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7	Email: jake@entornolaw.com	
8	Attorneys for Plaintiff	
9	Environmental Health Advocates, Inc.	
10	SUPERIOR COURT OF	ΓΗΕ STATE OF CALIFORNIA
11	IN AND FOR THE COUNTY OF ALAMEDA	
12	ENVIRONMENTAL HEALTH	Case No. 22CV009785
13	ADVOCATES, INC.,	[PROPOSED] CONSENT JUDGMENT
14	Plaintiff,	(Health & Safety Code § 25249.6 et seq. and
15	v.	Code Civ. Proc. § 664.6)
16	MARIANI PACKING CO., INC., a California	
17	corporation, WALMART INC., a Delaware corporation, and DOES 1 through 100,	
18	inclusive,	
19	Defendants.	
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1. <u>INTRODUCTION</u>

1.1 Parties

This Consent Judgment is entered into by and between Environmental Health Advocates, Inc., ("EHA" or "Plaintiff") and Mariani Packing Co., Inc. ("Defendant" or "Mariani") with EHA and Mariani each individually referred to as a "Party" and collectively referred to as the "Parties."

1.2 Plaintiff

EHA is a corporation organized in the state of California, acting in the interest of the general public. It 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

Mariani employs ten or more individuals and for purposes of this Consent Judgment only, 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

EHA alleges that Mariani manufactures, imports, sells, and distributes for sale Mariani Mixed Dried Fruit ("Mixed Dried Fruit") that contains lead. EHA further alleges that Mariani does so without providing a sufficient warning as required by Proposition 65 and related Regulations. Pursuant to Proposition 65, lead is listed as a chemical known to cause cancer and lead is also listed as a developmental and reproductive toxicant. Mariani denies these allegations and asserts that its products are safe and in compliance with all applicable laws, rules and regulations.

1.5 Notice of Violation

On or around October 12, 2021, EHA served Defendant Mariani, Walmart, Inc., the California Attorney General, and all other required public enforcement agencies with a 60-Day Notice of Violation of Proposition 65 ("Notice"). The Notice alleged that Mariani had violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposures to lead contained in dried mixed fruit products, including but not limited to the Mixed Dried Fruit manufactured or processed by Mariani that allegedly contain lead and are imported, sold, shipped, delivered, or distributed for sale to consumers in California by Releasees (as defined in section 4.1).

1860401v1 2

No public enforcer has commenced or is otherwise prosecuting an action to enforce the violations alleged in the Notice.

1.6 Product Description

The products covered by this Consent Judgment are Mixed Dried Fruit manufactured, packed or processed by Mariani, that allegedly contain lead and are imported, sold, shipped, delivered, or distributed for sale to consumers in California by Releasees (as defined in section 4.1) ("Covered Products").

1.7 State of the Pleadings

On or around April 12, 2022, EHA filed a Complaint against Mariani for the alleged violations of Proposition 65 that are the subject of the Notice ("Complaint").

1.8 No Admission

Mariani denies the material factual and legal allegations of the Notice and Complaint and maintains that all of the products it has manufactured, imported, sold, and/or distributed for sale in California, including Covered Products, have been, and are, in compliance with all applicable laws, rules and regulations. 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 Mariani's obligations, responsibilities, and duties under this Consent Judgment.

1.9 Jurisdiction

For purposes of this Consent Judgment and the Complaint only, the Parties stipulate that this Court has jurisdiction over Mariani 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

For purposes of this Consent Judgment, the term "Effective Date" means the date on which this Consent Judgment is approved and entered as a judgment of the Court, as discussed in Section 5.

2. INJUNCTIVE RELIEF

2.1 Reformulation of the Covered Products

Beginning one hundred and twenty (120) days after the Effective Date, Mariani shall be permanently enjoined from manufacturing, distributing, or directly selling in the State of California, any Covered Product that exposes a person to a "Daily Lead Exposure Level" of more than 0.5 micrograms of lead per day unless such Covered Products comply with the warning requirements of Section 2.2. As used in this Section 2, "distributed for sale in CA" means to directly ship Covered Products into California or to sell Covered Products to a distributor Mariani knows will sell Covered Products in California.

2.2 Clear and Reasonable Warnings

For Covered Products that contain lead in a concentration exceeding the Reformulation Standard set forth in section 2.1 above, and which are distributed or directly sold by Mariani in the State of California on or after the Effective Date, Mariani shall provide one of the following warning statements.

Option 1:

WARNING: Consuming this product can expose you to chemicals including lead, which is known to the State of California to cause birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov/food.

Option 2:

⚠WARNING: Reproductive Harm – www.P65Warnings.ca.gov

This warning statement shall be prominently displayed on the Covered Products, on the packing of the Covered Products, 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 Covered Products' packaging, it must be in a type size no smaller than the largest type size used for other consumer information on the product. In no case shall a warning statement displayed on the Covered Products' packaging appear in a type size smaller than 6-point type. The same warning shall be posted on any websites under the exclusive control of Mariani where Covered Products are sold into

California. Mariani shall instruct any third-party website to which it directly sells its Covered Products to include the same warning as a condition of selling the Covered Products in California. If Mariani elects, the bolded and capitalized words "CALIFORNIA PROPOSITION 65," "CALIFORNIA PROP. 65," "CA PROP. 65," or "PROPOSITION 65" may be added above and prior to the word "WARNING."

Regulatory Amendments or Changes to Warning 2.3

The warning requirements set forth herein are imposed pursuant to the terms of this Consent Judgment and are recognized by the Parties as not being the exclusive manner of providing a warning for Covered Products. Warnings may be provided as specified in the Proposition 65 regulations (Title 27, California Code of Regulations, section 25601, et seq.) in effect as of the Effective Date of this Consent Judgment or as such regulations may be amended in the future, and may include warnings for chemicals in addition to lead when appropriate. Mariani shall be entitled to use such other specific warning text and/or methods of transmission without being deemed in breach of this Consent Judgment.

Sell-Through Period 2.4

Notwithstanding anything else in this Consent Judgment, Covered Products that have been manufactured, packaged, or put into commerce prior to one hundred and twenty (120) days following the Effective Date (the "Sell-Through Period") shall be subject to release of liability pursuant to this Consent Judgment, without regard to when such Covered Products were, or are in the future, distributed or sold to customers. . As a result, the obligations of Marianistated in this Section 2 do not apply to Covered Products manufactured, packaged, or put into commerce until after the Sell-Through Period .

MONETARY SETTLEMENT TERMS 3.

3.1 **Settlement Amount**

Mariani shall pay sixty-five thousand dollars (\$65,000.00) in settlement and total satisfaction of all the claims referred to in the Notice, the Complaint, and this Consent Judgment. This includes civil penalties in the amount of seven thousand dollars (\$7,000.00) pursuant to Health and Safety Code

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1	section 25249.7(b) and attorneys' fees and costs in the amount of fifty-eight thousand dollars	
2	(\$58,000.00) pursuant to Code of Civil Procedure section 1021.5.	
3	3.2 Civil Penalty	
4	The portion of the settlement attributable to civil penalties shall be allocated according to Health	
5	and Safety Code section 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid	
6	to the California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining	
7	twenty-five percent (25%) of the penalty paid to EHA individually. The seven thousand dollars	
8	(\$7,000.00) in civil penalties shall be paid as follows:	
9	One payment of \$5,250.00 to OEHHA, due 14 (fourteen) calendar days after the	
10	Effective date.	
11	One payment of \$1,750.00 to EHA, due 14 (fourteen) calendar days after the Effective	
12	date.	
13	All payments owed to EHA shall be delivered to the following address:	
14	I Farman	
15	Isaac Fayman Environmental Health Advocates	
16	225 Broadway, Suite 2100 San Diego, CA 92101	
17	All payments owed to OEHHA (EIN: 68-0284486) shall be delivered directly to OEHHA	
18	(Memo Line "Prop 65 Penalties") at the following addresses:	
19	For United States Postal Service Delivery:	
20	Mike Gyurics	
21	Fiscal Operations Branch Chief Office of Environmental Health Hazard Assessment	
22	P.O. Box 4010	
23	Sacramento, CA 95812-4010	
24	For Federal Express 2-Day Delivery:	
25	Mike Gyurics Fiscal Operations Branch Chief	
26	Office of Environmental Health Hazard Assessment 1001 I Street	
27	Sacramento, CA 95814	
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Mariani agrees to provide EHA's counsel with a copy of the check payable to OEHHA, simultaneous with its penalty payment to EHA.

Plaintiff and its counsel will provide completed IRS 1099, W-9, or other tax forms as required. Relevant information is set out below:

- "Environmental Health Advocates, Inc." (EIN: 84-2322975) at the address provided above.
- "Office of Environmental Health Hazard Assessment" 1001 I Street, Sacramento, CA 95814.

3.3 Attorney's Fees and Costs

The portion of the settlement attributable to attorneys' fees and costs shall be paid to EHA's counsel, who are entitled to attorneys' fees and costs incurred by it in this action, including but not limited to investigating potential violations, bringing this matter to Mariani's attention, as well as litigating and negotiating a settlement in the public interest.

Mariani shall provide its payment for attorneys' fees and costs to EHA's counsel by physical check or by electronic means, including wire transfers, at Mariani's discretion, as follows: fifty-eight thousand dollars (\$58,000.00) in Attorney's Fees and Costs shall be paid as follows:

• One payment of \$58,000.00, due fourteen (14) calendar days after the Effective Date.

The attorney fee payments shall be made payable to Entorno Law, LLP. The address for this entity is:

Noam Glick Entorno Law, LLP 225 Broadway, Suite 1900 San Diego, CA 92101

4. <u>CLAIMS COVERED AND RELEASE</u>

4.1 EHA's Public Release of Proposition 65 Claims

Plaintiff, acting on its own behalf and in the public interest, releases Mariani, and its parents, subsidiaries, affiliated entities under common ownership or control, its directors, officers, principals, agents, employees, attorneys, insurers, accountants, predecessors, successors, and assigns ("Defendant Entities"), each entity to whom Defendant directly or indirectly distributes, ships, or sells the Covered Products, including but not limited to downstream distributors, wholesalers, customers, retailers, including but not limited to Walmart Inc. (and its direct and indirect subsidiaries, as well as affiliates), and marketplaces franchisees, franchisors, cooperative members, suppliers, licensees, and licensors,

and all of the foregoing entities' owners, directors, officers, agents, principals, employees, attorneys, insurers, accountants, representatives, predecessors, successors, and assigns (collectively referred to as the "Releasees") from all claims for violations of Proposition 65 up through the Effective Date based on exposure to lead from Covered Products as set forth in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to lead from Covered Products as set forth in the Notice. This Consent Judgment is a full, final, and binding resolution of all claims under Proposition 65 that were or could have been asserted against Mariani and/or Releasees for failure to comply with Proposition 65 for alleged exposure to lead from Covered Products.

4.2 EHA's Individual Release of Claims

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

4.3 Mariani's Release of EHA

Mariani 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 EHA and its attorneys and other representatives for any and all actions taken or statements made by EHA and its attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against them, in this matter or with respect to the Covered Products.

4.4 No Other Known Claims or Violations

EHA and EHA's counsel, on their own behalf, affirm that they are not presently aware of any actual or alleged violations of Proposition 65 by Mariani or for which Mariani bears legal responsibility other than those that are fully resolved by this Consent Judgment. It is possible that other claims not known to the Parties, arising out of the facts alleged in the Notice and Complaint, and relating to the Covered Products, will develop or be discovered. EHA on behalf of itself only, and Mariani, on its own behalf only, acknowledge that this Consent Judgment is expressly intended

to cover and include all such claims up through and including the Effective Date, including all rights of action therefore. EHA and Mariani acknowledge that the claims released in this Consent Judgment above may include unknown claims, and nevertheless, on their own behalf, waive California Civil Code section 1542 as to any such unknown claims.

EHA and Mariani acknowledge that each have been advised by legal counsel and are familiar with California Civil Code section 1542, which states:

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.

EHA, in its individual capacity, and on behalf of itself, it past and current agents, representatives, attorneys, successors, and /or assignees, and Mariani, on behalf of itself, it past and current agents, representatives, attorneys, successors, and /or assignees, expressly waives and relinquishes any and all rights and benefits which it may have under, or which may be conferred on it by the provisions of California Civil Code section 1542 as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that they may lawfully waive such rights or benefits pertaining to the released matters.

5. COURT APPROVAL

This Consent Judgment is not effective until it is approved by the Court and 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. EHA shall dismiss the complaint and all causes of action and claims against Walmart, Inc. from this action, with prejudice.

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 as applied within the state of California. In the event that Proposition 65 is repealed, or is otherwise rendered inapplicable for any reason, including but not limited to changes in the law, then Mariani may

provide written notice to EHA 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 Covered Products are so affected.

In the event the California Office of Health Hazard Assessment adopts a regulation or safe use determination, or issues an interpretive guideline, that exempts Covered Products from meeting the requirements of Proposition 65; or if lead cases are permanently enjoined by a court of competent jurisdiction; or if Proposition 65 is determined to be preempted by federal law or a burden on First Amendment rights with respect to lead in Covered Products or Covered Products substantially similar to Covered Products, then Mariani shall be relieved of its obligation to comply with Section 2 herein.

8. ENFORCEMENT

This Consent Judgment shall be enforced solely by the parties thereto. In any action to enforce the terms of this Consent Judgment, the prevailing party shall be entitled to its reasonable attorneys' fees and costs.

9. NOTICE

Unless otherwise 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; and (iv) with a copy by email; to the following addresses:

If to Mariani:

John McCarron Downey Brand LLP 621 Capitol Mall, 18th Fl. Sacramento, CA 95814 jmccarron@downeybrand.com

If to EHA:

Noam Glick Entorno Law, LLP 225 Broadway, Suite 2100 San Diego, CA 92101 noam@entornolaw.com

Sophia B. Castillo Keller & Heckman LLP Three Embarcadero Center Suite 1420 San Francisco, CA 94111castillo@khlaw.com

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

notices and other communications shall be sent.

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10. COUNTERPARTS; DIGITAL SIGNATURES

This Consent Judgment may be executed in counterparts and by facsimile signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

11. POST EXECUTION ACTIVITIES

EHA 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 EHA shall draft and file. In furtherance of obtaining such approval, the Parties agree to mutually employ their reasonable 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.

12. MODIFICATION

This Consent Judgment may be modified 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.

13. <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.

14. 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, or by telephone, and/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	15. <u>ENTIRE AGREEMENT</u>
2	This Consent Judgment contains the sole and entire agreement and understanding of the Parties
3	with respect to the entire subject matter herein, and any and all prior discussions, negotiations,
4	commitments, and understandings related hereto. No representations, oral or otherwise, express or
5	implied, other than those contained herein have been made by any Party. No other agreements, oral or
6	otherwise, unless specifically referred to herein, shall be deemed to exist or to bind any Party.
7	AGREED TO:
8	1./9/12
9	Date: 06/02/2023 Date: 6/9/23
10	By: trul De By: hand house
11	ENVIRONMENTAL HEALTH MARIANI PACKING CO., INC.
12	ADVOCATES, INC.
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14	IT IS SO ORDERED.
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16	Date:
17	JUDGE OF THE SUPERIOR COURT
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