

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 1501
(03-01)

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

REPORT OF SETTLEMENT

Please print or type required information

Original Filing Supplemental Filing Corrected Filing

PARTIES TO THE ACTION	PLAINTIFF(S) Shefa LMV LLC			
	DEFENDANT(S) INVOLVED IN SETTLEMENT Madina Industrial, Inc.			
CASE INFO	COURT DOCKET NUMBER JCCP004765		COURT NAME Alameda County Superior Court	
	SHORT CASE NAME Proposition 65 Cocamide DEA Cases			
REPORT INFO	INJUNCTIVE RELIEF Reformulation			
	PAYMENT: CIVIL PENALTY \$2,500	PAYMENT: ATTORNEYS FEES \$7,450	PAYMENT: OTHER 0.00	
	WILL SETTLEMENT BE SUBMITTED TO COURT? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	IF YES, AFTER ENTRY OF JUDGMENT BY COURT, REPORT OF ENTRY OF JUDGMENT MUST BE SUBMITTED TO ATTORNEY GENERAL	DATE SETTLEMENT SIGNED 08 / 25 / 2015	
	COPY OF SETTLEMENT MUST BE ATTACHED			
FILER INFO	NAME OF CONTACT Daniel N. Greenbaum			
	ORGANIZATION Law Office of Daniel Greenbaum		TELEPHONE NUMBER (818) 809-2199	
	ADDRESS 7120 Hayvenhurst Ave., Suite 320		FAX NUMBER (424) 243-7698	
	CITY Van Nuys	STATE ZIP CA 91406	E-MAIL ADDRESS dgreenbaum@greenbaumlawfirm.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 settlement 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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7 Facsimile: (424) 243-7689

8 Email: dgreenbaum@greenbaumlawfirm.com

9 Attorney for Plaintiff SHEFA LMV, LLC

10 MEYERS, NAVE, RIBACK, SILVER & WILSON

11 Joshua A. Bloom, Esq. (SBN 183358)

12 555 12th Street, Suite 1500

13 Oakland CA 94607

14 Telephone: (510) 808-2000

15 Facsimile: (510) 444-1108

16 Email: jbloom@meyersnave.com

17 Attorneys for Defendant MADINA INDUSTRIAL CORP.

18 SUPERIOR COURT OF THE STATE OF CALIFORNIA

19 FOR THE COUNTY OF ALAMEDA

20 Coordination Proceeding
21 Special Title (Rule 3.350)

) JUDICIAL COUNCIL COORDINATION
) PROCEEDING NO: 4765

22 PROPOSITION 65 COCAMIDE DEA
23 CASES

)
)
) [*Shefa LMV, LLC v. New World Imports,
) Inc., et al.*, Los Angeles County Superior
) Court No. BC561056]

)
) **[PROPOSED] CONSENT JUDGMENT
) AS TO MADINA INDUSTRIAL
) CORPORATION**

) Judge: Hon. George C. Hernandez, Jr.

) Action filed: October 17, 2014

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)
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1 **I. INTRODUCTION**

2 1.1 The parties to this Consent Judgment (“Parties”) are Shefa LMV, LLC (“Shefa”) and Madina Industrial Corporation (“Settling Defendant”). Shefa and Settling Defendant are referred to collectively as the “Parties.”

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5 1.2 The Settling Defendant manufactures, distributes, and/or sells, or has done so in the past, types of products identified at Paragraphs 6 and 7 of Exhibit A, attached hereto, some of which contain or have contained Cocamide diethanolamine (“Cocamide DEA”) in the State of California.

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9 1.3 On the date identified at Paragraph 4 of Exhibit A, Shefa served a 60-Day Notice of Violation under Proposition 65 (The Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §§ 25249.5, et seq.) (“Notice”) to Settling Defendant, the California Attorney General, the District Attorneys of every County in the State of California, and the City Attorneys for every City in the State of California with a population greater than 750,000.

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15 1.4 The Notice alleges violations of Proposition 65 with respect to the presence of Cocamide DEA in the types of products identified in Exhibit A.

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17 1.5 On the date(s) identified on Exhibit A, Shefa filed the Complaint applicable to the Settling Defendant (“Complaint”) for the Proposition 65 Action identified in Exhibit A.

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19 1.6 For purposes of this Consent Judgment only, the Parties stipulate that: (i) this Court has jurisdiction over the allegations of violations contained in the operative Complaint applicable to Settling Defendant and personal jurisdiction over Settling Defendant as to the acts alleged in the Complaint; (ii) venue is proper in the County of Alameda; and (iii) this Court has jurisdiction to enter this Consent Judgment.

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24 1.7 Nothing in this Consent Judgment is or shall be construed as an admission by either Party of any fact, conclusion of law, issue of law, or violation of law, nor shall compliance with the Consent Judgment constitute or be construed as an admission by either Party of any fact, conclusion of law, issue of law, or violation of law.

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28 1.8 Nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy, argument, or defense each Party may have in any other legal proceeding.

1 1.9 This Consent Judgment is the product of negotiation and compromise and is
2 accepted by the Parties for purposes of settling, compromising, and resolving issues disputed in
3 this action.

4 2. DEFINITIONS

5 2.1 “Covered Products” means the types of products identified at Paragraphs 6 and 7
6 of Exhibit A for Settling Defendant.

7 2.2 “Effective Date” means the date on which this Consent Judgment is entered by
8 the Court.

9 3. INJUNCTIVE RELIEF

10 3.1 **Reformulation of Covered Products.** As of the Effective Date, Settling
11 Defendant shall not manufacture, distribute, sell, or offer for sale any Covered Product that
12 contains Cocamide DEA and that will be sold or offered for sale to California consumers. For
13 purposes of this Consent Judgment, a product “contains Cocamide DEA” if Cocamide DEA is an
14 intentionally added ingredient in the product and/or intentionally added part of the product
15 formulation.

16 3.2 **Specification to Suppliers.** No more than thirty (30) days after the Effective
17 Date, Settling Defendant shall issue specifications to its supplier(s) of Covered Products
18 requiring that Covered Products not contain any Cocamide DEA, and shall instruct each supplier
19 to use reasonable efforts to eliminate Covered Products containing Cocamide DEA on a
20 nationwide basis.

21 3.3 **Action Regarding Specific Products.** On or before the Effective Date, Settling
22 Defendant shall cease selling the specific products (if any) identified as Section 3.3 Products as
23 set forth in Paragraph 7 of Exhibit A as applied to Settling Defendant (“Section 3.3 Products”) in
24 California unless such products have been reformulated such that they do not contain Cocamide
25 DEA.

26 3.3.1 On or before the Effective Date, Settling Defendant shall also, subject to
27 Section 3.5 below: (i) cease shipping the Section 3.3 Products to any of its stores and/or
28 customers that resell the Section 3.3 Products in California; and (ii) send instructions to its stores
and/or customers that resell the Section 3.3 Products in California instructing them either to: (a)

1 return all the Section 3.3 Products to Settling Defendant for destruction, or (b) directly destroy
2 the Section 3.3 Products.

3 3.3.2 The requirements of this Section 3.3 apply only to those Section 3.3
4 Products that contain Cocamide DEA.

5 3.3.3 Any destruction of Section 3.3 Products shall be in compliance with all
6 applicable laws.

7 4. PAYMENTS

8 4.1 Within ten (10) business days of the Effective Date, Settling Defendant shall pay
9 the settlement payment identified with respect to Settling Defendant at Paragraph 8 of Exhibit A.

10 4.2 The total settlement amount for Settling Defendant shall be paid pursuant to the
11 instructions outlined in Exhibit A.

12 4.3 The funds paid by Settling Defendant shall be allocated, as identified in Exhibit
13 A, between the following categories:

14 4.4 **Civil Penalty.** A civil penalty pursuant to Health & Safety Code § 25249.7(b) in
15 the amount set forth in Paragraph 8 of Exhibit A as applied to Settling Defendant, with such
16 money to be apportioned by Shefa as identified on the Exhibit A for the Settling Defendant in
17 accordance with Health & Safety Code § 25249.12 (25% to Shefa and 75% to the State of
18 California's Office of Environmental Health Hazard Assessment).

19 4.5 **Attorney's Fees and Costs.** A reimbursement of a portion of Shefa's reasonable
20 attorney's fees and costs in the amount set forth in Paragraph 8 of Exhibit A as applied to
21 Settling Defendant.

22 5. MODIFICATION

23 5.1 **Written Consent.** This Consent Judgment may be modified from time to time by
24 express written agreement of the Parties with the approval of the Court, or by an order of this
25 Court upon motion and in accordance with law.

26 5.2 **Meet and Confer.** Any Party seeking to modify this Consent Judgment shall
27 attempt in good faith to meet and confer with all affected Parties prior to filing a motion to
28 modify the Consent Judgment.

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6. CLAIMS COVERED AND RELEASED

6.1 This Consent Judgment is a full, final, and binding resolution between (i) Shefa on behalf of itself and the public interest, and (ii) Settling Defendant and its affiliates, its former affiliates (“affiliate” means a person or entity who directly or indirectly owns or controls, is directly or indirectly owned or controlled by, or is under common ownership or control with, Settling Defendant), and their respective current and past directors, officers, employees and attorneys (“Defendant Releasees”), and each entity to whom any of them directly or indirectly distribute or sell Covered Products, including but not limited to distributors, wholesalers, customers, retailers, franchisees, cooperative members, licensors, and licensees (“Downstream Defendant Releasees”), of any violation of Proposition 65 that was or could have been asserted in the Complaint against Settling Defendant, Defendant Releasees, and Downstream Defendant Releasees, based on failure to warn about alleged exposure to Cocamide DEA contained in Covered Products that were sold by Settling Defendant prior to the Effective Date.

6.2 Material compliance with the terms of this Consent Judgment by Settling Defendant and Defendant Releasees shall constitute compliance with Proposition 65 by Settling Defendant, Defendant Releasees, and Downstream Defendant Releasees with respect to any alleged failure to warn about Cocamide DEA in Covered Products manufactured, distributed, or sold by Settling Defendants after the Effective Date.

6.3 Nothing in this Section 6 affects Shefa’s right to commence or prosecute an action under Proposition 65 against any person other than Settling Defendant, Defendant Releasees, or Downstream Defendant Releasees.

7. NOTICE

7.1 When Shefa is entitled to receive any notice under this Consent Judgment, the notice shall be sent by first class and electronic mail to:

Daniel N. Greenbaum
Law Office of Daniel N. Greenbaum
7120 Hayvenhurst Ave., Suite 320
Van Nuys CA 91406
dgreenbaum@greenbaumlawfirm.com

1 7.2 When Settling Defendant is entitled to receive any notice under this Consent
2 Judgment, the notice shall be sent by first class and electronic mail to the person identified at
3 Paragraph 3 of Exhibit A as applied to Settling Defendant.

4 7.3 Any Party may modify the person and address to whom the notice is to be sent by
5 sending the other Party notice by first class and electronic mail.

6 **8. COURT APPROVAL**

7 8.1 This Consent Judgment shall become effective upon entry by the Court.

8 8.2 Shefa shall prepare and file a Motion for Approval of this Consent Judgment and
9 Settling Defendant shall support entry of this Consent Judgment.

10 8.3 If this Consent Judgment is not entered by the Court, it shall be of no force or
11 effect and shall never be introduced into evidence or otherwise used in any proceeding for any
12 purpose other than to allow the Court to determine if there was a material breach of Section 9.2.

13 **9. ENFORCEMENT**

14 9.1 Shefa may, by motion or application for an order to show cause before the
15 Superior Court of Alameda County, enforce the terms and conditions contained in this Consent
16 Judgment.

17 9.2 Prior to bringing any motion or application to enforce the requirements of Section
18 3 above, Shefa shall provide Settling Defendant with a Notice of Violation and proof of purchase
19 and a copy of any test results which purportedly support the Notice of Violation.

20 9.3 The Parties shall then meet and confer regarding the basis for the anticipated
21 motion or application in an attempt to resolve it informally, including providing Settling
22 Defendant(s) with a reasonable opportunity of at least thirty (30) days to cure any alleged
23 violation.

24 9.4 Should such attempts at informal resolution fail, Shefa may, after the expiration
25 of the 30-day right to cure period set forth above in Section 9.3, file an enforcement motion or
26 application.

27 9.5 This Consent Judgment may only be enforced by the Parties.
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1 9.6 Should Shefa prevail on any motion, application for an order to show cause, or
2 other proceeding to enforce a violation of this Consent Judgment, Shefa shall be entitled to its
3 reasonable attorneys' fees and costs incurred as a result of such motion or application.

4 9.7 Should Settling Defendant prevail on any motion application for an order to show
5 cause or other proceeding, that Settling Defendant may be awarded its reasonable attorneys' fees
6 and costs against Shefa as a result of such motion or application upon a finding by the Court that
7 Shefa's prosecution of the motion or application lacked substantial justification.

8 9.8 For purposes of this Consent Judgment, the term substantial justification shall
9 carry the same meaning as used in the Civil Discovery Act of 1986, Code of Civil Procedure §§
10 2016, et seq.

11 9.9 Nothing in this Section 9 shall preclude a Party from seeking an award of
12 sanctions pursuant to law.

13 **10. OTHER TERMS**

14 10.1 The terms of this Consent Judgment shall be governed by the laws of the State of
15 California.

16 10.2 This Consent Judgment shall apply to and be binding upon Shefa, Settling
17 Defendant, its affiliates, and successors or assigns of any of them.

18 10.3 This Consent Judgment contains the sole and entire agreement and understanding
19 of the Parties with respect to the entire subject matter hereof, and any and all prior discussions,
20 negotiations, commitments, or understandings related thereto, if any, are hereby merged herein
21 and therein.

22 10.4 Except as otherwise provided in this Consent Judgment, each Party shall bear its
23 own attorneys' fees and costs.

24 10.5 There are no warranties, representations, or other agreements between the Parties
25 except as expressly set forth herein.

26 10.6 No representations, oral or otherwise, express or implied, other than those
27 specifically referred to in this Consent Judgment have been made by any Party hereto.

28 10.7 No other agreements not specifically contained or referenced herein, oral or
otherwise, shall be deemed to exist or to bind any of the Parties hereto.

1 10.8 No supplementation, modification, waiver, or termination of this Consent
2 Judgment shall be binding unless executed in writing by the Party to be bound thereby.

3 10.9 No waiver of any of the provisions of this Consent Judgment shall be deemed or
4 shall constitute a waiver of any of the other provisions hereof whether or not similar, nor shall
5 such waiver constitute a continuing waiver.

6 10.10 Nothing in this Consent Judgment shall release, or in any way affect any rights
7 Settling Defendant might have against any other party, whether or not that party is a Settling
8 Defendant.

9 10.11 This Court shall retain jurisdiction of this matter to implement or modify the
10 Consent Judgment.

11 10.12 The stipulations to this Consent Judgment may be executed in counterparts and
12 by means of facsimile or portable document format (pdf), which taken together shall be deemed
13 to constitute one document.

14 10.13 Each signatory to this Consent Judgment certifies that he or she is fully
15 authorized by the Party he or she represents to stipulate to this Consent Judgment and to enter
16 into and execute the Consent Judgment on behalf of the Party represented and legally to bind
17 that Party.

18 10.14 The Parties, including their counsel, have participated in the preparation of this
19 Consent Judgment and this Consent Judgment is the result of the joint efforts of the Parties.

20 10.15 This Consent Judgment was subject to revision and modification by the Parties
21 and has been accepted and approved as to its final form by all Parties and their counsel.

22 10.16 Accordingly, any uncertainty or ambiguity existing in this Consent Judgment
23 shall not be interpreted against any Party as a result of the manner of the preparation of this
24 Consent Judgment.

25 10.17 Each Party to this Consent Judgment agrees that any statute or rule of
26 construction providing that ambiguities are to be resolved against the drafting Party should not
27 be employed in the interpretation of this Consent Judgment and, in this regard, the Parties hereby
28 waive California Civil Code § 1654, provided that nothing shall otherwise preclude a ruling
against the drafting Party.

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AGREED TO:

Dated: 8/25/2015

SHEFA LMV, LLC

By: Alon

Dated: 8/24/15

MADINA INDUSTRIAL CORPORATION

By: Miriam Platon



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ORDER AND JUDGMENT

Based upon the stipulated Consent Judgment between Shefa LMV, LLC and Madina Industrial Corporation, the settlement is approved and the clerk is directed to enter judgment in accordance with the terms herein.

Dated: _____

Judge of the Superior Court

2. Name of Plaintiff: Shefa LMV, LLC
3. Person(s) to Receive Notices (Pursuant to Section 8.3):
MEYERS, NAVE, RIBACK, WILSON & SILVER
Joshua A. Bloom, Esq.
555 12th Street, Suite 1500
Oakland CA 94607
Email: jbloom@meyersnave.com
4. Date of 60-Day Notice of Violation (Pursuant to Section 1.3): January 27, 2015
5. Complaint Naming Settling Defendant (Pursuant to Section 1.4): *Shefa LMV, LLC v. New World Imports, Inc., et al.*, Los Angeles County Superior Court No. BC561056
 - a. Date Complaint Filed: October 17, 2014
6. Covered Products Applicable to Defendant (Pursuant to Sections 1.2, 1.3, 2.1, 3.1, 3.2, 7.1, and 7.2):

<input checked="" type="checkbox"/>	Shampoos
<input checked="" type="checkbox"/>	Soaps
7. Defendant's Section 3.3 Product(s) (Pursuant to Sections 3.3.1, 3.3.2, and 3.3.3):
Madina Almond and honey with cream; UPC: 187314000244
8. Defendant's Settlement Payment and Allocation (Pursuant to Section 5.1):
Total Settlement Payment: \$9,950.00
 - Civil Penalty (payable to Shefa LMV, LLC): \$2,500.00
 - Payment in Lieu of Civil Penalty (PILP): N/A
 - Shefa Fees and Costs (payable to the Law Office of Daniel N. Greenbaum): \$7,450.00

Checks payable to "Shefa LMV, LLC" or the "Law Office of Daniel N. Greenbaum" shall be delivered to counsel for Shefa as set forth in Section 8.1.