1 2 3 4 5 6 7 8 9	Laralei Paras, State Bar No. 203319 SEVEN HILLS LLP 4 Embarcadero Center, Suite 1400 San Francisco, CA 94111 Telephone: (415) 926-7247 laralei@sevenhillsllp.com Attorneys for Plaintiff CENTER FOR ADVANCED PUBLIC AWAREN Evan Dwin, State Bar No. 241027 Dwin Legal, APC 2121 Palomar Airport Road, Suite 160 Carlsbad, CA 92011 Telephone: (760) 536-6471 edwin@dwinlegal.com	VESS
10 11	Attorneys for Defendant MINERVA BEAUTY, INC.	
12 13	SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF SAN FRANCISCO UNLIMITED CIVIL JURISDICTION	
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16 17	CENTER FOR ADVANCED PUBLIC AWARENESS,	Case No. CGC-23-605599 [PROPOSED]
18	Plaintiff,	CONSENT JUDGMENT
19	V.	(Health & Safety Code § 25249.6 et seq. and Code of Civil Procedure § 664.6)
20	MINERVA BEAUTY, INC.,	
21	Defendant.	
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	CONSENT JUDGMENT	

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1. **INTRODUCTION**

This Consent Judgment is entered into by and between plaintiff Center for Advanced Public Awareness ("CAPA") and defendant Minerva Beauty, Inc. ("Minerva"), with CAPA and Minerva each individually referred to as a "Party" and collectively, as the "Parties," to resolve the allegations in the May 27, 2022 60-Day Notice of Violation in compliance with the Safe Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code § 25249.6 et seq. ("Proposition 65").

1.1 **The Parties**

8 CAPA is a California-based non-profit organization alleging it proceeds in the public interest 9 pursuant to California Health & Safety Code § 25249.7(d) to ensure that chemicals known to the 10 State of California to cause cancer, birth defects or other reproductive harm are disclosed in or eliminated from consumer products sold in California. Minerva is a person in the course of doing business for purposes of California Health & Safety Code § 25249.11(b). 12

1.2 **Consumer Product Description**

14 CAPA alleges that Minerva manufactures, imports, sells, and distributes for sale in California seats with vinyl upholstery containing di(2-ethylhexyl) phthalate ("DEHP"), including, but not 15 limited to, Child's Salon Styling Chair Booster Seat, SKU: 2232b, without providing the health 16 hazard warning that CAPA alleges is required by California Health & Safety Code § 25249.5 et seq. 18 ("Proposition 65"). Seats with vinyl upholstery are referred to hereinafter as the "Products," with 19 an individual seat with vinyl upholstery sometimes being referred to hereinafter as the "Product." DEHP is listed pursuant to Proposition 65 as a chemical known to the State of California to cause birth defects and other reproductive harm.

1.3

Notice of Violation

23 On August 24, 2022, CAPA served Minerva, the California Attorney General, and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice"), alleging 24 25 Minerva violated Proposition 65 by failing to warn its customers and consumers in California that its 26 Products can expose users to DEHP. No public enforcer has commenced and is diligently 27 prosecuting an action to enforce the allegations in the Notice.

1.4 Complaint

On April 3, 2023, CAPA commenced the instant action ("**Complaint**"), naming Minerva as a defendant for the alleged violations of Proposition 65 that are the subject of the Notice.

1.5 No Admission

Minerva denies the factual and legal allegations contained in the Notice and Complaint and maintains that all products it sold or distributed for sale in California, including the Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall constitute or be construed as, nor shall compliance with this Consent Judgment constitute or be construed as, an admission by Minerva of any fact, finding, conclusion of law, issue of law, or violation of law. This section shall not, however, diminish or otherwise affect Minerva's obligations, responsibilities, and duties under this Consent Judgment.

1.6 Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Minerva as to the allegations contained in the Complaint; that venue is proper in San Francisco County; and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment, pursuant to Proposition 65 and Code of Civil Procedure § 664.6.

1.7 Execution Date

The term "Execution Date" means the date all parties have signed this Consent Judgment.

1.8 Effective Date

The term "Effective Date" means the date on which the Court approves this Consent Judgment and enters Judgment pursuant to its terms.

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INJUNCTIVE RELIEF: REFORMULATION AND INTERIM WARNINGS

2.1 Reformulation Commitment

Commencing on the Execution Date and continuing thereafter, all Products Minerva
manufactures, orders, imports, or purchases for sale in or into California, which have not already
shipped to California for sale, directly or through one or more third party retailers or e-commerce
marketplaces, shall meet the Reformulation Standard for Reformulated Products, as defined by
Section 2.2.

2.2 **Reformulation Standard**

2 For purposes of this Consent Judgment, "Reformulated Products" are defined as Products, which, if they contain di(2-ethylhexyl) phthalate ("DEHP"), di-n-butyl phthalate ("DBP"), diisononyl phthalate ("DINP"), butyl benzyl phthalate ("BBP"), di-isodecyl phthalate ("DIDP") or di-n-hexyl phthalate ("DnHP"), contain any or all such chemicals each in a maximum concentration of less than 0.1 percent (1,000 parts per million (**ppm**)) in any accessible component (i.e., any 6 component a consumer would handle during reasonably foreseeable use) when analyzed by a laboratory accredited by the State of California, a federal agency, or a nationally recognized accrediting organization. For purposes of compliance with this Reformulation Standard, testing samples shall be prepared and extracted using Consumer Product Safety Commission ("CPSC") methodology CPSC-CH-C1001.09.4 and analyzed using U.S. Environmental Protection Agency methodology 8270D, or other methodologies utilized by federal or state government agencies to determine phthalate content in a solid substance. Nothing in this Consent Judgment shall be construed as an admission that any product with a concentration of greater than 0.1% (1,000 ppm) of DEHP, DBP, DINP, BBP, DIDP or DnHP, or any other chemical, and analyzed using CPSC 16 methodology CPSC-CH-C1001.09.4, U.S. Environmental Protection Agency methodology 8270D, or other methodologies utilized by federal or state government agencies to determine phthalate 18 content in a solid substance, violates Proposition 65 and Minerva disputes and denies that 0.1% (1,000 ppm) constitutes the Maximum Allowable Dose Level for DEHP, DINP, BBD, DIDP or DnHP, or any other chemical, under Proposition 65.

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2.3 **Certification of Compliance with Reformulation Standard**

On or before thirty (30) days after the Execution Date, an officer of Minerva shall provide Seven Hills LLP with a written attested declaration stating, as of the Execution Date, and continuing thereafter, any and all Products manufactured, ordered, imported, or purchased for sale, which have not already shipped to California prior to the Execution date, to (a) consumers in California directly including through its own website, affiliated websites or a third party website, and (b) customers with nationwide distribution and e-commerce platforms, are Reformulated Products as defined by Section 2.2. Along with its attested declaration, Minerva shall provide a recent test result performed

1 after the date of the Notice, showing the Products were tested and analyzed according to the 2 parameters set forth in Section 2.2 and are Reformulated Products. Failure to comply with this 3 section shall render this agreement null and void.

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2.4 **Interim Clear and Reasonable Warnings**

Commencing on or before the Effective Date, Minerva shall provide clear and reasonable 5 warnings for all Products, that are not Reformulated Products, including Products already shipped to 6 California prior as of the Execution Date but not yet sold, provided for sale to (a) customers in California and (b) customers with nationwide distribution and e-commerce platforms in accordance with this Section pursuant to Title 27, California Code of Regulations § 25600, et seq. Each warning 10 shall be prominently placed 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 12 conditions before purchase or use and shall be provided in a manner such that it is clearly associated 13 with the specific Product to which the warning applies. Where a consumer product sign, label or 14 shelf tag used to provide a warning includes consumer information in language(s) other than English, 15 the warning or notice must also be provided in the other language(s) in addition to English.

DEHP Warning. The Warning for DEHP in excess of the Reformulation **(a)** Standard set forth in Section 2.2 shall consist of the following statement:

> **AWARNING**: This product can expose you to chemicals including di(2-ethylhexyl) phthalate (DEHP), which are known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov/furniture.

A warning provided pursuant to this Section 2.4(a) must print the word "WARNING:" in all capital 22 letters and in **bold** font. 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 if the labeling does not 24 use the color yellow, then the symbol may be in black and white.

Product Label Warnings (b)

26 Minerva shall include the warning statement in Section 2.4(a) on the Product label affixed to 27 the Products in the same manner as other consumer information or warning materials on the Products. 28 The entire warning shall appear in a type size of at least 6-point type and no smaller than the largest

type size used for other consumer information on the Products. For purposes of this Consent Judgment, "Product label" means a display of written, printed or graphic material that is printed on or affixed to a Product or its immediate container or wrapper.

Internet Warning (c)

5 Minerva shall also provide the warning statement in Section 2.4(a) by prominently displaying, or requiring the warning to be prominently displayed on third party websites or by downstream 6 retailers or distributors with e-commerce platforms, to the consumer during the purchase of any of the Products without requiring customers to seek out the warning. The warning or a clearly marked hyperlink to the warning using the word "WARNING" given in conjunction with the sale of the 10 Products via the internet shall appear either: (i) on the same web page on which each Product is displayed; (ii) on the same web page as the virtual cart displaying each Product; (iii) on the same page as the price for each Product; or (iv) on one or more web pages displayed to a purchaser during the checkout process. The warning shall appear in any of the above instances adjacent to or 14 immediately following the display, description or price of each Product for which it is given in the 15 same type size or larger than other consumer information provided for each Product.

(d) **Catalog Warning**

If, after the Effective Date, Minerva prints new catalogs and sells Products, that are not Reformulated Products, via mail order through such catalogs to customers located in California, Minerva shall also provide the warning statement in Section 2.4(a) for each Product in the catalog in a manner that clearly associates the warning with the specific Product being purchased. Any warning provided in a mail order catalog shall be in the same type size or larger than other consumer information provided for the Product within the catalog and shall be provided on the same page and in the same location as the display and/or description of each Products.

(e)

Receipt Notice

For each Products, sold or shipped to customers located in California, Minerva shall also provide, or require downstream retailers or distributes to provide, on the sales receipt and packing slip, the following notice statement:

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NOTICE:

Some furniture products with vinyl upholstery in this shipment can expose you to chemicals known to the State of California to cause cancer. Please check the product label for warning information. For more information go to: www.P65Warnings.ca.gov/furniture.

A notice statement provided pursuant to this Section must print the word "**NOTICE:**" in all capital letters and in bold font. The entire notice statement shall appear in a type size of at least 12-point type and no smaller than the largest type size used for other consumer information on the on the sales receipt and packing slip.

(f)

Posted Notice Sign

9 Minerva shall inform, or require downstream retailers or distributes to inform, customers that,
10 if the customer sells, uses or offers the product for sale or use in a business establishment in the State
11 of California, a sign no smaller than 8 1/2 by 11 inches must be displayed at each public entrance and
12 at each point of usage, and printed in no smaller than 28-point type which contains the following
13 warning statement:

NOTICE:

Some furniture products with vinyl upholstery in this establishment can expose you to chemicals known to the State of California to cause cancer and birth defects or other reproductive harm. Please check the product label for warning information. For more information go to: www.P65Warnings.ca.gov/furniture.

2.5 Customer Notification

No later than the Effective Date, Minerva shall send a letter, electronic or otherwise ("**Notification Letter**") to: (1) each customer in California to which it supplied Products between August 24, 2021 and August 24, 2022; and (2) any other customer that is a retailer or distributor that has any inventory of Products, which Minerva supplied between August 24, 2019 and August 24, 2022, for sale to consumers in California. The Notification Letter shall advise the recipient that each Product that is not a Reformulated Product, listed by SKU, must have a label attached to each Product expressly referring to the Product, which contains the warning statement in Section 2.4(a), before it is sold in the California market or to a customer in California, and shall further inform customers that, if the customer sells, uses or offers the Product for use in a business establishment such as a salon in the State of California, a sign no smaller than 8 1/2 by 11 inches must be displayed at each public entrance and at each point of usage, and printed in no smaller than 28-point type which contains the
warning statement in Section 2.4(f). If the customer is a business establishment, the Notification
Letter shall include both a sheet of white background, adhesive stickers with the forgoing warning
statement in Section 2.4(a) and the sign in Section 2.4(f), and require confirmation of receipt
electronically or in writing from the authorized agent of the customer, unless the business has not
designated an authorized agent, then the Notification Letter must be sent to the agent for service of
process for the customer.

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MONETARY SETTLEMENT TERMS

3.1 Civil Penalty

Pursuant to Health and Safety Code § 25249.7(b), Minerva agrees to pay a civil penalty of \$3,300 within five (5) business days of the Effective Date. Minerva's civil penalty payment will be allocated according to Health and Safety Code §§ 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty paid to the California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining twenty-five percent (25%) retained by CAPA. Minerva shall issue its payment in two checks made payable to: (a) "OEHHA" in the amount of \$2,475; and (b) "Center for Advanced Public Awareness" in the amount of \$825. CAPA's counsel shall deliver to OEHHA and CAPA their respective portion of the penalty payment.

3.2

Reimbursement of Attorneys' Fees and Costs

19 CAPA and its counsel offered to resolve the allegations in the Notice and Complaint without 20 reaching terms on the amount of reimbursement of attorneys' fees and costs. Shortly after the 21 Parties finalized the other material settlement terms, they negotiated and reached an accord on the 22 amount of reimbursement to be paid to CAPA's counsel, under general contract principles and the 23 private attorney general doctrine, codified at California Code of Civil Procedure § 1021.5, for all 24 work performed through the mutual execution and reporting of this Consent Judgment to the Office 25 of the California Attorney General and entry of Judgment pursuant its terms, but exclusive of fees 26 and costs on appeal, if any. Within five (5) days of the Effective Date, Minerva agrees to issue a 27 check in the amount of \$27,000 and made payable to "Seven Hills LLP" for all fees and other costs 28 incurred investigating, bringing this matter to Minerva's attention, litigating, negotiating a settlement in the public interest, obtaining the Court's approval of its terms pursuant to Section 5, and reporting its terms to the Office of the California Attorney General pursuant to Section 9.

3.3 Payments

All payments payable and due under this Consent Judgment shall be delivered to CAPA's counsel at the following address:

Seven Hills LLP Attn: Laralei Paras 4 Embarcadero Center, Suite 1400 San Francisco, CA 94111

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CLAIMS COVERED AND RELEASED

4.1 CAPA's Release of Proposition 65 Claims

11 This Consent Judgment is a full, final and binding resolution between CAPA, acting on its 12 own behalf and in the public interest, and Minerva, of any violation of Proposition 65 that was or 13 could have been asserted by CAPA on behalf of itself, its past and current agents, representatives, 14 attorneys, successors, and/or assignees, against Minerva, its directors, officers, employees, attorneys, and each entity to whom Minerva directly or indirectly distributes or sells Products, including, but 15 16 not limited to, downstream distributors, wholesalers, customers, retailers, franchisees, cooperative 17 members, and licensees (collectively, "Releasees"), from all claims for violations of Proposition 65 18 based on their failure to warn about alleged exposures to DEHP contained in the Products that were 19 manufactured, distributed, sold and/or offered for sale by Minerva in California before the Effective Date, as alleged in the Notice. 20

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4.2 CAPA's Individual Release of Claims

In further consideration of the promises and agreements herein contained, CAPA as an
individual and not n its representative capacity, on behalf of itself, its past and current agents,
representatives, attorneys, successors, and/or assignees, hereby waives all of CAPA's rights to
institute or participate in, directly or indirectly, any form of legal action and releases all claims that
CAPA may have, including, without limitation, all actions, and causes of action, in law or in equity,
suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses including,
but not exclusively, investigation fees, expert fees, and attorneys' fees arising under Proposition 65

with respect to DEHP, DBP, DINP, BBP, DIDP, and DnHP in the Products manufactured, distributed, sold and/or offered for sale by Minerva, before the Execution Date (collectively, 3 "Claims"), against Minerva and Releasees.

The Parties understand and agree these Sections 4.1 and 4.2 releases shall neither extend upstream to any entities that sold, supplied, or manufactured the Products or any component parts thereof, or any distributors or suppliers who sold the Products or any component parts thereof to Minerva nor extend to Releasees who have been instructed by Minerva pursuant to Section 2.5 to provide a warning on Products that are not Reformulated Products and have failed to do so.

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4.3 Minerva's Release of CAPA

Minerva, on behalf of itself, its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against CAPA and its attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by CAPA and its attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter with respect to the Products.

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COURT APPROVAL

Pursuant to California Health and Safety Code § 25249.7(f)(4), CAPA shall file a noticed 18 motion for judicial approval of this Consent Judgment. The Parties agree to mutually employ their 19 best efforts, and those of their counsel, to support the entry of a judgment pursuant to the terms of this 20 Consent Judgment, and to judicial approval of their settlement in a timely manner. For purposes of this section, "best efforts" shall include, at a minimum, supporting the motion for approval, responding to any third-party objection, and appearing at the hearing before the Court if so requested.

6. **SEVERABILITY**

If, subsequent to the Court's approval and entry of this Consent Judgment as a judgment, any provision of this Consent Judgment is deemed by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

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7. <u>GOVERNING LAW</u>

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The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within California. In the event that Proposition 65 is repealed, preempted, or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Minerva may provide CAPA with written notice of any asserted change in the law, and shall have no further injunctive obligations pursuant to this Consent Judgment, with respect to, and to the extent that, the Products are so affected. Nothing in this Consent Judgment shall be interpreted to relieve Minerva from its obligation to comply with any pertinent state or federal law or regulation.

8. <u>NOTICE</u>

Unless specified herein, all correspondence and notice required by this Consent Judgment
shall be in writing and sent by electronic mail where applicable and either by: (i) first-class
registered or certified mail, return receipt requested; or (ii) a recognized overnight courier to any
Party by the other at the following addresses:

14 || For Minerva:

15 James Frank Rawl, III, CEO Minerva Beauty, Inc.
16 390 Jim Daws Road Monroe, GA 36055

With a copy to:

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Evan Dwin
19
Dwin Legal, APC
2121 Palomar Airport Road, Suite 160
20
Carlsbad, CA 92011
Email: edwin@dwinlegal.com

For CAPA:

Laralei Paras, Partner Seven Hills LLP 4 Embarcadero Center, Suite 1400 San Francisco, CA 94111 Email: laralei@sevenhillsllp.com

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

9. <u>COUNTERPARTS AND PDF SIGNATURES</u>

This Consent Judgment may be executed in counterparts and by portable document format

(pdf) signature, each of which shall be deemed an original and, all of which, when taken together,

shall constitute one and the same document.

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10. **COMPLIANCE WITH REPORTING REQUIREMENTS**

CAPA and its counsel agree to comply with the reporting form requirements referenced in California Health and Safety Code § 25249.7(f).

11. **ENTIRE AGREEMENT**

5 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, 6 7 negotiations, commitments, or understandings related thereto, if any, are hereby merged herein and 8 therein. There are no warranties, representations, or other agreements between the Parties except as 9 expressly set forth herein. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Consent Judgment have been made by any Party hereto. No other 10 agreements not specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto. 12

12. **MODIFICATION**

This Consent Judgment may be modified only by: (i) a written agreement of the Parties and the entry of a modified Consent Judgment by the Court thereon; or (ii) upon a successful motion of any party and the entry of a modified Consent Judgment by the Court thereon.

13. **AUTHORIZATION**

The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties and have read, understood, and agreed to all of the terms and conditions of this Consent Judgment.

AGREED TO:

Date: 6/28/2023

By:

Linda DeRose-Droubay, Executive Director Center for Advanced Public Awareness

AGREED TO:

Date: 6/27/2023

By:

James Frank Rawl, III, CEO Minerva Beauty, Inc.