the Effective Date, Defendant shall at no time while employing 10 or more employees, as defined in the California Code of Regulations, Title 27, § 25102, ship, sell, or offer to sell in California a Covered Product(s) that is/are manufactured, distributed or sold by Defendant for which the serving size suggested on the label contains more than 0.5 micrograms of lead per day unless the label of the Covered Product contains a Proposition 65 compliant warning as set forth in Section 2.3. Ninety (90) days after the Effective Date in California, Covered Products manufactured, distributed or sold by Defendant shall either be (a) reformulated pursuant to Section 2.1 or (b) include a warning as provided in Section 2.3.

2.1 Reformulation Option. The Covered Products shall be deemed to comply with

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Proposition 65 with regard to lead and be exempt from any Proposition 65 warning requirements for lead if the product contains a lead content less than 0.5 micrograms per serving, per day.

- Warning Alternative. Commencing on the Effective Date, Covered Products that Defendant ships, sells or offers for sale in California that do not meet the warning exemption standard set forth in Section 2.1 above shall be accompanied by a warning as described in Section 2.3 below no later than Ninety (90) days after the Effective Date. The warning requirements set forth in paragraph 2.3 below, apply only to Covered Products Defendant ships, sells or offers for sale in California Ninety (90) days after the Effective Date and only if Defendant employs 10 or more employees.
- Warnings. Where required under Section 2.2 above, Defendant shall provide either 2.3 of the Proposition 65 warnings as follows:

WARNING: This product can expose you to chemicals including lead, which is 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.

OR

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

- Where utilized as an alternative to meeting the reformulation criteria set forth in Section 2.1, Defendant shall provide the warning language set forth in Section 2.3:
- With the unit package of the Covered Products or affixed to the Covered Products. Such warning shall be prominently affixed to or printed on each Covered Product's label or package. If printed on the label, the warning shall be contained in the same section that states other safety warnings, if any, concerning the use of the Covered Product; Defendant may continue to utilize, on an ongoing basis, unit packaging containing substantively the same Proposition 65 warnings as those set forth in Section 2.3 above, but only to the extent such packaging materials have already been printed within one hundred twenty days of the Effective Date.
 - The requirements for warnings, set forth in Section 2.3 above are imposed pursuant to 2.5

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the terms of this Settlement Agreement. The Parties recognize that these are not the exclusive methods of providing a warning under Proposition 65 and its implementing regulations and that they may or may not be appropriate in other circumstances.

3. PAYMENTS PURSUANT TO HEALTH & SAFETY CODE §25249.7(b)

With regard to all claims that have been raised or which could be raised with respect to failure to warn pursuant to Proposition 65 with regard to lead in the Covered Products, Defendant shall pay a civil penalty of \$850.00 pursuant to Health and Safety Code section 25249.7(b), to be apportioned in accordance with California Health & Safety Code § 25192, with 75% of these funds remitted to the State of California's Office of Environmental Health Hazard Assessment and the remaining 25% of the penalty remitted to Kaloustian, as provided by California Health & Safety Code § 25249.12(d) and the instructions directly below.

Defendant shall issue two separate checks for the penalty payment: (a) one check made payable to "OEHHA" (tax identification number: 68-0284486) in an amount representing 75% of the total penalty (i.e., \$637.50 and (b) one check in an amount representing 25% of the total penalty (i.e., \$212.50 made payable directly to Kaloustian. Defendant shall mail these payments within ten (10) business days following the Execution Date, to be held in trust by Kaloustian's counsel, until the Effective Date, at which time such payments shall be mailed to the following addresses respectively:

> Proposition 65 Settlement Coordinator California Department of Justice 1515 Clay Street, 20th Floor Oakland, CA 91612-1113

Ms. Tamar Kaloustian C/O Caspar Jivalagian, Esq. KJT LAW GROUP, LLP 230 N. Maryland Ave. Suite 306 Glendale, CA 91206

Counsel for Kaloustian shall provide counsel for Defendant with an email (to:

icc@dillinghammurphy.com) confirming within three days of the receipt that the funds have been deposited in a trust account. These payments shall be returned to Defendant at the address listed below for counsel for Defendant if the court has not issued an order approving this consent judgment

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within lifteen days of the scheduled hearing on the motion for approval.

4. REIMBURSEMENT OF FEES AND COSTS

The parties reached an accord on the compensation due to Kaloustian and her counsel under the private attorney general docurine and principles of contract law. Under these legal principles, Defendant shall reimburse Kaloustian's counsel for fees and costs, incurred as a result of investigating, bringing this matter to Defendant attention, and negotiating a settlement in the public interest. Defendant shall pay Kaloustian's counsel \$7650.00 for all attorneys' fees, expert and investigation fees and related costs associated with this matter and the Notice. Defendant shall mail two checks, each in the amount \$3825.00, payable to "KJT Law Group," via certified mail to the address for Kaloustian's counsel referenced above, the first within sixty (60) business days following the Execution Date, and the second prior to December 31, 2019. Other than the payment required hereunder, each side is to bear its own attorneys' fees and costs.

5. RELEASE OF ALL CLAIMS

5.1 Kaloustian's Release of Defendant, Releasees, and Downstream Releasees

As to those matters raised in the Complaint and in the Notice of Violation, Kaloustian, on behalf of herself, and on behalf of the public interest, hereby waives and releases any and all claims against Defendant its parent companies, corporate affiliates, subsidiaries, predecessors, successors and assigns (collectively "Releasees") and each of its distributors, wholesalers, licensors, licensees, auctioneers, retailers, franchisees, dealers, customers, owners, purchasers, users (collectively "Downstream Releasees") and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees, and sister and parent entities for injunctive relief or damages, penalties, fines, sanctions, mitigation, fees (including fees of attorneys, experts, and others), costs, expenses, or any other sum incurred or claimed, for the alleged failure of Defendant, Releasees or Downstream Releasees to provide clear, accurate and reasonable warnings under Proposition 65 and/or under Business and Professions Code §17200, et seq. about exposure to lead arising from the sale, distribution, or use of any Covered Products sold, manufactured or distributed by Defendant,

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Releasees or Downstream Releasees in California prior to Ninety (90) days after the Effective Date. Compliance with the Consent Judgment by Defendant or a Releasee shall constitute compliance with Proposition 65 by that Defendant, Releasee, or Downstream Releasee with respect to the presence of lead in the Covered Products. Plaintiff agrees that any and all claims in the Complaint are resolved with prejudice by this Consent Judgment.

In addition to the foregoing, Kaloustian, on behalf of herself, her past and current agents, representatives, attorneys, and successors and/or assignees, and not in her representative capacity, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases any other Claims that she could make against Defendant, Releasees or Downstream Releasees arising up to Ninety (90) days after the Effective Date with respect to violations of Proposition 65 and/or Business and Professions Code \$17200 based upon the Covered Products. With respect to the foregoing waivers and releases in this paragraph, Kaloustian hereby specifically waives any and all rights and benefits which she now has, or in the future may have, conferred by virtue of the provisions of Section 1512 of the California Civil Code, which provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

5.2 Defendant's Release of Kaloustian

Defendant waives any and all claims against Kaloustian, her attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Kaloustian and her attorneys and other representatives, in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against them in this matter, and/or with respect to the Covered Products.

6. SEVERABILITY AND MERGER

If, subsequent to the execution of this Consent Judgment, any of the provisions of this document are held by a court to be unenforceable, the validity of the enforceable provisions

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remaining shall not be adversely affected.

This Consent Judgment contains the sole and entire agreement of the Parties and any and all prior negotiations and understandings related hereto shall be deemed to have been merged within it. No representations or terms of agreement other than those contained herein exist or have been made by any Party with respect to the other Party or the subject matter hereof.

7. GOVERNING LAW

The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within the State of California. Compliance with the terms of this Consent Judgment resolves any issue, now or in the future, as to the requirements of Proposition 65 with respect to alleged exposures to lead arising from the Covered Products. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Covered Products, then Defendant shall provide written notice to Kaloustian of any asserted change in the law, and shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Covered Products are so affected.

8. NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to this Consent Judgment shall be in writing and personally delivered or sent by: (i) first-class, (registered or certified mail) return receipt requested; or (ii) overnight courier on any party by the other party at the following addresses:

For Raw Green Organics:

J. Cross Creason, Esq. DILLINGHAM & MURPHY, LLP 601 Montgomery Street, Suite 1900 San Francisco, CA 94111 Phone: (415) 397-2700 Fax: (415) 397-3300

For Kaloustian:

Caspar Jivalagian, Esq. KJT LAW GROUP, LLP 230 N. Maryland Ave. Suite 306 Glendale, CA 91206 Phone: (818) 507-8528

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Fax; (818) 507-8588

Any party, from time to time, may specify in writing to the other party a change of address to which all notices and other communications shall be sent.

9. <u>COUNTERPARTS; EMAIL OR FACSIMILE SIGNATURES</u>

This Consent Judgment may be executed in counterparts and by email or facsimile, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

10. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)/COURT APPROVAL

Kaloustian agrees to comply with the requirements set forth in California Health & Safety Code \$25249.7(f) and to promptly bring a Motion for Approval of this Consent Judgment and Defendants shall support approval of such Motion.

This Consent Judgment shall not be effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved and entered by the Court within twelve months after it has been fully executed by the Parties.

11. MODIFICATION

This Consent Judgment may be modified only by further stipulation of the Parties and the approval of the Court or upon the granting of a motion brought to the Court by either Party.

12. ATTORNEY'S FEES

Judgment shall be required to pay the prevailing party's reasonable attorney's fees and costs unless the unsuccessful party has acted with substantial justification. For purposes of this Consent Judgment, the term substantial justification shall carry the same meaning as used in the Civil Discovery Act of 1986, Code of Civil Procedure Section 2016, et seq. If a dispute arises with respect to either Party's compliance with the terms of this Consent Judgment entered by the Court, the Parties shall meet in person or by telephone and endeavor to resolve the dispute in an amicable manner. No action or motion may be filed in the absence of such a good faith attempt to resolve the dispute beforehand. In the event an action or motion is filed, however, the prevailing party may seek costs and reasonable

 attorney's fees. As used in the preceding sentence, the term "prevailing party" means a party who is successful in obtaining relief more favorable to it than the relief than the other party was amenable to providing during the Parties' good faith attempt to resolve the dispute that is the subject of such enforcement action. With respect to a claim of a violation of the injunctive relief provisions set forth in Section 2, the party making such claim shall give 30 days notice to the other party prior to bringing such a claim, during which time Defendant may respond with an affidavit establishing that the 10-employee threshold set forth in Section 2 is not satisfied. If a party proceeds with such a claim and fails to establish the 10-employee threshold is satisfied, that shall be deemed to have acted without substantial justification for purposes of this subsection.

12.2 Nothing in this Section shall preclude a Party from seeking an award of sanctions pursuant to law.

13. RETENTION OF JURISDICTION

13.1 This Court shall retain jurisdiction of this matter to implement or modify the Consent Judgment.

14. <u>AUTHORIZATION</u>

The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties and have read, understood and agree to all of the terms and conditions of this document and certifies that he or she is fully authorized by the Party he or she represents to execute the Consent Judgment on behalf of the Party represented and legally bind that Party. Except as explicitly provided herein each Party is to bear its own fees and costs.

IT IS HEREBY SO STIPULATED:

AGREED TO:

AGREED TO:

6/18/2019

Date:_____

By: On Behalf of:

TAMAR KATTO DELLA FILLA FILLA

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3	APPROVED AS TO FORM:
4	Dated: December, 2018 DILLINGHAM & MURPHY, LLP
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6	By: 6-18-2019
7	J. Cross Creason, Esq. Attorneys for Defendant, RAW GREEN ORGANICS
8	RAW GREEN ORGANICS
.9	
10	Dated: Descende , 2018 KJT LAV GROUP, D.P
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12 3	By:
OUP reference	Caspal Jivangian, Esq. Attorneys for Plaintiff, TAMAR KALOUSTIAN
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