1 2 3	Evan Smith (Bar No. SBN 242352 BRODSKY SMITH 9465 Wilshire Blvd., Ste. 300 Beverly Hills, CA 90212 Tel: (877) 534-2590 Fax: (310) 247-0160)	
4	Attorneys for Plaintiff		
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8	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
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10	COUNTY OF SAN FRANCISCO		
11	GABRIEL ESPINOZA,	Î	Case No.: CGC-24-619943
12	Plaintiff,		[PROPOSED] CONSENT JUDGMENT
13	v,		
14	BUMBLE BEE FOODS, LLC,		Judge: Joseph M. Quinn Dept.: 302
15	Defendant.		Hearing Date: March 3, 2025 Hearing Time: 9:30 AM Complaint Filed: November 20, 2024
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1. INTRODUCTION

Espinoza acting on behalf of the public interest (hereinafter "Espinoza") and defendant Bumble Bee Foods, LLC ("Bumble Bee" or "Defendant") with Espinoza and Defendant collectively referred to as the "Parties" and each of them as a "Party." Espinoza is an individual residing in California that seeks to promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products. Defendant is alleged to be a person in the course of doing business for purposes of Proposition 65, Cal. Health & Safety Code §§ 25249.6 et seq.

1.2 Allegations and Representations. Espinoza alleges that Defendant has exposed individuals to lead and lead compounds and cadmium (collectively, "Listed Chemicals") from their manufacturing, distribution, and/or sale of oysters, including without limitation Bumble Bee Hot & Spicy Smoked Oysters and Bumble Bee Hardwood Smoked Oysters ("Oysters") without providing clear and reasonable exposure warnings pursuant to Proposition 65. Lead and lead compounds and cadmium are listed pursuant to Proposition 65 as chemicals known to the State of California to cause cancer and birth defects or other reproductive harm.

1.3 Notices of Violation/Action. On September 17, 2024, Espinoza served Bumble Bee and various public enforcement agencies with documents entitled "60-Day Notice of Violation" pursuant to Health & Safety Code §25249.7(d) (the "First September Notice"), alleging that Bumble Bee violated Proposition 65 for failing to warn consumers and customers that consumption of Oysters exposes consumers in California to lead and cadmium. No public enforcer has brought and is diligently prosecuting the claims alleged in the First September Notice.

On September 25, 2024, Espinoza served Bumble Bee and various public enforcement agencies with documents entitled "60-Day Notice of Violation" pursuant to Health & Safety Code §25249.7(d) (the "Second September Notice"), alleging that Bumble Bee violated Proposition 65 for failing to warn consumers and customers that consumption of Oysters exposes consumers in

California to the Listed Chemicals. No public enforcer has brought and is diligently prosecuting the claims alleged in the Second September Notice.

On September 27, 2024, Espinoza served Bumble Bee and various public enforcement agencies with documents entitled "60-Day Notice of Violation" pursuant to Health & Safety Code §25249.7(d) (the "Third September Notice"), alleging that Bumble Bee violated Proposition 65 for failing to warn consumers and customers that consumption of Oysters exposes consumers in California to the Listed Chemicals. No public enforcer has brought and is diligently prosecuting the claims alleged in the Third September Notice. The First September Notice, Second September Notice, and Third September Notice are collectively referred to herein as, the "Notices."

- 1.4 On November 20, 2024, Espinoza filed a complaint that brought claims pertaining to the First September Notice (the "Complaint"). On December 23, 2024, Espinoza filed a First Amended Complaint alleging claims pertaining to the Notices (the "First Amended Complaint"). The Complaint and the First Amended Complaint are collectively referred to herein as, the "Action."
- 1.5 For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Defendant as to the allegations contained in the Action filed in this matter, that venue is proper in the County of San Francisco, and that this Court has jurisdiction to approve, enter, and oversee the enforcement of this Consent Judgment as a full and final binding resolution of all claims which were or could have been raised in the Action based on the facts alleged therein and in the Notices.
- 1.6 Defendant denies the material allegations contained in the Notices and Action and maintain that it has not violated Proposition 65. Nothing in this Consent Judgment shall be construed as an admission by Defendant of any fact, finding, issue of law, or violation of law; nor shall compliance with this Consent Judgment constitute or be construed as an admission by Defendant of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Defendant. However, this section shall not diminish or otherwise affect the obligations, responsibilities, and duties of Defendant under this Consent Judgment.

2. <u>DEFINITIONS</u>

- **2.1** Covered Products. The term "Covered Product(s)" mean Oysters, including without limitation Bumble Bee Hot & Spicy Smoked Oysters and Bumble Bee Hardwood Smoked Oysters that are manufactured, distributed, shipped into California and sold and/or offered for sale in California by Defendant.
- **2.2 Effective Date.** The term "Effective Date" means the date this Consent Judgment is entered as a Judgment of the Court.

3. INJUNCTIVE RELIEF: REFORMULATION AND/OR WARNINGS

- 3.1 Reformulation of Covered Products. On the Effective Date, and continuing thereafter, Covered Products that Defendant directly manufactures, imports, distributes, or sells in California shall either be: (a) Reformulated Products pursuant to Sections 3.2 and 3.3; or (b) labeled with or accompanied by a clear and reasonable exposure warning pursuant to Section 3.4. For purposes of this Settlement Agreement, a "Reformulated Product" is a Covered Product that complies with both standards in Sections 3.2 and 3.3. The warning requirement set forth in Section 3.4 shall not apply to any Reformulated Product. In addition, the warning requirement set forth in Section 3.4 shall not apply to any Covered Product that was manufactured more than ninety (90) days prior to the Effective Date.
- 3.2 Lead Reformulation Standard. "Reformulated Lead Products" shall mean Covered Products that expose a person to an exposure level of less than 0.5 micrograms of lead and lead compounds per serving size on the label of the Covered Products when analyzed pursuant to AOAC Official Method 2015.01. If the Covered Product label contains no recommended daily servings, then the number of recommended daily servings shall be one (1) serving. All testing to determine whether a Product is a Reformulated Lead Product shall be performed using an independent third-party laboratory accredited to perform the testing using AOAC Official Method 2015.01.

¹ The serving size for Bumble Bee Hot & Spicy Smoked Oysters and Bumble Bee Hardwood Smoked Oysters is one (1) can (106 grams).

3.3 Cadmium Reformulation Standard. "Reformulated Cadmium Products" shall mean Covered Products that expose a person to an exposure level of less than 4.1 micrograms of cadmium per serving size on the label of the Covered Products when analyzed pursuant to AOAC Official Method 2015.01. If the Covered Product label contains no recommended daily servings, then the number of recommended daily servings shall be one (1) serving. All testing to determine whether a Product is a Reformulated Cadmium Product shall be performed using an independent third-party laboratory accredited to perform the testing using AOAC Official Method 2015.01.

3.4 Clear and Reasonable Warning. Commencing on the Effective Date, and continuing thereafter, a clear and reasonable exposure warning as set forth in this Section must be provided for all Covered Products that Defendant manufacturers, imports, distributes, or sells in California that are not Reformulated Products. There shall be no obligation for Defendant to provide an exposure warning for Covered Products that were manufactured more than ninety (90) days prior to the Effective Date. The warning shall consist of either the Warning or Alternative Warning described below:

(a) Warning.

For exposures to Covered Products that are (1) not Reformulated Products (i.e., can result in exposures to lead and lead compounds *and* cadmium),² or (2) Reformulated Cadmium Products but not Reformulated Lead Products (i.e., can result in exposures to lead and lead compounds *only*), the **Warning** shall appear as follows:

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

²For Covered Products that are not Reformulated Products, the Parties agree that identifying a single chemical of concern is "clear and reasonable" pursuant to Health & Safety Code § 25249.6 and 27 Cal. Code Regs., tit. 27, § 25607.2, and Defendant shall identify the chemical lead and lead compounds.

For exposures to Covered Products that are Reformulated Lead Products but not Reformulated Cadmium Products (i.e., can result in exposures to cadmium *only*), the **Warning** shall appear as follows:

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

(b) Alternative Warnings: Defendant may, but is not required to, use the following alternative short-form warnings, as applicable ("Alternative Warnings"). For exposures to Covered Products that are (1) not Reformulated Products, or (2) Reformulated Cadmium Products but not Reformulated Lead Products, the Alternative Warning shall appear as follows:

WARNING: Risk of cancer and reproductive harm from exposure to lead and lead compounds. See www.P65Warnings.ca.gov.

Or

WARNING: Can expose you to lead and lead compounds, a carcinogen and reproductive toxicant. See www.P65Warnings.ca.gov.

For exposures to Covered Products that are Reformulated Lead Products, but not Reformulated Cadmium Products, the **Alternative Warning** shall appear as follows:

WARNING: Risk of reproductive harm from exposure to cadmium. See www.P65Warnings.ca.gov.

Or

WARNING: Can expose you to cadmium, a reproductive toxicant. See www.P65Warnings.ca.gov.

Any Warning or Alternative Warning provided pursuant to § 3.4 must print the word "WARNING" in all capital letters and in bold font, followed by a colon. Defendant may also use the word "CA WARNING" or "CA WARNING" instead of the word "WARNING." The Warning or Alternative Warning shall be affixed to or printed on the Covered Products' packaging or labeling, or on a placard, shelf tag, sign or electronic device or automatic process, provided that the Warning or Alternative Warning is displayed with such conspicuousness, as compared with other words, statements, or designs as to render it likely to be read and understood

Alternative Warning may be contained in the same section of the packaging, labeling, or instruction booklet that states other safety warnings, if any, concerning the use of the Covered Product and shall be at least the same size as those other safety warnings. Where the Warning or Alternative Warning is provided on the food product label, it must be set off from other surrounding information, and Defendant shall enclose the Warning or Alternative Warning in a black box and comply with the content requirements specified in Section 25607.2. If "consumer information," as that term is defined in Cal. Code Regs., tit. 27, § 25600.1, subd. (c) as it may be amended from time to time, is provided in a foreign language, Defendant shall provide the Warning or Alternative Warning in the foreign language in accordance with applicable warning regulations adopted by the State of California's Office of Environmental Health Hazard Assessment ("OEHHA").

In addition to affixing the Warning or Alternative Warning to the Product's packaging or labeling, the Warning or Alternative Warning shall be posted on websites where Defendant sells Covered Products to consumers in California. The requirements of this Section shall be satisfied if the Warning or Alternative Warning, or a clearly marked hyperlink using the word "WARNING," appears on the product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase. To comply with this Section, Defendant shall (a) post the Warning or Alternative Warning on their own website and, if they have the ability to do so, on the e-commerce websites that Defendant has expressly authorized to sell Covered Products in California; and (b) if they do not have the ability to post the Warning or Alternative Warning on e-commerce websites that Defendant has expressly authorized to sell Covered Products in California, comply with Cal. Code Regs., tit. 27, § 25600.2, subd. (b). Owners and operators of e-commerce websites who sell Covered Products in California and have been provided with written notice in accordance with Cal. Code Regs., tit. 27, § 25600.2, subd. (b) are not released in Section 5 of this Agreement if they fail to meet the warning requirements of this Section. Defendant shall not be responsible for posting the Warning or Alternative Warning on

e-commerce websites that are not expressly authorized by Defendant to sell Covered Products or who are not expressly authorized by Defendant's retail sellers to sell Covered Products supplied by Defendant, and such unauthorized e-commerce websites are not released pursuant to Section 5 of this Agreement.

- 3.5 Compliance with Warning Regulations. The Parties agree that Defendant shall be deemed to be in compliance with this Settlement Agreement by either adhering to Section 3 of this Settlement Agreement or by complying with warning regulations adopted by the State of California's OEHHA applicable to the Covered Products and the exposures at issue. If OEHHA adopts new warning regulations applicable to the Covered Products and exposures at issue, Defendant may choose to provide these warnings at its discretion.
- 3.6 Right to Cure (And No Assignment or Transfer of Claims). Espinoza shall have the exclusive right to enforce the provisions of this Consent Judgment. Espinoza represents and warrants neither he nor his agents or attorneys have assigned or otherwise transferred, or attempted to assign, or transfer, any claim or claims against Defendant to a third-party.

To the extent Espinoza identifies any Covered Product in the future which he believes is not in compliance with this Consent Judgment, Espinoza agrees to advise Defendant of such alleged breach in the manner set forth in Section 8, and provide Defendant with thirty (30) business days (calculated from the date notice is provided electronically) to cure any alleged violation of this Consent Judgment pursuant to the options in Sections 3.2 through 3.4, as applicable. Such Notice to Cure to Defendant must include photographs of the Covered Product's labeling and packaging, purchase receipt reflecting when and where the Covered Product was purchased in California, and results from an independent third-party laboratory establishing that the Covered Product is not a Reformulated Product. All documentation submitted in support of the Notice to Cure must be unredacted.

Espinoza reserves the right to seek additional civil penalties, reimbursement of reasonable attorney's fees and costs, and any other available remedies arising from or related to Notices to Cure associated with Covered Products covered by the Consent Judgment. However, Espinoza

shall not be entitled to seek or recover any civil penalties, and Espinoza and his counsel shall not be entitled to recovery or reimbursement of attorney's fees and/or costs, or any other available remedies arising from or related to Notices to Cure associated with Covered Products covered by the Consent Judgment or the alleged breach or violation of the Consent Judgment, provided Defendant timely remedies the alleged non-compliance within thirty (30) business days of receiving the Notice to Cure, as discussed herein. If Defendant cures the alleged non-compliance within thirty (30) business days of receiving the Notice to Cure, Defendant shall not be deemed in breach or violation of this Consent Judgment in any respect, and Defendant shall not be liable (whether for civil penalties or attorneys' fees or costs) for sales of such Products referenced in the Notice to Cure occurring prior to the expiration of the 30-day cure period.

4. MONETARY TERMS

- **4.1 Civil Penalty.** Defendant shall pay \$4,000.00 as a Civil Penalty pursuant to Health and Safety Code section 25249.7(b), to be apportioned in accordance with California Health & Safety Code § 25192, with 75% of these funds remitted to OEHHA and the remaining 25% of the Civil Penalty remitted to Espinoza, as provided by California Health & Safety Code § 25249.12(d).
- 4.1.1 Within ten (10) days of the Effective Date, Defendant shall issue two separate checks for the Civil Penalty payment to (a) "OEHHA" in the amount of \$3,000.00; and to (b) "Gabriel Espinoza" in the amount of \$1,000.00. Payment owed to Espinoza pursuant to this Section shall be delivered to the following payment address:

Evan J. Smith, Esquire Brodsky Smith

Two Bala Plaza, Suite 805

Bala Cynwyd, PA 19004

Payment owed to OEHHA (EIN: 68-0284486) pursuant to this Section shall be delivered directly to OEHHA (Memo Line "Prop 65 Penalties") at one of the following address(es):

For United States Postal Service Delivery:

Mike Gyurics Fiscal Operations Branch Chief Office of Environmental Health Hazard Assessment P.O. Box 4010 Sacramento, CA 95812-4010

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For Non-United States Postal Service Delivery:

Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
1001 I Street
Sacramento, CA 95814

A copy of the check payable to OEHHA shall be mailed to Brodsky Smith at the address set forth above as proof of payment to OEHHA.

4.2 Attorneys' Fees. Within ten (10) days of the Effective Date, Defendant shall pay \$38,000.00 to Brodsky Smith as complete reimbursement for Espinoza's attorneys' fees and costs incurred as a result of investigating, bringing this matter to the attention of Defendant, litigating and negotiating and obtaining judicial approval of a settlement in the public interest, pursuant to Code of Civil Procedure § 1021.5.

5. RELEASE OF ALL CLAIMS

5.1 This Consent Judgment is a full, final, and binding resolution between Espinoza acting on his own behalf, and on behalf of the public interest, and Defendant, and its parents, shareholders, members, directors, officers, managers, employees, representatives, agents, attorneys, divisions, holding companies, subdivisions, subsidiaries, partners, sister companies, and affiliates, and their predecessors, successors and assigns, including but not limited to FCF Co, Ltd. and Bumble Bee Holding Company 1 ("Defendant Releasees"), and all entities to whom they directly or indirectly distribute or sell Covered Products, including but not limited to distributors, wholesalers, customers, licensors, licensees, retailers, including but not limited to Walmart Inc., Wal-Mart Stores East, Inc., Wal-Mart Stores East, LP, Walmart Apollo, LLC, Wal-Mart.com, Inc., Wal-Mart.com USA, LLC, Amazon.com, Coastal Pacific Food, Cost.U.Less Inc., and each of these entities' parents, shareholders, members, directors, officers, managers, employees, representatives, agents, attorneys, divisions, holding companies, subdivisions, subsidiaries, partners, sister companies, and affiliates, and their predecessors, successors and assigns ("Downstream Releasees"), of all claims for violations of Proposition 65 that could be brought based on exposures to the Listed Chemicals from Products imported, manufactured, packaged, distributed, sold, or

offered for sale by Defendant within 60 days after the Effective Date, as set forth in the Notices and the Action. It is the intention of the Parties that this Consent Judgment shall have preclusive effect such that no other actions by private enforcers, whether purporting to act in his, her, or their interests or the public interest, shall be permitted to pursue and take any action with respect to any violation of Proposition 65 based on exposure to the Listed Chemicals from use of the Covered Products that was alleged in the Notices and Action, or that could have been brought pursuant to the Notices and Action against Defendant and the Downstream Releasees ("Proposition 65 Claims"). Defendant's compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by Defendant with regard to exposure to the Listed Chemicals from consumption of the Covered Products.

5.2 In addition to the foregoing, Espinoza, on behalf of himself, his past and current agents, representatives, attorneys, and successors and assignees, and <u>not</u> in his representative capacity, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases Defendant, Defendant Releasees, and Downstream Releasees from any and all manner of actions, causes of action, claims, demands, rights, suits, obligations, debts, contracts, agreements, promises, liabilities, damages, charges, losses, costs, expenses, and attorneys' fees, of any nature whatsoever, known or unknown, in law or equity, fixed or contingent, now or in the future, with respect to any alleged violations of Proposition 65 related to or arising from Covered Products imported, manufactured, packaged, distributed, sold, or offered for sale by Defendant, Defendant Releasees or Downstream Releasees. With respect to the foregoing waivers and releases in this paragraph, Espinoza hereby specifically waives any and all rights and benefits which he now has, or in the future may have, conferred by virtue of the provisions of § 1542 of the California Civil Code, which provides as follows:

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

5.3 Defendant waives any and all claims against Espinoza, his attorneys and other representatives, for any and all actions taken, or statements made (or those that could have been taken or made) by Espinoza and his attorneys and other representatives, whether in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against them in this matter, and with respect to Covered Products.

6. <u>INTEGRATION</u>

6.1 This Consent Judgment contains the sole and entire agreement of the Parties and any and all prior negotiations and understandings related hereto shall be deemed to have been merged within it. No representations or terms of agreement other than those contained herein exist or have been made by any Party with respect to the other Party or the subject matter hereof.

7. GOVERNING LAW

7.1 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 by reason of law generally, or as to Covered Products, then Defendant may move to modify this Consent Judgment to reflect such changes to the law, as set forth in Section 11.

8. NOTICES

8.1 Unless specified herein, all correspondence and notices required to be provided pursuant to this Consent Judgment shall be in writing and personally delivered or sent by: (i) first-class, (registered or certified mail) return receipt requested; or (ii) overnight courier on any party by the other party at the following addresses:

3 For Defendant:

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For Espinoza:

Greg Berlin Alston & Bird 350 S. Grand Ave., 51st Fl. Los Angeles, CA 90071 greg.berlin@alston.com Evan Smith Brodsky Smith 9465 Wilshire Blvd., Ste. 300 Beverly Hills, CA 90212 esmith@brodskysmith.com

Copies of all correspondence and notices shall also be sent electronically via email.

Any party, from time to time, may specify in writing to the other party a change of address to which all notices and other communications shall be sent.

9. COUNTERPARTS; FACSIMILE SIGNATURES

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

10. <u>COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)/COURT APPROVAL</u>

- 10.1 Espinoza agrees to comply with the requirements set forth in California Health & Safety Code § 25249.7(f) and to promptly bring a Motion for Approval of this Consent Judgment. Defendant agrees it shall support approval of such Motion.
- 10.2 This Consent Judgment shall not be effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved by the Court. In such case, the Parties agree to meet and confer on how to proceed and if such agreement is not reached within 30 days, the case shall proceed on its normal course.
- 10.3 If the Court approves this Consent Judgment and is reversed or vacated by an appellate court, the Parties shall meet and confer as to whether to modify the terms of this Consent Judgment. If the Parties do not jointly agree on a course of action to take, the case shall proceed on its normal course on the trial court's calendar.

11. MODIFICATION

11.1 This Consent Judgment may be modified only by further stipulation of the Parties and the approval of the Court or upon the granting of a motion brought to the Court by either Party.

12. <u>ATTORNEY'S FEES</u>

12.1 This Consent Judgment may only be enforced by the Parties. A Party who unsuccessfully brings or contests an action arising out of this Consent Judgment shall be required to pay the prevailing party's reasonable attorney's fees and costs.

1	12.2 Nothing in this Section shall preclude a Party from seeking an award of sanctions		
2	pursuant to law.		
3	13. <u>RETENTION OF JURISDICTION</u>		
4	13.1 This Court shall retain jurisdiction of this matter to implement or modify the		
5	Consent Judgment.		
6	14. <u>AUTHORIZATION</u>		
7	14.1 The undersigned are authorized to execute this Consent Judgment on behalf of their		
8	respective Parties and have read, understood, and agree to all of the terms and conditions of this		
9	document and certify that he or she is fully authorized by the Party he or she represents to execute		
10	the Consent Judgment on behalf of the Party represented and legally bind that Party. Except as		
11	explicitly provided herein each Party is to bear its own fees and costs.		
12	ACREED TO.		
13	AGREED TO: AGREED TO:		
14	Date: Date: January 10, 2025		
15			
16	By: GABRIEL ESPINOZA By: Gabriel Counsel		
17	Jill Irvin, General Counsel BUMBLE BEE FOODS, LLC		
18	, DOMEBE BEET OODS, BEE		
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25	IT IS SO ORDERED, ADJUDGED AND DECREED:		
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27	Dated: Judge of Superior Court		
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