1 Evan Smith (Bar No. SBN 242352) BRODSKY SMITH 2 9595 Wilshire Blvd., Ste. 900 Beverly Hills, CA 90212 NOV 2 7 2023 3 Tel: (877) 534-2590 Fax: (310) 247-0160 4 Attorneys for Plaintiff 5 6 7 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 COUNTY OF SAN FRANCISCO 11 EMA BELL, Case No.: CGC-22-600485 12 Plaintiff, **CONSENT JUDGMENT** 13 V., Judge: Richard B. Ulmer Dept.: 302 14 SHALOM INTERNATIONAL CORP., Hearing Date: November 27, 2023 Hearing Time: 9:30 AM Complaint Filed: June 30, 2022 THE TJX COMPANIES, INC., 15 Defendants. 16 17 18 19 20 21 22 23 24 25 26 27 28

1. INTRODUCTION

- 1.1 The Parties. This Consent Judgment is entered into by and between Ema Bell acting on behalf of the public interest (hereinafter "Bell") and Shalom International Corp. ("Shalom" or "Defendant") with Bell and Defendant collectively referred to as the "Parties" and each of them as a "Party." Bell is an individual residing in California that seeks to promote awareness of exposures to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products. Shalom is alleged to be a person in the course of doing business for purposes of Proposition 65, Cal. Health & Safety Code §§ 25249.6 et seq.
- 1.2 Allegations and Representations. Bell alleges that Defendant has exposed individuals to diethanolamine (DEA) from its sales of Jack Nicklaus hand creams without providing a clear and reasonable exposure warning pursuant to Proposition 65. DEA is listed under Proposition 65 as a chemical known to the State of California to cause cancer.
- Notice of Violation/Complaint. On or about July 21, 2021, Bell served Shalom, Nicklaus Companies, LLC, The TJX Companies, Inc. ("TJX"), and various public enforcement agencies with documents entitled "60-Day Notice of Violation" pursuant to Health & Safety Code §25249.7(d) (the "Notice"), alleging that Defendant violated Proposition 65 for failing to warn consumers and customers that use of the Jack Nicklaus hand creams (sold individually and/or as included in travel kits) expose users in California to DEA. No public enforcer has brought and is diligently prosecuting the claims alleged in the Notice. On June 30, 2022, Bell filed a complaint (the "Complaint") in the matter.
- 1.4 For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Defendant as to the allegations contained in the Complaint filed in this matter, that venue is proper in the County of San Francisco, and that this Court has jurisdiction to approve, enter, and oversee the enforcement of this Consent Judgment as a full and final binding resolution of all claims which were or could have been raised in the Complaint based on the facts alleged therein and/or in the Notice.

1.5 Defendant denies each and every material allegation contained in Bell's Notice and Complaint and maintains that it has not violated Proposition 65 and/or is not subject to that law. Nothing in this Consent Judgment shall be construed as an admission by Defendant of any fact, finding, issue of law, or violation of law; nor shall compliance with this Consent Judgment constitute or be construed as an admission by Defendant of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Defendant. However, this section shall not diminish or otherwise affect the obligations, responsibilities, and duties of Defendant under this Consent Judgment.

2. <u>DEFINITIONS</u>

- 2.1 **Covered Products.** The term "Covered Products" means Jack Nicklaus hand creams (sold individually and/or as included in travel kits) that are manufactured, distributed and/or offered for sale in California by Shalom.
- 2.2 Effective Date. The term "Effective Date" means the date this Consent Judgment is entered as a Judgment of the Court.

3. INJUNCTIVE RELIEF; REFORMULATION AND/OR WARNINGS

- 3.1 Reformulation of Covered Products. As of the date this Consent Judgment is signed by both Parties, and continuing thereafter, Covered Products that Defendant directly manufactures, imports, distributes, sells, or offers for sale in California shall either: (a) be DEA Free Reformulated Products pursuant to § 3.2, below; or (b) be labeled with a clear and reasonable exposure warning pursuant to §§ 3.3 and 3.4, below. For purposes of this Consent Judgment, a "DEA Free Reformulated Product" is a Covered Product that complies with the standard set forth in § 3.2 below. The warning requirement set forth in §§ 3.3 and 3.4 shall not apply to any Reformulated Product.
- 3.2 **DEA Free Reformulation Standard.** To qualify as a "DEA Free Reformulated Product" the Product must meet the following standard: DEA content that is not detectable (i.e., zero) or DEA that is below the Reporting Limit (defined herein) when analyzed pursuant to liquid chromatography/tandem mass spectrometry (LC/MS/MS), inductively coupled mass-spectroscopy

(ICP-MS) or other method of analysis utilized by the International Organization for Standardization (ISO) for qualitative and quantitative screening of cosmetics and cosmetic raw materials.

- 3.2.1 **Reporting Limit**. The Covered Product "Reporting Limit¹" is 10 mg/kg.
- 3.3 Clear and Reasonable Warning. As of the date this Consent Judgment is signed by both Parties, and continuing thereafter, a clear and reasonable exposure warning as set forth in this §§ 3.3 and 3.4 must be provided for all Covered Products that Defendant manufacturers, imports, distributes, sells, or offers for sale in California that is not a DEA Free Reformulated Product. There shall be no obligation for Defendant to provide a warning or notification for Covered Products that enter the stream of commerce prior to the date this Consent Judgment is signed by both Parties. The warning shall consist of either the Warning or Alternative Warning described in §§ 3.3(a) or (b), respectively:
 - (a) Warning. The "Warning" shall consist of the statement:
 - ⚠ WARNING: This product can expose you to chemicals including diethanolamine (DEA), which is known to the State of California to cause cancer. For more information go to www.P65Warnings.ca.gov.
- (b) Alternative Warning: Shalom may, but is not required to, use the alternative short-form warning as set forth in this § 3.3(b) ("Alternative Warning") as follows:
 - MARNING: Cancer www.P65Warnings.ca.gov.
- 3.4 A Warning or Alternative Warning provided pursuant to § 3.3 must print the word "WARNING:" in all capital letters and in bold font, followed by a colon. The warning symbol to the left of the word "WARNING:" must be a black exclamation point in a yellow equilateral triangle with a black outline, except that if the sign or label for the Covered Product does not use the color yellow, the symbol may be in black and white. The symbol must be in a size no smaller than the height of the word "WARNING:". The Warning or Alternative Warning shall be affixed to or printed on the Covered Product's packaging or labeling, or on a placard, shelf tag, sign or

¹ The Reporting Limit is the lowest concentration at which DEA can be reported in a sample of a Covered Product by a commercially reasonable accredited testing laboratory employing LC/MS/MS analysis or other method of analysis utilized by the ISO for qualitative and quantitative screening of cosmetics and cosmetic raw materials.

electronic device or automatic process, provided that the Warning or Alternative Warning is displayed with such conspicuousness, as compared with other words, statements, or designs as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use. The Warning or Alternative Warning may be contained in the same section of the packaging, labeling, or instruction booklet that states other safety warnings, if any, concerning the use of the Covered Product and shall be at least the same size as those other safety warnings.

In addition to affixing the Warning or Alternative Warning to the Covered Product's packaging or labeling, the Warning or Alternative Warning shall be posted on websites where Shalom offers Covered Products for sale to consumers in California. The requirements of this Section shall be satisfied if the Warning or Alternative Warning, or a clearly marked hyperlink using the word "WARNING," appears on the Covered Product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase. To comply with this Section, Shalom shall (a) post the Warning or Alternative Warning on its own website and, if it has the ability to do so, on the websites of its third-party internet sellers; and (b) if it does not have the ability to post the Warning or Alternative Warning on the websites of its third-party internet sellers, provide such sellers with notice pursuant to Title 27, California Code of Regulations, Section 25600.2. Any entity to whom Defendant provides notice in accordance with § 25600.2, but who did not provide the Warning or Alternative Warning, is not released in Section 5.

3.5 Compliance with Warning Regulations. Defendant shall be deemed to be in compliance with this Consent Judgment and Proposition 65 by either adhering to §§ 3.3 and 3.4 of this Consent Judgment or by complying with warning requirements adopted by the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") applicable to the Covered Product and the Exposures at issue after the Effective Date.

4. MONETARY TERMS

4.1 **Civil Penalty.** Shalom shall pay \$3,000.00 as a Civil Penalty pursuant to Health and Safety Code section 25249.7(b), to be apportioned in accordance with California Health & Safety

pursuant to Code of Civil Procedure § 1021.5.

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5. RELEASE OF ALL CLAIMS

5.1 This Consent Judgment is a full, final, and binding resolution between Bell acting on her own behalf, and on behalf of the public interest, and Shalom, and its parents, shareholders, members, directors, officers, managers, employees, representatives, agents, attorneys, divisions, subdivisions, subsidiaries, partners, sister companies, and affiliates, and their predecessors, successors and assigns ("Defendant Releasees"), and all entities from whom they obtain and to whom they directly or indirectly distribute or sell Covered Products, including but not limited to manufacturers, suppliers, distributors, wholesalers, customers, licensors, licensees retailers (including but not limited to, TJX, its parents, subsidiaries, and affiliate companies), franchisees, and cooperative members, and their predecessors, successors and assigns ("Downstream Releasees"), of all claims for violations of Proposition 65 based on exposure to DEA from Covered Products, with respect to any Covered Products manufactured, distributed, and/or sold by Shalom prior to the Effective Date. It is the Parties' intention that this Consent Judgment shall have preclusive effect such that no other actions by private enforcers, whether purporting to act in his, her, or its interests or the public interest shall be permitted to pursue and/or take any action with respect to any violation of Proposition 65 based on exposure to DEA that was alleged in the Complaint, or that could have been brought pursuant to the Notice against Shalom and/or the Downstream Releasees of the Covered Products ("Proposition 65 Claims"). Shalom's compliance with the terms of this Consent Judgment constitutes compliance by Shalom with Proposition 65 regarding actual or alleged exposure to DEA in the Covered Products.

5.2 In addition to the foregoing, Bell, on behalf of herself, her past and current agents, representatives, attorneys, and successors and/or assignees, and <u>not</u> in her representative capacity, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases Shalom, Defendant Releasees, and Downstream Releasees from any and all manner of actions, causes of action, claims, demands, rights, suits, obligations, debts, contracts, agreements, promises, liabilities, damages, charges, losses, costs, expenses, and attorneys' fees, of any nature whatsoever, known or unknown, in law or equity, fixed or contingent, now or in the future, with

respect to any alleged violations of Proposition 65 related to or arising from exposure to DEA from Covered Products manufactured, distributed, or sold by Shalom, Defendant Releasees or Downstream Releasees. With respect to the foregoing waivers and releases in this paragraph, Bell hereby specifically waives any and all rights and benefits which she now has, or in the future may have, conferred by virtue of the provisions of § 1542 of the California Civil Code, which provides as follows:

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

5.3 Shalom waives any and all claims against Bell, her attorneys and other representatives, for any and all actions taken, or statements made (or those that could have been taken or made) by Bell and her attorneys and other representatives, whether in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against it in this matter, and/or with respect to exposure to DEA from use of Covered Products.

6. <u>INTEGRATION</u>

6.1 This Consent Judgment contains the sole and entire agreement of the Parties and all prior negotiations and understandings related hereto shall be deemed to have been merged within it. No representations or terms of agreement other than those contained herein exist or have been made by any Party with respect to the other Party or the subject matter hereof.

7. GOVERNING LAW

7.1 The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within the State of California. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to Covered Products, then Defendant shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, Covered Products are so affected.

NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to this Consent Judgment shall be in writing and personally delivered or sent by: (i) firstclass, (registered or certified mail) return receipt requested; or (ii) overnight courier on any party by the other party at the following addresses:

Bao M. Vu Stoel Rives LLP 1 Montgomery Street, Suite 3230 San Francisco, CA 94104

Evan Smith Brodsky Smith 9595 Wilshire Blvd., Ste. 900 Beverly Hills, CA 90212

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

COUNTERPARTS; FACSIMILE SIGNATURES

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

COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)/COURT

- Bell agrees to comply with the requirements set forth in California Health & Safety Code § 25249.7(f) and to promptly bring a Motion for Approval of this Consent Judgment. Defendant agrees it shall support approval of such Motion.
- This Consent Judgment shall not be effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved by the Court. In such case, the

Parties agree to meet and confer on how to proceed and if such agreement is not reached within 30 days, the case shall proceed on its normal course.

10.3 If the Court approves this Consent Judgment and is reversed or vacated by an appellate court, the Parties shall meet and confer as to whether to modify the terms of this Consent Judgment. If the Parties do not jointly agree on a course of action to take, the case shall proceed on its normal course on the trial court's calendar.

11. MODIFICATION

11.1 This Consent Judgment may be modified only by further stipulation of the Parties and the approval of the Court or upon the granting of a motion brought to the Court by either Party.

12. ATTORNEY'S FEES

- 12.1 A Party who unsuccessfully brings or contests an action arising out of this Consent Judgment shall be required to pay the prevailing party's reasonable attorney's fees and costs.
- 12.2 Nothing in this Section shall preclude a Party from seeking an award of sanctions pursuant to law.

13. RETENTION OF JURISDICTION

13.1 This Court shall retain jurisdiction of this matter to implement or modify the Consent Judgment.

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14. <u>AUTHORIZATION</u>

14.1 The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties and have read, understood and agree to all of the terms and conditions of this document and certify that he or she is fully authorized by the Party he or she represents to execute the Consent Judgment on behalf of the Party represented and legally bind that Party. Except as explicitly provided herein each Party is to bear its own fees and costs.

AGREED TO:	AGREED TO:		
Date: 9 31 33	Date:8/14/2023		
BY DU	By: Ed Baranoff SHALOM INTERNATIONAL CORP.		

IT IS SO ORDERED, ADJUDGED AND DECREED:

Dated:		HA 11/27/23				leg		
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