

AVON PRODUCTS INC
Form 8-K
April 13, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 13, 2016

Avon Products, Inc.
(Exact name of registrant as specified in charter)

New York (State or other jurisdiction of incorporation) 777 Third Avenue New York, N.Y. 10017-1307 (Address of principal executive offices) (Zip Code) (212) 282-5000 (Registrant's telephone number, including area code)	1-4881 (Commission File Number)	13-0544597 (IRS Employer Identification No.)
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------	----------------------------------------------------

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

INFORMATION TO BE INCLUDED IN THE REPORT

Item 8.01 Other Events.

As previously reported, in July and August 2010, derivative actions were filed in state court against certain present or former officers and/or directors of Avon Products, Inc. (“Avon” or the “Company”) (Carol J. Parker, derivatively on behalf of Avon Products, Inc. v. W. Don Cornwell, et al. and Avon Products, Inc. as nominal defendant (filed in the New York Supreme Court, Nassau County, Index No. 600570/2010); Lynne Schwartz, derivatively on behalf of Avon Products, Inc. v. Andrea Jung, et al. and Avon Products, Inc. as nominal defendant (filed in the New York Supreme Court, New York County, Index No. 651304/2010)). On November 22, 2013, a derivative action was filed in federal court against certain present or former officers and/or directors of the Company and following the federal court's dismissal, an additional action was subsequently filed in New York state court on May 1, 2015 (Sylvia Pritika, derivatively on behalf of Avon Products, Inc. v. Andrea Jung, et al. and Avon Products, Inc. as nominal defendant (filed in the New York Supreme Court, New York County, Index No. 651479/2015)). The claims asserted in one or more of these actions include alleged breach of fiduciary duty, abuse of control, waste of corporate assets, and unjust enrichment, relating to the Company's compliance with the Foreign Corrupt Practices Act, including the adequacy of the Company's internal controls. The relief sought against the individual defendants in one or more of these derivative actions include certain declaratory and equitable relief, restitution, damages, exemplary damages and interest. The Company is a nominal defendant, and no relief is sought against the Company itself. On April 28, 2015, an action was filed to seek enforcement of demands for the inspection of certain of the Company's books and records (Belle Cohen v. Avon Products, Inc. (filed in the New York Supreme Court, New York County, Index No. 651418/2015)). The parties have reached agreements to settle the derivative and books and records actions. The terms of settlement include certain corporate governance measures as well as releases of claims. The Company accrued approximately \$4 million as of June 30, 2015 with respect to these matters, which the Company expects will be paid by insurance. Settlement is conditioned upon court approval of the proposed resolution of the derivative actions.

On March 30, 2016, the New York Supreme Court, New York County (Index No. 651304/2010) entered an Order Scheduling Hearing for Final Approval of Settlement and Providing for Notice (the “Preliminary Approval Order”). The Preliminary Approval Order provides that the Court will hold a hearing for final approval of the settlement on June 30, 2016, at 2:15 pm in Courtroom 208 at 60 Centre Street, New York, New York. Pursuant to paragraph 4 of the Preliminary Approval Order, the Notice is attached as Exhibit 99.1 hereto, and the Stipulation of Settlement is attached as Exhibit 99.2.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit 99.1 Notice of Proposed Settlement of Derivative Action

Exhibit 99.2 Stipulation of Compromise and Settlement

(Page 2 of 3 Pages)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AVON PRODUCTS, INC.
(Registrant)

By: /s/ Jeff Benjamin
Name: Jeff Benjamin
Title: Senior Vice President, General Counsel and
Chief Ethics & Compliance Officer

Date: April 13, 2016

(Page 3 of 3 Pages)

EXHIBIT INDEX

Exhibit No.	Description
99.1	Notice of Proposed Settlement of Derivative Action
99.2	Stipulation of Compromise and Settlement