

1 **ENTORNO LAW, LLP**

Craig M. Nicholas (SBN 178444)

2 Noam Glick (SBN 251582)

Jake W. Schulte (SBN 293777)

3 Janani Natarajan (SBN 346770)

Gianna E. Tirrell (SBN 358788)

4 225 Broadway, Suite 1900

San Diego, California 92101

5 Tel: (619) 629-0527

Email: craig@entornolaw.com

6 Email: noam@entornolaw.com

Email: jake@entornolaw.com

7 Email: janani@entornolaw.com

Email: gianna@entornolaw.com

8
9 Attorneys for Plaintiff

Environmental Health Advocates, Inc.

10
11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

12 **IN AND FOR THE COUNTY OF ALAMEDA**

13 ENVIRONMENTAL HEALTH
14 ADVOCATES, INC.,

Plaintiff,

15 v.

16 REILY FOODS COMPANY, a Delaware
17 company; WM. B & REILY COMPANY,
INC., a Louisiana corporation
18 AMAZON.COM, INC., a Delaware
corporation; HEARTHSIDE FOOD
19 SOLUTIONS, LLC, a Louisiana limited
liability company; U.S. Spice Mills, Inc., an
20 Illinois corporation and DOES 3 through 100,
inclusive,

21 Defendants.
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Case No. 22CV019864

[PROPOSED] CONSENT JUDGMENT

(Health & Safety Code § 25249.6 *et seq.* and
Code Civ. Proc. § 664.6)

1 **1. INTRODUCTION**

2 **1.1 Parties**

3 This Consent Judgment is entered into by and between Environmental Health Advocates, Inc.,
4 (“EHA” or “Plaintiff”) and U.S. Spice Mills, Inc. (“Defendant” or “U.S. Spice”) with EHA and U.S.
5 Spice each individually referred to as a “Party” and collectively referred to as the “Parties.”

6 **1.2 Plaintiff**

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

10 **1.3 Defendant**

11 EHA alleges that U.S. Spice employs ten or more individuals and for purposes of this Consent
12 Judgment only, is a “person in the course of doing business” for purposes of the Safe Drinking Water
13 and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6 et seq. (“Proposition
14 65”).

15 **1.4 General Allegations**

16 EHA alleges that U.S. Spice manufactures, imports, sells, and distributes for sale chili seasoning
17 powder spices that contain lead. EHA further alleges that U.S. Spice does so without providing a
18 sufficient health hazard warning as required by Proposition 65 and related Regulations. U.S. Spice
19 denies these allegations and asserts that its products are safe and in compliance with all applicable laws,
20 rules and regulations.

21 **1.5 Notice of Violation**

22 On or around May 3, 2022, EHA served Defendant Reily Foods Company, WM. B & Reily
23 Company, Inc., Amazon.com, Inc., the California Attorney General, and all other required public
24 enforcement agencies with a 60-Day Notice of Violation of Proposition 65 (“Original Notice”). The
25 Original Notice was subsequently amended on March 10, 2023, to include Hearthside Food Solutions
26 as the manufacturer (the “First Amended Notice). The First Amended Notice was amended on
27 December 8, 2023, to correct the manufacturer to U.S. Spice Mills, Inc. (the “Second Amended Notice”
28 and, together with the Original Notice and First Amended Notice, the “Notices”). The Second

1 Amended Notice alleges that U.S. Spice had violated Proposition 65 by failing to sufficiently warn
2 consumers in California of the health hazards associated with exposures to lead contained in chili
3 seasoning powder products, manufactured by U.S. Spice that allegedly contain lead and are imported,
4 sold, shipped, delivered, or distributed for sale to consumers in California by Releasees (as defined in
5 section 4.1).

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

8 **1.6 Product Description**

9 The products covered by this Consent Judgment are seasoning spices manufactured or
10 processed by U.S. Spice and supplied to Reily Foods Company that allegedly contain lead and are
11 imported, sold, shipped, delivered, or distributed for sale to consumers in California by Releasees (as
12 defined in section 4.1) (“Covered Products”).

13 **1.7 State of the Pleadings**

14 On or around October 17, 2022, EHA filed a Complaint against U.S. Spice for the alleged
15 violations of Proposition 65 that are the subject of the Notices (“Complaint”).

16 **1.8 No Admission**

17 U.S. Spice denies the material factual and legal allegations of the Notices and Complaint and
18 maintains that all of the products it has manufactured, imported, sold, and/or distributed for sale in
19 California, including Covered Products, have been, and are, in compliance with all applicable laws,
20 rules and regulations. Nothing in this Consent Judgment shall be construed as an admission of any fact,
21 finding, conclusion of law, issue of law, or violation of law, nor shall compliance with this Consent
22 Judgment be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation
23 of law. This Section shall not, however, diminish or otherwise affect U.S. Spice's obligations,
24 responsibilities, and duties under this Consent Judgment.

25 **1.9 Jurisdiction**

26 For purposes of this Consent Judgment and the Complaint only, the Parties stipulate that this
27 Court has jurisdiction over U.S. Spice as to the allegations in the Complaint, that venue is proper in the
28

1 County of Alameda, and that the Court has jurisdiction to enter and enforce the provisions of this
2 Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

3 **1.10 Effective Date**

4 For purposes of this Consent Judgment, the term “Effective Date” means ten (10) days after the
5 date on which U.S. Spice receives written notice that the Consent Judgment has been approved by the
6 Court, as discussed in Section 5.

7 **1.11 Compliance Date**

8 For purposes of this Consent Judgment, the term “Compliance Date” means 30 days from the
9 Effective Date.

10 **2. INJUNCTIVE RELIEF**

11 **2.1 Clear and Reasonable Warnings**

12 For Covered Products which are directly distributed or sold by U.S. Spice into the State of
13 California on or after the Compliance Date, U.S. Spice shall provide a “clear and reasonable”
14 Proposition 65 warning, within the meaning of Section 2549.6 of the Act, subject to Section 2.3 of this
15 Agreement. U.S. Spice agrees that each warning shall be prominently placed with such
16 conspicuousness, as compared with words, statements, designs, or devices as to render it likely to be
17 seen, read, and understood by an ordinary individual under customary conditions before purchase or
18 use. Each warning shall be provided in a manner such that the consumer or user understands to which
19 specific Covered Products the warning applies, and which listed chemical(s) is/are implicated, so as to
20 minimize the risk of consumer confusion.

21 For purposes of this Settlement Agreement, a clear and reasonable warning shall consist of a
22 product-specific warning via one or more of the following methods: (1) A posted sign, shelf tag, or
23 shelf sign for the consumer product at each point of display of the product; (2) Any electronic device
24 or process that automatically provides the warning to the purchaser (not applicable to internet
25 purchases, which are subject to the provisions of § 25602(b)); (3) A warning directly affixed to the
26 product’s label or tag; or (4) A short-form warning on the label that complies with the content
27 requirements set forth in this Consent Judgment. Specifically, one of the following statements must be
28 utilized:

1
2
3 1) **“WARNING:” [or] “CA WARNING:” [or] “CALIFORNIA**
4 **WARNING:”**: Consuming this product can expose you to lead, which is
5 known to the State of California to cause [cancer and]birth defects or other
6 reproductive harm. For more information go to
7 www.P65Warnings.ca.gov/food.

8 **OR**

9 **SHORT**
10 **FORM**

11 2) **“WARNING:” [or] “CA WARNING:” [or] “CALIFORNIA**
12 **WARNING:”** Risk of [cancer and]reproductive harm from exposure to
13 lead. See www.P65Warnings.ca.gov/food.

14 **OR**

15 **SHORT**
16 **FORM**

17 3) **“WARNING:” [or] “CA WARNING:” [or] “CALIFORNIA**
18 **WARNING:”** Can expose you to lead, a [carcinogen and]reproductive
19 toxicant. See www.P65Warnings.ca.gov/food.

20 **OR**

21 **SHORT FORM ON**
22 **A PRODUCT**
23 **MANUFACTURED**
24 **/LABELED PRIOR**
25 **TO 1/1/28,**
26 **REGARDLESS OF**
27 **DATE OF SALE**

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

18 Where the warning is provided on the food product label, it must be set off from other
19 surrounding information and enclosed in a box. Where a specific food product sign, label, placard, or
20 shelf tag is used to provide a warning, it must be displayed with such conspicuousness, as compared
21 with other words, statements, or designs as to render it likely to be read and understood by an ordinary
22 individual prior to sale. In no case shall a short form warning statement appear in a type size smaller
23 than 6-point type. Where a sign, labeling, or label as defined in Section 25600.1 is used to provide a
24 warning that includes consumer information about a product in a language other than English, the
25 warning must also be provided in that language in addition to English.

26 To the extent Covered Products are sold online, a warning that complies with the content
27 requirements of this Consent Judgment must be provided via of the following methods: (1) A warning
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1 on the product display page; (2) A clearly marked hyperlink using the word “**WARNING**” or the words
2 “**CA WARNING**” or “**CALIFORNIA WARNING**” on the product display page that links to the
3 warning; or (3) An otherwise prominently displayed warning provided to the purchaser prior to
4 completing the purchase. If a warning is provided using the short-form label content, the warning
5 provided on the website may use the same content. For purposes of this section, a warning is not
6 prominently displayed if the purchaser must search for it in the general content of the website. For
7 internet purchases made prior to 1/1/28, a retail seller is not responsible under Section 25600.2(e)(4) for
8 conspicuously posting or displaying the new warning online until 60 calendar days after the retailer
9 receives a warning or a written notice under Section 25600.2(b) and (c) which updates a short-form
10 warning compliant with Section 25603(c) with content compliant with Section 25603(b). These
11 requirements extend to any websites under the exclusive control of U.S. Spice where Covered Products
12 are sold into California. In addition, U.S. Spice shall instruct any third-party website to which it directly
13 sells its Covered Products to include the same online warning, as set forth above, as a condition of
14 selling the Covered Products in California.

15 **2.3 Sell-Through Period**

16 Notwithstanding anything else in this Consent Judgment, Covered Products that are
17 manufactured, packaged, or put into commerce on or before the Compliance Date shall be subject to
18 the release of liability pursuant to this Consent Judgment, without regard to when such Covered
19 Products were, or are in the future, distributed or sold to customers. As a result, the obligations of U.S.
20 Spice, or any Releasees (if applicable), stated in this Section 2 do not apply to Covered Products
21 manufactured, packaged, or put into commerce between the date this Consent Judgment is executed
22 and the Compliance Date.

23 **3. MONETARY SETTLEMENT TERMS**

24 **3.1 Settlement Amount**

25 U.S. Spice shall pay fifty thousand dollars (\$50,000) in settlement and total satisfaction of all
26 the claims referred to in the Notices, the Complaint, and this Consent Judgment. This includes civil
27 penalties in the amount of five thousand dollars (\$5,000) pursuant to Health and Safety Code section
28 25249.7(b) and attorneys’ fees and costs in the amount of forty-five thousand dollars (\$45,000)

1 pursuant to Code of Civil Procedure section 1021.5.

2 **3.2 Civil Penalty**

3 The portion of the settlement attributable to civil penalties shall be allocated according to Health
4 and Safety Code section 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid
5 to the California Office of Environmental Health Hazard Assessment (“OEHHA”), and the remaining
6 twenty-five percent (25%) of the penalty paid to EHA individually. The five thousand dollars (\$5,000)
7 in civil penalties shall be paid as follows:

- 8 • One payment of \$3,750 to OEHHA, due fourteen (14) days after the Effective Date.
- 9 • One payment of \$1,250 to EHA, due fourteen (14) days after the Effective date.

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

11
12 Environmental Health Advocates
13 225 Broadway, Suite 2100
San Diego, CA 92101

14 All payments owed to OEHHA (EIN: 68-0284486) shall be delivered directly to OEHHA
15 (Memo Line "Prop 65 Penalties") at the following addresses:

16 For United States Postal Service Delivery:

17 Mike Gyurics
18 Fiscal Operations Branch Chief
19 Office of Environmental Health Hazard Assessment
P.O. Box 4010
20 Sacramento, CA 95812-4010

21 For Federal Express 2-Day Delivery:

22 Mike Gyurics
23 Fiscal Operations Branch Chief
24 Office of Environmental Health Hazard Assessment
1001 I Street
25 Sacramento, CA 95814

26 U.S. Spice agrees to provide EHA’s counsel with a copy of the check payable to OEHHA,
27 simultaneous with its penalty payment to EHA.

28 Plaintiff and its counsel will provide completed IRS 1099, W-9, or other tax forms as required.
Relevant information is set out below:

- “Environmental Health Advocates, Inc.” (EIN: 84-2322975) at the address provided above.

- 1 • “Office of Environmental Health Hazard Assessment” 1001 I Street, Sacramento, CA 95814.

2 All payments referenced in this section shall be paid within fourteen (14) days of the date the Court
3 approves EHA’s motion to approve this Consent Judgment.

4 **3.3 Attorney’s Fees and Costs**

5 The portion of the settlement attributable to attorneys’ fees and costs shall be paid to EHA’s
6 counsel, who are entitled to attorneys’ fees and costs incurred by it in this action, including but not
7 limited to investigating potential violations, bringing this matter to U.S. Spice's attention, as well as
8 litigating and negotiating a settlement in the public interest.

9 U.S. Spice shall provide its payment for civil penalty and for attorneys’ fees and costs to EHA’s
10 counsel by physical check or by electronic means, including wire transfers, at U.S. Spice's discretion,
11 as follows: forty-five thousand dollars (\$45,000) in Attorney’s Fees and Costs shall be paid as follows:

- 12 • One payment of \$40,000, due fourteen (14) days after the Effective Date.
13 • One payment of \$5,000, due thirty (30) days after the Effective Date.

14 If the first payment is timely paid by U.S. Spice, EHA agrees to waive the 2nd payment, in which
15 event U.S. Spice’s portion of the Settlement Amount attributable to Attorneys’ Fees and Costs will
16 total forty thousand dollars (\$40,000.00).

17 The attorney fee payments shall be made payable to Entorno Law, LLP and delivered to:

18
19 Noam Glick
20 Entorno Law, LLP
21 225 Broadway, Suite 1900
22 San Diego, CA 92101

21 **4. CLAIMS COVERED AND RELEASE**

22 **4.1 EHA’s Public Release of Proposition 65 Claims**

23 Plaintiff, acting on its own behalf and in the public interest, releases U.S. Spice, and its parents,
24 subsidiaries, affiliated entities under common ownership or control, its directors, officers, principals,
25 agents, employees, attorneys, insurers, accountants, predecessors, successors, and assigns (“Defendant
26 Entities”), each entity to whom Defendant directly or indirectly distributes, ships, or sells the Covered
27 Products, including but not limited to downstream distributors, wholesalers, customers, retailers
28 (including but not limited to Reily Foods Company, WM B & Reily Company, Inc. Amazon.com, Inc.,

1 and Hearthside Food Solutions, LLC), and marketplaces franchisees, franchisors, cooperative
2 members, suppliers, licensees, and licensors, and all of the foregoing entities' owners, directors,
3 officers, agents, principals, employees, attorneys, insurers, accountants, representatives, predecessors,
4 successors, and assigns (collectively referred to as the "Releasees") from all claims for violations of
5 Proposition 65 up through the Effective Date based on exposure to lead from Covered Products as set
6 forth in the Notices. Compliance with the terms of this Consent Judgment constitutes compliance with
7 Proposition 65 with respect to all Releasees as to exposures to lead from Covered Products as set forth
8 in the Notices. This Consent Judgment is a full, final, and binding resolution of all claims under
9 Proposition 65 that were or could have been asserted against U.S. Spice and/or Releasees for failure to
10 comply with Proposition 65 for alleged exposure to lead from Covered Products. This release does not
11 extend to any third-party retailers selling the product on a website who, after receiving instruction from
12 U.S. Spice to include a warning as set forth above in section 2.2, do not include such a warning.

13 **4.2 EHA's Individual Release of Claims**

14 EHA, in its individual capacity, also provides a release to U.S. Spice and/or Releasees, which
15 shall be a full and final accord and satisfaction of, as well as a bar to, all actions, causes of action,
16 obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities, and demands of every
17 nature, character, and kind, whether known or unknown, suspected or unsuspected, arising out of
18 alleged or actual exposures to lead in Covered Products manufactured, imported, sold, or distributed
19 by U.S. Spice before the Effective Date.

20 **4.3 U.S. Spice's Release of EHA**

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

26 **4.4 No Other Known Claims or Violations**

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28

1 EHA and EHA’s counsel affirm that they are not presently aware of any actual or alleged
2 violations of Proposition 65 by U.S. Spice or for which U.S. Spice bears legal responsibility other than
3 those that are fully resolved by this Consent Judgment.

4 **5. COURT APPROVAL**

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

8 **6. SEVERABILITY**

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

11 **7. GOVERNING LAW**

12 The terms of this Consent Judgment shall be governed by the laws of the state of California as
13 applied within the state of California. In the event that Proposition 65 is repealed, or is otherwise
14 rendered inapplicable for reasons, including but not limited to changes in the law; or in the event the
15 California Office of Health Hazard Assessment adopts a regulation or safe use determination, or issues
16 an interpretive guideline that exempts Covered Products from meeting the requirements of Proposition
17 65; or if lead cases are permanently enjoined by a court of competent jurisdiction; or if Proposition 65
18 is determined to be preempted by federal law or a burden on First Amendment rights with respect to
19 lead in Covered Products or Covered Products substantially similar to Covered Products, then U.S.
20 Spice may seek relief from the injunctive obligations imposed by this Consent Judgment to the extent
21 any Covered Products are so affected by modifying the agreement via the mechanisms set forth in
22 Section 12.

23 **8. ENFORCEMENT**

24 In any action to enforce the terms of this Consent Judgment, the prevailing party shall be entitled
25 to its reasonable attorneys’ fees and costs.

26 **9. NOTICE**

27 Unless otherwise specified herein, all correspondence and notice required by this Consent
28 Judgment shall be in writing and sent by: (i) personal delivery; (ii) first-class, registered, or certified

1 mail, return receipt requested; or (iii) a recognized overnight courier; and (iv) with a copy by email; to
2 the following addresses:

3 If to U.S. Spice:

4 Matthew R. Orr
5 AMIN WASSERMAN GURNANI, LLP
6 515 South Flower Street, 18th Floor
7 Los Angeles, CA 90071
8 morr@awglaw.com

If to EHA:

Noam Glick
Entorno Law, LLP
225 Broadway, Suite 2100
San Diego, CA 92101
noam@entornolaw.com

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

11 **10. COUNTERPARTS; DIGITAL SIGNATURES**

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

15 **11. POST EXECUTION ACTIVITIES**

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

25 **12. MODIFICATION**

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

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3 **13. AUTHORIZATION**

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

6 **14. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES**

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

11 **15. ENTIRE AGREEMENT**

12 This Consent Judgment contains the sole and entire agreement and understanding of the Parties
13 with respect to the entire subject matter herein, and any and all prior discussions, negotiations,
14 commitments, and understandings related hereto. No representations, oral or otherwise, express or
15 implied, other than those contained herein have been made by any Party. No other agreements, oral or
16 otherwise, unless specifically referred to herein, shall be deemed to exist or to bind any Party.

17 **AGREED TO:**

AGREED TO:

18
19 Date: November 26, 2025

Date: **November 24, 2025**

20
21 By: 
22 ENVIRONMENTAL HEALTH
23 ADVOCATES, INC.

By: 
U.S. SPICE MILLS, INC.

24 **IT IS SO ORDERED.**

25
26 Date: _____

27 _____
28 JUDGE OF THE SUPERIOR COURT