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6 7	Jake Schulte (SBN 293777) 225 Broadway, Suite 1900 San Diego, California 92101 Tel: (619) 325-0492 Email: cnicholas@nicholaslaw.org		
8	Email: jschulte@nicholaslaw.org		
9 10	Attorneys for Plaintiff Environmental Health Advocates, Inc.		
11	SUPERIOR COURT OF T	THE STATE OF CALIFORNIA	
12	IN AND FOR THE COUNTY OF ALAMEDA		
13 14	ENVIRONMENTAL HEALTH ADVOCATES, INC.,	Case No. RG21089959	
15	Plaintiff,	[PROPOSED] CONSENT JUDGMENT	
16	v.	(Health & Safety Code § 25249.6 et seq. and Code Civ. Proc. § 664.6)	
17 18	UNIQUE SPORTS PRODUCTS INC., a Georgia corporation, AMAZON.COM, INC., a Delaware corporation, and DOES 1 through		
19	100, inclusive,		
20	Defendants.		
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#### 1. INTRODUCTION

#### 1.1 Parties

This Consent Judgment is entered into by and between Environmental Health Advocates, Inc., ("EHA" or "Plaintiff"), on the one hand, and Unique Sports Products Inc. ("Defendant" or "USP"), on the other hand, with EHA and USP each individually referred to as a "Party" and collectively referred to as the "Parties."

#### 1.2 Plaintiff

EHA is a corporation organized in the state of California, acting in the interest of the general public. It seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products.

#### 1.3 Defendant

USP employs ten or more individuals and is a "person in the course of doing business" for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6 *et seq.* ("Proposition 65").

# 1.4 General Allegations

EHA alleges that USP manufactures, imports, sells, and distributes for sale Unique Sports Football Playbook Band Wristcoach that contain Di (2-ethylhexyl) phthalate (DEHP). EHA further alleges that USP does so without providing a sufficient health hazard warning as required by Proposition 65 and related regulations pursuant to Proposition 65 and alleges that DEHP is listed as a chemical known to cause cancer, birth defects and other reproductive harm.

#### 1.5 Notice of Violation

On or around December 4, 2020, EHA served USP, Amazon.com, Inc., the California Attorney General, and all other required public enforcement agencies with a 60-Day Notice of Violation of Proposition 65 ("Notice"). The Notice alleged that USP had violated Proposition 65 by failing to sufficiently warn consumers in California of the health hazards associated with exposures to DEHP contained in wristbands, including but not limited to Unique Sports Football Playbook Band Wristcoach.

No public enforcer has commenced or is otherwise prosecuting an action to enforce the

violations alleged in the Notice.

## 1.6 Product Description

The products covered by this Consent Judgment are wristbands, including but not limited to Unique Sports Football Playbook Band Wristcoach, manufactured, processed, distributed, shipped, or sold by USP that allegedly contain DEHP and are imported, sold, shipped, delivered, or distributed for sale to consumers in California by Releasees (as defined in section 4.1) ("Covered Products").

# 1.7 State of the Pleadings

On or around February 26, 2021, EHA filed a Complaint against USP for the alleged violations of Proposition 65 that are the subject of the Notice ("Complaint").

#### 1.8 No Admission

USP denies the material factual and legal allegations of the Notice and Complaint and maintains that all of the Covered Products it has manufactured, produced, packaged, imported, supplied, sold, and/or distributed for sale in California, including Covered Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation of law, nor shall compliance with this Consent Judgment be construed as an admission of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall not, however, diminish or otherwise affect USP's obligations, responsibilities, and duties under this Consent Judgment.

#### 1.9 Jurisdiction

For purposes of this Consent Judgment and the Complaint only, the Parties stipulate that this Court has jurisdiction over USP as to the allegations in the Complaint, that venue is proper in the County of Alameda, and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

#### 1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" means the date on which the Court grants the motion for approval of this Consent Judgment, as discussed in Section 5.

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# 2. INJUNCTIVE RELIEF

## 2.1 Clear and Reasonable Warnings

As of the Effective Date, and continuing thereafter, a clear and reasonable Proposition 65 warning as set forth in this §§ 2.1 and 2.2 must be provided for all Covered Products that USP manufactures, supplies and distributes for sale in California except for Covered Products that are Reformulated. A Covered Product is Reformulated if it contains 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. The warning requirements set forth in this § 2.1 shall not apply to any Reformulated Covered Product.

On or after the Effective Date, for Covered Products, USP shall provide one of the following warning statements:

#### **Option 1:**

▲WARNING: This product can expose you to chemicals including 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.

#### **Option 2:**

▲WARNING: Cancer and Reproductive Harm – www.P65Warnings.ca.gov

This warning statement shall be prominently displayed on the Covered Products, on the packaging of the Covered Products, or on a placard, shelf tag, or sign provided that the statement 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 prior to sale. If the warning statement is displayed on the Covered Products' packaging, it must be in a type size no smaller than the largest type size used for other consumer information on the product. In no case shall a warning statement displayed on the Covered Products' packaging appear in a type size smaller than 6-point type. Where the sign, label or shelf tag for the product is not printed using the color yellow, the symbol may be printed in black and white. The same warning shall be posted on any websites under the exclusive control of USP where Covered Products are sold by USP directly to

consumers located in California. Unique shall instruct any known third-party that sells the Covered Product on a website to provide either of the above warnings in a manner consistent with the requirements of Proposition 65.

USP may comply with the warning requirements of this Section by any other means authorized pursuant to Health and Safety Code 25249.5 *et seq.*, and/or 27 CCR § 25600 *et seq.*, as may be amended from time to time. For example, should USP determine that an additional chemical needs to be added (or referenced), additional endpoint, or should the chemical endpoint change, then, in either of the above warnings, USP may modify the content of such warnings to address the new chemical, provided the revised warnings also comply with title 27 Cal. Code Regs. § 25600 *et seq.* 

# 2.2 Sell-Through Period

Notwithstanding anything else in this Consent Judgment, the Covered Products that are manufactured on or prior to the Effective Date shall be subject to release of liability pursuant to this Consent Judgment, without regard to when such Covered Products were, or are in the future, distributed or sold to customers. As a result, the obligation of USP, or any Releasees (if applicable), do not apply to these Covered Products manufactured on or prior to the Effective Date.

# 3. MONETARY SETTLEMENT TERMS

#### 3.1 Settlement Amount

USP shall pay fifty thousand dollars (\$50,000.00) in settlement and total satisfaction of all the claims referred to in the Notice, the Complaint, and this Consent Judgment. This includes civil penalties in the amount of five thousand dollars (\$5,000.00) pursuant to Health and Safety Code section 25249.7(b) and attorneys' fees and costs in the amount of forty-five thousand dollars (\$45,000.00) pursuant to Code of Civil Procedure section 1021.5.

## 3.2 Civil Penalty

The portion of the settlement attributable to civil penalties shall be allocated according to Health and Safety Code section 25249.12(c)(1) and (d), with seventy-five percent (75%) of the penalty, three thousand seven hundred and fifty dollars (\$3,750.00), paid to the California Office of Environmental Health Hazard Assessment ("OEHHA"), and the remaining twenty-five percent (25%)

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1	of the penalty, one thousand two hundred and fifty dollars (\$1,250.00), paid to EHA individually.	
2	These payments will be sent to the below addresses within fourteen (14) days of the Effective Date.	
3	All payments owed to EHA shall be delivered to the following address:	
4	Environmental Health Advocates	
5	225 Broadway, Suite 1900 San Diego, CA 92101	
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7	All payments owed to OEHHA (EIN: 68-0284486) shall be delivered directly to OEHHA (Memo	
8	Line "Prop 65 Penalties") at the following addresses:	
9	For United States Postal Service Delivery:	
10	Mike Gyurics Fiscal Operations Branch Chief	
11	Office of Environmental Health Hazard Assessment P.O. Box 4010	
12	Sacramento, CA 95812-4010	
13	For Federal Express 2-Day Delivery:	
14	Mike Gyurics Fiscal Operations Branch Chief	
15	Office of Environmental Health Hazard Assessment 1001 I Street	
16	Sacramento, CA 95814	
17	USP agrees to provide EHA's counsel with a copy of the check payable to OEHHA,	
18	simultaneous with its penalty payments to EHA.	
19	Plaintiff and its counsel will provide completed IRS 1099, W-9, or other tax forms as required.	
20	Relevant information is set out below:	
21	• "Glick Law Group" (EIN: 47-1838518) at the address provided in Section 3.2(a)(i);	
22	• "Nicholas & Tomasevic" (EIN: 46-3474065) at the address provided in Section	
23	3.2(a)(i); and	
24	"Office of Environmental Health Hazard Assessment" 1001 I Street, Sacramento, CA	
25	95814.	
26	3.3 Attorneys' Fees and Costs	
27	The portion of the settlement attributable to attorneys' fees and costs, forty-five thousand	
28	dollars (\$45,000.00), shall be paid to Glick Law Group, P.C. and Nicholas & Tomasevic, LLP	

(collectively, "EHA's Counsel"), who are entitled to attorneys' fees and costs incurred by it in this action, including but not limited to investigating potential violations, bringing this matter to USP's attention, as well as litigating and negotiating a settlement in the public interest.

USP shall provide their payment to EHA's Counsel in two installments as follows. Payment may be by physical check or by electronic means, including wire transfers, at USP's discretion:

- The First Installment shall be in the amount of thirty-five thousand dollars (\$35,000.00), divided equally, in one check for seventeen thousand five hundred dollars (\$17,500.00) payable to "Glick Law Group, PC", and in one check for seventeen thousand five hundred dollars (\$17,500.00) payable to "Nicholas & Tomasevic, LLP", within ten (10) days of the transmittal to USP's counsel of the Effective Date ("First Installment").
- The Second Installment shall be in the amount of ten thousand dollars (\$10,000.00), divided equally, in one check for five thousand dollars (\$5,000.00) payable to "Glick Law Group, PC", and in one check for five thousand dollars (\$5,000.00) payable to "Nicholas & Tomasevic, LLP", within forty (40) days of the Effective Date ("Second Installment"). If the First Installment is timely made by USP or its counsel, then EHA and its counsel agree to waive the Second Installment. The addresses for these two entities are:

Noam Glick Glick Law Group 225 Broadway, 19<sup>th</sup> Floor San Diego, CA 92101

Craig Nicholas Nicholas & Tomasevic, LLP 225 Broadway, 19th Floor San Diego, CA 92101

## 4. <u>CLAIMS COVERED AND RELEASED</u>

# 4.1 EHA's Public Release of Proposition 65 Claims

Plaintiff acting on its own behalf and in the public interest releases USP, Amazon.com, Inc., and each of their parents, subsidiaries, affiliated entities under common ownership, its directors, officers, principals, agents, employees, attorneys, insurers, accountants, predecessors, successors, and assigns ("Defendant Entities"), each entity to whom USP directly or indirectly distributes, ships, or

sells the Covered Products including but not limited to downstream distributors, wholesalers, customers, retailers, franchisees, franchisors, cooperative members, suppliers, licensees, and licensors, and all of the foregoing entities' owners, directors, officers, agents, principals, employees, attorneys, insurers, accountants, representatives, predecessors, successors, and assigns (collectively referred to as the "Releasees") from all claims for violations of Proposition 65 up through the Effective Date based on exposure to DEHP from Covered Products as set forth in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to DEHP from Covered Products as set forth in the Notice, except that any third party that sells the Covered Product on a website and that has been instructed to provide an internet warning as set forth in 2.1 above and does not provide the internet warning for the Covered Product, shall not be deemed to be in compliance with Proposition 65 as to the sale of the Covered Product.

#### 4.2 EHA's Individual Release of Claims

EHA, in its individual capacity, also provides a release to USP and/or Releasees, which shall be a full and final accord and satisfaction of, as well as a bar to, all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities, and demands of every nature, character, and kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DEHP in Covered Products manufactured, imported, sold, or distributed by USP before the Effective Date.

#### 4.3 USP's Release of EHA

USP on its own behalf, and on behalf of Releasees as well as its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against EHA and its attorneys and other representatives, for any and all actions taken or statements made by EHA and its attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against them, in this matter or with respect to the Covered Products.

## 5. <u>COURT APPROVAL</u>

This Consent Judgment is not effective until it is approved by the Court and shall be null and void if it is not approved by the Court within one year after it has been fully executed by the Parties, or by such additional time as the Parties may agree to in writing.

# 6. **SEVERABILITY**

Subsequent to the Court's approval and entry of this Consent Judgment, if any provision is held 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 as applied within the state of California. In the event that Proposition 65 is repealed, or is otherwise rendered inapplicable for reasons, including but not limited to changes in the law, then USP may provide written notice to EHA of any asserted change, and shall have no further injunctive obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Covered Products are so affected.

In the event the California Office of Health Hazard Assessment adopts a regulation or safe use determination, or issues an interpretive guideline that exempts Covered Products from meeting the requirements of Proposition 65; or if DEHP cases are permanently enjoined by a court of competent jurisdiction; or if Proposition 65 is determined to be preempted by federal law or a burden on First Amendment rights with respect to DEHP in Covered Products or Covered Products substantially similar to Covered Products, then USP shall be relieved of its obligation to comply with Section 2 herein.

## 8. <u>ENFORCEMENT</u>

In any action to enforce the terms of this Consent Judgment, the prevailing party shall be entitled to its reasonable attorneys' fees and costs.

## 9. NOTICE

Unless otherwise specified herein, all correspondence and notice required by this Consent Judgment shall be in writing and sent by: (i) personal delivery; (ii) first-class, registered, or certified mail, return receipt requested; or (iii) a recognized overnight courier to the following addresses:

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1 <u>If to USP:</u> <u>If to EHA:</u>
2 Ruben Castellón Noam Glick

RAF Law Group
811 Wilshire Boulevard, Suite 1050
Los Angeles, California 90017
Glick Law Group, PC
225 Broadway, 19th Floor
San Diego, CA 92101

Any Party may, from time to time, specify in writing to the other, a change of address to which notices,

# 10. COUNTERPARTS; DIGITAL SIGNATURES

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

# 11. POST EXECUTION ACTIVITIES

and other communications shall be sent.

EHA agrees to comply with the reporting form requirements referenced in Health and Safety Code section 25249.7(f). The Parties further acknowledge that, pursuant to Health and Safety Code section 25249.7(f), a noticed motion is required to obtain judicial approval of the settlement, which motion EHA shall draft and file. In furtherance of obtaining such approval, the Parties agree to mutually employ their best efforts, including those of their counsel, to support the entry of this agreement as 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 objection that any third-party may make, and appearing at the hearing before the Court if so requested.

#### 12. MODIFICATION

This Consent Judgment may be modified by: (i) a written agreement of the Parties and entry of a modified consent judgment thereon by the Court; or (ii) a successful motion or application of any Party, and the entry of a modified consent judgment thereon by the Court.

# 13. <u>AUTHORIZATION</u>

The undersigned are authorized to execute this Consent Judgment and acknowledge that they have read, understand, and agree to all of the terms and conditions contained herein.

# 14. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES 1 If a dispute arises with respect to either Party's compliance with the terms of this Consent 2 Judgment entered by the Court, the Parties shall meet and confer in person, or by telephone, and/or 3 in writing and endeavor to resolve the dispute in an amicable manner. No action or motion may be 4 filed in the absence of such a good faith attempt to resolve the dispute beforehand. 5 **15. ENTIRE AGREEMENT** 6 7 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter herein, and any and all prior discussions, 8 negotiations, commitments, and understandings related hereto. No representations, oral or 9 otherwise, express or 10 implied, other than those contained herein have been made by any Party. No other agreements, oral 11 or otherwise, unless specifically referred to herein, shall be deemed to exist or to bind any Party. 12 **AGREED TO: AGREED TO:** 13 14 Date: 3/3/2022 Date: 3/4/2022 15 Vialey 16 UNIQUE SPORTS PRODUCTS INC. 17 ADVOCATES, INC. 18 IT IS SO ORDERED. 19 20 21 JUDGE OF THE SUPERIOR COURT 22 23 24 25 26 27 28