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9	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
10	COUNTY OF SAN FRANCISCO	
11	GABRIEL ESPINOZA,	Case No.: CGC-22-602638
12	Plaintiff,	CONSENT JUDGMENT
13	V.	Judge: Richard B. Ulmer Dept.: 302
14	MARUCCI SPORTS, LLC, AMERICAN SPORTS LICENSING, LLC, AMERICAN	Hearing Date: June 25, 2024 Hearing Time: 9:30 AM
15 16	SPORTS LICENSING, INC., DICK'S SPORTING GOODS, INC.,	Complaint Filed: October 28, 2022
17	Defendants.	
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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 Marucci Sports, LLC ("Marucci Sports" 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. Marucci Sports 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 chromium (hexavalent compounds) ("chromium VI" or "(CrVI)") from its sales of gloves with leather components, including but not limited to: (a) Marucci *Signature* TM batting gloves, UPC # 849817097014, (b) Marucci *Medallion* Matting gloves, UPC # 840058729566, and (c) *Lizard Skins* Komodo V2 batting gloves, UPC # 696260002986, without providing a clear and reasonable exposure warning pursuant to Proposition 65. CrVI is listed under Proposition 65 as a chemical known to the State of California to cause cancer and birth defects or other reproductive harm.

1.3 Notices of Violation/Complaints.

- 1.3.1 On or about August 6, 2021, Espinoza served Marucci Sports, and various public enforcement agencies with documents entitled "60-Day Notice of Violation" pursuant to Health & Safety Code §25249.7(d) (the "2021 Notice"), alleging that Defendant violated Proposition 65 for failing to warn consumers and customers that use of Marucci *Signature*™ batting gloves, UPC # 849817097014, expose users in California to CrVI. No public enforcer has brought and is diligently prosecuting the claims alleged in the 2021 Notice.
- 1.3.2 On or about October 18, 2022, Espinoza served Marucci Sports, and various public enforcement agencies with documents entitled "60-Day Notice of Violation" pursuant to Health & Safety Code §25249.7(d) (the "2022 Notice"), alleging that Defendant violated

Proposition 65 for failing to warn consumers and customers that use of Marucci *Medallion*™ batting gloves, UPC # 840058729566 expose users in California to CrVI.

- 1.3.3 On October 28, 2022, Espinoza filed a complaint (the "Complaint") regarding allegations in the 2021 Notice.
- 1.3.4 On or about March 15, 2023, Plaintiff served Marucci Sports, and various public enforcement agencies with documents entitled "60-Day Notice of Violation" pursuant to Health & Safety Code §25249.7(d) (the "2023 Notice"), alleging that Defendant violated Proposition 65 for failing to warn consumers and customers that use of *Lizard Skins*™ Komodo V2 batting gloves, UPC # 696260002986, expose users in California to CrVI.
- 1.3.5 On November 6, 2023, Plaintiff filed a first amended complaint (the "FAC") in the matter to bring claims regarding allegations in the 2022 Notice and 2023 Notice. The Complaint and FAC are collectively referred to herein as, the "Action."
- 1.3.6 The 2021 Notice, the 2022 Notice, and the 2023 Notice are collectively referred to herein, as 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 Notices 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 Notices.
- 1.5 Defendant denies the material allegations contained in the 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 batting gloves with leather components, including but not limited to: (a) Marucci *Signature* TM batting gloves, UPC # 849817097014, (b) Marucci *Medallion* TM batting gloves, UPC # 840058729566, and (c) *Lizard Skins* TM Komodo V2 batting gloves, UPC # 696260002986, that are manufactured, distributed and/or offered for sale in California by Marucci Sports.
- 2.2 **Effective Date.** The term "Effective Date" means the date Marucci Sports' counsel receives notice that this Consent Judgment is entered as a Judgment of the Court.

3. <u>INJUNCTIVE RELIEF: WARNINGS</u>

- 2.1 Clear and Reasonable Warning. Commencing within sixty (60) days of the Effective Date, Defendant shall provide a clear and reasonable exposure warning as set forth in this §§ 3.1 and 3.2 for all Covered Products that contain leather components that are tanned with chromium compounds that Defendant distributes or sells in California. The warning shall consist of either the Warning or Alternative Warning described in §§ 3.1(a) or (b), respectively:
 - (a) Warning. The "Warning" shall consist of the statement:
 - ▲ WARNING: This product can expose you to chemicals including chromium (hexavalent compounds), 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) Alternative Warning: Marucci Sports may, but is not required to, use the alternative short-form warning as set forth in this § 3.1(b) ("Alternative Warning") as follows:
 - **WARNING**: Cancer and Reproductive Harm <u>www.P65Warnings.ca.gov</u>.
- 3.2 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, providing that the 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 Marucci Sports 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, Marucci Sports 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 third-party internet sellers that Marucci Sports has written agreements with; and (b) if Marucci Sports does not have the ability to post the Warning or Alternative Warning on the websites of third-party internet sellers that it has written agreements with, Marucci Sports shall provide such third-party internet 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 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 regulations approved or adopted by the State of California's Office of Environmental Health Hazard Assessment ("OEHHA"), or by any other State of California agency authorized to issue regulations approving or adopting warnings as

implementation of Proposition 65, or by statutes adopted by the California State Legislature or by the California voters applicable to the Covered Product and the exposures at issue after the Effective Date. If "consumer information," as that term is defined in Title 27, California Code of Regulations, Section 25600.1(c) as it may be amended from time to time, is provided in a foreign language, Marucci Sports shall provide the **Warning** or **Alternative Warning** in the foreign language in accordance with applicable warning regulations adopted by OEHHA.

3.4 Covered Products that entered the stream of commerce prior to the Effective Date may continue to be sold through and are exempt from the warning requirements in Section 3 of this Consent Judgment.

4. MONETARY TERMS

- 4.1 **Civil Penalty.** Marucci Sports shall pay \$6,000.00 as a Civil Penalty pursuant to Health and Safety Code section 25249.7(b), to be apportioned in accordance with California Health & Safety Code § 25192, 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 thirty (30) days of the Effective Date, Marucci Sports shall issue two separate checks for the Civil Penalty payment to (a) "OEHHA" in the amount of \$4,500.00; and to (b) "Gabriel Espinoza" in the amount of \$1,500.00. 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 510 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 thirty (30) days of the Effective Date, Marucci Sports shall pay \$54,000.00 to Brodsky Smith as complete reimbursement for Espinoza's attorneys' fees and costs incurred as a result of investigating, bringing this matter to Marucci Sports' attention, litigating and negotiating and obtaining judicial approval of a settlement in the public interest, pursuant to Code of Civil Procedure § 1021.5.

5. <u>RELEASE OF ALL CLAIMS</u>

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 Marucci Sports, 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 directly or indirectly obtain ("Upstream Releasees") 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 CrVI from Covered Products as set forth in the Notices, with respect to any Covered Products manufactured, distributed, or sold by Marucci Sports prior to the Effective Date. Marucci Sports' compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by Marucci Sports with regard to exposure to CrVI from use of the Covered Products.

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5.2 In addition to the foregoing, Espinoza, on behalf of himself, his past and current agents, representatives, attorneys, and successors and/or assignees, and not in his representative capacity, hereby releases Defendant Releasees, Upstream Releasees and Downstream Releasees from all claims that he has asserted or could have asserted against said Releasees arising out of Proposition 65. Espinoza acting on behalf of himself, his past and current agents, representatives, attorneys, and successors and/or assignees, and not in his representative capacity further waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases Marucci Sports, Defendant Releasees, Upstream 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 Covered Products manufactured, distributed, or sold by Marucci Sports, Defendant Releasees, Upstream 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.

Marucci Sports waives any and all claims against Espinoza, his attorneys and other representatives, for any and all actions taken or statements 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 Covered Products.

6. **INTEGRATION**

6.1 This Consent Judgment contains the sole and entire agreement of the Parties and any 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. In the event that 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.
- 7.2 In the event that Proposition 65, either as a whole or as specifically applicable to the Covered Products, is repealed by means of any California statute or regulation, or is federally preempted, or is otherwise rendered inapplicable to the Covered Products by a decision of the California Supreme Court, or if any of the provisions of this Consent Judgment are rendered inapplicable or no longer required as to the Covered Products as a result of any such repeal or preemption or decision of the California Supreme Court, or due to federal regulations, then Marucci Sports may provide written notice to Espinoza of any asserted change in the law, and it shall have no further obligations pursuant to this Consent Judgment with respect to the Covered Products, to the extent that the 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:

Hazel Ocampo Greenberg Traurig, LLP 18565 Jamboree Road, Suite 500 Irvine, CA 92612

And

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. 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 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.
- 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.

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 shall be required to pay the prevailing party's reasonable attorney's fees and costs.

AGREED TO: 3/28/2024 Date: Judge of Superior Court CONSENT JUDGMENT