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4	Attorneys for Plaintiff	
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9	SUPERIOR COURT OF THE	
10	COUNTY OF SA	N FRANCISCO
11	EMA BELL,	Case No.: CGC-23-606726
12	Plaintiff,	CONSENT JUDGMENT
13	V.	Judge: Richard B. Ulmer
14	BEAUTY TREATS INTERNATIONAL CO.,	Dept.: 302 Hearing Date: February 9, 2024
15	INC., BURLINGTON STORES, INC., BURLINGTON COAT FACTORY OF TEXAS, INC.,	Hearing Time: 9:30 AM Complaint Filed: May 25, 2023
16	Defendant.	Complaint Fried. Way 23, 2023
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#### 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 Beauty Treats International Co., Inc. ("Beauty Treats" 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. Bell alleges that Beauty Treats is a person in the course of doing business for purposes of Proposition 65, Cal. Health & Safety Code §§ 25249.6 et seq.

- 1.2 **Allegations.** Bell alleges that Defendant has exposed individuals to diethanolamine ("DEA") from its sales of *Beauty Treats*® double date lush mascaras/eyeliners, UPC # 676768825027, without providing a clear and reasonable exposure warning pursuant to Proposition 65. DEA is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer.
- 1.3 **Notice of Violation/Action.** On or about June 7, 2022, Bell served Burlington Stores, Inc., Burlington Coat Factory of Texas, Inc. (collectively, "Burlington"), Designs by Dori, Beauty Treats 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 *Beauty Treats*® double date lush mascaras/eyeliners, UPC # 676768825027, expose users in California to DEA. No public enforcer has brought and is diligently prosecuting the claims alleged in the Notice. On May 25, 2023, Bell filed a complaint (the "Complaint").
- 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 Action 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 Action based on the facts

alleged therein and in the Notice.

1.5 Defendant denies the material allegations contained in Bell's Notice and Complaint and maintains that it has not violated Proposition 65. 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. **DEFINITIONS**

- 2.1 **Covered Products.** The term "Covered Products" means *Beauty Treats*® double date lush mascaras/eyeliners, UPC # 676768825027, containing DEA that are manufactured, distributed, or shipped into California by Beauty Treats and offered for sale in California by Beauty Treats or any Downstream Releasee (as defined below) or defendant in the Complaint.
- 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 Effective Date, and continuing thereafter, Beauty Treats shall not sell or manufacture, import, or distribute any Covered Products intended for retail sale in California that are not either: (a) Reformulated Products pursuant to § 3.2, below; or (b) labeled with a clear and reasonable exposure warning as set forth in this §§ 3.3 and 3.4, below. For purposes of this Consent Judgment, a "Reformulated Product" is a Covered Product that is in compliance 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. There shall be no obligation for Defendant or Downstream Releasees (defined below) to provide a warning for Covered Products that enter the stream of commerce prior to the Effective Date.
- 3.2 **DEA Reformulation Standard**. "Reformulated Product" shall mean Covered Product with DEA content 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 Limit<sup>1</sup>" is 200 mg/kg.
- 3.3 Clear and Reasonable Warning. As of the Effective Date, and continuing thereafter, Beauty Treats shall provide a clear and reasonable exposure warning as set forth in this §§ 3.3 and 3.4 for all Covered Products that Defendant manufacturers or imports for sale to wholesale or retail businesses in California that is not a Reformulated Product. 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 <a href="https://www.P65Warnings.ca.gov">www.P65Warnings.ca.gov</a>.

- (b) Alternative Warning: Beauty Treats may, but is not required to, use the alternative short-form warning as set forth in this § 3.1(b) ("Alternative Warning") as follows:
  - **MARNING**: Cancer www.P65Warnings.ca.gov.
- 3.4 A Warning or Alternative Warning provided pursuant to § 3.1 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 electronic device or automatic process, providing that the Warning or

<sup>&</sup>lt;sup>1</sup> 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.

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. Where a sign or label used to provide a Warning includes consumer information about a product in a language other than English, the Warning must also be provided in that language in addition to English.

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 Beauty Treats 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" or similar language, appears on the product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase. To comply with this Section, Beauty Treats shall (a) post the Warning or Alternative Warning on its own website and, if it has the ability to do so through reasonable efforts, 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 written notice in accordance with Title 27, California Code of Regulations, § 25600.2. Third-party internet sellers of the Covered Product that have been provided with written notice in accordance with Title 27, California Code of Regulations, § 25600.2 are not released in Section 5 of this Agreement if they fail to meet the warning requirements herein.

3.5 Compliance with Warning Regulations. Defendant shall be deemed to be in compliance with the warning requirements of this Consent Judgment by either adhering to §§ 3.3 and 3.4 of this Consent Judgment or by complying with warning requirements adopted by OEHHA applicable to the Covered Product and exposures at issue after the Effective Date.

1	4. MONETARY TERMS		
2	4.1 <b>Civil Penalty.</b> Beauty Treats shall pay \$2,000.00 as a Civil Penalty pursuant to		
3	Health and Safety Code section 25249.7(b), to be apportioned in accordance with California		
4	Health & Safety Code § 25249.12(c)(1) and (d), with 75% of these funds remitted to OEHHA and		
5	the remaining 25% of the Civil Penalty remitted to Bell, as provided by California Health &		
6	Safety Code § 25249.12(d).		
7	4.1.1 Within ten (10) days after Plaintiff serves Notice of Entry of this Consent		
8	Judgment, Beauty Treats shall issue two separate checks for the Civil Penalty payment to (a)		
9	"OEHHA" in the amount of \$1,500.00; and to (b) "Ema Bell" in the amount of \$500.00. Payment		
10	owed to Bell pursuant to this Section shall be delivered to the following payment address:		
11	Evan J. Smith, Esquire		
12	Brodsky Smith Two Bala Plaza, Suite 805		
13	Bala Cynwyd, PA 19004		
14	Payment owed to OEHHA (EIN: 68-0284486) pursuant to this Section shall be delivered directly		
15	to OEHHA (Memo Line "Prop 65 Penalties") at one of the following address(es):		
16	For United States Postal Service Delivery:		
17	Mike Gyurics Fiscal Operations Branch Chief		
18	Office of Environmental Health Hazard Assessment P.O. Box 4010		
19	Sacramento, CA 95812-4010		
20	For Non-United States Postal Service Delivery:		
21	Mike Gyurics Fiscal Operations Branch Chief		
22	Office of Environmental Health Hazard Assessment 1001 I Street		
23	Sacramento, CA 95814		
24	A copy of the check payable to OEHHA shall be mailed to Brodsky Smith at the address set forth		
25	above as proof of payment to OEHHA.		
26	4.2 Attorneys' Fees. Within ten (10) days after Plaintiff serves Notice of Entry of this		
27	Consent Judgment, Beauty Treats shall pay \$23,000.00 to Brodsky Smith as complete		

reimbursement for Bell's attorneys' fees and costs incurred as a result of investigating, bringing

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this matter to the attention of Beauty Treats, litigating and negotiating and obtaining judicial approval of a settlement in the public interest, pursuant to Code of Civil Procedure § 1021.5.

#### 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 Beauty Treats, 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 without limitation Burlington and its parents, subsidiaries, and affiliates), franchisees, and cooperative members ("Downstream Releasees"), of all claims for violations of Proposition 65 that were, or could have been, or could later be asserted against Defendant Releasees or Downstream Releasees based on exposure to DEA from use of the Covered Products or failure to warn as set forth in the Notice, with respect to any Covered Products (i) manufactured, imported, distributed, or sold by Beauty Treats prior to the Effective Date or (ii) sold or distributed by Downstream Releasees after the Effective Date (but which were acquired by any such parties 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 failure to warn regarding exposure to DEA from use of the Covered Products that was alleged in the Complaint, or that could have been brought pursuant to the Notice against Beauty Treats, Defendant Releasees, and/or the Downstream Releasees ("Proposition 65 Claims"). Beauty Treats' compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by Beauty Treats with regard to exposure to DEA from use of the Covered Products, and Downstream Releasees that sell Reformulated Products or pass on the warnings

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27 28 provided by Beauty Treats in accordance with Sections 3.3-3.4 are likewise in compliance with Proposition 65 with regard to exposure to DEA from use of 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 assignees, and not in her representative capacity, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases Beauty Treats, 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 Covered Products manufactured, distributed, or sold by Beauty Treats, 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 Beauty Treats waives any and all claims against Bell, her attorneys and other representatives, for any and all actions taken, or statements 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 with respect to Covered Products.

#### 6. INTEGRATION

6.1 This Consent Judgment contains the sole and entire agreement of the Parties and any 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

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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. In addition, if any safe harbor level is set for DEA, Beauty Treats may comply with Proposition 65 by satisfying safe harbor.

#### 8. NOTICES

8.1 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) first-class, (registered or certified mail) return receipt requested; or (ii) overnight courier on any party by the other party at the following addresses:

#### For Defendant:

Beauty Treats International Co., Inc. Attn: Ms. Terry Hsiao 1232 Factory Place Los Angeles, CA 90013

With a copy to:

Jeffrey Parker Sheppard Mullin 333 South Hope Street, 43<sup>rd</sup> floor Los Angeles, CA 90071

#### For Bell:

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.

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9.1 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.

# 10. <u>COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)/COURT APPROVAL</u>

10.1 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.

10.2 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. <u>ATTORNEY'S FEES</u>

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.

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#### 1 13. RETENTION OF JURISDICTION 2 13.1 This Court shall retain jurisdiction of this matter to implement or modify the 3 Consent Judgment. 4 5 14. **AUTHORIZATION** 6 14.1 The undersigned are authorized to execute this Consent Judgment on behalf of 7 their respective Parties and have read, understood, and agree to all of the terms and conditions of 8 this document and certify that he or she is fully authorized by the Party he or she represents to 9 execute the Consent Judgment on behalf of the Party represented and legally bind that Party. 10 Except as explicitly provided herein each Party is to bear its own fees and costs. 11 **AGREED TO: AGREED TO:** 12 13 Date:\_\_\_\_\_ Date: 14 By: 15 **EMA BELL** BEAUTY TREATS INTERNATIONAL CO., INC. 16 17 IT IS SO ORDERED, ADJUDGED AND DECREED: 18 19 Dated: 20 Judge of Superior Court 21 22 23 24 25 26 27 28

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AGREED TO:	AGREED TO:
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Date: 13   33	93	Date:
EMA BELL	al/	By:BEAUTY TREATS INTERNATIONAL CO., INC.

IT IS SO ORDERED, ADJUDGED AND DECREED:

Dated:	
	Judge of Superior Court