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

In the Matter of Unlawful Sales and Deliveries of Pesticides by

Charles Matoian Enterprises, Inc., dba OK Produce 1888 S. East Avenue Fresno, CA 93721

SETTLEMENT AGREEMENT

Case No.: 23-001R

Respondent/

This Settlement Agreement ("Agreement") is entered into by and between the California Department of Pesticide Regulation ("the Department") and Charles Matoian Enterprises, Inc., dba OK Produce ("Company"), collectively referred to as the Parties.

1. In the course of the Department's regular inspection and auditing of pesticide sales into California, the Department discovered that between April 8, 2019 and October 31, 2022, on nine (9) separate occasions (involving key limes, caribe peppers, serrano peppers, guavas, tomatoes, green beans, and limes), Company sold or possessed for sale produce in California carrying illegal pesticide residue.

2. Company admits to violating California Food and Agricultural Code, section 12671, which provides that it is unlawful for any person to pack, ship, or sell any produce that carries pesticide residue in excess of the established permissible tolerance.

3. The Parties agree by this Agreement to resolve this matter without the need for formal litigation.

THEREFORE, the Parties agree as follows:

4. The Department shall take no further civil or criminal action regarding the illegal produce packed, shipped, or sold during the time-period specified in paragraph 1, unless it sets aside this Agreement as specified under paragraph 7.

5. Company shall pay the Department \$33,000 in one lump sum as a civil penalty, within thirty (30) days of signing this agreement. The payment shall be payable by check made out to:

Cashier, Department of Pesticide Regulation

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The check shall be mailed and emailed to:

Sara Dudley Senior Staff Attorney Office of Legal Affairs Department of Pesticide Regulation 1001 I Street, 4th Floor Sacramento, California 95814 sara.dudley@cdpr.ca.gov

A copy of this agreement shall accompany the settlement payment.

6. Company represents that it will not pack, ship, or sell any produce carrying illegal pesticide residue or pesticide residue in excess of the established permissible tolerance in California after the execution of this agreement. Within 30 days of signing this agreement, Company shall develop, implement, and provide the Department with a written description of control measures Company will take to ensure Company will not pack, ship, or sell produce carrying pesticide residue in excess of the established permissible tolerance in California, and mail it to:

Chief Counsel Office of Legal Affairs Department of Pesticide Regulation 1001 I Street, 4th Floor Sacramento, California 95814

7. The Department may set aside this Agreement and proceed with action against Company should the Department discover that Company: (a) did not comply with paragraph 5 of this Agreement; and (b) did not provide the Department with the written control measures required under paragraph 6 of this Agreement.

8. This Agreement constitutes the entire understanding between the Parties, is not intended to benefit or obligate any third party, and fully supersedes all prior written or oral negotiations between the Parties.

9. This Agreement binds Company, its successors and assignees, subsidiary and parent corporations, and the Department and any successor agency that may have responsibility for and jurisdiction over the subject matter of this settlement.

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10. If the Attorney General files a civil action to enforce this Agreement, Company will pay all costs of investigating and prosecuting the action, including expert fees, reasonable attorneys' fees, and costs, in the event the Department is determined to be the prevailing party.

11. This Agreement tolls the statute of limitations relative to any violation covered by Paragraph 1 of this Agreement. If the Department sets aside this Agreement pursuant to Paragraph 7, then the Department may take action concerning the violations covered by Paragraph 1.

12. Each person who signs this Agreement affirms that he or she has the authority to bind that Party.

Executed by:

for Julie Henderson, Director Department of Pesticide Regulation

on February 16th, 2024

2024

at Fresno, Ca_____(City and State)

Brady Matoian (printed name and title) for Charles Matoian Enterprises, Inc. dba OK Produce

on February 26 at Sacramento, California