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6	ENVIRONMENTAL RESEARCH CENTER, IN	C.			
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11	Attorney for Defendants C2O COCONUT WATER, LLC; TIPP DISTRIBUTORS, INC.;				
12	TIPP DISTRIBUTORS, L.P.; and NOVANATURAL, L.L.C.				
13					
14	SUPERIOR COURT OF THE	STATE OF CALIFORNIA			
15	COUNTY OF ALAMEDA				
16 17	ENVIRONMENTAL RESEARCH	CASE NO. 24CV076669			
18	CENTER, INC., a California non-profit corporation	[PROPOSED] STIPULATED			
19	Plaintiff,	CONSENT JUDGMENT			
20	vs.	Health & Safety Code § 25249.5 et seq.			
21	C2O COCONUT WATER, LLC; TIPP	Action Filed: May 22, 2024 Trial Date: February 23, 2026			
22	DISTRIBUTORS, INC., individually and dba NOVAMEX AND NOVA NATURALS;	That Date. Teordary 23, 2020			
23	TIPP DISTRIBUTORS, L.P., individually				
	Land dha NOVAMEX AND NOVA				
24	and dba NOVAMEX AND NOVA NATURALS; NOVANATURAL, L.L.C.;				
	NATURALS; NOVANATURAL, L.L.C.; and DOES 1-100				
242526	NATURALS; NOVANATURAL, L.L.C.;				
25	NATURALS; NOVANATURAL, L.L.C.; and DOES 1-100				

1. INTRODUCTION

- 1.1 On May 22, 2024, Plaintiff Environmental Research Center, Inc. ("ERC"), a non-profit corporation, as a private enforcer and in the public interest, initiated this action by filing a Complaint for Injunctive and Declaratory Relief and Civil Penalties pursuant to the provisions of California Health and Safety Code section 25249.5 et seq. ("Proposition 65"), against C2O Coconut Water, LLC ("C2O") and Does 1-100. A First Amended Complaint was filed on July 24, 2025 (the operative Complaint, hereinafter referred to as "Complaint") to add Tipp Distributors, Inc., individually and dba Novamex and Nova Naturals ("TDI"), Tipp Distributors, L.P., individually and dba Novamex and Nova Naturals ("TDLP"), and NovaNatural, L.L.C. ("Nova Natural") as party defendants. C2O, TDI, TDLP, and Nova Natural may hereafter be referred to individually as "Defendant" or collectively as "Defendants")
- 1.2 In this action, ERC alleges that a number of products manufactured, distributed, or sold by the Defendants contain lead, a chemical listed under Proposition 65 as a carcinogen and reproductive toxin, and expose consumers to this chemical at a level requiring a Proposition 65 warning. The products covered by this Consent Judgment (referred to hereinafter individually as a "Covered Product" or collectively as "Covered Products") are the products identified in ERC's Notices of Violation that were served on the California Attorney General, other public enforcers, and C2O, dated February 8, 2024 (AG Number 2024-00582) and February 15, 2024 (AG Number 2024-00654), and ERC's Notice of Violation that was served on the California Attorney General, other public enforcers, and the Defendants, dated May 6, 2025 (AG Number 2025-01445) (collectively, the "Notices"), which are: (1) C2O Coconut Water with Pineapple, (2) C2O Coconut Water with Pulp, (3) C2O Coconut Water the Original Flavor, (4) C2O Coconut Water with Espresso, (5) C2O Coconut Water with Mango, and (6) C2O Coconut Water with Ginger, Lime, & Turmeric.
- **1.3** ERC and C2O may hereinafter be referred to individually as a "Party" or collectively as the "Parties."
 - 1.4 ERC is a 501 (c)(3) California non-profit corporation dedicated to, among other

causes, helping safeguard the public from health hazards by reducing the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

- 1.5 For purposes of this Proposed Stipulated Consent Judgment ("Consent Judgment"), the Parties do not dispute that C2O is a business entity that has employed ten or more persons at all times relevant to this action and qualifies as a "person in the course of doing business" within the meaning of Proposition 65, and that C2O manufactures, distributes, or sells or previously manufactured, distributed, or sold the Covered Products.
- 1.6 The Complaint is based on allegations contained in ERC's Notices. True and correct copies of the Notices are attached hereto as **Exhibits A, B**, and **C**, and each is incorporated herein by reference. More than 60 days have passed since the Notices were served on the Attorney General, public enforcers, and the Defendants and no designated governmental entity has filed a complaint against the Defendants with regard to the Covered Products or the alleged violations.
- 1.7 ERC's Notices and Complaint allege that use of the Covered Products by California consumers exposes them to lead without first receiving clear and reasonable warnings from the Defendants, which is in violation of California Health and Safety Code section 25249.6. The Defendants deny all material allegations contained in the Notices and Complaint.
- 1.8 The Parties have entered into this Consent Judgment in order to settle, compromise, and resolve disputed claims and thus avoid prolonged and costly litigation between ERC and the Defendants. Nothing in this Consent Judgment nor compliance with this Consent Judgment shall constitute or be construed as an admission of any fact, issue of law, or violation of law by ERC or the Defendants or by any of their respective past, current, or future officers, directors, shareholders, members, representatives, employees, agents, parent companies, direct and indirect subsidiaries, affiliates, affiliated entities under common ownership, divisions, suppliers, franchisees, licensees, customers, distributors, wholesalers, retailers, internet marketplaces, or any other upstream or downstream entity in the distribution

chain of any Covered Product, or the predecessors, successors, or assigns of each of them.

- 1.9 Except as expressly set forth herein, nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy, argument, or defense ERC or the Defendants may have in any current or future legal proceeding unrelated to these proceedings.
- 1.10 The "Effective Date" of this Consent Judgment is the date on which it is entered as a Judgment by this Court. The "Compliance Date" for this Consent Judgment is thirty (30) days following the Effective Date.

2. JURISDICTION AND VENUE

For purposes of this Consent Judgment and any further court action that may become necessary to enforce this Consent Judgment, the Parties stipulate that this Court has subject matter jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction over C2O as to the acts alleged in the Complaint, that venue is proper in Alameda County, and that this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims up to and including the Compliance Date that were or could have been asserted in this action based on the facts alleged in the Notices and Complaint.

3. INJUNCTIVE RELIEF, REFORMULATION, TESTING AND WARNINGS

- 3.1 Beginning on the Compliance Date, C2O shall be permanently enjoined from manufacturing for sale in the State of California, "Distributing into the State of California," or directly selling in the State of California, any Covered Product that exposes a person to a "Daily Lead Exposure Level" of more than 0.5 micrograms of lead per day unless it meets the warning requirements under Section 3.2. Nothing in this Consent Judgment shall prevent C2O from manufacturing, distributing, or selling Covered Products that comply with Sections 3.2 or 3.3.
- **3.1.1** As used in this Consent Judgment, the term "Distributing into the State of California" shall mean to directly ship a Covered Product into California for sale in California or to sell a Covered Product to a distributor that C2O knows or has reason to know will sell the Covered Product in California.
 - **3.1.2** For purposes of this Consent Judgment, the "Daily Lead Exposure

knows that another Proposition 65 chemical is present at a level that requires a cancer warning. If there is a chemical present at a level that requires a cancer warning, the chemical requiring use of the Cancer Phrase in the Warning shall always be identified.

The Warning shall be securely affixed to or printed upon the label of each Covered Product (the "Label Warning Method"), and it must be set off from other surrounding information and enclosed in a box. For Covered Products sold in brick-and-mortar stores, in lieu of or in addition to using the Label Warning Method, the Warning may be prominently displayed on a placard, sign, shelf tag, or shelf sign at each point of display of the product, or provided via any electronic device or process that automatically provides the Warning to the purchaser prior to or during the purchase of the Covered Product(s), without requiring the purchaser to seek out the Warning (the "Brick-and-Mortar Warning Method"). A Warning is not prominently displayed if the purchaser has to search for it in the general content of the placard, sign, shelf tag, or shelf sign.

In addition, for any Covered Product sold by C2O over the internet on websites that it owns or controls, the Warning shall appear on the Covered Product's primary display page or on the checkout page when a California delivery address is indicated for any purchase of any Covered Product. If the Warning is provided on the checkout page, an asterisk or other identifying method must be utilized to identify which products on the checkout page are subject to the Warning. The Warning may be provided by a clearly marked hyperlink using the word "WARNING" or the words "CA WARNING" or "CALIFORNIA WARNING" in all capital and bold letters. If the Warning is provided by a clearly marked hyperlink, the hyperlink must go directly to a page prominently displaying the Warning without content that detracts from the Warning. A Warning is not prominently displayed if the purchaser has to search for it in the general content of the website.

If a Covered Product is being sold by an online third-party seller or downstream reseller (collectively referred to as "Third-Party Seller(s)"), who is subject to Proposition 65 and known to and authorized by C2O to sell such Covered Product to California consumers, and C2O cannot itself add a warning to the authorized Third-Party Seller's website because C2O lacks control over such authorized Third-Party Seller's website, including, but not limited to, Amazon when

consumers are directed to Amazon via C2O's website, then C2O must (a) notify the authorized			
Third-Party Seller and/or its authorized agent, in writing, of the authorized Third-Party Seller's			
duty to provide an internet warning as part of the condition of sale of the Covered Product to			
California consumers, and (b) comply with 27 C.C.R. § 25600.2 (2025 or as subsequently			
renumbered) including, but not limited to, by providing the information required by 27 C.C.R. §			
25600.2 (2025 or as subsequently renumbered), including the warning language required by this			
Consent Judgment for Covered Products sold on the internet to California consumers, to any such			
authorized Third-Party Seller (or its authorized agent). The written notice required by this Section			
shall instruct the Third-Party Seller that it is responsible for providing the Warning on its website			
for Covered Products sold over the internet to California consumers and that the Warning shall be			
provided with such conspicuousness, as compared with other words, statements or designs, as to			
render the Warning likely to be seen, read, and understood by an ordinary individual prior to sale.			
Confirmation of receipt of the written notice and any renewed written notices must be received			
electronically or in writing from the authorized Third-Party Seller, or its authorized agent, to			
which C2O sent the written notice. If C2O is unable to obtain such confirmation of receipt, C2O			
shall confirm delivery of the notice and retain such confirmation of delivery in written or			
electronic form for at least one year.			

In all cases, the Warning must be displayed with such conspicuousness, as compared with other words, statements or designs on the label, labeling, placard, sign, shelf tag, or shelf sign, or on C2O's website or the authorized Third Party Seller's website, whichever is applicable, to render the Warning likely to be read and understood by an ordinary individual under customary conditions of purchase or use of the product. For the Option 2 and Option 3 Warnings, the Warning may not appear in a type-size smaller than 6-point type. No statements intended to or likely to have the effect of diminishing the impact of the Warning on the average lay person shall accompany the Warning. Further, no statements may accompany the Warning that state or imply that the source of the listed chemical has an impact on or results in a less harmful effect of the listed chemical.

Where a label, labeling, placard, sign, shelf tag, or shelf sign used to provide the Warning

for a Covered Product includes consumer information about the Covered Product in a language other than English, the Warning must also be provided in that language in addition to English.

For purposes of this Consent Judgment, the term "label" means a display of written, printed or graphic material that is printed on or affixed to a Covered Product or its immediate container or wrapper; and the term "labeling" means any written, printed, graphic, or electronically provided communication that accompanies a Covered Product, such as a package insert.

So long as C2O can provide adequate documentation, if requested in writing by ERC, Covered Products manufactured and not in the possession or under the control of C2O on or prior to the Compliance Date, or that have been shipped or Distributed into the State of California by C2O and are, therefore, not in the possession or under the control of C2O prior to the Compliance Date, are not bound by the injunctive terms set forth in this Section 3, including but not limited to the Daily Lead Exposure Level and the Warning and Testing Requirements, and are instead permitted to be sold as is to the California consumers and are expressly released by Section 8.

3.3 Conforming Covered Products

A Conforming Covered Product is a Covered Product for which the "Daily Lead Exposure Level" is no greater than 0.5 micrograms of lead per day as determined by the exposure methodology set forth in Section 3.1.2, and that is not known by C2O to contain other chemicals that violate Proposition 65's safe harbor thresholds.

3.4 Testing and Quality Control Methodology

3.4.1 Beginning within one year of the Effective Date, C2O shall arrange for lead testing of the Covered Products at least once a year for a minimum of three consecutive years by arranging for testing of three (3) randomly selected samples of each of the Covered Products that at that time C2O intends to sell or is manufacturing for sale in California, directly selling to a consumer in California or "Distributing into the State of California" ("California Covered Products"). If tests conducted pursuant to this Section demonstrate that no Warning is required for a California Covered Product during each of three consecutive years, then the testing requirements of this Section will no longer be required as to that California Covered

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3.4.2 For purposes of measuring the "Daily Lead Exposure Level," the highest lead detection result of the three (3) randomly selected samples of any California Covered Product will be controlling.

- **3.4.3** All testing pursuant to this Consent Judgment shall be performed using a laboratory method that complies with the performance and quality control factors appropriate for the method used, including limit of detection and limit of quantification, sensitivity, accuracy and precision that meets the following criteria: Inductively Coupled Plasma-Mass Spectrometry ("ICP-MS") achieving a limit of quantification of less than or equal to 0.005 mg/kg.
- All testing pursuant to this Consent Judgment shall be performed by an 3.4.4 independent third party laboratory that is certified by the California Environmental Laboratory Accreditation Program, or registered with the United States Food & Drug Administration, or accredited by a member of the International Laboratory Accreditation Cooperation (ILAC) and a signatory of the ILAC Mutual Recognition Arrangement (ILAC MRA).
- **3.4.5** Nothing in this Consent Judgment shall limit C2O's ability to conduct, or require that others conduct, additional testing of the Covered Products, including the raw materials used in their manufacture.
- **3.4.6** Within thirty (30) days of ERC's written request, which may be made no more than once a year or upon a showing of good cause for any additional request, C2O shall deliver to ERC lab reports obtained in compliance with Section 3.4. C2O shall retain all test results and documentation for a period of five years from the date of each test, and ERC shall treat as confidential all such information provided by C2O pursuant to the Parties' Confidentiality Agreement.
- **3.4.7** The testing and reporting requirements of Section 3.4 do not apply to any Covered Product for which C2O is providing a Warning, continuously and without interruption from the Compliance Date, pursuant to Section 3.2 of this Consent Judgment. In the event a Warning is provided after the Compliance Date but C2O thereafter contemplates

not providing the Warning, C2O shall not stop providing the Warning until it has undertaken the testing and reporting requirements of Section 3.4 of this Consent Judgment to determine that no Warning is required. Such testing shall not be required only in the event that C2O can show to the reasonable satisfaction of ERC that the cessation in providing the Warning was a temporary error that was resolved when discovered. If C2O stops providing the Warning after it conducts testing, as provided in this Section 3.4.7, C2O shall thereafter comply with the testing and reporting requirements of Section 3.4 beginning on the date that it stops providing the Warning.

3.5 Nothing in Section 3 of this Consent Judgment shall prevent or preclude ERC from obtaining and relying upon its own testing for purposes of enforcement, so long as such testing meets the requirements of Sections 3.4.3 and 3.4.4. Nothing in Section 3.4 of this Consent Judgment is intended by either Party to set a precedent for the level of lead or other chemicals that is permissible in consumer products under Proposition 65.

4. SETTLEMENT PAYMENT

- **4.1** In full satisfaction of all potential civil penalties, additional settlement payments, attorneys' fees, and costs that may be recovered as a result of the Notices or Complaint, subject to Section 4.6, C2O shall make a total payment of \$212,000.00 ("Total Settlement Amount") to ERC in three periodic payments (the "Periodic Payments") according to the following payment schedule ("Due Dates"):
 - Payment 1: \$50,000.00 within 10 days of the date Effective Date (the first Due Date)
 - Payment 2: \$81,000.00 within 90 days of the Effective Date (the second Due Date)
 - Payment 3: \$81,000.00 within 180 days of the Effective Date (the third Due Date)

C2O shall make these Periodic Payments by wire transfer to ERC's account, for which ERC will provide to C2O the necessary account information via electronic mail on or before forty-five (45) days after the execution of this Consent Judgment. The Total Settlement Amount shall be apportioned as follows:

4.2 \$25,000.00 shall be considered a civil penalty pursuant to California Health and

 Safety Code section 25249.7(b)(1). ERC shall remit 75% (\$18,750.00) of the civil penalty to the Office of Environmental Health Hazard Assessment ("OEHHA") for deposit in the Safe Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety Code section 25249.12(c). ERC will retain the remaining 25% (\$6,250.00) of the civil penalty.

- **4.3** \$11,632.95 shall be distributed to ERC as reimbursement to ERC for reasonable costs incurred in bringing this action.
- **4.4** \$76,500.00 shall be distributed to Michael Freund & Associates as reimbursement of ERC's reasonable and necessary outside attorneys' fees incurred, while \$98,867.05 shall be distributed to ERC for its reasonable and necessary in-house legal fees incurred. Except as explicitly provided herein, each Party shall bear its own fees and costs.
- 4.5 In the event that C2O fails to remit, in full, any of the Periodic Payments owed under Section 4.1 of this Consent Judgment on or before the applicable Due Date, C2O shall be deemed to be in material breach of its obligations under this Consent Judgment. ERC shall provide written notice of the delinquency to C2O via electronic mail. If C2O fails to deliver the delinquent payment within five (5) business days from the written notice, the Total Settlement Amount, less any amounts previously paid by C2O, shall be immediately due and owing and shall accrue interest at the statutory judgment interest rate provided in the California Code of Civil Procedure section 685.010, and C2O shall forfeit any release provisions in Section 8 that are for the benefit of C2O and the Released Parties (as defined in Section 8.1) until such time as the Total Settlement Amount is paid in full. Additionally, C2O agrees to pay ERC's reasonable attorneys' fees and costs incurred for any efforts to collect the payment(s) due under this Consent Judgment.

5. MODIFICATION OF CONSENT JUDGMENT

5.1 After the Court enters the Consent Judgment, it may be modified, except for the settlement amount and payment terms as outlined in Section 4, (i) by written stipulation of the Parties and upon entry by the Court of a modified consent judgment or (ii) by motion or application of one or both Parties, based upon an agreement to modify the Consent Judgment, which agreement shall not be unreasonably withheld or delayed, and upon entry by the Court

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of a modified consent judgment.

- 5.2 If either Party proposes modifying this Consent Judgment under Section 5.1, then it must provide written notice to the other Party of its intent ("Notice of Intent"). If the Party receiving the Notice of Intent seeks to meet and confer regarding the proposed modification, then it must provide written notice to the Party seeking the modification within thirty (30) days of receiving the Notice of Intent. If notice of a request to meet and confer is made within thirty (30) days of receiving the Notice of Intent, then the Parties shall meet and confer in good faith as required in this Section. The Parties shall meet in person, via remote meeting, or by telephone within thirty (30) days of the notification of the request to meet and confer. Within thirty (30) days of such meeting, if the Party receiving the Notice of Intent disputes the proposed modification, it shall provide a written basis for its position. The Parties shall continue to meet and confer for an additional thirty (30) days in an effort to resolve any remaining disputes. If the Parties are unable to resolve any remaining dispute related to the Notice of Intent during this time period, then the Parties may agree in writing to different deadlines for the meet-and-confer period but are not required to do so.
- 5.3 In the event that either Party initiates or otherwise requests a modification under Section 5.1, and the meet and confer process leads to an agreed upon motion or joint application for a modification of the Consent Judgment, then the Party that initiated or otherwise requested the modification shall reimburse the other Party for its reasonable costs and attorneys' fees incurred for the time spent in the meet-and-confer process and filing and arguing the motion or application.

RETENTION OF JURISDICTION, ENFORCEMENT OF CONSENT **JUDGMENT**

- 6.1 This Court shall retain jurisdiction of this matter to enforce, modify, or terminate this Consent Judgment.
- **6.2** If ERC alleges that any Covered Product fails to qualify as a Conforming Covered Product and for which ERC alleges that no Warning has been provided, then ERC shall inform C2O in a reasonably prompt manner of its test results, including information

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sufficient to permit C2O to identify the Covered Products at issue. C2O shall, within sixty (60) days following such notice, provide ERC with either testing information, from an independent third-party laboratory that shows that the Covered Products at issue are Conforming Covered Products, or proof reasonably satisfactory to ERC that a Warning was provided, in either case demonstrating C2O's compliance with the Consent Judgment. ERC shall treat as confidential all testing information provided by C2O pursuant to the Parties' Confidentiality Agreement. In addition, if the alleged non-compliance is cured, to ERC's reasonable satisfaction, within the sixty (60) days following such notice, then C2O shall not be deemed in breach or violation of Proposition 65 or this Consent Judgment in any respect and ERC shall take no further action to enforce Proposition 65 or this Consent Judgment, ERC shall not be entitled to seek or recover any civil penalties, and ERC and its counsel shall not be entitled to seek or recover any attorneys' fees or costs, or any other available remedies arising from or relating to the alleged failure to comply with Proposition 65 or the terms of this Consent Judgment, and the matter shall be deemed to be resolved by and between the Parties as to such products. The Parties shall first attempt to resolve any alleged breach or violation of Proposition 65 or this Consent Judgment prior to ERC taking any further legal action.

7. APPLICATION OF CONSENT JUDGMENT

This Consent Judgment may apply to, be binding upon, and benefit ERC and the Defendants and each of their respective past, current, and future officers, directors, shareholders, members, representatives, employees, agents, parent companies, direct and indirect subsidiaries, affiliates, affiliated entities under common ownership, divisions, suppliers, franchisees, licensees, customers (excluding private labelers), distributors, wholesalers, retailers, internet marketplaces, and all other upstream and downstream entities in the distribution chain of any Covered Product, and the predecessors, successors, and assigns of each of them. This Consent Judgment shall have no application to any Covered Product that is distributed or sold exclusively outside the State of California and that is not intended by C2O to be used by California consumers.

8. BINDING EFFECT, CLAIMS COVERED AND RELEASED

8.1 This Consent Judgment is a full, final, and binding resolution between ERC, on

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27 28 behalf of itself and in the public interest, and the Defendants and each of their respective past, current, and future officers, directors, shareholders, members, representatives, employees, agents, parent companies, direct and indirect subsidiaries, affiliates, affiliated entities under common ownership, divisions, suppliers, franchisees, licensees, customers (not including private label customers of C2O), distributors, wholesalers, retailers, internet marketplaces, and all other upstream and downstream entities in the distribution chain of any Covered Product, and the predecessors, successors, and assigns of each of them (collectively, "Released Parties").

- 8.2 ERC, acting in the public interest, and on behalf of its past and current agents, representatives, attorneys, successors, and assigns, hereby releases the Released Parties from any and all claims for violations of Proposition 65 up to and including the Compliance Date based on exposure to lead from the Covered Products as set forth in the Notices of Violation. ERC, on behalf of itself only, and on behalf of its past and current agents, representatives, attorneys, successors, and assigns, 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 Covered Products, as to any alleged violation of Proposition 65 or its implementing regulations arising from the failure to provide Proposition 65 warnings on the Covered Products regarding lead at any time prior to and including the Compliance Date. However, after the Compliance Date, Third-Party Sellers that do not provide a Warning within a reasonable time, but in no event more than 60 days, after being instructed or notified by C2O to do so as outlined in Section 3.2, are not released from liability for violations of Proposition 65.
- 8.3 ERC on its own behalf only, and C2O on its own behalf only, further waive and release any and all claims they may have against each other for all actions or statements made or undertaken in the course of seeking or opposing enforcement of Proposition 65 in connection with the Notices and Complaint at any time prior to and including the Compliance Date, provided, however, that nothing in Section 8 shall affect or limit any Party's right to seek

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to enforce the terms of this Consent Judgment.

It is possible that other claims not known to the Parties, arising out of the facts alleged in the Notices and Complaint, and relating to the Covered Products, will develop or be discovered. ERC on behalf of itself only, and C2O on behalf of itself only, acknowledge that this Consent Judgment is expressly intended to cover and include all such claims up to and including the Compliance Date, including all rights of action therefor. ERC and C2O acknowledge that the claims released in Sections 8.2 and 8.3 above may include unknown claims and nevertheless waive California Civil Code section 1542 as to any such unknown claims. California Civil Code section 1542 reads 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.

ERC on behalf of itself only, and C2O on behalf of itself only, acknowledge and understand the significance and consequences of this specific waiver of California Civil Code section 1542.

- 8.5 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 Covered Products as set forth in the Notices and Complaint. However, after the Compliance Date, Third-Party Sellers that do not provide a Warning within a reasonable time, but in no event more than 60 days, after being instructed or notified by C2O to do so as outlined in Section 3.2, are not in compliance with Proposition 65 and are not released from liability for violations of Proposition 65.
- 8.6 Nothing in this Consent Judgment is intended to apply to any occupational or environmental exposures arising under Proposition 65, nor shall it apply to any of C2O's products other than the Covered Products.

9. SEVERABILITY OF UNENFORCEABLE PROVISIONS

In the event that any of the provisions of this Consent Judgment are held by a court to be

1	unenforceable, the validity of the remaining enforceable provisions shall not be adversely				
2	affected.				
3	10. GOVERNING LAW				
4	The terms and conditions of this Consent Judgment shall be governed by and construed in				
5	accordance with the laws of the State of California.				
6	11. PROVISION OF NOTICE				
7	All notices required to be given to either Party to this Consent Judgment by the other shall				
8	be in writing and sent to the following agents listed below via first-class mail or via electronic				
9	mail where required. Courtesy copies via email may also be sent.				
10	FOR ENVIRONMENTAL RESEARCH CENTER, INC.:				
11	Chris Heptinstall, Executive Director, Environmental Research Center 3111 Camino Del Rio North, Suite 400				
12	San Diego, CA 92108 Ph: (619) 500-3090 Email: chris.heptinstall@erc501c3.org				
13					
14	With a copy to: Michael Freund Michael Freund & Associates 1919 Addison Street, Suite 104 Berkeley, CA 94704				
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18	Telephone: (510) 499-1992 Email: freund1@aol.com				
19	FOR C2O COCONUT WATER, LLC:				
20	Ronald Greene C2O Coconut Water, LLC 500 W. Overland, Suite 300				
21					
22	El Paso, Texas 79901 Telephone: (915) 594-1618				
23	Email: ronald.greene@nova-natural.com				
24	With a copy to:				
25	Jeffrey Rosenfeld Brett Oberst				
26	Alston & Bird				
27	350 South Grand Avenue, 51 st Floor Los Angeles, CA 90071				
28	Telephone: (213) 576-1000 Email: jeffrey.rosenfeld@alston.com brett.oberst@alston.com				

12. COURT APPROVAL

- 12.1 Upon execution of this Consent Judgment by the Parties, ERC shall notice a Motion for Court Approval. The Parties shall use their commercially reasonable best efforts to support entry of this Consent Judgment.
- 12.2 If the California Attorney General objects to any term in this Consent Judgment or the Court finds any term in this Consent Judgment unacceptable, the Parties shall use their commercially reasonable best efforts to resolve the concern in a timely manner, and if possible prior to the hearing on the motion, agree to and submit an amended proposed Consent Judgment that addresses the objection or finding and retains all other terms set forth herein.
- 12.3 If this Consent Judgment is not approved by the Court, it shall be void and have no force or effect.
- 12.4 If this Consent Judgment is entered by the Court, then ERC shall prepare and file a request for dismissal without prejudice as to its claims against TDI, TDLP, and Nova Natural within thirty (30) days after the Total Settlement Amount has been paid in full pursuant to Section 4.1.

13. EXECUTION AND COUNTERPARTS

This Consent Judgment may be executed in counterparts, which taken together shall be deemed to constitute one document. A facsimile or .pdf signature shall be construed to be as valid as the original signature.

14. 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.

15. 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, via remote meeting, 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.

16. ENFORCEMENT

ERC may, by motion or order to show cause before the Superior Court of Alameda County, enforce the terms and conditions contained in this Consent Judgment. In any action brought by ERC to enforce this Consent Judgment, ERC may seek whatever fines, costs, penalties, or remedies as are provided by law for failure to comply with the Consent Judgment. To the extent the failure to comply with the Consent Judgment constitutes a violation of Proposition 65 or other laws, subject to the terms of the Consent Judgment, ERC shall not be otherwise limited to enforcement of this Consent Judgment, but may seek in another action whatever fines, costs, penalties, or remedies as are provided by law for failure to comply with Proposition 65 or other laws.

In the event that Proposition 65, either as a whole or as specifically applicable to the Covered Products or listed chemicals at issue in the case, is repealed or federally preempted, or if new or different safe harbor levels are established as applicable to the Covered Products, or if Proposition 65 is otherwise rendered inapplicable to the Covered Products or the listed chemicals at issue in this case, by any final California regulation or statute, or by a decision of the California Supreme Court or the United States Supreme Court or by the California legislature or the United States Congress, or if any provision of this Consent Judgment is specifically rendered inapplicable or no longer required as to the Covered Products as a result of any such regulatory or statutory change, repeal or preemption or decision of the California Supreme Court or the United States Supreme Court, or due to binding federal laws or regulations, then C2O may provide written notice to ERC of any asserted change in the law and seek modification of this Consent Judgment pursuant to Sections 5.1 – 5.2. Section 5.3

///

does not apply to modifications initiated by C2O pursuant to this Section if ERC does not dispute that the asserted change in the law occurred and applies to the Covered Products, or unsuccessfully opposes the requested modification, but only if the Court finds that ERC's opposition was made in bad faith.

17. ENTIRE AGREEMENT, AUTHORIZATION

- 17.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter herein, including any and all prior discussions, negotiations, commitments, and understandings related thereto. 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.
- 17.2 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.

18. REQUEST FOR FINDINGS, APPROVAL OF SETTLEMENT AND ENTRY OF CONSENT JUDGMENT

Upon execution of this Consent Judgment by the Parties, ERC shall notice a Motion for Court Approval and thereby this Consent Judgment will come before the Court upon the request of the Parties. The Parties request the Court to fully review this Consent Judgment and, being fully informed regarding the matters which are the subject of this action, to:

- (1) Find that the terms and provisions of this Consent Judgment represent a fair and equitable settlement of all matters raised by the allegations of the Complaint, that the matter has been diligently prosecuted, and that the public interest is served by such settlement;
- (2) Make the findings pursuant to California Health and Safety Code section 25249.7(f)(4), approve the Settlement, and approve this Consent Judgment; and
- (3) Retain jurisdiction, pursuant to Section 664.6 of the Code of Civil Procedure, after the Consent Judgment is entered in order to enforce, modify, or terminate this Consent Judgment.

- 1		
1	IT IS SO STIPULATED:	
2	Dated: <u>October 24</u> , 2025	ENVIRONMENTAL RESEARCH CENTER, INC.
3		e de Luite
5		By:
6		Chris Heptinstall Executive Director
7		
8	Dated: October 24, 2025	C2O COCONUT WATER, LLC
9		
10		By: Ronald Greene Ronald Greene (Oct 24, 2025 16:07:35 PDT)
11		Vice President ronald.greene@nova-natural.con
12		
13	APPROVED AS TO FORM:	
14	Datad: October 24 2025	MICHAEL FREUND & ASSOCIATES
15	Dated: <u>October 24</u> , 2025	MICHAEL FREUND & ASSOCIATES
16		By: Hickey Freund
17		Michael Freund
18		Attorney for Plaintiff
19		
20	Dated: October 24 , 2025	ALSTON & BIRD
21		By:
22 23		Brett Oberst Attorney for Defendants
24		Automey for Detendants
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IPROPOSEDI ORDER AND JUDGMENT

- 1		I ROI OCED OI	E ETT II (D C D GIVIEI (I			
2	Based upon the Parties' Stipulation, and good cause appearing, this Consent Judgment is					
3	approved and Judgment is hereby entered according to its terms.					
4	IT IS SO ORDERED, ADJUDGED AND DECREED.					
5						
6	Dated:	, 2025				
7			Judge of the Superior Court			
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EXHIBIT A

Michael Freund & Associates

1919 Addison Street, Suite 105 Berkeley, CA 94704 Voice: 510.540.1992 • Fax: 510.371.0885

Michael Freund, Esq.

February 8, 2024

NOTICE OF VIOLATION OF CALIFORNIA HEALTH & SAFETY CODE SECTION 25249.5 ET SEQ. (PROPOSITION 65)

Dear Alleged Violator and the Appropriate Public Enforcement Agencies:

I represent Environmental Research Center, Inc. ("ERC"), 3111 Camino Del Rio North, Suite 400, San Diego, CA 92108; Tel. (619) 500-3090. ERC's Executive Director is Chris Heptinstall. ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

ERC has identified violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), which is codified at California Health & Safety Code §25249.5 *et seq.*, with respect to the products identified below. These violations have occurred and continue to occur because the alleged Violator identified below failed to provide required clear and reasonable warnings with these products. This letter serves as a notice of these violations to the alleged Violator and the appropriate public enforcement agencies. Pursuant to Health and Safety Code Section 25249.7(d), ERC intends to file a private enforcement action in the public interest 60 days after effective service of this notice unless the public enforcement agencies have commenced and are diligently prosecuting an action to rectify these violations.

<u>General Information about Proposition 65</u>. A copy of a summary of Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, is enclosed with this letter served to the alleged Violator identified below.

<u>Alleged Violator</u>. The name of the company covered by this notice that violated Proposition 65 (hereinafter the "Violator") is:

C2O Coconut Water, LLC

<u>Consumer Products and Listed Chemical</u>. The products that are the subject of this notice and the chemical in those products identified as exceeding allowable levels are:

- 1. C2O Coconut Water with Pineapple Lead
- 2. C2O Coconut Water with Pulp Lead
- 3. C2O Coconut Water the Original Flavor Lead

On February 27, 1987, the State of California officially listed lead as a chemical known to cause developmental toxicity, and male and female reproductive toxicity. On October 1, 1992, the State of California officially listed lead and lead compounds as chemicals known to cause cancer.

Notice of Violation of California Health & Safety Code §25249.5 *et seq.* February 8, 2024 Page 2

It should be noted that ERC may continue to investigate other products that may reveal further violations and result in subsequent notices of violations.

Route of Exposure. The consumer exposures that are the subject of this notice result from the recommended use of these products. Consequently, the route of exposure to this chemical has been and continues to be through ingestion.

Approximate Time Period of Violations. Ongoing violations have occurred every day since at least February 8, 2021, as well as every day since the products were introduced into the California marketplace, and will continue every day until clear and reasonable warnings are provided to product purchasers and users or until this known toxic chemical is either removed from or reduced to allowable levels in the products. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemical. The method of warning should be a warning that appears on the product label. The Violator violated Proposition 65 because it failed to provide persons ingesting these products with appropriate warnings that they are being exposed to this chemical.

Consistent with the public interest goals of Proposition 65 and a desire to have these ongoing violations of California law quickly rectified, ERC is interested in seeking a constructive resolution of this matter that includes an enforceable written agreement by the Violator to: (1) reformulate the identified products so as to eliminate further exposures to the identified chemical, or provide appropriate warnings on the labels of these products; (2) pay an appropriate civil penalty; and (3) provide clear and reasonable warnings compliant with Proposition 65 to all persons located in California who purchased the above products in the last three years. Such a resolution will prevent further unwarned consumer exposures to the identified chemical, as well as an expensive and time-consuming litigation.

ERC has retained me as legal counsel in connection with this matter. Please direct all communications regarding this Notice of Violation to my attention at the law office address and telephone number indicated on the letterhead or at freund1@aol.com.

Sincerely,

Michael Freund

Michel Freund

Attachments

Certificate of Merit Certificate of Service

OEHHA Summary (to C2O Coconut Water, LLC and its Registered Agents for Service of Process only) Additional Supporting Information for Certificate of Merit (to AG only)

CERTIFICATE OF MERIT

Re: Environmental Research Center, Inc.'s Notice of Proposition 65 Violations by C2O Coconut Water, LLC

- I, Michael Freund, declare:
- 1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged that the party identified in the notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
 - 2. I am an attorney for the noticing party.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of the notice.
- 4. Based on the information obtained through those consultants, and on other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged Violator will be able to establish any of the affirmative defenses set forth in the statute.
- 5. Along with the copy of this Certificate of Merit served on the Attorney General is attached additional factual information sufficient to establish the basis for this certificate, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Michael Freund

Dated: February 8, 2024

Michael Freund

CERTIFICATE OF SERVICE PURSUANT TO 27 CCR § 25903

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States and over the age of 18 years of age. My business address is 306 Joy Street, Fort Oglethorpe, Georgia 30742. I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail at Fort Oglethorpe, Georgia.

On February 8, 2024, between 8:00 a.m. and 5:00 p.m. Eastern Time, I served the following documents: **NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE §25249.5** ET SEQ.; CERTIFICATE OF MERIT; "THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY" on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties listed below and depositing it in a U.S. Postal Service Office with the postage fully prepaid for delivery by Certified Mail:

Current President or CEO C2O Coconut Water, LLC 4000 Cover St, Ste 110 Long Beach, CA 90808

Current President or CEO C2O Coconut Water, LLC 500 W. Overland Ave, Ste 300 El Paso, TX 79901 Capitol Corporate Services, Inc. (Registered Agent for C2O Coconut Water, LLC) 400 Capitol Mall, Ste 217 Sacramento, CA 95814

Capitol Services Inc. (Registered Agent for C2O Coconut Water, LLC) 108 Lakeland Avenue Dover, DE 19901

On February 8, 2024, between 8:00 a.m. and 5:00 p.m. Eastern Time, I verified the following documents NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE §25249.7(d)(1) were served on the following party when a true and correct copy thereof was uploaded on the California Attorney General's website, which can be accessed at https://oag.ca.gov/prop65/add-60-day-notice:

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 Oakland, CA 94612-0550

On February 8, 2024, between 8:00 a.m. and 5:00 p.m. Eastern Time, I verified the following documents **NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5** *ET SEQ.*; **CERTIFICATE OF MERIT** were served on the following parties when a true and correct copy thereof was sent via electronic mail to each of the parties listed below:

Pamela Y. Price, District Attorney Alameda County 7677 Oakport Street, Suite 650 Oakland, CA 94621 CEPDProp65@acgov.org

Barbara Yook, District Attorney Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249 Prop65Env@co.calaveras.ca.us Stacey Grassini, Deputy District Attorney Contra Costa County 900 Ward Street Martinez, CA 94553 sgrassini@contracostada.org

James Clinchard, Assistant District Attorney El Dorado County 778 Pacific Street Placerville, CA 95667 EDCDAPROP65@edcda.us Notice of Violation of California Health & Safety Code §25249.5 *et seq.* February 8, 2024

Page 5

Lisa A. Smittcamp, District Attorney Fresno County 2100 Tulare Street Fresno, CA 93721 consumerprotection@fresnocountyca.gov

Thomas L. Hardy, District Attorney Inyo County 168 North Edwards Street Independence, CA 93526 inyoda@inyocounty.us

Devin Chandler, Program Coordinator Lassen County 2950 Riverside Dr Susanville, CA 96130 dchandler@co.lassen.ca.us

Lori E. Frugoli, District Attorney Marin County 3501 Civic Center Drive, Suite 145 San Rafael, CA 94903 consumer@marincounty.org

Walter W. Wall, District Attorney Mariposa County P.O. Box 730 Mariposa, CA 95338 mcda@mariposacounty.org

Kimberly Lewis, District Attorney Merced County 550 West Main St Merced, CA 95340 Prop65@countyofmerced.com

Jeannine M. Pacioni, District Attorney Monterey County 1200 Aguajito Road Monterey, CA 93940 Prop65DA@co.monterey.ca.us

Allison Haley, District Attorney Napa County 1127 First Street, Ste C Napa, CA 94559 CEPD@countyofnapa.org

Clifford H. Newell, District Attorney Nevada County 201 Commercial St Nevada City, CA 95959 DA.Prop65@co.nevada.ca.us Todd Spitzer, District Attorney Orange County 300 N Flower St Santa Ana, CA 92703 Prop65notice@ocdapa.org

Morgan Briggs Gire, District Attorney Placer County 10810 Justice Center Drive Roseville, CA 95678 Prop65@placer.ca.gov

David Hollister, District Attorney Plumas County 520 Main St Quincy, CA 95971 davidhollister@countyofplumas.com

Paul E. Zellerbach, District Attorney Riverside County 3072 Orange Street Riverside, CA 92501 Prop65@rivcoda.org

Anne Marie Schubert, District Attorney Sacramento County 901 G Street Sacramento, CA 95814 Prop65@sacda.org

Summer Stephan, District Attorney San Diego County 330 West Broadway San Diego, CA 92101 SanDiegoDAProp65@sdcda.org

Mark Ankcorn, Deputy City Attorney San Diego City Attorney 1200 Third Avenue San Diego, CA 92101 CityAttyProp65@sandiego.gov

Alexandra Grayner, Assistant District Attorney San Francisco District Attorney's Office 350 Rhode Island Street San Francisco, CA 94103 Alexandra.grayner@sfgov.org

Henry Lifton, Deputy City Attorney San Francisco City Attorney 1390 Market Street, 7th Floor San Francisco, CA 94102 Prop65@sfcityatty.org Notice of Violation of California Health & Safety Code §25249.5 *et seq.* February 8, 2024 Page 6

Tori Verber Salazar, District Attorney San Joaquin County 222 E. Weber Avenue, Room 202 Stockton, CA 95202 DAConsumer.Environmental@sjcda.org

Eric J. Dobroth, Deputy District Attorney San Luis Obispo County County Government Center Annex, 4th Floor San Luis Obispo, CA 93408 edobroth@co.slo.ca.us

Christopher Dalbey, Deputy District Attorney Santa Barbara County 1112 Santa Barbara Street Santa Barbara, CA 93101 DAProp65@co.santa-barbara.ca.us

Bud Porter, Supervising Deputy District Attorney Santa Clara County 70 W Hedding St San Jose, CA 95110 EPU@da.sccgov.org

Nora V. Frimann, City Attorney Santa Clara City Attorney 200 E. Santa Clara Street, 16th Floor San Jose, CA 96113 Proposition65notices@sanjoseca.gov Jeffrey S. Rosell, District Attorney Santa Cruz County 701 Ocean Street Santa Cruz, CA 95060 Prop65DA@santacruzcounty.us

Jill Ravitch, District Attorney Sonoma County 600 Administration Dr Sonoma, CA 95403 Jeannie.Barnes@sonoma-county.org

Phillip J. Cline, District Attorney Tulare County 221 S Mooney Blvd Visalia, CA 95370 Prop65@co.tulare.ca.us

Gregory D. Totten, District Attorney Ventura County 800 S Victoria Ave Ventura, CA 93009 daspecialops@ventura.org

Jeff W. Reisig, District Attorney Yolo County 301 Second Street Woodland, CA 95695 cfepd@yolocounty.org

On February 8, 2024, between 8:00 a.m. and 5:00 p.m. Eastern Time, I served the following documents: **NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5** *ET SEQ.*; **CERTIFICATE OF MERIT** on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties on the Service List attached hereto, and depositing it at a U.S. Postal Service Office with the postage fully prepaid for delivery by First Class Mail.

Executed on February 8, 2024, in Fort Oglethorpe, Georgia.

Phyllis Dunwoody

Notice of Violation of California Health & Safety Code §25249.5 *et seq.* February 8, 2024 Page 7

Service List

District Attorney, Alpine County P.O. Box 248 Markleeville, CA 96120

District Attorney, Amador County 708 Court Street, Suite 202 Jackson, CA 95642

District Attorney, Butte County 25 County Center Drive, Suite 245 Oroville, CA 95965

District Attorney, Colusa County 310 6th St Colusa, CA 95932

District Attorney, Del Norte County 450 H Street, Room 171 Crescent City, CA 95531

District Attorney, Glenn County Post Office Box 430 Willows, CA 95988

District Attorney, Humboldt County 825 5th Street 4th Floor

Eureka, CA 95501

District Attorney, Imperial
County

940 West Main Street, Ste 102 El Centro, CA 92243

District Attorney, Kern County 1215 Truxtun Avenue Bakersfield, CA 93301

District Attorney, Kings County 1400 West Lacey Boulevard Hanford, CA 93230

District Attorney, Lake County 255 N. Forbes Street Lakeport, CA 95453

District Attorney, Los Angeles County Hall of Justice 211 West Temple St., Ste 1200

211 West Temple St., Ste 1200 Los Angeles, CA 90012 District Attorney, Madera

County 209 West Yosemite Avenue Madera, CA 93637 District Attorney, Mendocino County Post Office Box 1000 Ukiah, CA 95482

District Attorney, Modoc County 204 S Court Street, Room 202 Alturas, CA 96101-4020

District Attorney, Mono County Post Office Box 617 Bridgeport, CA 93517

District Attorney, San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney,San Bernardino County 303 West Third Street San Bernadino, CA 92415

District Attorney, San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063

District Attorney, Shasta County 1355 West Street Redding, CA 96001

District Attorney, Sierra County Post Office Box 457 100 Courthouse Square, 2nd Floor Downieville, CA 95936

District Attorney, Siskiyou County Post Office Box 986 Yreka, CA 96097

District Attorney, Solano County 675 Texas Street, Ste 4500

Fairfield, CA 94533

District Attorney, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95354

District Attorney, Sutter County 463 2nd Street Yuba City, CA 95991

District Attorney, Tehama County Post Office Box 519 Red Bluff, CA 96080 District Attorney, Trinity County Post Office Box 310 Weaverville, CA 96093

District Attorney, Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney, Yuba County 215 Fifth Street, Suite 152 Marysville, CA 95901

Los Angeles City Attorney's Office City Hall East 200 N. Main Street, Suite 800 Los Angeles, CA 90012

APPENDIX A

OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY

The following summary has been prepared by the California Office of Environmental Health Hazard Assessment (OEHHA), the lead agency for the implementation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as "Proposition 65"). A copy of this summary must be included as an attachment to any notice of violation served upon an alleged violator of the Act. The summary provides basic information about the provisions of the law, and is intended to serve only as a convenient source of general information. It is not intended to provide authoritative guidance on the meaning or application of the law. The reader is directed to the statute and OEHHA implementing regulations (see citations below) for further information.

FOR INFORMATION CONCERNING THE BASIS FOR THE ALLEGATIONS IN THE NOTICE RELATED TO YOUR BUSINESS, CONTACT THE PERSON IDENTIFIED ON THE NOTICE.

The text of Proposition 65 (Health and Safety Code Sections 25249.5 through 25249.13) is available online at: http://oehha.ca.gov/prop65/law/P65law72003.html. Regulations that provide more specific guidance on compliance, and that specify procedures to be followed by the State in carrying out certain aspects of the law, are found in Title 27 of the California Code of Regulations, sections 25102 through 27001.¹ These implementing regulations are available online at: http://oehha.ca.gov/prop65/law/P65Regs.html.

WHAT DOES PROPOSITION 65 REQUIRE?

The "Proposition 65 List." Under Proposition 65, the lead agency (OEHHA) publishes a list of chemicals that are known to the State of California to cause cancer and/or reproductive toxicity. Chemicals are placed on the Proposition 65 list if they are known to cause cancer and/or birth defects or other reproductive harm, such as damage to

¹ All further regulatory references are to sections of Title 27 of the California Code of Regulations unless otherwise indicated. The statute, regulations and relevant case law are available on the OEHHA website at: http://www.oehha.ca.gov/prop65/law/index.html.

female or male reproductive systems or to the developing fetus. This list must be updated at least once a year. The current Proposition 65 list of chemicals is available on the OEHHA website at: http://www.oehha.ca.gov/prop65/prop65_list/Newlist.html.

Only those chemicals that are on the list are regulated under Proposition 65. Businesses that produce, use, release or otherwise engage in activities involving listed chemicals must comply with the following:

Clear and reasonable warnings. A business is required to warn a person before "knowingly and intentionally" exposing that person to a listed chemical unless an exemption applies. The warning given must be "clear and reasonable." This means that the warning must: (1) clearly make known that the chemical involved is known to cause cancer, or birth defects or other reproductive harm; and (2) be given in such a way that it will effectively reach the person before he or she is exposed to that chemical. Some exposures are exempt from the warning requirement under certain circumstances discussed below.

Prohibition from discharges into drinking water. A business must not knowingly discharge or release a listed chemical into water or onto land where it passes or probably will pass into a source of drinking water. Some discharges are exempt from this requirement under certain circumstances discussed below.

DOES PROPOSITION 65 PROVIDE ANY EXEMPTIONS?

Yes. You should consult the current version of the statute and regulations (http://www.oehha.ca.gov/prop65/law/index.html) to determine all applicable exemptions, the most common of which are the following:

Grace Period. Proposition 65 warning requirements do not apply until 12 months after the chemical has been listed. The Proposition 65 discharge prohibition does not apply to a discharge or release of a chemical that takes place less than 20 months after the listing of the chemical.

Governmental agencies and public water utilities. All agencies of the federal, state or local government, as well as entities operating public water systems, are exempt.

Businesses with nine or fewer employees. Neither the warning requirement nor the discharge prohibition applies to a business that employs a total of nine or fewer employees. This includes all employees, not just those present in California.

Exposures that pose no significant risk of cancer. For chemicals that are listed under Proposition 65 as known to the State to cause cancer, a warning is not required if the business causing the exposure can demonstrate that the exposure occurs at a level that poses "no significant risk." This means that the exposure is calculated to result in not more than one excess case of cancer in 100,000 individuals exposed over a 70-year lifetime. The Proposition 65 regulations identify specific "No Significant Risk Levels" (NSRLs) for many listed carcinogens. Exposures below these levels are exempt from the warning requirement. See OEHHA's website at:

http://www.oehha.ca.gov/prop65/getNSRLs.html for a list of NSRLs, and Section 25701 *et seq.* of the regulations for information concerning how these levels are calculated.

Exposures that will produce no observable reproductive effect at 1,000 times the level in question. For chemicals known to the State to cause reproductive toxicity, a warning is not required if the business causing the exposure can demonstrate that the exposure will produce no observable effect, even at 1,000 times the level in question. In other words, the level of exposure must be below the "no observable effect level" divided by 1,000. This number is known as the Maximum Allowable Dose Level (MADL). See OEHHA's website at: http://www.oehha.ca.gov/prop65/getNSRLs.html for a list of MADLs, and Section 25801 *et seq.* of the regulations for information concerning how these levels are calculated.

Exposures to Naturally Occurring Chemicals in Food. Certain exposures to chemicals that naturally occur in foods (i.e., that do not result from any known human activity, including activity by someone other than the person causing the exposure) are exempt from the warning requirements of the law. If the chemical is a contaminant² it must be reduced to the lowest level feasible. Regulations explaining this exemption can be found in Section 25501.

Discharges that do not result in a "significant amount" of the listed chemical entering any source of drinking water. The prohibition from discharges into drinking water does not apply if the discharger is able to demonstrate that a "significant amount" of the listed chemical has not, does not, or will not pass into or probably pass into a source of drinking water, and that the discharge complies with all other applicable laws, regulations, permits, requirements, or orders. A "significant amount" means any detectable amount, except an amount that would meet the "no significant risk" level for chemicals that cause cancer or that is 1,000 times below the "no observable effect" level for chemicals that cause reproductive toxicity, if an individual were exposed to that amount in drinking water.

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² See Section 25501(a)(4).

HOW IS PROPOSITION 65 ENFORCED?

Enforcement is carried out through civil lawsuits. These lawsuits may be brought by the Attorney General, any district attorney, or certain city attorneys. Lawsuits may also be brought by private parties acting in the public interest, but only after providing notice of the alleged violation to the Attorney General, the appropriate district attorney and city attorney, and the business accused of the violation. The notice must provide adequate information to allow the recipient to assess the nature of the alleged violation. The notice must comply with the information and procedural requirements specified in Section 25903 of Title 27 and sections 3100-3103 of Title 11. A private party may not pursue an independent enforcement action under Proposition 65 if one of the governmental officials noted above initiates an enforcement action within sixty days of the notice.

A business found to be in violation of Proposition 65 is subject to civil penalties of up to \$2,500 per day for each violation. In addition, the business may be ordered by a court to stop committing the violation.

A private party may not file an enforcement action based on certain exposures if the alleged violator meets specific conditions. For the following types of exposures, the Act provides an opportunity for the business to correct the alleged violation:

- An exposure to alcoholic beverages that are consumed on the alleged violator's premises to the extent onsite consumption is permitted by law;
- An exposure to a Proposition 65 listed chemical in a food or beverage prepared and sold on the alleged violator's premises that is primarily intended for immediate consumption on- or off-premises. This only applies if the chemical was not intentionally added to the food, and was formed by cooking or similar preparation of food or beverage components necessary to render the food or beverage palatable or to avoid microbiological contamination;
- An exposure to environmental tobacco smoke caused by entry of persons (other than employees) on premises owned or operated by the alleged violator where smoking is permitted at any location on the premises;
- An exposure to listed chemicals in engine exhaust, to the extent the exposure occurs inside a facility owned or operated by the alleged violator and primarily intended for parking non-commercial vehicles.

If a private party alleges that a violation occurred based on one of the exposures described above, the private party must first provide the alleged violator a notice of special compliance procedure and proof of compliance form.

A copy of the notice of special compliance procedure and proof of compliance form is included in Appendix B and can be downloaded from OEHHA's website at: http://oehha.ca.gov/prop65/law/p65law72003.html.

FOR FURTHER INFORMATION ABOUT THE LAW OR REGULATIONS...

Contact the Office of Environmental Health Hazard Assessment's Proposition 65 Implementation Office at (916) 445-6900 or via e-mail at P65Public.Comments@oehha.ca.gov.

Revised: May 2017

NOTE: Authority cited: Section 25249.12, Health and Safety Code. Reference: Sections 25249.5, 25249.6, 25249.7, 25249.9, 25249.10 and 25249.11, Health and Safety Code.



Michael Freund & Associates

1919 Addison Street, Suite 105 Berkeley, CA 94704 Voice: 510.540.1992 • Fax: 510.371.0885

Michael Freund, Esq.

February 15, 2024

NOTICE OF VIOLATION OF CALIFORNIA HEALTH & SAFETY CODE SECTION 25249.5 *ET SEQ*. (PROPOSITION 65)

Dear Alleged Violator and the Appropriate Public Enforcement Agencies:

I represent Environmental Research Center, Inc. ("ERC"), 3111 Camino Del Rio North, Suite 400, San Diego, CA 92108; Tel. (619) 500-3090. ERC's Executive Director is Chris Heptinstall. ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

ERC has identified violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), which is codified at California Health & Safety Code §25249.5 *et seq.*, with respect to the products identified below. These violations have occurred and continue to occur because the alleged Violator identified below failed to provide required clear and reasonable warnings with these products. This letter serves as a notice of these violations to the alleged Violator and the appropriate public enforcement agencies. Pursuant to Health and Safety Code Section 25249.7(d), ERC intends to file a private enforcement action in the public interest 60 days after effective service of this notice unless the public enforcement agencies have commenced and are diligently prosecuting an action to rectify these violations.

<u>General Information about Proposition 65</u>. A copy of a summary of Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, is enclosed with this letter served to the alleged Violator identified below.

<u>Alleged Violator</u>. The name of the company covered by this notice that violated Proposition 65 (hereinafter the "Violator") is:

C2O Coconut Water, LLC

<u>Consumer Products and Listed Chemical</u>. The products that are the subject of this notice and the chemical in those products identified as exceeding allowable levels are:

- 1. C2O Coconut Water with Espresso Lead
- 2. C2O Coconut Water with Mango Lead
- 3. C2O Coconut Water with Ginger, Lime, & Turmeric Lead

On February 27, 1987, the State of California officially listed lead as a chemical known to cause developmental toxicity, and male and female reproductive toxicity. On October 1, 1992, the State of California officially listed lead and lead compounds as chemicals known to cause cancer.

Notice of Violation of California Health & Safety Code §25249.5 *et seq.* February 15, 2024 Page 2

It should be noted that ERC may continue to investigate other products that may reveal further violations and result in subsequent notices of violations.

Route of Exposure. The consumer exposures that are the subject of this notice result from the recommended use of these products. Consequently, the route of exposure to this chemical has been and continues to be through ingestion.

Approximate Time Period of Violations. Ongoing violations have occurred every day since at least February 15, 2021, as well as every day since the products were introduced into the California marketplace, and will continue every day until clear and reasonable warnings are provided to product purchasers and users or until this known toxic chemical is either removed from or reduced to allowable levels in the products. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemical. The method of warning should be a warning that appears on the product label. The Violator violated Proposition 65 because it failed to provide persons ingesting these products with appropriate warnings that they are being exposed to this chemical.

Consistent with the public interest goals of Proposition 65 and a desire to have these ongoing violations of California law quickly rectified, ERC is interested in seeking a constructive resolution of this matter that includes an enforceable written agreement by the Violator to: (1) reformulate the identified products so as to eliminate further exposures to the identified chemical, or provide appropriate warnings on the labels of these products; (2) pay an appropriate civil penalty; and (3) provide clear and reasonable warnings compliant with Proposition 65 to all persons located in California who purchased the above products in the last three years. Such a resolution will prevent further unwarned consumer exposures to the identified chemical, as well as an expensive and time-consuming litigation.

ERC has retained me as legal counsel in connection with this matter. Please direct all communications regarding this Notice of Violation to my attention at the law office address and telephone number indicated on the letterhead or at freund1@aol.com.

Sincerely,

Michael Freund

Michael Freund

Attachments

Certificate of Merit Certificate of Service

OEHHA Summary (to C2O Coconut Water, LLC and its Registered Agents for Service of Process only) Additional Supporting Information for Certificate of Merit (to AG only)

CERTIFICATE OF MERIT

Re: Environmental Research Center, Inc.'s Notice of Proposition 65 Violations by C2O Coconut Water, LLC

- I, Michael Freund, declare:
- 1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged that the party identified in the notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
 - 2. I am an attorney for the noticing party.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of the notice.
- 4. Based on the information obtained through those consultants, and on other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged Violator will be able to establish any of the affirmative defenses set forth in the statute.
- 5. Along with the copy of this Certificate of Merit served on the Attorney General is attached additional factual information sufficient to establish the basis for this certificate, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Michael Freund

Dated: February 15, 2024

Michael Freund

CERTIFICATE OF SERVICE PURSUANT TO 27 CCR § 25903

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States and over the age of 18 years of age. My business address is 306 Joy Street, Fort Oglethorpe, Georgia 30742. I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail at Fort Oglethorpe, Georgia.

On February 15, 2024, between 8:00 a.m. and 5:00 p.m. Eastern Time, I served the following documents: **NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE §25249.5** ET SEQ.; CERTIFICATE OF MERIT; "THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY" on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties listed below and depositing it in a U.S. Postal Service Office with the postage fully prepaid for delivery by Certified Mail:

Current President or CEO C2O Coconut Water, LLC 4000 Cover St, Ste 110 Long Beach, CA 90808

Current President or CEO C2O Coconut Water, LLC 500 W. Overland Ave, Ste 300 El Paso, TX 79901 Capitol Corporate Services, Inc. (Registered Agent for C2O Coconut Water, LLC) 400 Capitol Mall, Ste 217 Sacramento, CA 95814

Capitol Services Inc. (Registered Agent for C2O Coconut Water, LLC) 108 Lakeland Avenue Dover, DE 19901

On February 15, 2024, between 8:00 a.m. and 5:00 p.m. Eastern Time, I verified the following documents NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE §25249.7(d)(1) were served on the following party when a true and correct copy thereof was uploaded on the California Attorney General's website, which can be accessed at https://oag.ca.gov/prop65/add-60-day-notice:

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 Oakland, CA 94612-0550

On February 15, 2024, between 8:00 a.m. and 5:00 p.m. Eastern Time, I verified the following documents **NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5** *ET SEQ.*; **CERTIFICATE OF MERIT** were served on the following parties when a true and correct copy thereof was sent via electronic mail to each of the parties listed below:

Pamela Y. Price, District Attorney Alameda County 7677 Oakport Street, Suite 650 Oakland, CA 94621 CEPDProp65@acgov.org

Barbara Yook, District Attorney Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249 Prop65Env@co.calaveras.ca.us Stacey Grassini, Deputy District Attorney Contra Costa County 900 Ward Street Martinez, CA 94553 sgrassini@contracostada.org

James Clinchard, Assistant District Attorney El Dorado County 778 Pacific Street Placerville, CA 95667 EDCDAPROP65@edcda.us Notice of Violation of California Health & Safety Code §25249.5 et seq. February 15, 2024

Page 5

Lisa A. Smittcamp, District Attorney Fresno County 2100 Tulare Street Fresno, CA 93721 consumerprotection@fresnocountyca.gov

Thomas L. Hardy, District Attorney Invo County 168 North Edwards Street Independence, CA 93526 inyoda@inyocounty.us

Devin Chandler, Program Coordinator Lassen County 2950 Riverside Dr Susanville, CA 96130 dchandler@co.lassen.ca.us

Lori E. Frugoli, District Attorney Marin County 3501 Civic Center Drive, Suite 145 San Rafael, CA 94903 consumer@marincounty.org

Walter W. Wall, District Attorney Mariposa County P.O. Box 730 Mariposa, CA 95338 mcda@mariposacounty.org

Kimberly Lewis, District Attorney Merced County 550 West Main St Merced, CA 95340 Prop65@countyofmerced.com

Jeannine M. Pacioni, District Attorney Monterey County 1200 Aguajito Road Monterey, CA 93940 Prop65DA@co.monterey.ca.us

Allison Haley, District Attorney Napa County 1127 First Street, Ste C Napa, CA 94559 CEPD@countyofnapa.org

Clifford H. Newell, District Attorney Nevada County 201 Commercial St Nevada City, CA 95959 DA.Prop65@co.nevada.ca.us

Todd Spitzer, District Attorney **Orange County** 300 N Flower St Santa Ana, CA 92703 Prop65notice@ocdapa.org

Morgan Briggs Gire, District Attorney Placer County 10810 Justice Center Drive Roseville, CA 95678 Prop65@placer.ca.gov

David Hollister, District Attorney Plumas County 520 Main St Quincy, CA 95971 davidhollister@countyofplumas.com

Paul E. Zellerbach, District Attorney Riverside County 3072 Orange Street Riverside, CA 92501 Prop65@rivcoda.org

Anne Marie Schubert, District Attorney Sacramento County 901 G Street Sacramento, CA 95814 Prop65@sacda.org

Summer Stephan, District Attorney San Diego County 330 West Broadway San Diego, CA 92101 SanDiegoDAProp65@sdcda.org

Mark Ankcorn, Deputy City Attorney San Diego City Attorney 1200 Third Avenue San Diego, CA 92101 CityAttyProp65@sandiego.gov

Alexandra Grayner, Assistant District Attorney San Francisco District Attorney's Office 350 Rhode Island Street San Francisco, CA 94103 Alexandra.grayner@sfgov.org

Henry Lifton, Deputy City Attorney San Francisco City Attorney 1390 Market Street, 7th Floor San Francisco, CA 94102 Prop65@sfcityatty.org

Notice of Violation of California Health & Safety Code §25249.5 *et seq.* February 15, 2024 Page 6

Tori Verber Salazar, District Attorney San Joaquin County 222 E. Weber Avenue, Room 202 Stockton, CA 95202 DAConsumer.Environmental@sjcda.org

Eric J. Dobroth, Deputy District Attorney San Luis Obispo County County Government Center Annex, 4th Floor San Luis Obispo, CA 93408 edobroth@co.slo.ca.us

Christopher Dalbey, Deputy District Attorney Santa Barbara County 1112 Santa Barbara Street Santa Barbara, CA 93101 DAProp65@co.santa-barbara.ca.us

Bud Porter, Supervising Deputy District Attorney Santa Clara County 70 W Hedding St San Jose, CA 95110 EPU@da.sccgov.org

Nora V. Frimann, City Attorney Santa Clara City Attorney 200 E. Santa Clara Street, 16th Floor San Jose, CA 96113 Proposition65notices@sanjoseca.gov Jeffrey S. Rosell, District Attorney Santa Cruz County 701 Ocean Street Santa Cruz, CA 95060 Prop65DA@santacruzcounty.us

Jill Ravitch, District Attorney Sonoma County 600 Administration Dr Sonoma, CA 95403 Jeannie.Barnes@sonoma-county.org

Phillip J. Cline, District Attorney Tulare County 221 S Mooney Blvd Visalia, CA 95370 Prop65@co.tulare.ca.us

Gregory D. Totten, District Attorney Ventura County 800 S Victoria Ave Ventura, CA 93009 daspecialops@ventura.org

Jeff W. Reisig, District Attorney Yolo County 301 Second Street Woodland, CA 95695 cfepd@yolocounty.org

On February 15, 2024, between 8:00 a.m. and 5:00 p.m. Eastern Time, I served the following documents: **NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5** *ET SEQ.*; **CERTIFICATE OF MERIT** on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties on the Service List attached hereto, and depositing it at a U.S. Postal Service Office with the postage fully prepaid for delivery by First Class Mail.

Executed on February 15, 2024, in Fort Oglethorpe, Georgia.

Phyllis Dunwoody

Notice of Violation of California Health & Safety Code §25249.5 *et seq.* February 15, 2024 Page 7

Service List

District Attorney, Alpine County P.O. Box 248 Markleeville, CA 96120

District Attorney, Amador County 708 Court Street, Suite 202 Jackson, CA 95642

District Attorney, Butte County 25 County Center Drive, Suite 245

District Attorney, Colusa County 310 6th St Colusa, CA 95932

Oroville, CA 95965

District Attorney, Del Norte County 450 H Street, Room 171 Crescent City, CA 95531

District Attorney, Glenn County Post Office Box 430 Willows, CA 95988

District Attorney, Humboldt County 825 5th Street 4th Floor

Eureka, CA 95501

District Attorney, Imperial

County 940 West Main Street, Ste 102 El Centro, CA 92243

District Attorney, Kern County 1215 Truxtun Avenue Bakersfield, CA 93301

District Attorney, Kings County 1400 West Lacey Boulevard Hanford, CA 93230

District Attorney, Lake County 255 N. Forbes Street Lakeport, CA 95453

District Attorney, Los Angeles County Hall of Justice 211 West Temple St., Ste 1200

Los Angeles, CA 90012

District Attorney, Madera

County 209 West Yosemite Avenue Madera, CA 93637 District Attorney, Mendocino County Post Office Box 1000 Ukiah, CA 95482

District Attorney, Modoc County 204 S Court Street, Room 202 Alturas, CA 96101-4020

District Attorney, Mono County Post Office Box 617 Bridgeport, CA 93517

District Attorney, San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney,San Bernardino County 303 West Third Street San Bernadino, CA 92415

District Attorney, San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063

District Attorney, Shasta County 1355 West Street Redding, CA 96001

District Attorney, Sierra County Post Office Box 457 100 Courthouse Square, 2nd Floor Downieville, CA 95936

District Attorney, Siskiyou County Post Office Box 986 Yreka, CA 96097

District Attorney, Solano County 675 Texas Street, Ste 4500 Fairfield, CA 94533

District Attorney, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95354

District Attorney, Sutter County 463 2nd Street Yuba City, CA 95991

District Attorney, Tehama County Post Office Box 519 Red Bluff, CA 96080 District Attorney, Trinity County Post Office Box 310 Weaverville, CA 96093

District Attorney, Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney, Yuba County 215 Fifth Street, Suite 152 Marysville, CA 95901

Los Angeles City Attorney's Office City Hall East 200 N. Main Street, Suite 800 Los Angeles, CA 90012

APPENDIX A

OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY

The following summary has been prepared by the California Office of Environmental Health Hazard Assessment (OEHHA), the lead agency for the implementation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as "Proposition 65"). A copy of this summary must be included as an attachment to any notice of violation served upon an alleged violator of the Act. The summary provides basic information about the provisions of the law, and is intended to serve only as a convenient source of general information. It is not intended to provide authoritative guidance on the meaning or application of the law. The reader is directed to the statute and OEHHA implementing regulations (see citations below) for further information.

FOR INFORMATION CONCERNING THE BASIS FOR THE ALLEGATIONS IN THE NOTICE RELATED TO YOUR BUSINESS, CONTACT THE PERSON IDENTIFIED ON THE NOTICE.

The text of Proposition 65 (Health and Safety Code Sections 25249.5 through 25249.13) is available online at: http://oehha.ca.gov/prop65/law/P65law72003.html. Regulations that provide more specific guidance on compliance, and that specify procedures to be followed by the State in carrying out certain aspects of the law, are found in Title 27 of the California Code of Regulations, sections 25102 through 27001.¹ These implementing regulations are available online at: http://oehha.ca.gov/prop65/law/P65Regs.html.

WHAT DOES PROPOSITION 65 REQUIRE?

The "Proposition 65 List." Under Proposition 65, the lead agency (OEHHA) publishes a list of chemicals that are known to the State of California to cause cancer and/or reproductive toxicity. Chemicals are placed on the Proposition 65 list if they are known to cause cancer and/or birth defects or other reproductive harm, such as damage to

¹ All further regulatory references are to sections of Title 27 of the California Code of Regulations unless otherwise indicated. The statute, regulations and relevant case law are available on the OEHHA website at: http://www.oehha.ca.gov/prop65/law/index.html.

female or male reproductive systems or to the developing fetus. This list must be updated at least once a year. The current Proposition 65 list of chemicals is available on the OEHHA website at: http://www.oehha.ca.gov/prop65/prop65_list/Newlist.html.

Only those chemicals that are on the list are regulated under Proposition 65. Businesses that produce, use, release or otherwise engage in activities involving listed chemicals must comply with the following:

Clear and reasonable warnings. A business is required to warn a person before "knowingly and intentionally" exposing that person to a listed chemical unless an exemption applies. The warning given must be "clear and reasonable." This means that the warning must: (1) clearly make known that the chemical involved is known to cause cancer, or birth defects or other reproductive harm; and (2) be given in such a way that it will effectively reach the person before he or she is exposed to that chemical. Some exposures are exempt from the warning requirement under certain circumstances discussed below.

Prohibition from discharges into drinking water. A business must not knowingly discharge or release a listed chemical into water or onto land where it passes or probably will pass into a source of drinking water. Some discharges are exempt from this requirement under certain circumstances discussed below.

DOES PROPOSITION 65 PROVIDE ANY EXEMPTIONS?

Yes. You should consult the current version of the statute and regulations (http://www.oehha.ca.gov/prop65/law/index.html) to determine all applicable exemptions, the most common of which are the following:

Grace Period. Proposition 65 warning requirements do not apply until 12 months after the chemical has been listed. The Proposition 65 discharge prohibition does not apply to a discharge or release of a chemical that takes place less than 20 months after the listing of the chemical.

Governmental agencies and public water utilities. All agencies of the federal, state or local government, as well as entities operating public water systems, are exempt.

Businesses with nine or fewer employees. Neither the warning requirement nor the discharge prohibition applies to a business that employs a total of nine or fewer employees. This includes all employees, not just those present in California.

Exposures that pose no significant risk of cancer. For chemicals that are listed under Proposition 65 as known to the State to cause cancer, a warning is not required if the business causing the exposure can demonstrate that the exposure occurs at a level that poses "no significant risk." This means that the exposure is calculated to result in not more than one excess case of cancer in 100,000 individuals exposed over a 70-year lifetime. The Proposition 65 regulations identify specific "No Significant Risk Levels" (NSRLs) for many listed carcinogens. Exposures below these levels are exempt from the warning requirement. See OEHHA's website at:

http://www.oehha.ca.gov/prop65/getNSRLs.html for a list of NSRLs, and Section 25701 *et seq.* of the regulations for information concerning how these levels are calculated.

Exposures that will produce no observable reproductive effect at 1,000 times the level in question. For chemicals known to the State to cause reproductive toxicity, a warning is not required if the business causing the exposure can demonstrate that the exposure will produce no observable effect, even at 1,000 times the level in question. In other words, the level of exposure must be below the "no observable effect level" divided by 1,000. This number is known as the Maximum Allowable Dose Level (MADL). See OEHHA's website at: http://www.oehha.ca.gov/prop65/getNSRLs.html for a list of MADLs, and Section 25801 *et seq.* of the regulations for information concerning how these levels are calculated.

Exposures to Naturally Occurring Chemicals in Food. Certain exposures to chemicals that naturally occur in foods (i.e., that do not result from any known human activity, including activity by someone other than the person causing the exposure) are exempt from the warning requirements of the law. If the chemical is a contaminant² it must be reduced to the lowest level feasible. Regulations explaining this exemption can be found in Section 25501.

Discharges that do not result in a "significant amount" of the listed chemical entering any source of drinking water. The prohibition from discharges into drinking water does not apply if the discharger is able to demonstrate that a "significant amount" of the listed chemical has not, does not, or will not pass into or probably pass into a source of drinking water, and that the discharge complies with all other applicable laws, regulations, permits, requirements, or orders. A "significant amount" means any detectable amount, except an amount that would meet the "no significant risk" level for chemicals that cause cancer or that is 1,000 times below the "no observable effect" level for chemicals that cause reproductive toxicity, if an individual were exposed to that amount in drinking water.

-

² See Section 25501(a)(4).

HOW IS PROPOSITION 65 ENFORCED?

Enforcement is carried out through civil lawsuits. These lawsuits may be brought by the Attorney General, any district attorney, or certain city attorneys. Lawsuits may also be brought by private parties acting in the public interest, but only after providing notice of the alleged violation to the Attorney General, the appropriate district attorney and city attorney, and the business accused of the violation. The notice must provide adequate information to allow the recipient to assess the nature of the alleged violation. The notice must comply with the information and procedural requirements specified in Section 25903 of Title 27 and sections 3100-3103 of Title 11. A private party may not pursue an independent enforcement action under Proposition 65 if one of the governmental officials noted above initiates an enforcement action within sixty days of the notice.

A business found to be in violation of Proposition 65 is subject to civil penalties of up to \$2,500 per day for each violation. In addition, the business may be ordered by a court to stop committing the violation.

A private party may not file an enforcement action based on certain exposures if the alleged violator meets specific conditions. For the following types of exposures, the Act provides an opportunity for the business to correct the alleged violation:

- An exposure to alcoholic beverages that are consumed on the alleged violator's premises to the extent onsite consumption is permitted by law;
- An exposure to a Proposition 65 listed chemical in a food or beverage prepared and sold on the alleged violator's premises that is primarily intended for immediate consumption on- or off-premises. This only applies if the chemical was not intentionally added to the food, and was formed by cooking or similar preparation of food or beverage components necessary to render the food or beverage palatable or to avoid microbiological contamination;
- An exposure to environmental tobacco smoke caused by entry of persons (other than employees) on premises owned or operated by the alleged violator where smoking is permitted at any location on the premises;
- An exposure to listed chemicals in engine exhaust, to the extent the exposure occurs inside a facility owned or operated by the alleged violator and primarily intended for parking non-commercial vehicles.

If a private party alleges that a violation occurred based on one of the exposures described above, the private party must first provide the alleged violator a notice of special compliance procedure and proof of compliance form.

A copy of the notice of special compliance procedure and proof of compliance form is included in Appendix B and can be downloaded from OEHHA's website at: http://oehha.ca.gov/prop65/law/p65law72003.html.

FOR FURTHER INFORMATION ABOUT THE LAW OR REGULATIONS...

Contact the Office of Environmental Health Hazard Assessment's Proposition 65 Implementation Office at (916) 445-6900 or via e-mail at P65Public.Comments@oehha.ca.gov.

Revised: May 2017

NOTE: Authority cited: Section 25249.12, Health and Safety Code. Reference: Sections 25249.5, 25249.6, 25249.7, 25249.9, 25249.10 and 25249.11, Health and Safety Code.



Michael Freund & Associates

1919 Addison Street, Suite 104 Berkeley, CA 94704 Voice: 510.499.1992 • Fax: 510.371.0885

Michael Freund, Esq.

May 6, 2025

SUPPLEMENTAL NOTICE OF VIOLATION OF CALIFORNIA HEALTH & SAFETY CODE SECTION 25249.5 ET SEQ. (PROPOSITION 65)

*** This Supplemental Notice amends the original Notices of Violation AG Number 2024-00582 dated February 8, 2024, and AG Number 2024-00654 dated February 15, 2024, to include Tipp Distributors, Inc., individually and dba Novamex and Nova Naturals Tipp Distributors, L.P., individually and dba Novamex and Nova Naturals and NovaNatural, L.L.C. as the parent companies for C2O Coconut Water, LLC.

Dear Alleged Violators and the Appropriate Public Enforcement Agencies:

I represent Environmental Research Center, Inc. ("ERC"), 3111 Camino Del Rio North, Suite 400, San Diego, CA 92108; Tel. (619) 500-3090. ERC's Executive Director is Chris Heptinstall. ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

ERC has identified violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), which is codified at California Health & Safety Code §25249.5 *et seq.*, with respect to the products identified below. These violations have occurred and continue to occur because the alleged Violators identified below failed to provide required clear and reasonable warnings with these products. This letter serves as a notice of these violations to the alleged Violators and the appropriate public enforcement agencies. Pursuant to Health and Safety Code Section 25249.7(d), ERC intends to file a private enforcement action in the public interest 60 days after effective service of this notice unless the public enforcement agencies have commenced and are diligently prosecuting an action to rectify these violations.

<u>General Information about Proposition 65.</u> A copy of a summary of Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, is enclosed with this letter served to the alleged Violators identified below.

<u>Alleged Violators</u>. The names of the companies covered by this notice that violated Proposition 65 (hereinafter the "Violators") are:

Tipp Distributors, Inc., individually and dba Novamex and Nova Naturals Tipp Distributors, L.P., individually and dba Novamex and Nova Naturals NovaNatural, L.L.C.

<u>Consumer Products and Listed Chemical</u>. The products that are the subject of this notice and the chemical in those products identified as exceeding allowable levels are:

- 1. C2O Coconut Water with Pineapple Lead
- 2. C2O Coconut Water with Pulp Lead
- 3. C2O Coconut Water the Original Flavor Lead
- 4. C2O Coconut Water with Espresso Lead

- 5. C2O Coconut Water with Mango Lead
- 6. C2O Coconut Water with Ginger, Lime, & Turmeric Lead

On February 27, 1987, the State of California officially listed lead as a chemical known to cause developmental toxicity, and male and female reproductive toxicity. On October 1, 1992, the State of California officially listed lead and lead compounds as chemicals known to cause cancer.

It should be noted that ERC may continue to investigate other products that may reveal further violations and result in subsequent notices of violations.

Route of Exposure. The consumer exposures that are the subject of this notice result from the recommended use of these products. Consequently, the route of exposure to this chemical has been and continues to be through ingestion.

Approximate Time Period of Violations. Ongoing violations have occurred every day since at least February 8, 2021, and February 15, 2021*, as well as every day since the products were introduced into the California marketplace and will continue every day until clear and reasonable warnings are provided to product purchasers and users or until this known toxic chemical is either removed from or reduced to allowable levels in the products. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemical. The method of warning should be a warning that appears on the product label. The Violators violated Proposition 65 because they failed to provide persons ingesting these products with appropriate warnings that they are being exposed to this chemical.

Consistent with the public interest goals of Proposition 65 and a desire to have these ongoing violations of California law quickly rectified, ERC is interested in seeking a constructive resolution of this matter that includes an enforceable written agreement by the Violators to: (1) reformulate the identified products so as to eliminate further exposures to the identified chemical, or provide appropriate warnings on the labels of these products; (2) pay an appropriate civil penalty; and (3) provide clear and reasonable warnings compliant with Proposition 65 to all persons located in California who purchased the above products in the last three years. Such a resolution will prevent further unwarned consumer exposures to the identified chemical, as well as expensive and time-consuming litigation.

ERC's Executive Director is Chris Heptinstall, and is located at 3111 Camino Del Rio North, Suite 400, San Diego, CA 92108; Tel. 619-500-3090. ERC has retained me as legal counsel in connection with this matter. Please direct all communications regarding this Notice of Violation to my attention at the law office address and telephone number indicated on the letterhead or at freund1@aol.com.

*These dates reference the original violation dates in the Notices of Violation dated February 8, 2024, and February 15, 2024, respectively, directed against C2O Coconut Water, LLC.

Sincerely,

Michael Freund

Attachments

Certificate of Merit

Certificate of Service

OEHHA Summary (to Tipp Distributors, Inc., individually and dba Novamex and Nova Naturals; Tipp Distributors, L.P., individually and dba Novamex and Nova Naturals; and NovaNatural, L.L.C. and their Registered Agents for Service of Process only)

Additional Supporting Information for Certificate of Merit (to AG only)

CERTIFICATE OF MERIT

Health and Safety Code Section 25249.7 (d)

Environmental Research Center, Inc.'s Notice of Proposition 65 Violations by Tipp Distributors, Inc., individually and dba Novamex and Nova Naturals; Tipp Distributors, L.P., individually and dba Novamex and Nova Naturals; and NovaNatural, L.L.C.

I, Michael Freund, declare:

- 1. This Certificate of Merit accompanies the attached sixty-day notice(s) in which it is alleged the parties identified in the notices have violated Health and Safety Code section 25249.6 by failing to provide clear and reasonable warnings.
 - 2. I am the attorney for the noticing party, Environmental Research Center.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the alleged exposure to the listed chemical that is the subject of the action.
- 1. Based on the information obtained through those consultations, and on all other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiffs' case can be established and the information did not prove that the alleged violators will be able to establish any of the affirmative defenses set forth in the statute.
- 2. The copy of this Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health and Safety Code section 25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Michel Freund Dated: May 6, 2025 Michael Freund

CERTIFICATE OF SERVICE PURSUANT TO 27 CCR § 25903

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States and over the age of 18 years of age. My business address is 306 Joy Street, Fort Oglethorpe, Georgia 30742. I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail at Fort Oglethorpe, Georgia.

On May 6, 2025, between 8:00 a.m. and 5:00 p.m. Eastern Time, I served the following documents: **NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE §25249.5** *ET SEQ.*; **CERTIFICATE OF MERIT; "THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY"** on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties listed below and depositing it in a U.S. Postal Service Office with the postage fully prepaid for delivery by Certified Mail:

Luis Fernandez, Chief Executive Officer or Current President or CEO Tipp Distributors, Inc., individually and dba Novamex and Nova Naturals; Tipp Distributors, L.P., individually and dba Novamex and Nova Naturals; and NovaNatural, L.L.C. 500 W Overland Ave, Ste 300 El Paso, TX 79901

Luis Fernandez, Chief Executive Officer or Current President or CEO
Tipp Distributors, Inc., individually and dba
Novamex and Nova Naturals; Tipp Distributors, L.P., individually and dba Novamex and Nova Naturals; and NovaNatural, L.L.C.
4000 Cover St, Ste 110
Long Beach, CA 90808

Ricardo Figueroa (Registered Agent for Tipp Distributors, L.P., individually and dba Novamex and Nova Naturals) 12000 Slauson Avenue, Ste 5 Santa Fe Springs, CA 90670 Capitol Services, Inc. (Registered Agent for NovaNatural, L.L.C.) 108 Lakeland Ave Dover, DE 19901

Capitol Corporate Services, Inc. (Registered Agent for NovaNatural, L.L.C.) 1501 S MoPac Expy, Ste 220 Austin, TX 78746

Current President or CEO Tipp Distributors, L.P., individually and dba Novamex and Nova Naturals 1477 Lomaland Dr, Ste 7 El Paso, TX 79935

Patrick R. Gordon (Registered Agent for Tipp Distributors, Inc., individually and dba Novamex and Nova Naturals and Tipp Distributors, L.P., individually and dba Novamex and Nova Naturals) 4695 N. Mesa, Ste 100 El Paso, TX 79912

On May 6, 2025, between 8:00 a.m. and 5:00 p.m. Eastern Time, I verified the following documents **NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5** *ET SEQ.*; **CERTIFICATE OF MERIT; ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE §25249.7(d)(1)** were served on the following party when a true and correct copy thereof was uploaded on the California Attorney General's website, which can be accessed at https://oag.ca.gov/prop65/add-60-day-notice:

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 Oakland, CA 94612-0550 Notice of Violation of California Health & Safety Code §25249.5 *et seq.* May 6, 2025 Page 5

On May 6, 2025, between 8:00 a.m. and 5:00 p.m. Eastern Time, I verified the following documents **NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5** *ET SEQ.*; **CERTIFICATE OF MERIT** were served on the following parties when a true and correct copy thereof was sent via electronic mail to each of the parties listed below:

Royl Roberts, Interim District Attorney Alameda County 7677 Oakport Street, Suite 650 Oakland, CA 94621 CEPDProp65@acgov.org

Barbara Yook, District Attorney Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249 Prop65Env@co.calaveras.ca.us

Stacey Grassini, Deputy District Attorney Contra Costa County 900 Ward Street Martinez, CA 94553 sgrassini@contracostada.org

James Clinchard, Assistant District Attorney El Dorado County 778 Pacific Street Placerville, CA 95667 EDCDAPROP65@edcda.us

Lisa A. Smittcamp, District Attorney Fresno County 2100 Tulare Street Fresno, CA 93721 consumerprotection@fresnocountyca.gov

Thomas L. Hardy, District Attorney Inyo County 168 North Edwards Street Independence, CA 93526 inyoda@inyocounty.us

Devin Chandler, Program Coordinator Lassen County 2950 Riverside Dr Susanville, CA 96130 dchandler@co.lassen.ca.us

Lori E. Frugoli, District Attorney Marin County 3501 Civic Center Drive, Suite 145 San Rafael, CA 94903 consumer@marincounty.org Walter W. Wall, District Attorney Mariposa County P.O. Box 730 Mariposa, CA 95338 mcda@mariposacounty.org

Kimberly Lewis, District Attorney Merced County 550 West Main St Merced, CA 95340 Prop65@countyofmerced.com

Jeannine M. Pacioni, District Attorney Monterey County 1200 Aguajito Road Monterey, CA 93940 Prop65DA@co.monterey.ca.us

Allison Haley, District Attorney Napa County 1127 First Street, Ste C Napa, CA 94559 CEPD@countyofnapa.org

Clifford H. Newell, District Attorney Nevada County 201 Commercial St Nevada City, CA 95959 DA.Prop65@co.nevada.ca.us

Todd Spitzer, District Attorney Orange County 300 N Flower St Santa Ana, CA 92703 Prop65notice@ocdapa.org

Morgan Briggs Gire, District Attorney Placer County 10810 Justice Center Drive Roseville, CA 95678 Prop65@placer.ca.gov

David Hollister, District Attorney Plumas County 520 Main St Quincy, CA 95971 davidhollister@countyofplumas.com Notice of Violation of California Health & Safety Code §25249.5 et seq. May 6, 2025

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Paul E. Zellerbach, District Attorney Riverside County 3072 Orange Street Riverside, CA 92501 Prop65@rivcoda.org

Anne Marie Schubert, District Attorney Sacramento County 901 G Street Sacramento, CA 95814 Prop65@sacda.org

Summer Stephan, District Attorney San Diego County 330 West Broadway San Diego, CA 92101 SanDiegoDAProp65@sdcda.org

Mark Ankcorn, Deputy City Attorney San Diego City Attorney 1200 Third Avenue San Diego, CA 92101 CityAttyProp65@sandiego.gov

Alexandra Grayner, Assistant District Attorney San Francisco District Attorney's Office 350 Rhode Island Street San Francisco, CA 94103 Alexandra.grayner@sfgov.org

Henry Lifton, Deputy City Attorney San Francisco City Attorney 1390 Market Street, 7th Floor San Francisco, CA 94102 Prop65@sfcityatty.org

Tori Verber Salazar, District Attorney San Joaquin County 222 E. Weber Avenue, Room 202 Stockton, CA 95202 DAConsumer.Environmental@sjcda.org

Eric J. Dobroth, Deputy District Attorney San Luis Obispo County County Government Center Annex, 4th Floor San Luis Obispo, CA 93408 edobroth@co.slo.ca.us Christopher Dalbey, Deputy District Attorney Santa Barbara County 1112 Santa Barbara Street Santa Barbara, CA 93101 DAProp65@co.santa-barbara.ca.us

Bud Porter, Supervising Deputy District Attorney Santa Clara County 70 W Hedding St San Jose, CA 95110 EPU@da.sccgov.org

Nora V. Frimann, City Attorney Santa Clara City Attorney 200 E. Santa Clara Street, 16th Floor San Jose, CA 96113 Proposition65notices@sanjoseca.gov

Jeffrey S. Rosell, District Attorney Santa Cruz County 701 Ocean Street Santa Cruz, CA 95060 Prop65DA@santacruzcounty.us

Carla Rodriguez, District Attorney Sonoma County 600 Administration Dr, Rm 212 Santa Rosa CA 95403 ECLD@sonoma-county.org

Phillip J. Cline, District Attorney Tulare County 221 S Mooney Blvd Visalia, CA 95370 Prop65@co.tulare.ca.us

Gregory D. Totten, District Attorney Ventura County 800 S Victoria Ave Ventura, CA 93009 daspecialops@ventura.org

Jeff W. Reisig, District Attorney Yolo County 301 Second Street Woodland, CA 95695 cfepd@yolocounty.org Notice of Violation of California Health & Safety Code §25249.5 *et seq.* May 6, 2025 Page 7

On May 6, 2025, between 8:00 a.m. and 5:00 p.m. Eastern Time, I served the following documents: **NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5** *ET SEQ.*; **CERTIFICATE OF MERIT** on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties on the Service List attached hereto, and depositing it at a U.S. Postal Service Office with the postage fully prepaid for delivery by First Class Mail.

Executed on May 6, 2025, in Fort Oglethorpe, Georgia.

Phylis Dunwoody

Notice of Violation of California Health & Safety Code §25249.5 *et seq.* May 6, 2025

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Service List

District Attorney, Alpine County P.O. Box 248 17300 Hwy 89 Markleeville, CA 96120

District Attorney, Amador County 708 Court Street, Suite 202 Jackson, CA 95642

District Attorney, Butte County 25 County Center Drive, Suite 245

Oroville, CA 95965

District Attorney, Colusa County 310 6th St Colusa, CA 95932

District Attorney, Del Norte County 450 H Street, Room 171 Crescent City, CA 95531

District Attorney, Glenn County Post Office Box 430 Willows, CA 95988

District Attorney, Humboldt County 825 5th Street 4th Floor Eureka, CA 95501

District Attorney, Imperial County 940 West Main Street, Ste 102

El Centro, CA 92243

District Attorney, Kern County 1215 Truxtun Avenue Bakersfield, CA 93301

District Attorney, Kings County

1400 West Lacey Boulevard Hanford, CA 93230

District Attorney, Lake County 255 N. Forbes Street Lakeport, CA 95453

District Attorney, Los Angeles County Hall of Justice

211 West Temple St., Ste 1200 Los Angeles, CA 90012

District Attorney, Madera County 300 South G Street, Ste 300 Madera, CA 93637 District Attorney, Mendocino County Post Office Box 1000 Ukiah, CA 95482

District Attorney, Modoc County 204 S Court Street, Room 202 Alturas, CA 96101-4020

District Attorney, Mono County Post Office Box 617 Bridgeport, CA 93517

District Attorney, San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney,San Bernardino County 303 West Third Street San Bernadino, CA 92415

District Attorney, San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063

District Attorney, Shasta County 1355 West Street Redding, CA 96001

District Attorney, Sierra County Post Office Box 457 100 Courthouse Square, 2nd Floor Downieville, CA 95936

District Attorney, Siskiyou County Post Office Box 986 Yreka, CA 96097

District Attorney, Solano County 675 Texas Street, Ste 4500 Fairfield, CA 94533

District Attorney, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95354

District Attorney, Sutter County 463 2nd Street Yuba City, CA 95991

District Attorney, Tehama County Post Office Box 519 Red Bluff, CA 96080 District Attorney, Trinity County Post Office Box 310 Weaverville, CA 96093

District Attorney, Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney, Yuba County 215 Fifth Street, Suite 152 Marysville, CA 95901

Los Angeles City Attorney's Office City Hall East 200 N. Main Street, Suite 800 Los Angeles, CA 90012

APPENDIX A

OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY

The following summary has been prepared by the California Office of Environmental Health Hazard Assessment (OEHHA), the lead agency for the implementation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as "Proposition 65"). A copy of this summary must be included as an attachment to any notice of violation served upon an alleged violator of the Act. The summary provides basic information about the provisions of the law, and is intended to serve only as a convenient source of general information. It is not intended to provide authoritative guidance on the meaning or application of the law. The reader is directed to the statute and OEHHA implementing regulations (see citations below) for further information.

FOR INFORMATION CONCERNING THE BASIS FOR THE ALLEGATIONS IN THE NOTICE RELATED TO YOUR BUSINESS, CONTACT THE PERSON IDENTIFIED ON THE NOTICE.

The text of Proposition 65 (Health and Safety Code Sections 25249.5 through 25249.13) is available online at: http://oehha.ca.gov/prop65/law/P65law72003.html. Regulations that provide more specific guidance on compliance, and that specify procedures to be followed by the State in carrying out certain aspects of the law, are found in Title 27 of the California Code of Regulations, sections 25102 through 27001.¹ These implementing regulations are available online at: http://oehha.ca.gov/prop65/law/P65Regs.html.

WHAT DOES PROPOSITION 65 REQUIRE?

The "Proposition 65 List." Under Proposition 65, the lead agency (OEHHA) publishes a list of chemicals that are known to the State of California to cause cancer and/or reproductive toxicity. Chemicals are placed on the Proposition 65 list if they are known to cause cancer and/or birth defects or other reproductive harm, such as damage to

¹ All further regulatory references are to sections of Title 27 of the California Code of Regulations unless otherwise indicated. The statute, regulations and relevant case law are available on the OEHHA website at: http://www.oehha.ca.gov/prop65/law/index.html.

female or male reproductive systems or to the developing fetus. This list must be updated at least once a year. The current Proposition 65 list of chemicals is available on the OEHHA website at: http://www.oehha.ca.gov/prop65/prop65_list/Newlist.html.

Only those chemicals that are on the list are regulated under Proposition 65. Businesses that produce, use, release or otherwise engage in activities involving listed chemicals must comply with the following:

Clear and reasonable warnings. A business is required to warn a person before "knowingly and intentionally" exposing that person to a listed chemical unless an exemption applies. The warning given must be "clear and reasonable." This means that the warning must: (1) clearly make known that the chemical involved is known to cause cancer, or birth defects or other reproductive harm; and (2) be given in such a way that it will effectively reach the person before he or she is exposed to that chemical. Some exposures are exempt from the warning requirement under certain circumstances discussed below.

Prohibition from discharges into drinking water. A business must not knowingly discharge or release a listed chemical into water or onto land where it passes or probably will pass into a source of drinking water. Some discharges are exempt from this requirement under certain circumstances discussed below.

DOES PROPOSITION 65 PROVIDE ANY EXEMPTIONS?

Yes. You should consult the current version of the statute and regulations (http://www.oehha.ca.gov/prop65/law/index.html) to determine all applicable exemptions, the most common of which are the following:

Grace Period. Proposition 65 warning requirements do not apply until 12 months after the chemical has been listed. The Proposition 65 discharge prohibition does not apply to a discharge or release of a chemical that takes place less than 20 months after the listing of the chemical.

Governmental agencies and public water utilities. All agencies of the federal, state or local government, as well as entities operating public water systems, are exempt.

Businesses with nine or fewer employees. Neither the warning requirement nor the discharge prohibition applies to a business that employs a total of nine or fewer employees. This includes all employees, not just those present in California.

Exposures that pose no significant risk of cancer. For chemicals that are listed under Proposition 65 as known to the State to cause cancer, a warning is not required if the business causing the exposure can demonstrate that the exposure occurs at a level that poses "no significant risk." This means that the exposure is calculated to result in not more than one excess case of cancer in 100,000 individuals exposed over a 70-year lifetime. The Proposition 65 regulations identify specific "No Significant Risk Levels" (NSRLs) for many listed carcinogens. Exposures below these levels are exempt from the warning requirement. See OEHHA's website at:

http://www.oehha.ca.gov/prop65/getNSRLs.html for a list of NSRLs, and Section 25701 *et seq.* of the regulations for information concerning how these levels are calculated.

Exposures that will produce no observable reproductive effect at 1,000 times the level in question. For chemicals known to the State to cause reproductive toxicity, a warning is not required if the business causing the exposure can demonstrate that the exposure will produce no observable effect, even at 1,000 times the level in question. In other words, the level of exposure must be below the "no observable effect level" divided by 1,000. This number is known as the Maximum Allowable Dose Level (MADL). See OEHHA's website at: http://www.oehha.ca.gov/prop65/getNSRLs.html for a list of MADLs, and Section 25801 *et seq.* of the regulations for information concerning how these levels are calculated.

Exposures to Naturally Occurring Chemicals in Food. Certain exposures to chemicals that naturally occur in foods (i.e., that do not result from any known human activity, including activity by someone other than the person causing the exposure) are exempt from the warning requirements of the law. If the chemical is a contaminant² it must be reduced to the lowest level feasible. Regulations explaining this exemption can be found in Section 25501.

Discharges that do not result in a "significant amount" of the listed chemical entering any source of drinking water. The prohibition from discharges into drinking water does not apply if the discharger is able to demonstrate that a "significant amount" of the listed chemical has not, does not, or will not pass into or probably pass into a source of drinking water, and that the discharge complies with all other applicable laws, regulations, permits, requirements, or orders. A "significant amount" means any detectable amount, except an amount that would meet the "no significant risk" level for chemicals that cause cancer or that is 1,000 times below the "no observable effect" level for chemicals that cause reproductive toxicity, if an individual were exposed to that amount in drinking water.

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² See Section 25501(a)(4).

HOW IS PROPOSITION 65 ENFORCED?

Enforcement is carried out through civil lawsuits. These lawsuits may be brought by the Attorney General, any district attorney, or certain city attorneys. Lawsuits may also be brought by private parties acting in the public interest, but only after providing notice of the alleged violation to the Attorney General, the appropriate district attorney and city attorney, and the business accused of the violation. The notice must provide adequate information to allow the recipient to assess the nature of the alleged violation. The notice must comply with the information and procedural requirements specified in Section 25903 of Title 27 and sections 3100-3103 of Title 11. A private party may not pursue an independent enforcement action under Proposition 65 if one of the governmental officials noted above initiates an enforcement action within sixty days of the notice.

A business found to be in violation of Proposition 65 is subject to civil penalties of up to \$2,500 per day for each violation. In addition, the business may be ordered by a court to stop committing the violation.

A private party may not file an enforcement action based on certain exposures if the alleged violator meets specific conditions. For the following types of exposures, the Act provides an opportunity for the business to correct the alleged violation:

- An exposure to alcoholic beverages that are consumed on the alleged violator's premises to the extent onsite consumption is permitted by law;
- An exposure to a Proposition 65 listed chemical in a food or beverage prepared and sold on the alleged violator's premises that is primarily intended for immediate consumption on- or off-premises. This only applies if the chemical was not intentionally added to the food, and was formed by cooking or similar preparation of food or beverage components necessary to render the food or beverage palatable or to avoid microbiological contamination;
- An exposure to environmental tobacco smoke caused by entry of persons (other than employees) on premises owned or operated by the alleged violator where smoking is permitted at any location on the premises;
- An exposure to listed chemicals in engine exhaust, to the extent the exposure occurs inside a facility owned or operated by the alleged violator and primarily intended for parking non-commercial vehicles.

If a private party alleges that a violation occurred based on one of the exposures described above, the private party must first provide the alleged violator a notice of special compliance procedure and proof of compliance form.

A copy of the notice of special compliance procedure and proof of compliance form is included in Appendix B and can be downloaded from OEHHA's website at: http://oehha.ca.gov/prop65/law/p65law72003.html.

FOR FURTHER INFORMATION ABOUT THE LAW OR REGULATIONS...

Contact the Office of Environmental Health Hazard Assessment's Proposition 65 Implementation Office at (916) 445-6900 or via e-mail at P65Public.Comments@oehha.ca.gov.

Revised: May 2017

NOTE: Authority cited: Section 25249.12, Health and Safety Code. Reference: Sections 25249.5, 25249.6, 25249.7, 25249.9, 25249.10 and 25249.11, Health and Safety Code.