1 2 3	Evan Smith (Bar No. SBN 242352) BRODSKY SMITH 9465 Wilshire Blvd., Ste. 300 Beverly Hills, CA 90212 Tel: (877) 534-2590 Fax: (310) 247-0160	FILED Superior Court of California County of Los Angeles 11/13/2024 David W. Stayton, Executive Officer / Clerk of Cour By:T, Le Deputy
4	Attorneys for Plaintiff	
5		
6 7		
8		
9	SUPERIOR COURT OF T	THE STATE OF CALLEODNIA
10	SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF LOS ANGELES COUNTY	
11		S ANGELES COUNT I
12	GABRIEL ESPINOZA,	Case No.: 24STCV08365
13	Plaintiff,	CONSENT JUDGMENT
14	V.	Judge: Christopher K. Lui Dept.: 76
15	ADIR INTERNATIONAL, LLC,	Hearing Date: November 13, 2024 Hearing Time: 8:30 AM Reservation ID: 880301107390
16	Defendant.	Complaint Filed: November 13, 2023
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

1. INTRODUCTION

- Espinoza ("Espinoza" or "Plaintiff") each acting on behalf of the public interest, and Adir International, LLC ("Adir" 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. Espinoza alleges that Adir is a person in the course of doing business for purposes of Proposition 65, Cal. Health & Safety Code §§ 25249.6 et seq.
- Allegations and Representations. Plaintiff alleges that Defendant has exposed individuals to bisphenol A (BPA) from its sales of (a) Axessorize ProShield Plus iPhone cases, UPC # 680813112307, (b) Torras Upro Clear iPhone cases, UPC # 850044880096, (c) Hover-1TM helmets with detachable visors, UPC # 888255238986, (d) Skech® Matrix iPhone cases, UPC # 811090029129, (e) Nimbus9® Vapor Air 2 clear cases, # 811433033165, and/or (f) Incase hardshell cases for MacBooks, UPC # 650450139432. BPA is listed under Proposition 65 as a chemical known to the State of California to cause birth defects or other reproductive harm.

1.3 Notices of Violation/Complaint.

- 1.3.1 On or about November 28, 2022, Espinoza gave notice of alleged violation of Health and Safety Code § 25249.6 (the "First November Notice"), alleging that Defendant violated Proposition 65 for failing to warn consumers and customers that use of the Axessorize ProShield Plus iPhone cases, UPC # 680813112307 expose users in California to BPA. No public enforcer has brought and is diligently prosecuting the claims alleged in the First November Notice.
- 1.3.2 On or about November 28, 2022, Espinoza gave notice of alleged violation of Health and Safety Code § 25249.6 (the "Second November Notice"), alleging that Defendant violated Proposition 65 for failing to warn consumers and customers that use of the Torras Upro Clear iPhone cases, UPC # 850044880096 expose users in California to BPA. No public enforcer has brought and is diligently prosecuting the claims alleged in the Second November Notice.

- 1.3.3 On or about November 28, 2022, Espinoza gave notice of alleged violation of Health and Safety Code § 25249.6 (the "Third November Notice"), alleging that Defendant violated Proposition 65 for failing to warn consumers and customers that use of the *Hover-1*TM helmets with detachable visors, UPC #888255238986 expose users in California to BPA. No public enforcer has brought and is diligently prosecuting the claims alleged in the Third November Notice.
- 1.3.4 On or about November 28, 2022, Espinoza gave notice of alleged violation of Health and Safety Code § 25249.6 (the "Fourth November Notice"), alleging that Defendant violated Proposition 65 for failing to warn consumers and customers that use of the *Skech®* Matrix iPhone cases, UPC # 811090029129 expose users in California to BPA. No public enforcer has brought and is diligently prosecuting the claims alleged in the Fourth November Notice.
- 1.3.5 On or about August 29, 2023, Espinoza gave notice of alleged violation of Health and Safety Code § 25249.6 (the "First August Notice"), alleging that Defendant violated Proposition 65 for failing to warn consumers and customers that use of the *Nimbus9®* Vapor Air 2 clear cases, # 811433033165 expose users in California to BPA. No public enforcer has brought and is diligently prosecuting the claims alleged in the First August Notice.
- 1.3.6 On or about August 29, 2023, Espinoza gave notice of alleged violation of Health and Safety Code § 25249.6 (the "Second August Notice"), alleging that Defendant violated Proposition 65 for failing to warn consumers and customers that use of the Incase hardshell cases for MacBooks, UPC # 650450139432 expose users in California to BPA. No public enforcer has brought and is diligently prosecuting the claims alleged in the Second August Notice.
- 1.3.7 The First November Notice, the Second November Notice, the Third November Notice, the Fourth November Notice, the First August Notice, and the Second August Notice are collectively referred to herein as, the "Notices."
- 1.3.8 On November 13, 2023, Espinoza filed a complaint (the "Complaint") setting forth violations of Proposition 65 for the Products as alleged in the Notices.
- 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, that venue is proper

in the County of Los Angeles, 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 Notices.

1.5 Defendant denies the material allegations contained in the Notices and the 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 pursuant to this Consent Judgment.

2. **DEFINITIONS**

- Covered Products. The term "Covered Products" means (a) Axessorize ProShield Plus iPhone cases, UPC # 680813112307, (b) Torras Upro Clear iPhone cases, UPC # 850044880096, (c) Hover-ITM helmets with detachable visors, UPC # 888255238986, (d) Skech® Matrix iPhone cases, UPC # 811090029129, (e) Nimbus9® Vapor Air 2 clear cases, # 811433033165, and/or (f) Incase hardshell cases for MacBooks, UPC # 650450139432 (collectively, the "Covered Products" and each a "Covered Product") that are distributed and/or offered for sale in California by Adir.
- 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: WARNINGS</u>

3.1 Clear and Reasonable Warning. Commencing within ninety (90) days of the Effective Date, and continuing thereafter, a clear and reasonable exposure warning as set forth in this §§ 3.1 and 3.2 must be provided for all for all Covered Products that Defendant manufacturers, imports, distributes, sells, or offers for sale in California. There shall be no obligation for Defendant to provide a warning for Covered Products that enter the stream of commerce prior to, or within 60

26

27

28

days, of the Effective Date. The warning shall consist of either the Warning or Alternative Warning described below in §§ 3.1(a) or (b), respectively:

- (a) Warning. The "Warning" for the Covered Products shall consist of the statement:
 - WARNING: This product can expose you to chemicals, including bisphenol A (BPA), which is known to the State of California to cause birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.
- (b) Alternative Warning: Adir may, but is not required to, use the alternative short-form warning as set forth in this § 3.1(b) ("Alternative Warning") as follows:
 - (I) WARNING: Reproductive Harm www.P65Warnings.ca.gov.
- 3.2 A Warning or Alternative Warning provided pursuant to § 3.1 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 Products' 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. If consumer information is provided in a foreign language, Adir shall provide the Warning in the foreign language.

In addition to affixing the Warning or Alternative Warning to the Covered Products' packaging or labeling, the Warning or Alternative Warning shall be posted on websites where Adir offers Covered 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, Adir 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 after the Effective Date are not released in Section 5 of this Agreement if they fail to meet the warning requirements of this Section.

3.3 Compliance with Warning Regulations. Defendant shall be deemed to be in compliance with this Consent Judgment by either adhering to §§ 3.1 and 3.2 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. Adir shall pay \$4,000.00 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 equal shares of the remaining 25% of the Civil Penalty remitted to each plaintiff, as provided by California Health & Safety Code § 25249.12(d).
- 4.1.1 Within ten (10) business days of the Effective Date, Adir shall issue three separate checks for the Civil Penalty payment to (a) "OEHHA" in the amount of \$3,000.00; and to "Gabriel Espinoza" in the amount of \$1,000.00. Payment owed to Plaintiff 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, Adir shall pay \$38,000.00 to Brodsky Smith as complete reimbursement for Plaintiff's attorneys' fees and costs incurred as a result of investigating, bringing this matter to Adir's 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 Adir, 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"), as well as any and all entities from whom they obtain or have obtained and to whom they directly or indirectly distribute or have distributed or sell or have sold Covered Products, including but not limited to manufacturers, suppliers, vendors, distributors, wholesalers, customers, licensors, licensees retailers, franchisees,

and cooperative members ("Downstream Releasees"), of any and all claims for violations of Proposition 65 based on exposure to the BPA from use of the Covered Products as set forth in the Notices, with respect to any Covered Products distributed, or sold by Adir 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 BPA that was alleged in the Notices and Complaint, or that could have been brought pursuant to the Notices against Adir and/or the Downstream Releasees of the Covered Products ("Proposition 65 Claims").

5.2 In addition to the foregoing, Espinoza, each on behalf of himself, his past and current agents, representatives, attorneys, beneficiaries, heirs, and successors and/or assignees, and *not* in his representative capacity, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases Adir, 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 exposure to BPA from use of the Covered Products distributed, or sold by Adir, Defendant Releasees or Downstream Releasees. With respect to the foregoing waivers and releases in this paragraph, Espinoza waives any and all rights and benefits which he now have, 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 Adir waives any and all claims against Plaintiff, his attorneys and other representatives, based on the filing or prosecution of the Notices and the Complainte.

6. <u>INTEGRATION</u>

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.

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:

Mauricio Fux, Executive VP & General Counsel Adir International, LLC 1605 W. Olympic Boulevard, Suite 600 Los Angeles, California 90015

With a simulataneous courtesy copy to

Matthew H. Schwartz Schwartz Law Center, LLC 2985 Gordy Parkway, Suite 550 Marietta, Georgia 30066

For Plaintiff:

27

28

Evan Smith Brodsky Smith Two Bala Plaza, Suite 805 Bala Cynwyd, PA 19004

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. COUNTERPARTS; 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 Plaintiff 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.
- 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.

11. MODIFICATION

11.1 This Consent Judgment may be modified only by further stipulation of the Parties and the approval of the Court or upon the granting of a motion brought to the Court by either Party.

12. <u>ATTORNEY'S FEES</u>

12.1 A Party who unsuccessfully brings or contests an action arising out of this Consent Judgment against another Party shall be required to pay the prevailing Party's reasonable attorney's fees and costs.

13. RETENTION OF JURISDICTION

13.1 This Court shall retain jurisdiction of this matter to implement or modify the Consent Judgment.

14. **CONFIDENTIALITY**

Agreement constitute confidential settlement communications that shall remain confidential to the extent possible. The Parties agree that such discussions regarding this Agreement should not be disclosed to any third party except: (A) to such other persons wherein disclosure is made to obtain the assistance of the party receiving the disclosure (i.e., lawyers, auditors, accountants, technical consultants, financial consultants, insurers) related to this Agreement; or (B) to enforce the terms of this Agreement.

15. <u>AUTHORIZATION</u>

AGREED TO:

15.1 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:

Date:	Date: 9/19/24
By:GABRIEL ESPINOZA	By: ADIR INTERNATIONAL, LLC
IT IS SO ORDERED, ADJUDGED AND	DECREED:
Dated:	Judge of Superior Court

14. **CONFIDENTIALITY**

14.1 Each of the Parties acknowledges and agrees that discussions pertaining to this Agreement constitute confidential settlement communications that shall remain confidential to the extent possible. The Parties agree that such discussions regarding this Agreement should not be disclosed to any third party except: (A) to such other persons wherein disclosure is made to obtain the assistance of the party receiving the disclosure (i.e., lawyers, auditors, accountants, technical consultants, financial consultants, insurers) related to this Agreement; or (B) to enforce the terms of this Agreement.

15. <u>AUTHORIZATION</u>

15.1 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:	4/30/94	Date:
By:	BRIEL ESPINOZA	By:ADIR INTERNATIONAL, LLC
IT IS SO	ORDERED, ADJUDGED AND	DECREED
Dated:	11/13/2024	Christopher K., Lui / Judge

Judge of Superior Court