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9
10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 COUNTY OF SAN FRANCISCO

12 PRECILA BALABBO,

13 Plaintiff,

14 v.

15 1616 HOLDINGS, INC.,

16 Defendant.

Case No.: CGC-25-630747

CONSENT JUDGMENT

Judge: Christine Van Aken
Dept.: 301
Hearing Date: August 31, 2026
Hearing Time: 9:00 AM
Complaint Filed: October 31, 2025

1. INTRODUCTION

1.1 The Parties. This Consent Judgment is entered into by and between Precila Balabbo acting on behalf of the public interest (hereinafter “Balabbo”) and 1616 Holdings, Inc. (“1616 Holdings” or “Defendant”) with Balabbo and Defendant collectively referred to as the “Parties” and each of them as a “Party.” Balabbo 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. 1616 Holdings 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. Balabbo alleges that Defendant has exposed individuals to di(2-ethylhexyl) phthalate (DEHP) from its sales of Kawaii PVC journals without providing a clear and reasonable exposure warning pursuant to Proposition 65. DEHP is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer and birth defects or other reproductive harm.

1.3 Notice of Violation/Action.

1.3.1 On September 25, 2024, Balabbo served 1616 Holdings, Five Below, Inc. (“Five Below”) and various public enforcement agencies with documents entitled “60-Day Notice of Violation” pursuant to Health & Safety Code §25249.7(d) (the “September Notice”), alleging that Defendant and Five Below violated Proposition 65 for failing to warn consumers and customers that use of Kawaii PVC journals expose users in California to DEHP. No public enforcer has brought and is diligently prosecuting the claims alleged in the September Notice.

1.3.2 On October 31, 2025, Balabbo filed a complaint against Defendant (the “Complaint”).

1.3.3 On December 10, 2025, Balabbo served 1616 Holdings, Five Below, Intercontinental Merchandising Ltd. (“Intercontinental Merchandising”), and various public enforcement agencies with documents entitled “60-Day Notice of Violation” pursuant to Health & Safety Code §25249.7(d) (the “December Notice”), alleging that Defendant, Five Below, and

Intercontinental Merchandising violated Proposition 65 for failing to warn consumers and customers that use of Kawaii PVC journals expose users in California to DEHP. No public enforcer has brought and is diligently prosecuting the claims alleged in the December Notice¹.

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 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 Complaint based on the facts alleged therein and in the Notices.

1.5 Defendant denies the material allegations contained in Balabbo's Notices and 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 under this Consent Judgment.

2. DEFINITIONS

2.1 **Covered Products.** The term "Covered Products" means Kawaii PVC journals that are manufactured, distributed, shipped into California and offered for sale in California by Defendant.

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

3. INJUNCTIVE RELIEF: WARNINGS

3.1 **Clear and Reasonable Warning.** Commencing with ninety (90) days after the Effective Date, and continuing thereafter, a clear and reasonable exposure warning as set forth in

¹ The September Notice and December Notice are collectively referred to herein as, the "Notices."

this §§ 3.1 and 3.2 must be provided for all Covered Products that Defendant manufacturers, imports, distributes, sells, or offers for sale in California that is not a Reformulated Product. There shall be no obligation for Defendant to provide a warning for Covered Products that enter the stream of commerce prior to 90 days after the Effective Date. 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 di(2-ethylhexyl) phthalate (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.

(b) **Alternative Warning:** Defendant 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 - 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 Product’s packaging or labeling, or on a placard, shelf tag, sign or electronic device or automatic process only if such electronic device or automatic process provides the **Warning** or **Alternative Warning** without the purchaser having to seek it out, providing 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. A **Warning** or **Alternative Warning** provided via an electronic device or automatic process does not apply to internet purchases, which are subject to the provisions of Section 25602(b). 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

1 size as those other safety warnings. If “consumer information,” as that term is defined in Title 27,
2 California Code of Regulations, Section 25600.1(c) as it may be amended from time to time, is
3 provided in a foreign language, Defendant shall provide the **Warning or Alternative Warning** in
4 the foreign language in accordance with applicable warning regulations adopted by the State of
5 California’s Office of Environmental Health Hazard Assessment (“OEHHA”). An **Alternative**
6 **Warning** on a Covered Product manufactured and labeled after January 1, 2028 shall be provided
7 in accordance with Title 27, California Code of Regulations, § 25603(b).

8 In addition to affixing the **Warning or Alternative Warning** to the Covered Product’s
9 packaging or labeling, the **Warning or Alternative Warning** shall be posted on websites where
10 Defendant offers Products for sale to consumers in California. The requirements of this Section
11 shall be satisfied if the **Warning or Alternative Warning**, or a clearly marked hyperlink using the
12 word “**WARNING**,” appears on the product display page, or by otherwise prominently displaying
13 the warning to the purchaser prior to completing the purchase. To comply with this Section,
14 Defendant shall (a) post the **Warning or Alternative Warning** on its own website and, if it has the
15 ability to do so, on the websites of its third-party internet sellers; and (b) if it does not have the
16 ability to post the **Warning or Alternative Warning** on the websites of its third-party internet
17 sellers, provide such sellers with written notice in accordance with Title 27, California Code of
18 Regulations, § 25600.2. Third-party internet sellers of the Covered Product that have been provided
19 with written notice in accordance with Title 27, California Code of Regulations, § 25600.2 are not
20 released in Section 5 of this Agreement if they fail to meet the warning requirements herein.

21 3.3 **Compliance with Warning Regulations.** Defendant shall be deemed to be in
22 compliance with this Consent Judgment by either adhering to §§ 3.1 and 3.2 of this Consent
23 Judgment or by complying with warning regulations adopted by OEHHA applicable to the Covered
24 Product and exposures at issue.

25 4. **MONETARY TERMS**

26 4.1 **Civil Penalty.** Defendant shall pay \$2,000.00 as a Civil Penalty pursuant to Health
27 and Safety Code section 25249.7(b), to be apportioned in accordance with California Health &
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1 Safety Code § 25192, with 75% of these funds remitted to OEHHA and the remaining 25% of the
2 Civil Penalty remitted to Balabbo, as provided by California Health & Safety Code § 25249.12(d).

3 4.1.1 Within ten (10) days of the Effective Date, Defendant shall issue two
4 separate checks for the Civil Penalty payment to (a) "OEHHA" in the amount of \$1,500.00; and
5 to (b) "Precila Balabbo" in the amount of \$500.00. Payment owed to Balabbo pursuant to this
6 Section shall be delivered to the following payment address:

7 Evan J. Smith, Esquire
8 Brodsky Smith
9 Two Bala Plaza, Suite 805
10 Bala Cynwyd, PA 19004

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

13 For United States Postal Service Delivery:

14 Mike Gyurics
15 Fiscal Operations Branch Chief
16 Office of Environmental Health Hazard Assessment
17 P.O. Box 4010
18 Sacramento, CA 95812-4010

19 For Non-United States Postal Service Delivery:

20 Mike Gyurics
21 Fiscal Operations Branch Chief
22 Office of Environmental Health Hazard Assessment
23 1001 I Street
24 Sacramento, CA 95814

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

27 4.2 **Attorneys' Fees.** Within ten (10) days of the Effective Date, Defendant shall pay
28 \$23,000.00 to Brodsky Smith as complete reimbursement for Balabbo's attorneys' fees and costs
incurred as a result of investigating, bringing this matter to the attention of Defendant, litigating
and negotiating and obtaining judicial approval of a settlement in the public interest, pursuant to
Code of Civil Procedure § 1021.5.

1 **5. RELEASE OF ALL CLAIMS**

2 5.1 This Consent Judgment is a full, final, and binding resolution between Balabbo
3 acting on her own behalf, and on behalf of the public interest, and Defendant and their parents,
4 shareholders, members, directors, officers, managers, employees, representatives, agents,
5 attorneys, divisions, subdivisions, subsidiaries, partners, sister companies, affiliates, and their
6 predecessors, successors and assigns, including but not limited to Five Below, Inc., and
7 Intercontinental Merchandising (“Defendant Releasees”), of all claims for violations of Proposition
8 65 based on exposure to DEHP from use of the Covered Products manufactured, distributed, or
9 sold by Defendant Releasees within 90 days after the Effective Date as set forth in the Notices. It
10 is the Parties’ intention that this Consent Judgment shall have preclusive effect such that no other
11 actions by private enforcers, whether purporting to act in his, her, or its interests or the public
12 interest shall be permitted to pursue and take any action with respect to any violation of Proposition
13 65 based on exposure to DEHP from use of the Covered Products that was alleged in the Complaint,
14 or that could have been brought pursuant to the Notices against Defendant Releasees (“Proposition
15 65 Claims”). Defendant Releasees’ compliance with the terms of this Consent Judgment constitutes
16 compliance with Proposition 65 by Defendant Releasees with regard to exposure to DEHP from
17 use of the Covered Products.

18 5.2 In addition to the foregoing, Balabbo, on behalf of herself, her past and current
19 agents, representatives, attorneys, and successors and assignees, and not in her representative
20 capacity, hereby waives all rights to institute or participate in, directly or indirectly, any form of
21 legal action and releases Defendant Releasees from any and all manner of actions, causes of action,
22 claims, demands, rights, suits, obligations, debts, contracts, agreements, promises, liabilities,
23 damages, charges, losses, costs, expenses, and attorneys’ fees, of any nature whatsoever, known or
24 unknown, in law or equity, fixed or contingent, now or in the future, with respect to any alleged
25 violations of Proposition 65 related to or arising from Covered Products manufactured, distributed,
26 or sold by Defendant Releasees. With respect to the foregoing waivers and releases in this
27 paragraph, Balabbo hereby specifically waives any and all rights and benefits which she now has,
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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 Defendant waives any and all claims against Balabbo, her attorneys and other representatives, for any and all actions taken, or statements made (or those that could have been taken or made) by Balabbo and her attorneys and other representatives, whether in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against it in this matter, and 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. NOTICES

7.1 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:

Karen Palladino Ciccone
Cermak & Inglin LLP
12121 Wilshire Blvd., Ste. 322
Los Angeles, CA 90025

And

For Balabbo:

Evan Smith
Brodsky Smith
9465 Wilshire Blvd., Ste. 300

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.

8. COUNTERPARTS; FACSIMILE SIGNATURES

8.1 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.

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

9.1 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.

9.2 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.

9.3 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.

10. MODIFICATION

10.1 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.

11. ATTORNEY'S FEES

11.1 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.

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

1 **12. RETENTION OF JURISDICTION**

2 12.1 This Court shall retain jurisdiction of this matter to implement or modify the
3 Consent Judgment.

4 **13. AUTHORIZATION**

5 13.1 The undersigned are authorized to execute this Consent Judgment on behalf of their
6 respective Parties and have read, understood, and agree to all of the terms and conditions of this
7 document and certify that he or she is fully authorized by the Party he or she represents to execute
8 the Consent Judgment on behalf of the Party represented and legally bind that Party. Except as
9 explicitly provided herein each Party is to bear its own fees and costs.

10 **AGREED TO:**

AGREED TO:

11
12 Date: _____

Date: 7/7/2026

13 By: _____
14 PRECILA BALABBO

By: Kristen D. Han
1616 HOLDINGS, INC.

15
16 **IT IS SO ORDERED, ADJUDGED AND DECREED:**

17
18 Dated: _____

Judge of Superior Court

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9 explicitly provided herein each Party is to bear its own fees and costs.

10 **AGREED TO:**

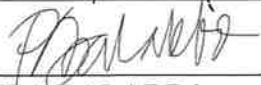
AGREED TO:

11
12 Date:

7 / 13 / 26

Date:

13 By:



By:

14 PRECILA BALABBO

1616 HOLDINGS, INC.

15
16 **IT IS SO ORDERED, ADJUDGED AND DECREED:**

17
18 Dated:

Judge of Superior Court