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10	Attorneys for Plaintiff	
11	Environmental Health Advocates, Inc.	
12	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
13	IN AND FOR THE COUNTY OF ALAMEDA	
14	ENVIRONMENTAL HEALTH ADVOCATES, INC.,	Case No. RG21104523
15	Plaintiff,	[PROPOSED] CONSENT JUDGMENT
16	V.	(Health & Safety Code § 25249.6 et seq. and Code Civ. Proc. § 664.6)
17		Code Civ. 110c. § 604.0)
18	STAR SNAX, LLC, a Delaware Limited Liability Company, and DOES 1 through 100, inclusive,	
19	Defendants.	
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1. INTRODUCTION

1.1 Parties

This Consent Judgment is entered into by and between Environmental Health Advocates, Inc., ("EHA" or "Plaintiff") and Star Snax, LLC ("Defendant" or "Star Snax") with EHA and Star Snax each individually referred to as a "Party" and collectively referred to as the "Parties."

1.2 Plaintiff

EHA is a corporation organized in the state of California, acting in the interest of the general public. It seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products.

1.3 Defendant

Star Snax employs ten or more individuals and is a "person in the course of doing business" for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6 *et seq.* ("Proposition 65").

1.4 General Allegations

EHA alleges that Star Snax manufactures, imports, sells, and distributes for sale Trader Joe's Sweet Potato Tortilla Chips that contain acrylamide. EHA further alleges that Star Snax does so without providing a sufficient health hazard warning as required by Proposition 65 and related Regulations. Pursuant to Proposition 65, acrylamide is listed as a chemical known to cause cancer, birth defects and other reproductive harm.

1.5 Notices of Violation

On or around March 25, 2021, EHA served Star Snax, Trader Joe's Company ("Trader Joe's"), the California Attorney General, and all other required public enforcement agencies with a 60-Day Notice of Violation of Proposition 65 ("Initial Notice"). The Notice alleged that Star Snax had violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposures to acrylamide contained in Trader Joe's Sweet Potato Tortilla Chips.

On or around June 16, 2021, EHA served Star Snax, Trader Joe's, the California Attorney General, and all other required public enforcement agencies with a 60-Day Notice of Violation of

Proposition 65 ("Amended Notice"). The Notice alleged that Star Snax had violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposures to acrylamide contained in Trader Joe's Sweet Potato Tortilla Chips.

No public enforcer has commenced or is otherwise prosecuting an action to enforce the violations alleged in the Initial Notice or Amended Notice (hereinafter, the "Notices").

1.6 Product Description

The products covered by this Consent Judgment are tortilla chips including but not limited to Trader Joe's Sweet Potato Tortilla Chips, manufactured or processed by Star Snax that allegedly contain acrylamide and are imported, sold, shipped, delivered, or distributed for sale to consumers in California by Releasees (as defined in section 4.1) (tortilla chips collectively the "Covered Products").

1.7 State of the Pleadings

On or around July 7, 2021, EHA filed a Complaint against Star Snax and Trader Joe's for the alleged violations of Proposition 65 that are the subject of the Notices ("Complaint").

1.8 No Admission

Star Snax denies the material, factual and legal allegations of the Notices and Complaint and maintains that all of the Covered Products it has manufactured, imported, sold, and/or distributed for sale in California, including Covered Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation of law, nor shall compliance with this Consent Judgment be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall not, however, diminish or otherwise affect Star Snax's obligations, responsibilities, and duties under this Consent Judgment.

1.9 Jurisdiction

For purposes of this Consent Judgment and the Complaint only, the Parties stipulate that this Court has jurisdiction over Star Snax as to the allegations in the Complaint, that venue is proper in the County of Alameda, and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure

section 664.6.

1.10 Effective Date and Compliance Date

For purposes of this Consent Judgment, the term "Effective Date" means the date on which the Court grants the motion for approval of this Consent Judgment, as discussed in Section 5. The "Compliance Date" is the date that is six (6) months after the Effective Date, provided that the Compliance Date may be extended up to an additional three (3) months by Star Snax notifying EHA at least thirty (30) days before the Compliance Date that good cause exists for such extension. If EHA believes in good faith that such extension is without basis, EHA shall notify Star Snax of such determination and the parties shall meet and confer to resolve the dispute.

2. INJUNCTIVE RELIEF

2.1 Reformulation of Covered Products

Except as otherwise provided herein, any Covered Products that are manufactured by Star Snax on and after the Compliance Date that Star Snax sells in California or distributes for sale in California shall not exceed 281.6 parts per billion ("ppb") for acrylamide, calculated in accordance with the Compliance Protocol set forth below in Section 2.3 (the "Compliance Standard"), unless such Covered Products comply with the warning requirements of Section 2.2. As used in this Section 2, "distributed for sale in California" means to directly ship Covered Products into California or to sell Covered Products to a distributor Star Snax knows will sell Covered Products in California.

2.2 Clear and Reasonable Warnings

For Covered Products that contain acrylamide in a concentration exceeding the Compliance Standard set forth in section 2.1 above, and which are manufactured and packaged for distribution for authorized sale or use in California on or after the Compliance Date, Star Snax shall provide one of the following warning statements.

Option 1:

WARNING: This product can expose you to chemicals including Acrylamide, which is known to the State of California to cause cancer, birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.

Option 2:

WARNING: Cancer and Reproductive Harm – www.P65Warnings.cs.gov

This warning statement shall be prominently displayed on the Covered Products, on the packing of the Covered Products, or on a placard, shelf tag, or sign provided that the statement is displayed with such conspicuousness, as compared with other words, statements, or designs as to render it likely to be read and understood by an ordinary individual prior to sale. If the warning statement is displayed on the Covered Products' label, it must be set off from other surrounding information. The same warning shall be posted on any websites under the exclusive control of Star Snax where Covered Products are sold into California.

2.3 Compliance Protocol

- (a) Testing for acrylamide shall be performed by a laboratory accredited by the State of California, a federal agency, or nationally recognized accrediting organization, using either GC/MS (Gas Chromatography/Mass Spectrometry), LC-MS/MS (Liquid Chromatograph-Mass Spectrometry), or any other generally accepted testing method agreed upon by the Parties to this Consent Judgment.
- (b) Star Snax shall collect, over no less than a 10-day period, three (3) random samples of the Covered Products each from at least three (3) production lots (or the maximum number of lots available for testing if less than three (3)) during a testing period of at least three hundred sixty-five (365) days. The mean and standard deviation shall be calculated using the sampling data. Any data points that are more than three standard deviations outside the mean shall be discarded, and the mean and standard deviation recalculated using the remaining data points. The mean determined in accordance with this procedure shall be deemed the "Arithmetic Mean."
- (c) To demonstrate that the Compliance Standard has been achieved, testing conducted in accordance with the protocol set forth in Section 2.3(b) must establish that the Arithmetic Mean of acrylamide levels for the Covered Product is at or below 281.6 parts per billion.

2.4 Sell-Through Period

Notwithstanding anything else in this Consent Judgment, the Covered Products that are manufactured on or prior to the Effective Date shall be subject to release of liability pursuant to this Consent Judgment, without regard to when such Covered Products were, or are in the future,

distributed or sold to customers. As a result, the obligation of Star Snax, or any Releasees (if 1 applicable), do not apply to these Covered Products manufactured on or prior to the Effective 2 3 Date. 3. 4 MONETARY SETTLEMENT TERMS 3.1 **Settlement Amount** 5 Star Snax shall, subject to the waiver set forth in Section 3.4 below, pay fifty thousand dollars 6 7 (\$50,000.00) in settlement and total satisfaction of all the claims referred to in the Notices, the 8 Complaint, and this Consent Judgment. This includes civil penalties in the amount of five thousand dollars (\$5,000.00) pursuant to Health and Safety Code section 25249.7(b) and attorneys' fees and 9 costs in the amount of forty-five thousand dollars (\$45,000.00) pursuant to Code of Civil Procedure 10 section 1021.5. 11 3.2 **Civil Penalty** 12 13 The portion of the settlement attributable to civil penalties shall be allocated according to Health and Safety Code section 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty three 14 thousand seven hundred and fifty dollars (\$3,750.00) paid to the California Office of Environmental 15 Health Hazard Assessment ("OEHHA"), and the remaining twenty-five percent (25%) of the penalty 16 17 one thousand two hundred and fifty dollars (\$1,250.00) paid to EHA individually. These payments will be sent to the below addresses within five (5) days of the Effective Date. 18 All payments owed to EHA shall be delivered to the following address: 19 20 Environmental Health Advocates 225 Broadway, Suite 1900 21 San Diego, CA 92101 22 All payments owed to OEHHA shall be delivered directly to OEHHA (Memo Line "Prop 65" 23 Penalties") at the following addresses: 24 For United States Postal Service Delivery: 25 Mike Gyurics Fiscal Operations Branch Chief 26 Office of Environmental Health Hazard Assessment P.O. Box 4010 27 Sacramento, CA 95812-4010 28 For Federal Express 2-Day Delivery:

1 Mike Gyurics Fiscal Operations Branch Chief 2 Office of Environmental Health Hazard Assessment 1001 I Street 3 Sacramento, CA 95814 Star Snax agrees to provide EHA's counsel with a copy of the check payable to OEHHA, 4 5 simultaneous with its penalty payments to EHA. Plaintiff and its counsel will provide completed IRS 1099, W-9, or other tax forms as 6 7 required. Relevant information is set out below: 8 "Glick Law Group" (EIN: 47-1838518) at the address provided in Section 3.2(a)(i); "Nicholas & Tomasevic" (EIN: 46-3474065) at the address provided in Section 3.2(a)(i); 9 and 10 "Office of Environmental Health Hazard Assessment" (EIN: 68-0284486) 1001 I Street, 11 Sacramento, CA 95814. 12 3.3 13 Attorneys' Fees and Costs Subject to the waiver of second payment set forth in Section 3.4 below, the maximum 14 portion of the settlement attributable to attorneys' fees and costs, forty-five thousand dollars 15 (\$45,000.00), shall be paid to EHA's counsel, who are entitled to attorneys' fees and costs 16 17 incurred by it in this action, including but not limited to investigating potential violations, bringing 18 this matter to Star Snax's attention, as well as litigating and negotiating a settlement in the public interest. 19 Star Snax shall provide their payment to EHA's counsel in two payments. The first 20 payment shall be in the amount of seventeen thousand five hundred dollars (\$17,500.00), payable 21 to Glick Law Group, PC and seventeen thousand five hundred dollars (\$17,500.00), payable to 22 Nicholas & Tomasevic, LLP, respectively. Unless waived in accordance with Section 3.4 below, 23 the second payment shall be in the amount of five thousand dollars (\$5,000.00), payable to Glick 24 Law Group, PC and five thousand dollars (\$5,000.00), payable to Nicholas & Tomasevic, LLP, 25 respectively. The addresses for these two entities are: 26 27 Noam Glick Glick Law Group 28 225 Broadway, 19th Floor

Craig Nicholas

Nicholas & Tomasevic, LLP

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225 Broadway, 19th Floor San Diego, CA 92101

3.4 **Timing**

The first installment of the above-mentioned payments will be sent within five (5) days of the Effective Date; and the second installment will be sent within thirty (30) days of the Effective Date. However, if the first payment of thirty-five thousand dollars (\$35,000.00) is paid on time, and notwithstanding anything to the contrary in Section 3.3 above, then the second installment of ten thousand dollars (\$10,000.00) will be waived by EHA and EHA's counsel. If the deadline is on Sunday or holiday, it will be extended until the next day that is not a holiday.

CLAIMS COVERED AND RELEASED

4.1 EHA's Public Release of Proposition 65 Claims

For any claim or violation arising under Proposition 65 alleging a failure to warn about exposures to acrylamide from Covered Products manufactured, imported, sold, or distributed by Star Snax prior to the Effective Date, EHA, acting for the general public, releases Star Snax of any and all liability arising under Proposition 65. This includes Star Snax's owners, parents, subsidiaries, affiliated entities under common ownerships, its directors, officers, agents, employees, attorneys, each in their official and individual capacities, and each entity to whom Star Snax directly or indirectly distributes or sells Covered Products, including but not limited to downstream distributors, wholesales, customers, retailers (including Trader Joe's), franchisees, cooperative members and licensees, (collectively, the "Releasees"). Releasees include Star Snax, its parents, and all subsidiaries and affiliates thereof and their respective employees, agents, and assigns that sell Star Snax's Covered Products. This Consent Judgment is a full, final, and binding resolution of all claims under Proposition 65 that were or could have been asserted against Star Snax and/or Releasees for failure to provide warnings required under Proposition 65 for alleged exposure to acrylamide contained in Covered Products.

4.2 EHA's Individual Release of Claims

EHA, in its individual capacity, also provides a release to Star Snax and/or Releasees, which

shall be a full and final accord and satisfaction of, as well as a bar to, all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities, and demands of every nature, character, and kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to acrylamide in Covered Products manufactured, imported, sold, or distributed by Star Snax before the Effective Date.

4.3 Star Snax's Release of EHA

Star Snax on its own behalf, and on behalf of Releasees as well as its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against EHA and its attorneys and other representatives, for any and all actions taken or statements made by EHA and its attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against them, in this matter or with respect to the Covered Products.

4.4 Effect of Compliance

Material compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to the alleged or actual failure to warn about exposures to acrylamide

from Covered Products manufactured, imported, sold, or distributed by Star Snax on or after the Effective Date.

5. <u>COURT APPROVAL</u>

This Consent Judgment is not effective until it is approved by the Court and shall be null and void if it is not approved by the Court within one year after it has been fully executed by the Parties, or by such additional time as the Parties may agree to in writing.

6. <u>SEVERABILITY</u>

Subsequent to the Court's approval and entry of this Consent Judgment, if any provision is held by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

7. **GOVERNING LAW**

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

as applied within the state of California. In the event that Proposition 65 is repealed, or is otherwise rendered inapplicable for reasons, including but not limited to changes in the law, then Star Snax may provide written notice to EHA of any asserted change, and shall have no further injunctive obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Covered Products are so affected.

In the event the California Office of Health Hazard Assessment adopts a regulation or safe use determination, or issues an interpretive guideline that exempts Covered Products from meeting the requirements of Proposition 65; or if the Ninth Circuit Court of Appeals upholds the District Court decision to grant a preliminary injunction in *California Chamber of Commerce v. Becerra*, No. 2:19-cv-01019-KJM-JDP (E.D. Cal.); or if Proposition 65 is determined to be preempted by federal law or a burden on First Amendment rights with respect to acrylamide in Covered Products or Covered Products substantially similar to Covered Products, then Star Snax shall be relieved of its obligation to comply with Section 2 herein.

8. NOTICE

Unless otherwise specified herein, all correspondence and notice required by this Consent Judgment shall be in writing and sent by: (i) personal delivery; (ii) first-class, registered, or certified mail, return receipt requested; or (iii) a recognized overnight courier to the following addresses:

If to Star Snax: If to EHA:

Joshua Bloom
Environmental General Counsel LLP
Noam Glick
Glick Law G

Environmental General Counsel LLP
2120 University Ave
Berkeley, CA 94704
Glick Law Group, PC
225 Broadway, 19th Floor
San Diego, CA 92101

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

9. <u>COUNTERPARTS; DIGITAL SIGNATURES</u>

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

10. POST EXECUTION ACTIVITIES

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EHA agrees to comply with the reporting form requirements referenced in Health and Safety Code section 25249.7(f). The Parties further acknowledge that, pursuant to Health and Safety Code section 25249.7(f), a noticed motion is required to obtain judicial approval of the settlement, which motion EHA shall draft and file. In furtherance of obtaining such approval, the Parties agree to mutually employ their best efforts, including those of their counsel, to support the entry of this agreement as judgment, and to obtain judicial approval of their settlement in a timely manner. For purposes of this Section, "best efforts" shall include, at a minimum, supporting the motion for approval, responding to any objection that any third-party may make, and appearing at the hearing before the Court if so requested.

The Parties further agree to mutually employ their best efforts, including those of their counsel, to support the defense of any private party lawsuit filed against Star Snax that alleges violations of Proposition 65 with respect to the subject matter of this Consent Judgment.

11. MODIFICATION

This Consent Judgment may be modified by: (i) a written agreement of the Parties and entry of a modified consent judgment thereon by the Court; or (ii) a successful motion or application of any Party, and the entry of a modified consent judgment thereon by the Court.

12. <u>AUTHORIZATION</u>

The undersigned are authorized to execute this Consent Judgment and acknowledge that they have read, understand, and agree to all of the terms and conditions contained herein.

13. 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, or 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.

14. ENTIRE AGREEMENT

This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter herein, and nay and all prior discussions, negotiations, commitments, and understandings related hereto. No representations, oral or

1	otherwise, express or implied, other than those contained herein have been made by any Party. No	
2	other agreements, oral or otherwise, unless sp	ecifically referred to herein, shall be deemed to exist or
3	to bind any Party.	
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5	AGREED TO:	AGREED TO:
6	D	
7	Date: <u>August 3, 2021</u>	Date: <u>8/9/21</u>
8	ENTITION MENTAL WEALTH	By: L STAR SNAX, LLC
9	ENVIRONMENTAL MEALTM ADVOCATES, INC.	STAR SNAX, LLC
10	IT IS SO ODDEDED	
11	IT IS SO ORDERED.	
12	Date:	
13		JUDGE OF THE SUPERIOR COURT
14		JODGE OF THE SOFERIOR COOK!
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