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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 FOR THE COUNTY OF LOS ANGELES

10 APS&EE, LLC, a limited liability company, )  
11 Plaintiff, )  
12 v. )  
13 ZOETOP BUSINESS CO., LIMITED, a )  
14 corporation, SHEIN FASHION GROUP, )  
15 INC., a corporation, and DOES 1 through 100, )  
16 inclusive, )  
17 Defendants. )

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**FILED**  
Superior Court of California  
County of Los Angeles

FEB 01 2021

Sherri R. Carter, Executive Officer/Clerk  
By K. Mason Deputy

CASE NO. 20STCV35570

~~PROPOSED~~ CONSENT JUDGMENT

Judge: Hon. Robert B. Broadbelt

Dept.: 53

Compl. Filed: September 17, 2020

Unlimited Jurisdiction

1 **1. RECITALS**

2 **1.1 The Parties**

3 **1.1.1** This Consent Judgment is entered into by and between APS&EE, LLC  
4 (“APS&EE”) and Zoetop Business Co., Limited (“Zoetop”) and Shein Fashion Group, Inc.  
5 (“SFG”) (Zoetop and SFG are herein collectively referred to as, “Settling Defendants”).  
6 APS&EE and Settling Defendants shall hereinafter collectively be referred to as the “Parties.”

7 **1.1.2** APS&EE alleges that it is an organization based in California with an  
8 interest in protecting the environment, improving human health and the health of ecosystems,  
9 and supporting environmentally sound practices, which includes promoting awareness of  
10 exposure to toxic chemicals and reducing exposure to hazardous substances found in consumer  
11 products.

12 **1.1.3** APS&EE alleges that Settling Defendants are persons in the course of  
13 doing business as the term is defined in Health & Safety Code section 25249.6, et seq. and its  
14 implementing regulations (“Proposition 65”).

15 **1.2 Allegations**

16 **1.2.1** APS&EE alleges that Settling Defendants sold handbags, purses, and  
17 clutches, including but not limited to Bag 03191018621 and Bag 03191105517, via Zoetop’s  
18 websites (Romwe.com, Shein.com, Sheinoutlet.com, and/or Emmacloth.com), and occasionally  
19 at temporary physical pop-up retail stores operated by SFG (hereinafter collectively the  
20 “Products”), to consumers in the State of California causing them to be exposed to levels of  
21 Lead, Di-n-Butyl Phthalate (“DBP”) and Di (2-ethylhexyl) Phthalate (“DEHP”) above regulatory  
22 safe harbor levels without providing “clear and reasonable warnings,” in violation of Proposition  
23 65.

24 **1.2.2** On March 14, 2019, APS&EE issued a Sixty-Day Notice of Violation to  
25 Zoetop, SFG, Shein, Shein Group Ltd, EC Best Service, Inc., and the various public enforcement  
26 agencies regarding the alleged violation of Proposition 65 with respect to exposures above safe  
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1 harbor levels as to Lead, DBP, and DEHP from the Products.<sup>1</sup> On May 12, 2020, APS&EE  
2 issued a Sixty-Day Notice of Violation (collectively, the “Notices”) to Zoetop, SFG, EC Best  
3 Service, Inc., and the various public enforcement agencies regarding the alleged violation of  
4 Proposition 65 with respect to exposures above regulatory safe harbor levels to DBP and DEHP  
5 from the Products. Acting in the public interest, APS&EE filed the instant action (the  
6 “Complaint”) in the Superior Court for the County of Los Angeles, alleging violations of  
7 Proposition 65.

### 8 **1.3 No Admissions**

9 Settling Defendants deny all allegations in APS&EE’s Notices and Complaint and  
10 maintain that the Products have been, and are, in compliance with all laws, and that they have not  
11 violated Proposition 65. This Consent Judgment shall not be construed as an admission of  
12 liability by Settling Defendants, but to the contrary, as a compromise of claims that are expressly  
13 contested and denied. However, nothing in this section shall affect the Parties’ obligations,  
14 duties, and responsibilities under this Consent Judgment.

### 15 **1.4 Compromise**

16 The Parties enter into this Consent Judgment in order to resolve the controversy  
17 described above in a manner consistent with prior Proposition 65 settlements and consent  
18 judgments that were entered in the public interest and to avoid prolonged and costly litigation  
19 between them.

### 20 **1.5 Jurisdiction And Venue**

21 For purposes of this Consent Judgment only, the Parties stipulate that the above-entitled  
22 Court has jurisdiction over the Parties as to the allegations in the Complaint, that venue is proper  
23 in Los Angeles County, and that this Court has jurisdiction to enter and enforce the provisions of  
24 this Consent Judgment pursuant to California Code of Civil Procedure (“CCP”) § 664.6 and  
25 Proposition 65.

### 26 **1.6 Effective Date**

27  
28 <sup>1</sup>The March 14, 2019 Notice was previously settled by out-of-court settlement agreement on July 25, 2019. This  
Consent Judgment supersedes the terms of that out-of-court settlement agreement, and the monetary payments  
described herein are in addition to payments made pursuant to the July 25, 2019 settlement agreement.

02/03/2021

1 The "Effective Date" shall be the date this Consent Judgment is approved and entered by  
2 the Court.

3 **2. INJUNCTIVE RELIEF**

4 **2.1 Reformulation**

5 As of the Effective Date, Settling Defendants shall not distribute, sell or offer for sale to  
6 consumers the Products in California unless (a) the Products contain no more than 1,000 parts  
7 per million (0.1%) of DEHP or DBP by weight, and no more than 200 parts per million (0.02%)  
8 of Lead by weight ("Reformulated Product") when analyzed pursuant to EPA testing  
9 methodologies 6010B, 3050B, 3580A, 8270C, or equivalent methodologies used by state or  
10 federal agencies for the purpose of determining lead or phthalate content in a solid substance, or  
11 (b) the Products are distributed, sold, or offered for sale with a clear and reasonable warning as  
12 described below in Section 2.2.

13 **2.2 Clear And Reasonable Warnings**

14 **2.2.1** As of the Effective Date, any sale to consumers in California of any  
15 Products that are not Reformulated Products shall be accompanied by a clear and reasonable  
16 warning. Settling Defendants shall use a warning with the capitalized and emboldened wording  
17 substantially similar to the following:

18 (Long-Form Warning):

19 **WARNING:** This product can expose you to chemicals including [DEHP and/or DBP  
20 and/or Lead]<sup>2</sup>, which is known to the State of California to cause cancer and birth defects or  
21 other reproductive harm. For more information go to [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov).

22 Or

23 (Short-Form Warning):

24 **WARNING:** Cancer and Reproductive Harm - [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov)

25 The warning shall be accompanied by a symbol consisting of a black exclamation point  
26 in a yellow equilateral triangle with a bold black outline. When the warning is placed on the  
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28 <sup>2</sup> In accordance with 27 Cal. Code Regs., section 25603, operative Aug. 30, 2018, the warning must expressly identify at least one of the Listed Chemicals present in the Product, as applicable. Language within the brackets is optional.

1 label, but the label is not printed using the color yellow, the symbol may be printed in black and  
2 white. The symbol shall be placed to the left of the text of the warning, in a size no smaller than  
3 the height of the word "WARNING".

4           **2.2.2** As of the Effective Date, each Product sold at a popup store operated by  
5 SFG or that is otherwise available at a physical store in California shall carry a warning directly  
6 on each unit's label, hangtag, or package, with such conspicuousness as compared with other  
7 words, statements or designs as to render it likely to be read and understood by an ordinary  
8 consumer prior to sale. Alternatively, Settling Defendants may provide the Long-Form warning  
9 by shelf-tag or through an electronic device or process that automatically provides the warning to  
10 the purchaser (e.g., such as on a self-checkout screen and not solely on a purchase receipt) prior  
11 to completion of the purchase of the Product.

12           **2.2.3** As of the Effective Date, Settling Defendants shall provide the Long-Form  
13 warning for each Product they sell on the internet to California consumers (or the Short-Form  
14 Warning, but only if it is also provided on the Product's label or package) on the product display  
15 page, the shopping cart page, or the checkout page. If the warning is provided on the product  
16 display page, it shall be provided conspicuously on the page or by a clearly marked hyperlink on  
17 the page. If the warning is provided on the shopping cart page or checkout page, it shall either be  
18 provided: (1) conspicuously by hyperlink from a hazard triangle next to each product requiring a  
19 warning, or (2) a hazard triangle next to each Product requiring a warning, with a matching  
20 hazard triangle to the left of the text of the warning found conspicuously on the page, for  
21 example, immediately below the products listed in the shopping cart or checkout. A hazard  
22 triangle shall consist of a black exclamation point in a yellow equilateral triangle with a bold  
23 black outline. For Products that Settling Defendants provide for another entity to sell on the  
24 internet, Settling Defendants shall either place a warning on the Product's label or provide notice  
25 to such entity pursuant to 27 Cal. Code Regs. § 25600.2(b) of the warning message to be  
26 provided for any online sales of the Product. Settling Defendants are not responsible for  
27 implementation of the online warning beyond such actions for third-party websites that are not  
28 operated or controlled by Settling Defendants.



1     **3.     PAYMENTS**

2             **3.1     Civil Penalty Pursuant To Proposition 65**

3             In settlement of all claims referred to in this Consent Judgment, Zoetop shall collectively  
4     pay a total civil penalty of four thousand dollars (\$4,000.00) to be apportioned in accordance  
5     with Health and Safety Code section 25249.12(c)(1) and (d), with 75% (\$3,000.00) for State of  
6     California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining  
7     25% (\$1,000.00) for APS&EE.

8             Zoetop shall issue these payments collectively as part of the total payment described  
9     below in Section 3.2 via wire transfer to Law Offices of Lucas T. Novak. After receipt of the  
10    wire transfer, Law Offices of Lucas T. Novak shall be responsible for forwarding the respective  
11    payments to OEHHA and APS&EE.

12            **3.2     Reimbursement Of APS&EE's Fees And Costs**

13            Settling Defendants shall reimburse APS&EE's experts' and attorneys' fees and costs  
14    incurred in prosecuting the instant action, for all work performed through execution and approval  
15    of this Consent Judgment, in the amount of twenty-six thousand dollars (\$26,000.00).

16    Accordingly, along with the civil penalty described above in Section 3.1, Zoetop shall remit total  
17    payment via wire transfer to Law Offices of Lucas T. Novak in the amount of thirty thousand  
18    dollars (\$30,000.00). Zoetop shall remit the payment within ten (10) business days of the  
19    Effective Date. Wire instructions shall be exchanged between the parties' counsel following  
20    execution of this Agreement.

21     **4.     RELEASES**

22            **4.1     APS&EE's Release**

23            APS&EE, in consideration of the promises and monetary payments contained herein, on  
24    behalf of itself and in the public interest, hereby releases Zoetop, Shein, Shein Group Ltd., SFG,  
25    EC Best Service, Inc., and their parents, subsidiaries, affiliates, shareholders, directors, members,  
26    officers, employees, attorneys, principals, owners, investors, insurers, successors and assignees,  
27    as well as their downstream distributors, retailers, and customers (collectively "Releasees"), from  
28    any and all Proposition 65 violation claims, actions, causes of action, suits, demands, liabilities,

1 damages, penalties, fees, costs, and expenses asserted, or that could have been asserted,  
2 regarding failure to warn about exposures to listed chemicals from the Products that Settling  
3 Defendants have sold from the beginning of time up to and including the Effective Date.  
4 APS&EE also releases Releasees from any cause of action it may have related to alleged breach  
5 of the Settlement Agreement between APS&EE and Zoetop, executed July 25, 2019.

#### 6 **4.2 Settling Defendants' Release**

7 Settling Defendants, by this Consent Judgment, waive all rights to institute any form of  
8 legal action against APS&EE, its shareholders, directors, members, officers, employees,  
9 attorneys, experts, successors and assignees for actions or statements made or undertaken,  
10 whether in the course of investigating claims or seeking enforcement of Proposition 65 against  
11 Settling Defendants in this matter. If any Releasee should institute any such action, then  
12 APS&EE's release of said Releasee in this Consent Judgment shall be rendered void and  
13 unenforceable.

#### 14 **4.3 Waiver Of Unknown Claims**

15 It is possible that other claims not known to the Parties, arising out of the facts alleged in  
16 the Notices and Complaint, and relating to the Products, will develop or be discovered in the  
17 future. Each of the Parties acknowledges that it is familiar with Section 1542 of California Civil  
18 Code which provides as follows:

19 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE  
20 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO  
21 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE  
22 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE  
23 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE  
24 DEBTOR OR RELEASED PARTY.

25 Each of the Parties waives and relinquishes any right or benefit it has or may have under  
26 Section 1542 of California Civil Code or any similar provision under the statutory or non-  
27 statutory law of any other jurisdiction to the full extent that it may lawfully waive all such rights  
28 and benefits. The Parties acknowledge that each may subsequently discover facts in addition to,

or different from, those that it believes to be true with respect to the claims released herein. The Parties agree that this Consent Judgment and the releases contained herein shall be and remain effective in all respects notwithstanding the discovery of such additional or different facts.

**5. COURT APPROVAL**

Upon execution of this Consent Judgment by all Parties, APS&EE shall file a noticed Motion for Approval and Entry of Consent Judgment in the above-entitled Court without additional consideration. This Consent Judgment is not effective until it is approved and entered by the Court. It is the intention of the Parties that the Court approve this Consent Judgment, and in furtherance of obtaining such approval, the Parties and their respective counsel agree to mutually employ their best efforts to support the entry of this agreement in a timely manner, including cooperating on drafting and filing any papers in support of the required motion for judicial approval.

**6. ENFORCEMENT OF CONSENT JUDGMENT**

APS&EE may by motion attempt to enforce the terms and conditions contained in this Consent Judgment. Prior to bringing any motion to enforce, APS&EE shall provide written notice of the issue and meet and confer regarding the basis for the anticipated motion for at least thirty (30) days in an attempt to resolve it informally. No enforcement motion shall be filed during the 30-day meet-and-confer period. Should such attempts at informal resolution fail, APS&EE may file its enforcement motion. This Consent Judgment may only be enforced by the Parties or by an appropriate public enforcer.

**7. SEVERABILITY**

Should any part or provision of this Consent Judgment for any reason be declared by a Court to be invalid, void or unenforceable, the remaining portions and provisions shall continue in full force and effect.

**8. GOVERNING LAW**

The terms of this Consent Judgment shall be governed by the laws of the State of California.

**9. NOTICE**



1 All correspondence and Notice required to be provided under this Consent Judgment  
2 shall be in writing and delivered personally or sent by first class or certified mail or email,  
3 addressed as follows:

4 TO Settling Defendants:

5 Will Wagner, Esq.  
6 Greenberg Traurig, LLP  
7 1201 K Street, Suite 1100  
8 Sacramento, CA 95814  
wagnerw@gtlaw.com

TO APS&EE:

Lucas T. Novak, Esq.  
Law Offices of Lucas T. Novak  
8335 W Sunset Blvd., Suite 217  
Los Angeles, CA 90069  
lucas.nvk@gmail.com

9  
10 **10. COUNTERPARTS**

11 This Consent Judgment may be executed in counterparts, each of which shall be deemed  
12 an original, and all of which, when taken together, shall constitute the same document. Execution  
13 and delivery of this Consent Judgment by e-mail, facsimile, or other electronic means shall  
14 constitute legal and binding execution and delivery. Any photocopy of the executed Consent  
15 Judgment shall have the same force and effect as the originals.

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11. AUTHORIZATION

The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties. Each Party has read, understood, and agrees to all of the terms and conditions of this Consent Judgment. Each Party warrants to the other that it is free to enter into this Consent Judgment and is not subject to any conflicting obligation that will or might prevent or interfere with the execution or performance of this Consent Judgment by said Party.

AGREED TO:

Date: 11/12/20

By: [Signature]

Authorized Representative of APS&EE, LLC

AGREED TO:

Date: Nov 13, 2020

By: [Signature] TIM WEI

Authorized Representative of Zoetop Business Co., Limited

AGREED TO:

Date: 11-13-20

By: [Signature]

Authorized Representative of Shein Fashion Group, Inc.

IT IS SO ORDERED.

Dated: \_\_\_\_\_

[Signature]  
JUDGE OF THE SUPERIOR COURT