1 2 3 4	DANIELLE R. FUGERE (Cal. State Bar No. CHELSEA J. LINSLEY (Cal. State Bar No. AS YOU SOW Main Post Office, P.O. Box 751 Berkeley, CA 94701 Telephone: (510) 735-8158 Emails: DFugere@asyousow.org CLinsley@asyousow.org	D. 160873) ALAMEDA COUNTY JUL 1 6 2021 CLERK OF THE SUPERIOR COURT By Deputy	
5	Attorneys for Plaintiff AS YOU SOW		
7	AS 100 SOW	CHRISTNA ROGERS	
8	BRUCE NYE (Cal. State Bar No. 77608)		
9	SCALI RASSMUSSEN 1901 Harrison Street, 14 th Floor Oakland, CA 94612		
11	Email: bynye@scalilaw.com		
12	Attorney for Defendant MEDLINE INDUSTRIES, INC.		
13			
14	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
15	FOR THE COUN	TY OF ALAMEDA	
16			
17	AS YOU SOW,	CASE NO. RG21097747	
18	Plaintiff,	[PROPOSED] STIPULATED CONSENT JUDGMENT	
19	V.	Reservation: R-2277195 Date: October 20, 2021 Time: 9:00 AM	
20	MEDLINE INDUSTRIES, INC.,		
21	Defendants.	Dept: 20	
22		Action Filed: April 29, 2021	
23	This Settlement Agreement is entered	into by and between Plaintiff As You Sow	
24	("As You Sow" or "Plaintiff") and Defendant		
25			
26	"Defendant"), to resolve claims raised against Defendant in the Complaint in the above-		
27	captioned action. This Consent Judgment sha		
28	Defendant (collectively "the Parties") agree t	o the terms and conditions set forth below.	
	PROPOSED] STIPULAT	EDCONSENT JUDGMENT	

1. INTRODUCTION.

- 1.1 As You Sow is a non-profit corporation dedicated to, among other causes, the protection of the environment, the promotion of human health, the improvement of worker and consumer rights, environmental education, and corporate accountability. As You Sow is based in Berkeley, California and is incorporated under the laws of the State of California.
- 1.2 Defendant formerly produced, distributed, and/or sold blenderized feeding tube meals. Defendant produced, distributed, and/or sold the Covered Products in retail stores or at physical locations, via catalogues, and/or online through its own website, https://athome.medline.com (the "Medline website"), and the internet retail seller Amazon.com, https://www.amazon.com (the "Amazon website").
- 1.3 As You Sow alleges in the Complaint that the Covered Products contain cadmium and lead. Cadmium and lead are listed by the State of California as known to cause cancer and birth defects or other reproductive harm under the Safe Drinking Water and Toxic Enforcement Act of 1986 (the "Toxic Enforcement Act"), California Health and Safety Code §25249.5 et seq. On July 15, 2020, As You Sow sent a 60-day Notice of Violation (the "Notice") to Defendant and to public enforcers as required by Health and Safety Code section 25249.7, alleging that Defendant violated the Toxic Enforcement Act by failing to provide clear and reasonable warnings before exposing persons to cadmium and lead contained in blenderized feeding tube meals that are, at any time, manufactured, distributed, or sold by the Defendant.
- 1.4 The Parties have agreed to enter into this Consent Judgment to settle Plaintiff's claims with regard to the Covered Products and to avoid prolonged and costly litigation.
- 1.5 Nothing in this Settlement Agreement is or shall be construed as an admission by the Parties of any fact, conclusion of law, issue of law, or violation of law.
- 1.6. By executing and complying with this Consent Judgment, neither Party admits the existence of any other statutory, common law, or equitable claim, requirement, or defense relating to or arising from the production, sale, or distribution of the Covered

1	Products in California. Nothing in this Consent Judgment shall prejudice, waive, or impair		
2	any right, remedy, or defense that As You Sow and Defendant may have in any other, or in		
3	future, legal proceedings unrelated to this action. This Paragraph shall not diminish or		
4	otherwise affect the obligations, responsibilities, and duties of the Parties under this		
5	Consent Judgment.		
6	2. DEFINITIONS.		
7	2.1 "Effective Date" is the date of entry of this Consent Judgment.		
8	2.2 "Covered Product(s)" are blenderized feeding tube meals manufactured,		
9	distributed or sold by Medline identified in Paragraph 1.2		
10	2.3 "Lot" means all units of a Covered Product bearing the same lot number		
11	and/or best-by or sell-by date.		
12	2.4 "Retailer" or "Retail seller" is a person or business that sells or otherwise		
13	provides consumer products directly to consumers by any means, including Amazon.com.		
14	2.5 "Warning Statement" is the statement in content and form as shown in		
15	Paragraph 4.2.		
16	2.6 "Written Notice" is the written notice described in Title 27, Article 6, §		
17	25600.2(b) of the California Code of Regulations, in the content and form as specified in		
18	Title 27, Article 6, § 25603 of the California Code of Regulations.		
19	2.7 A "Serving" as used in this agreement refers to one 400mL meal.		
20	3. JURISDICTION AND VENUE.		
21	3.1 For purposes of this Consent Judgment only, the Parties stipulate that this		
22	Court has jurisdiction over the allegations contained in the Complaint and personal		
23	jurisdiction over Defendant; venue is proper in Alameda County; the Court has jurisdiction		
24	to enter this Consent Judgment as a full and final resolution of all the Toxic Enforcement		
25	Act claims up through and including the Effective Date which were, or could have been,		
26	asserted in this action based on the facts alleged in Plaintiff's Notice and Complaint. The		
27	Court shall retain jurisdiction to enforce this Consent Judgment.		
28			

4. INJUNCTIVE RELIEF.

4.1 Beginning no later than the Effective Date, Defendant shall not produce, distribute, and/or sell in California any Covered Product containing more than 4.0 micrograms per Serving of cadmium and/or 0.5 micrograms per Serving of lead without first providing the warning statement as specified in Paragraph 4.2, pursuant to the methods specified in Paragraphs 4.3 - 4.9 below.

4.2 **Warning Statement.** Beginning no later than the Effective Date, all Covered Products produced, distributed, and/or sold by Defendant in the State of California containing more than 4.1 micrograms per Serving of cadmium and/or 0.5 micrograms per Serving of lead shall use the following "Warning Statement":

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

Consistent with Title 27, Article 6, § 25603 of the California Code of Regulations, in all instances where the Warning Statement appears, the warning text shall be displayed in at least the same type size as the surrounding text for other consumer information concerning the Covered Products and accompanied by a symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline ("Warning Symbol"). The Warning Symbol shall be placed to the left of the text of the warning, in a size no smaller than the height of the word "WARNING."

In addition to the warning requirements set forth above, Defendant may comply with this Judgment by using other applicable warning text and transmission methods set forth in 27 Cal. Code Regs. § 25601, et seq., and amended subsequently thereafter, .

4.3 Internet Sales; Medline Website. Beginning no later than the Effective Date, Defendant shall ensure that, for all Covered Products containing more than 4.1 micrograms per Serving of cadmium and/or 0.5 micrograms per Serving of lead sold to customers located in California via the Medline Website, Defendant shall prominently display the Warning Statement set forth in Paragraph 4.2 to purchasers before completing

28

Statement set forth in Paragraph 4.2.

4.6 **Mail Order /Catalogue Sales:** If Defendant sells Covered Products containing more than 4.1 micrograms per Serving of cadmium and/or 0.5 micrograms per Serving of lead via mail order to customers located in California, , Defendant shall prominently display the Warning Statement (set forth in Paragraph 4.2, and 4.4.3 if applicable) in the mail order catalogue in compliance with California Code of Regulations, Title 27, Article 6 § 25602(c), either on the same page as a Covered Product is displayed, or on the same page upon which the any of the Covered Products' prices are listed, in the same type size as the surrounding, non-heading text. The Warning Statement shall be added no later than in the first print run of the mail order catalogue on or after the Effective Date.

4.5 Internet Sales; Online Marketplace. Beginning no later than the Effective

- 4.7 **In-Store Retail Sales**: If Defendant sells Covered Products containing more than 4.1 micrograms per Serving of cadmium and/or 0.5 micrograms per Serving of lead via stores or other physical outlets, , Defendant shall prominently affix the Warning Statement (set forth in Paragraph 4.2, and 4.4.3 if applicable) on the Covered Product's individual label, or packaging for products sold together as a package.
- 4.7.1 The Warning Statement shall be displayed with such conspicuousness, as compared with other words, statements, designs, or devices on the individual labeling of the Covered Products, so as to render the Warning Statement likely to be read and understood by an ordinary individual under customary conditions of purchase and use.
 - 4.8 Other Sales: Should Defendant become aware of any retailer selling

- Covered Products containing more than 4.1 micrograms per Serving of cadmium and/or 0.5 micrograms per Serving of lead through in-store retail outlets, mail catalogues, and/or the internet without a Warning Statement compliant with Section 4.2 and 4.4.3 if applicable, Defendant shall, in writing, require that the seller comply with all applicable requirements of this Section 4 within sixty (60) days of receiving notice. Should such retailer fail to comply with Section 4, within 60 days of receiving the written notice, or a period otherwise agreed upon as reasonable, Defendant shall thereafter discontinue sale of the Covered Products to such retailer. SETTLEMENT PAYMENTS.
 - 5.1 **Civil Penalty:** Within thirty (30) days of the Effective Date, Defendant shall pay \$18,500 for civil penalties pursuant to Health and Safety Code section 25249.7(b). One check in the amount of \$4,625.00 (or 25%) shall be payable to *As You Sow*. Another check in the sum of \$13,875 (or 75%) shall be payable to The Office of Environmental Health Hazard Assessment, pursuant to Health and Safety Code section 25249.12(b).

5.2 Additional Settlement Payment: Within thirty (30) days of the Effective Date, Defendant shall pay \$13,500 in the form of a check made payable to *As You Sow* as a payment in lieu of additional civil penalties, with this amount to be used by *As You Sow* for grants to California 501(c)(3) non-profit organizations and by the *As You Sow* Environmental Enforcement Fund. These funds shall be used to educate and/or reduce or remediate consumer exposures to toxic chemicals such as lead and to increase consumer, worker, and community awareness of the health hazards posed by toxic chemicals in California. In deciding among grant proposals, the *As You Sow* Board of Directors ("Board") takes into consideration a number of important factors, including: (1) the nexus between the harm done in the underlying case(s) and the grant program work; (2) the potential for toxics reduction, prevention, remediation, or educational benefits to California citizens from the proposal; (3) the budget requirements of the proposed grantee and the alternate funding sources available to it for its project; and, (4) the Board's assessment of the proposed grantee's ability to perform the funded activities. *As You Sow*

shall ensure that all funds will be disbursed and used in accordance with this paragraph, as well as *As You Sow's* mission statement, articles of incorporation, bylaws, and applicable state and federal laws and regulations. *As You Sow* shall obtain and maintain adequate records to document that the funds are spent on the activities described in this paragraph, and shall provide to the Attorney General, within thirty days of any request, copies of all documentation demonstrating how such funds have been spent. No Party to this Consent Judgment or counsel of record, or spouse or dependent child thereof, has an economic interest in any individual or entity, besides itself, that will receive all or part of an Additional Settlement Payment.

- 5.3 Within thirty (30) days of the Effective Date, Defendant shall pay \$28,000 in the form of a check made payable to *As You Sow*, as reimbursement for Plaintiff's attorneys' fees, investigation costs, and other reasonable litigation costs and expenses.
- 5.3 No later than ten (10) days after the effective date, Plaintiff's counsel will provide Defendant's counsel with a current IRS form W9 form for *As You Sow*.

6. **PRODUCT REFORMULATION.**

- 6.1 The provisions of this section apply only in the event Defendant reformulates any of the Covered Products ("Reformulated Covered Product") to reduce consumer exposure to less than 4.0 micrograms of cadmium or 0.5 micrograms of lead per Serving and seeks to remove the Warning Statement required under Paragraph 4.2.
- 6.2 In the event Defendant reformulates any of the Covered Products and relies on product testing to substantiate the removal of the Warning Statement as set forth in Paragraph 6.1, testing for lead and/or cadmium content shall be conducted on at least three (3) samples of the Covered Product (in the form intended for sale to the end-user) from three (3) different lots (or from the maximum number of lots available for testing if there are fewer than three (3) lots available), on two (2) separate occasions. Testing for lead content shall be conducted using EPA Methods 6020, 6020a, via ICP-MS (inductively coupled plasma mass spectrometry ("ICP-MS"), following EPA protocols. The laboratory shall digest each sample with a level of detection of at least 4 parts per billion, and a

reporting limit of at least 10 parts per billion. The sample preparation method must use a microwave- or heat-assisted acid digestion method.

- 6.3 Testing for lead and/or cadmium content under Paragraph 6.2 shall be performed by an independent third-party laboratory certified for the analysis of heavy metals by the California Environmental Laboratory Accreditation Program (ELAP), the National Environmental Laboratory Accreditation Program (NELAP), or an independent third party laboratory registered with the United States Environmental Protection Agency or the United States Food & Drug Administration.
- 6.4 In the event Defendant reformulates any of the Covered Products and relies on product testing to substantiate the removal of the Warning Statement as set forth in Paragraph 6.1, Defendants shall notify *As You Sow* within thirty (30) days of such reformulation and provide all test results and documentation of testing for lead and/or cadmium content in the Covered Products, including all accompanying quality assurance/quality control ("QA/QC") documentation. Any testing results exchanged shall be deemed and treated by *As You Sow* as confidential information.
- 6.5 As of the Effective Date, Defendant shall not produce, distribute, and/or sell in California any Covered Product unless they are Reformulated Covered Products pursuant to Section 6.1 above, or unless Defendant provides the Warning Statement as specified in Paragraph 4.2, in compliance with Paragraphs 4.3-4.9. Any dispute as to whether a Reformulated Covered Product complies with Section 6 shall be subject to the provisions of Section 8 of this Agreement.

7. **MODIFICATION.**

7.1 This Consent Judgment may be modified by written agreement and stipulation of the Parties. If either Party seeks to modify the Consent Judgment, it shall provide written notice to the other Party of the modification sought. The parties shall meet and confer within thirty (30) days of receipt of such meet and confer notice. Neither Party shall unreasonably withhold agreement to any modification requested by the other Party that is based on an amendment to the Toxic Enforcement Act or its supporting regulations

or a change in the law. If despite their meet-and-confer efforts, the Parties are unable to reach agreement on a stipulated modification, either Party may file a noticed motion for modification with the Court for good cause shown, provided a copy of the motion is also served on the other Party and the Office of the California Attorney General.

7.2 If the parties reach agreement as to modification of the Consent Judgment, such stipulation shall be reported to the Office of the California Attorney General at least twenty-one (21) days in advance of its submission to the Court for approval.

8. **DISPUTE RESOLUTION AND ENFORCEMENT.**

8.1 If Plaintiff alleges that Defendant has failed to meet an obligation set forth in this Consent Judgment, Plaintiff shall inform Defendant in a reasonably prompt manner. As long as Defendant cures such alleged violations within thirty (30) days of receipt of the written notice, then there shall be deemed no material violation. Such violations are considered Defendant's first violations. All subsequent violations of the Warning Requirements shall accrue penalties of \$2500 per violation.

8.2 In the event a dispute arises with respect to any of the provisions of this Consent Judgment, the Parties shall meet and confer within fourteen (14) days after either Party receives written notice of an alleged violation of this Consent Judgment or other dispute. In the event that the Parties are unable to resolve their dispute through the meet and confer process, this Consent Judgment may be enforced using any available provision of law.

8.3 A party who prevails in a contested enforcement action arising with respect to any of the provisions of this Settlement Agreement is entitled to seek recovery of its reasonable attorneys' fees and costs incurred in any such motion or proceeding pursuant to California Code of Civil Procedure § 1021.5, unless the unsuccessful party has acted with substantial justification. For purposes of this Settlement Agreement, the term substantial justification shall carry the same meaning as used in the Civil Discovery Act of 1986, Code of Civil Procedure. Notwithstanding any language to the contrary in Section 6, or

otherwise herein, As You Sow may disclose test results received from Defendant in a court filing in support of any motion to enforce this Consent Judgment provided that As You Sow first provides Defendant an opportunity to make a motion for leave to seal such data.

9. CLAIMS COVERED AND RELEASE.

9.1 This Consent Judgment is a full, final, and binding resolution between *As You Sow*, on behalf of itself and in the public interest, as well as its parents, subsidiaries, officers, directors, employees, agents, insurers, representatives, successors, and assigns ("*As You Sow* Releasees") and Defendant and its respective officers, directors, shareholders, employees, agents, parent companies, and divisions, and the predecessors, successors, and assigns of any of them (collectively, "Medline Releasees"). No upstream manufacturer, distributor, grower, vendor, or supplier to Defendant Medline is party to this agreement.

9.2 Plaintiff hereby fully releases and discharges Medline's Releasees from any and all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees (including fees of attorneys, experts, and others), 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 the Toxic Enforcement Act or its implementing regulations arising from the failure to provide the Toxic Enforcement Act warnings on the Covered Products regarding lead, and/or cadmium, sold in California through the Medline Website, through Amazon.com, or other online websites or catalogues, up to and including the Effective Date.

9.3 Defendant hereby releases *As You Sow* from, and waives any claims against *As You Sow* and *As You Sow*'s Releasees for injunctive relief or damages, penalties, fines, sanctions, mitigation, fees (including fees of attorneys, experts and others), costs, expenses, or any other sums or causes incurred or claimed, or which could have been claimed, for matters related to the Notice of Violation or Complaint.

2.1

1	9.4 Compliance with the terms of this Consent Judgment for Medline's		
2	blenderized feeding tube products sold in California shall be deemed to constitute		
3	compliance with the Toxic Enforcement Act.		
4	10. GOVERNING LAW AND CONSTRUCTION.		
5	This Consent Judgment shall be governed by, and construed in accordance with, the		
6	laws of the State of California.		
7	11. COURT APPROVAL.		
8	Unless otherwise stipulated by the Parties, if the Court fails to		
9	approve and order entry of the Consent Judgment without any alteration, deletion or		
10	amendment, this Consent Judgment shall become null and void upon the election of either		
11	Party, and shall not be introduced into evidence or otherwise used in any proceeding for		
12	any purpose.		
13	Defendant agrees not to oppose Court approval of this Consent		
14	Judgment.		
15	12. APPLICATION OF CONSENT JUDGMENT.		
16	This Consent Judgment shall apply to and be binding upon As You Sow and Medlin		
17	and their respective officers, directors, and shareholders and the predecessors, successors		
18	or assigns of each of them.		
19	13. ENTIRE AGREEMENT.		
20	The Parties declare and represent that no promise, inducement or other agreement		
21	has been made conferring any benefit upon any Party except those contained herein and		
22	that this agreement contains the entire agreement pertaining to the subject matter hereof.		
23	14. DURATION OF CONSENT JUDGMENT.		
24	This Consent Judgment shall terminate five years from the Effective Date unless the		
25	term of this Consent Judgment is extended. This Consent Judgment shall be extended only		
26	by a stipulation of the Parties that is entered by the Court.		
27			
28			

-11-[PROPOSED] STIPULATED CONSENT JUDGMENT

1	15. ATTORNEYS' FEES.		
2	Except as specifically provided in this Consent Judgment, each Party shall bear its		
3	own attorneys' fees and costs incurred in connection with the 60-day Notice of Violation		
4	and Plaintiff's Complaint.		
5	16. COMPLIANCE WITH HEALTH AND SAFETY CODE § 25249.7.		
6	Plaintiff shall comply with the reporting requirements referred to in		
7	Health and Safety Code section 25249.7(f) (and established in Title 11 of the California		
8	Code of Regulations sections 3000-3008), and shall move for approval of this Consent		
9	Judgment pursuant to the terms thereof.		
10	The Parties shall use their best efforts to support entry of this Consent		
11	Judgment. If the California Attorney General objects to any term in this Consent		
12	Judgment, the Parties shall use their best efforts to resolve the concern in a timely manner,		
13	and if possible, prior to the hearing on the motion to approve this Consent Judgment.		
14	17. PROVISION OF NOTICE.		
15	All correspondence and notices required by this Consent Judgment to the Parties		
16	shall be sent to:		
17	D1 ' 4'CC 4 V C		
18	Plaintiff As You Sow		
19	As You Sow Attn: Chelsea Linsey, Staff Attorney		
20	2150 Kittredge Street Suite 450 Parkelon CA 04704		
21	Berkeley, CA 94704 Tel.: (510) 735-8158		
22	Defendant Medline, Inc.		
23	Scali Rasmussen		
24	1901 Harrison Street, 14th Floor, Oakland, CA 94612-3501		
25			
26			
27			
28			
	-12-		
	[PROPOSED] STIPULATED CONSENT JUDGMENT		

18. EXECUTION AND COUNTERPARTS.

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

19. **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.

20. AUTHORIZATION.

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

APPROVED AS TO FORM AND CONTENT:

23 Dated: April 7, 2021

24
25
26

DANIELLE R. FUGERE

Attorneys for Plaintiff AS YOU SOW

2 3 4 5 6 7 8	Dated: An. / 20, 2021 SO AGREED:	By BRUCE NYE Attorneys for Defendant MEDLINE INDUSTRIES, INC.	
9 10 11 12	Dated: 4/21, 2021	By: Name: Andrew Behar	
13	e (Title: CEO	
14 15	Dated:April 14, 2021	MEDLINE INDUSTRIES, INC. By:	
19		Name: Alex Liberman	
18		Title: General Counsel	
19 20			
21			
22			
23			
24			
25			
26			
27			
28	!		
	[PROPOSE	-14 ED] STIPULATED CONSENT JUDGMENT	

1		
2		
3	[PROPOSED] ORDER	
4	IT IS SO ORDERED AND ADJUDGED:	
5	The Court hereby incorporates the terms of this Consent Judgment into this Order. If a Party violates the provisions of this Consent Judgment, this Court retains jurisdiction over this matter.	
6		
7		
8		
9	Dated:, 2021HON.	
10	JUDGE OF THE SUPERIOR COURT	
1112		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
	[PROPOSED] ORDER	