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

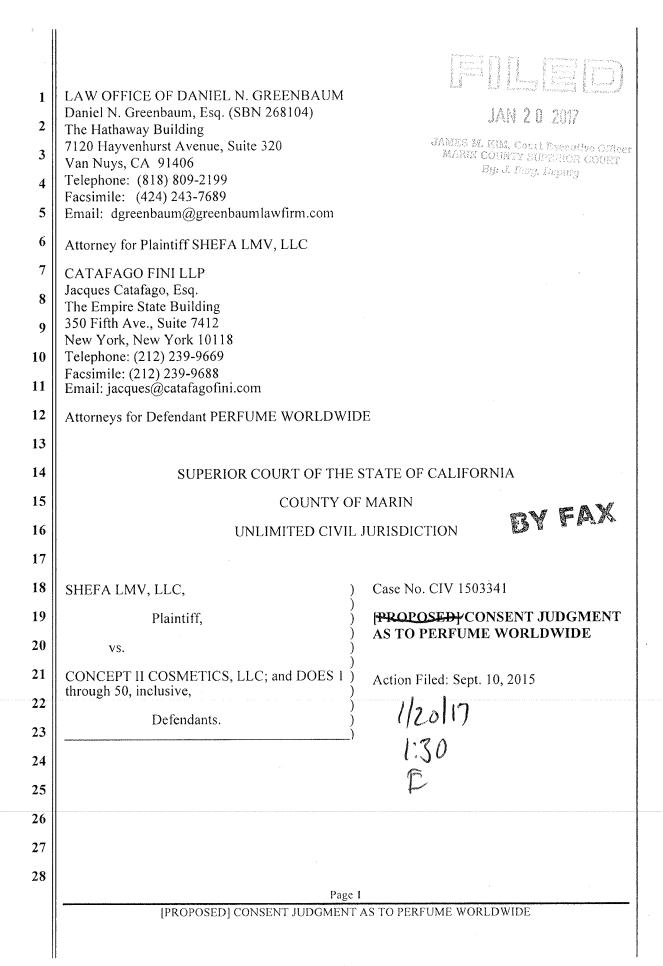
FORM JUS 1502 (03-01) Attention: Prop 65 Coordinator, 1515 Clay Street, Suite 2000, Oakland, CA 94612

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

# REPORT OF ENTRY OF JUDGMENT

Please	print or type required information	Original Filing Supplementa	al Filing		
PARTIES TO THE ACTION	PLAINTIFF(S) Shefa LMV LLC  DEFENDANT(S) INVOLVED IN JUDGMENT Perfume Worldwide				
CASE INFO	COURT DOCKET NUMBER CIV 1503341 SHORT CASE NAME I I C. W. C.C.		COURTNAME Marin County Supe	rior Court	
	SHORT CASE NAME Shefa LMV LLC v. Concept II Cosmetics, LLC  INJUNCTIVE RELIEF				
REPORT INFO	Reformulation  PAYMENT: CIVIL PENALTY \$2,500.00  DATE SUBMITTED TO COURT  12/2/2016	PAYMENT: ATTORNEYS FEES \$17,500.00  IS JUDGMENT PURSUANT TO SETTLEMENT?  Yes No  T JUDGMENT MUST BE	PAYMENT: OTHER  0  IFYES, DATE SETTLEMENT WAS REPORT 120 ATTORNEY SENERAL  ATTACHED	For Internal Use Only	
FILER	NAME OF CONTACT  Daniel N. Greenbaum	, Esq.		1	
	ORGANIZATION Law Office of Danie	<u> </u>		TELEPHONE NUMBER ( 818 ) 809-2199	
	ADDRESS 7120 Hayvenhurst Av	e., Suite 320		FAXNUMBER ( 424 ) 243-7689	
	Van Nuys	CA 91406	E-MAIL ADDRESS dgreenbaum@greenl	baumlawfirm.com	

**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.



#### 1. INTRODUCTION

#### 1.1 Parties

This consent judgment ("Consent Judgment") is entered into by and between plaintiff Shefa LMV, LLC ("Shefa" or "Plaintiff") and Perfume Worldwide ("PW" or "Settling Defendant"), with Shefa and PW individually referred to as a "Party" and collectively as the "Parties."

#### 1.2 Plaintiff

Shefa is a limited liability company in California that seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products.

# 1.3 Settling Defendant

PW is a corporation in New York.

## 1.4 Products Covered

The products covered by this Consent Judgment are sunscreen products alleged to contain benzophenone that are manufactured, imported, sold, or distributed for sale in California by PW (collectively, "Covered Products").

# 1.5 General Allegations

Shefa alleges that PW manufactures, imports, sells, or distributes, for sale in the state of California, sunscreen products that contain benzophenone without first providing a clear and reasonable warning required by the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6 et seq. ("Proposition 65"). Benzophenone (CAS # 119-61-9) is a chemical listed under Proposition 65 as a chemical "known to the state to cause cancer" as Proposition 65 defines that term. 27 CCR 25000. PW denies these allegations.

### 1.6 Notice of Violation

On January 15, 2016, Shefa served PW, others, and the requisite public enforcement agencies with a 60-Day Notice of Violation ("**Notice**") alleging that PW violated Proposition 65 when it failed to warn its customers and consumers in California that the Covered Products

expose users to benzophenone. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice.

# 1.7 Complaint

On September 10, 2015, Shefa filed a complaint in the Superior Court in and for the County of Marin against Concept II Cosmetics, LLC and DOES 1-150, alleging violations of California Health & Safety Code § 25249.6, based on exposures to benzophenone contained in certain products containing sunscreen sold in the State of California (the "Complaint"). On April 26, 2016, Shefa filed a DOE Amendment under Code Civ. Proc. § 474, listing PW as DOE 35.

#### 1.8 No Admission

PW denies the material, factual, and legal allegations contained in the Notice and Complaint and maintains that all of the products it has manufactured, sold, or distributed for sale in California, including the Covered Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission by PW of any fact, finding, conclusion of law, issue of law, or violation of law; nor shall compliance with this Consent Judgment constitute or be construed as an admission by PW of any fact, finding, conclusion of law, issue of law, or violation of law, the same being specifically denied by PW. This section shall not, however, diminish or otherwise affect PW's obligations, responsibilities, and duties under this Consent Judgment.

# 1.9 Consent to Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Settling Defendant as to the allegations in the Complaint, that venue is proper in the County of Marin, and that this Court has jurisdiction over the Parties to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure § 664.6.

#### 1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date

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the Consent Judgment is approved and entered by the Court.

# 2. INJUNCTIVE RELIEF: COMPLIANT PRODUCTS AND WARNINGS

# 2.1 Reformulation Standards

"Reformulated Products" are defined as those Covered Products containing benzophenone (a) in concentrations less than or equal to 12.5 parts per million ("ppm") when analyzed pursuant to a scientifically reliable application of U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or any other scientifically reliable methodology for determining the benzophenone content in a substance of the form of the Covered Products herein, or (b) in the raw material octoorylene in less than or equal to 200 ppm when analyzed by any scientifically reliable methodology for determining the benzophenone content in the octocrylene used in the formulation of the Covered Products. As of the date of execution of this Consent Judgment, PW represents that it has actively engaged its suppliers of raw materials to comply with its reformulation efforts. Commencing on the Effective Date, PW shall not order, or cause to be ordered, the raw ingredient octocrylene, used to manufacture the Covered Products to be distributed, sold and/or offered for sale in California, unless the octocrylene contains levels of benzophenone that will result in benzophenone concentrations in the Covered Products that are below the level stated above, or that comply with the level of benzophenone in the octorylene stated above. In order to ensure that the process for verifying that the octoorylene suppliers meet PW's standards, PW shall obtain an initial Certificate of Analysis ("COA") from each supplier of octocrylene, and thereafter obtain a COA from each octocrylene supplier for each subsequent shipment, and keep the COAs for a period of two years from receipt. Copies of these COAs shall be provided to Shefa upon request. Unless PW chooses to eliminate the use of octocrylene in the Covered Products, then PW shall conduct at least one test per year for benzophenone in the Covered Products for a period of two (2) years, and test results shall be provided to Shefa upon request.

#### 2.2 Reformulation

Commencing on the Effective Date, and continuing thereafter, PW shall not distribute, or

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cause to be distributed, for sale in California, or order for distribution or sale in California, Covered Products unless they are Reformulated Products pursuant to Section 2.1 above.

#### 3. MONETARY SETTLEMENT TERMS

# 3.1 Civil Penalty Payments

PW agrees to an assessment of \$2,500 as a civil penalty. Such penalty payment shall be allocated according to Health and Safety Code section 25249.12(c)(1) and (d), with 75% of the penalty amount paid to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty paid to Shefa. The civil payment is allocated as follows: (a) \$1,875 payable to OEHHA; and (b) \$625 payable to Shefa.

# 3.2 Reimbursement of Attorney Fees and Costs

The Parties reached an accord on the compensation due to Shefa and its counsel under general contract principles and the private attorney general doctrine codified at Code of Civil Procedure section 1021.5 for all work performed in this matter. Under these legal principles, \$17,500 shall be payable by PW to the Law Office of Daniel N. Greenbaum for all fees and costs through execution of this Consent Judgment, including fees and costs incurred investigating, bringing this matter to the attention of PW's management, and negotiation of this settlement.

#### 4. CLAIMS COVERED AND RELEASED

#### 4.1 Shefa's Public Release of PW

This Consent Judgment is a full, final, and binding resolution between Shefa and PW of any violation of Proposition 65 that was or could have been asserted by Shefa, acting on behalf of itself and in a representative capacity in the public interest under Cal. Health & Safety Code § 25249.7, against PW, its parents, subsidiaries, affiliated entities under common ownership, manufacturers, suppliers, licensors, managers, members, owners, shareholders, directors, officers, employees, representatives, agents, attorneys, and the predecessors, successors, or assigns of each of them, and each entity to whom PW directly or indirectly distributes or sells the Covered Products, including, without limitation, downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees ("Releasees"), based on

failure to warn of alleged exposures to benzophenone from Covered Products manufactured, sold or distributed for sale in California by PW prior to the Effective Date. The release in this Section 4.1 applies to all Covered Products that PW manufactured, distributed, or sold prior to the Effective Date, regardless of the date any other Releasee distributes or sells the Covered Products.

Upon entry of this Consent Judgment by the Court, going forward, PW's compliance with the terms of this Consent Judgment shall be deemed to constitute compliance with Proposition 65 by PW or any other Releasee with respect to benzophenone in Covered Products manufactured, sold, or distributed for sale in California by PW after the Effective Date.

#### 4.2 Shefa's Individual Release of Claims

In further consideration of the promises and agreements herein contained, Shefa, on its own behalf and on behalf of its past and current managers, members, agents, representatives, attorneys, successors, and/or assignees, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action, and releases all claims that it may have against PW and Releasees, including, without limitation, all actions and causes of action, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses, including, without limitation, investigation fees, expert fees, and attorneys' fees arising under Proposition 65 for unwarned exposures to benzophenone from Covered Products manufactured, sold, or distributed for sale in California by PW prior to the Effective Date. The releases in Section 4.2 are provided in Shefa's individual capacity and are not releases on behalf of the public.

# 4.3 PW's Release of Shefa

PW, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims that it may have against Shefa and its attorneys and other representatives, for any and all actions taken or statements made by Shefa and its attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against it in this matter, or with respect to the Covered Products.

This Consent Judgment is not effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved and entered by the Court within 90 days after it has been fully executed by the Parties, or by such additional time as the Parties may agree in writing.

#### 6. SEVERABILITY

If, subsequent to the execution of this Consent Judgment, any provision of this Consent Judgment is held by a court to be void or unenforceable, or the Parties agree to modify any terms due to comments from the Office of the Attorney General or after a hearing before the Court in connection with Shefa's Motion to Approve, or for other good cause, each Party to be bound by any such modified terms must re-execute the modified Consent Judgment and such modified Consent Judgment then shall be presented by Shefa to the Court for approval; provided, however, that if a provision of this Consent Judgment declared void or unenforceable is material to the Party for whom such term provided a benefit or protection, that Party can seek other remedies, including, without limitation, rescission or reformation, based on the provision being declared void or unenforceable.

# 7. GOVERNING LAW

The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within the State of California. Benzophenone is listed pursuant to Proposition 65 as a chemical that is known to the State of California to cause cancer. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Covered Products, including without limitation the delisting of benzophenone, then PW may provide written notice to Shefa of any asserted change in the law, and with the exception of Sections 3.1 and 3.2 above, have no further obligations pursuant to this Consent Judgment, with respect to, and to the extent that, the Covered Products are so affected. None of the terms of this Consent Judgment shall have any application to Covered Products sold outside of the State of California.

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Unless specified herein, all correspondence and notices required to be provided pursuant to this Consent Judgment shall be in writing and sent by: (i) personal delivery; (ii) first-class, registered or certified mail, return receipt requested; or (iii) a recognized overnight courier on any Party by the other at the following addresses:

To PW:

To Shefa:

Jacques Catafago, Esq. CATAFAGO FINI LLP The Empire State Building 350 Fifth Ave., Suite 7412 New York, New York 10118 Telephone: (212) 239-9669 Facsimile: (212) 239-9688 Daniel N. Greenbaum Law Office of Daniel N. Greenbaum 7120 Hayvenhurst Ave., Suite 320 Van Nuys, CA 91406

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

# 9. COUNTERPARTS; FACSIMILE AND PDF SIGNATURES

This Consent Judgment may be executed in counterparts, and by facsimile or portable document format (PDF) signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

# 10. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)

Plaintiff agrees to comply with the reporting form requirements referenced in California Health & Safety Code § 25249.7(f).

## 11. POST EXECUTION ACTIVITIES

11.1 The Parties acknowledge that, pursuant to California Health & Safety Code § 25249.7(f), Shefa is obligated to file a noticed motion to obtain judicial approval of this Consent Judgment. Upon the Parties' execution of this Consent Judgment, Shefa promptly shall proceed to submit this Consent Judgment to the Court with a motion seeking Court approval.

#### 12. MODIFICATION

12.1 In the event that any future settlement agreement or court approved consent judgment entered into by Shefa involving another party, or any future court-approved consent

judgment entered into by any enforcer of Proposition 65 involving another party, sets out a reformulation or compliance standard that is less stringent than that in Section 2.1 above for benzophenone in substantially similar sunscreen products, then upon written notice to Shefa, PW is entitled to a corresponding modification to the corresponding standard set forth in section 2.1 of this Consent Judgment, with regard to the Covered Products.

- 12.2 In the event OEHHA establishes a safe harbor No-Significant Risk Level ("NSRL") for benzophenone, which PW asserts would allow for the Covered Products to contain levels of benzophenone in amounts greater than those set forth above in Section 2.1, then PW may provide written notice to Shefa of any such assertion and the Parties shall confer within 30 days to attempt to agree upon modification of this Consent Judgment. Should such attempts at informal resolution of a modification fail, and in the event PW still intends to change its reformulation obligations, PW will provide written notice to Shefa of its intent to adopt a modified compliance standard. Upon receipt of PW's notice, Shefa shall have the right to enforce the terms and conditions contained in the Consent Judgment by motion or any other available remedy at law, with the sole issue to be adjudicated being the technical question of whether the NSRL would allow for a higher benzophenone content in the Covered Products than that set forth in Section 2.1.
- 12.3 This Consent Judgment may only be modified by a written instrument executed by the Party or Parties to be bound thereby, and after approval by the Court upon a noticed motion. Any motion to modify shall be served on all Parties and the Office of the Attorney General.

# 13. DISPUTE RESOLUTION

If either Party determines at a future date that a violation of this Consent Judgment has occurred, it shall provide notice to the other Party. Prior to bringing any action to enforce any requirement of this Consent Judgment, the Party alleging a violation of this Consent Judgment shall provide the other Party with written notice of the grounds for such allegation together with all supporting information as well as a complete demand for the relief sought. The Parties shall

1	then meet and confer regarding the basis for the allegation in an attempt to resolve the matter				
2	informally, including providing the party alleged to be in violation with a reasonable opportunity				
3	of at least thirty (30) days to cure any alleged violation. Should such attempts at informal				
4	resolution fail, the party alleging a violation may file its lawsuit seeking the proposed relief.				
5	14. AUTHORIZATION				
6	The undersigned are authorized to execute this Consent Judgment on behalf of their				
7	respective Parties and have read, understood and agree to all of the terms and conditions of this				
8	Consent Judgment.				
9					
10	AGREED TO: AGREED TO: light your  Date:				
11	Date: $11/19/16$ Date: $11/19/2016$				
12	By: By: Pryuh Golic Settling Defendant: Perfume Worldwide				
13	Shefa LMV, LLC Settling Defendant: Perfume Worldwide				
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	[PROPOSED] CONSENT JUDGMENT AS TO PERFUME WORLDWIDE				

1	ORDER AND JUDGMENT				
2	Based upon the stipulated Consent Judgment between Shefa LMV, LLC and Perfume				
3	Worldwide, the settlement is approved and the clerk is directed to enter judgment in accordance				
4	with the terms herein.				
5	JAN 2 0 2017 Dated: JAN 2 0 2017				
6	Dated:				
7					
8		PAUL M. HAAKENSON			
9		Judge of the Superior Court			
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