1 2 3 4 5 6 7	Lucas Novak (SBN 257484) LAW OFFICES OF LUCAS T. NOVAK 8335 W Sunset Blvd., Suite 217 Los Angeles, CA 90069 Telephone: (323) 337-9015 Email: lucas.nvk@gmail.com Attorney for Plaintiff, APS&EE, LLC SUPERIOR COURT OF TH	E STATE OF CALIFORNIA		
	FOR THE COUNTY OF LOS ANGELES			
8	FUR THE COUNTY OF LOS ANGELES			
9 10 11	APS&EE, LLC, a limited liability company,) Plaintiff,	CASE NO. 24STCV31673 [PROPOSED] CONSENT JUDGMENT		
12	v.			
13	NESTED NATURALS, LLC, a limited)	Judge: Hon. Wendy Chang Dept.: 36 Compl. Filed: December 3, 2024		
14	liability company, THE TJX COMPANIES, 1 INC., a corporation, and DOES 1 through 100, inclusive,	Unlimited Jurisdiction		
15	Defendants.	Ommitted Jurisdiction		
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1. <u>RECITALS</u>

1.1 The Parties

- 1.1.1 This Consent Judgment ("Consent Judgment") is entered into by and between APS&EE, LLC ("Plaintiff") and Nested Naturals Inc. ("Defendant"). Plaintiff and Defendant shall hereinafter collectively be referred to as the "Parties".
- 1.1.2 APS&EE is an organization based in California with an interest in protecting the environment, improving human health and the health of ecosystems, and supporting environmentally sound practices, which includes promoting awareness of exposure to toxic chemicals and reducing exposure to hazardous substances found in consumer products.
- **1.1.3** Plaintiff alleges that Defendant is a person in the course of doing business as the term is defined in California *Health & Safety Code* section 25249.6 et seq. ("Proposition 65").

1.2 Allegations

- 1.2.1 Plaintiff alleges that Defendant manufactured, distributed, sold, or offered for sale Nested Naturals Super Greens, including but not limited to chocolate flavor (hereinafter, the "Products"), in the State of California causing users in California to be exposed to hazardous levels of Lead without providing "clear and reasonable warnings", in violation of Proposition 65. Lead is potentially subject to Proposition 65 warning requirements because it is listed as known to cause cancer and birth defects or other reproductive harm.
- 1.2.2 On September 19, 2024, Plaintiff sent a Sixty-Day Notice of Violation (the "Notice") to Defendant and The TJX Companies, Inc., as well as the various public enforcement agencies regarding the alleged violation of Proposition 65 with respect to the Products. On December 3, 2024, Plaintiff, acting in the public interest, filed the instant action (the "Complaint") in the Superior Court for the County of Los Angeles, alleging violations of Proposition 65.

1.3 No Admissions

Defendant denies all allegations in Plaintiff's Notice and Complaint and maintains that the Products have been, and are, in compliance with all laws, and that Defendant has not violated

Proposition 65. This Consent Judgment shall not be construed as an admission of liability by Defendant but to the contrary as a compromise of claims that are expressly contested and denied. However, nothing in this section shall affect the Parties' obligations, duties, and responsibilities under this Consent Judgment.

1.4 Compromise

The Parties enter into this Consent Judgment in order to resolve the controversy described above in a manner consistent with prior Proposition 65 settlements and consent judgments that were entered in the public interest and to avoid prolonged and costly litigation between them.

1.5 Jurisdiction and Venue

For purposes of this Consent Judgment only, the Parties stipulate that the above-entitled Court has jurisdiction over Defendant as to the allegations in the Complaint, that venue is proper in Los Angeles County, and that this Court has jurisdiction to enter and enforce the provisions of this Consent Judgment pursuant to California Code of Civil Procedure Section 664.6 and Proposition 65.

1.6 Effective Date

The "Effective Date" shall be the date this Consent Judgment is approved and entered by the Court.

2. <u>INJUNCTIVE RELIEF</u>

2.1 Reformulation Standard

As of the Effective Date, Defendant shall not sell, distribute, or cause the Products to be offered for sale in California unless: (a) the Products expose a person to less than 0.5 micrograms of lead per day based on the recommended Daily Serving as calculated below in Section 2.2, or (b) the Products are distributed, sold, or offered for sale with a clear and reasonable warning as described below in Section 2.3.

2.2 Exposure Calculation

2.2.1 A "Daily Serving" (for purposes of determining Proposition 65 compliance for chemicals present in the Products) shall be defined by the serving size set forth

on the label of the Products under "Nutrition Facts", "Supplement Facts", or equivalent. If the label, package, or Product display page on the internet 1 do not recommend a number of daily servings, then the number of daily servings shall be one.

2.2.2 The daily exposure shall be calculated by using the following formula: micrograms of lead per gram, multiplied by grams of Product per serving, multiplied by servings of the Product per day.

2.3 Proposition 65 Warnings

Commencing on the Effective Date, Defendant agrees any Product sold that does not satisfy the formulation standard set forth in paragraph 2.1 shall contain a Proposition 65 warning. Defendant agrees that each warning shall be prominently placed with such conspicuousness, as compared with other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions before purchase. Each warning shall be provided in a manner such that the consumer or user understands to which *specific* products the warning applies, so as to minimize the risk of consumer confusion.

For purposes of this Consent Judgment, a clear and reasonable warning for the Products shall consist of a warning affixed to each Product label sold in California by Defendant.

Defendant may additionally include such warning on a placard, shelf tag, sign or electronic device or automatic process that contains one of the following statements:

1) "WARNING:" [or] "CA WARNING:" [or] "CALIFORNIA WARNING:": Consuming this product can expose you to lead which is known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov/food.

¹ The "Product display page on the internet" applies to Products purchased therefrom, not to Products purchased elsewhere, such as a brick-and-mortar retail store.

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11 SHORT FORM ON 12 A PRODUCT MANUFACTURED 13 AND LABELED

AND LABELED PRIOR TO 1/1/28, REGARDLESS OF DATE OF SALE OR

"WARNING:" [or] "CA WARNING:" [or] "CALIFORNIA WARNING:" Risk of cancer and reproductive harm from exposure to lead. See www.P65Warnings.ca.gov/food.

OR

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

OR

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

Defendant shall use the phrase "cancer and" and "carcinogen and" in the warnings if the Exposure Calculation is greater than 15 micrograms of lead as determined pursuant to the methodology set forth in Section 2.2, or if it has reason to believe that another Proposition 65 chemical is present at a level requiring a cancer warning. Where the warning is provided on the food product label, it must be set off from other surrounding information and enclosed in a box. Where a specific food product sign, label, placard, or shelf tag is used to provide a warning, it must be 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. In no case shall a short form warning statement appear in a type size smaller than 6-point type. Where a sign, labeling, or label as defined in Section 25600.1 used to provide a warning includes consumer information in a language other than English, the warning must also be provided in that language in addition to English.

To the extent Products are sold online, a warning that complies with the content requirements of Cal. Code Regs Tit. 27, § 25607.2 must be provided via of the following methods: (1) A warning on the product display page; (2) A clearly marked hyperlink using the word "WARNING" or the words "CA WARNING" or "CALIFORNIA WARNING" on the product display page that links to the warning; or (3) An otherwise prominently displayed warning provided to the purchaser prior to completing the purchase. If a warning is provided using the short-form label content, the warning provided on the website may use the same content. For purposes of this section, a warning is not prominently displayed if the purchaser must search for it in the general content of the website. These requirements extend to any websites under the exclusive control of Defendant where Products are sold into California. In addition, Defendant shall comply with 27 CCR section 25600.2(b) and instruct any third-party website to which it directly sells its Products to include the same online warning, as set forth above, as a condition of selling the Products in California.

The Parties agree that Defendant shall be deemed to be in compliance with the warning requirements of this Consent Judgment by adhering to § 2 of this Settlement Agreement or by complying with warning regulations adopted by the State of California's OEHHA applicable to the Products and the exposure at issue. There shall be no obligation for Defendant to provide a warning for Products that entered the stream of commerce downstream from Defendant prior to the Effective Date, and the Section 4 release applies to all such Products.

3. <u>PAYMENTS</u>

3.1 Civil Penalty Pursuant To Proposition 65

In settlement of all claims referred to in this Consent Judgment, Defendant shall pay a total civil penalty of four thousand dollars (\$4,000.00) to be apportioned in accordance with *Health and Safety Code* section 25249.12(c)(1) and (d), with 75% (\$3,000.00) for State of California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining 25% (\$1,000.00) for Plaintiff.

Defendant shall issue these payments collectively as part of the total payment described below in Section 3.2 via wire transfer to Law Offices of Lucas T. Novak. After receipt of the

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wire transfer, Law Offices of Lucas T. Novak shall be responsible for forwarding the respective payments to OEHHA and APS&EE.

3.2 Reimbursement Of Plaintiff's Fees And Costs

Defendant shall reimburse Plaintiff's reasonable experts' and attorney's fees and costs incurred in prosecuting the instant action for all work performed through execution and approval of this Consent Judgment, in the amount of eighteen thousand dollars (\$18,000.00). Accordingly, Defendant shall remit total payment via wire transfer to Law Offices of Lucas T. Novak in the amount of twenty-two thousand dollars (\$22,000.00), which includes the civil penalty described in Section 3.1, within five (5) business days of the Effective Date. Wire instructions have been exchanged between the Parties.

4. <u>RELEASES</u>

4.1 Plaintiff's Release Of Defendant

Plaintiff, acting in its individual capacity, and in the public interest, in consideration of the promises and monetary payments contained herein, hereby releases Defendant, its parents, subsidiaries, shareholders, directors, members, officers, employees, attorneys, successors and assignees, and Defendant's upstream and downstream distributors, manufacturers, retailers, and franchisees, including but not limited to, The TJX Companies, Inc. and Grocery Outlet Inc. (all of the foregoing, collectively "Released Parties"), from any and all claims for violation of Proposition 65 regarding failure to warn about Lead exposure from the Products before and up to the Effective Date, including but not limited to claims asserted in the Notice and Complaint. Plaintiff, on behalf of itself only, hereby fully releases and discharges the Released Parties from any and all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs, and expenses asserted, or that could have been asserted from the handling, use, or consumption of the Products, as to any alleged violation of Proposition 65 or its implementing regulations arising from the failure to provide Proposition 65 warnings on the Products regarding lead from the Products up to and including the Effective Date.

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Within five (5) business days after receipt of full payment from Defendant as described in Section 3 above, Plaintiff shall file a request for dismissal with prejudice of The TJX Companies, Inc.

4.2 Defendant's Release Of Plaintiff

Defendant on its own behalf, by this Consent Judgment, waives and releases Plaintiff, its shareholders, directors, members, officers, employees, attorneys, experts, successors and assignees for actions or statements made or undertaken, whether in the course of investigating claims or seeking enforcement of Proposition 65 against Defendant in this matter. If any Released Party should institute any such action, then Plaintiff's release of said Released Party in this Consent Judgment shall be rendered void and unenforceable.

4.3 Waiver Of Unknown Claims

Each of the Parties acknowledges that it is familiar with Section 1542 of California Civil Code which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Each of the Parties waives and relinquishes any right or benefit it has or may have under Section 1542 of California Civil Code or any similar provision under the statutory or non-statutory law of any other jurisdiction to the full extent that it may lawfully waive all such rights and benefits. The Parties acknowledge that each may subsequently discover facts in addition to, or different from, those that it believes to be true with respect to the claims released herein. The Parties agree that this Consent Judgment and the releases contained herein shall be and remain effective in all respects notwithstanding the discovery of such additional or different facts. Compliance with the terms of this Consent Judgment shall be deemed to constitute compliance with Proposition 65 by any of the Released Parties regarding alleged exposures to lead in the Products, as set forth in the Notices and Complaint. However, Released Parties that do not comply with the warning requirements of Section 2.3 after being

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instructed to do so are not released from future liability with respect to the failure to warn about exposure to Lead from the Products.

5. <u>COURT APPROVAL</u>

Upon execution of this Consent Judgment by all Parties, Plaintiff shall file a noticed Motion for Approval and Entry of Consent Judgment in the above-entitled Court. This Consent Judgment is not effective until it is approved and entered by the Court. It is the intention of the Parties that the Court approve this Consent Judgment, and in furtherance of obtaining such approval, the Parties and their respective counsel agree to mutually employ their best efforts to support the entry of this agreement in a timely manner, including cooperating on drafting and filing any papers in support of the required motion for judicial approval. If this Consent Judgment is not approved by the Court, it shall be void and have no force or effect.

6. <u>SEVERABILITY</u>

Should any part or provision of this Consent Judgment for any reason be declared by a Court to be invalid, void or unenforceable, the remaining portions and provisions shall continue in full force and effect.

7. <u>GOVERNING LAW</u>

The terms of this Consent Judgment shall be governed by the laws of the State of California. This Consent Judgment is entered into in the State of California and may only be enforced in the State of California.

8. <u>NOTICES</u>

All correspondence and notice required to be provided under this Consent Judgment shall be in writing and delivered personally or sent by first class or certified mail addressed as follows:

TO DEFENDANT:

Matthew R. Orr, Esq. Amin Wasserman Gurnani, LLP 515 S Flower Street, 18th Floor Los Angeles, CA 90071 TO PLAINTIFF:

Lucas T. Novak, Esq. Law Offices of Lucas T. Novak 8335 W Sunset Blvd., Suite 217 Los Angeles, CA 90069

9. <u>COUNTERPARTS</u>

This Consent Judgment may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute the same document. Execution and delivery of this Consent Judgment by e-mail, facsimile, or other electronic means shall constitute legal and binding execution and delivery. Any photocopy of the executed Consent Judgment shall have the same force and effect as the originals.

10. **AUTHORIZATION**

The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties. Each Party has read, understood, and agrees to all of the terms and conditions of this Consent Judgment. Each Party warrants to the other that it is free to enter into this Consent Judgment and is not subject to any conflicting obligation that will or might prevent or interfere with the execution or performance of this Consent Judgment by said Party.

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1	11. <u>ENTIR</u>	E AGREEMENT, AUTHORIZATION	
2	This Consent Judgment contains the sole and entire agreement and understanding of the		
3	Parties with respect to the entire subject matter herein, including any and all prior discussions,		
4	negotiations, commitments, and understandings related thereto. No representations, oral or		
5	otherwise, express or implied, other than those contained herein have been made by any Party.		
6	No other agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to		
7	exist or to bind any Party. Each signatory to this Consent Judgment certifies that he or she is		
8	fully authorized by the Party he or she represents to stipulate to this Consent Judgment.		
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10	AGREED TO:		
11	Date:	4/11/25	
12	By:	Jallagon_	
13		Authorized Representative of APS&EE, LLC	
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15	AGREED TO:		
16	Date:	April 9, 2025	
17	By:		
18	_	Authorized Representative of NESTED NATURALS INC.	
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20	IT IS SO ORDERED.		
21	Dated:		

JUDGE OF THE SUPERIOR COURT