

1 JACKIE LACEY
District Attorney of the County of Los Angeles
2 HOON CHUN, SBN 132516
Assistant Head Deputy District Attorney
3 Consumer Protection Division
CHRISTOPHER D. CURTIS, SBN 236978
4 Deputy District Attorney
211 W. Temple Street, Suite 1000
5 Los Angeles, CA 90012
Telephone: (213) 257-2450
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7 *Attorneys for Plaintiff,*
The People of the State of California

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF LOS ANGELES

10 THE PEOPLE OF THE STATE OF
CALIFORNIA,

11 Plaintiff,

12 v.

13 01 BUMBLE BEE FOODS, LLC
14 02 SAUL FLOREZ and
15 03 ANGEL RODRIGUEZ

16 Defendants.
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Case No. BA435950
WEL

**[PROPOSED] ORDER APPROVING
SETTLEMENT BETWEEN THE
PEOPLE OF THE STATE OF
CALIFORNIA AND DEFENDANT 01-
BUMBLE BEE FOODS, LLC**

Amended Complaint Filed April 28, 2015

NCD: August 12, 2015

8:30 a.m.

Department 51

Honorable Judge Michael Pastor

CONFORMED COPY
ORIGINAL FILED
Superior Court of California
County of Los Angeles

AUG 12 2015

Sherri R. Carter, Executive Officer/Clerk
By Ericca Fike, Deputy

1 WHEREAS the People of the State of California (“People”) and Defendant Bumble Bee
2 Foods, LLC (“Bumble Bee”) have requested that this Court approve of the proposed Settlement
3 Agreement entered into as of July 24, 2015 between the People and Bumble Bee, attached as
4 Exhibit A hereto (hereinafter, the “Agreement”);

5 WHEREAS the Court has reviewed the Agreement;

6 It is HEREBY ORDERED that the Court approves the Agreement.

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9 DATED: 12 August 2015

BY: Michael E. Pastor

10 The Honorable Michael E. Pastor
11 Los Angeles County Superior Court Judge
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EXHIBIT

“A”

Settlement Agreement

1. This Settlement Agreement (“Agreement”) is entered into as of the 24th day of July 2015 (“Agreement Date”), by and among the People of the State of California, acting through the District Attorney’s Office for Los Angeles County (hereinafter, collectively referred to as the “LADA”) and Bumble Bee Foods, LLC, including any former, present, or future parent, affiliate, division, or subsidiary, and all predecessors, successors, and assigns of any of the above (hereinafter, “Bumble Bee” or the “Company”) (hereinafter, jointly referred to as the “Parties”). The Parties enter into this Agreement in resolution of any and all claims that have been or may be brought by the LADA against Bumble Bee and any current or former employees of Bumble Bee (with the exception of Saul Florez and/or Angel Rodriguez) arising out of or relating in any way to the matters that were the subject of, or which reasonably should have been known to the LADA as a result of, the LADA’s, Cal/OSHA Enforcement’s, and/or the Cal/OSHA Bureau of Investigations’ investigation(s) into the death of Jose Melena at Bumble Bee’s Santa Fe Springs facility (“SFS” or “SFS facility”) on October 11, 2012.
2. The LADA filed an Amended Complaint in the Superior Court of the State of California for the County of Los Angeles on April 28, 2015, charging Bumble Bee with felony violations of California Labor Code Section 6425(a) for violating the following provisions of Title 8 of the California Code of Regulations: Section 3314 (Count 1); Section 5157 (Count 2); and Section 3203(a) (Count 3). Bumble Bee has pled not guilty to the charges alleged in the LADA’s Amended Complaint.
3. In consideration for the mutual promises herein, the Parties agree as follows:
 - a. At the conclusion of the 18-month period following the Agreement Date, unless it is finally determined that Bumble Bee has committed a material breach of this Agreement as set forth in Paragraphs 5-6 below, Bumble Bee, joined by the LADA, will file a motion pursuant to Penal Code Section 17 to dismiss Counts 1 and 2 of the Amended Complaint with prejudice, and to reduce Count 3 to a misdemeanor violation of Section 6425(a) (Title 8, Section 3203(a) of the California Code of Regulations). Bumble Bee shall enter a plea of guilty to that misdemeanor charge and, at that time, shall allocute as follows:

“Bumble Bee acknowledges that, pursuant to Title 8, Section 3203(a)(4) of the California Code of Regulations, it should have conducted regular inspections of the practices of its employees working in and around the retorts. Because certain of its employees entered the retorts to re-set the chains located therein, Bumble Bee should have identified and evaluated this practice and updated its safety program to address it.”
 - b. The LADA agrees not to bring any further charges against Bumble Bee or any current or former employees of Bumble Bee (with the exception of Saul Florez and/or Angel Rodriguez) arising out of or relating in any way to the matters that were the subject of, or which reasonably should have been known to the LADA as

a result of, the LADA's, Cal/OSHA Enforcement's, and/or the Cal/OSHA Bureau of Investigations' investigation(s) into the death of Jose Melena at Bumble Bee's Santa Fe Springs facility ("SFS") on October 11, 2012.

- c. The Parties knowingly waive their right to a speedy preliminary hearing pursuant to California Penal Code Section 859b for a period of 18 months following the Agreement Date.
- d. Bumble Bee will fully cooperate with the LADA in any ongoing criminal investigations or prosecutions, if any, concerning this matter that relate to Saul Florez and/or Angel Rodriguez. For example, such proceedings may be ongoing after the Agreement Date because: (1) Saul Florez and/or Angel Rodriguez do not enter into settlement agreement(s) with the LADA; or (2) Saul Florez and/or Angel Rodriguez withdraw from or breach their settlement agreement(s)/plea(s) with the LADA. Such cooperation shall include, but shall not be limited to: (i) producing relevant, non-privileged documents in Bumble Bee's possession, custody, or control as soon as is reasonably practicable following a request from the LADA and without the need for a formal subpoena; (ii) making any Bumble Bee employees, regardless of where they may be located, available as soon as is reasonably practicable following a request from the LADA for interview at the LADA's offices or testimony in any court proceedings in Los Angeles, provided, however, that compliance with this paragraph shall not be construed as requiring or effecting a waiver of the attorney-client privilege, work-product privilege, or any other applicable privilege; (iii) bearing any and all costs and expenses incurred in making its employees available for interview or testimony, including but not limited to travel, lodging, meals, and reimbursement of lost wages, provided, however, that the LADA in its sole discretion may elect not to require in-person interviews and may conduct telephonic interviews; (iv) instructing its employees to provide truthful information at any interview and truthful testimony at any court proceeding; and (v) assisting the LADA in locating any former Bumble Bee employee, including by attempting to communicate with any such former employee that Bumble Bee consents and encourages that employee to cooperate with, and provide truthful information to, the LADA and to testify truthfully in any court proceedings.
- e. A total of \$6,000,000 will be paid by Bumble Bee, as specified in the following paragraphs:
 - i. Within 18 months of the Agreement Date, Bumble Bee will expend up to \$3,000,000 to purchase and install at its SFS facility new retorts equipped with automated chain conveyors for moving baskets into and out of the retorts. Bumble Bee represents and warrants to the LADA that it has already begun the process of purchasing these new retorts, and the LADA agrees that Bumble Bee shall receive a credit for any amount that Bumble Bee has already expended to purchase new retorts. Bumble Bee will bear the burden of demonstrating that it has expended the sum required

pursuant to this paragraph. If Bumble Bee is able to replace all the retorts at its SFS facility for less than \$3,000,000, it shall expend any remaining balance on alternative safety measures at SFS. The Parties agree to act in good faith to identify appropriate alternative expenditures which will promote safety at SFS. Bumble Bee will bear the burden of demonstrating that it has expended the remaining balance of the sum set forth in this paragraph on the alternative safety measures agreed upon by the Parties. If the full amount required to be expended on replacement retorts (or, if applicable pursuant to this paragraph, on alternative safety measures) is not spent within 18 months of the Agreement Date, the Parties agree to act in good faith to extend the period of time for Bumble Bee to fulfill this requirement and agree that the date for the reduction of Count 3 and Bumble Bee's plea thereto will be continued until such time as Bumble Bee complies with this requirement. However, absent agreement of the Parties, in no event shall the time period be extended more than 6 additional months.

- ii. Before August 30, 2015, or at a later date if directed by the LADA, Bumble Bee shall, pursuant to instructions from the LADA, pay a total amount of \$750,000 to any charity designated by the LADA and/or the Los Angeles District Attorney Environmental Enforcement Prosecution Fund (Case ID # EC0001). It shall be within the sole discretion of the LADA as to how this \$750,000 should be allocated to such recipient(s). Any payments to the aforementioned Fund shall be used by the LADA for: (i) any costs or expenses related to any investigation or prosecution of possible or alleged violations of workplace safety rules or laws anywhere in California; (ii) enhancing the ability of the LADA or any enforcement agency in California, including but not limited to Cal/OSHA or any police department or agency in California, to respond to, investigate or prosecute cases of violations of workplace safety rules or laws; or (iii) educational efforts, or other efforts designed to promote and enhance compliance with workplace safety rules and laws. The Parties further agree that this \$750,000 payment is non-refundable under any and all circumstances.
- iii. Bumble Bee shall pay direct restitution in the total amount of \$1,500,000 to, or for the benefit of, the surviving spouse and/or children of Jose Melena, pursuant to payment instructions as directed by the LADA. These instructions will set forth a schedule for, and identify the proper recipients of such payments. The instructions may require any or all payments to be made as early as 75 calendar days following the Agreement Date. The Parties further agree that this \$1,500,000 payment is non-refundable under any and all circumstances. This amount is in addition to any amounts that Bumble Bee has paid or may pay in the future in any other proceeding (including, but not limited to, any worker's compensation proceeding or civil lawsuits) to the spouse, dependents, or

relatives of Jose Melena, and Bumble Bee agrees that it will not seek credit for any such payments in any such other proceeding.

- iv. By the time of sentencing on the misdemeanor charge described in Paragraph 3(a) of this Agreement, Bumble Bee shall pay a fine of \$ _____, and miscellaneous costs and fees of \$ _____, the exact amount of each to be calculated by the Court such that when the fine is added to any and all other miscellaneous costs and fees imposed by the Court, the total shall equal \$750,000. The Court shall have the discretion to adjust the amount of the fine at the time of sentencing to ensure that the total fines, costs, and fees do not exceed \$750,000.
4. The following terms and conditions shall apply to Bumble Bee's SFS facility, located at 13100 Arctic Circle, Santa Fe Springs, California, 90670, for 18 months following the Agreement Date:
- a. Bumble Bee shall not commit any violations of California Labor Code Section 6423 or California Labor Code Section 6425.
 - b. Bumble Bee shall immediately implement and maintain video surveillance cameras of the areas in the SFS facility in which the retorts are loaded and unloaded and shall retain footage recorded by those cameras for 14 calendar days before the footage is copied over or destroyed. Both the video surveillance and retained footage shall show a clear, unhindered view of all entrances and exits to any and all retorts at SFS. Within 75 calendar days of the Agreement Date, Bumble Bee shall, through a designated representative at the SFS facility, certify that it is complying with the obligations set forth in this sub-paragraph. Bumble Bee agrees that, upon request of the LADA or Cal/OSHA, it will promptly preserve and make available any such footage.
 - c. Bumble Bee shall maintain a policy of automatic discipline, up to and including termination, for any personnel violating 8 C.C.R. § 5157, 8 C.C.R. § 3314, Bumble Bee's Confined Space Entry Program, Bumble Bee's Lockout/Tagout Procedure, or Bumble Bee's Personnel Safety Procedures for Retort Ovens. Bumble Bee shall not permit any employee to enter a retort without adhering to these regulations and procedures.
 - d. Bumble Bee shall review its Lockout/Tagout procedures at least once annually in conformity with 8 C.C.R. § 3314(j), and shall provide training at least once annually as required by 8 C.C.R. § 3314(l).
 - e. Bumble Bee shall provide annual documented safety training to all employees operating the retorts and/or working in the area surrounding the retorts, and shall ensure that such training is specific to the retorts and the area surrounding the retorts.

- f. Before or within 75 calendar days of the Agreement Date, Bumble Bee shall provide and document the provision of copies of its Illness and Injury Prevention Program (“IIPP”) to all lead persons, supervisors, and managers. Each lead person, supervisor, and manager shall acknowledge in writing that: he/she has received a copy of Bumble Bee’s IIPP; it is his/her responsibility to become familiar with the information therein; he/she fully supports all elements of the program; he/she is obligated to comply with all company safety rules, and must immediately report any safety violation or unsafe condition or practice to his/her supervisor. In addition, Bumble Bee immediately shall make available copies of its IIPP to all SFS employees, including by posting signage regarding the IIPP on the SFS facility’s safety bulletin board(s).
 - g. Before or within 120 calendar days of the Agreement Date, Bumble Bee shall conduct documented training for all employees on the terms of the IIPP, including the requirement that employees report all safety violations and unsafe conditions immediately to their supervisors.
 - h. Bumble Bee shall maintain a Spanish translation of the IIPP, so that interested employees may review the IIPP in either English or Spanish. Any updates or changes to the IIPP must be applied to the English and Spanish-translated versions.
 - i. Bumble Bee shall grant enhanced access to the LADA and Cal/OSHA Enforcement for inspections of the SFS facility. Enhanced access shall mean that Bumble Bee will, as soon as is reasonably practicable following the arrival of an inspector at the facility, make a Bumble Bee representative available to be present during the inspection(s) and will ensure that the representative remain available for up to, but no more than, six hours per inspection. This right of inspection is in addition to, and does not replace, any other right of inspection that the law otherwise provides to the LADA or Cal/OSHA Enforcement.
 - j. Bumble Bee shall, pursuant to Title 8, Section 342(a) of the California Code of Regulations, immediately inform Cal/OSHA of any serious occupational injuries or illnesses (as defined by Title 8, Sections 342(a) and 330(h) of the California Code of Regulations) or deaths of its employees.
5. In the event the LADA preliminarily determines, during the 18 months following the Agreement Date, that Bumble Bee has committed a material breach of this Agreement, it shall provide Bumble Bee with written notice of this preliminary determination and evidence supporting the preliminary determination. For purposes of this Agreement, a breach of any obligations hereunder caused by an agent or employee of Bumble Bee shall not be considered a material breach attributable to the Company if the Company has put in place reasonable controls to ensure compliance with this Agreement. Bumble Bee shall have the right (and, to the extent possible, the obligation) to cure any asserted breach. Within 12 business days of the date of the LADA’s written notice of its preliminary determination that Bumble Bee has committed a material breach of the

Agreement, or any extension of that deadline agreed upon by the Parties, Bumble Bee shall have the right to cure any asserted breach. In addition, within 12 business days of the date of the LADA's written notice, or any extension of that deadline agreed upon by the Parties, Bumble Bee shall have the right to submit a written response to the LADA or make a presentation to the LADA to demonstrate that no breach has occurred, that any breach was not a material breach, or that any breach has been cured. If Bumble Bee elects to submit a written response or make a presentation, the LADA shall thereafter provide written notice of its final determination regarding whether a breach has occurred, whether the breach was material, and whether it has been effectively cured. If Bumble Bee fails to submit a written response or make a presentation within 12 business days of the LADA's written notice, or any extension of that deadline agreed upon by the Parties, the LADA's initial notification will become its final determination. Following receipt of a written final determination by the LADA, Bumble Bee shall have 21 calendar days to seek further review by the Superior Court of the State of California for the County of Los Angeles. If the Superior Court of the State of California for the County of Los Angeles makes a final determination that Bumble Bee has committed a material breach of this Agreement, and that the breach has not been effectively cured, the LADA may prosecute Bumble Bee for the charges alleged in the Amended Complaint. The Parties agree that the 18-month period referenced in Paragraph 3(a) of this Agreement will be continued during the pendency of any such review period.

6. The Parties understand and agree that the determination of whether Bumble Bee has committed a material breach of this Agreement, and whether any such breach has been effectively cured, rests solely in the discretion of the courts of the State of California. The Parties hereby consent to the jurisdiction of the courts of the State of California for final resolution of all disputes under this Agreement.
7. Unless otherwise specified herein, all notices given pursuant to this Agreement shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified; (b) when sent by confirmed electronic mail or facsimile; (c) 5 calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (d) 1 day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All notices shall be sent to the Parties at the addresses specified below or to such other address that Bumble Bee has furnished to the LADA or the LADA has furnished to Bumble Bee, as the case may be:

- a. Bumble Bee Foods, LLC
c/o Jill Irvin
Senior Vice President and General Counsel
280 10th Avenue
San Diego, CA 92101
Fax: (858) 715-4303
Jill.Irvin@bumblebee.com

With a copy to:

David Zinn
Williams & Connolly LLP
725 12th Street, NW
Washington, DC 20005
Fax: (202) 434-5029
DZinn@wc.com

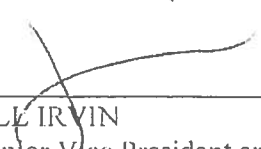
b. Los Angeles County District Attorney's Office
c/o Hoon Chun
Assistant Head Deputy
Consumer Protection Division
211 West Temple Street, Suite 1000
Los Angeles, CA 90012
Hchun@da.lacounty.gov

8. This Agreement contains the complete agreement between the Parties and supersedes any previous agreement between them. This Agreement may not be modified, amended, or terminated except by written agreement signed by the Parties and specifically referring to this Agreement.
9. This Agreement shall have full force and effect upon the execution of this Agreement by the LADA and Bumble Bee. However, if the Court declines to sign and approve this Agreement, Bumble Bee may withdraw from it and the Parties shall proceed as if this Agreement was not entered.

ACKNOWLEDGEMENTS


I have reviewed the above Agreement carefully and hereby certify that I fully understand and agree to its terms.

8-12-15
Date



JILL IRVIN
Senior Vice President and General Counsel
Bumble Bee Foods, LLC

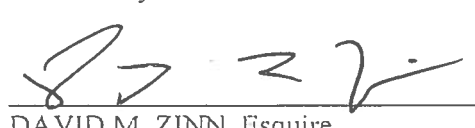
8-12-15
Date



HOON CHUN
Assistant Head Deputy
Consumer Protection Division
Los Angeles County District Attorney's Office

I am Bumble Bee's counsel. I have carefully reviewed every part of this Agreement with Jill Irvin. To my knowledge the decision of Bumble Bee to enter into this Agreement is an informed and voluntary one.

8-12-15
Date



DAVID M. ZINN, Esquire
Counsel for Bumble Bee Foods, LLC