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1 2 3	Evan Smith (Bar No. SBN 242352) BRODSKY SMITH 9595 Wilshire Blvd., Ste. 900 Beverly Hills, CA 90212 Tel: (877) 534-2590 Fax: (310) 247-0160	San Francisco County Superior Court FEB 0.6 2024 CLERK OF THE COURT BY: Sugmin Munda Deputy Clerk
4	Attorneys for Plaintiff	N
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9	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
10	COUNTY OF SAN FRANCISCO	
11	EMA BELL,	Case No.: CGC-22-598914
12	Plaintiff,	
13	v.	CONSENT JUDGMENT
14	MACY'S, INC.,	Judge: Richard B. Ulmer Dept.: 302
15	Defendant.	Hearing Date: January 19, 2024 Hearing Time: 9:30 AM
16	9	Complaint Filed: March 29, 2022
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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 Macy's, Inc. ("Macy's" 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. Macy's is alleged to be a person in the course of doing business for purposes of Proposition 65, Cal. Health & Safety Code §§ 25249.6 et seq.
- 1.2 Allegations and Representations. Bell alleges that Defendant has exposed individuals to di(2-ethylhexyl) phthalate (DEHP) from its sales of Judy® first aid bags, # B085Z16GW4, without providing a clear and reasonable exposure warning pursuant to Proposition 65. DEHP is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer and birth defects or other reproductive harm.
- 1.3 **Notice of Violation/Action.** On or about April 28, 2021, Bell served Macy's 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 *Judy*® first aid bags, #B085Z16GW4, expose users in California to DEHP. No public enforcer has brought and is diligently prosecuting the claims alleged in the Notice. On March 29, 2022, Bell filed a complaint (the "Complaint"). On November 9, 2023, Bell filed a first amended complaint (the "First Amended Complaint"). The Complaint and the First Amended Complaint are collectively referred to herein as, the "Action."
- 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 Action 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 *Judy*® first aid bags, UPC 860003575123, 860003575109, and 860003575130, that are manufactured, distributed, shipped into California and offered for sale in California by Macy's that expose users to DEHP.
- 2.2 Effective Date. The term "Effective Date" means the date this Consent Judgment is entered as a Judgment of the Court.

3. <u>INJUNCTIVE RELIEF: REFORMULATION AND/OR WARNINGS</u>

- Reformulation of Covered Products. As of the Effective Date, and continuing thereafter, Covered Products that Macy's directly manufactures, imports, distributes, sells, or offers for sale in California shall either be: (a) reformulated Products pursuant to § 3.2, below; or (b) labeled with a clear and reasonable exposure warning pursuant to §§ 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.
- 3.2 Reformulation Standard. "Reformulated Products" shall mean Covered Products that contain concentrations less than or equal to 0.1% (1,000 parts per million (ppm)) of DEHP when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or other methodology utilized by federal or state government agencies for the purpose of determining the phthalate content in a solid substance.

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 3.3 Clear and Reasonable Warning. As of the Effective Date, and continuing thereafter, a clear and reasonable exposure warning as set forth in this §§ 3.3, 3.4, and 3.5 must be provided for all Covered Products that Defendant manufacturers, imports, distributes, sells, or offers for sale in California that is not a Reformulated Product. There shall be no obligation for Defendant to provide a warning for Covered Products that enter the stream of commerce prior to the Effective Date. The warning shall consist of either the Warning or Alternative Warning described in §§ 3.3(a) or (b), respectively:

(a) Warning:

⚠ WARNING: 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.

(b) Alternative Warning:

⚠ WARNING: Cancer and Reproductive Harm - www.P65Warnings.ca.gov.

"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 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.

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

Macy's offers 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," 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, Macy's shall (a) post the Warning or Alternative Warning on its own website and, if it has the ability to do so, 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.

Products pursuant to § 3.1, Macy's shall be deemed to be in compliance with this Consent Judgment by either adhering to §§ 3.3 and 3.4 of this Consent Judgment or by complying with warning regulations adopted by OEHHA applicable to the Covered Product and exposures at issue after the Effective Date. If warnings are required for Covered Products pursuant to § 3.1, Macy's shall comply with 27 Cal. Code Regs. § 25602 subd. (d). If "consumer information," as that term is defined in Title 27, California Code of Regulations, Section 25600.1(c) as it may be amended from time to time, is provided in a foreign language, Macy's shall provide the Warning or Alternative Warning in the foreign language in accordance with applicable warning regulations adopted by OEHHA.

4. MONETARY TERMS

4.1 Civil Penalty. Macy's shall pay \$1,000.00 as a Civil Penalty 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 OEHHA and the remaining 25% of the Civil Penalty remitted to Bell, as provided by California Health & Safety Code § 25249.12(d).

members, directors, officers, managers, employees, representatives, agents, attorneys, divisions,

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subdivisions, subsidiaries, partners, sister companies, and affiliates, and their predecessors, successors and assigns ("Defendant Releasees"), and all entities to whom they directly or indirectly distribute or sell Covered Products, including but not limited to customers, licensors, licensees retailers, including but not limited to its parents, subsidiaries, and affiliates, franchisees, and cooperative members ("Downstream Releasees"), of all claims for violations of Proposition 65 based on exposure to DEHP from use of the Covered Products manufactured, distributed, or sold by Macy's prior to the Effective Date as set forth in the Notice. 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 take any action with respect to any violation of Proposition 65 based on exposure to DEHP from use of the Covered Products that was alleged in the Action, or that could have been brought pursuant to the Notice against Macy's and the Downstream Releasees ("Proposition 65 Claims"). Macy's compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by Macy's with regard to exposure to DEHP from use of the Covered Products.

In addition to the foregoing, Bell, on behalf of herself, her past and current agents, representatives, attorneys, and successors and 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 Macy's, 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 any alleged violations of Proposition 65 related to or arising from Covered Products manufactured, distributed, or sold by Macy's, 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 Macy's waives any and all claims against Bell, her attorneys and other representatives, for any and all actions taken, or statements made (or those that could have been taken or 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

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.

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:

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Macy's

serviceofprocess@macys.com

26 with copy to:

Lauren Shoor Norton Rose Fulbright US LLP

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ATTORNEY'S FEES