George Rikos, Esq. (SBN 204864) 1 LAW OFFICES OF GEORGE RIKOS 2 555 West Beech Street, Suite 500 San Diego, CA 92101 NOV 04 2020 Telephone: (858) 342-9161 3 Facsimile: (858) 724-1453 4 george@georgerikoslaw.com By: B. Orihuela, Deputy 5 Attorneys for Plaintiff BRAD VAN PATTEN 6 ARNOLD & PORTER KAYE SCHOLER LLP 7 Trenton H. Norris (SBN 164781) Three Embarcadero Center, 10th Floor 8 San Francisco, CA 94111 Telephone: (415) 471-3100 9 Facsimile: (415) 471-3400 trent.norris.@arnoldporter.com 10 Vanessa C. Adriance (SBN 247464) 777 South Figueroa St., 44th Floor 11 Los Angeles, CA 90017 Telephone: (213) 243-4000 12 Facsimile: (213) 243.4199 vanessa.adriance@arnoldporter.com 13 14 Attorneys for Defendant THE PASTENE COMPANIES, LTD. 15 SUPERIOR COURT OF THE STATE OF CALIFORNIA 16 COUNTY OF SAN DIEGO 17 18 Case No.: 37-2020-00027206-CU-MC-CTL 19 BRAD VAN PATTEN, an individual [PROPOSED] CONSENT JUDGMENT 20 Plaintiff, AS TO DEFENDANT THE PASTENE COMPANIES, LTD. 21 V. Violation of Proposition 65, the Safe 22 Drinking Water and Toxic Enforcement Act THE PASTENE COMPANIES, LTD., a of 1986 (Health & Safety Code, § 25249.5, Massachusetts corporation; and DOES 1 through 10, 23 inclusive et seq.) 24 Action Filed: August 4, 2020 Defendants. Trial Date: None Set 25 26 27 28

[PROPOSED] CONSENT JUDGMENT AS TO DEFENDANT THE PASTENE COMPANIES, LTD.

Plaintiff Brad Van Patten ("Van Patten") and Defendant The Pastene Companies, Ltd. ("Pastene") enter into this Proposed Stipulated Consent Judgment ("Consent Judgment") to settle Van Patten's allegations in his Complaint brought under Cal. Health & Safety Code §§ 25249.5 et seq. ("Proposition 65"). The effective date of this Consent Judgment shall be the date upon which the Court approves and enters this Consent Judgment (the "Effective Date"). Van Patten and Pastene are collectively referred to herein as the "Parties" and individually as a "Party."

#### 1. INTRODUCTION

- 1.1 Van Patten is an individual residing in the State of California who seeks to promote awareness of exposure to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products.
- 1.2 Pastene is a Massachusetts corporation with its principal place of business at 330 Turnpike Street, Suite 100, Canton, Massachusetts. Van Patten alleges that Pastene is a person in the course of doing business as that term is defined in Proposition 65, which Pastene does not dispute for the sole purpose of this Consent Judgment and the resolution of the subject claims.
- 1.3 Van Patten alleges that Pastene has been responsible for the distribution and/or sale, in the State of California, of pitted ripe olives (the "Covered Products") that expose users of the Covered Products to acrylamide without first providing "clear and reasonable warning" as required under Proposition 65. Acrylamide is listed as a carcinogen and a reproductive toxicant pursuant to Proposition 65. Pastene denies Van Patten's claims and maintains that the Covered Products comply with Proposition 65 and all applicable laws. The Covered Products include pitted ripe olives sold in different forms of packaging, including but not limited to cans and jars, as well as pitted ripe olives in various forms, including but limited to whole, sliced, and chopped.
- 1.4 On or about April 17, 2020, Van Patten served Pastene and various public enforcement agencies with a document entitled "60-Day Notice of Violation" that provided public enforcers and the noticed entities with notice of alleged violations of Proposition 65 for failing to warn consumers of the presence of acrylamide in the Covered Products (the "Notice"). On August 4, 2020, Van Patten filed the complaint in this action, naming Pastene as defendant.

1.5 The Parties enter into this Consent Judgment to settle disputed claims and defenses in this action.

- conclusions of law, including, but not limited to, any facts or conclusions of law regarding any violation of Proposition 65, or any other statutory, regulatory, common law, or equitable doctrine. Nothing in this Consent Judgment shall be construed as an admission by the Parties of any fact, conclusion of law, issue of law, or violation of law, except with respect to an action seeking to enforce the terms of this Consent Judgment. Nothing in this Consent Judgment, nor compliance with its terms, shall constitute or be construed, considered, offered, or admitted as evidence of an admission or evidence of fault, wrongdoing, or liability by Pastene, its officers, directors, employees, members, managers, shareholders, equity owners, parents, subsidiaries or affiliated corporations, in any administrative or judicial proceeding or litigation in any court, agency, or forum. Except for the allegations settled and compromised, nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy, argument, or defense that Van Patten or Pastene may have against one another in any other pending legal proceeding as to allegations unrelated to this action or claims released herein.
- 1.7 For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction over Pastene as to the acts alleged in the Complaint, that venue is proper in the County of San Diego, and that this Court has jurisdiction to enter and enforce this Consent Judgment.

# 2. RELEASE

2.1 This Consent Judgment is a full, final, and binding resolution between Van Patten, on behalf of himself and his past and current agents, representatives, attorneys, successors, and assignees (collectively, the "Releasors"), and on behalf of the public interest, and (a) Pastene, and each of its directors, officers, employees, attorneys, agents, parents, and subsidiaries, and each entity to whom Pastene directly or indirectly distributes or sells Covered Products, including, but not limited, to downstream distributors, wholesalers, customers, and retailers; (b) all distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees of the entities

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identified in (a), above; and (c) all past and current owners, parents, subsidiaries, affiliates, sister and related companies, employees, shareholders, officers, directors, insurers, agents, attorneys, predecessors, successors, and assigns of the entities and individuals identified in (a) and (b), above (collectively, the "Releasees"), based on its failure to warn about alleged exposures to acrylamide contained in the Covered Product that were manufactured, distributed, sold, or offered for sale to a California customer before the Effective Date.

- Van Patten, on behalf of himself and Releasors, and in the public interest, waives all 2.2 rights to institute or participate in, directly or indirectly, any form of legal action, and discharges and releases all claims, actions, causes of action (in law or in equity), suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, expenses and fees (including, but not limited to, investigation fees, expert fees, and attorney's fees), and expenses (collectively, "Claims"), for alleged violations of Proposition 65 alleged in the Notice and the Action from the failure to provide warnings for alleged exposures to acrylamide, or for causing alleged exposures to acrylamide, in Covered Products manufactured before the Effective Date. Compliance by Pastene with Section 3 of this Consent Judgment shall be deemed to constitute compliance by Pastene and any Releasee with Proposition 65 with respect to any acrylamide in the Covered Products manufactured on or after the Effective Date. Van Patten, on behalf of himself and Releasors, also releases and discharges Releasees from any other statutory or common law claim arising from or relating to alleged exposures to acrylamide in the Covered Products.
- Pastene, on behalf of itself and Releasees, hereby waives any and all claims against Releasors for any and all actions taken or statements made by Van Patten or Releasors in the course of investigating claims or otherwise seeking to enforce Proposition 65 against Pastene in this action.
- 2.4 It is possible that other claims not known to the Parties arising out of the facts alleged in the Notice and relating to the Covered Products will develop or be discovered. Van Patten, on behalf of himself and Releasors, on one hand, and Pastene, on behalf of itself and Releasees on the other hand, acknowledge that this Consent Judgment is expressly intended to cover and include all such claims up through the Effective Date, including all rights of action therefor. The Parties acknowledge that the claims released in Section 2.2 and 2.3 above may also 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.

Van Patten and Pastene each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code section 1542.

#### 3. INJUNCTIVE TERMS

3.1 After the Effective Date, Pastene shall not sell any Covered Products directly to consumers in California or to retailers or distributors that Pastene knows will in turn sell to consumers in California the Covered Products that Pastene sells to them, unless Pastene provides one of the following warning statements:

### Option 1:

**WARNING:** Consuming this product can expose you to [chemicals including] acrylamide, which is known to the State of California to cause cancer [and birth defects or other reproductive harm]. For more information, go to <a href="https://www.P65Warnings.ca.gov/food">www.P65Warnings.ca.gov/food</a>.

### Option 2:

WARNING: Cancer [and Reproductive Harm] – <a href="www.P65Warnings.ca.gov/food">www.P65Warnings.ca.gov/food</a>
The warning in Option 2 may be used only if the warning appears on the product container or labeling. Terms in bracketing are optional. The word "WARNING" shall be displayed in all

capital letters and bold print. This warning statement shall be prominently displayed on the Product, on the packaging of the Product, or on a placard, shelf tag, or sign, provided that the statement is displayed with such conspicuousness, as compared with other words, statements, or designs as to render it likely to be read and understood by an ordinary individual prior to sale. If the warning statement is displayed on the Product's label, it must be set off from other surrounding information and enclosed in a text box. If the warning statement is displayed on a placard, shelf tag, or sign where the Product is offered for sale, the warning placard or sign must enable an ordinary individual to easily determine which Products the warning applies to, and to differentiate between

the Products and other products to which the warning statement does not apply. For sales by Defendant on the internet or by catalog where the consumer is not physically present, the warning statement shall be displayed in such a manner that it is likely to be read and understood by an ordinary individual prior to the authorization of or actual payment.

- 3.2 Covered Products sold, shipped, or distributed for sale by Pastene in California prior to the Effective Date may be sold in California after the Effective Date without any Proposition 65 warning.
- 3.3 In addition, Pastene may follow the notification procedure set out in Title 27 California Code of Regulations section 25600.2 or a similar procedure where Pastene instructs its distributor or retailer customers to provide warnings for the Covered Products consistent with Section 3.1 above.
- 3.4 Nothing in this Consent Judgment shall be interpreted to relieve Pastene from any obligation to comply with any other pertinent state or federal law or regulation.

### 4. PAYMENTS

- 4.1 Pastene agrees to pay a total settlement amount of \$45,000 within ten (10) days of the Effective Date by separate checks apportioned as follows:
- 4.1.1 Penalty: Pastene shall issue two separate checks for a total of \$2,500 as penalties pursuant to Health & Safety Code § 25249.12: (a) one check made payable to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") in the amount of \$1,875 representing 75% of the total penalty; and (b) one check to Brad Van Patten in the amount of \$625, representing 25% of the total penalty. Both checks shall be delivered to: The Law Offices of George Rikos, 555 West Beech Street, Suite 500, San Diego, California 92101.
- 4.1.2 Attorneys' Fees and Costs: Pastene shall issue a check for \$42,500 to the Law Offices of George Rikos, as Van Patten's attorneys, for its investigation fees and costs and attorneys' fees and costs. The check shall be delivered to: The Law Offices of George Rikos, 555 West Beech Street, Suite 500, San Diego, California 92101. Before the Effective Date, The Law Offices of George Rikos shall provide Pastene with its Employer Identification Number.

#### 5. EXECUTION IN COUNTERPARTS AND FACSIMILE

5.1 This Consent Judgment may be executed in counterparts, which taken together shall be deemed to constitute the same document. A facsimile or portable document format (PDF) signature shall be as valid as the original.

#### 6. ENTIRE AGREEMENT

6.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and all related prior discussions, negotiations, commitments, and understandings. No other agreements, oral or otherwise, exist to bind any of the Parties.

# 7. MODIFICATION OF CONSENT JUDGMENT

- 7.1 This Consent Judgment may be modified from time to time by express written agreement of the Parties, with the approval of the Court and prior notice to the Attorney General's Office, or by an order of this Court upon motion and prior notice to the Attorney General's Office and in accordance with law.
- 7.2 Any Party seeking to modify this Consent Judgment shall attempt in good faith to meet and confer with the other Party prior to filing a motion to modify the Consent Judgment.

## 8. APPLICATION OF CONSENT JUDGMENT

8.1 This Consent Judgment shall apply to, be binding upon, and inure to the benefit of, Van Patten and the Releasors identified in Section 2 above.

### 9. ENFORCEMENT OF CONSENT JUDGMENT

- 9.1 Any Party may file a motion with the Court consistent with the terms and conditions set forth in paragraph 9.2 of this Consent Judgment, to enforce the terms and conditions contained in this Consent Judgment. The prevailing Party shall be entitled to its reasonable attorneys' fees and costs incurred in such enforcement.
- 9.2 Prior to bringing any motion, order to show cause, or other proceeding to enforce any terms of this Agreement, Van Patten shall provide a Notice of Violation ("NOV") to Pastene. The NOV shall include, for each Covered Product alleged to be violation of this Agreement: the date of alleged violations(s), place of sale, date and proof of purchase (if relevant), and any test data

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obtained by Van Patten regarding each such Covered Product. Van Patten shall take no further action regarding any alleged violation nor seek any monetary recovery for himself, his agents or his counsel if, within 30 days of receiving such NOV, Pastene demonstrates that no such violation of this Agreement has occurred. Should Van Patten, after receiving Pastene's response to the NOV, contend that a violation of the Agreement as has occurred, the Parties shall meet and confer concerning resolution of such dispute for a period of at least 30 days, following which either Party may seek relief under Section 9.1.

# 10. NOTIFICATION REQUIREMENTS

10.1 Any notice required or permitted hereunder shall be effective only if given in writing and delivered in person, certified or registered mail return receipt requested, or traceable overnight delivery service, to the following designees:

For Van Patten:

Law Offices of George Rikos 555 West Beech Street, Suite 500 San Diego, California 92101

For Pastene:

John F. Franciosa The Pastene Companies, Ltd. 330 Turnpike Street Canton, Massachusetts, 02021

With a copy to its counsel:

Trenton H. Norris Arnold & Porter Kaye Scholer LLP Three Embarcadero Center, 10<sup>th</sup> Floor San Francisco, California 94111

Any Party may change its designee(s) for purposes of notification by providing written notice of such change pursuant to this section.

#### 11. SEVERABILITY

11.1 If, subsequent to the execution of this Consent Judgment, any of the provisions of this Consent Judgment are held by a court to be unenforceable, the validity of the enforceable provisions remaining shall not be adversely affected, unless the Court finds that any unenforceable provision is not severable from the remainder of this Agreement.

13. COURT APPROVAL

RETENTION OF JURISDICTION

REPORTING OF THE CONSENT JUDGMENT

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Judgment.

prepare and file.

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Van Patten agrees to comply with the reporting requirements referenced in Health and Safety Code section 25249.7(f).

This Consent Judgment is not effective until it is approved and entered by the Court.

This Court shall retain jurisdiction of this matter to implement or modify the Consent

The Parties acknowledge that, pursuant to California Health and Safety Code section 25249.7(f), a

noticed motion is required for judicial approval of this Consent Judgment, which Van Patten shall

The terms of this Consent Judgment shall be governed by the laws of the State of

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1	IT IS SO STIPULATED:	
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3		BRAD VAN PATTEN
4	Dated: 10/27/2020	By: Barde Var letter
5		Printed Name: Bradley Un Katter
6		Title:
7		THE DASTENIE COMPANIES I TO
8	Dated: October 27, 2020	THE PASTENE COMPANIES, LTD.
9	Dated, October 27, 2020	By:
10		Printed Name: John F. Franciosa
11		Title: Chief Financial Officer
12	IT IS SO ORDERED:	
13	21/1/200	ACMIDAL CO. A SCONDOCIO.
14	Dated:	JOHN S. MEYER
15		Judge of the Superior Court
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