

## 60-DAY NOTICE OF VIOLATION

*SENT IN COMPLIANCE WITH CALIFORNIA HEALTH & SAFETY CODE §25249.7(d)*

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**NOTICE DATE:** October 31, 2014

**To:** Cosmed, Inc.; Signature Group Holdings, Inc.

California Attorney General's Office;  
District Attorney's Office for 58 Counties; and  
City Attorney's Office for Los Angeles, San Diego, San Jose and San Francisco.

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**From:** Shefa LMV, LLC

### I. INTRODUCTION

Our name is Shefa LMV, LLC. We are citizens and a Limited Liability Company of the State of California acting in the interest of the general public. We seek to promote awareness of exposures to toxic chemicals in products sold in California and, if possible, to improve public health and safety by reducing the hazardous substances contained in such items. This Notice is provided to the parties listed above pursuant to California Health & Safety Code §25249.6, et seq. ("Proposition 65"). The violations alleged by this Notice consist of product exposures, routes of exposures, and types of harm that may potentially result from exposures to the toxic chemical ("listed chemical") identified below:

<b>Product Exposure:</b>	<b>See Section VII, Exhibit A</b>
<b>Listed Chemical:</b>	<b>Diethanolamine, AKA DEA</b>
<b>Routes of Exposure:</b>	<b>Dermal absorption; Ingestion; and Inhalation</b>
<b>Types of Harm:</b>	<b>Carcinogen</b>

### II. NATURE OF ALLEGED VIOLATION (PRODUCT EXPOSURE)

The specific type of product that is causing consumer and occupational exposures in violation of Proposition 65, and which is the subject of this Notice, is listed under "Product Category/Type" in Exhibit A in Section VII below. All products within the type covered by this Notice shall be referred to hereinafter as the "products." The sales of these products in California dating at least as far back as June 23, 2013 are subject to this Notice. As a result of the sales of these products, exposures to the listed chemical have been occurring without clear and responsible warnings as required by Proposition 65. Without proper warnings regarding the toxic effects of exposures to the listed chemical, resulting from contact with the products from dermal and ingestion exposure as well as inhalation, California citizenry lack the information necessary to make informed decisions on whether and how to eliminate (or reduce) the risk of exposure to the toxic chemical from the reasonably foreseeable use of the products.

Through the act of buying, acquiring and using the products, citizens of California are exposed to the listed chemical in homes, workplaces and elsewhere throughout California where these products are utilized. Exposure to consumers includes, but is not limited to, bathing their bodies, their pets or their children. Exposure in the line of occupation can be in a salon-type setting or pet grooming, or any similar occupation. Exposure to consumers includes, but is not limited to, when handling the product DEA is absorbed through dermal, and other migration pathways, including but not limited to incidental ingestion after one touch's the chemical and then touch's food or otherwise places his hands on or near his lips where his tongue can or will continue this pathway to ingestion exposure. Exposure may continue to occur for a significant period after the initial contact. People likely to be exposed are women, men, infants and children. These violations and threatened violations pertain to Proposition 65 chemicals that are listed by the state as known to cause cancer.

### **III. CONTACT INFORMATION**

Please direct all questions concerning this notice to us through our counsel's offices at the following address:

Daniel N. Greenbaum, Esq.  
7120 Hayvenhurst Ave., Suite 320  
Van Nuys CA 91406  
Phone: 818.809.2199  
Fax: 424.243.7689  
Email: danielgreenbaumesq@gmail.com

### **IV. PROPOSITION 65 INFORMATION**

For general information concerning the provisions of Proposition 65, please feel free to contact the Office of Environmental Health Hazard Assessment ("OEHHA") in the Proposition 65 Implementation Office at (916) 445-6900. For the alleged Violator(s), I have attached a copy of "Proposition 65 in Plain Language" which has been prepared by OEHHA.

### **V. RESOLUTION OF NOTICED CLAIMS**

Based on the allegations set forth in this Notice, I intend to file a citizen enforcement lawsuit against the alleged Violator(s), unless such Violator enters into a binding written agreement to: (1) recall products already sold or undertake best efforts to ensure that the requisite health hazard warnings are provided to those whom have received such products; (2) provide clear and reasonable warnings for products sold in the future, or reformulate such products to eliminate the DEA exposures.

If the alleged Violator is interested in resolving this dispute without resorting to time-consuming and expensive litigation, please feel free to contact my counsel identified in Section III. It should be noted that neither my counsel nor I can: (1) finalize any settlement until after the 60-day Notice period elapses; nor (2) speak for the Attorney General or any District Attorney or City Attorney who received this Notice. Therefore, while reaching an agreement that will resolve my claims, such an agreement may

not be approved by the Attorney General after referral to them, or by the court as the last voice on settlements.

## **VI. ADDITIONAL INFORMATION**

**Product**

Skin Care

**Retailer(s)**

The Beauty Drawer

**Manufacturer(s)/Distributor(s)**

Cosmed, Inc.; Signature Group  
Holdings, Inc.

## VII. EXHIBIT A

Identified below are named products which contain the alleged chemicals at issue, and this reference is supportive of the material facts that are a part of my counsels Certificate of Merit that is attached hereto as being available for purchase or use in California that is within the category or type of offending product covered by this Notice. Based on publicly available information, the retailers, distributors and/or manufacturers of the example within the category or type of product are also provided below. I believe and allege that the sale of the offending products also has occurred without the requisite Proposition 65 “clear and reasonable warnings” at one or more locations and/or via other means including, but not limited to, transactions made over-the-counter, business to business, through the internet, and/or via catalog by the alleged Violator(s) and other distributors and retailers of the product.

<u>Product Category</u>	<u>Specific Product</u> <sup>1</sup>	<u>UPC</u>	<u>Retailer</u>	<u>Manufacturer/Distributor</u>
Skin care	Cosmedicine Private Nurse	811265010181	Beauty Connection	Cosmedicine LLC

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<sup>1</sup> We are identifying herein for all recipients’ benefit to assist in its investigation of, among other things, the magnitude of potential exposure to the listed chemical from other items within the product category listed in Exhibit A. It is important to note that this example does not represent an exhaustive or comprehensive identification of any or all specific products. Further, it is our position that the alleged Violator(s) are obligated to continue to conduct in good faith an investigation into other specific products within the type or category described above that may have been manufactured, distributed, sold, shipped, stored (or otherwise within the alleged Violator(s)’ custody or control) during the relevant period so as to ensure that the requisite toxic warnings are provided to California citizens prior to purchase.

**PROOF OF SERVICE OF DOCUMENT**

I am over the age of 18 and not a party to this case or action. My business address is:  
**7120 Hayvenhurst Ave., Suite 320, Van Nuys CA 91406**

A True and Correct copy of the documents entitled **60 DAY NOTICE OF VIOLATION; CERTIFICATE OF MERIT; THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY** will be served or was served in the manner stated below:

I. Interested Parties (Served via Certified Mail): On October 31, 2014, I served the following persons and/or entities at the last known addresses by placing a true and correct copy thereof in a sealed envelope in the United States Mail, postage prepaid, and addressed as follows:

CT Corporation	c/o COSMED, INC.	111 EIGHTH AVE.	New York	NY	10011
ATTN: President or CEO	COSMED, INC.	15303 Ventura Blvd., Suite 1600	Sherman Oaks	CA	91403
ATTN: Larry Nusbaum	COSMED, INC.	236 Fifth Ave., 9 <sup>th</sup> Floor	New York	NY	10001
ATTN: President or CEO	Signature Group Holdings, Inc.	15301 Ventura Blvd., Suite 400	Sherman Oaks	CA	91403
CT Corporation	c/o Signature Group Holdings, Inc.	818 W. 7 <sup>th</sup> Street, 2 <sup>nd</sup> Floor	Los Angeles	CA	90017

II. California Attorney General (via website Portal): On October 31, 2014, I uploaded a true and correct copy thereof as a PDF file via the California Attorney General's website.

III. District and City Attorneys (via U.S. Mail): On October 31, 2014, I served the following persons and/or entities at the last known addresses by placing a true and correct copy thereof in a sealed envelope in the United States Mail, first class, postage prepaid, and addressed as follows

**See attached pages for full service list**

I declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct.

October 31, 2014

Daniel N. Greenbaum, Esq.

*Date*

*Printed Name*



*Signature*

District Attorney  
ALAMEDA COUNTY  
1225 Fallon Street, Room 900  
Oakland, CA 94612

District Attorney  
ALPINE COUNTY  
PO Box 248  
Markleeville, CA 96120

District Attorney  
AMADOR COUNTY  
708 Court Street, #202  
Jackson, CA 95642

District Attorney  
BUTTE COUNTY  
25 County Center Drive —  
Administration Building  
Oroville, CA 95965

District Attorney  
CALAVERAS COUNTY  
891 Mountain Ranch Road  
San Andreas, CA 95249

District Attorney  
COLUSA COUNTY  
346 5th Street, Suite. 101  
Colusa, CA 95932

District Attorney  
CONTRA COSTA COUNTY  
900 Ward Street  
Martinez, CA 94553

District Attorney  
DEL NORTE COUNTY  
450 H Street, Room 171  
Crescent City, CA 95531

District Attorney  
EL DORADO COUNTY  
515 Main Street  
Placerville, CA 95667

District Attorney  
FRESNO COUNTY  
2220 Tulare Street, Suite. 1000  
Fresno, CA 93721

District Attorney  
GLENN COUNTY  
PO Box 430  
Willows, CA 95988

District Attorney  
HUMBOLDT COUNTY  
825 5th Street  
Eureka, CA 95501

District Attorney  
IMPERIAL COUNTY  
940 West Main Street, Suite. 102  
El Centro, CA 92243

District Attorney  
INYO COUNTY  
168 North Edwards  
Independence, CA 93526

District Attorney  
KERN COUNTY  
1215 Truxtun Avenue  
Bakersfield, CA 93301

District Attorney  
KINGS COUNTY  
1400 West Lacey Blvd.  
Hanford, CA 93230

District Attorney  
LAKE COUNTY  
255 N. Forbes Street  
Lakeport, CA 95453

District Attorney  
LASSEN COUNTY  
220 S. Lassen Street, Suite. 8  
Susanville, CA 96130

District Attorney  
LOS ANGELES COUNTY  
210 W. Temple Street  
Los Angeles, CA 90012

District Attorney  
MADERA COUNTY  
209 West Yosemite Avenue  
Madera, CA 93637

District Attorney  
MARIN COUNTY  
3501 Civic Center Drive, Room 130  
San Rafael, CA 94903

District Attorney  
MARIPOSA COUNTY  
PO BOX 730  
Mariposa, CA 95338

District Attorney  
MENDOCINO COUNTY  
PO BOX 1000  
Ukiah, CA 95482

District Attorney  
MERCED COUNTY  
550 West Main Street  
Merced, CA 95340

District Attorney  
MODOC COUNTY  
204 S. Court Street, Room 202  
Alturas, CA 96101

District Attorney  
MONO COUNTY  
PO BOX 2053  
Mammoth Lakes, CA 93546

District Attorney  
MONTEREY COUNTY  
PO BOX 1131  
Salinas, CA 93902

District Attorney  
NAPA COUNTY  
PO BOX 720  
Napa, CA 94559

District Attorney  
NEVADA COUNTY  
201 Commercial Street  
Nevada City, CA 95959

District Attorney  
ORANGE COUNTY  
401 Civic Center Drive West  
Santa Ana, CA 92701

District Attorney  
PLACER COUNTY  
10810 Justice Center Drive  
Roseville, CA 95678

District Attorney  
PLUMAS COUNTY  
520 Main Street, Room 404  
Quincy, CA 95971

District Attorney  
RIVERSIDE COUNTY  
3960 Orange Street  
Riverside, CA 92501

District Attorney  
SACRAMENTO COUNTY  
901 G Street  
Sacramento, CA 95812

District Attorney  
SAN BENITO COUNTY  
419 4th Street  
Hollister, CA 95023

District Attorney  
SAN BERNARDINO COUNTY  
303 W. Third Street  
San Bernardino, CA 92415

District Attorney  
SAN DIEGO COUNTY  
330 W. Broadway, Suite 1300  
San Diego, CA 92101

District Attorney  
SAN FRANCISCO COUNTY  
880 Bryant Street, Third Floor  
San Francisco, CA 94103

District Attorney  
SAN JOAQUIN COUNTY  
PO BOX 990  
Stockton, CA 95202

District Attorney  
SAN LUIS OBISPO COUNTY  
Courthouse Annex, 4th Floor  
San Luis Obispo, CA 93408

District Attorney  
SAN MATEO COUNTY  
400 County Center, Third Floor  
Redwood City, CA 94063

District Attorney  
SANTA BARBARA COUNTY  
1112 Santa Barbara Street  
Santa Barbara, CA 93101

District Attorney  
SANTA CLARA COUNTY  
70 West Hedding Street, West Wing  
San Jose, CA 95110

District Attorney  
SANTA CRUZ COUNTY  
701 Ocean Street, Room 200  
Santa Cruz, CA 95060

District Attorney  
SHASTA COUNTY  
1355 West Street  
Redding, CA 96001

District Attorney  
SIERRA COUNTY  
100 Courthouse Square  
Downieville, CA 95936

District Attorney  
SISKIYOU COUNTY  
PO BOX 986  
Yreka, CA 96097

District Attorney  
SOLANO COUNTY  
675 Texas Street, Suite 4500  
Fairfield, CA 94533

District Attorney  
SONOMA COUNTY  
600 Administration Drive, Room 212J  
Santa Rosa, CA 95403

District Attorney  
STANISLAUS COUNTY  
832 12th Street, Suite 300  
Modesto, CA 95353

District Attorney  
SUTTER COUNTY  
446 Second Street, Suite 102  
Yuba City, CA 95991

District Attorney  
TEHAMA COUNTY  
PO BOX 519  
Red Bluff, CA 96080

District Attorney  
TRINITY COUNTY  
PO BOX 310  
Weaverville, CA 96093

District Attorney  
TULARE COUNTY  
221 South Mooney Blvd., Suite 224  
Visalia, CA 93291

District Attorney  
TUOLUMNE COUNTY  
423 No. Washington Street  
Sonora, CA 95370

District Attorney  
VENTURA COUNTY  
800 South Victoria Avenue  
Ventura, CA 93009

District Attorney  
YOLO COUNTY  
301 Second Street  
Woodland, CA 95695

District Attorney  
YUBA COUNTY  
215 Fifth Street, Suite. 152  
Marysville, CA 95901

Mike Feuer  
City Attorney  
CITY OF LOS ANGELES  
200 N. Main Street  
Los Angeles, CA 90012

Jan Goldsmith  
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CITY OF SAN DIEGO  
1200 Third Avenue, 3rd Floor  
San Diego, CA 92101

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CITY OF SAN JOSE  
200 East Santa Clara Street  
San Jose, CA 95113

Dennis J. Herrera  
City Attorney  
CITY OF SAN FRANCISCO  
City Hall, Room 234  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

## CERTIFICATE OF MERIT

I, Daniel N. Greenbaum, hereby declare:

(1) This Certificate of Merit accompanies the attached sixty-day notice(s) in which it is alleged the parties identified in the notices have violated Health and Safety Code section 25249.6 by failing to provide clear and reasonable warnings.

(2) I am the attorney for the noticing party.

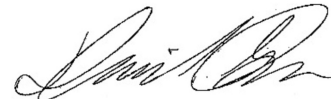
(3) I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the alleged exposure to the listed chemical that is the subject of the action.

(4) Based on the information obtained through those consultations, and on all other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiffs' case can be established and the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute.

(5) The copy of this Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health and Safety Code section 25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

October 31, 2014

Daniel N. Greenbaum, Esq.



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*Date*

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*Printed Name*

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*Signature*