

1 Elham Shabatian (SBN 221953)
Cliffwood Law Firm
2 12100 Wilshire Blvd., Suite 800
3 Los Angeles, CA 90025
4 Ph: (310) 200-3227
5 Email: ellie@cliffwoodlaw.com
6 Attorneys for Plaintiff Clean Product Advocates LLC

7 Jonathan A. Ross (SBN 146973)
Bradley, Gmelich & Wellerstein LLP
8 700 North Brand Boulevard, 10th Floor
9 Glendale, CA 91203-1202
10 Ph: (818) 243-5200
11 Email: jross@bgwlawyers.com

12 Attorneys for Defendant/Cross-Complainant, OCM Globe, Inc.

13 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
14 **COUNTY OF LOS ANGELES**

15
16 **CLEAN PRODUCT ADVOCATES, LLC, a**
17 **California Limited Liability Company,**

18 **Plaintiff,**

19 **vs.**

20 **OCM GLOBE, INC.; CALCO FARM,**
21 **INC.; DOES 1-100**

22 **Defendants.**

CASE NO. 23PSCV03457

SETTLEMENT AGREEMENT

Judge: Hon. Salvatore Sima
Dept.: G

Complaint Filed: November 7, 2023
Trial Date: None set

23
24 **1. INTRODUCTION**

25 **1.1 The Parties.** This Settlement Agreement is entered into by and between CLEAN PRODUCT
26 ADVOCATES, LLC ("Clean" or "Plaintiff") on the one hand, and OCM GLOBE, INC. ("OCM" or "Defendant")
27 on the other hand. Together, Clean and OCM are collectively referred to as the "Parties." Clean is a California
28 Limited Liability Company, and is a private enforcer and in the public interest, seeks to promote awareness of

1 exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances
2 contained in consumer products. Clean alleges that OCM is an entity in the course of doing business for purposes of
3 the Safe Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code § 25249.6, et seq.
4 (“Proposition 65”).

5 **1.2 Complaint and General Allegations.** Clean alleges that a product
6 manufactured, distributed, or sold by Defendant contains lead, a chemical listed under
7 Proposition 65 as a carcinogen and reproductive toxin, and exposes consumers to this chemical
8 at a level requiring a Proposition 65 warning. On December 14, 2023, Clean initiated this
9 action by filing a Complaint for Injunctive and Declaratory Relief and Civil Penalties (the
10 “Complaint”) pursuant to the provisions of California Health and Safety Code section 25249.5
11 *et seq.* (“Proposition 65”), against Defendant OCM and Defendant Calco Farm, Inc. On
12 December 19, 2023, Plaintiff filed a request for dismissal of the Complaint as to Defendant
13 Calco Farm, Inc. only. On April 22, 2024, Defendant OCM Globe, Inc. filed an Answer to the
14 Complaint and a Cross-Complaint against Cross-Defendants ROES 1 through 50, Inclusive.

15 **1.3 Product Description.** The products covered by this Settlement Agreement are “Korean Style
16 Vermicelli” (UPC 854316006269), “Sweet Potato Starch Noodles” (UPC 141816200021), “Artificial Hot & Sour
17 Pork Flavor Soup” (UPC 6921555541524), and “Chinese Gourmet Hot & Sour Pork Bone” (UPC 692155556279)
18 (collectively referred to as the “Covered Product”).

19 **1.4 Notice of Violation.** On November 29, 2022 and April 28, 2023, Clean served OCM, and various public
20 enforcement agencies with documents entitled “Notice of Violation of California Health & Safety Code § 25249.6,
21 et seq.” (the “Notices”). The Notices provided OCM and such others, including public enforcers, with notice that
22 alleged that OCM was in violation of California Health & Safety Code § 25249.6, for failing to warn California
23 consumers and customers that use of the Products will expose them to Lead. No public enforcer has diligently
24 prosecuted the allegations set forth in the Notice.

25 **1.5 No Admission.** OCM denies the material factual and legal allegations contained in the Notice and
26 Complaint and maintains that, to the best of its knowledge, all products that are or have been sold and distributed in
27 California, including the Products, have been and are in compliance with all laws. Nothing in this Settlement
28 Agreement shall be construed as an admission by OCM of any fact, finding, issue of law, or violation of law; nor

1 shall compliance with this Settlement Agreement constitute or be construed as an admission by OCM of any fact,
2 finding, conclusion, issue of law or violation of law, such being specifically denied by OCM. However, this § 1.5
3 shall not diminish or otherwise affect the obligations, responsibilities and duties under this Settlement Agreement.
4 Notwithstanding the allegations in the Complaint and Notices, OCM maintains that it has not knowingly
5 manufactured, imported, distributed or sold or caused to be manufactured, imported, distributed or sold the Products
6 for sale in California in violation of Proposition 65.

7 **1.6 Effective Date.** For purposes of this Settlement Agreement, the term "Effective Date" shall mean
8 the date this Agreement is approved by the Court.

9 **1.7** Except as expressly set forth herein, nothing in this agreement shall prejudice,
10 waive, or impair any right, remedy, argument, or defense the Parties may have in any current
11 or future legal proceeding unrelated to these proceedings.

12 **1.8** The Effective Date of this agreement is the date on which it is approved
13 Court.

14 **2. JURISDICTION AND VENUE**

15 For purposes of this agreement and any further court action that may become necessary to
16 enforce this agreement, the Parties stipulate that this Court has subject matter jurisdiction over the
17 allegations of violations contained in the Complaint and personal jurisdiction over Defendant as to
18 the acts alleged in the Complaint, that venue is proper in Los Angeles County, and that this Court
19 has jurisdiction to approve this agreement as a full and final resolution of all claims up through
20 and including the Effective Date that were or could have been asserted in this action based on the
21 facts alleged in the Notice and Complaint.

22 **3. INJUNCTIVE RELIEF, REFORMULATION, TESTING AND WARNINGS**

23 **3.1** Beginning on the Effective Date, Defendant shall be permanently enjoined from
24 manufacturing for sale in the State of California, "distributing into the State of California," or
25 directly selling in the State of California, any Covered Product that expose a person to a "Daily
26 Lead Exposure Level" of more than 0.5 micrograms of lead per day unless it meets the
27 warning requirements under Section 3.2.

28 **3.11** As used in this agreement, the term "distributing into the State of California" shall

1 mean to directly ship a Covered Product into California for sale in California or to sell a
2 Covered Product to a distributor that Defendant knows or has reason to know will sell the
3 Covered Products in California. The injunctive relief in Section 3 does not apply to any
4 Covered Product that has left the possession, and is no longer under the control, of Defendant
5 prior to the Effective Date and all claims as to such Covered Products are released in this
6 agreement.

7 **3.1.2** For purposes of this agreement, the “Daily Lead Exposure Level” shall be
8 measured in micrograms, and shall be calculated using the following formula: micrograms of
9 lead per gram of product, multiplied by grams of product per serving of the product (using the
10 largest serving size appearing on the product label), multiplied by servings of the product per
11 day (using the largest number of recommended daily servings appearing on the label), which
12 equals micrograms of lead exposure per day. If the label contains no recommended daily
13 servings, then the number of recommended daily servings shall be one.

14 **3.2 Clear and Reasonable Warning**

15 If Defendant is required to provide a warning pursuant to Section 3.1, the following
16 warning must be utilized (“Warning”):

17 **WARNING:** Consuming this product can expose you to chemicals including lead which is
18 [are] known to the State of California to cause [cancer and] birth defects or other
19 reproductive harm. For more information go to www.P65Warnings.ca.gov/food.

20 Defendant shall use the phrase “cancer and” in the Warning if Defendant has reason to
21 believe that the “Daily Lead Exposure Level” is greater than 15 micrograms of lead as determined
22 pursuant to the quality control methodology set forth in Section 3.1.2 or if Defendant has reason
23 to believe that another Proposition 65 chemical is present which may require a cancer warning.

24 The Warning shall be securely affixed to or printed upon the label of each Covered
25 Product and it must be set off from other surrounding information and enclosed in a box. In
26 addition, for any Covered Product sold over the internet, the Warning shall appear on the
27 checkout page in full text or through a clearly marked hyperlink using the word “**WARNING**”
28 in all capital and bold letters when a California delivery address is indicated for any purchase
of any Covered Product. If a hyperlink is used, the hyperlink must go directly to a page

1 prominently displaying either the Option 1 Warning or the Option 2 Warning without content
2 that detracts from the Warning. An asterisk or other identifying method must be utilized to
3 identify which products on the checkout page are subject to the Warning.

4 The Warning shall be at least the same size as the largest of any other health or safety
5 warnings also appearing on the website or on the label and the word "WARNING" shall be in all
6 capital letters and in bold print. No statements intended to or likely to have the effect of
7 diminishing the impact of the Warning on the average lay person shall accompany the Warning.
8 Further, no statements may accompany the Warning that state or imply that the source of the listed
9 chemical has an impact on or results in a less harmful effect of the listed chemical.

10 Defendant must display the above Warning with such conspicuousness, as compared with
11 other words, statements or designs on the label, or on its website, if applicable, to render the
12 Warning likely to be read and understood by an ordinary individual under customary conditions
13 of purchase or use of the product.

14 For purposes of this agreement, the term "label" means a display of written, printed or
15 graphic material that is printed on or affixed to a Covered Product or its immediate container or
16 wrapper.

17 For purposes of this agreement, when Defendant is required to provide a warning for a
18 Covered Product pursuant to Section 3, Defendant may satisfy the warning requirement by
19 providing the required information in compliance with 27 C.C.R. § 25600.2 (2024) to any
20 business that is subject to Proposition 65 to which it is selling or transferring the Covered Product.

21 The Parties agree that Defendant shall be deemed to be in compliance with this Settlement Agreement
22 by either adhering to § 3 of this Settlement Agreement or by complying with warning regulations adopted
23 by the State of California's OEHHA applicable to the Product and the exposures at issue. Further,
24 Defendant agrees that, as of January 1, 2028, it shall ensure that all consumer products it manufactures,
25 distributes, or sells in California, requiring a warning under Proposition 65, comply with the revised
26 Proposition 65 warning regulations, including updated short-form warnings. The required warnings shall
27 specify at least one chemical for which the warning is given, in accordance with Title 27, California Code
28 of Regulations, Section 25603.

1 3.3 Foreign Language Warning Requirement: Where any product label, packaging, or
2 accompanying written materials include information in a language other than English, Defendant
3 agrees to provide the Proposition 65 warning in the same language(s) in addition to English. The
4 foreign language warning must contain the same content as the English warning and must be
5 prominently displayed.

6 **4. SETTLEMENT PAYMENT**

7 4.1 In full satisfaction of all potential civil penalties, additional settlement
8 payments, attorney's fees, and costs, Defendant shall make a total payment of \$15,000.00
9 ("Total Settlement Amount") to Plaintiff within 30 business days of the Effective Date ("Due
10 Date"). Defendant shall make this payment by the delivery of certified funds to Cliffwood Law
11 Firm, Attn: Elham Shabatian. The Total Settlement Amount shall be apportioned as follows:

12 4.2 \$1,000.00 shall be considered a civil penalty pursuant to California Health and
13 Safety Code section 25249.7(b)(1). Plaintiff shall remit 75% (\$750.00) of the civil penalty to
14 the Office of Environmental Health Hazard Assessment ("OEHHA") for deposit in the Safe
15 Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety
16 Code section 25249.12(c). Plaintiff will retain the remaining 25% (\$250.00) of the civil
17 penalty.

18 4.3 \$14,000.00 shall be distributed to the Cliffwood Law Firm as reimbursement for
19 reasonable costs and fees incurred in bringing this action. Except as explicitly provided herein,
20 each Party shall bear its own fees and costs.

21 **5. MODIFICATION OF AGREEMENT**

22 5.1 This agreement may be modified only as to injunctive terms (i) by written
23 stipulation of the Parties and upon entry by the Court of a modified agreement or (ii) by motion
24 of either Party pursuant to Section 5.3 and upon approval by the Court of a modified
25 agreement.

26 5.2 If Defendant seeks to modify this agreement, then Defendant must provide
27 written notice to Plaintiff of its intent ("Notice of Intent"). If Plaintiff seeks to meet and confer
28 regarding the proposed modification in the Notice of Intent, then Plaintiff must provide written

1 notice to Defendant within thirty (30) days of receiving the Notice of Intent. If Plaintiff
2 notifies Defendant in a timely manner of Plaintiff's intent to meet and confer, then the Parties
3 shall meet and confer in good faith as required in this Section. The Parties shall meet in person
4 or via telephone within thirty (30) days of Plaintiff's notification of its intent to meet and
5 confer. Within thirty (30) days of such meeting, if Plaintiff disputes the proposed modification,
6 Plaintiff shall provide to Defendant a written basis for its position. The Parties shall continue
7 to meet and confer for an additional thirty (30) days in an effort to resolve any remaining
8 disputes. Should it become necessary, the Parties may agree in writing to different deadlines
9 for the meet-and-confer period.

10 **5.3** In the event that Defendant initiates or otherwise requests a modification under
11 Section 5.1, and the meet and confer process leads to a joint motion or application for a
12 modification of the agreement, Defendant shall reimburse Plaintiff its costs and reasonable
13 attorney's fees for the time spent in the meet-and-confer process and filing and arguing the
14 motion or application.

15 **6. RETENTION OF JURISDICTION, ENFORCEMENT OF AGREEMENT**

16 **6.1** This Court shall retain jurisdiction of this matter to enforce, modify, or
17 terminate this agreement.

18 **6.2** If Plaintiff alleges that any Covered Product fails to qualify as a Conforming
19 Covered Product (for which Plaintiff alleges that no Warning has been provided), then Plaintiff
20 shall inform Defendant in a reasonably prompt manner of its test results, including information
21 sufficient to permit Defendant to identify the Covered Products at issue. Defendant shall, within
22 thirty (30) days following such notice, provide Plaintiff with testing information, from a
23 qualified independent third-party laboratory demonstrating Defendant's compliance with the
24 agreement. The Parties shall first attempt to resolve the matter prior to Plaintiff taking any
25 further legal action.

26 **7. APPLICATION OF AGREEMENT**

27 This agreement may apply to, be binding upon, and benefit the Parties and their respective
28 officers, directors, shareholders, employees, agents, parent companies, subsidiaries, divisions,

1 franchisees, licensees, customers (excluding private labelers), distributors, wholesalers, retailers,
2 predecessors, successors, and assigns. This agreement shall have no application to any Covered
3 Product that is distributed or sold exclusively outside the State of California and that is not used
4 by California consumers.

5 **8. BINDING EFFECT, CLAIMS COVERED AND RELEASED**

6 **8.1** This agreement is a full, final, and binding resolution between Plaintiff, on
7 behalf of itself and in the public interest, and Defendant and its respective officers, directors,
8 shareholders, employees, agents, parent companies, subsidiaries, divisions, suppliers,
9 franchisees, licensees, customers (not including private label customers of Defendant),
10 distributors, wholesalers, retailers, and all other upstream and downstream entities in the
11 distribution chain of any Covered Product, and the predecessors, successors, and assigns of any
12 of them (collectively, "Released Parties"). Plaintiff, on behalf of itself and in the public
13 interest, hereby fully releases and discharges the Released Parties from any and all claims,
14 actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs, and
15 expenses asserted, or that could have been asserted from the handling, use, or consumption of
16 the Covered Products, as to any alleged violation of Proposition 65 or its implementing
17 regulations arising from the failure to provide Proposition 65 warnings on the Covered
18 Products regarding lead up to and including the Effective Date.

19 **8.2** Plaintiff on its own behalf only, and Defendant on its own behalf only,
20 further waive and release any and all claims they may have against each other for all actions or
21 statements made or undertaken in the course of seeking or opposing enforcement of
22 Proposition 65 in connection with the Notice and Complaint up through and including the
23 Effective Date, provided, however, that nothing in Section 8 shall affect or limit any Party's
24 right to seek to enforce the terms of this agreement.

25 **8.3** It is possible that other claims not known to the Parties, arising out of the facts
26 alleged in the Notices and Complaint, and relating to the Covered Product, will develop or be
27 discovered. Plaintiff on behalf of itself only, and Defendant on behalf of itself only,
28 acknowledge that this agreement is expressly intended to cover and include all such claims up

1 through and including the Effective Date, including all rights of action therefore. Plaintiff and
2 Defendant acknowledge that the claims released in Sections 8.1 and 8.2 above may include
3 unknown claims, and nevertheless waive California Civil Code section 1542 as to any such
4 unknown claims. California Civil Code section 1542 reads as follows:

5 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
6 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
7 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE
8 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
9 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED
10 PARTY.

11 Plaintiff on behalf of itself only, and Defendant on behalf of itself only, acknowledge and
12 understand the significance and consequences of this specific waiver of California Civil Code
13 Section 1542.

14 **8.4** Compliance with the terms of this agreement shall be deemed to constitute
15 compliance with Proposition 65 by any releasee regarding alleged exposures to lead in the
16 Covered Products as set forth in the Notice and Complaint.

17 **9. SEVERABILITY OF UNENFORCEABLE PROVISIONS**

18 In the event that any of the provisions of this agreement are held by a court to be
19 unenforceable, the validity of the remaining enforceable provisions shall not be adversely
20 affected.

21 **10. GOVERNING LAW**

22 The terms and conditions of this agreement shall be governed by and construed in
23 accordance with the laws of the State of California.

24 **11. PROVISION OF NOTICE**

25 All notices required to be given to either Party to this agreement by the other shall be in
26 writing and sent to the following agents listed below via first-class mail or via electronic mail
27 where required. Courtesy copies via email may also be sent.

28 **FOR CLEAN PRODUCTS ADVOCATES, LLC:**

Elham Shabatian
Cliffwood Law Firm, PC
12100 Wilshire Boulevard
Suite 800

1 Los Angeles, California 90025
2 Ph: (310) 200-3227
3 Email: ellie@cliffwoodlaw.com

4 **FOR OCM GLOBE, INC.**

5 Jonathan A. Ross
6 Bradley, Gmelich & Wellerstein LLP
7 700 North Brand Boulevard, 10th Floor
8 Glendale, California 91203-1202
9 Ph: (818) 243-5200
10 Email: jross@bgwlawyers.com

11 **12. COURT APPROVAL**

12 12.1 Upon execution of this agreement by the Parties, Plaintiff shall notice a Motion
13 for Court Approval. The Parties shall use their best efforts to support approval by the Court of
14 this agreement.

15 12.2 If the California Attorney General objects to any term in this agreement, the
16 Parties shall use their best efforts to resolve the concern in a timely manner, and if possible,
17 prior to the hearing on the motion.

18 12.3 If this agreement is not approved by the Court, it shall be void and have no force
19 or effect.

20 **13. EXECUTION AND COUNTERPARTS**

21 This agreement may be executed in counterparts, which taken together shall be deemed to
22 constitute one document. A facsimile or .pdf signature shall be construed to be as valid as the
23 original signature.

24 **14. DRAFTING**

25 The terms of this agreement have been reviewed by the respective counsel for each Party
26 prior to its signing, and each Party has had an opportunity to fully discuss the terms and
27 conditions with legal counsel. The Parties agree that, in any subsequent interpretation and
28 construction of this agreement, no inference, assumption, or presumption shall be drawn, and no
provision of this agreement shall be construed against any Party, based on the fact that one of the

1 Parties and/or one of the Parties' legal counsel prepared and/or drafted all or any portion of the
2 agreement. It is conclusively presumed that all of the Parties participated equally in the
3 preparation and drafting of this agreement.

4 **16. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES**

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

9 **17. ENFORCEMENT**

10 Plaintiff may, by motion or order to show cause before the Superior Court of Los
11 Angeles County, enforce the terms and conditions contained in this agreement. In any action
12 brought by Plaintiff to enforce this agreement, Plaintiff may seek whatever fines, costs,
13 attorney's fees, penalties, or remedies as are provided by law for failure to comply with the
14 agreement. To the extent the failure to comply with the agreement constitutes a violation of
15 Proposition 65 or other laws, Plaintiff shall not be limited to enforcement of this agreement,
16 but may seek in another action whatever fines, costs, penalties, or remedies as are provided by
17 law for failure to comply with Proposition 65 or other laws.

18 **18. ENTIRE AGREEMENT, AUTHORIZATION**

19 18.1 This agreement contains the sole and entire agreement and understanding of
20 the Parties with respect to the entire subject matter herein, including any and all prior
21 discussions, negotiations, commitments, and understandings related thereto. No
22 representations, oral or otherwise, express or implied, other than those contained herein have
23 been made by any Party. No other agreements, oral or otherwise, unless specifically referred to
24 herein, shall be deemed to exist or to bind any Party. Further, upon Court approval of this
25 agreement and execution of the terms contained herein, Plaintiff's Complaint and Defendant's
26 Cross-Complaint, shall be dismissed with prejudice.

27 18.2 Each signatory to this agreement certifies that he or she is fully authorized by
28 the Party he or she represents to stipulate to this agreement.

1 **19. REQUEST FOR FINDINGS & APPROVAL OF SETTLEMENT**

2 This agreement has come before the Court upon the request of the Parties. The Parties
3 request the Court to fully review this agreement and, being fully informed regarding the matters
4 which are the subject of this action, to:

5 (1) Find that the terms and provisions of this agreement represent a fair and equitable
6 settlement of all matters raised by the allegations of the Complaint that the matter has been
7 diligently prosecuted, and that the public interest is served by such settlement; and

8 (2) Make the findings pursuant to California Health and Safety Code section
9 25249.7(f)(4) and approve the Settlement.

10 **IT IS SO STIPULATED:**

11 Dated: _____, 2024

CLEAN PRODUCT ADVOCATES, LLC

12
13 By: _____
14 Dekee Yangzom

15
16
17 Dated: 02/25/25 _____, 2024

OCM GLOBE, INC.

18
19 _____
20 By: Jie Xie
21 Its: Secretary

1 **19. REQUEST FOR FINDINGS & APPROVAL OF SETTLEMENT**

2 This agreement has come before the Court upon the request of the Parties. The Parties
3 request the Court to fully review this agreement and, being fully informed regarding the matters
4 which are the subject of this action, to:

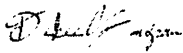
5 (1) Find that the terms and provisions of this agreement represent a fair and equitable
6 settlement of all matters raised by the allegations of the Complaint that the matter has been
7 diligently prosecuted, and that the public interest is served by such settlement; and

8 (2) Make the findings pursuant to California Health and Safety Code section
9 25249.7(f)(4) and approve the Settlement.

10 **IT IS SO STIPULATED:**

11 Dated: 2/24/2025, 2024

CLEAN PRODUCT ADVOCATES, LLC

12 By: 
13 Dekee Yangzom

14
15
16
17 Dated: _____, 2024

OCM GLOBE, INC.

18
19
20 By: _____
21 Its: _____

1 **ORDER APPROVING AGREEMENT**

2 Based upon the Parties' Stipulation, and good cause appearing, this agreement is
3 approved and is hereby entered according to its terms.

4 IT IS SO ORDERED, ADJUDGED AND DECREED.

5
6 Dated: _____, 2025

7 Judge of the Superior Court
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28