

**BEFORE THE DIRECTOR OF THE
DEPARTMENT OF PESTICIDE REGULATION
STATE OF CALIFORNIA**

In the Matter of Unlawful Sales
and Deliveries of Pesticides by

SETTLEMENT AGREEMENT

**Cal Fresco, LLC
6850 Artesia Blvd.
Buena Park, California 90620**

The Department of Pesticide Regulation (hereafter the Department) and Cal Fresco, LLC (hereafter the Company), agree that:

1. In the course of the Department's regular inspection of produce for pesticide residue prior to sale in California, the Department discovered, that the Company sold produce (Jalapeno peppers) containing pesticide residue for which no tolerance has been established in California. The inspection was conducted on February 8, 2010. The Department also discovered that the Company sold produce (cactus leaf) containing pesticide residue for which no tolerance has been established in California. The inspection was conducted on February 9, 2010.
2. The Company admits to the violations of Food and Agricultural Code section 12671, which provides it is unlawful for any person to pack, ship, or sell any produce that carries pesticide residue in excess of the permissible tolerance established by the Department.
3. In order to resolve this matter, the Company and the Department agree that with respect to the Company's violations of FAC section 12671, the Company will pay the Department \$10,000.00 in one lump sum as a civil penalty, by June 30, 2010. The Company will make its check payable to "Cashier, Department of Pesticide Regulation," and mail it to:

Jodi L. Clary, Senior Staff Counsel
Office of Legal Affairs
Department of Pesticide Regulation
1001 I Street, P.O. Box 4015
Sacramento, California 95812-4015

A copy of this agreement shall accompany the check.

Cal Fresco, LLC

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4. The Company agrees to implement control measures, within 30 days of its signing this agreement, to ensure that produce with pesticide residue in excess of established tolerances will not be packed, shipped or sold into or within California. The Company acknowledges that this implementation of control measures is in addition to previously submitted control measures found outlined in the Company's letter of October 5, 2009, addressed to the Department.

5. The Company further agrees to submit a written plan describing the control measures, **within 20 days of its signing this agreement**, to:

Chief Counsel, Legal Office
Department of Pesticide Regulation
1001 I Street, P.O. Box 4015
Sacramento, California 95812-4015

6. Upon and in consideration of this agreement, the Department agrees it will take no further civil or criminal action with regard to any violations resulting from the sale or delivery of the above-referenced produce during the time periods specified above unless it sets aside the agreement as provided in paragraph 7 below.

7. This agreement is conditioned on the company's representation no additional produce was packed, shipped, or sold into or within California, and that all produce was accounted for, and/or disposed of properly. Should the Department discover further unlawful sales of the product above and beyond those represented by the Company for purposes of this agreement, the Department may set aside this agreement and proceed with action against the Company for any and all unlawful sales and deliveries of the products.

8. The Company agrees not to pack, ship or sell any produce that carrier pesticide residue in excess of the established tolerances into or within California.

Executed by:


for Mary-Ann Warmerdam, Director
Department of Pesticide Regulation

on July 23, 2010
at Sacramento, California


ALEX VARGAS
OPERATIONS OFFICER (printed name and title)
for Cal Fresco, LLC

on July 15, 2010
at