1 2 3 4 5 6 7 8	GLICK LAW GROUP, PC Noam Glick (SBN 251582) 225 Broadway, Suite 2100 San Diego, California 92101 Tel: (619) 382-3400 Fax: (619) 393-0154  NICHOLAS & TOMASEVIC, LLP Craig M. Nicholas (SBN 178444) Jake Schulte (SBN 293777) 225 Broadway, Suite 1900 San Diego, California 92101 Tel: (619) 325-0492 Fax: (619) 325-0496  Attorneys for Plaintiff Kim Embry	
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11	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
12	IN AND FOR THE COUNTY OF ALAMEDA	
13	KIM EMBRY, an individual,	Case No.: RG19012133
14	Plaintiff,	[PROPOSED] CONSENT JUDGMENT
15	v.	
16 17	WONDERFUL PISTACHIOS & ALMONDS LLC., a Delaware corporation, JET.COM, INC., a Delaware corporation, TRADER JOE'S	(Health & Safety Code § 25249.6 et seq. and Code Civ. Proc. § 664.6)
18	COMPANY, a California corporation, and DOES 1 through 100, inclusive,	
19	Defendants.	
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#### 1. INTRODUCTION

#### 1.1 Parties

This Consent Judgment is entered into by and between Kim Embry ("Embry") and Wonderful Pistachios & Almonds LLC ("WP&A") with Embry and WP&A each individually referred to as a "Party" and collectively referred to as the "Parties."

#### 1.2 Plaintiff

Embry is a citizen in the State of California, acting in the interest of the general public. She seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products.

#### 1.3 Defendant

WP&A employs ten or more individuals and is a "person in the course of doing business" for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6 et seq. ("Proposition 65").

### 1.4 General Allegations

Embry alleges that WP&A manufactures, imports, sells, and distributes for sale roasted almonds that contain acrylamide. Embry further alleges that WP&A does so without providing a sufficient health hazard warning as required by Proposition 65 and related regulations. Pursuant to Proposition 65, acrylamide is listed as a chemical known by the State of California to cause cancer and reproductive harm.

#### 1.5 Notice of Violation

On April 5, 2018, Embry served WP&A, Jet.com, Inc., the California Attorney General, and all other required public enforcement agencies with a 60-Day Notice of Violation of California Health and Safety Code section 25249.6 et seq. ("WP&A Notice"). The Notice alleges that WP&A and Jet.com violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposure to acrylamide contained in its "Wonderful Roasted & Salted Almonds."

On May 3, 2018, Embry served Trader Joe's Company ("Trader Joe's"), the California Attorney General, and all other required public enforcement agencies with a 60-Day Notice of

Violation of California Health and Safety Code section 25249.6 et seq. ("Trader Joe's Notice"). The Notice alleges that Trader Joe's violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposure to acrylamide contained in its "Trader Joe's Dry Roasted & Salted Almonds."

On December 5, 2019, Embry amended the Trader Joe's Notice to identify the manufacturer as WP&A.

On May 12, 2020, Embry amended the WP&A Notice to include all roasted almond products manufactured or processed by WP&A.

No public enforcer has filed a lawsuit to enforce the violations alleged in the WP&A Notice or Trader Joe's Notice.

### 1.6 Product Description

The products covered by this Consent Judgment are all roasted almonds manufactured or processed by WP&A and that allegedly contain acrylamide and are imported, sold, shipped, delivered or distributed for sale to consumers in California by Releasees (as defined in section 4.1) (the "Products"), whether sold under the Wonderful Brand, any other brand, or some other private label, at all grocery, retail, and other locations and sales channels, including on the Internet. The Consent Judgment covers the Products to the extent that they are incorporated as an ingredient in any food product made or sold by others.

#### 1.7 Complaint

On May 1, 2019, Embry filed a Complaint against WP&A for the alleged violations of Health and Safety Code section 25249.6 that are the subject of the WP&A Notice ("Complaint"). Plaintiff amended the Complaint to add Jet.com and Trader Joe's Company as defendants on January 29, 2020.

#### 1.8 No Admission

WP&A denies the material, factual, and legal allegations in the WP&A Notice and Complaint, and maintains that the Products it has manufactured or processed for sale, shipment, delivery or distribution for sale in California have been and are in compliance with all laws. WP&A further denies that the Products are harmful in any way to consumers and maintains that the Products

are healthy, safe, nutritious, and provide health benefits. Nothing in this Consent Judgment shall be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation of law, nor shall compliance with this Consent Judgment be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall not, however, diminish or otherwise affect WP&A's obligations, responsibilities, and duties under this Consent Judgment.

#### 1.9 Jurisdiction

The Parties stipulate that this Court has jurisdiction over WP&A as to the allegations in the Complaint, that venue is proper in the County of Alameda, and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

### 1.10 Effective Date & Compliance Date

For purposes of this Consent Judgment, the term "Effective Date" means the date the Court grants the motion for approval of this Consent Judgment, as discussed in Section 5. Due to the fact that the Products are subject to other food safety regulatory requirements, and any reformulation must ensure compliance with these other applicable regulatory requirements, the Compliance Date is six (6) months after the Effective Date.

### 2. <u>INJUNCTIVE RELIEF</u>

#### 2.1 Reformulation of the Product

For any Products that are manufactured or processed by WP&A on or after the Compliance Date that are sold or offered for sale in California the average acrylamide concentration (the "Average Level") shall not exceed 225 ppb by weight.

### 2.2 Testing

(a) Calculation of the Average Level shall be determined using LC-MS/MS (Liquid Chromatograph-Mass Spectrometry), GC/MS (Gas Chromatography/Mass Spectrometry), or any other testing method agreed upon by the Parties. On the Compliance Date, and continuing thereafter, WP&A shall not manufacture or process any Product that will be sold or offered for sale in California that exceeds 225 ppb, such concentration to be determined by use of a test performed by a

laboratory accredited by the State of California, a federal agency, or a nationally recognized organization or a laboratory associated with a university that is so accredited.

- (b) The Average Level is determined by random selection and testing, over no less than a ten-day period, one sample from at least five batches (or from as many batches as are available, if fewer than five) and a maximum of ten batches of Products produced at locations that supply such Products in California ("Sampling Data"). The mean and standard deviation shall be calculated using the Sampling Data.
- (c) For three consecutive years after the Compliance Date, WP&A shall arrange for testing under Section 2.2. The testing shall be at least once per year.
- (d) All test results of acrylamide concentrations shall remain confidential unless required to be produced to the Attorney General or the Court.

### 2.3 Sell-Through Period

Notwithstanding anything else in this Consent Judgment, the Products that are manufactured or processed prior to the Compliance Date shall be subject to release of liability pursuant to this Consent Judgement, without regard to when such products were, or are in the future, shipped, delivered, distributed or sold to customers. As a result, the obligation of Releasees do not apply to the Products manufactured or processed prior to the Compliance Date.

# 3. MONETARY SETTLEMENT TERMS

### 3.1 Settlement Amount

WP&A shall pay one hundred thousand dollars (\$100,000.00) in settlement and total satisfaction of all the claims referred to in the WP&A Notice, the Complaint, and this Consent Judgment. This includes civil penalties in the amount of ten thousand dollars (\$10,000.00) pursuant to Health and Safety Code section 25249.7(b) and attorney's fees and costs in the amount of ninety thousand dollars (\$90,000.00) pursuant to Code of Civil Procedure section 1021.5.

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3.2 **Civil Penalty** 1 The portion of the settlement attributable to civil penalties shall be allocated according to 2 3 Health and Safety Code section 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid to the California Office of Environmental Health Hazard Assessment ("OEHHA") and 4 the remaining twenty-five percent (25%) of the penalty paid to Embry. 5 All payments owed to Embry shall be delivered to the following payment address: 6 7 Noam Glick Glick Law Group 8 225 Broadway, Suite 2100 San Diego, CA 92101 9 All payments owed to OEHHA (EIN: 68-0284486) shall be delivered directly to OEHHA 10 (Memo Line "Prop 65 Penalties") at the following addresses: 11 For United States Postal Service Delivery: 12 Mike Gyurics 13 Fiscal Operations Branch Chief 14 Office of Environmental Health Hazard Assessment P.O. Box 4010 15 Sacramento, CA 95812-4010 16 For Non-United States Postal Service Delivery: 17 Mike Gyurics Fiscal Operations Branch Chief 18 Office of Environmental Health Hazard Assessment 1001 I Street 19 Sacramento, CA 95814 20 WP&A agrees to provide Embry's counsel with a copy of the check payable to OEHHA, 21 simultaneous with its penalty payment to Embry. 22 The Parties will exchange completed IRS 1099, W-9, or other forms as required. Relevant 23 information for Glick Law Group, N&T, and Embry are set out below: 24 "Kim Embry" whose address and tax identification number shall be provided within five 25 (5) days after this Consent Judgement is fully executed by the Parties; 26 "Glick Law Group" (EIN: 47-1838518) at the address provided in Section 3.2(a)(i); 27 28

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include, among all other applicable entities, Wonderful Almond Cooperative and Cal Pure Produce Inc.) (collectively, "WP&A Releasees") as well as each entity to whom WP&A directly or indirectly ship, deliver, distribute or sell the Products, including, but not limited to, downstream distributors (which shall expressly include, among all other downstream distributors, Jet.com and Trader Joe's Company), wholesalers, customers, individuals, retailers, franchisees and licensees (collectively with WP&A Releasees, the "Releasees"), from any and all claims, charges, demands, obligations, losses, damages, and liabilities of any nature whatsoever, including, but not limited to, any claim or violation arising under Proposition 65 alleging a failure to warn about exposures to acrylamide from Products or related products manufactured, processed, imported, sold, shipped, delivered or distributed by Releasees prior to the Effective Date, and all costs, expenses and attorney's fees related thereto, whether based on tort, contract, statute, ordinance or regulation, or any other theory of recovery in law or equity, whether for compensatory, punitive or civil damages, equitable relief of otherwise, whether or not relating to or otherwise arising out of this dispute, from the beginning of time through the Effective Date. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to the alleged or actual failure to warn about exposures to acrylamide from Products manufactured, processed, imported, sold, shipped, delivered or distributed by Releasees on and after the Effective Date. This Consent Judgment is a full, final and binding resolution of all claims that were or could have been asserted against Releasees for failure to provide warnings for alleged exposures to acrylamide contained in Products.

### 4.2 Embry's Individual Release of Claims

Embry, in her individual capacity, also provides a release to Releasees, which shall be a full and final accord and satisfaction of as well as a bar to all claims, charges, actions, causes of action, obligations, costs, expenses, attorney's fees, damages, losses, liabilities, and demands by Embry of any nature, character, or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to acrylamide in Products manufactured, processed, imported, sold, or distributed by Releasees before the Effective Date.

### 4.3 WPA's Release of Embry

WP&A, on its own behalf, and on behalf of Releasees as well as its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against Embry and her attorneys and other representatives, for any and all actions taken or statements made by Embry and her attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against it, in this matter or with respect to the Products.

### 4.4 Release of Known or Unknown Claims

For the purpose of implementing a full and complete release, Embry, on behalf of herself and her agents, attorneys, representatives, successors, and assigns, expressly acknowledges that the release, which shall be effective as a full and final accord and satisfaction, as a bar to all claims of any nature, character or kind, known or unknown, suspected or unsuspected, arising out of alleged violations, she gives in this Consent Judgment is intended to include in its effect, without limitation, the release of all claims against the other party of any nature whatsoever relating to alleged violations of Proposition 65 with respect to the Products, and Embry's alleged or actual exposure to acrylamide in the Products. Embry acknowledges that she is familiar with California Civil Code section 1542, which provides:

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.

## 4.5 <u>Dismissal of the Complaint</u>

Jet.com was the retailer of the Wonderful Brand roasted and salted almonds described in the WP&A Notice. WP&A manufactured the dry roasted and salted almonds described in the Trader Joe's Notice. Wonderful Brand roasted and salted almonds and Trader Joe's dry roasted and salted almonds are included within the definition of Products in Section 1.6. Accordingly, within three (3) court days after Effective Date of this Consent Judgment, Embry shall dismiss the Complaint with prejudice and waive all attorneys' fees and costs as to Jet.com and Trader Joe's Company.

### 5. COURT APPROVAL

This Consent Judgment is not effective until it is approved by the Court. The Consent Judgment shall be null and void if it is not approved by the Court within one year after it has been fully executed by the Parties, or by such additional time as the Parties may agree to in writing. This Consent Judgment shall also be null and void if Embry withdraws the notice issued on May \_\_\_\_\_, 2020 or the Court rules that the notice or this Consent Judgment does not include all WP&A's Products (as defined herein) that are manufactured, processed, imported, sold, shipped, delivered, or distributed by Releasees.

### 6. **SEVERABILITY**

Subsequent to the Court's approval and entry of this Consent Judgment, if any provision is held by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

### 7. GOVERNING LAW

The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within the State of California. In the event that Proposition 65 is repealed, or is otherwise rendered inapplicable for reasons, including but not limited to changes in the law or court rulings, then WP&A may provide written notice to Embry of any asserted change, and shall have no further injunctive obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are so affected.

### 8. NOTICE

Unless specified herein, all correspondence and notice required by this Consent Judgment shall be in writing and sent by: (i) personal delivery; (ii) first-class, registered, or certified mail, return receipt requested; or (iii) a recognized overnight courier to the following addresses:

24 For WP&A: For Embry:

Kristina Diaz, Esq.
 Courtney Vaudreuil, Esq.
 Roll Law Group, P.C.
 11444 W Olympic Blvd
 San Diego, CA 92101

27 Los Angeles, CA 90064-1557

Any Party may, from time to time, specify in writing to the other, a change of address to

which all notices and other communications shall be sent.

### 9. <u>COUNTERPARTS; FACSIMILE SIGNATURES</u>

This Consent Judgment may be executed in counterparts and by electronic means, including, but not limited to, DocuSign or facsimile signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

### 10. POST EXECUTION ACTIVITIES

Embry agrees to comply with the reporting form requirements referenced in Health and Safety Code section 25249.7(f). The Parties further acknowledge that, pursuant to Health and Safety Code section 25249.7(f), a noticed motion is required to obtain judicial approval of the settlement, which motion Embry shall draft and file. In furtherance of obtaining such approval, the Parties agree to mutually employ their best efforts, including those of their counsel, to support the entry of this agreement as judgment, and to obtain judicial approval of their settlement in a timely manner. For purposes of this Section, "best efforts" shall include, at a minimum, supporting the motion for approval, responding to any objection that any third-party may make, and appearing at the hearing before the Court if so requested.

## 11. MODIFICATION

This Consent Judgment may be modified only by: (i) a written agreement of the Parties and entry of a modified consent judgment thereon by the Court; or (ii) a successful motion or application of any Party, and the entry of a modified consent judgment thereon by the Court.

## 12. <u>AUTHORIZATION</u>

The undersigned are authorized to execute this Consent Judgment and acknowledge that they have read, understand, and agree to all of the terms and conditions contained herein.

#### 13. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES

If a dispute arises with respect to either Party's compliance with the terms of this Consent Judgment entered by the Court, the Parties shall meet and confer in person, by telephone, or in writing and endeavor to resolve the dispute in an amicable manner. No action or motion may be filed in the absence of such a good faith attempt to resolve the dispute beforehand.

1	14. <u>ENTIRE AGREEMENT</u>		
2	This Consent Judgment contains the sole and entire agreement and understanding of the		
3	Parties with respect to the entire subject matter herein, and any and all prior discussions,		
4	negotiations, commitments, and understandings related hereto. No representations, oral or otherwise,		
5	express or implied, other than those contained herein have been made by any Party. No other		
6	agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to exist or to		
7	bind any Party.		
8			
9	AGREED TO:	AGREED TO BY WONDERFUL PISTACHIOS & ALMONDS LLC	
10	Date: May 7, 2020	Date: May 7, 2020	
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12			
13	Lilly	DocuSigned by:  Aug Cooper	
14	By: KIM EMBRY	By: CRAIG B. COOPER	
15		Senior Vice President	
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18			
19	IT IS SO ORDERED.		
20			
21	Date:		
22		JUDGE OF THE SUPERIOR COURT	
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