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LOS ANGELES
SUPERIOR COURT

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 10 ex rel. Edmund G. Brown Jr., Attorney General of the
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11 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

12 FOR THE COUNTY OF LOS ANGELES

13
 14 PEOPLE OF THE STATE OF CALIFORNIA, ex rel.
 15 EDMUND G. BROWN JR., Attorney General of the
 State of California,

16 Plaintiff,

17 v.

18 FRITO-LAY, INC., PEPSICO, INC., H.J. HEINZ,
 19 COMPANY, KETTLE FOODS, INC., KFC
 CORPORATION, LANCE, INC., THE PROCTER &
 20 GAMBLE DISTRIBUTING COMPANY, THE
 PROCTER & GAMBLE MANUFACTURING
 21 COMPANY, WENDY'S INTERNATIONAL, INC.,
 22 MCDONALD'S CORPORATION, BURGER KING
 CORPORATION and DOES 1 through 100,

23 Defendants.

Case No.: BC 338956

CONSENT JUDGMENT AS TO
DEFENDANT WENDY'S
INTERNATIONAL, INC.

Dept: 307

Judge: Hon. Wendell Mortimer, Jr.

Trial Date: November 6, 2007

Action Filed: August 26, 2005

24
25 1. INTRODUCTION

26 1.1. On August 26, 2005, the People of the State of California ("People"), filed a complaint
 27 for civil penalties and injunctive relief for violations of Proposition 65 and unlawful business
 28 practices in the Superior Court for the County of Los Angeles. The People's Complaint alleges

1 that the Defendants failed to provide clear and reasonable warnings that ingestion of the Covered
2 Products (as defined in Paragraph 2.1), would result in exposure to acrylamide, a chemical known
3 to the State of California to cause cancer. The Complaint further alleges that under the Safe
4 Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6, also
5 known as "Proposition 65," businesses must provide persons with a "clear and reasonable warning"
6 before exposing individuals to these chemicals, and that the Defendants failed to do so. The
7 Complaint also alleges that these acts constitute unlawful acts in violation of the Unfair
8 Competition Law, pursuant to Business and Professions Code sections 17200 *et seq.*

9 1.2. Wendy's International, Inc. ("Wendy's"), the "Settling Defendant" is among the
10 defendants named in the complaint.

11 1.3. The Settling Defendant is a corporation that employs more than 10 persons, or
12 employed ten or more persons at some time relevant to the allegations of the complaint, and which
13 manufactures, distributes and/or sells Covered Products in the State of California or has done so in
14 the past.

15 1.4. For purposes of this Consent Judgment only, the parties stipulate that this Court has
16 jurisdiction over the allegations of violations contained in the People's Complaint and personal
17 jurisdiction over Settling Defendant as to the acts alleged in the People's Complaint, that venue is
18 proper in the County of Los Angeles, and that this Court has jurisdiction to enter this Consent
19 Judgment as a full and final resolution of all claims which were or could have been raised in the
20 Complaint based on the facts alleged therein.

21 1.5 The People and Settling Defendant enter into this Consent Judgment as a full and final
22 settlement of all claims that were raised in the Complaint (except as specified in Paragraph 7.1),
23 arising out of the facts or conduct alleged therein. By execution of this Consent Judgment and
24 agreeing to provide the relief and remedies specified herein, Settling Defendant does not admit any
25 violations of Proposition 65 or Business and Professions Code sections 17200 *et seq.*, or any other
26 law or legal duty. Except as expressly set forth herein, nothing in this Consent Judgment shall
27 prejudice, waive or impair any right, remedy, or defense the Attorney General and Settling
28 Defendant may have in any other or in future legal proceedings unrelated to these proceedings.

1 However, this paragraph shall not diminish or otherwise affect the obligations, responsibilities, and
2 duties of the parties under this Consent Judgment.

3 **2. INJUNCTIVE RELIEF; CLEAR AND REASONABLE WARNINGS**

4 2.1. Settling Defendant shall provide warnings in the manner required by this Consent
5 Judgment for all Covered Products sold at its restaurants located in the State of California.

6 "Covered Products" means all potato products containing acrylamide, including fried or baked
7 potato products, sold in restaurants owned and operated by Settling Defendant ("Company
8 Restaurants") or restaurants owned and operated by third parties pursuant to franchise or license
9 agreements with Settling Defendant ("Franchise Restaurants"), whether commonly called french
10 fries, curly fries, or potato wedges.

11 2.2 Warning message. The warning message provided, under any of the permitted warning
12 methods, shall be any one of the following:

13 a.

14 **WARNING:**

15 Chemicals known to the State of California to cause cancer, or birth defects or other
16 reproductive harm may be present in foods or beverages sold or served here.

17 Cooked potatoes that have been browned, such as french fries, baked potatoes, hash
18 browns, and potato chips, contain acrylamide, a chemical known to the State of
19 California to cause cancer.

20 This chemical is not added to our foods, but is created when certain foods are browned.

21 Other foods sold here, such as hamburger buns, biscuits, artisan breads, frescuits,
22 and coffee also contain acrylamide, but generally in lower concentrations than fried
23 potatoes. Your personal cancer risk is affected by a wide variety of factors. The
24 FDA has not advised people to stop eating baked or fried potatoes. For more
25 information see www.fda.gov.

26 b.

27 **WARNING**

28 Cooked potatoes that have been browned, such as french fries, baked potatoes, hash
browns, and potato chips, contain acrylamide, a chemical known to the State of
California to cause cancer.

This chemical is not added to our foods, but is created when certain foods are
browned.

1 Your personal cancer risk is affected by a wide variety of factors.

2 The FDA has not advised people to stop eating baked or fried potatoes. For more
3 information see www.fda.gov.

4
5 c.

6 WARNING:

7 Chemicals known to cause cancer, or birth defects or other reproductive harm may
8 be present in foods or beverages sold or served here.

9 Cooked potatoes that have been browned, such as french fries, baked potatoes, hash
10 browns, and potato chips, contain acrylamide, a chemical known to the State of
11 California to cause cancer.

12 This chemical is not added to our foods, but is created when certain foods are
13 browned.

14 Your personal cancer risk is affected by a wide variety of factors.

15 The FDA has not advised people to stop eating baked or fried potatoes. For more
16 information see www.fda.gov.

17 d. Wherever any warning language in this Consent Judgment uses the phrase
18 "chemical known to the State of California to cause cancer," Settling Defendant, at its
19 option, may use either the phrase "chemical known to cause cancer" or chemical that causes
20 cancer."

21 2.3. Warning Method. The warning shall be provided through any of the three methods set
22 forth in paragraphs 2.3.1, 2.3.2, or 2.3.3. Whichever warning method is used, any sign must be:

23 (a) located at or on the counter where food is purchased, on a wall either adjacent
24 and parallel to or clearly visible to consumers standing at the counter where food is purchased; or

25 (b) located or at any other place that is reasonably likely to be seen and read by
26 customers entering the restaurant to order food;

27 (c) not located at any of the following locations: On an entrance or exit door, on a
28 window, on a restroom door, in a restroom, in a hallway that leads only to restrooms, on a refuse
container.

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- (b) It must contain the text set forth in Paragraph 2.2.
 - (c) If it contains warnings about acrylamide in fried potatoes only, then the text shall be at least 12 points in size. If it contains warnings about other foods, the text may be smaller than 12 points in size but must be equal for each warning, and may be no smaller than necessary to be readable.
 - (d) If Settling Defendant chooses to provide additional Proposition 65 warnings not required by this Consent Judgment in the brochure, such additional warnings may not be on the same page or more prominent than the required acrylamide warning without the prior approval of the Attorney General.

10 2.3.3. Combination with Nutrition Information: If Settling Defendant provides "nutrition
11 facts", i.e., information concerning the nutritional contents of the foods served in its restaurants, the
12 warning may be provided within that sign or poster and accompanying materials, if all of the
13 following requirements are satisfied:

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- (a) The sign or poster indicates that it describes the nutritional content of foods served in the restaurant either by a title or heading using words such as "nutrition facts", "nutrition information," or similar heading or title.
 - (b) The Proposition 65 warning is clearly visible to anyone reading the sign or poster. It will be set off by a distinctive border, and the word "Warning" shall be in print no smaller than other sectional headings in the sign or poster.
 - (c) If the specific nutritional information about individual products is provided on the sign itself, then the section 2.2 Proposition 65 warning shall be provided on the sign unless there also is a brochure with specific nutritional information, in which event, the Settling Defendant has the option to place the section 2.3.2.2 warning on the sign or poster and a section 2.2 warning in the brochure, provided, however, that if the Settling Defendant elects to place the section 2.2 warning on the poster, if the brochure includes specific nutritional information, the brochure also must include the section 2.2

1 warning. If the specific nutritional information about individual products is
2 only provided in a brochure, then the section 2.2 Proposition 65 warning set
3 forth above may be provided in the brochure only.

4 (d) Subject to subsection (c) above, the section 2.2 warning may be provided in
5 the brochure if (1) the brochure indicates that it describes the nutritional
6 content of foods served in the restaurant either by a title or heading using
7 words such as "nutrition facts", "nutrition information," or similar heading
8 or title; and (2) the Proposition 65 warning is set forth in type of at least the
9 same size and visibility as the nutritional information.

10 2.4 Settling Defendant may, but are not required to, submit signs and/or brochures for a
11 determination that it satisfies the requirements of this Consent Judgment. The sign
12 attached as Exhibit A to this Consent Judgment is deemed to satisfy the terms of this
13 Judgment regarding the content and appearance of warnings. No sign shall be
14 deemed to comply with this Consent Judgment unless it has been submitted to and
15 approved by the Attorney General.

16 2.5 Periodic Modification of Warning Message

17 2.5.1. The warning message may be modified, with the approval of the Attorney General,
18 to include other foods or beverages.

19 2.6 Implementation of Warning

20 2.6.1. Settling Defendant shall provide its own stores and all franchisees with sufficient
21 supply of signs, and, if that method of warning is selected, brochures, to meet the requirements of
22 this Consent Judgment.

23 2.6.2. Company Restaurants. Within 60 days of entry of this Consent Judgment, Settling
24 Defendant shall send a letter, in substantially the form and content set forth in Exhibit B, to its
25 Company Restaurants within the State of California, directing them to post the warning in the
26 manner described above. In addition, Settling Defendant shall include inspection for compliance
27 with these requirements in its existing inspection programs. Settling Defendant currently maintains
28 inspection, reporting and follow up programs that result in inspection of each of its Company

1 Restaurants in California at least every 6 months. Where inspection shows that a Company
2 Restaurant has not complied, Settling Defendant shall take all reasonably available steps to assure
3 compliance within 75 days.

4 2.6.3. Franchise Restaurants. Within 60 days of entry of this Consent Judgment, Settling
5 Defendant shall send a letter, in substantially the form and content set forth in Exhibit C, to its
6 Franchise Restaurants within the State of California, instructing them to post the warning in the
7 manner described above. This letter shall state that the franchisee is released from liability for past
8 violations and it is in compliance with future requirements with respect to sale of the Covered
9 Products only if the franchisee complies with the warning requirements. In addition, Settling
10 Defendant shall include inspection for compliance with these requirements in its existing
11 inspection, reporting and follow-up programs.

12 2.7. Nothing in this Consent Judgment requires that warnings be given for Covered
13 Products sold outside the State of California.

14 3. PAYMENTS

15 3.1.(a) Settling Defendant shall pay the following total amount of \$342,000, within thirty
16 days of entry of this Consent Judgment, as follows:

- 17 1. \$116,000 in civil penalties pursuant to Health and Safety Code section
18 25249.7(b).
- 19 2. \$93,000 in civil penalties pursuant to Business and Professions Code section
20 17206.
- 21 3. \$133,000 to be used by the Attorney General for the enforcement of Proposition
22 65, as further set forth in Paragraph 3.1.(b).

23 (b) Funds paid pursuant to paragraphs (a)(3) shall be placed in an interest-bearing Special
24 Deposit Fund established by the Attorney General. These funds, including any interest, shall be
25 used by the Attorney General, until all funds are exhausted, for the costs and expenses associated
26 with the enforcement and implementation of the Safe Drinking Water and Toxic Enforcement Act
27 of 1986 ("Proposition 65"), including investigations, enforcement actions, other litigation or
28 activities as determined by the Attorney General to be reasonably necessary to carry out his duties

1 and authority under Proposition 65. Such funding may be used for the costs of the Attorney
2 General's investigation, filing fees and other court costs, payment to expert witnesses and
3 technical consultants, purchase of equipment, travel, purchase of written materials, laboratory
4 testing, sample collection, or any other cost associated with the Attorney General's duties or
5 authority under Proposition 65. Funding placed in the Special Deposit Fund pursuant to this
6 paragraph, and any interest derived therefrom, shall solely and exclusively augment the budget of
7 the Attorney General's Office and in no manner shall supplant or cause any reduction of any
8 portion of the Attorney General's budget.

9 3.2. Each payment required by this consent judgment shall be made through the delivery of
10 separate checks payable to "California Department of Justice," to the attention of Edward G. Weil,
11 Supervising Deputy Attorney General, Department of Justice, 1515 Clay Street, 20th Floor,
12 Oakland, CA, 94612.

13 4. MODIFICATION OF CONSENT JUDGMENT

14 4.1. This Consent Judgment may be modified by written agreement of the Attorney
15 General and Settling Defendant, after noticed motion, and upon entry of a modified consent
16 judgment by the court thereon, or upon motion of the Attorney General or Settling Defendant as
17 provided by law and upon entry of a modified consent judgment by the court. Before filing an
18 application with the court for a modification to this Consent Judgment, Settling Defendant may
19 meet and confer with the Attorney General to determine whether the Attorney General will consent
20 to the proposed modification. If a proposed modification is agreed, then Settling Defendant and
21 the Attorney General will present the modification to the court by means of a stipulated
22 modification to the Consent Judgment.

23 4.2 If the Attorney General subsequently agrees in a settlement or judicially entered
24 injunction or consent judgment that the Covered Products (as sold by other companies) do not
25 require a warning under Proposition 65 (based on the presence of acrylamide), or that imposes an
26 injunctive relief warning for Covered Products different from that imposed under this Consent
27 Judgment; or if a court of competent jurisdiction renders a final judgment, and the judgment
28 becomes final, in a case brought by the Attorney General, that Covered Products do not require a

1 warning under Proposition 65, or otherwise imposes an injunctive relief warning different from that
2 imposed by this Consent Judgment, then Settling Defendant shall be entitled to seek to modify this
3 Consent Judgment to eliminate or modify the injunctive relief set forth in Paragraph 2, consistent
4 with the Attorney General's agreement or with the court judgment as described herein. Settling
5 Defendant shall not be entitled to and may not seek a modification of the judgment simply because
6 a court orders another company to use any "safe harbor" warning methods set out in California
7 Code of Regulations, title 22, section 12601, subdivision (b).

8 4.3 If a court of competent jurisdiction renders a final judgment, and the judgment
9 become final, in a case brought by the Attorney General or against the State of California, that
10 federal law precludes the Settling Defendant from providing the warnings set forth in this Consent
11 Judgment, Settling Defendant may seek to modify this Consent Judgment to bring the injunctive
12 relief imposed herein into compliance with federal law.

13 4.4 If an agency of the federal government, including, but not limited to the U.S. Food
14 and Drug Administration, states through any communication, regulation, or legally binding act, that
15 federal law precludes the Settling Defendant from providing all of the warnings set forth in this
16 Consent Judgment or the manner in which the warnings are given, Settling Defendant may seek to
17 modify this Consent Judgment to bring the warnings into compliance with federal law, but the
18 modification shall not be granted unless this Court concludes, in a final judgment or order, that
19 federal law precludes the Settling Defendant from providing the warnings set forth in this Consent
20 Judgment. A determination that the provision of some, but not all, forms of warning described in
21 section 2 above (e.g., warnings in conjunction with provision of nutritional information) is not
22 permitted shall not relieve Settling Defendant of the duty to provide one of the other warnings
23 described under this judgment for which such determination has not been made.

24 4.5 If Proposition 65 or its implementing regulations are changed from their terms as
25 they exist on the date of entry of judgment, the parties may seek modifications in the Consent
26 Judgment as follows:

1 a. If the change establishes that warnings for acrylamide in the Covered Products are not
2 required, Settling Defendant may seek a modification of this Consent Judgment to relieve it of the
3 duty to warn.

4 b. If the change establishes that the warnings provided by this Consent Judgment would not
5 comply with the law, either party may seek a modification of the Consent Judgment to conform the
6 judgment to the change in law.

7 c. If the change would provide a new form or manner of an optional or safe-harbor
8 warning, a Settling Defendant may seek a modification to provide a warning in the newly permitted
9 form, but the modification shall not be granted unless the court finds that the new warning would
10 not be materially less informative or likely to be seen, read, and understood than the warnings
11 provided under this Consent Judgment.

12 4.6 If a Settling Defendant corresponds in writing to an agency or branch of the United
13 States Government in connection with the application of Proposition 65 to Acrylamide in fried or
14 baked potato products, then, so long as such correspondence is not confidential and would be
15 retrievable by the Attorney General under the Freedom of Information Act, Settling Defendant
16 originating such communication shall provide the Attorney General with a copy of such
17 communication as soon as practicable, but not more than 10 days after sending or receiving the
18 correspondence; provided, however, that this section shall not apply to correspondence to or from
19 trade associations or other groups of which Settling Defendant is a member.

20 **5. ENFORCEMENT**

21 5.1. The People may, by motion or application for an order to show cause before this
22 Court, enforce the terms and conditions contained in this Consent Judgment. In any such
23 proceeding, the People may seek whatever fines, costs, penalties, or remedies are provided by law
24 for failure to comply with the Consent Judgment and where said violations of this Consent
25 Judgment constitute subsequent violations of Proposition 65 or other laws independent of the
26 Consent Judgment and/or those alleged in the Complaint, the People are not limited to enforcement
27 of the Consent Judgment, but may seek in another action, whatever fines, costs, penalties, or
28 remedies are provided for by law for failure to comply with Proposition 65 or other laws. In any

1 action brought by the People alleging subsequent violations of Proposition 65 or other laws,
2 Settling Defendant may assert any and all defenses that are available.

3 **6. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT**

4 6.1. Each signatory to this Consent Judgment certifies that he or she is fully authorized by
5 the party he or she represents to stipulate to this Consent Judgment and to enter into and execute
6 the Consent Judgment on behalf of the party represented and legally to bind that party.

7 **7. CLAIMS COVERED**

8 7.1. This Consent Judgment is a full, final, and binding resolution between the People and
9 Settling Defendant, of any violation of Proposition 65, Business & Professions Code sections
10 17200 *et seq.*, or any other statutory or common law claims that have been or could have been
11 asserted in the complaint against Settling Defendant for failure to provide clear and reasonable
12 warnings of exposure to acrylamide from the use of the Covered Products, or any other claim based
13 on the facts or conduct alleged in the Complaint, whether based on actions committed by Settling
14 Defendant or by any entity to whom it distributes or sells Covered Products, and for any franchisee
15 who sells or has sold Covered Products in the State of California, if that franchisee complies with
16 Paragraph 2.6.3. As to Covered Products, compliance with the terms of this Consent Judgment
17 resolves any issue now, in the past, and in the future concerning compliance by Settling Defendant,
18 their parents, shareholders, divisions, subdivisions, subsidiaries, sister companies, affiliates,
19 franchisees, cooperative members, and licensees; their distributors, wholesalers, and retailers who
20 sell Covered Products; and the predecessors, successors, and assigns of any of them; with the
21 requirements of Proposition 65.

22 **8. RETENTION OF JURISDICTION**

23 8.1. This Court shall retain jurisdiction of this matter to implement the Consent Judgment.

24 **9. PROVISION OF NOTICE**

25 9.1. When any party is entitled to receive any notice under this Consent Judgment, the
26 notice shall be sent by overnight courier service to the person and address set forth in this
27 Paragraph. Any party may modify the person and address to whom the notice is to be sent by
28 sending each other party notice by certified mail, return receipt requested. Said change shall take

1 effect for any notice mailed at least five days after the date the return receipt is signed by the party
2 receiving the change.

3 9.2. Notices shall be sent to the following when required:

4 For the Attorney General:

5 Edward G. Weil, Supervising Deputy Attorney General
6 1515 Clay St., 20th Flr.
7 Oakland, CA 94612
8 Telephone: (510) 622-2149
9 Facsimile: (510) 622-2270

10 9.3 Notices for the Settling Defendant shall be sent to:

11 For Wendy's:

12 Michele Corash
13 Robin Stafford
14 Morrison & Foerster
15 425 Market Street
16 San Francisco, CA 94105-2482
17 Telephone: 415 268-7124
18 Facsimile: 415 268-7522

19 **10. COURT APPROVAL**

20 10.1. This Consent Judgment shall be submitted to the Court for entry by noticed motion.
21 If this Consent Judgment is not approved by the Court, it shall be of no force or effect and may not
22 be used by the Attorney General or Settling Defendant for any purpose.

23 **11. ENTIRE AGREEMENT**

24 11.1 This Consent Judgment contains the sole and entire agreement and understanding of
25 the Parties with respect to the entire subject matter hereof, and any and all prior discussions,
26 negotiations, commitments and understandings related hereto. No representations, oral or
27 otherwise, express or implied, other than those contained herein have been made by any party
28 hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed
to exist or to bind any of the parties.

12. EXECUTION IN COUNTERPARTS

1 12.1. The stipulations to this Consent Judgment may be executed in counterparts and by
2 means of facsimile, which taken together shall be deemed to constitute one document.

3 IT IS SO STIPULATED:

4 Dated:

5 EDMUND G. BROWN JR.
6 Attorney General
7 TOM GREENE
8 Chief Assistant Attorney General
9 THEODORA BERGER
10 Assistant Attorney General
11 EDWARD G. WEIL
12 Supervising Deputy Attorney General
13 LAURA ZUCKERMAN
14 Deputy Attorney General

11 By: _____

12 Edward G. Weil
13 Deputy Attorney General
14 For Plaintiffs People of the State of California

15 Dated:

JULY 30, 2007

16 MORRISON & FOERSTER
17 Michele Corash
18 Robin Stafford
19 Brooks Beard

18 By: *Brooks Beard*

19 Brooks Beard
20 Attorney for Defendant Wendy's

20 Dated:

21 By: _____

22 for Defendant Wendy's

23 IT IS SO ORDERED, ADJUDGED, AND DECREED:

24 _____
25 Hon. Wendell Mortimer, Jr.
26 Judge of the Superior Court
27
28

1 12.1. The stipulations to this Consent Judgment may be executed in counterparts and by
2 means of facsimile, which taken together shall be deemed to constitute one document.

3 IT IS SO STIPULATED:

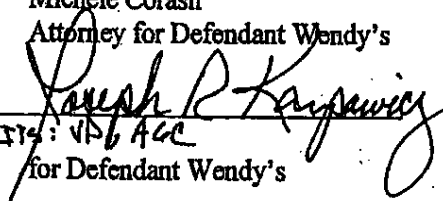
4 Dated: EDMUND G. BROWN JR.
5 Attorney General
6 TOM GREENE
7 Chief Assistant Attorney General
8 THEODORA BERGER
9 Assistant Attorney General
10 EDWARD G. WEIL
11 Supervising Deputy Attorney General
12 LAURA ZUCKERMAN
13 Deputy Attorney General

14 By: _____
15 Edward G. Weil
16 Deputy Attorney General
17 For Plaintiffs People of the State of California

18 Dated: MORRISON & FOERSTER
19 Michele Corash
20 Robin Stafford
21 Brooks Beard

22 By: _____
23 Michele Corash
24 Attorney for Defendant Wendy's

25 Dated: 7/17/07

26 By: 
27 J.R. Kazanewicz
28 for Defendant Wendy's

IT IS SO ORDERED, ADJUDGED, AND DECREED:

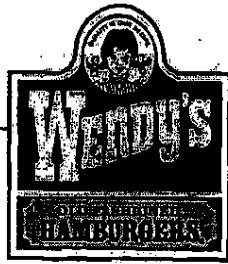
SEP 10 2007

WENDELL R. MORTIMER, JR

Hon. Wendell Mortimer, Jr.
Judge of the Superior Court

EXHIBIT A

EXHIBIT B



Wendy's International, Inc. has entered into a consent judgment with the Attorney General for the State of California regarding a lawsuit against Wendy's concerning the formation of acrylamide in potato products.

Under the terms of this consent judgment, **all company restaurants in California are required to post the enclosed nutritional poster. Immediately replace the existing nutritional poster with the updated version enclosed.** Discard existing posters after removing.

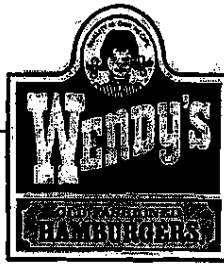
Guidelines for posting nutritional poster:

- The poster must be located at or on the counter where food is purchased, on a wall either adjacent and parallel to or clearly visible to consumers standing at the counter where food is purchased or at any other place reasonably likely to be seen and read by customers entering the restaurant to order food.
- The poster may not be located at any of the following locations: On an entrance or exit door, on a window, on a restroom door, in a restroom, in a hallway that leads only to restrooms, on a refuse container.

Your compliance is mandatory and will be checked as part of the QSC evaluations.

If you need a new poster or have questions, contact your DM immediately.

EXHIBIT C



ATTENTION REQUIRED: THIS COMMUNICATION APPLIES TO RESTAURANTS LOCATED IN CALIFORNIA ONLY.

Wendy's International, Inc. has entered into a consent judgment with the Attorney General for the State of California. To benefit from the terms of this consent judgment, all company-owned and franchised outlets are required to post the enclosed nutrition poster. Please immediately replace the existing nutrition poster with this poster. The poster must be located as follows:

- The poster must be located at or on the counter where food is purchased, on a wall either adjacent and parallel to or clearly visible to consumers standing at the counter where food is purchased or at any other place reasonably likely to be seen and read by customers entering the restaurant to order food.
- The poster may not be located at any of the following locations: On an entrance or exit door, on a window, on a restroom door, in a restroom, in a hallway that leads only to restrooms, on a refuse container.

If you cannot comply with this instruction due to lack of a suitable location for the poster, contact your Franchise Area Director to discuss alternatives.

Your compliance with this instruction is mandatory if you are to benefit from the protections in the consent judgment and will be checked as part of the QSC evaluations. If you need a new poster, or have any questions please contact your Franchise Area Director immediately.

IMPORTANT: ALTHOUGH YOU WERE NOT SUED BY THE ATTORNEY GENERAL, WENDY'S INTERNATIONAL, INC. HAS OBTAINED A CONDITIONAL RELEASE ON YOUR BEHALF. FOR THAT RELEASE TO BE EFFECTIVE, YOU MUST COMPLY WITH THE TERMS OF THIS COMMUNICATION. IF YOU DO NOT, YOU RISK BEING SUED BY THE CALIFORNIA ATTORNEY GENERAL OR BY PRIVATE PARTIES IN CALIFORNIA ACTING IN HIS STEAD.