

FILED
San Francisco County Superior Court

AUG 24 2022

CLERK OF THE COURT

BY: Regina Alameda
Deputy Clerk

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10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 FOR THE COUNTY OF SAN FRANCISCO
12 UNLIMITED JURISDICTION

13 **THE PEOPLE OF THE STATE OF CALIFORNIA,**

14 Plaintiff,

15 v.

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17 **SEPHORA USA, INC.,**

18 Defendant.

Case No. CGC-22-601380
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[PROPOSED] FINAL JUDGMENT AND PERMANENT INJUNCTION

21 Plaintiff, the People of the State of California (“the People” or “Plaintiff”), appearing through its
22 attorney, Rob Bonta, Attorney General of the State of California, by Roni Dina Pomerantz, Deputy
23 Attorney General, and Stacey D. Schesser, Supervising Deputy Attorney General, and Defendant
24 Sephora USA, Inc. (“DEFENDANT” or “SEPHORA”), appearing through their attorney, Jeewon Kim
25 Serrato, of Baker & Hostetler, LLP, having stipulated to the entry of this Final Judgment and Permanent
26 Injunction (“Judgment”) by the Court without the taking of proof and without trial or adjudication of
27 any fact or law, without this Judgment constituting evidence of or an admission by SEPHORA regarding
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1 any issue or law or fact alleged in the Complaint on file, and without SEPHORA admitting any liability,
2 and with all parties having waived their right to appeal, and the Court having considered the matter and
3 good cause appearing:

4 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

5 **I. PARTIES AND JURISDICTION**

6 1. This Court has jurisdiction over the allegations and subject matter of the People's
7 Complaint filed in this action, and the parties to this action; venue is proper in this County; and this
8 Court has jurisdiction to enter this Judgment. This Judgment is entered pursuant to and subject to
9 California Consumer Privacy Act of 2018, Civil Code section 1798.100 *et seq.*

10 **II. DEFINITIONS**

11 The following terms in this Judgment shall have these meanings:¹

12 2. CONSUMER has the same meaning as provided in Civil Code section 1798.140,
13 subdivision (g).

14 3. EFFECTIVE DATE is the date that DEFENDANT is served with notice that the
15 Judgment has been entered.

16 4. PERSONAL INFORMATION has the same meaning as provided in Civil Code section
17 1798.140, subdivision (o), which includes the definition of "unique identifier" as set forth in Civil Code
18 section 1798.140, subdivision (x).

19 5. SALE or SELL has the same meaning as provided in Civil Code section 1798.140,
20 subdivision (t)(1).

21 6. SALE USING ONLINE TRACKING TECHNOLOGY means SALE where the business
22 discloses or makes available CONSUMERS' PERSONAL INFORMATION to third parties through the
23 use of online tracking technologies such as pixels, web beacons, software developer kits, third party
24 libraries, and cookies, in exchange for monetary or other valuable consideration, including, but not
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27 ¹ The California Consumer Privacy Act has been amended such that, effective January 1, 2023,
28 the definitions in this section will have different title numbers. It is the parties' intent that the
definitions used in the Judgment will have the same meaning as provided in the amended civil code and
code of regulations, irrespective of their new numerical titles.

1 limited to: (1) personal information or other information such as analytics; or (2) free or discounted
2 services.

3 7. SERVICE PROVIDER has the same meaning as provided in Civil Code section
4 1798.140, subdivision (v).

5 **III. INJUNCTIVE PROVISIONS**

6 8. Nothing in this Judgment alters the requirements of state or federal law to the extent they
7 offer greater protection to CONSUMERS.

8 9. The injunctive provisions of this Judgment shall apply to: (a) DEFENDANT, (b) its
9 directors, officers, employees, agents, independent contractors, partners, and associates; (c) its
10 subsidiaries; and (d) its successors and the assigns of all or substantially all of the assets of their
11 businesses.

12 **COMPLIANCE WITH LAW**

13 10. DEFENDANT shall comply with Civil Code sections 1798.120, and 1798.135, and
14 California Code Regulations title 11, sections 7011, 7012, 7026, and 7051.

15 11. To the extent DEFENDANT SELLS the PERSONAL INFORMATION of
16 CONSUMERS, including through SALES USING ONLINE TRACKING TECHNOLOGY,
17 DEFENDANT shall provide notice to CONSUMERS as required by Civil Code section 1798.135,
18 subdivision (a) that clearly states that it SELLS their PERSONAL INFORMATION, and that
19 CONSUMERS have the right to opt-out of all SALES.

20 12. DEFENDANT shall process CONSUMER requests to opt out signaled via the Global
21 Privacy Control or the "GPC."

22 13. Once the provisions of the California Privacy Rights Act ("CPRA") become operative
23 on January 1, 2023, DEFENDANT shall comply with the provisions of the CPRA that relate to the
24 activity as set forth in Paragraph 11, to the extent the CPRA amends the California Consumer Privacy
25 Act ("CCPA").

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1 **CCPA COMPLIANCE PROGRAM; ASSESSMENT AND REPORTING**
2 **REQUIREMENTS TO THE ATTORNEY GENERAL**

3 14. Within 180 days of the EFFECTIVE DATE, and for a period of 2 years thereafter,
4 DEFENDANT shall implement and maintain a program to assess and monitor whether it is effectively
5 processing the requests of CONSUMERS to opt-out of the SALE of their PERSONAL
6 INFORMATION, including requests submitted via user-enabled global privacy controls like the Global
7 Privacy Control (“GPC”). DEFENDANT shall share its assessment with the People in an annual report,
8 that includes the following:

- 9 a. A detailed overview of the testing DEFENDANT has done to assess and monitor
10 its processing of CONSUMER requests to opt-out of the SALE of their
11 PERSONAL INFORMATION submitted via user-enabled global privacy
12 controls like the Global Privacy Control (“GPC”).
- 13 b. An analysis of any errors or technical problems encountered by DEFENDANT
14 in processing CONSUMER requests to opt-out of the SALE of their
15 PERSONAL INFORMATION via user-enabled global privacy controls like the
16 Global Privacy Control (“GPC”), if any, and steps taken by DEFENDANT to fix
17 or remediate those errors or problems.

18 15. Within 180 days of the EFFECTIVE DATE, and for a period of 2 years thereafter,
19 DEFENDANT shall conduct an annual regular review of its website and mobile applications to
20 determine the entities with which it makes available PERSONAL INFORMATION. For 2 years from
21 the EFFECTIVE DATE, DEFENDANT shall document and share the results of this review with the
22 People in an annual report, to include the following:

- 23 a. The names of entities to which DEFENDANT makes available PERSONAL
24 INFORMATION, the PERSONAL INFORMATION DEFENDANT makes
25 available to these entities, DEFENDANT’S purpose for making PERSONAL
26 INFORMATION available to these entities, and whether DEFENDANT
27 characterizes these entities as SERVICE PROVIDERS.

- 1 b. For entities that DEFENDANT contends are SERVICE PROVIDERS,
2 DEFENDANT will enter into contracts with them that meet the requirement of
3 Civil Code section 1798.140, subdivision (v), and document this in the annual
4 report.
- 5 c. For entities that are not SERVICE PROVIDERS, SEPHORA shall do any of the
6 following, and document their efforts in the annual report:
7 i. comply with Civil Code sections 1798.120 and 1798.135,
8 ii. enter into or amend its contract with the entity to render it a valid SERVICE
9 PROVIDER pursuant to Civil Code section 1798.140, subdivision (v), or
10 iii. cease making available PERSONAL INFORMATION to that entity.
- 11 d. For entities with which DEFENDANT has a specific contractual agreement
12 providing that the entity will act as a SERVICE PROVIDER when processing
13 PERSONAL INFORMATION, but requires the DEFENDANT to enable some
14 type of restricted data processing, DEFENDANT shall enable this restricted data
15 processing for all CONSUMERS, including in its implementation of the Global
16 Privacy Control (“GPC”), or cease making PERSONAL INFORMATION
17 available to the entity, and document this in the annual report.

18 16. To the extent permitted by the laws of the State of California, the California Attorney
19 General’s Office shall treat all reports, reviews, and sharing of information pursuant to this Judgment
20 confidentially and as exempt from disclosure under the relevant public records laws.

21 **IV. MONETARY PROVISIONS**

22 17. DEFENDANT shall pay the Attorney General the amount of \$1.2 million. Payment
23 shall be made by wire transfer to the California Attorney General’s Office pursuant to instructions
24 provided by the California Attorney General’s Office, no later than thirty (30) days after the Effective
25 Date.

26 18. The California Attorney General shall deposit said payment into the Consumer Privacy
27 Fund as provided by Civil Code section 1798.155, subdivision (c).

1 19. Except as otherwise expressly provided herein, each party shall bear its own attorney's
2 fees and costs.

3 **V. RELEASE**

4 20. By entry of this Judgment and following full payment of the amount due as set forth
5 in Paragraph 17, DEFENDANT and its affiliates, subsidiaries, divisions, successors, agents or
6 representatives is released and discharged from and against any and all civil claims known to the
7 California Attorney General arising from conduct set forth in the notices of alleged non-compliance
8 in this matter, including the claims as set forth in the Complaint.

9 **VI. ADDITIONAL GENERAL PROVISIONS**

10 21. This Court retains jurisdiction of this matter for purposes of construction, modification,
11 and enforcement of this Judgment.

12 22. Nothing in this Judgment shall be construed as relieving DEFENDANTS of their
13 obligations to comply with all state and federal laws, regulations, or rules, or as granting permission to
14 engage in any acts or practices prohibited by such law, regulation, or rule.

15 23. DEFENDANTS shall use reasonable efforts to notify their officers, directors,
16 employees, agents, and contractors responsible for carrying out and effecting the terms of this Judgment
17 of this Judgment and the requirements therein.

18 24. Notices and reports under this Judgment shall be served by email and regular mail as
19 follows:

20 To the People or People's counsel:

21 Roni Dina Pomerantz
22 Micah C.E. Osgood
23 Consumer Law Section—Privacy Unit
24 California Attorney General's Office
25 455 Golden Gate Ave., Suite 11000
26 San Francisco, California 94102-7004
27 Email: roni.pomerantz@doj.ca.gov
28 Email: mike.osgood@doj.ca.gov

To DEFENDANT or DEFENDANT'S counsel:

 Jeewon Kim Serrato
 Baker & Hostetler, LLP
 Transamerica Pyramid Center
 600 Montgomery Street, Suite 3100

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San Francisco, CA 94111-2806

Email: jserrato@bakerlaw.com

25. The clerk is directed to enter this Judgment forthwith.

ORDERED AND ADJUDGED at San Francisco, California, this 24 day of August, 2022.

Richard B. Ulmer

Judge of the Superior Court

RICHARD B. ULMER