1 Evan Smith (Bar No. SBN 242352) **BRODSKY SMITH** 9595 Wilshire Blvd., Ste. 900 2 Beverly Hills, CA 90212 Tel: (877) 534-2590 Fax: (310) 247-0160 3 AUG 03 2023 YV 4 Attorneys for Plaintiff 5 6 7 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF SAN FRANCISCO 10 11 GABRIEL ESPINOZA, Case No.: CGC-21-595959 12 Plaintiff, **CONSENT JUDGMENT** 13 Judge: Richard B. Ulmer ٧, Dept.: 302 14 Hearing Date: August 3, 2023 Hearing Time: 9:30 AM Complaint Filed: January 13, 2022 MONKEYSPORTS, INC., 15 Defendant. 16 17 18 19 20 21 22 23 24 25 26 27

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1. INTRODUCTION

- 1.1 The Parties. This Consent Judgment is entered into by and between Gabriel Espinoza acting on behalf of the public interest (hereinafter "Espinoza") and Monkeysports, Inc. ("Monkeysports" or "Defendant") with Espinoza and Defendant collectively referred to as the "Parties" and each of them as a "Party." Espinoza 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. Monkeysports 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. Espinoza alleges that Defendant has exposed individuals to di(2-ethylhexyl) phthalate (DEHP) from its sales of (a) GRAF Wheeled Figure Skate Backpacks (b) GRIT PX4 Pro Hockey Carry Bags (c) Sher-Wood Heritage Senior Hockey Duffle Bags, and (d) Alkali RPD Max+ Team Duffle Hockey Equipment Bags. DEHP is listed under Proposition 65 as a chemical known to the State of California to cause cancer and birth defects or other reproductive harm.

Espinoza further alleges that Defendant has exposed individuals to disononyl phthalate (DINP) from its sales of True Pro Senior Hockey Equipment Bags without providing a clear and reasonable exposure warning pursuant to Proposition 65. DINP is listed under Proposition 65 as a chemical known to the State of California to cause cancer.

1.3 Notices of Violation/Complaints.

1.3.1 On or about February 4, 2021 (GRAF Wheeled Figure Skate Backpacks), February 15, 2021 (GRIT PX4 Pro Hockey Carry Bags, Sher-Wood Heritage Senior Hockey Duffle Bags and Alkali RPD Max+ Team Duffle Hockey Equipment Bags), and March 2, 2021 (True Pro Senior Hockey Equipment Bags), Espinoza served Monkeysports and various public enforcement agencies with documents entitled "60-Day Notice of Violation" pursuant to Health & Safety Code §25249.7(d) (collectively, the "Notices"), alleging that Defendant violated Proposition 65 for failing to warn consumers and customers that use of the Covered Products (defined herein) expose

users in California to DEHP and/or DINP. No public enforcer has brought and is diligently prosecuting the claims alleged in the Notices.

- 1.3.2 On January 13, 2022, Espinoza filed a complaint (the "Complaint") setting forth alleged violations of Proposition 65 for use of the GRIT PX4 Pro Hockey Carry Bags as alleged in the February 15, 2021, Notice of Violation.
- 1.3.3 On January 14, 2022, Espinoza filed a first amended complaint (the "FAC") setting forth alleged violations of Proposition 65 as alleged in the February 4, 2021 (GRAF Wheeled Figure Skate Backpacks), February 15, 2021 (Sher-Wood Heritage Senior Hockey Duffle Bags and Alkali RPD Max+ Team Duffle Hockey Equipment Bags), and March 2, 2021 (True Pro Senior Hockey Equipment Bags), Notices of Violation.
 - 1.3.4 The Complaint and FAC 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/or in the Notice.
- 1.5 Defendant denies the material allegations contained in Espinoza's Notices 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. **DEFINITIONS**

2.1 Covered Products. The term "Covered Products" means (a) GRAF Wheeled Figure Skate Backpacks (b) GRIT PX4 Pro Hockey Carry Bags (c) Sher-Wood Heritage Senior Hockey

Duffle Bags (d) Alkali RPD Max+ Team Duffle Hockey Equipment Bags, and (e) True Pro Senior Hockey Equipment Bags that are manufactured, distributed and/or offered for sale in California by Monkeysports.

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 ten (10) days after the Effective Date, Covered Products that Monkeysports directly manufactures, imports, distributes, sells, or offers for sale in California shall either be: (a) Reformulated Products pursuant to § 3.2, below; or (b) be 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 and DINP 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.
- Clear and Reasonable Warning. As of ten (10) days after the Effective Date, and continuing thereafter, a clear and reasonable exposure warning as set forth in this §§ 3.3 and 3.4 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 date this Consent Judgment is signed by both Parties. The warning shall consist of either the Warning or Alternative Warning described in §§ 3.3(a) or (b), respectively:
- (a) Warning for Covered Products that Expose Users to DEHP as Identified in Section 1.2 of this Agreement. The "Warning" shall consist of the statement:

⚠ 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) Warning for Covered Products that Expose Users to DINP as Identified in Section 1.2 of this Agreement. The "Warning" shall consist of the statement:

⚠ WARNING: This product can expose you to chemicals including disononyl phthalate (DINP), which is known to the State of California to cause cancer. For more information go to www.P65Warnings.ca.gov.

(c) Alternative Warning: Monkeysports may, but is not required to, use the alternative short-form warning as set forth in this § 3.3(b) ("Alternative Warning1") as follows:

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

A Warning or Alternative Warning provided pursuant to § 3.3 must print the word "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, provided 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 Monkeysports offers Covered Products for sale to consumers in California. The requirements of

¹ If a Covered Product exposes users to DINP only, the **Alternative Warning** shall not include the language, "and Reproductive Harm".

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, Monkeysports 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, Section 25600.2. Third-party internet sellers of the Product that have been provided with written notice in accordance with Title 27, California Code of Regulations, Section 25600.2 are not released in Section 5 of this Agreement if they fail to meet the warning requirements of this Section.

3.4 Compliance with Warning Regulations. Defendant 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 requirements adopted by the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") applicable to the Covered Product and the exposures at issue after the Effective Date.

4. MONETARY TERMS

- 4.1 Civil Penalty. Monkeysports shall pay \$2,000.00 as a Civil Penalty pursuant to Health and Safety Code section 25249.7(b), to be apportioned in accordance with California Health & Safety Code § 25249.12(c)(1) and (d), with 75% of these funds remitted to OEHHA and the remaining 25% of the Civil Penalty remitted to Espinoza, as provided by California Health & Safety Code § 25249.12(d).
- 4.1.1 Within ten (10) days of the Effective Date, Monkeysports shall issue two separate checks for the Civil Penalty payment to (a) "OEHHA" in the amount of \$1,500.00; and to (b) "Gabriel Espinoza" in the amount of \$500.00. Payment owed to Espinoza pursuant to this Section shall be delivered to the following payment address:

Evan J. Smith, Esquire Brodsky & Smith

Two Bala Plaza, Suite 805 Bala Cynwyd, PA 19004

Payment owed to OEHHA (EIN: 68-0284486) pursuant to this Section shall be delivered directly to OEHHA (Memo Line "Prop 65 Penalties") at one of the following address(es):

For United States Postal Service Delivery:

Mike Gyurics Fiscal Operations Branch Chief Office of Environmental Health Hazard Assessment P.O. Box 4010 Sacramento, CA 95812-4010

For Non-United States Postal Service Delivery:

Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
1001 I Street
Sacramento, CA 95814

A copy of the check payable to OEHHA shall be mailed to Brodsky & Smith at the address set forth above as proof of payment to OEHHA.

4.2 **Attorneys' Fees.** Within ten (10) days of the Effective Date, Monkeysports shall pay \$23,000.00 to Brodsky & Smith ("Brodsky & Smith") as complete reimbursement for Espinoza's attorneys' fees and costs incurred as a result of investigating, bringing this matter to Monkeysports attention, litigating and negotiating and obtaining judicial approval of a settlement in the public interest, pursuant to Code of Civil Procedure § 1021.5.

5. RELEASE OF ALL CLAIMS

5.1 This Consent Judgment is a full, final, and binding resolution between Espinoza acting on his own behalf, and on behalf of the public interest, and Monkeysports, and its parents, shareholders, 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 ("Downstream Releasees"), of all claims for

violations of Proposition 65 based on exposure to DEHP and/or DINP from use of the Covered Products as set forth in the Notices, with respect to any Covered Products manufactured, distributed, or sold by Monkeysports prior to the Effective Date. 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/or take any action with respect to any violation of Proposition 65 based on exposure to DEHP and/or DINP that was alleged in the Action, or that could have been brought pursuant to the Notices against Monkeysports and/or the Downstream Releasees of the Covered Products ("Proposition 65 Claims"). Third party internet sellers who do not provide a warning in compliance with §§ 3.4, above are expressly not covered by this release.

In addition to the foregoing, Espinoza, on behalf of himself, his past and current agents, representatives, attorneys, and successors and/or assignees, and <u>not</u> in his representative capacity, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases Monkeysports, 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 DEHP and/or DINP exposure from Covered Products manufactured, distributed, or sold by Monkeysports, Defendant Releasees or Downstream Releasees. With respect to the foregoing waivers and releases in this paragraph, Espinoza hereby specifically waives any and all rights and benefits which he 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 Monkeysports waives any and all claims against Espinoza, his attorneys and other representatives, for any and all actions taken, or statements made (or those that could have been taken or made) by Espinoza and his 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 DEHP and/or DINP exposure from Covered Products.

6. INTEGRATION

6.1 This Consent Judgment contains the sole and entire agreement of the Parties 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. If 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:

Theodore E. Bacon Alvarado Smith 633 W. Fifth Street, Suite 900 Los Angeles, CA 90071

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For Espinoza:

Evan Smith

Brodsky & Smith 9595 Wilshire Blvd., Ste. 900 Beverly Hills, CA 90212

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

9. <u>COUNTERPARTS</u>; FACSIMILE SIGNATURES

9.1 This Consent Judgment may be executed in counterparts and by facsimile, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

10. <u>COMPLIANCE WITH HEALTH & SAFETY CODE § 25249,7(f)/COURT APPROVAL</u>

- 10.1 Espinoza agrees to comply with the requirements set forth in California Health & Safety Code § 25249.7(f) and to promptly bring a Motion for Approval of this Consent Judgment. Defendant agrees it shall support approval of such Motion.
- 10.2 This Consent Judgment shall not be effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved by the Court. In such case, the Parties agree to meet and confer on how to proceed and if such agreement is not reached within 30 days, the case shall proceed on its normal course.
- 10.3 If the Court approves this Consent Judgment and is reversed or vacated by an appellate court, the Parties shall meet and confer as to whether to modify the terms of this Consent Judgment. If the Parties do not jointly agree on a course of action to take, the case shall proceed on its normal course on the trial court's calendar.

1	11. MODIFICATION			
2	120	11.1		lified only by further stipulation of the Parties
3	and the approval of the Court or upon the granting of a motion brought to the Court by either Party			
4	12. ATTORNEY'S FEES			
5	12.1 A Party who unsuccessfully brings or contests an action arising out of this Consent			
6	, , , , , , , , , , , , , , , , , , , ,			
7	Judgment shall be required to pay the prevailing party's reasonable attorney's fees and costs.			
8	12.2 Nothing in this Section shall preclude a Party from seeking an award of sanction			
9	pursuant to law.			
	13. RETENTION OF JURISDICTION			
10		13.1	This Court shall retain jurisdiction	of this matter to implement or modify the
11	Consent Judgment.			
12	14. <u>AUTHORIZATION</u>			
13	14.1 The undersigned are authorized to execute this Consent Judgment on behalf of their			
14	respective Parties and have read, understood and agree to all of the terms and conditions of this			
15				
16	document and certify that he or she is fully authorized by the Party he or he represent			
17	the Consent Judgment on behalf of the Party represented and legally bind that Party. Except a			
18	explicitly provided herein each Party is to bear its own fees and costs.			
19		A	GREED TO:	AGREED TO:
20				
21	Date: Date: _April 13, 2023			
22	By: Tom Arnold			
23	GABRIEL ESPINOZA MONKEYSPORTS, INC.			
24	IT IS SO ORDERED, ADJUDGED AND DECREED:			
25	II IS SO CIWERED, ADJUDGED AND DECREED.			
26			9/1/2	UR
27	Dated: 8/3/23 Judge of Superior Court			
28				DICHARD R HIMER