1 2 3 4 5 6 7 8	Reuben Yeroushalmi (SBN 193981) Peter T. Sato (SBN 238486) Ben Yeroushalmi (SBN 232540) YEROUSHALMI & YEROUSHALMI An Association of Independent Law Corporations 9100 Wilshire Boulevard, Suite 240W Beverly Hills, California 90212 Telephone: (310) 623-1926 Facsimile: (310) 623-1930 Attorneys for Plaintiff, Consumer Advocacy Group, Inc.	E STATE OF CAJ JEODNIJA		
10	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
10	COUNTY OF L	OS ANGELES		
12	CONSUMER ADVOCACY GROUP, INC., in	CASE NO. BC651902		
13	the public interest,	CONSENT JUDGMENT [PROPOSED]		
14	Plaintiff,	Health & Safety Code § 25249.5 et seq.		
	v.			
15	WAL-MART STORES, INC., a Delaware	[Assigned For All Purposes to Honorable Stephanie M. Bowick in Dept. 19]		
16	Corporation; WAL-MART ASSOCIATES, INC., a Delaware Corporation; WALMART	Complaint filed: March 1, 2017		
17 18	STARCO, LLC, a Delaware Limited Liability Company; WAL-MART STORES EAST, LP, a Delaware Limited Partnership; WAL-			
19	MART.COM USA, LLC, a California Limited Liability Company; AMERICAN ROLAND			
20	FOOD CORPORATION, a New York Domestic Business Corporation; and DOES 1-20;			
1	Defendants.			
21	Defendants.			
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11	CONSENT JUDGMENT [PROPOSED]			

1. INTRODUCTION

1.1 This Consent Judgment is entered into by and between Plaintiff, CONSUMER ADVOCACY GROUP, INC. ("Plaintiff" or "CAG"), acting on behalf of itself and in the interest of the public, and Defendant, AMERICAN ROLAND FOOD CORPORATION ("AMERICAN ROLAND"), with each a Party to the action and collectively referred to as "Parties."

1.2 Defendants and Covered Products

- 1.2.1 CAG alleges that AMERICAN ROLAND is a New York Domestic Business Corporation which employs ten or more persons. For purposes of this Consent Judgment only, AMERICAN ROLAND is deemed a person in the course of doing business in California and subject to the provisions of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §§ 25249.6 et seq. ("Proposition 65").
- 1.2.2 CAG alleges that AMERICAN ROLAND manufactures, causes to be manufactured, sells, and/or distributes certain Anchovies in California.

1.3 Listed Chemicals

1.3.1 Lead and lead compounds have been listed by the State of California under Proposition 65.

1.4 Notice of Violation.

On or about December 19, 2016, CAG served AMERICAN ROLAND and various public enforcement agencies with a document titled "60-Day Notice of Intent to Sue for Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986" ("Notice") that provided the recipients with notice of alleged violations of Health & Safety Code § 25249.6 for failing to warn individuals in California of exposures to lead and lead compounds, contained in jarred anchovies fillets manufactured, distributed and/or sold by AMERICAN ROLAND ("Covered Products") in California. No public enforcer has commenced or diligently prosecuted the allegations set forth in the December 19, 2016 Notice.

1.5 Complaint.

On March 1, 2017, CAG filed a Complaint against AMERICAN ROLAND for civil penalties and injunctive relief (the "Complaint") in Los Angeles County Superior Court, Case No. BC651902,

alleging that AMERICAN ROLAND violated Proposition 65 for allegedly failing to give clear and reasonable warnings of alleged exposure to lead and lead compounds in Covered Products that AMERICAN ROLAND manufactured, distributed and/or sold in California.

1.6 Consent to Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaint, personal jurisdiction over AMERICAN ROLAND as to the acts alleged in the Complaint, that venue is proper in the County of Los Angeles, and that this Court has jurisdiction to enter and enforce this Consent Judgment as a full settlement and resolution of the allegations against AMERICAN ROLAND contained in the Complaint, and of all claims which were or could have been raised by any person or entity based in whole or in part, directly or indirectly, on the facts alleged therein or arising therefrom or related thereto.

1.7 No Admission

This Consent Judgment resolves claims that are denied and disputed. The Parties enter into this Consent Judgment pursuant to a full and final settlement of any and all claims between the Parties for the purpose of avoiding prolonged litigation. Nothing in this Consent Judgment shall be construed as an admission by the Parties of any material allegation in the Notice or the Complaint, or of any fact, conclusion of law, issue of law or violation of law of any kind, including without limitation, any admission concerning any alleged or actual violation of Proposition 65 or any other statutory, regulatory, common law, or equitable doctrine, including but not limited to the meaning of the terms "knowingly and intentionally expose" or "clear and reasonable warning" as used in Health and Safety Code § 25249.6. Nothing in this Consent Judgment, nor compliance with its terms, shall constitute or be construed as an admission by the Parties of any fact, conclusion of law, issue of law, or violation of law, or of fault, wrongdoing, or liability by AMERICAN ROLAND, its officers, directors, employees, or parent, subsidiary or affiliated entities, or be offered or admitted as evidence in any administrative or judicial proceeding or litigation in any court, agency, or forum. Furthermore, nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy, argument, or

The pictogram specified in Section 3.3 shall be in yellow with a black exclamation mark; provided however, the pictogram may be in white instead of yellow if the Covered Product label does not contain the color yellow.

Any warning statement provided under Section 3.3 shall be prominently displayed with such conspicuousness, as compared with other words, statements or designs as to render it likely to be seen by an ordinary individual.

4. SETTLEMENT PAYMENT

- 4.1 Payment and Due Date: Within 10 days of the Effective Date, AMERICAN ROLAND shall pay a total of one hundred thirty thousand dollars (\$130,000.00) (the "Total Settlement Payment") in full and complete settlement of any and all claims for civil penalties, damages, attorney's fees, expert fees or any other claim for costs, expenses or monetary relief of any kind for claims that were or could have been asserted in the Notice or Complaint, as follows:
- 4.1.1 **Civil Penalty**: AMERICAN ROLAND shall issue two separate checks totaling Twenty thousand dollars (\$20,000.00) as follows for alleged civil penalties pursuant to Health & Safety Code § 25249.12:
- (a) AMERICAN ROLAND will issue one check made payable to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") in the amount of Fifteen thousand dollars (\$15,000.00) representing 75% of the total civil penalty. AMERICAN ROLAND will issue a second check to CAG in the amount of five thousand dollars (\$5,000.00) representing 25% of the total civil penalty;
- (b) Separate 1099s shall be issued for each of the above payments:

 AMERICAN ROLAND will issue a 1099 to OEHHA, P.O. Box 4010, Sacramento, CA 95184 (EIN: 68-0284486) in the amount of \$15,000. AMERICAN ROLAND will also issue a 1099 to CAG in the amount of \$5,000 and deliver it to CAG c/o Yeroushalmi & Yeroushalmi, 9100 Wilshire Boulevard, Suite 240W, Beverly Hills, California 90212.
- 4.1.2 AMERICAN ROLAND shall issue one check for Fifteen thousand dollars (\$15,000.00) to "Consumer Advocacy Group, Inc." pursuant to Health & Safety Code § 25249.7(b) and California Code of Regulations, Title 11 § 3203(d). CAG will use this portion of the Total

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Settlement Payment as follows, eighty five percent (85%) for fees of investigation, purchasing and testing for Proposition 65 Listed Chemicals in various products, and for expert fees for evaluating exposures through various mediums, including but not limited to consumer product, occupational, and environmental exposures to Proposition 65 Listed Chemicals, and the cost of hiring consulting and retaining experts who assist with the extensive scientific analysis necessary for those files in litigation and to offset the costs of future litigation enforcing Proposition 65 but excluding attorney fees; fifteen percent (15%) for administrative costs incurred during investigation and litigation to reduce the public's exposure to Proposition 65 Listed Chemicals by notifying those persons and/or entities believed to be responsible for such exposures and attempting to persuade those persons and/or entities to reformulate their products or the source of exposure to completely eliminate or lower the level of Proposition 65 Listed Chemicals including but not limited to costs of documentation and tracking of products investigated, storage of products, website enhancement and maintenance, computer and software maintenance, investigative equipment, CAG's member's time for work done on investigations, office supplies, mailing supplies and postage. Within 30 days of a request from the Attorney General, CAG shall provide to the Attorney General copies of documentation demonstrating how the above funds have been spent. CAG shall be solely responsible for ensuring the proper expenditure of such additional settlement payment.

4.1.3 Reimbursement of Attorney Fees and Costs: AMERICAN ROLAND shall issue one check for Ninety-five thousand dollars (\$95,000.00) payable to "Yeroushalmi & Yeroushalmi" as complete reimbursement for any and all reasonable investigation fees and costs, attorneys' fees, expert fees, and any and all other costs and expenses incurred as a result of investigating, bringing this matter to the AMERICAN ROLAND's attention, litigating, negotiating a settlement in the public interest, and seeking and obtaining court approval of this Consent Judgment.

4.2 Delivery of Payments

4.2.1 The payments to CAG and Yeroushalmi and Yeroushalmi referenced in paragraphs 4.1.1, 4.1.2, and 4.1.3 above, shall be delivered to: Reuben Yeroushalmi, Yeroushalmi & Yeroushalmi, 9100 Wilshire Blvd., Suite 240W, Beverly Hills, CA 90212.

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4.2.2 The payment to OEHHA in Section 4.1.1(a) above shall be delivered directly to Office of Environmental Health Hazard Assessment, Attn: Mike Gyurics, 1001 I Street, Mail Stop 12-B, Sacramento, California 95812. Concurrently with payment to OEHHA, AMERICAN ROLAND shall provide to CAG written confirmation that this payment was delivered to OEHHA.

5. MATTERS COVERED BY THIS CONSENT JUDGMENT

- 5.1 This Consent Judgment is a full, final, and binding resolution between CAG, on behalf of itself and its past and current agents, representatives, attorneys, successors, and assignees (collectively, the "CAG Releasees"), and on behalf of the public interest, and (a) AMERICAN ROLAND and its respective owners, parents, subsidiaries, affiliates, sister and related companies. (b) all entities to which any of them directly or indirectly provide, distribute, or sell the Covered Products, including but not limited to distributors, wholesalers, customers, franchisees, cooperative members, licensees, and retailers, including but not limited to Wal-Mart Stores, Inc., Wal-Mart Associates, Inc., Walmart Starco, LLC, Wal-Mart.com USA, LLC, and (c) employees, shareholders, officers, directors, members, managers, equity owners, insurers, attorneys, predecessors, successors, and assigns of any of the entities identified in subsections (a) and (b), above (the entities identified in subsections (a), (b) and (c), above, are collectively referred to as "Releasees"). CAG, on behalf of itself and the CAG Releasees, and in the public interest, waives all 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 the Listed Chemicals, or for causing alleged exposures to the Listed Chemicals, in Covered Products manufactured before the Effective Date. Compliance by AMERICAN ROLAND with Section 3 of this Consent Judgment shall be deemed to constitute compliance with Proposition 65 with respect to any Listed Chemicals in the Covered Products manufactured on or after the Effective Date.
- 5.2 CAG, on behalf of itself and the CAG Releasees, releases and discharges the Releasees from Claims for alleged violations of Proposition 65, or for any other statutory or common

law, arising from or relating to alleged exposures to the Listed Chemicals in the Covered Products. It is possible that other Claims not known to the Parties arising out of the facts alleged in the Notice or the Complaint and relating to the Covered Products will develop or be discovered. CAG, on behalf of itself and the CAG Releasees, acknowledges that this Consent Judgment is expressly intended to cover and include all such Claims. CAG has full knowledge of the contents of California Civil Code section 1542. CAG, on behalf of itself and the CAG Releasees, acknowledges that the Claims released in this Section 2 may include unknown Claims, and nevertheless waives California Civil Code §1542 as to any such unknown Claims. California Civil Code section 1542 reads as follows:

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

CAG acknowledges and understands the significance and consequences of this specific waiver of California Civil Code section 1542.

6. ENFORCEMENT OF JUDGMENT

- 6.1 The terms of this Consent Judgment shall be enforced exclusively by the Parties hereto. The Parties may, by noticed motion or order to show cause before the Superior Court of California, Los Angeles County, enforce the terms and conditions contained herein. A Party may enforce any of the terms and conditions of this Consent Judgment only after that Party first provides 90-days' prior written notice to the Party allegedly failing to comply with the terms and conditions of this Consent Judgment, and attempts to resolve such Party's failure to comply by meeting and conferring in an open and good faith manner.
- 6.2 **Notice of Violation.** Prior to bringing any motion, order to show cause, or other proceeding to enforce the terms of this Consent Judgment, CAG shall provide a Notice of Violation ("NOV") to AMERICAN ROLAND. The NOV shall include for each of the Covered Products: (a) the name of the Covered Products; (b) specific dates when the Covered Product was sold in California; (c) the store or other place at which the Covered Product was available for sale to consumers; (d) analytical sampling results, from a California certified laboratory, of Covered

Products that show a concentration of lead that exceeds the level set forth in Section 3.1; (e) evidence establishing the warning required in Section 3.1 was not provided; and (f) any other evidence or support for the allegations in the NOV.

- 6.2.1 **Non-Contested NOV.** CAG shall take no further action of any kind regarding the alleged violation if, within 60 days of receiving such NOV, AMERICAN ROLAND serves a Notice of Election ("NOE") not to contest the NOV that meets one of the following conditions:
- (a) A statement that the Covered Product was manufactured or shipped by AMERICAN ROLAND for sale in California before the Effective Date; or
- (b) A statement that, since receiving the NOV, AMERICAN ROLAND has taken corrective action by either: (i) taking all steps necessary to bring the sale of the product into compliance under the terms of this Consent Judgment; or (ii) requesting that its customers or stores in California, as applicable, remove the Covered Product identified in the NOV from sale in California and destroy or return the Covered Product to Defendant or vendor, as applicable.
- 6.2.2 **Contested NOV.** AMERICAN ROLAND may serve a Notice of Election ("NOE") informing CAG of its election to contest the NOV within 60 days of receiving the NOV.
- (a) In its election, AMERICAN ROLAND may request that the sample(s) of Covered Product tested by CAG be subject to confirmatory testing at an EPA-accredited laboratory.
- (b) If the confirmatory testing establishes that the Covered Products do not contain lead in excess of the levels allowed in Section 3.1, above, CAG shall take no further action regarding the alleged violation. If the testing does not establish compliance with Section 3.1, above, AMERICAN ROLAND may withdraw its NOE to contest the violation and may serve a new NOE pursuant to Section 6.2.1.
- (c) If AMERICAN ROLAND does not withdraw a NOE to contest the NOV, the Parties shall allow a period of no less than 30 days within which to meet and confer before CAG may seek an order enforcing the terms of this Consent Judgment.

7. ENTRY OF CONSENT JUDGMENT

7.1 CAG shall file a motion seeking approval of this Consent Judgment pursuant to California Health & Safety Code § 25249.7(f). Upon entry of the Consent Judgment, CAG and

AMERICAN ROLAND waive their respective rights to a hearing and trial on the allegations in the Notices and Complaint.

Judgment and any and all prior agreements between the Parties merged herein shall terminate and become null and void, and the actions shall revert to the status that existed prior to the execution date of this Consent Judgment; (b) no term of this Consent Judgment or any draft thereof, or of the negotiation, documentation, or other part or aspect of the Parties' settlement discussions, shall have any effect, nor shall any such matter be admissible in evidence for any purpose in this Action, or in any other proceeding; and (c) the Parties agree to meet and confer to determine whether to modify the terms of the Consent Judgment and to resubmit it for approval.

8. MODIFICATION OF JUDGMENT

- 8.1 This Consent Judgment may be modified only upon written agreement of the Parties and upon entry of a modified Consent Judgment by the Court thereon, or upon motion of any Party as provided by law and upon entry of a modified Consent Judgment by the Court.
- 8.2 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.

9. DISMISSAL

9.1 Within five (5) days of the Effective Date, CAG shall dismiss this action in its entirety without prejudice except for AMERICAN ROLAND.

10. RETENTION OF JURISDICTION

10.1 This Court shall retain jurisdiction of this matter to implement and enforce the terms of this Consent Judgment under Code of Civil Procedure § 664.6.

11. SERVICE ON THE ATTORNEY GENERAL

11.1 CAG agrees to comply with the reporting requirements referenced in Health and Safety Code section 25249.7(f), including serving a copy of this Consent Judgment, signed by both parties, on the California Attorney General so that the Attorney General may review this Consent Judgment prior to its submittal to the Court for approval. No sooner than forty-five (45) days after

the Attorney General has received the aforementioned copy of this Consent Judgment, CAG may then submit it to the Court for approval.

12. ATTORNEY FEES

12.1 Except as specifically provided in Sections 4.1.3 and 6.3, each Party shall bear its own attorneys' fees and costs in connection with the claims resolved in this Consent Judgment.

13. ENTIRE AGREEMENT

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

14. GOVERNING LAW

- 14.1 The validity, construction and performance of this Consent Judgment shall be governed by the laws of the State of California, without reference to any conflicts of law provisions of California law.
- 14.2 In the event that Proposition 65 is repealed, preempted, or is otherwise rendered inapplicable by reason of law generally, or if any of the provisions of this Consent Judgment are rendered inapplicable or are no longer required as a result of any such repeal or preemption, or rendered inapplicable by reason of law generally as to the Covered Products, then AMERICAN ROLAND may provide written notice to CAG of any asserted change in the law, and shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Covered Products are so affected. Nothing in this Consent Judgment shall be interpreted to relieve AMERICAN ROLAND from any obligation to comply with any other pertinent state or federal law or regulation.
- 14.3 The Parties, including their counsel, have participated in the preparation of this

 Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties. This

 Consent Judgment was subject to revision and modification by the Parties and has been accepted and

1	AGREED TO:	AGREED TO:	
2	Date: August 27,2018	Date: August 31, 2018	
3	Mil Mann	pro-	
4	Name: Michael Marcus	Name: James D. Wagner	
5	Title: Director	Title: Chief Executive Officer and President	
6	CONSUMER ADVOCACY GROUP, INC.	AMERICAN ROLAND FOOD CORPORATION	
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8	IT IS SO ORDERED.		
9	Date:, 2018	Stephanie M. Rowick	
10		Stephanie M. Bowick JUDGE OF THE SUPERIOR COURT	
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1	CONSENT JUDGMENT [PROPOSED]		