

FINDORESEP ALAMEDA COUNTY 1 Evan Smith (Bar No. SBN 242352) BRODSKY & SMITH, LLC. 2 9595 Wilshire Blvd., Ste. 900 JAN 112018 Beverly Hills, CA 90212 3 Tel: (877) 534-2590 CLERK OF THE SUPERIOR COURT Fax: (310) 247-0160 4 Attorneys for Plaintiff 5 6 SUPERIOR COURT OF THE STATE OF CALIFORNIA 7 COUNTY OF ALAMEDA 8 EMA BELL, Case No.: RG17880144 9 Plaintiff, **CONSENT JUDGMENT** 10 ٧. Judge: Ronni MacLaren 11 INSTYLE PRODUCTS, LLC, Dept.: 25 12 Defendant. Hearing Date: January 11, 2018 13 Hearing Time: 9:00 AM 14 Reservation #: R-1909518 15 16 17 18 BYFAX 19 20 21 22 23 24 25 26

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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 Instyle Products, LLC ("Instyle" 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. Instyle is alleged by Bell to be a person in the course of doing business for purposes of Proposition 65, Cal. Health & Safety Code §§ 25249.6 et seq. Instyle has fewer than ten employees.
- 1.2 Allegations and Representations. Bell alleges that Defendant has exposed individuals to Di(2-ethylhexyl) phthalate (DEHP) from cosmetic bags without providing clear and reasonable exposure warnings under Proposition 65. DEHP is listed under Proposition 65 as a chemical known to the State of California to cause cancer and reproductive toxicity.
- 1.3 Notices of Violation/Complaint. On or about July 12, 2017, Bell served Instyle, and various public enforcement agencies with a document entitled "60-Day Notice of Violation" pursuant to Health & Safety Code §25249.7(d) (the "Notice"), alleging that Defendant was in violation of Proposition 65 for failing to warn consumers and customers that cosmetic bags exposed users in California to DEHP. No public enforcer has brought and is diligently prosecuting the claims alleged in the Notice. On October 26, 2017, Bell filed a complaint (the "Complaint") in the matter.
- 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 Complaint filed in this matter, that venue is proper in the County of Alameda, 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 Complaint based on the facts alleged therein and/or in the Notice.

2.5 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. <u>DEFINITIONS</u>

- 2.1 Covered Products. The term "Covered Products" means Instyle cosmetic bags, including but not limited to Instyle the Bumpbag, UPC No. 818665011282, that are manufactured, distributed and/or offered for sale in California by Instyle and that contain DEHP.
- 2.2 **Reformulated Products.** The term "Reformulated Products" means Covered Products intended for retail sale in California that contain 0.1% (1,000 ppm) or less of DEHP on any component to which consumers are exposed.
- 2.3 Effective Date. The term "Effective Date" means the date this Consent Judgment is entered as a Judgment of the Court.

3. INJUNCTIVE RELIEF: WARNINGS

3.1 As of the date this Consent Judgment is signed by both Parties, Instyle shall not manufacture or order from any supplier any Covered Products intended for retail sale in California that contains DEHP on any component to which consumers are exposed in excess of 0.1% (1,000 ppm) unless the Covered Product is accompanied by a warning that complies with Article 6 of Title 27 of the California Code of Regulations. Instyle shall have a period of one year from the date this Consent Judgment is signed by both Parties to sell through its inventory of Covered Products that were ordered prior to the date this Consent Judgment is signed, and sale of such products by Downstream Releasees shall be deemed to be compliance with Proposition 65. Until August 30, 2018, the warning shall consist of either:

- (a) The statement: "WARNING: This product contains a chemical known to the State of California to cause cancer and birth defects or other reproductive harm;" or
- (b) (1) A symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline to the left of the word "warning" in bold all capital letters, followed by the statement "This product can expose you to chemicals including Di(2-ethylhexyl)phthalate (DEHP), which is 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;"¹

On and after August 30, 2018, the warning set forth in Section 3.1(b) shall be used.

3.2 The warning provided pursuant to Section 3.1 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 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. A 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 product and shall be at least the same size as those other safety warnings.

4. MONETARY TERMS

- 4.1 **Civil Penalty.** Instyle shall pay a Civil Penalty of \$2,000.00 pursuant to Health and Safety Code section 25249.7(b), to be apportioned in accordance with California Health & Safety Code § 25192, with 75% of these funds remitted to the State of California's Office of Environmental Health Hazard Assessment and the remaining 25% of the penalty remitted to Bell, as provided by California Health & Safety Code § 25249.12(d).
- 4.1.1 Within fourteen (14) business days of the Effective Date, Instyle shall issue two separate checks for the Civil Penalty payment to (a) "OEHHA" in the amount of \$1,500.00;

¹ The triangular symbol need only be in yellow where the sign, label, shelf tag or other transmission format is being printed in color for purposes of other language, symbols or designs.

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, franchisees, and cooperative members, including but not limited to Rite Aid Corporation ("Downstream Releasees"), of all claims for violations of Proposition 65 that were or could have been asserted against Defendant Releasees or Downstream Releasees based on exposure to DEHP from Covered Products or failure to warn as set forth in the Notice, with respect to any Covered Products manufactured, distributed, or sold by Instyle prior to the Effective Date. This consent judgment shall have preclusive effect such that no other person or entity, 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 that was alleged in the Complaint, or that could have been brought pursuant to the Notice against Instyle or its Downstream Releasees of the Product, including but not limited to Rite Aid Corporation ("Proposition 65 Claims"). Compliance with the terms of this consent judgment constitutes compliance with Proposition 65 with regard to the Covered Products.

In addition to the foregoing, Bell, on behalf of herself, her past and current agents, representatives, attorneys, and successors and/or assignees, and <u>not</u> in her representative capacity, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases Instyle, 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 Instyle, 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 Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

5.3 Instyle 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/or 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

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 or the listed chemical, 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. If Proposition 65 or associated regulations are amended to require or allow different text, font, and/or methods of warning than specified above, Instyle, after providing written notice to Bell, may substitute such text, font, and/or methods of warning for product warnings required under this Consent Judgment.

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-

1	class, (registered or certified mail) return receipt requested; or (ii) overnight courier on any party
2	by the other party at the following addresses:
3	For Defendant:
4	Instyle Products, LLC
5	c/o Carmen Pagan Gonzalez 475 Howe Ave.
6	Shelton, CT 06484
7	with a copy to:
8	Jeffrey Parker, Esq. Sheppard Mullin Richter & Hampton LLP
9	333 South Hope Street, 43rd Floor Los Angeles, CA 90071-1422
10	For Bell:
11	Evan Smith
12	Brodsky & Smith, LLC 9595 Wilshire Blvd., Ste. 900
13	Beverly Hills, CA 90212 Any party, from time to time, may specify in writing to the other party a change of address to
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15	which all notices and other communications shall be sent.
16	9. <u>COUNTERPARTS; FACSIMILE SIGNATURES</u>
17	9.1 This Consent Judgment may be executed in counterparts and by facsimile, each of
18	which shall be deemed an original, and all of which, when taken together, shall constitute one and
19	the same document.
20	10. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)/COURT
21	APPROVAL
22	10.1 Bell agrees to comply with the requirements set forth in California Health & Safety
23	Code §25249.7(f) and to promptly bring a Motion for Approval of this Consent Judgment.
24	Defendant agrees it shall support approval of such Motion.
25	10.2 This Consent Judgment shall not be effective until it is approved and entered by the
26	Court and shall be null and void if, for any reason, it is not approved by the Court. In such case,
27	the Parties agree to meet and confer on how to proceed and if such agreement is not reached within
28	30 days, the case shall proceed on its normal course.

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If the Court approves this Consent Judgment and is reversed or vacated by an

14. **AUTHORIZATION** The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties and have read, understood and agree to all of the terms and conditions of this document and certify that he or she is fully authorized by the Party he or she represents to execute the Consent Judgment on behalf of the Party represented and legally bind that Party. Except as explicitly provided herein each Party is to bear its own fees and costs. AGREED TO: AGREED TO: Date: 11/8/2017 Date: EMA BELL IT IS SO ORDERED, ADJUDGED AND DECREED: Dated: Judge of Superior Court

14. AUTHORIZATION The undersigned are authorized to execute this Consent Judgment on behalf of their 14.1 respective Parties and have read, understood and agree to all of the terms and conditions of this document and certify that he or she is fully authorized by the Party he or she represents to execute the Consent Judgment on behalf of the Party represented and legally bind that Party. Except as explicitly provided herein each Party is to bear its own fees and costs. AGREED TO: **AGREED TO:** Date: By: INSTYLE PRODUCTS, LLC IT IS SO ORDERED, ADJUDGED AND DECREED: Dated: Jan. 11, 2018