1 2 3 4 5 6 7 8 9	Laralei Schmohl Paras, State Bar No. 203319 Rebecca M. Jackson, State Bar No. 221583 Seven Hills LLP 4 Embarcadero Center, Suite 1400 San Francisco, CA 94111 Telephone: (415) 926-7247 laralei@sevenhillsllp.com rebecca@sevenhillsllp.com Attorneys for Plaintiff MY NGUYEN SUPERIOR COURT OF THE COUNTY OF SA UNLIMITED CIVI	AN FRANCISCO
11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27	MY NGUYEN, Plaintiff, v. COMBAT BRANDS, LLC; and DOES 1-30, inclusive, Defendants.	[PROPOSED] JUDGMENT PURSUANT TO TERMS OF PROPOSITION 65 SETTLEMENT AND CONSENT JUDGMENT Date: November 19, 2021 Time: 9:30 a.m. Dept.: 302 Judge: Hon. Ethan P. Schulman RICHARD B. ULMER Complaint Filed: December 23, 2020 Trial Date: None set.
28	JUDGMENT PURSUANT TO TERMS OF PROP.	65 SETTLEMENT AND CONSENT IUDGMENT

1	In the above-entitled action, Plaintiff My Nguyen and Defendant Combat Brands, LLC,		
2	having agreed through their respective counsel that Judgment be entered pursuant to the terms o		
3	their settlement agreement in the form of a Consent Judgment, and following this Court's		
4	issuance of an Order approving this Proposition 65 settlement and Consent Judgment,		
5	IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to California		
6	Health & Safety Code § 25249.7(f)(4) and California Code of Civil Procedure § 664.6, Judgmen		
7	is entered in accordance with the terms of the Consent Judgment attached hereto as Exhibit A.		
8	By stipulation of the parties, the Court will retain jurisdiction to enforce the settlement under		
9	Code of Civil Procedure § 664.6.		
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11	IT IS SO ORDERED.		
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13	Dated:		
14	RICHARD B. ULMER		
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CONSENT JUDGMENT

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1. <u>INTRODUCTION</u>

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This Consent Judgment is entered into by and between plaintiff My Nguyen ("Mr. Nguyen") and defendant Combat Brands, LLC ("Combat Brands"), with Mr. Nguyen and Combat Brands each individually referred to as a "Party" and collectively, as the "Parties," to resolve the allegations in the 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

Mr. Nguyen is a citizen of the state of California seeking to eliminate toxic chemicals in consumer products, to increase public awareness of those chemicals and to promote corporate responsibility. Combat Brands employs ten or more persons and is a person in the course of doing business for purposes of Proposition 65, pursuant to Health & Safety Code § 25249.11(b).

1.2 Consumer Product Description

Mr. Nguyen alleges Combat Brands manufactures, imports, sells or distributes for sale in or into California mini gloves containing diisononyl phthalate ("DINP"), including but not limited to, *Ringside Miniature Bag Gloves, SKU MBG RED GTIN 6 09224 979* and gloves containing di(2-ethylhexyl) phthalate ("DEHP") including, but not limited to, *Ringside Pro Style Boxing Training Gloves Kickboxing Muay Thai Gel Sparring Punching Bag Mitts SKU BG16 BK/PK S/M-P GTIN 7 99637 30307 2 ASIN* B00XM27YBG, without providing the health hazard warning that Mr. Nguyen alleges is required by Proposition 65. Mini gloves are referred to hereinafter as the "mini gloves." Gloves are referred to hereinafter as the "gloves." Mini gloves and gloves are collectively referred to herein as the "Products." On December 20, 2013, DINP was listed as a chemical known to the State of California to cause cancer. On October 24, 2003, DEHP was listed as a chemical known to the

1.3 Notices of Violation

On August 19, 2020, Mr. Nguyen served Combat Brands, the California Attorney General, and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice"), alleging Combat Brands violated Proposition 65 when it failed to warn its customers with nationwide distribution and consumers in California that the mini gloves can expose users to DINP.

On March 12, 2021, Mr. Nguyen served Combat Brands, Amazon.com, Inc., the California Attorney General, and the requisite public enforcement agencies with a Supplemental 60-Day Notice of Violation ("Supplemental Notice"), alleging that Combat Brands and Amazon.com, Inc. violated Proposition 65 when they failed to warn their customers with nationwide distribution and consumers in California that the gloves can expose users to DEHP. The Notice and the Supplemental Notice are collectively referred to hereinafter as the ("Notices"). To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting an action to enforce the allegations set forth in the Notices.

1.4 Complaint

On December 23, 2020, Mr. Nguyen commenced the instant action, naming Combat Brands as a defendant for the violations of Proposition 65 alleged in the Notice. On September 14, 2021, Mr. Nguyen filed a First Amended Complaint ("Complaint") for the violations of Proposition 65 alleged in the Notices.

1.5 No Admission

Combat Brands denies the factual and legal allegations contained in the Notices and Complaint and maintains all products it sold or distributed for sale in California or caused to be 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 Combat Brands of any fact, finding, conclusion of law, issue of law, or violation of law. This section shall not, however, diminish or otherwise affect Combat Brands' obligations, responsibilities, and duties under this Consent Judgment.

1.6 Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate this Court has jurisdiction over Combat Brands as to the allegations contained in the Complaint; venue is proper in San Francisco County; and 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.

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1.7 The term "Execution Date" shall mean the date on which all parties have signed this Consent Judgment.

1.8 Effective Date

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

2. <u>INJUNCTIVE RELIEF: REFORMULATION OR WARNINGS</u>

2.1 Reformulation Commitment

Commencing on the Effective Date and continuing thereafter, all Products Combat Brands manufactures, imports, sells or distributes for sale in or into California to consumers in California or through customers with nationwide distribution or e-commerce sales, that do not meet the Reformulation Standard for Reformulated Products, as defined by Section 2.2, shall be accompanied by a clear and reasonable warning pursuant to Section 2.3.

2.2 Reformulation Standard

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") and 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) 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-C1001.09.3 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.

CONSENT JUDGMENT

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2.3 Clear and Reasonable Warnings

For all Products that do not meet the Reformulation Standard in Section 2.2, Combat Brands shall provide clear and reasonable warnings in accordance with this Section, pursuant to Title 27 California Code of Regulations § 25600, et seq. Each warning shall be prominently placed with such conspicuousness as compared with other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions before purchase or use and shall be provided in a manner such that it is clearly associated with the specific Product to which the warning applies.

(a) Warning. The Warning for mini gloves shall consist of the following statement:

A WARNING: This product can expose you to chemicals including DINP, which are known to the State of California to cause cancer. For more information go to www.P65Warnings.ca.gov.

The Warning for gloves shall consist of the following statement:

⚠ WARNING: This product can expose you to chemicals including DEHP, which is known to the State of California to cause birth defects and other reproductive harm. For more information go to www.P65Warnings.ca.gov.

(b) Short-Form Warning. Combat Brands may, but is not required to, use the following short-form warning as set forth in this subsection 2.3(b) ("Short-Form Warning"), and subject to the additional requirements in Sections 2.5 and 2.6, as follows:

For mini gloves:

⚠ WARNING: Cancer - www.P65Warnings.ca.gov.

For gloves:

A WARNING: Reproductive Harm - www.P65Warnings.ca.gov.

(c) Foreign Language Requirement. Where a consumer product sign, label or shelf tag used to provide a warning includes consumer information in language(s) other than English, the warning must also be provided in the other language(s) in addition to English.

1 | 2.4 Product Warnings

Combat Brands shall affix a warning to the Product label or otherwise directly on Products provided for sale to consumers located in California and to customers with retail outlets in California or nationwide distribution. For the purpose of this agreement, "Product label" means a display of written, printed or graphic material that is printed on or affixed to each of the Products or its immediate container or wrapper. A warning provided pursuant to Section 2.3(a) or (b) must print the word "WARNING:" in all capital 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 that if the labeling does not use the color yellow, then the symbol may be in black and white. 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.

2.5 Internet Warnings

If, after the Effective Date, Combat Brands sells Products via the internet, through its own website or a third party website, to consumers located in California or to customers with nationwide distribution and e-commerce websites, Combat Brands shall provide warnings for each Product both on the Product label in accordance with Section 2.4, and by prominently displaying, or requiring the warning to be prominently displayed on third party websites or by retail customers, to the consumer during the purchase 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 Products via the internet shall appear either: (a) on the same web page on which the Products are displayed; (b) on the same web page as the virtual cart displaying the Products; (c) on the same page as the price for the Products; or (d) 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 immediately following the display, description or price of the Products for which it is given in the same type size or larger than other consumer information provided for the Products. The internet warning may use the Short-Form Warning content described in Section 2.3(b) if the warning provided on the Product label also uses the Short-Form Warning content.

3. MONETARY SETTLEMENT TERMS

3.1 Civil Penalty

Pursuant to Health and Safety Code § 25249.7(b), Combat Brands agrees to pay a civil penalty of \$3,500 within five (5) days of the Effective Date. Combat Brands' 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 Mr. Nguyen. Combat Brands shall issue its payment in two checks made payable to: (a) "OEHHA" in the amount of \$2,625; and (b) "My Nguyen" in the amount of \$875. Mr. Nguyen's counsel shall deliver to OEHHA and Mr. Nguyen their respective portions of the penalty payment.

3.2 Reimbursement of Attorneys' Fees and Costs

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

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3.3 **Payments**

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

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

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4. CLAIMS COVERED AND RELEASED

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4.1 Mr. Nguyen's Release of Proposition 65 Claims

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current attorneys and successors an assignees ("Releasors") releases Combat Brands and its past and present parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys and each entity to whom Combat Brands directly or indirectly distributes or sells the Products including, but not limited to, its downstream distributors, wholesalers, customers, retailers, including, without limitation, Amazon.com, Inc., franchisers, cooperative members, licensors and licensees ("Releasees") for any violations arising under Proposition 65 for unwarned exposures to DINP and/or DEHP from Products manufactured or distributed into the State of California by Combat Brands prior to the Execution Date, as set forth in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by Combat Brands with respect to the alleged or actual failure to warn about exposures to DINP and/or DEHP from Products manufactured or distributed by Combat Brands and offered for sale in California after the Execution Date.

Mr. Nguyen, acting on his own behalf, in the public interest, and on behalf of his past and

4.2 Mr. Nguyen's Individual Release of Claims

Mr. Nguyen, in his individual capacity only and *not* in his representative capacity, also provides a release to Combat Brands and Releasees which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands of Mr. Nguyen of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DINP and/or DEHP in Products manufactured or distributed into the State of California by Combat

Brands prior to the Execution Date. Nothing in this section shall affect Mr. Nguyen's right to commence or prosecute an action under Proposition 65 against a Releasee that does not involve Combat Brands' Products.

4.3 Combat Brands' Release of Mr. Nguyen

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

5. <u>COURT APPROVAL</u>

Pursuant to California Health and Safety Code § 25249.7(f)(4), Mr. Nguyen shall file a noticed motion for judicial approval of this Consent Judgment. The Parties agree to mutually employ their best efforts, and those of their counsel, to support the entry of this agreement as a judgment, and to obtain 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.

7. GOVERNING LAW

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 Combat Brands may provide Mr. Nguyen 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 Combat Brands from its obligation to comply with any pertinent state or federal law or regulation.

8. NOTICE

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Unless specified herein, all correspondence and notice required by this Consent Judgment shall be in writing and sent 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:

7 | For Combat Brands:

For Mr. Nguyen:

Doug Skeens, President COMBAT BRANDS, LLC 15850 W. 108th Street Lenexa, KS 66215

Laralei Paras, Partner SEVEN HILLS LLP 4 Embarcadero Center, Suite 1400 San Francisco, CA 94111

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, FACSIMILE 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.

10. COMPLIANCE WITH REPORTING REQUIREMENTS

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

11. ENTIRE AGREEMENT

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, negotiations, commitments, or understandings related thereto, if any, are hereby merged herein and therein. There are no warranties, representations, or other agreements between the Parties except as 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 agreements not specifically contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto.

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. <u>AUTHORIZATION</u>

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 10:	AGREED IU:
0	Date:9/21/2021	Date:
1	Q	
2	Ву:	Ву:
3	My Nguyen	Doug Skeens, President Combat Brands, LLC

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:	AGREED TO:
Date:	9/29/2021 Date:
By:	By: Docusigned by: CF0679CA10FE45E
My Nguyen	Doug Skeens, President Combat Brands, LLC