BILL LOCKYER, Attorney General 1 of the State of California TOM GREENE 2 Chief Assistant Attorney General THEODORA BERGER 3 Senior Assistant Attorney General EDWARD G. WEIL, S.B. #88302 Supervising Deputy Attorney General SUSAN S. FIERING, S.B. # 121621 Deputy Attorney General 1515 Clay Street, Suite 2000 P.O. Box 70550 DEC - 9 2004 Oakland, CA 94612-0550 GORDON PARK-LI, Clerk
BY: ANDREA CARNEY Telephone: (510) 622-2100 Fax: (510) 622-2270 8 Attorneys for Plaintiff People of the State of California, ex rel. Bill Lockyer, Attorney General of the State of California 11 SUPERIOR COURT OF CALIFORNIA 12 COUNTY OF SAN FRANCISCO 13 14 COORDINATION PROCEEDING Judicial Council Coordination 15 SPECIAL TITLE [RULE 1550(b)] Proceeding No.: 4319 16 PROPOSITION 65 FISH CASES CONSENT JUDGMENT WITH ANDRONICO'S MARKETS, INC. 17 In Relation to: Case Nos. CGC 03419292. PEOPLE OF THE STATE OF CALIFORNIA, ex rel. 18 BC293749 BILL LOCKYER, Attorney General of the State of 19 California, 20 Plaintiff, v. 21 SAFEWAY, INC. et al. 22 Defendants. 23 24 AS YOU SOW et al., 25 Plaintiffs, 26 SAFEWAY, INC., et al., 27 Defendants. 28

CONSENT JUDGMENT

Plaintiffs, the People of the State of California ("People"), private plaintiffs As You Sow and the Sea Turtle Restoration Project (jointly "AYS"), and defendant Andronico's Markets, Inc. (Andronico's) (hereainfter jointly "Parties") enter into this Consent Judgment as follows:

1. Introduction

- 1.1 On January 17, 2003 the People filed a complaint in state court for Civil Penalties and Injunctive Relief under Health & Safety Code sections 25249.5 et seq. and Business and Professions Code sections 17200 et seq. against a number of Defendants. On January 21, 2003 the People filed a First Amended Complaint (hereinafter jointly "People's Complaints"). The People served Andronico's as Doe Defendant No. 2 on February 24, 2003.
- 1.2 In February, 2003, AYS filed a complaint in state court for injunctive relief and restitution under Business and Professions Code sections 17200 et seq. against a number of Defendants ("AYS Complaint"). AYS served Andronico's as a Doe Defendant on April 23, 2003. (The People's Complaints and the AYS Complaint are hereinafter jointly designated as "Complaints.")
- 1.3 On October 23, 2003, this action was coordinated with other actions in this coordination proceeding. On October 27, 2003 the Honorable Richard Kramer was assigned as the coordination trial judge.
- 1.4 The Complaints allege that during the relevant periods of time herein,
 Andronico's was a company that employed more than ten persons and offered for sale within the
 State of California some or all of the following fresh or frozen fish to consumers within the state
 of California: Swordfish, Ahi (Yellowfin) tuna, Albacore tuna, shark (hereinafter "Fish".)
- 1.5 The Complaints allege that Andronico's violated provisions of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code sections 25249.5 et seq. ("Proposition 65"), and Business and Professions Code sections 17200 et seq. ("Unfair Competition Act"), by knowingly and intentionally exposing persons to mercury, mercury compounds, methyl mercury, and methylmercury compounds (hereinafter "Mercury"), chemicals known to the State of California to cause cancer and/or reproductive toxicity, by the sale of Fish

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to consumers within the State of California, without first providing a clear and reasonable warning to such individuals. Andronico's denies these allegations.

- 1.6 For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaints and personal jurisdiction over Andronico's as to the acts alleged in the Complaints, that venue is proper in the City and County of San Francisco, and that this Court has jurisdiction to enter this Consent Judgment.
- 1.7 The Parties enter into this Consent Judgment pursuant to a settlement of certain disputed claims between the Parties as alleged in the Complaints for the purpose of avoiding prolonged and costly litigation between the Parties hereto. By execution of this Consent Judgment, the Parties do not admit any facts or conclusions of law, including, but not limited to, any facts or conclusions of law suggesting or demonstrating any violations of Proposition 65, the Unfair Competition Act, or any other statutory, common law or equitable requirements relating to Fish. Nothing in this Consent Judgment shall be construed as an admission by the Parties of any fact, conclusion of law, issue of law or violation of law, nor shall compliance with the Consent Judgment constitute or be construed as an admission by the Parties, either individually or collectively, of any fact, conclusion of law, issue of law, or violation of law. Nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy, argument or defense the Parties may have in this or any other or future legal proceedings. This Consent Judgment is the product of negotiation and compromise and is accepted by the Parties for purposes of settling, compromising and resolving issues disputed in this action, including future compliance by Andronico's with Section 2 of this Consent Judgment, and compliance by Andronico's with Proposition 65 as to matters alleged in the Complaint, and shall not be used for any other purpose, or in any other matter. However, this paragraph shall not diminish or otherwise affect the obligations, responsibilities, and duties of the parties under this Consent Judgment.

Injunctive Relief - Warning Program

2.1 Clear and reasonable warning that Fish expose persons to Mercury, chemicals known to the State of California to cause cancer and birth defects or other reproductive harm,

shall be provided by Andronico's in the manner provided in this Consent Judgment. For purposes of complying with the warning requirements of Proposition 65 as to sales of Fish, Andronico's agrees to provide the warning in the manner indicated in Paragraph 2.2 below.

- 2.2 Within thirty (30) days after the notice of entry of this Consent Judgment by the Court, Andronico's will provide a warning to each of its customers purchasing Fish. The warning shall be in the form set forth in Exhibit A ("Warning Sign"). The Warning Sign shall be printed on 65-pound cover stock, shall be 8-1/2" by 11" in size, and shall have the exact content, form, color, and print style as Exhibit A. The Warning Sign shall be posted in the area where the Fish are sold, in a manner that is reasonably calculated to make the warning message available to the customer prior to purchase of the Fish as set forth below:
- (1) Where Fish are sold in a grocery counter with an upright glass cover, the Warning Sign shall be affixed at the top of the glass portion of the counter in the middle of the counter, or shall be placed in a holder that stands upright on the counter in the middle of the counter. If the counter extends for more than ten feet from where the sign is posted, another Warning Sign shall be posted in a similar fashion every ten feet from the middle sign.
- (2) Where Fish are sold in a grocery counter without an upright glass cover, the Warning Sign shall be placed in a holder that stands upright at eye level on the counter in the middle section. If the counter extends for more than ten feet from where the sign is posted, another Warning Sign shall be posted in a similar fashion every ten feet from the middle sign.
- (3) Where Fish are sold in an upright freezer, the sign shall be attached at eye level to the door of the freezer that is directly in front of the Fish.
- (4) All Warning Signs must be no more than three feet from the consumer purchasing fish and sufficiently well lighted so that they can be easily read.

3. Settlement Payments - Civil Penalties

3.1 Within thirty (30) days after the notice of entry of this Consent Judgment, as full, final and complete satisfaction of all claims for civil penalties or restitution for the alleged violations of Proposition 65 as regards Mercury in Fish, up to and including the date of entry of this Consent Judgment, Andronico's shall pay the sum of five thousand and fifty seven dollars

and fifty cents (\$5,057.50) by mailing a check, payable to the "Office of the Attorney General of the State of California" (Attn: Susan S. Fiering, Deputy Attorney General), 1515 Clay Street, 20th Floor, P.O. Box 70550, Oakland, CA 94612. Payment of the preceding amount shall be made as a civil penalty pursuant to Health & Safety Code Section 25249.7(b) and 25249.11(c). Making this payment shall not be construed as an admission by Andronico's of any fact, conclusion of law, or violation of law, nor shall compliance with the Consent Judgment constitute or be construed as an admission by Andronico's of any fact, conclusion of law.

4. Settlement Payments - Payment of Costs and Fees

4.1 Within thirty (30) days after the notice of entry of this Consent Judgment, Andronico's shall pay the amount of ten thousand dollars (\$10,000) as reimbursement of As You Sow's and the Sea Turtle Restoration Project's costs of investigating and bringing the action As You Sow, et al. v. Safeway, Inc., et al., No. CBC-03-417139, by mailing a check, payable to Mark S. Pollack, Esq., As You Sow, and the Sea Turtle Restoration Project, in care of Law Offices of Mark S. Pollock, Esq., 1766 Third Street, Napa, CA 94559.

Settlement Payments - Education and Monitoring Program

- 5.1 Within thirty (30) days after the notice of entry of this Consent Judgment, Andronico's shall pay the amount of five thousand and fifty seven dollars and fifty cents (\$5,057.50) to the Public Health Trust ("Trust"), a program of the Public Health Institute, to be used to fund programs to educate consumers concerning Mercury in fish and seafood and to be used to monitor compliance with the injunctive relief portions of the Consent Judgment concerning posting of the Warning Sign. Payment shall be made by delivery of certified funds payable to the Public Health Trust, 180 Grand Ave., Suite 750, Oakland, CA 94612 with a copy to the Office of the Attorney General of the State of California at 1515 Clay Street, 20th Floor, P.O. Box 70550 Oakland, CA 94612 (Attn: Susan S. Fiering, Deputy Attorney General).
- 5.2 Any process undertaken by the Public Health Trust to identify and choose the entity that will conduct the education program or the program to monitor compliance with the Warning Sign program must be open to public scrutiny and subject to public notice and comment. Any proposed use of the funds must be approved by the Attorney General.

6. Stipulated Penalties

6.1 In the event that any Andronico's store fails to post the required Warning Sign as set forth in section 2 above, Andronico's shall be liable for stipulated penalties as follows:

First Violation at a facility:

\$500

Second Violation at same facility:

\$1500

Third and Subsequent Violations at

the same facility:

\$2500

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6.2 Except as provided in paragraph 6.4 below, within ten (10) days of receipt of written notice from the People that the Warning Sign is not properly posted, Andronico's shall pay the appropriate sum set forth in paragraph 6.1 above as a penalty amount. The payment shall be made to the "Office of the Attorney General of the State of California" (Attn: Susan S. Fiering, Deputy Attorney General), 1515 Clay Street, 20th Floor, P.O. Box 70550, Oakland, CA 94612. Payment of the preceding amount shall be made as a civil penalty pursuant to Health & Safety Code Section 25249.7(b) and 25249.11(c). The written notice shall identify the facility in which the Warning Sign was not properly posted. Andronico's designates the following individuals to receive the written notice specified above:

Jim Johnson Risk Manager Andronico's Markets, Inc. 1109 Washington Ave. Albany, CA 94706 Fax: (510) 649-6107 ijohnson@andronicos.com

- 6.3 Except as provided in paragraph 6.4 below, within ten (10) days after receiving written notice that the Warning Sign was not properly posted, Andronico's shall post the required Warning Sign and shall provide to the People a declaration under penalty of perjury stating when the Warning Sign was posted.
- 6.4 If, after receiving the written notice specified in paragraph 6.2 above, Andronico's maintains that the Warning Sign was properly posted, Andronico's may challenge the stipulated penalties by filing a motion with this Court to be relieved of any stipulated

penalties. The only basis for challenging stipulated penalties shall be that the Warning Sign was properly posted. The motion must be filed within thirty (30) days of receipt of the written notice. The Court shall receive whatever evidence is necessary and shall conduct a hearing as necessary to determine whether or not the Warning Sign was properly posted.

6.5 Notwithstanding paragraph 6.1 above, in the event that Andronico's has been cited with three Violations at a single facility, the People may seek to enforce this Consent Judgment through any civil enforcement proceedings available by law for the fourth or subsequent Violation.

7. Additional Enforcement Actions; Continuing Obligations

7.1. By entering into this Consent Judgment, the People do not waive any right to take further enforcement actions on any violations not covered by the Complaints or this Consent Judgment, and Andronico's does not waive any rights or defenses, as to any violations not covered by the Complaints or this Consent Judgment. Nothing in this Consent Judgment shall be construed as diminishing Andronico's's continuing obligation to comply with Proposition 65 or the Unfair Competition Act in its future activities.

8. Enforcement of Consent Judgment

8.1. The Attorney General may, by motion or order to show cause before the Superior Court of San Francisco, enforce the terms and conditions contained in this Consent Judgment. In any action brought by the People to enforce this Consent Judgment, the People may seek whatever fines, costs, attorneys fees, penalties or remedies are provided by law for failure to comply with the Consent Judgment, provided, however, that, the People are limited to stipulated penalties pursuant to section 6 above for the first three Violations at any single facility. Where said failure to comply constitutes a fourth or subsequent Violation at a single facility, or constitutes a violation of Proposition 65 or other laws not covered by this Consent Judgment, the People are not limited to enforcement of this Consent Judgment, but may seek in another action, whatever fines, costs, attorneys fees, penalties or remedies are provided by law for failure to comply with Proposition 65 or other such laws. However, the rights of Andronico's to defend itself and its actions in law or equity shall not be abrogated or reduced in any fashion by the

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terms of this Paragraph and Andronico's shall be entitled to raise any and all applicable defenses and/or counterclaims, arising in law or equity, against the People and seek such costs, damages, and attorneys fees as may apply. This paragraph shall not diminish or otherwise affect the obligations, responsibilities, and duties of the Parties under this Consent Judgment.

9. **Application of Consent Judgment**

9.1 The Consent Judgment shall apply to, be binding upon and inure to the benefit of, the Parties, their parents, divisions, subdivisions, subsidiaries, and affiliates and the predecessors, successors or assigns of each of them.

10. Claims Covered

- 10.1 Except as provided below, this Consent Judgment is a full and fair adjudication of all claims and a final and binding resolution between the People, AYS, and Andronico's of any and all alleged violations of Proposition 65, and the Unfair Practices Act, Business and Professions Code Sections 17200 et seq., or any other statutory or common law claim that could have been asserted in the Complaints against Andronico's up through the date of entry of this agreement arising from failure to provide clear and reasonable warnings pursuant to Proposition 65 of exposure to Mercury from consumption of Fish.
- 10.2 Hereinafter, compliance by Andronico's with this Consent Judgment constitutes compliance with Proposition 65 as to consumer exposures to Mercury resulting from the sale of Fish to consumers within the State of California by any of Andronico's stores. Furthermore, the posting of the Warning Sign in compliance with this agreement, in the area where other fish or seafood are sold, constitutes compliance with Proposition 65 as to consumer exposures to Mercury resulting from the sale of those other fish or seafood as well.

11. Confidentiality of Data

11.1 For settlement purposes only, Andronico's submitted to the Attorney General Fish proprietary and trade secret sales data with the express understanding that such data would be held confidentially by the Attorney General for settlement purposes in this case only and would not be released to any other persons or entities outside of the office of the Attorney General, including other Defendants. The People and the Attorney General shall not disclose any

such Fish sales data to any other persons or entities outside of the Office of the Attorney General, including other Defendants, unless otherwise ordered by a court of competent jurisdiction. If the Attorney General is served with a request to disclose Andronico's's Fish sales data, it shall provide notice to Andronico's within fifteen days (15) after receiving such request to disclose. In addition, said Fish sales data is privileged and confidential pursuant to Rule 408 of the Federal Rules of Evidence and California Evidence Code sections 1040 and 1152.

12. Entire Agreement

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

13. Authority to Stipulate to Consent Judgment

13.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the party he or she represents to enter into this Consent Judgment on behalf of the party represented and legally to bind that party.

14. Modification

- 14.1 This Consent Judgment may be modified from time to time by express written agreement of the Parties, with the approval of the Court, or by an order of this Court in accordance with law. Grounds for considering modification shall include any that are permitted by law, including, but not limited to, the grounds set forth below.
- 14.2 If the Attorney General subsequently agrees in a settlement or judicially entered injunction or consent judgment that Fish do not require a warning under Proposition 65, or that a modified warning for Fish is appropriate that differs from that imposed in this Consent Judgment; or a court of competent jurisdiction renders a final judgment in a case brought by the Attorney General that eliminates the warning requirement for Fish or that modifies the warning requirement for Fish that differs from that imposed under this Consent Judgment, then

Andronico's shall be entitled to seek to modify this Consent Judgment to eliminate or modify the warning set forth in section 2, consistent with the Attorney General agreement or with the court judgment as described herein.

- 14.3 Andronico's shall provide written notice to the People that it intends to seek modification to the Consent Judgment to eliminate or modify the warning pursuant to the provisions of paragraph 14.1 above. If the People agree that such modification or elimination of the warning is justified pursuant to the provisions of section 14.1 above, the parties shall jointly move the Court to modify the Consent Judgment to eliminate or modify the warning requirement.
- 14.4 If the People do not agree that the elimination or modification of the warning requirement of this Consent Judgment is justified pursuant to the provisions of section 14.1 above, Andronico's may file a motion with the Court, seeking to eliminate or modify the warning requirement based on the provisions of section 14.1 above. The People may oppose any such motion. In any motion by Andronico's under this section, the burden of proving that the warning should be eliminated or modified based on the provisions of section 14.1 above, remains on Andronico's.
- 14.5 Nothing in this section shall apply to sections 3, 4, and 5 of this Consent Judgment.

15. Execution in Counterparts

15.1 This Consent Judgment may be executed in counterparts, which taken together shall be deemed to constitute one and the same document.

16. Entry of Stipulation for Entry of Consent Judgment Required

16.1 This Stipulation for Entry of Consent Judgment shall be null and void, and be without any force or effect, unless entered by the Court in this matter. If the Consent Judgment is not entered by the Court, the execution of this Consent Judgment by Andronico's or the People shall not be construed as an admission by Andronico's or the People of any fact, issue of law or violation of law.

17. Retention of Jurisdiction

17.1 This Court shall retain jurisdiction of this matter to implement the Consent

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1	Judgment.		
2	IT IS SO STIPULATED:		
3	Dated: 11/9/04	•	BILL LOCKYER
4			Attorney General of the State of California TOM GREENE
5			Chief Assistant Attorney General THEODORA BERGER
6			Senior Assistant Attorney General EDWARD G. WEIL
7		٠,	Supervising Deputy Attorney General SUSAN S. FIERING
8			Deputy Attorney General
9		By:	SUSAN S. FIERING
10		2	Deputy Attorney General Attorneys for the Plaintiff People of the
11			State of California, ex rel. Bill Lockyer, Attorney General of the State of California
12	Detect. 11/1/04		49.22022.9022
13	Dated: 11/4/04		AS YOU SOW &
14		By:	January 6 John
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18	Dated: [1] 8/04		SEA TURTLE RESTORATION PROJECT
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23	Dated:		ANDRONICO'S MARKETS, INC.
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25		By:	•
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27	ADDDOVED AS TO FORM		•
28	APPROVED AS TO FORM:		
	CONSENT JUDGMENT	11	
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1	Judgment.		
2	IT IS SO STIPULATED:		
3	Dated:		BILL LOCKYER Attorney General of the State of California TOM GREENE
5			Chief Assistant Attorney General THEODORA BERGER
6			Senior Assistant Attorney General EDWARD G. WEIL
7			Supervising Deputy Attorney General SUSAN S. FIERING
8		_	Deputy Attorney General
9		By:	SUSAN S. FIERING
10			Deputy Attorney General Attorneys for the Plaintiff People of the
11			State of California, ex rel. Bill Lockyer, Attorney General of the State of California
12 13	Dated:		AS YOU SOW
14		By:	·
15		Its:	
16			
17 18	Dated:		SEA TURTLE RESTORATION PROJECT
19		By:	
20			
21		Its:	
22			
23	Dated: 10/21/04		ANDRONICO'S MARKETS, INC.
24		By:	Mitte break
25		- 3.	· yung
26		Its	Chief Financial Officer
27 28	APPROVED AS TO FORM:		
	CONCENT HID COMPANY	11	
	CONSENT JUDGMENT		

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1	Dated: 10/21/04	FOLEY, MCINTOSH, FREY & CLAYTOR
2		16 D. A. A.
3	l .	KENNETH W. PRITIKIN, Esq.
4		KENNETH W. PRITIKIN, Esq. Attorneys for Andronico's Markets, Inc.
5	Dated:	LAW OFFICES OF MARK POLLOCK
6		
7 8		MARK POLLOCK, Esq. Attorneys for As You Sow and Sea Turtle Restoration Project
9		Restoration Project
10	IT IS SO ORDERED:	RICHARD A. KRAMBIA
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12		UDGE, SUPERIOR COURT OF THE COUNTY OF SAN FRANCISCO
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1	Dated: FOLEY, MCINTOSH, FREY & CLAYTOR
2	
3	By:
4	KENNETH W. PRITIKIN, Esq. Attorneys for Andronico's Markets, Inc.
5	Dated: LAW OFFICES OF MARK POLLOCK
6	DAW OFFICES OF WARK FOLLOCK
7	By: MARK POLLOCK Foo
8	Attorneys for As You Sow and Sea Turtle Restoration Project
9	
10	IT IS SO ORDERED:
11	Dated: JUDGE, SUPERIOR COURT OF THE COUNTY
12	JUDGE, SUPERIOR COURT OF THE COUNTY OF SAN FRANCISCO
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	CONSENT JUDGMENT

WARIINGE

Nearly all fish and shellfish contain some amount of mercury and related compounds, chemicals known to the State of California to cause cancer, and birth defects or other reproductive harm. Certain fish contain higher levels than others.

Pregnant and nursing women, women who may become pregnant, and young children should not eat the following fish:

SWORDFISH · SHARK · KING MACKEREL · TILEFISH

They should also limit their consumption of other fish, including tuna.

Fish and shellfish are an important part of a healthy diet and a source of essential nutrients. However, the federal Food and Drug Administration ("FDA") and U.S. Environmental Protection Agency ("EPA") advise pregnant and nursing women, women who may become pregnant, and children to limit their weekly consumption of fish and to eat fish that are lower in mercury.

The California Department of Health Services recommends that these individuals:

- Eat a variety of different types of fish;
- Eat smaller fish rather than older, larger fish;
- Begin following these guidelines one year before becoming pregnant.

According to the FDA and EPA, fish or shellfish that tend to be lower in mercury include pollock, shrimp, and scallops. Mercury levels in tuna vary. Tuna steaks and canned albacore tuna have higher levels of mercury than canned light tuna.

For more information about the risks of mercury in fish and about the levels in various types of fish consult the following websites:

U.S. Food and Drug Administration ("FDA")

U.S. Environmental Protection Agency

www.epa.gov/ost/fish

or call the FDA toll-free at 1-888-SAFEFOOD (1-888-723-3366).