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[Fee Exempt Per Gov. Code § 6103]

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11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **COUNTY OF LOS ANGELES**

13 **THE PEOPLE FOR THE STATE OF**
14 **CALIFORNIA,**
15 **Plaintiff,**
16 **v.**
17 **WESTERN VALLEY MEAT COMPANY,**
18 **Defendant.**

Case No.
**STIPULATION FOR ENTRY OF FINAL
JUDGMENT AND PERMANENT
INJUNCTION**

1 Plaintiff, the People of the State of California (“People” or “Plaintiff”), through its attorney
2 Rob Bonta, Attorney General of the State of California, Senior Assistant Attorney General Paula
3 Blizzard, Supervising Deputy Attorney General Michael Jorgenson, and Deputy Attorneys General
4 Paul Chander, Quyen Toland, Divya Rao, and Pamela Pham, acting on behalf of the People of the
5 State California; and Defendant Western Valley Meat Company, a California corporation (“Defendant”
6 or “WVM”), appearing through its attorneys David Kesselman and Abiel Garcia of Kesselman Brantly
7 Stockinger LLP, hereby stipulate as follows:

8 1. On April 26, 2024, Cargill Meat Solutions Corporation’s (“Cargill”) and WVM entered
9 into a certain Asset Purchase Agreement (“APA”) pursuant to which WVM will purchase substantially
10 all of the assets used in the operation of the Fresno facility currently owned by Cargill (the
11 “Acquisition”). Such APA also provides for West Valley Investments LLC to purchase the real
12 property at which the Fresno facility is located and lease-back to Cargill a portion of the premises that
13 the parties refer to as the Foodservice Grind Facility.

14 2. On August 21, 2024, the People of the State of California filed a complaint (the
15 “Complaint”), against Defendant WVM. In the Complaint, the People allege that WVM’s acquisition
16 of Cargill’s slaughter facility in Fresno, CA, could (i) raise potential anticompetitive concerns (ii)
17 result in unfair competition and (iii) constitute an unlawful business practice, within the meaning of
18 California Business and Professions Code § 17200 (collectively, the “Claim”).

19 3. Defendant denies the allegations in the Complaint, disputes the Claim, and does not
20 admit any liability to the People or otherwise arising out of or in connection with the allegations in the
21 Complaint.

22 4. The Plaintiff and Defendant (collectively, “the Parties”) intend to resolve the Claim
23 without the need for litigation through the entry of a Stipulation and Final Judgment among the
24 Plaintiff and Defendant concerning the proposed Acquisition that establish certain conditions to ensure
25 the operation of the facility as well as the retention of certain employees.

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1 5. Nothing in this Stipulation and Final Judgment shall constitute an admission of any fact
2 or law by any Party, including as to any factual or legal assertion set forth in the Complaint, except for
3 the purpose of enforcing the terms or conditions set forth herein.

4 6. The Final Judgment and Permanent Injunction (“Judgment”), a true and correct copy of
5 which is attached as **Exhibit 1**, may be entered by any judge of the Los Angeles County Superior
6 Court.

7 7. The Plaintiff may submit the Judgment to any judge of the superior court for approval
8 and signature, based on this stipulation, during the court’s ex parte calendar or on any other ex parte
9 basis, without notice to or any appearance by Defendant, which notice and right to appear the
10 Defendant hereby waives.

11 8. Plaintiff and Defendant hereby waive their right to move for a new trial or otherwise
12 seek to set aside the Judgment through any collateral attack, and further waive their right to appeal
13 from the Judgment, except that Plaintiff and Defendant each agree that this Court shall retain
14 jurisdiction for the purposes specific in paragraph 13 of the Judgment.

15 9. The Parties have stipulated and consented to the entry of the Judgment without the
16 taking of proof and without trial or adjudication of any fact or law herein.

17 10. Defendant will accept service of any Notice of Entry of Judgment entered in this action
18 by delivery of such notice to its counsel of record, and agree that service of the Notice of Entry of
19 Judgment will be deemed personal service upon it for all purposes.

20 11. The individuals signing below represent that they have been authorized by the parties
21 they represent to sign this Stipulation.

22 12. This Stipulation may be executed in counterparts, and the Parties agree that a facsimile
23 or scanned PDF signature shall be deemed to be, and shall have the full force and effect as, an original
24 signature.

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ROB BONTA
Attorney General of
State of California
PAULA BLIZZARD
Senior Assistant Attorney General
MICHAEL W. JORGENSEN
Supervising Deputy Attorney General

DATED: 8/21/2024

By: 
PAUL CHANDER
QUYEN D. TOLAND
DIVYA B. RAO
PAMELA PHAM
Deputy Attorneys General
Attorneys for Plaintiff

COUNSEL FOR DEFENDANT
WESTERN VALLEY
MEAT COMPANY

DATED: 08/21/24

By: 
David W. Kesselman, Esq.
Abiel Garcia, Esq.
Attorneys for Western Valley Meat
Company

DEFENDANT WESTERN VALLEY
MEAT COMPANY

DATED: 8/20/24

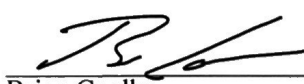
By: 
Brian Coelho
President
Western Valley Meat Company

Exhibit 1

1 ROB BONTA
Attorney General of California
2 PAULA BLIZZARD (SBN 207920)
Senior Assistant Attorney General
3 MICHAEL W. JORGENSEN (SBN 201145)
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11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **COUNTY OF LOS ANGELES**

13
14 **THE PEOPLE FOR THE STATE OF CALIFORNIA,**

15 Plaintiff,

16 v.

17 **WESTERN VALLEY MEAT COMPANY,**

18 Defendant.

Case No.

Assigned for All Purposes to the Hon.

[PROPOSED] FINAL JUDGMENT AND PERMANENT INJUNCTION

Case Filed:

Trial Date: Not Set

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22 Plaintiff, the People of the State of California (“People” or “Plaintiff”), through its attorney Rob
23 Bonta, Attorney General of the State of California, Senior Assistant Attorney General Paula Blizzard,
24 Supervising Deputy Attorney General Michael Jorgenson, and Deputy Attorneys General Paul
25 Chander, Quyen Toland, Divya Rao, and Pamela Pham, acting on behalf of the People of the State
26 California; and Defendant Western Valley Meat Company, a California corporation (“Defendant” or
27 “WVM”), appearing through its attorneys David Kesselman and Abiel Garcia of Kesselman Brantly
28 Stockinger LLP, having stipulated and consented to the entry of this Final Judgment and Permanent

1 Injunction (“Judgment”) without the taking of proof and without trial or adjudication of any or law,
2 without this Judgment constituting evidence of or an admission by Defendant regarding any issue of
3 law or fact alleged in the Complaint on file, and without Defendant admitting any liability, and with all
4 parties having waived their right to appeal, and the Court having considered the matter and good cause
5 appearing:

6 IT IS HEREBY ADJUDGED, ORDERED, AND DECREED as follows:

7 **I. JURISDICTION AND VENUE**

8 1. This court has jurisdiction over the allegations and subject matter of the Complaint filed
9 in this action and the Parties to this action; venue is proper in this county; and the court has jurisdiction
10 to enter this Judgment as stipulated here as follows.

11 **II. DEFINITIONS**

12 2. Terms that are defined in this Judgment are defined for purposes of this Judgment only
13 and are not applicable for any other purpose. Whenever the terms set forth below are used in this
14 Judgment, the following definitions shall apply:

- 15 a. “Business Day” means a calendar day that does not fall on a Saturday, Sunday, or
16 federal or California holiday. In computing any period of time under this Judgment,
17 where the last Day would fall on a Saturday, Sunday, or federal or California holiday,
18 the period shall run until the close of business of the next Business Day;
- 19 b. “California” means the People of the State of California, acting by and through the
20 California Attorney General;
- 21 c. “California Attorney General” or “CAG” means the California Attorney General's
22 Office and any of its successor departments or agencies;
- 23 d. “Complaint” means the complaint filed by California in this action;
- 24 e. “Judgment” means this judgment;
- 25 f. “Day” means a calendar day, unless expressly stated to be a Business Day;
- 26 g. “Fresno Facility” means the slaughter facility located in Fresno, California that was
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1 previously owned by Cargill Meat Solutions.

2 **III. INJUNCTIVE RELIEF REGARDING OPERATION OF THE FRESNO FACILITY**

3 3. Subject to the exceptions set forth below, WVM will agree to operate the Fresno
4 Facility (other than the Foodservice Grind Facility that is run by Cargill) in the ordinary course of
5 business for one calendar year after the closing of the transaction contemplated by the APA
6 (“Operations Term”).

7 4. Exceptions to such requirement expressed in Paragraph 3 are as follows:

- 8 a. Sale of substantially all of the assets of WVM to a third party on arm’s length basis
9 terms; or
- 10 b. A sale of controlling interest of the equity of WVM to a third party on arm’s length
11 basis term; or
- 12 c. Results of operations that, when measured on a calendar month basis, demonstrate
13 retained earnings or the value of WVM’s assets that are less than the level required by
14 California Corporations Code section 500 to make distributions to shareholders; or
- 15 d. Loss of a customer(s) that provides more than an aggregate of ten percent (10%) of the
16 gross revenue of WVM that is not replaced within thirty (30) days; or
- 17 e. WVM becoming insolvent or filing/having filed against it a bankruptcy case,
18 assignment for benefit of creditors, receivership or similar remedy; or
- 19 f. Force majeure type events (e.g., government agency orders or requests to shut down the
20 facility, shutdowns due to a product recall, pandemic or epidemic, earthquake damages
21 facility, etc.); or
- 22 g. Any government agency order or request other than those set forth in subsection (f)
23 above.

24 5. To the extent that during the Operating Term WVM intends to operate the Fresno
25 Facility (other than the Foodservice Grind Facility) outside of the ordinary course of business due to
26 the occurrence of one or more of the exceptions listed in Paragraph 4, WVM will provide written
27 notice to the CAG (“Notice of Deviation”). Such Notice of Deviation shall identify which of the
28 exceptions in Paragraph 4 have occurred and the proposed deviation from operations in the ordinary

1 course of business. Such Notice of Deviation shall be accompanied by reasonable supporting
2 documentation that the CAG shall treat as confidential, proprietary trade secret information of WVM
3 as if it had been obtained pursuant to Cal. Govt. Code § 11180 et seq. WVM shall make itself available
4 for discussion with the CAG and will provide it with additional items of information that are
5 reasonably requested; such discussions and information also will be treated as confidential, proprietary
6 trade secret information of WVM as if it had been obtained pursuant to Cal. Govt. Code § 11180 et seq.

7 6. WVM shall be permitted to deviate from operations in the ordinary course of business
8 in the manner(s) set forth in the Notice of Deviation in the event that (i) WVM does not receive written
9 notice of objection from the CAG within seven (7) Days after the CAG’s receipt of the Notice of
10 Deviation if the exception is one that is set forth in Paragraph 4, subsections (a), (b), (c), (d), or (e); or
11 (ii) WVM does not receive written notice of objection from the CAG within (1) Business Day after
12 CAG’s receipt of the Notice of Deviation if the exception is one that is set forth in Paragraph 4,
13 subsection (f); or (iii) WVM does not receive written notice of objection from the CAG within five (5)
14 Business Days after the CAG’s receipt of the Notice of Deviation if the exception is one that it set forth
15 in Paragraph 4, subsection (g); or (iv) WVM receives written notice (email acceptable) from the CAG
16 approving the proposed deviation from operations in the ordinary course of business.

17 7. In the event that the CAG timely provides written notice of objection, it and WVM shall
18 attempt reasonably and in good faith to consensually resolve such objection for forty-five (45) Days
19 thereafter. That period may be extended by mutual written agreement of the parties. If the parties are
20 unable to consensually resolve such objection within such time period, either party may petition this
21 Court on an ex parte basis to make a ruling on whether or not WVM shall be permitted to deviate from
22 operations in the ordinary course of business in the manner set forth in the Notice of Deviation. This
23 Court shall consider all appropriate legal and equitable principles that are applicable. Any such ruling
24 shall be binding on the CAG and WVM.

25 8. Finally, the CAG and WVM recognize that business and market conditions can change
26 and, at any time during the Operating Term, WVM can request that the CAG permit the operation of
27 the Fresno Facility (other than the Foodservice Grind Facility) outside of the ordinary course of
28 business during the Operations Term. Such deviation shall be permitted with the prior written consent

1 of the CAG (email acceptable).

2 **IV. INJUNCTIVE RELIEF REGARDING EMPLOYEE RETENTION**

3 9. Subject to the exceptions set forth below, notwithstanding anything set forth in Section
4 6.3(b) of the APA, WVM will offer employment for one calendar year after the closing of the
5 transaction contemplated by the APA (“Employment Term”) to those current Cargill employees that
6 WVM previously indicated to Cargill that it planned to hire (“Employees”). Such employment shall be
7 on terms no less favorable than those provided to comparable employees of Central Valley Meat Co.,
8 Inc. In addition, WVM will fully perform the covenant set forth in Section 6.3(a) of the APA with
9 respect to maintenance of base salaries for such Employees.

10 10. Exceptions to such requirement expressed in Paragraph 9 are as follows:

- 11 a. Deviation from operations in the ordinary course of business of the Fresno Facility that
- 12 are permitted by this Judgment; or
- 13 b. Termination for “cause” (as defined below); or
- 14 c. Failure to meet the requirements for lawful employment within the State of California;
- 15 or
- 16 d. Voluntary reassignment or relocation of an Employee to an affiliate of WVM (provided,
- 17 that, the applicable Employee will be provided with written notice of his/her right not to
- 18 be reassigned or relocated).

19 11. Solely for purposes hereof, “cause” shall mean:

- 20 a. As set forth in R.J. Cardinal Co. v. Ritchie (1963) 218 Cal.App.2d 124, 144-145; or
- 21 b. Misconduct that (i) violates an essential condition of employment; (ii) breaches the trust
- 22 inherent in the employment relationship; and/or (iii) is materially inconsistent with the
- 23 employer’s reasonable expectations of the employee’s performance.

24 12. Finally, the CAG and WVM recognize that business and market conditions can change
25 and, at any time during the Employment Term, WVM can request that the CAG permit WVM to not
26 fully comply with the obligations set forth in Paragraph 9. Such change in compliance shall be
27 permitted with the prior written consent of the CAG (email acceptable).

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1 **V. MISCELLANEOUS PROVISIONS**

2 13. The Court shall retain jurisdiction of this Judgment and the Parties hereto for the
3 purpose of enforcing, modifying, and/or terminating this Judgment and for the purpose of granting
4 such additional relief as may be necessary and appropriate. This Judgment is binding upon all Parties
5 hereto. The injunctive provisions of this Judgment shall apply to WVM, as well as its subsidiaries,
6 successors, and assigns of its assets or employees, or to any entity controlling the assets as a result of a
7 reorganization of WVM.

8 14. The Judgment is enforceable only by the Parties. No person or entity is intended to be a
9 third-party beneficiary of the provisions of the Judgment for purposes of any civil, criminal, or
10 administrative action, and accordingly, no person or entity may assert any claim or right as a
11 beneficiary or protected class under the Judgment. WVM denies the allegations in the Complaint.
12 Nothing in this Judgment or the Complaint is intended to be used by third parties to create liability by
13 or against WVM or any of their officials, agents, employees or affiliates under any federal, state, or
14 municipal law.

15 15. Unless stated otherwise in this Judgment, if either Party disagrees with any aspect of the
16 implementation or enforcement of this Judgment, that Party will engage in good faith informal
17 consultation with the other party to attempt to resolve the disagreement. If the disagreement persists,
18 within 10 Days of notification of the disagreement, the Parties will meet and confer on the
19 disagreement at a mutually agreeable time. If necessary, after the meet and confer, any party may
20 petition the Court on an ex parte basis thereafter to resolve the dispute. This Court shall consider all
21 appropriate legal and equitable principles that are applicable.

22 16. All notices relative to this Agreement shall be given in writing and shall be sent by
23 email and first class, certified mail, or by overnight delivery service to the following. Any party may
24 update its designee or address by sending written notice to the other party informing them of the
25 change.

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1 a. For the People of the State of California:

2 Deputy Attorney General Paul Chander
3 Antitrust Section
4 Office of the Attorney General
5 300 South Spring Street, Suite 1702
6 Los Angeles, California 90013
7 Paul.Chander@doj.ca.gov
8 Paula.Blizzard@doj.ca.gov
9 Michael.Jorgenson@doj.ca.gov
10 Divya.Rao@doj.ca.gov
11 Pamela.Pham@doj.ca.gov
12 Quyen.Toland@doj.ca.gov

13 b. For Defendant:

14 Brian Coelho
15 Western Valley Meat Company, Inc.
16 10431 8 3/4 Avenue
17 Hanford, CA 93230
18 legalnotices@westernvalley meat.com

19 With a copy (which shall not constitute notice) to:

20 Abiel Garcia
21 David Kesselman
22 Kesselman Brantly Stockinger
23 1230 Rosecrans Avenue, Suite 400
24 Manhattan Beach, CA 90266
25 agarcia@kbslaw.com
26 dkesselman@kbslaw.com

27 Andrew Apfelberg
28 Greenberg Glusker
29 2049 Century Park East, 26th Floor
30 Los Angeles, CA 90067
31 AApfelberg@ggfirm.com

32 c. Any additional or different notice recipients that the Parties may agree to in writing.

33 17. WVM and the CAG may jointly stipulate to make changes, modifications, and
34 amendments to this Judgment. Such changes, modifications, and amendments to this Judgment will be
35 encouraged when the Parties agree that provisions of this Judgment as drafted is not furthering the
36 purpose of this Judgment or that there is a preferable alternative that will achieve the same purpose.
37 The Parties may jointly move for an approval of any proposed changes, modifications, and/or
38 amendments, which will become effective upon approval by the Court. No change, modification, or
39 amendment to the Judgment will have any force or effect if not set forth in writing, signed by all the

1 Parties to the Judgment, and approved by the Court.

2 18. The Clerk is ordered to enter this Judgment forthwith.

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5 Dated and entered this day of _____, 2024,

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LOS ANGELES SUPERIOR COURT JUDGE

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