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8 *Attorneys for Plaintiff*

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF ALAMEDA

ANTHONY FERREIRO,

Plaintiff,

vs.

WILSON HUNT INTERNATIONAL  
LTD. D/B/A CHAMPRO SPORTS,  
Defendant.

Case No. RG15789605

**[PROPOSED] CONSENT JUDGMENT**

Date: March 9, 2016

Time: 2:00 PM

Dept.: 19

Judge: Hon. Gail Bereola

Reservation #: R-1698498

1           **1.     Introduction**

2           1.1     On May 27, 2015, Anthony Ferreiro ("Ferreiro") served Wilson Hunt  
3 International, Ltd. ("Champro Sports"), Sports Chalet, LLC f/k/a Sports Chalet, Inc. (collectively,  
4 "Sport Chalet"), and various public enforcement agencies with a document entitled "Notice of  
5 Violation of California Health & Safety Code § 25249.6, *et seq.*" (the "Notice"). The Notice  
6 provided Champro Sports and such others, including public enforcers, with notice that alleged  
7 that Champro Sports was in violation of California Health & Safety Code § 25249.6  
8 ("Proposition 65"), for failing to warn consumers and customers that Flag Football Belts (the  
9 "Product") exposed users in California to the chemicals Di(2-ethylhexyl) phthalate (DEHP) and  
10 Diisononyl phthalate (DiNP). No public enforcer has diligently prosecuted the allegations set  
11 forth in the Notice.

12           1.2     On October 15, 2015, Ferreiro filed a Complaint for Civil Penalties and Injunctive  
13 Relief ("Complaint") in Alameda County Superior Court, Case No. RG15789605, against  
14 Champro Sports alleging violations of Proposition 65.

15           1.3     Champro Sports is a corporation that employs more than ten persons under  
16 California Health and Safety Code §25249.6 and offered the Product for sale within the State of  
17 California.

18           1.4     Ferreiro's Complaint alleges, among other things, that Champro Sports sold the  
19 Product in California and/or to California citizens, that the Product contains DEHP and DiNP,  
20 and that the resulting exposure violated provisions of Proposition 65, by knowingly and  
21 intentionally exposing persons to chemicals known to the State of California to cause both cancer  
22 and reproductive toxicity, developmental, male, without first providing a clear and reasonable  
23 warning to such individuals.

24           1.5     For purposes of this Consent Judgment only, the parties stipulate that this Court  
25 has jurisdiction over the allegations of violations contained in the Complaint and personal  
26 jurisdiction over Champro Sports as to the acts alleged in the Complaint, that venue is proper in  
27 the County of Alameda, and that this Court has jurisdiction to enter this Consent Judgment as a  
28 resolution of the allegations contained in the Complaint.

1           1.6     The parties enter into this Consent Judgment pursuant to a full settlement of  
2     disputed claims between the parties as alleged in the Complaint for the purpose of avoiding  
3     prolonged litigation. By execution of this Consent Judgment, Champro Sports does not admit any  
4     violation of Proposition 65 and specifically denies that it has committed any such violation.  
5     Nothing in this Consent Judgment shall be construed as an admission by Champro Sports of any  
6     fact, issue of law or violation of law, nor shall compliance with the Consent Judgment constitute  
7     or be construed as an admission by Champro Sports of any fact, issue of law, or violation of law.  
8     Nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy or defense  
9     that Champro Sports may have in any other future legal proceeding. However, this paragraph  
10    shall not diminish or otherwise affect the obligations, responsibilities and duties of Champro  
11    Sports under this Consent Judgment.

12           1.7     For purposes of this Consent Judgment, the term "Effective Date" shall mean the  
13    date that the Consent Judgment is entered by the Court.

14           2.     **Injunctive Relief**

15           2.1     Commencing on the Effective Date, and continuing thereafter, Champro Sports  
16    shall only ship, sell, or offer for sale in California, Reformulated Product pursuant to Section 2.2  
17    or Product that is labeled with a clear and reasonable warning pursuant to Section 2.3. Champro  
18    Sports and its downstream retailers shall have no obligation to label Product that entered the  
19    stream of commerce prior to the Effective Date. For purposes of this Settlement Agreement, a  
20    "Reformulated Product" is Product that is in compliance with the standard set forth below in  
21    section 2.2.

22           2.2     "Reformulated Product" shall mean Product that contains less than or equal to  
23    1,000 parts per million ("ppm") of each of DiNP and DEHP when analyzed pursuant to CPSC-  
24    CH-C1001-09.3 Standard Operating Procedure for Determination of Phthalates method.

25           2.3     Commencing on the Effective Date, Champro Sports shall, for all Product it sells  
26    or distributes and which is intended for sale in California and which that is not a Reformulated  
27    Product, provide clear and reasonable warnings as set forth in subsections 2.3(a) and (b) below.  
28    The warning shall be prominently placed with such conspicuousness as compared with other

1 words, statements, designs, or devices as to render it likely to be read and understood by an  
2 ordinary individual under customary conditions before purchase or use. Each warning shall be  
3 provided in a manner such that the consumer or user understands to which specific Product the  
4 warning applies, so as to minimize the risk of consumer confusion.

5 (a) **Retail Store Sales**

6 (i) **Product Labeling.** Champro Sports shall affix a warning to the  
7 packaging, labeling or directly on each Product sold in retail outlets in California  
8 by Champro Sports or any person selling the Product that states:

9 **[PROPOSITION 65] WARNING:**

10 This product contains chemicals known to the State of California to cause cancer,  
11 birth defects or other reproductive harm.

12 The bracketed text may, but is not required to, be used.

13 (ii) **Point of Sale Warnings.** Alternatively, Champro

14 Sports may provide warning signs in the form below to its customers in  
15 California with instructions to post the warnings in close proximity to the  
16 point of display of the Product. Such instruction sent to Champro Sports  
17 customers shall be sent by certified mail, return receipt requested.

18 **[PROPOSITION 65] WARNING:**

19 This product contains chemicals known to the State of California to cause cancer,  
20 birth defects or other reproductive harm.

21 The bracketed text may, but is not required to, be used.

22 (b) **Mail Order Catalog Warning.** In the event that Champro Sports

23 directly sells Product via mail order catalog directly to consumers located in California after the  
24 Effective Date that is not a Reformulated Product, Champro Sports shall provide a warning for  
25 such Product sold via mail order catalog to such California residents. A warning that is given in a  
26 mail order catalog shall be in the same type size or larger than the Product description text within  
27 the catalog. The following warning shall be provided on the same page and in the same location  
28 as the display and/or description of the Product:

**[PROPOSITION 65] WARNING:**

1 This product contains chemicals known to the State of California to cause cancer,  
2 birth defects or other reproductive harm.

3 Where it is impracticable to provide the warning on the same page and in the same location as the  
4 display and/or description of the Product, Champro Sports may utilize a designated symbol to  
5 cross reference the applicable warning and shall define the term "designated symbol" with the  
6 following language on the inside of the front cover of the catalog or on the same page as any  
7 order form for the Product:

8 **[PROPOSITION 65] WARNING:** Certain products identified with this symbol  
9 ▼and offered for sale in this catalog contain chemicals known to the State of  
10 California to cause cancer, birth defects or other reproductive harm.

11 The designated symbol must appear on the same page and in close proximity to the  
12 display and/or description of the Product. On each page where the designated symbol appears,  
13 Champro Sports must provide a header or footer directing the consumer to the warning language  
14 and definition of the designated symbol.

15 (c) **Internet Sales Warning.** In the event that Champro Sports directly  
16 sells Product via the internet directly to consumers located in California after the Effective Date  
17 that is not a Reformulated Product, Champro Sports shall provide a warning for such Product sold  
18 via the internet to such California residents. A warning that is given on the internet shall be in the  
19 same type size or larger than the Product description text and shall be given in conjunction with  
20 the direct sale of the Product. The warning shall appear either: (a) on the same web page on  
21 which the Product is displayed; (b) on the same web page as the order form for the Product; (c) on  
22 the same page as the price for the Product; or (d) on one or more web pages displayed to a  
23 purchaser during the checkout process. The following warning shall be provided:

24 **[PROPOSITION 65] WARNING:**  
25 This product contains chemicals known to the State of California to cause cancer, birth  
26 defects or other reproductive harm

26 2.4 The warning requirements set forth in Section 2.3 shall not apply to any  
27 Reformulated Product.  
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1           **3.     Entry of Consent Judgment**

2           3.1     The parties hereby request that the Court promptly enter this Consent Judgment.  
3     Upon entry of this Consent Judgment, Ferreiro and Champro Sports waive their respective rights  
4     to a hearing or trial on the allegations of the Ferreiro Complaint and 60-Day Notice.

5           3.1.2   Final Civil Penalty. On December 1, 2016, Champro Sports shall make a  
6     final civil penalty payment of \$11,000.00. Pursuant to title 11 California Code of Regulations,  
7     section 3203(c), Ferreiro agrees that the final civil penalty payment shall be waived in its entirety  
8     if, no later than November 15, 2016, an officer of Champro Sports provides Ferreiro with a signed  
9     declaration certifying that all of the Products (as defined by this Decree) it ships for sale or  
10    distributes for sale in California as of the date of its certification are Reformulated Products or are  
11    marked with the warnings required by this Consent Decree (hereinafter "Labeled Product") and  
12    that Champro Sports will continue to offer only Reformulated Products or Labeled Products in  
13    California in the future. The option to provide a declaration certifying its complete early  
14    reformulation or labeling of the Products in lieu of making the final civil penalty payment  
15    otherwise required by this Section is a material term, and time is of the essence.

16          3.2     In the event that the Attorney General objects or otherwise comments on one or  
17    more provisions of this Consent Judgment, Ferreiro and Champro Sports agree to take reasonable  
18    steps to satisfy such concerns or objections.

19           **4.     Matters Covered By This Consent Judgment**

20          4.1     This Consent Judgment is a final and binding resolution between Plaintiff Ferreiro,  
21    acting on his own behalf, and on behalf of the public and in the public interest, and Defendant  
22    Champro Sports, and shall have preclusive effect such that no other person or entity, whether  
23    purporting to act in his, her, or its interests or the public interest shall be permitted to pursue  
24    and/or take any action with respect to: (i) any violation of Proposition 65 that was alleged in the  
25    Complaint, or that could have been brought pursuant to the Notice; or (ii) any other statutory or  
26    common law claim, to the fullest extent that any of the foregoing described in (i) or (ii) were or  
27    could have been asserted by any person or entity against Champro Sports, including any and all  
28    downstream retailers of the Product including but limited to Sports Chalet, LLC f/k/a Sports

1 Chalet, Inc., based on its exposure of persons to the Product, or its failure to provide a clear and  
2 reasonable warning of exposure to such individuals, or (iii) as to alleged exposures to the Product,  
3 any other claim based on whole or in part on the facts alleged in the Complaint and the Notice,  
4 whether based on actions committed by Champro Sports or its downstream retailers of the  
5 Product including but limited to Sports Chalet, LLC f/k/a Sports Chalet, Inc.. As to alleged  
6 exposures to the Product, compliance with the terms of this Consent Judgment resolves any issue,  
7 now and in the future, and is deemed sufficient to satisfy all obligations concerning, compliance  
8 by Champro Sports with the requirements of Proposition 65 with respect to the Product, and any  
9 alleged resulting exposure.

10 4.2 As to alleged exposures to the Product, Ferreiro waives all rights to institute any  
11 form of legal action, and releases all claims against Champro Sports, Sport Chalet (including their  
12 parents, subsidiaries or affiliates, and assigns of any of them, who may use, maintain, distribute or  
13 sell the Product) whether under Proposition 65 or otherwise, arising out of or resulting from, or  
14 related directly or indirectly to, in whole or in part, the Product, including but not limited to any  
15 exposure to, or failure to warn with respect to, the Product (referred to collectively in this Section  
16 as the "Claims"). In furtherance of the foregoing, as to alleged exposures to the Product, Ferreiro  
17 waives any and all rights and benefits which he now has, or in the future may have, conferred  
18 upon him with respect to the Claims by virtue of the provisions of § 1542 of the California Civil  
19 Code, which provides as follows:

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

25 Ferreiro understands and acknowledges that the significance and consequence of this waiver of  
26 California Civil Code § 1542 is that even if Ferreiro suffers future damages arising out of or  
27 resulting from, or related directly or indirectly to, in whole or in part, the Product, including but  
28 not limited to any exposure to, or failure to warn with respect to exposure to, the Product, Ferreiro

1 will not be able to make any claim for those damages against Champro Sports.

2 **5. Enforcement of Judgment**

3 5.1 The terms of this Consent Judgment shall be enforced exclusively by the parties  
4 hereto. The parties may, by noticed motion or order to show cause before the Superior Court of  
5 Alameda County, giving the notice required by law, enforce the terms and conditions contained  
6 herein. In any proceeding brought by either party to enforce this Consent Judgment, such party  
7 may seek whatever fines, costs, penalties or remedies as may be provided by law for any violation  
8 of Proposition 65 or this Consent Judgment.

9 **6. Modification of Judgment**

10 6.1 This Consent Judgment may be modified only by written agreement of the parties  
11 upon entry of a modified Consent Judgment by the Court thereon, or upon motion of any party as  
12 provided by law and upon an entry of a modified Consent Judgment by the Court.

13 6.2 Should any court enter final judgment in a case brought by Ferreiro or the People  
14 involving the Product that sets forth standards defining when Proposition 65 warnings will or will  
15 not be required ("Alternative Standards"), or if the California Attorney General's office otherwise  
16 provides written endorsement (i.e., a writing that is circulated by the Attorney General that is not  
17 intended for the purpose of soliciting further input or comments) of Alternative Standards  
18 applicable to the products that are of the same general type and function as the Product and  
19 constructed from the same materials, Champro Sports shall be entitled to seek a modification of  
20 this Consent Judgment on sixty (60) days' notice to Ferreiro so as to be able to utilize and rely on  
21 such Alternative Standards in lieu of those set forth in Section 7 of this Consent Judgment.  
22 Ferreiro shall not unreasonably contest any proposed application to effectuate such a modification  
23 provided that the Product for which such a modification is sought are of the same general type  
24 and function as those to which the Alternative Standards apply.

25 **7. Settlement Payment**

26 7.1 In settlement of all the claims referred to in this Consent Judgment, and without  
27 any admission of liability therefore, Champro Sports shall make the following monetary  
28 payments:

1                   7.1.1 Champro Sports shall pay a total of \$3,000.00 in civil penalties in  
2 accordance with this Section. The civil penalty payment will be allocated in accordance with  
3 California Health & Safety Code §§ 25249.12(c)(1) and (d), with 75% of the funds remitted to the  
4 California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining  
5 25% of the civil penalty remitted to Ferreiro.

6                   7.1.2 Within seven (7) business days of the Effective Date, Champro Sports shall  
7 issue two separate checks for the initial civil penalty payment to (a) "OEHHA" in the amount of  
8 \$2,250.00; and (b) "Brodsky & Smith, LLC in Trust for Ferreiro" in the amount of \$750.00.

9 Payment owed to Ferreiro pursuant to this Section shall be delivered to the following payment  
10 address:

11                                   Evan J. Smith, Esquire  
12                                   Brodsky & Smith, LLC  
13                                   Two Bala Plaza, Suite 510  
14                                   Bala Cynwyd, PA 19004

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

17                   For United States Postal Service Delivery:

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

23                   For Non-United States Postal Service Delivery:

24                                   Mike Gyurics  
25                                   Fiscal Operations Branch Chief  
26                                   Office of Environmental Health Hazard Assessment  
27                                   1001 I Street  
28                                   Sacramento, CA 95814

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

7.1.3 In addition to the payment above, Champro Sports shall pay \$33,500.00 to  
Brodsky & Smith, LLC ("Brodsky Smith") as complete reimbursement for Plaintiff Ferreiro's  
attorneys' fees and costs, including any investigation and laboratory costs or expert fees, incurred

1 in the course of bringing the Ferreiro action, and in enforcing Proposition 65, including without  
2 limitation, preparation of the 60-Day Notice letter and discussions with the office of the Attorney  
3 General. Payment shall be made within seven (7) business days of the Effective Date and sent to  
4 the address for Brodsky & Smith set forth in section 7.1.2, above.

5 **8. Notices**

6 8.1 Any and all notices between the parties provided for or permitted under this  
7 Agreement, or by law, shall be in writing and personally delivered or sent by: (i) first-class  
8 (registered or certified mail) return receipt requested; or (ii) overnight or two-day courier on any  
9 party by the other party to the following addresses:

10 For Champro Sports:

11 Elizabeth McNulty  
12 Archer Norris, PLLC  
13 4695 MacArthur Court, Suite 350  
14 Newport Beach, CA 92660  
15 T: 949-221-4645

16 And

17 Mark S. Granger  
18 GRANGER LEGAL CONSULTING  
19 P0 BOX 4871134 US RT 9  
20 SUITE 4  
21 SCHROON LAKE NY 12870

22 For Ferreiro:

23 Evan J. Smith  
24 BRODSKY & SMITH, LLC  
25 9595 Wilshire Blvd., Suite 900  
26 Beverly Hills, CA 90212  
27 T: 877.354.2590

28 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.

8.2 If Ferreiro determines at a future date that a violation of this agreement has  
occurred, Ferreiro shall provide notice to Champro Sports to the persons set forth above. Prior to  
bringing any action to enforce any requirement of this Consent Judgment, the party alleging a  
violation of this settlement agreement shall provide the other party with written notice of the  
grounds for such allegation together with all supporting information as well as a complete

1 demand for the relief sought. The parties shall then meet and confer regarding the basis for the  
2 allegation in an attempt to resolve the matter informally, including providing the party alleged to  
3 be in violation with a reasonable opportunity of at least thirty (30) days to cure any alleged  
4 violation. Should such attempts at informal resolution fail, the party alleging a violation may file  
5 its lawsuit seeking the proposed relief. In the event that an alleged violation is the result of a  
6 Product that contains more than 1,000 ppm DEHP or DiNP in the finished Product, Champro  
7 Sports shall have ten (10) days after receiving written notice, to provide testing results conducted  
8 as part of a reasonable testing program for the Product showing results of less than 1000 ppm of  
9 DEHP and DiNP to Ferreiro for review. In the event that the results indicate DEHP and DiNP  
10 levels that comply with the reformulation standard, no further action shall be taken by Ferreiro  
11 provided Champro Sports issues written notice to the supplier that furnished the product, advising  
12 the supplier of the alleged violation and demanding that quality control and quality assurance  
13 standards are strictly adhered to at all times. No further action shall be required of Ferreiro, and  
14 no violation shall be deemed to have occurred as against Champro Sports, provided Champro  
15 Sports is otherwise in compliance with the terms of this Consent Judgment. Any testing results  
16 that are provided to Ferreiro pursuant to this Consent Judgment shall be deemed confidential in  
17 accordance with the Confidentiality Agreement that was executed by the parties.

18 **9. Authority to Stipulate**

19 9.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized  
20 by the party he or she represents to enter into this Consent Judgment and to execute it on behalf of  
21 the party represented and legally to bind that party.

22 **10. Counterparts**

23 10.1 This Stipulation may be signed in counterparts and shall be binding upon the  
24 parties hereto as if all said parties executed the original hereof.

25 **11. Retention of Jurisdiction**

26 11.1 This Court shall retain jurisdiction of this matter to implement the Consent  
27 Judgment.

28 **12. Service on the Attorney General**

1           12.1   Ferreiro shall serve a copy of this Consent Judgment, signed by both parties, on the  
2 California Attorney General on behalf of the parties so that the Attorney general may review this  
3 Consent Judgment prior to its submittal to the Court for Approval. No sooner than forty-five (45)  
4 days after the Attorney General has received the aforementioned copy of this Consent Judgment,  
5 and in the absence of any written objection by the Attorney General to the terms of this Consent  
6 Judgment, the parties may then submit it to the Court for Approval.

7           **13.    Entire Agreement**

8           13.1   This Consent Judgment contains the sole and entire agreement and understanding  
9 of the parties with respect to the entire subject matter hereof, and any and all discussions,  
10 negotiations, commitment and understandings related thereto. No representations, oral or  
11 otherwise, express or implied, other than those contained herein have been made by any party  
12 hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed  
13 to exist or to bind any of the parties.

14           **14.    Governing Law and Construction**

15           14.1   The validity, construction and performance of this Consent Judgment shall be  
16 governed by the laws of the State of California, without reference to any conflicts of law  
17 provisions of California law.

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**15. Court Approval**

15.1 If this Consent Judgment is not approved by the Court, it shall be of no force or effect, and cannot be used in any proceeding for any purpose.

**IT IS SO STIPULATED:**

Dated: March 9, 2016

Dated: March 9, 2016

By: Anthony Ferreira  
Anthony Ferreira

By: Megan H  
Wilson Hunt International, Ltd.

**IT IS SO ORDERED, ADJUDGED AND DECREED:**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Judge of Superior Court