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Evan Smith (Bar No. SBN 242352)
BRODSKY SMITH
9595 Wilshire Blvd., Ste. 900
Beverly Hills, CA 90212
Tel: (877) 534-2590
Fax: (310) 247-0160

Attorneys for Plaintiff

FILED
San Francisco County Superior Court

FEB 07 2024

CLERK OF THE COURT
BY: [Signature] Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

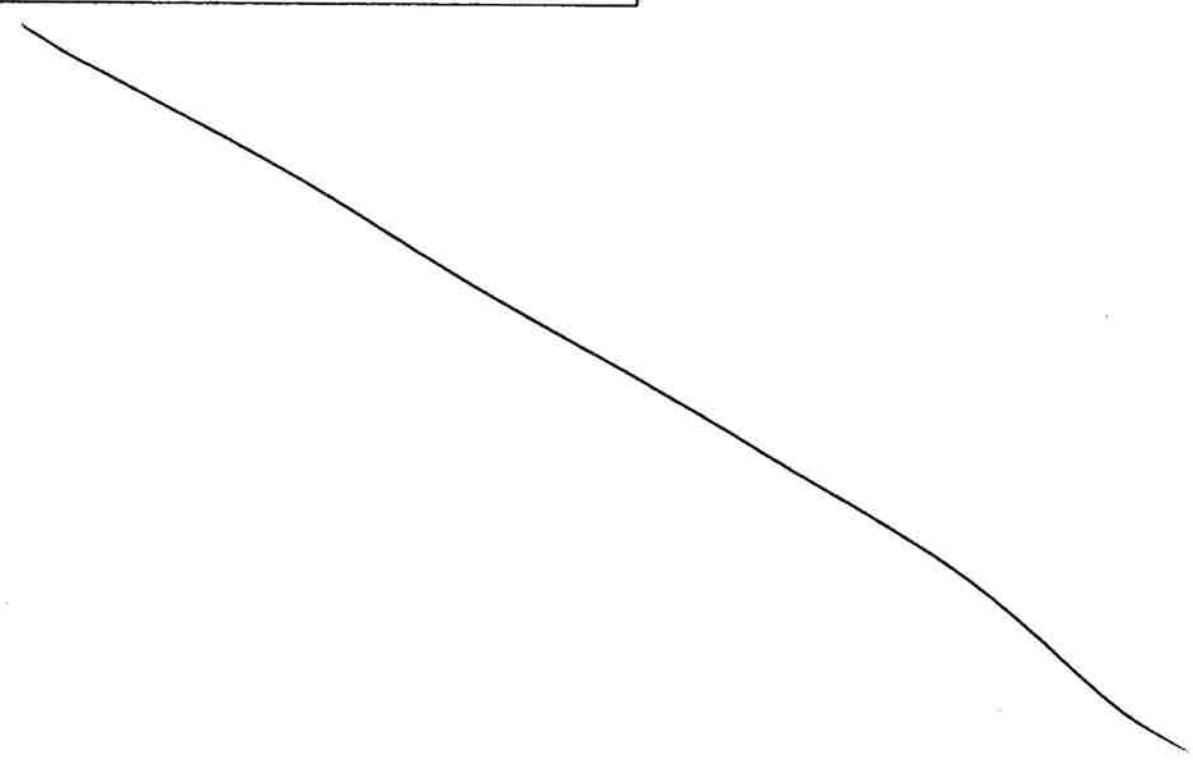
PRECILA BALABBO,
Plaintiff,
v.
HOMEGOODS, INC.,
Defendant.

Case No.: CGC-22-602436

CONSENT JUDGMENT

Judge: Richard B. Ulmer
Dept.: 302
Hearing Date: February 7, 2024
Hearing Time: 9:30 AM
Complaint Filed: October 17, 2022

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1 **1. INTRODUCTION**

2 1.1 **The Parties.** This Consent Judgment is entered into by and between Precila Balabbo
3 acting on behalf of the public interest (hereinafter “Balabbo”) and HomeGoods, Inc.
4 (“HomeGoods” or “Defendant”) with Balabbo and Defendant collectively referred to as the
5 “Parties” and each of them as a “Party.” Balabbo is alleged to be an individual residing in California
6 that seeks to promote awareness of exposures to toxic chemicals and improve human health by
7 reducing or eliminating hazardous substances contained in consumer products. HomeGoods is
8 alleged to be a person in the course of doing business for purposes of Proposition 65, Cal. Health
9 & Safety Code §§ 25249.6 et seq.

10 1.2 **Allegations and Representations.** Balabbo alleges that Defendant has exposed
11 individuals to di(2-ethylhexyl) phthalate (DEHP) from its sales of *Halo Harness*® harnesses, Style
12 677643, without providing a clear and reasonable exposure warning pursuant to Proposition 65.
13 DEHP is listed pursuant to Proposition 65 as a chemical known to the State of California to cause
14 cancer and birth defects or other reproductive harm.

15 1.3 **Notice of Violation/Action.** On or about November 10, 2021, Balabbo served
16 HomeGoods, Halo Harness, and various public enforcement agencies with documents entitled “60-
17 Day Notice of Violation” pursuant to Health & Safety Code §25249.7(d) (the “Notice”), alleging
18 that Defendant violated Proposition 65 for failing to warn consumers and customers that use of
19 *Halo Harness*® harnesses, Style 677643, expose users in California to DEHP. No public enforcer
20 has brought and is diligently prosecuting the claims alleged in the Notice. On October 17, 2022,
21 Balabbo filed a complaint (the “Complaint”).

22 1.4 For purposes of this Consent Judgment only, the Parties stipulate that this Court has
23 jurisdiction over Defendant as to the allegations contained in the Complaint filed in this matter, that
24 venue is proper in the County of San Francisco, and that this Court has jurisdiction to approve,
25 enter, and oversee the enforcement of this Consent Judgment as a full and final binding resolution
26 of all claims which were or could have been raised in the Complaint based on the facts alleged
27 therein and in the Notice.

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1 1.5 Defendant denies the material allegations contained in Balabbo's Notice and
2 Complaint and maintains that it has not violated Proposition 65. Nothing in this Consent Judgment
3 shall be construed as an admission by Defendant of any fact, finding, issue of law, or violation of
4 law; nor shall compliance with this Consent Judgment constitute or be construed as an admission
5 by Defendant of any fact, finding, conclusion, issue of law, or violation of law, such being
6 specifically denied by Defendant. However, this section shall not diminish or otherwise affect the
7 obligations, responsibilities, and duties of Defendant under this Consent Judgment.

8 **2. DEFINITIONS**

9 2.1 **Covered Products.** The term "Covered Products" means *Halo Harness*® harnesses,
10 Style 677643, that are manufactured, distributed, shipped into California and offered for sale in
11 California by HomeGoods.

12 2.2 **Effective Date.** The term "Effective Date" means the date this Consent Judgment is
13 entered as a Judgment by the Court.

14 **3. INJUNCTIVE RELIEF; REFORMULATION AND/OR WARNINGS**

15 3.1 **Reformulation of Covered Products.** As of the Effective Date, HomeGoods shall
16 not order any Covered Products for sale in California unless such Covered Products are: (a)
17 reformulated Products pursuant to § 3.2, below; or (b) labeled with a clear and reasonable exposure
18 warning pursuant to §§ 3.3 and 3.4, below. For purposes of this Consent Judgment, a "Reformulated
19 Product" is a Covered Product that is in compliance with the standard set forth in § 3.2 below. The
20 warning requirement set forth in §§ 3.3 and 3.4 shall not apply to any Reformulated Product.

21 3.2 **Reformulation Standard.** "Reformulated Products" shall mean Covered Products
22 that contain concentrations less than or equal to 0.1% (1,000 parts per million (ppm)) of DEHP
23 when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A
24 and 8270C or other methodology utilized by federal or state government agencies for the purpose
25 of determining the phthalate content in a solid substance.

26 3.3 **Clear and Reasonable Warning.** As of the Effective Date, and continuing
27 thereafter, a clear and reasonable exposure warning as set forth in this §§ 3.3 and 3.4 must be
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1 provided for all Covered Products that Defendant purchases for sale in California that is not a
2 Reformulated Product. There shall be no obligation for Defendant to provide a warning for Covered
3 Products that enter the stream of commerce prior to the date this Consent Judgment is signed by
4 both Parties. The warning shall consist of either the **Warning** or **Alternative Warning** described
5 in §§ 3.3(a) or (b), respectively:

6 (a) **Warning.** The “Warning” shall consist of the statement:

7 **⚠ WARNING:** This product can expose you to chemicals including di(2-
8 ethylhexyl) phthalate (DEHP), which is known to the State of California to cause
9 cancer and birth defects or other reproductive harm. For more information go to
www.P65Warnings.ca.gov.

10 (b) **Alternative Warning:** HomeGoods may, but is not required to, use the alternative
11 short-form warning as set forth in this § 3.3(b) (“**Alternative Warning**”) as follows:

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

13 3.4 A **Warning** or **Alternative Warning** provided pursuant to § 3.3 must print the word
14 “**WARNING:**” in all capital letters and in bold font, followed by a colon. The warning symbol to
15 the left of the word “**WARNING:**” must be a black exclamation point in a yellow equilateral
16 triangle with a black outline, except that if the sign or label for the Covered Product does not use
17 the color yellow, the symbol may be in black and white. The symbol must be in a size no smaller
18 than the height of the word “**WARNING:**”. The **Warning** or **Alternative Warning** shall be affixed
19 to or printed on the Covered Product’s packaging or labeling, or on a placard, shelf tag, sign or
20 electronic device or automatic process, providing that the **Warning** or **Alternative Warning** is
21 displayed with such conspicuousness, as compared with other words, statements, or designs as to
22 render it likely to be read and understood by an ordinary individual under customary conditions of
23 purchase or use. The **Warning** or **Alternative Warning** may be contained in the same section of
24 the packaging, labeling, or instruction booklet that states other safety warnings, if any, concerning
25 the use of the Covered Product and shall be at least the same size as those other safety warnings.

26 In addition to affixing the **Warning** or **Alternative Warning** to the Covered Product’s
27 packaging or labeling, the **Warning** or **Alternative Warning** shall be posted on websites where
28 HomeGoods offers Products for sale to consumers in California. The requirements of this Section

1 shall be satisfied if the **Warning** or **Alternative Warning**, or a clearly marked hyperlink using the
2 word "**WARNING**," appears on the product display page, or by otherwise prominently displaying
3 the warning to the purchaser prior to completing the purchase. To comply with this Section,
4 HomeGoods shall (a) post the **Warning** or **Alternative Warning** on its own website and, if it has
5 the ability to do so, on the websites of its third-party internet sellers; and (b) if it does not have the
6 ability to post the **Warning** or **Alternative Warning** on the websites of its third-party internet
7 sellers, provide such sellers with written notice in accordance with Title 27, California Code of
8 Regulations, § 25600.2. Third-party internet sellers of the Covered Product that have been provided
9 with written notice in accordance with Title 27, California Code of Regulations, § 25600.2 are not
10 released in Section 5 of this Agreement if they fail to meet the warning requirements herein.

11 **3.5 Compliance with Warning Regulations.** Defendant shall be deemed to be in
12 compliance with this Consent Judgment by either adhering to §§ 3.3 and 3.4 of this Consent
13 Judgment or by complying with warning requirements adopted by OEHHA applicable to the
14 Covered Product and exposures at issue after the Effective Date. If consumer information is
15 provided in a foreign language, HomeGoods shall provide the **Warning** in the foreign language.

16 **4. MONETARY TERMS**

17 **4.1 Civil Penalty.** HomeGoods shall pay \$1,000.00 as a Civil Penalty pursuant to
18 Health and Safety Code section 25249.7(b), to be apportioned in accordance with California Health
19 & Safety Code § 25192, with 75% of these funds remitted to OEHHA and the remaining 25% of
20 the Civil Penalty remitted to Balabbo, as provided by California Health & Safety Code
21 § 25249.12(d).

22 **4.1.1** Within fifteen (15) business days of the Effective Date, or upon receipt of
23 appropriate W-9 forms from the payees, whichever is later, HomeGoods shall issue two separate
24 checks for the Civil Penalty payment to (a) "OEHHA" in the amount of \$750.00; and to (b)
25 "Brodsky Smith in Trust for Precila Balabbo" in the amount of \$250.00. Payment owed to
26 Balabbo pursuant to this Section shall be delivered to the following payment address:

27 Evan J. Smith, Esquire
28 Brodsky Smith

1 Two Bala Plaza, Suite 805
2 Bala Cynwyd, PA 19004

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

5 For United States Postal Service Delivery:

6 ~~Mike Gyurics~~
7 Fiscal Operations Branch Chief
8 Office of Environmental Health Hazard Assessment
9 P.O. Box 4010
10 Sacramento, CA 95812-4010

11 For Non-United States Postal Service Delivery:

12 Mike Gyurics
13 Fiscal Operations Branch Chief
14 Office of Environmental Health Hazard Assessment
15 1001 I Street
16 Sacramento, CA 95814

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

19 4.2 **Attorneys' Fees.** Within fifteen (15) business days of the Effective Date, or upon
20 receipt of appropriate W-9 forms from the payees, whichever is later, HomeGoods shall pay
21 \$16,500.00 to Brodsky Smith ("Brodsky Smith") as complete reimbursement for Balabbo's
22 attorneys' fees and costs incurred as a result of investigating, bringing this matter to the attention
23 of HomeGoods, litigating and negotiating and obtaining judicial approval of a settlement in the
24 public interest, pursuant to Code of Civil Procedure § 1021.5.

25 **5. RELEASE OF ALL CLAIMS**

26 5.1 This Consent Judgment is a full, final, and binding resolution between Balabbo
27 acting on her own behalf, and on behalf of the public interest, and HomeGoods, and its parents,
28 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 downstream entities from
whom they directly or indirectly distribute or sell Covered Products, including but not limited to
manufacturers, suppliers, distributors, wholesalers, customers, licensors, licensees retailers, and

1 their parents, subsidiaries, and affiliates, franchisees, and cooperative members (“Downstream
2 Releasees”), of all claims for violations of Proposition 65 based on exposure to DEHP from use of
3 the Covered Products manufactured, distributed, or sold by HomeGoods prior to the Effective Date.
4 It is the Parties’ intention that this Consent Judgment shall have preclusive effect such that no other
5 actions by private enforcers, whether purporting to act in his, her, or its interests or the public
6 interest shall be permitted to pursue and take any action with respect to any violation of Proposition
7 65 based on exposure to DEHP from use of the Covered Products that was alleged in the Complaint,
8 or that could have been brought pursuant to the Notice against HomeGoods and the Downstream
9 Releasees (“Proposition 65 Claims”). HomeGoods’ compliance with the terms of this Consent
10 Judgment constitutes compliance with Proposition 65 by HomeGoods with regard to exposure to
11 DEHP from use of the Covered Products.

12 5.2 In addition to the foregoing, Balabbo, on behalf of herself, her past and current
13 agents, representatives, attorneys, and successors and assignees, and *not* in her representative
14 capacity, hereby waives all rights to institute or participate in, directly or indirectly, any form of
15 legal action and releases HomeGoods, Defendant Releasees, and Downstream Releasees from any
16 and all manner of actions, causes of action, claims, demands, rights, suits, obligations, debts,
17 contracts, agreements, promises, liabilities, damages, charges, losses, costs, expenses, and
18 attorneys’ fees, of any nature whatsoever, known or unknown, in law or equity, fixed or contingent,
19 now or in the future, with respect to any alleged violations of Proposition 65 related to or arising
20 from Covered Products manufactured, distributed, or sold by HomeGoods, Defendant Releasees or
21 Downstream Releasees. With respect to the foregoing waivers and releases in this paragraph,
22 Balabbo hereby specifically waives any and all rights and benefits which she now has, or in the
23 future may have, conferred by virtue of the provisions of § 1542 of the California Civil Code, which
24 provides as follows:

25 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
26 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
27 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
28 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
 DEBTOR OR RELEASED PARTY.

1 5.3 HomeGoods waives any and all claims against Balabbo, her attorneys and other
2 representatives, for any and all actions taken, or statements made (or those that could have been
3 taken or made) by Balabbo and her attorneys and other representatives relating to the allegations in
4 the Complaint, whether in the course of investigating claims regarding the Notice or otherwise
5 seeking enforcement of Proposition 65 against it in this matter with respect to Covered Products.

6 **6. INTEGRATION**

7 6.1 This Consent Judgment contains the sole and entire agreement of the Parties and
8 any and all prior negotiations and understandings related hereto shall be deemed to have been
9 merged within it. No representations or terms of agreement other than those contained herein exist
10 or have been made by any Party with respect to the other Party or the subject matter hereof.

11 **7. GOVERNING LAW**

12 7.1 The terms of this Consent Judgment shall be governed by the laws of the State of
13 California and apply within the State of California. In the event that Proposition 65 is repealed or
14 is otherwise rendered inapplicable by reason of law generally, or as to Covered Products, then
15 Defendant shall have no further obligations pursuant to this Consent Judgment with respect to, and
16 to the extent that, Covered Products are so affected.

17 **8. NOTICES**

18 8.1 Unless specified herein, all correspondence and notices required to be provided
19 pursuant to this Consent Judgment shall be in writing and personally delivered or sent by: (i) first-
20 class, (registered or certified mail) return receipt requested; or (ii) overnight courier on any party
21 by the other party at the following addresses:

22 For Defendant:

23 The TJX Companies, Inc.
24 770 Cochituate Road
25 Framingham, MA 01701

26 Jeffrey Margulies
27 Norton Rose Fulbright US LLP
28 555 South Flower St., 41st Floor
 Los Angeles, CA 90071

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For Balabbo:

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. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)/COURT APPROVAL

10.1 Balabbo 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.

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.

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12. ATTORNEY'S FEES

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.

12.2 Nothing in this Section shall preclude a Party from seeking an award of sanctions pursuant to law.

13. RETENTION OF JURISDICTION

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

14. AUTHORIZATION

14.1 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: 12/20/23

Date: September 26, 2023

By: *Precila Balabbo*
PRECILA BALABBO

By: *Jennifer A. Peoples*
HOMEGOODS, INC.
Jennifer A. Peoples
VP, Legal - Litigation + Regulatory Counsel
The TJX Companies, Inc.
(Ultimate parent of HomeGoods, Inc.)

IT IS SO ORDERED, ADJUDGED AND DECREED:

Dated: 2/7/24

Richard Ulmer
Judge of Superior Court

RICHARD ULMER