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15	Attorneys for Defendant House of Spices (India), Inc.		
16	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
17	IN AND FOR THE COUNTY OF ALAMEDA		
18			
19	ENVIRONMENTAL HEALTH	Case No. 21CV000535	
19	ADVOCATES, INC.,		
20	TN 1 100	[PROPOSED] CONSENT JUDGMENT	
	Plaintiff,	(Health & Safety Code § 25249.6 et seq. and	
21	V.	Code Civ. Proc. § 664.6)	
22	<b>v.</b>	Code Civ. 110c. § 004.0)	
22	PARLE PRODUCTS PVT. LTD., an Indian		
23	corporation, NORTH PARK PRODUCE,		
	INC., a California corporation, HOUSE OF SPICES (INDIA), INC., a New York		
24	corporation, FOUR J'S FAMILY FOOD,		
25	INC., a California corporation, and DOES 3		
23	through 100, inclusive,		
26			
	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 House of Spices (India), Inc. ("Defendant" or "HOS") with EHA and HOS 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

HOS employs ten or more individuals and for purposes of this Consent Judgment only, 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 HOS manufactures, imports, sells, and/or distributes for sale Parle Hide n' Seek Moulded Cookies and Parle Bakesmith Marie Cookies that contain Acrylamide. EHA further alleges that HOS does so without providing a sufficient warning as required by Proposition 65 and related regulations. HOS denies these allegations and asserts that its products are safe and in compliance with all applicable laws, rules and regulations.

#### 1.5 Notice of Violation

On or around June 4, 2021, EHA served Defendants Parle Product PVT., North Park Product, Inc., California Attorney General, and all other required public enforcement agencies with 60-Day Notices of Violation of Proposition 65 for Parle Hide n' Seek Moulded Cookies ("Initial Hide n' Seek Notice"). On or around February 10, 2022, EHA served Defendants HOS, Parle Product PVT., North Park Product, Inc., California Attorney General, and all other required public enforcement agencies with an amended 60-Day Notice of Violation of Proposition 65 adding HOS as a distributor ("Amended Hide n' Seek Notice"). On or around March 3, 2022, EHA served Defendants HOS, Parle Product PVT., North Park Product, Inc., California Attorney General, and all other required public enforcement

agencies with an amended 60-Day Notice of Violation of Proposition 65, adding Vista North Park Produce as a retailer and correcting HOS' registered agent's address ("Second Amended Hide n' Seek Notice"). On or around July 8, 2022, EHA served Defendants HOS, Parle Product PVT., North Park Product, Inc., California Attorney General, and all other required public enforcement agencies with an amended 60-Day Notice of Violation of Proposition 65, adding Four J's Food Family, Inc. as a retailer ("Third Hide n' Seek Amended Notice")

On or around June 4, 2021, EHA served Defendants Parle Product PVT., North Park Product, Inc., California Attorney General, and all other required public enforcement agencies with a 60-Day Notice of Violation of Proposition 65 for Parle Bakesmith Marie Cookies ("Initial Marie Notice"). On or around February 10, 2022, EHA served Defendants HOS, Parle Product PVT., North Park Product, Inc., California Attorney General, and all other required public enforcement agencies with an amended 60-Day Notice of Violation of Proposition 65 adding HOS as a distributor ("Amended Marie Notice"). On or around March 3, 2022, EHA served Defendants HOS, Parle Product PVT., North Park Product, Inc., California Attorney General, and all other required public enforcement agencies with an amended 60-Day Notice of Violation of Proposition 65, adding Vista North Park Produce as a retailer and correcting HOS' registered agent's address ("Second Amended Marie Notice"). On or around July 8, 2022, EHA served Defendants HOS, Parle Product PVT., North Park Product, Inc., California Attorney General, and all other required public enforcement agencies with an amended 60-Day Notice of Violation of Proposition 65, adding Four J's Food Family, Inc. as a retailer ("Third Marie Amended Notice") (collectively referred to as "Notices").

The Notices alleged that Defendants had violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposures to Acrylamide contained in cookies products, including but not limited to Parle Hide n' Seek Moulded Cookies and Parle Bakesmith Marie Cookies distributed by HOS 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).

No public enforcer has commenced or is otherwise prosecuting an action to enforce the violations alleged in the Notices.

#### 1.6 Product Description

The products covered by this Consent Judgment are Parle Hide n' Seek Moulded Cookies and Parle Bakesmith Marie Cookies distributed by HOS 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) ("Covered Products").

#### 1.7 State of the Pleadings

On or around October 20, 2021, EHA filed Complaints against HOS for the alleged violations of Proposition 65 that are the subject of the Notices ("Complaints"), in the instant action and related case 21CV000534.

#### 1.8 No Admission

HOS denies the material factual and legal allegations of the Notices and Complaints and maintains that all of the products it has manufactured, imported, sold, and/or distributed for sale in California, including Covered Products, have been, and are, in compliance with all applicable laws, rules and regulations. 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 HOS' obligations, responsibilities, and duties under this Consent Judgment.

#### 1.9 Jurisdiction

For purposes of this Consent Judgment and the Complaints only, the Parties stipulate that this Court has jurisdiction over HOS as to the allegations in the Complaints, 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

For purposes of this Consent Judgment, the term "Effective Date" means the date on which this Consent Judgment is approved by the Court upon a Motion to Approve Consent Judgment.

# 2. <u>INJUNCTIVE RELIEF</u>

#### 2.1 Reformulation of the Covered Products

Except as otherwise provided herein, any Covered Products that are manufactured by HOS on and after the Effective Date that HOS sells in California or distributes for sale in California shall not exceed 281 parts per billion ("ppb") for Acrylamide using testing performed by a laboratory accredited by the State of California, a federal agency, or a nationally recognized accrediting organization, using LC-MS/MS (Liquid Chromatograph-Mass Spectrometry), 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 HOS know will sell Covered Products in California.

HOS will also have the option of filing a motion to modify this Consent Judgment and seek a reformulation level greater than 281 ppb by demonstrating that it has utilized quality control measures that reduce the concentration of acrylamide to the "lowest level currently feasible," as that term is used by the California Office of Environmental Health Hazard Assessment ("OEHHA"). HOS is permitted to establish the "lowest level currently feasible" without being bound by reformulation levels agreed upon in prior court approved consent judgments. EHA shall not oppose such a motion provided HOS has provided a sworn affidavit that it was unable to reach 281 ppb despite its best efforts.

In the event OEHHA at any time adopts a safe harbor level for acrylamide in Covered Products that is higher than the reformulation level in this Consent Judgment, HOS is permitted to use the established safe harbor level without further notice to EHA. Subject to Section 2.3 below, if EHA alleges that any Covered Product fails to qualify as a reformulated Covered Product (for which EHA alleges that no warning has been provided), then EHA shall inform HOS in writing in a reasonably prompt manner of its test results, including information sufficient to permit HOS to identify the Covered Product(s) at issue. HOS shall, within thirty (30) days following such notice, provide EHA with testing information for two (2) different batches of the Product from an independent third-party laboratory meeting the requirements of Sections 2.1 demonstrating HOS' compliance with the Consent Judgment. The two tests shall be averaged, with the averaged level of acrylamide controlling. In the event HOS demonstrates compliance with Section 2.1, EHA will not take any further legal action.

#### 2.2 Clear and Reasonable Warnings

For Covered Products that contain Acrylamide in a concentration exceeding the Reformulation Standard set forth in section 2.1 above, and which are distributed or directly sold by HOS in the State of California on or after the Effective Date, HOS shall provide one of the following warning statements.

#### **Option 1:**

**WARNING**: Consuming this product can expose you to chemicals including Acrylamide, 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/food

#### **Option 2:**

**WARNING**: Cancer and [Reproductive Harm] – www.P65Warnings.ca.gov/food

#### **Option 3:**

#### **CALIFORNIA WARNING:**

Consuming this product can expose you to acrylamide, a probable human carcinogen formed in some foods during cooking or processing at high temperatures. Many factors affect your cancer risk, including the frequency and amount of the chemical consumed. For more information including ways to reduce your exposure, see <a href="https://www.P65Warnings.ca.gov/acrylamide">www.P65Warnings.ca.gov/acrylamide</a>

This warning statement shall be prominently displayed on the Covered Products, on the packaging 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' packaging, it must be in a type size no smaller than the largest type size used for other consumer information (warnings, directions for use, ingredient lists, and nutritional information) on the product. In no case shall a warning statement displayed on the Covered Products' packaging appear in a type size smaller than 6-point type. The same warning shall be posted on any websites under the exclusive control of HOS where Covered Products are directly sold into California. HOS shall instruct any third-party website to which it directly sells its Covered Products to include the same warning for online sales of the Covered Products in California; however, HOS shall have no liability for any third-party website's failure to provide the warning.

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#### 2.3 Sell-Through Period

Notwithstanding anything else in this Consent Judgment, Covered Products that are manufactured, packaged, or put into commerce on or after the Effective Date shall be subject to the 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.

#### 3. MONETARY SETTLEMENT TERMS

#### 3.1 Settlement Amount

HOS shall pay sixty thousand dollars (\$60,000.00) in settlement and total satisfaction of all the claims referred to in the Notices, the Complaints, and this Consent Judgment. This includes civil penalties in the amount of six thousand dollars (\$6,000.00) pursuant to Health and Safety Code section 25249.7(b) and attorneys' fees and costs in the amount of fifty-four thousand dollars (\$54,000.00) pursuant to Code of Civil Procedure section 1021.5.

#### 3.2 Civil Penalty

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 paid to the California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining twenty-five percent (25%) of the penalty paid to EHA individually. The six thousand dollars (\$6,000.00) in civil penalties shall be paid as follows:

- One payment of \$4,500.00 to OEHHA, due 14 (fourteen) days after Plaintiff provides
   Notice of Entry of the Consent Judgment.
- One payment of \$1,500.00 to EHA, due 14 (fourteen) days after Plaintiff provides
   Notice of Entry of the Consent Judgment.

All payments owed to EHA shall be delivered to the following address:

Isaac Fayman Environmental Health Advocates 225 Broadway, Suite 2100 San Diego, CA 92101

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- One payment of \$24,000.00, due fourteen (14) days after Plaintiff provides Notice of Entry of the Consent Judgment.
- One payment of \$30,000.00, due ninety (90) days after Plaintiff provides Notice of Entry of the Consent Judgment.

The attorney fee payments shall be made payable to Entorno Law, LLP. The address for this entity is:

Noam Glick Entorno Law, LLP 225 Broadway, Suite 1900 San Diego, CA 92101

#### 4. CLAIMS COVERED AND RELEASE

## 4.1 EHA's Public Release of Proposition 65 Claims

Plaintiff, acting on its own behalf and in the public interest, releases HOS, and its parents, subsidiaries, affiliated entities under common ownership or control, its directors, officers, principals, agents, employees, attorneys, insurers, accountants, predecessors, successors, and assigns ("Defendant Entities"), each entity to whom Defendant directly or indirectly distributes, ships, or sells the Covered Products, including but not limited to downstream distributors, wholesalers, customers, retailers, and marketplaces franchisees, franchisors, cooperative members, suppliers, licensees, licensors, and manufacturers, including Parle Products Pvt. Ltd., and all of the foregoing entities' owners, directors, officers, agents, principals, employees, attorneys, insurers, accountants, representatives, predecessors, successors, and assigns (collectively referred to as the "Releasees") from all claims for violations of Proposition 65 up through the Effective Date based on exposure to Acrylamide from Covered Products as set forth in the Notices. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to Acrylamide from Covered Products as set forth in the Notices. This Consent Judgment is a full, final, and binding resolution of all claims under Proposition 65 that were or could have been asserted against HOS and/or Releasees for failure to comply with Proposition 65 for alleged exposure to Acrylamide from Covered Products. This release does not extend to any third-party retailers selling the product on a website who, after receiving instruction from HOS to include a warning as set forth above in section 2.2, do not include such a warning.

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#### 4.2 EHA's Individual Release of Claims

EHA, in its individual capacity, also provides a release to HOS 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 any Proposition 65 Chemical in Covered Products manufactured, imported, sold, or distributed by HOS before the Effective Date.

#### 4.3 HOS's Release of EHA

HOS 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 Mutual Release of Known and Unknown Claims

The Parties certify that they have read the following provisions of California Civil Code Section 1542:

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.

The Parties expressly waive and relinquish all rights and benefits which they may have under California Civil Code Section 1542 to the fullest extent such provisions may lawfully be waived. The Parties acknowledge that this Section 4.4 applies only as between the Parties and does not extend to the general public (but does extend to and include any claim against the Releasees).

#### 4.5 Dismissal of Parallel Actions

Upon entry of this Consent Judgment EHA agrees to dismiss with prejudice the lawsuit, Environmental Health Advocates, Inc. v. Parle Products Pvt. Ltd., House of Spices, (India), Inc., Four J's Family Food, Inc., Alameda Superior Court Case No. 21CV000534, which asserts claims for the same cookie products covered by this Consent Judgment.

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#### 4.6 Public Benefit

It is HOS' understanding that the commitments it has agreed to herein, and actions to be taken by HOS under this Consent Judgment confer a significant benefit to the general public, as set forth in Code of Civil Procedure § 1021.5 and Cal. Admin. Code tit. 11, § 3201. As such, it is the intent of HOS that to the extent any other private party serves a notice and/or initiates an action alleging a violation of Proposition 65 with respect to HOS' alleged failure to provide a warning concerning actual or alleged exposure to Acrylamide from the Covered Products it has distributed, sold, or offered for sale in California, or will distribute, sell, or offer for sale in California, such private party action would not confer a significant benefit on the general public as to those Covered Products addressed in this Consent Judgment, provided that HOS is in material compliance with this Consent Judgment.

#### 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 HOS 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 Acrylamide cases are permanently enjoined by a court of

competent jurisdiction; 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 2 3 substantially similar to Covered Products, then HOS shall be relieved of its obligation to comply with Section 2 herein. 4 8. **ENFORCEMENT** 5 In any action to enforce the terms of this Consent Judgment, the prevailing party shall be entitled to its reasonable attorneys' fees and costs. 9. NOTICE 8 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 10 mail, return receipt requested; or (iii) a recognized overnight courier; and (iv) with a copy by email; to the following addresses: 12 13 If to HOS: If to EHA: 14 Jacob P. Wilson Noam Glick Conkle, Kremer & Engel PLC Entorno Law, LLP

3130 Wilshire Boulevard, STE 500 225 Broadway, Suite 2100 Santa Monica, California 90403-2351 San Diego, CA 92101 j.wilson@conklelaw.com noam@entornolaw.com

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.

#### 10. COUNTERPARTS; DIGITAL SIGNATURES

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.

#### 11. POST EXECUTION ACTIVITIES

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 reasonable best efforts, including those of their counsel, to support the entry of this

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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.

12. 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

### 13. **AUTHORIZATION**

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.

## 14. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES

Party, and the entry of a modified consent judgment thereon by the Court.

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.

#### 15. 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 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 been made by any Party. No other agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to exist or to bind any Party.

23	AGREED TO:	AGREED TO:
24		
25	Date: 08/21/2023	Date:August 21, 2023
26	By: Trul )	By: We Du
27	ENVIRONMENTAL HEALTH	HOUSE OF SPICES (INDIA), INC.
	ADVOCATES INC	

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2	IT IS SO ORDERED.	
3	Data	
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