

State of California - Department of Justice - Attorney General's Office - Proposition 65 Enforcement Reporting

Attention: Prop 65 Coordinator, 1515 Clay Street, Suite 2000, Oakland, CA 94612

FORM JUS 1502  
(03-01)

PRIVATE ENFORCEMENT FILING - Health and Safety Code section 25249.7(e) and (f)

**REPORT OF ENTRY OF JUDGMENT**

Original Filing     Supplemental Filing     Corrected Filing

Please print or type required information

<b>PARTIES TO THE ACTION</b>	PLAINTIFF(S)			
	DEFENDANT(S) INVOLVED IN JUDGMENT			
<b>CASE INFO</b>	COURT DOCKET NUMBER		COURT NAME	
	SHORT CASE NAME			
<b>REPORT INFO</b>	INJUNCTIVE RELIEF			
	PAYMENT: CIVIL PENALTY	PAYMENT: ATTORNEYS FEES		PAYMENT: OTHER
	DATE SUBMITTED TO COURT / /	IS JUDGMENT PURSUANT TO SETTLEMENT? <input type="checkbox"/> Yes <input type="checkbox"/> No	IF YES, DATE SETTLEMENT WAS REPORTED TO ATTORNEY GENERAL / /	
	<b>COPY OF JUDGMENT MUST BE ATTACHED</b>			
<b>FILER INFO</b>	NAME OF CONTACT			
	ORGANIZATION		TELEPHONE NUMBER (    )	
	ADDRESS		FAX NUMBER (    )	
	CITY	STATE	ZIP	E-MAIL ADDRESS

**FILING INSTRUCTIONS:** This form can be completed online and printed. If electronic filing is not available, mail the completed form with a copy of the judgment to the attention of the Prop 65 Coordinator at the address shown above. If you need additional space to complete this form please use an attachment.

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2 Law Office of Daniel N. Greenbaum  
3 14752 Otsego Street  
4 Sherman Oaks, CA 91403  
5 Phone: (310) 200-2631  
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8 Attorneys for Plaintiff  
9 SHEFA LMV, LLC

UCI - 7 2014

YOLANDA ESTRADA

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
11 COUNTY OF ALAMEDA

12 Coordination Proceeding Special Title  
13 PROPOSITION 65 COCAMIDE DEA CASES

Special Council Coordination Proceeding  
Case No. JCCP 4765

14 This Document Relates To:  
15 IN THE SUPERIOR COURT FOR THE  
16 COUNTY OF LOS ANGELES *Shefa v. Ross*  
17 *Stores, et al.*, BC521400

~~PROPOSED~~ CONSENT JUDGMENT AND  
ORDER THEREON AS TO DEFENDANT  
THE SCOTTISH FINE SOAPS LTD.

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1       **1. INTRODUCTION**

2               **1.1. Shefa LMV, LLC and The Scottish Fine Soaps Ltd.**

3               This Consent Judgment is entered into by and between plaintiff Shefa LMV, LLC (“Shefa  
4               LMV”) and The Scottish Fine Soaps Ltd. (“Scottish Fine Soaps”), with Shefa LMV and Scottish  
5               Fine Soaps collectively referred to as the “parties,” and individually as a “party.”

6               **1.2. Plaintiff**

7               Shefa LMV is an entity organized in the State of California, which has asserted that it seeks  
8               to promote awareness of exposure to toxic chemicals and to improve human health by reducing or  
9               eliminating hazardous substances contained in consumer and commercial products.

10              **1.3. Defendant**

11              Scottish Fine Soaps employs ten or more persons and is a person in the course of doing  
12              business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California  
13              Health & Safety Code § 25249.6, et seq. (“Proposition 65”).

14              **1.4. General Allegations**

15              Shefa LMV alleges that Scottish Fine Soaps has manufactured, imported, distributed and/or  
16              sold soap and shampoo products that contain coconut oil diethanolamine condensate (“Cocamide  
17              DEA”) for use in the State of California without the requisite Proposition 65 warnings. Cocamide  
18              DEA is listed pursuant to Proposition 65 as a chemical known to the State of California to cause  
19              birth defects and other reproductive harm.

20              **1.5. Notice of Violation**

21              On July 1, 2013, Shefa LMV served Scottish Fine Soaps and various public enforcement  
22              agencies with a document entitled “60-Day Notice of Violation” (the “Notice”) that provided  
23              recipients with notice alleging that Scottish Fine Soaps was in violation of Proposition 65 for  
24              failing to warn consumers and customers that hand soap Scottish Fine Soaps sold or offered for  
25              sale exposed users in California to Cocamide DEA. No public enforcer has diligently prosecuted  
26              the allegations set forth in the Notice.

27              **1.6. Complaint**

28              On or about September 16, 2013, Shefa LMV filed the action entitled *Shefa LMV, LLC v.*

1 *Ross Stores, Inc., et al.*, Case No. BC521400, in the Superior Court for the County of Los Angeles,  
2 naming Scottish Fine Soaps as a defendant and alleging violations of Proposition 65, based on the  
3 alleged exposures to Cocamide DEA contained in soap manufactured, distributed, sold and/or  
4 offered for sale by Scottish Fine Soaps in California (“Complaint”). On December 4, 2013, the  
5 Complaint was coordinated with several other related Proposition 65 actions in the *Proposition 65*  
6 *Cocamide DEA Cases*, Case No. JCCP 4765, currently pending before this Court.

7 **1.7. No Admission**

8 The Parties enter into this Consent Judgment as a full and final settlement of all claims that  
9 were raised in the Complaint or that could have been raised in the Complaint as to Covered  
10 Products, defined below, arising out of the facts or conduct alleged therein. By execution of this  
11 Consent Judgment and agreeing to comply with its terms, Scottish Fine Soaps does not admit any  
12 facts or conclusions of law, including, but not limited to, any facts or conclusions of law  
13 suggesting or demonstrating any violations of Proposition 65 or any other statutory, common law  
14 or equitable requirements relating to Cocamide DEA in Covered Products. This Consent Judgment  
15 is the product of negotiation and compromise and is accepted by Scottish Fine Soaps for purposes  
16 of settling, compromising, and resolving issues disputed in this action. However, this section shall  
17 not diminish or otherwise affect the obligations, responsibilities and duties of Scottish Fine Soaps  
18 under this Consent Judgment.

19 **1.8. Consent to Jurisdiction**

20 For purposes of this Consent Judgment only, Scottish Fine Soaps stipulates that this Court  
21 has jurisdiction over Scottish Fine Soaps as to the allegations contained in the Complaint, that  
22 venue is proper in the County of Alameda, and that this Court has jurisdiction to enter and  
23 enforce the provisions of this Consent Judgment.

24 **2. DEFINITIONS**

25 **2.1.** “Covered Products” means soap and shampoo products manufactured and/or  
26 distributed by Scottish Fine Soaps and sold or offered for sale in California.

27 **2.2.** “Effective Date” shall mean the date the Court enters Judgment pursuant to the  
28 terms of this Consent Judgment.

1     **3. INJUNCTIVE RELIEF**

2             Commencing on the Effective Date, Scottish Fine Soaps shall not manufacture, distribute,  
3     sell or offer for sale in California any Covered Product that contains Cocamide DEA as an  
4     intentionally added ingredient or as part of the product formulation.

5     **4. ENFORCEMENT**

6             Shefa may, by motion or application for an order to show cause before the Superior Court  
7     of Alameda County, enforce the terms and conditions contained in this Consent Judgment. Prior to  
8     bringing any motion or application to enforce the requirements of Section 3 above, Shefa shall  
9     provide Scottish Fine Soaps with a Notice of Violation and a copy of any test results which  
10    purportedly support Shefa’s Notice of Violation. The Parties shall then meet and confer regarding  
11    the basis for Shefa’s anticipated motion or application in an attempt to resolve it informally,  
12    including providing Scottish Fine Soaps a reasonable opportunity of at least thirty (30) days to cure  
13    any alleged violation. Should such attempts at informal resolution fail, Shefa may file its  
14    enforcement motion or application. The prevailing party on any motion to enforce this Consent  
15    Judgment shall be entitled to its reasonable attorney’s fees and costs incurred as a result of such  
16    motion or application. This Consent Judgment may only be enforced by the Parties.

17    **5. MONETARY PAYMENTS**

18             **5.1. Civil Penalty Payment Pursuant to Health & Safety Code § 25249.7(b)**

19             Scottish Fine Soaps shall pay a total civil penalty payment of \$2,000.00 within ten (10)  
20    days of the Effective Date, as follows: the civil penalty shall be apportioned in accordance with  
21    California Health & Safety Code § 25249.12 (c) and (d), with 75% of these funds remitted to the  
22    State of California’s Office of Environmental Health Hazard Assessment (“OEHHA”) and the  
23    remaining 25% of the penalty remitted to Shefa LMV, both pursuant to the procedures set forth in  
24    Section 5.3.

25             **5.2. Reimbursement of Shefa LMV’s Fees and Costs**

26             The parties acknowledge that Shefa LMV and its counsel offered to resolve this dispute  
27    without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving  
28    this fee issue to be resolved after the material terms of the agreement had been settled. Scottish

1 Fine Soaps expressed a desire to resolve the fee and cost issue after the other settlement terms had  
2 been agreed. The Parties then attempted to (and did) reach an accord on the compensation due to  
3 Shefa LMV and its counsel under general contract principles and the private attorney general  
4 doctrine codified at California Code of Civil Procedure § 1021.5, for all work performed in this  
5 matter, except fees that may be incurred on appeal. Under these legal principles, Scottish Fine  
6 Soaps shall pay the amount of \$13,000.00 as a reimbursement of Shefa's reasonable attorneys'  
7 fees and costs pursuant to the procedures set forth in Section 5.3 for fees and costs incurred  
8 investigating, litigating and enforcing this matter, including the fees and costs incurred (and yet to  
9 be incurred) negotiating, drafting, and obtaining the Court's approval of this Consent Judgment in  
10 the public interest.

### 11 **5.3. Payment Procedures**

12 All payments required by Sections 3.1 and 3.2 shall be within ten (10) days of the Effective  
13 Date in three checks made payable as follows:

- 14 (a) one check to "OEHHA" in the amount of \$1,500.00;
- 15 (b) one check to "Law Office of Daniel N. Greenbaum in Trust for Shefa LMV, LLC" in  
16 the amount of \$500.00;
- 17 (c) one check to "Law Office of Daniel N. Greenbaum" in the amount of \$13,000.00.

### 18 **5.4. Issuance of 1099 Forms**

19 After the settlement funds have been transmitted to Shefa LMV's counsel, Scottish Fine  
20 Soaps shall issue separate 1099 forms, as follows:

- 21 (a) one 1099 form to the "Office of Environmental Health Hazard Assessment" (EIN:  
22 68-0284486) in the amount of \$1,500.00;
- 23 (b) a second 1099 form to "Shefa LMV, LLC" in the amount of \$500.00, whose  
24 address and tax identification number shall be furnished upon request; and
- 25 (c) a third 1099 to "Law Office of Daniel N. Greenbaum" (EIN: 45-3084082) in the  
26 amount of \$13,000.00.

### 27 **5.5. Issuance of Payments.**

- 28 **5.5.1.** All payments owed to Shefa LMV, pursuant to Section 5.2, shall be

1 delivered to the following payment address:

2 Daniel N. Greenbaum, Esq.  
3 Law Office of Daniel N. Greenbaum  
4 14752 Otsego Street  
5 Sherman Oaks, CA 91403

6 **5.5.2.** All payments owed to OEHHA (EIN: 68-0284486), pursuant to Section 5.1,  
7 shall be delivered directly to OEHHA (Memo line "Prop 65 Penalties") at the following addresses:

8 Mike Gyrics  
9 Fiscal Operations Branch Chief  
10 Office of Environmental Health Hazard Assessment  
11 P.O. Box 4010  
12 Sacramento, CA 95812-4010

13 With a copy of the checks payable to OEHHA mailed to the Law Office of Daniel N. Greenbaum  
14 at the address set forth above in 5.5.1, as proof of payment to OEHHA.

## 15 **6. CLAIMS COVERED AND RELEASED**

### 16 **6.1. Shefa LMV's Release of DEFENDANT**

17 Plaintiff, acting on its own behalf and in the public interest, releases Scottish Fine Soaps, its  
18 parents, subsidiaries, affiliated entities that are under common ownership, directors, officers,  
19 employees, attorneys ("Releasees"), and each entity to whom Scottish Fine Soaps directly or  
20 indirectly distributes or sells Covered Products, including, but not limited to, downstream  
21 distributors, wholesalers, customers, retailers, franchisees, cooperative members, licensors, and  
22 licensees ("Downstream Releasees"), from all claims for violations of Proposition 65 up through  
23 the date on which this Consent Judgment is signed by both parties based on exposure to Cocamide  
24 DEA from the Products as set forth in the Notice. Compliance with the terms of this Consent  
25 Judgment by Releasees constitutes compliance with Proposition 65 with respect to exposures to  
26 Cocamide DEA in Covered Products as set forth in the Notice.

27 Shefa LMV, also, in its individual capacity only and *not* in its representative capacity,  
28 provides a release herein which shall be effective as a full and final accord and satisfaction, as a  
bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses,  
claims, liabilities and demands of Shefa LMV of any nature, character or kind, whether known or  
unknown, suspected or unsuspected, limited to and arising out of alleged or actual exposures to the

1 Cocamide DEA in the Covered Products manufactured, distributed or sold by Releasees. Shefa  
2 acknowledges that it is familiar with Section 1542 of the California Civil Code, which provides as  
3 follows:

4 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE  
5 CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER  
6 FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF  
7 KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS  
8 OR HER SETTLEMENT WITH THE DEBTOR.

9 Shefa LMV expressly waives and relinquishes any and all rights and benefits which it may  
10 have under, or which may be conferred on it by the provisions of Section 1542 of the California  
11 Civil Code as well as under any other state or federal statute or common law principle of similar  
12 effect, to the fullest extent that it may lawfully waive such rights or benefits pertaining to the  
13 released matters. In furtherance of such intention, the release hereby given shall be and remain in  
14 effect as a full and complete release notwithstanding the discovery or existence of any such  
15 additional or different claims or facts arising out of alleged or actual exposure now or in the future  
16 to Cocamide DEA in the Covered Products manufactured, imported, distributed, sold and/or  
17 offered for sale by Releasees that could otherwise be made against Releasees.

#### 18 **6.2. Scottish Fine Soaps's Release of Shefa LMV**

19 Scottish Fine Soaps on behalf of itself, its past and current agents, representatives,  
20 attorneys, successors, and/or assignees, hereby waives any and all claims against Shefa LMV, its  
21 attorneys and other representatives, for any and all actions taken or statements made (or those that  
22 could have been taken or made) by Shefa LMV and its attorneys and other representatives, whether  
23 in the course of investigating claims or otherwise seeking to enforce Proposition 65 against it in  
24 this matter with respect to the Covered Products.

#### 25 **7. COURT APPROVAL**

26 This Consent Judgment shall become effective upon entry by the Court. Shefa shall  
27 prepare and file a Motion for Approval of this Consent Judgment and Settling Defendant shall  
28 support entry of this Consent Judgment. If this Consent Judgment is not entered by the Court, it  
shall be of no force or effect and shall never be introduced into evidence or otherwise used in any  
proceeding for any purpose.



1     **8. ENTIRE AGREEMENT**

2             This Consent Judgment contains the sole and entire agreement and understanding of the  
3 Parties with respect to the entire subject matter hereof, and any and all prior discussions,  
4 negotiations, commitments, or understandings related thereto, if any, are hereby merged herein.  
5 No supplementation, modification, waiver, or termination of this Consent Judgment shall be  
6 binding unless executed in writing by the Party to be bound thereby. No waiver of any of the  
7 provisions of this Consent Judgment shall be deemed or shall constitute a waiver of any of the  
8 other provisions hereof whether or not similar.

9     **9. GOVERNING LAW**

10            The terms of this Consent Judgment shall be governed by the laws of the State of California  
11 and the obligations of Scottish Fine Soaps hereunder as to the Covered Products apply only within  
12 the State of California. In the event that Proposition 65 is repealed, preempted or is otherwise  
13 rendered inapplicable by reason of law generally, or if any of the provisions of this Consent  
14 Judgment are rendered inapplicable or no longer required as a result of any such repeal or  
15 preemption or rendered inapplicable by reason of law generally as to the Products, including,  
16 without limitation, the removal of Cocamide DEA from OEHHA’s list of Proposition 65  
17 chemicals, then Scottish Fine Soaps may notify Shefa LMV and shall have no further obligations  
18 pursuant to this Consent Judgment with respect to, and to the extent that, the Covered Products are  
19 so affected.

20     **10. NOTICES**

21            Unless specified herein, all correspondence and notices required to be provided pursuant to  
22 this Consent Judgment shall be in writing and (i) personally delivered, (ii) sent by first-class,  
23 (registered or certified mail) return receipt requested, or (iii) sent by overnight courier to one party  
24 from the other party at the following addresses:

25  
26     To Scottish Fine Soaps:

27             Derek Ross  
28             Director  
              The Scottish Fine Soaps, Ltd.  
              North Main Street  
              Carronshore

              To Shefa LMV:

              Daniel N. Greenbaum, Esq.  
              Law Office of Daniel N. Greenbaum  
              14752 Otsego Street  
              Sherman Oaks, CA 91403

1 Falkirk FK2 8HT  
Scotland, United Kingdom

2 With a copy to:

3 Jeffrey B. Margulies, Esq.  
4 Fulbright & Jaworski LLP  
5 555 South Flower Street  
6 41st Floor  
7 Los Angeles, California 90071  
213-892-9286  
213-892-9494 fax  
jmargulies@fulbright.com

8 Any party, from time to time, may specify in writing to the other party a change of address to  
9 which all notices and other communications shall be sent.

10 **11. COUNTERPARTS; FACSIMILE/PDF SIGNATURES**

11 This Consent Judgment may be executed in counterparts and by facsimile or pdf signature,  
12 each of which shall be deemed an original, and all of which, when taken together, shall constitute  
13 one and the same document. A facsimile or pdf signature shall be as valid as the original.

14 **12. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)**

15 Shefa LMV and its attorneys agree to comply with the reporting form requirements  
16 referenced in California Health & Safety Code § 25249.7(f).

17 **13. MODIFICATION**

18 This Consent Judgment may be modified only: (1) by written agreement of the parties and  
19 upon entry of a modified Consent Judgment by the Court thereon; or (2) upon a successful motion  
20 of any party and entry of a modified Consent Judgment by the Court.

21 **14. AUTHORIZATION**

22 The undersigned are authorized to execute this Consent Judgment and have read,  
23 understood, and agree to all of the terms and conditions of this Consent Judgment.

24  
25 AGREED TO:

AGREED TO:

26 Date: 4/4/2014

Date: 2/11/2014

27 By: [Signature]  
28 Plaintiff, Shefa LMV, LLC

By: [Signature]  
The Scottish Fine Soaps Ltd.

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Print: Alisa Fried  
Its: Managing Member

Print: DEREK BLAIR ROSS  
Its: DIRECTOR

**ORDER AND JUDGMENT**

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Based upon the stipulated Consent Judgment between Shefa LMV, LLC and The Scottish Fine Soaps Ltd., the settlement is approved and the clerk is directed to enter judgment in accordance with the terms herein.

Dated: OCT - 7 2014

GEORGE C. HERNANDEZ, JR.  
Judge of the Superior Court