	ENDORSED
	San Francisco Countre Superior C
Michael Freund SBN 99687	AUG 2 4 2011
Law Office of Michael Freund 1915 Addison Street	CLERK OF THE COURT
Berkeley, CA 94704	BY: DENNIS TOYAMA
Telephone: (510) 540-1992	Deputy Clerk
Facsimile: (510) 540-5543	
Attorney for Plaintiff Environmental Research Center	r
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SUPERIOR COURT OF TH	E STATE OF CALIFORNIA
COUNTY OF SA	NEPANCISCO
COUNT OF SA	IN TRANCISCO
ENVIRONMENTAL RESEARCH CENTER,	Case No. CGC-11-513628
a California non-profit corporation	
Plainitff,	COMPLAINT FOR CIVIL
	PENALTIES
v.	
NEWAYS, INC., NEWAYS INTERNATIONAL,	
GOLDEN GATE CAPITAL, L.P., LTM	Proposition 65, Health & Safety Code
ENTERPRISES, INC. and DOES 1-100	Section 25249.5 et seq.]
Defendants.	
/	
Plaintiff Environmental Research Center hereby alle	ges:
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INTRODUCT	ION
1. Plaintiff Environmental Research Center (herein	nafter "Plaintiff" or "FRC") brings this
1. Tranium Environmental Research Center (herei	inter i minute of Lice , orings uno
action as a private attorney general and in the publi	c interest pursuant to Health & Safety Code
Section 25249.7 (d). This complaint seeks civil pena	alties to remedy Defendants' failure to warn
COMPLAINT FOR INJUNCTIVE AND DECLARATORY RELIEF AND C	

users of certain products sold by the companies that they have been exposed to lead, a chemical known to the State of California to cause cancer, birth defects and other reproductive harm. Based on the Safe Drinking Water and Toxic Enforcement Act of 1986 (Health & Safety Code Section 25249.5 et seq) also known as "Proposition 65," businesses with ten or more employees must provide a "clear and reasonable warning" prior to exposing persons to these chemicals.

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PARTIES

2. Plaintiff ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees and encouraging corporate responsibility.

3. Defendants are businesses that manufacture, distribute and/or sell nutritional products that have exposed users of the Covered Products to lead in the State of California. These products are: Junior Max Citrus Berry Children's Liquid Vitamin Mineral Supplement and Rejuvenate Life Enhancer Dietary Supplement Supports Anti-Aging Process, Pro thin Chitosorb and Emperor's Formula. ("Covered Products"). Defendants are companies that employ ten or more persons.

4. Defendants Does I-100, are named herein under fictitious names, as their true names and capacities are unknown to Plaintiff. ERC is informed and believes, and thereon alleges, that each of said Does is responsible, in some actionable manner, for the events and happenings hereinafter referred to, either through said Defendants' conduct, or through the conduct of its agents, servants or employees, or in some other manner, causing the harms alleged by ERC in this complaint. When said true names and capacities of Does are ascertained, ERC will seek leave to amend this complaint to set forth the same.

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JURISDICTION AND VENUE

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5. This Court has jurisdiction pursuant to California Constitution Article VI, Section 10 because this case is a cause not given by statute to other trial courts.

6. ERC has performed any and all conditions precedent to the filing of a legal action pursuant to Proposition 65 by serving by mail three Notices of Violation, dated September 24, 2010, October 12, 2010 and January 14, 2011 to the Attorney General of the State of California, the state's District Attorneys, the appropriate City Attorney's and to Defendants. A true and correct copy of these Notices is attached herein as Exhibit A. More than 60 days have passed since these Notices were mailed and no public enforcement entity has filed a complaint in this case.

7. This Court is the proper venue for the action because the causes of action have arisen in San Francisco where some of the violations of law have occurred. Furthermore, this Court is the proper venue under Code of Civil Procedure Section 395.5 and Health & Safety Code Section 25249.7.

IV

STATUTORY BACKGROUND

A. Proposition 65

8. The Safe Drinking Water and Toxic Enforcement Act of 1986 is an initiative statute passed as "Proposition 65" by an overwhelming majority vote of the people in November of 1986.

9. The warning requirement of Proposition 65 is contained in Health & Safety Code Section 25249.6, which provides:

No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual, except as provided in Section 25249.10.

10. Implementing regulations for Proposition 65 provide that warnings are required for consumer

COMPLAINT FOR INJUNCTIVE AND DECLARATORY RELIEF AND CIVIL PENALTIES

Page 3

product exposures. A "consumer product exposure is an exposure which results from a person's acquisition, purchase, storage, consumption, or other reasonably foreseeable use of a consumer good, or any exposure that results from receiving a consumer service." 27 CCR Section 25601 (b).

11. Whenever a clear and reasonable warning is required under Health & Safety Code Section 25249.6, the "method employed to transmit the warning must be reasonably calculated considering the alternative methods available under the circumstances, to make the warning message available prior to exposure." 27 CCR Section 25601. The warning requirement may be satisfied by a warning that appears on a product's label or other labeling, shelf labeling, signs, a system of signs, public advertising identifying the system and toll-free information services, or any other, system, that provides clear and reasonable warnings. <u>Id.</u>, Section 25603.1 (a) – (d).

12. Proposition 65 establishes a procedure by which the State is to develop a list of chemicals "known to the State to cause cancer or reproductive toxicity." Health & Safety Code Section 25249.8. There is no duty to provide a clear and reasonable warning until 12-months after the chemical was published on the State list. <u>Id</u>., Section 25249.10 (b). Lead was listed as a chemical known to the State of California to cause developmental toxicity and male and female reproductive toxicity on February 27, 1987. Lead was listed as a chemical known to the State of California to cause cancer on October 1, 1992. Title 27, Cal. Code Regs., Section 27001.

13. Proposition 65 may be enforced by any person in the public interest who provides notice sixty days before filing suit to both the violator and designated law enforcement officials. The failure of law enforcement officials to file a timely complaint enables a citizen suit to be filed pursuant to Health & Safety Code Section 25249.7 (c).

14. Proposition 65 provides that any person "violating or threatening to violate" Proposition 65 may be enjoined in any court of competent jurisdiction. Health & Safety Code Section 25249.7 (a).

To "threaten to violate" means "to create a condition in which there is a substantial probability that a violation will occur." <u>Id</u>., Section 25249.11 (e). Furthermore, violators are subject to a civil penalty of up to \$2,500 per day for each violation. <u>Id</u>., <u>Section</u> 25249.7 (b).

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STATEMENT OF FACTS

15. Defendants have manufactured, distributed and/or sold the Covered Products to the State of California that contain lead. Consumers have been ingesting these products for many years, without any knowledge of their exposure to lead, a very dangerous chemical.

16. Defendants have knowingly and intentionally exposed numerous persons to lead, without providing a Proposition 65 warning. Defendants have not provided a warning on the label of the Covered Products, nor is there any mention on Defendants' website that the products contain lead. Defendants have at all times relevant hereto been aware that the Covered Products contained lead and that persons using these products have been exposed to the chemical. Defendants conduct rigorous testing in every phase of product development, from research and development to quality control. Defendants are required to conduct testing of their products to comply with standards set by the United States Food and Drug Administration. The Covered Products are systematically tested for heavy metals, including lead. Defendants receive considerable information about the raw materials used in the Covered Products from their supplier. Defendants' website represents to the public that they strive to maximize people's health, while minimizing their exposures to potentially harmful ingredient and that their products avoid thousands of harmful ingredients. While aware of the lead in their products, Defendants have concealed this fact from the public, who undoubtedly believed they have been ingesting totally healthy and pure products. Defendants have marketed the Covered Products with knowledge that consumers have been exposed to lead during normal use of

the products.

17. Defendants have failed to provide consumers of the Covered Products with a clear and reasonable warning that they have been exposed to a chemical known to the State of California to cause cancer, birth defects and other reproductive harm.

FIRST CAUSE OF ACTION

(Violation of Section 25249.6 of the Health and Safety Code, Failure to Provide Clear and Reasonable Warning under Proposition 65)

18. Defendants refer to paragraphs 1-17, inclusive, and incorporates them herein by this reference.

19. By committing the acts alleged above, Defendants have, in the course of doing business, knowingly and intentionally exposed users of the Covered Products to lead, a chemical known to the State of California to cause cancer, birth defects and other reproductive harm without first giving clear and reasonable warning to such individuals, within the meaning of Health & Safety Code Section 25249.6.

20. Said violations render Defendants liable for civil penalties up to \$2,500 (two thousand, five hundred dollars) per day, for each violation.

VI

PRAYER

WHEREFORE ERC prays for relief as follows:

1. On the First Cause of Action, for civil penalties for each and every violation according to proof;

2. for reasonable attorneys' fees pursuant to Section 1021.5 of the Code of Civil Procedure or the substantial benefit theory;

3. For costs of suit herein; and

4. For such other relief as the Court may deem just and proper.	
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By

Dated: August 18, 2011

Michael Freund Attorney for Environmental Research Center



5694 Mission Center Road #199 San Diego, CA 02108 519:309:4194

September 24, 2010

VIA PRIORITY MAIL

VIA CERTIFIED MAIL

Current CEO or President Golden Gate Capital, L.P. One Embarcadero Center Floor 39 San Francisco, CA 94111

Harold O. Shattuck (Golden Gate Capital, L.P.'s Agent for Service of Process) 431 Florence St. Suite 210 Palo Alto, CA 94301

Current CEO or President LTM Enterprises, Inc. 3643 W. 1987 S Salt Lake City, UT 84104

Matthew J. Lyman (LTM Enterprises, Inc.'s Agent for Service of Process) 3643 W. 1987 S Salt Lake City, UT 84104

Current CEO or President Neways International 2089 Neways Drive Springville, UT 84663

Christopher S. Crump (Neways International's Agent for Service of Process) 2089 Neways Drive Sprinville, UT 84663

Current CEO or President Neways, Inc. 2089 Neways Drive Springville, UT 84663 District Attorneys of All California Counties and Select City Attorneys (See Attached Certificate of Service)

National Registered Agents, Inc. (Neways, Inc.'s Agent for Service of Process 2875 Michelle Drive, Suite 100 Irvine, CA 92606

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 P.O. Box 70550 Oakland, CA 94612-0550

Re: Notice of Violations of California Health & Safety Code Section 25249.5 et seq.

Dear Addressees:

I am the Executive Director of the Environmental Research Center ("ERC") in connection with this Notice of Violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986, which is codified at California Health & Safety Code Section 25249.5 *et seq.* and also referred to as Proposition 65.

ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

The names of the Companies covered by this Notice that violated Proposition 65 are:

Golden Gate Capital, L.P. LTM Enterprises, Inc Neways International Neways, Inc.

The products that are the subject of this Notice and the chemical in those products identified as exceeding allowable levels are:

Junior Max Citrus Berry Children's Liquid Vitamin Mineral Supplement - Lead Rejuvenate Life Enhancer Dietary Supplement Supports Anti-Aging Processes - Lead

On February 27, 1987, the State of California officially listed lead as a chemical known to cause developmental toxicity, and male and female reproductive toxicity. On October 1, 1992, the State of California officially listed lead as chemical known to cause cancer.

This letter is a Notice to Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, Neways, Inc. and the appropriate governmental authorities of the Proposition 65 violations concerning the listed products. This Notice covers all violations of Proposition 65 involving Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, and Neways, Inc. currently known to ERC from the information now available. ERC may continue to investigate other products that may reveal further violations. A summary of

Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, has been provided to the Noticed Companies with a copy of this letter.

Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, and Neways, Inc have manufactured, marketed, distributed, and/or sold the listed products, which have exposed and continue to expose numerous individuals within California to the identified chemicals. The primary route of exposure to these chemicals has been through ingestion, but may have also occurred through inhalation and/or dermal contact. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemicals. The method of warning should be a warning that appears on the product's label. Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, and Neways, Inc. have violated Proposition 65 because the Companies have failed to provide an appropriate warning to persons using these products that they are being exposed to the identified chemical.

Pursuant to Section 25249.7(d) of the statute, ERC intends to file a citizen enforcement action sixty days after effective service of this Notice unless Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, and Neways, Inc. agree in an enforceable written instrument to: (1) reformulate the listed products so as to eliminate further exposures to the identified chemicals; and (2) pay an appropriate civil penalty. Consistent with the public interest goals of Proposition 65 and ERC's objectives in pursuing this Notice, ERC is interested in seeking a constructive resolution to this matter. Such resolution will avoid both further unwarned consumer exposures to the identified chemicals and expensive and time consuming litigation.

Please direct all questions concerning this Notice to ERC's attorney, Michael Freund, address: 1915 Addison Street, Berkley, California, 94704-1101, telephone no.: 510-540-1992, e-mail: Freund1@aol.com.

Sincerely,

Ser Martin

Chris Heptinstall Executive Director Environmental Research Center

cc: Karen Evans

Attachments

Certificate of Merit Certificate of Service OEHHA Summary (to Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, Neways, Inc., and their Registered Agents of Process Only) Additional Supporting Information for Certificate of Merit (to AG only)

CERTIFICATE OF MERIT

Re: Environmental Research Center's Notice of Proposition 65 Violations by Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, and Neways, Inc.

I, Michael Freund, declare:

- 1. This Certificate of Merit accompanies the attached sixty-day Notice in which it is alleged the party identified in the Notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
- 2. I am an attorney for the noticing party.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of the Notice.
- 4. Based on the information obtained through those consultants, and on other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute.
- 5. Along with the copy of this Certificate of Merit served on the Attorney General is attached additional factual information sufficient to establish the basis for this Certificate, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

That From 1

Dated: September 24, 2010

Michael Freund Attorney for Environmental Research Center

CERTIFICATE OF SERVICE

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States, over the age of 18 years of age, and am not a party to the within entitled action. My business address is 306 Joy Street, Fort Oglethorpe, Georgia 30742

On September 24, 2010, I served the following documents:

NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE §25249.5 *ET SEQ*.; CERTIFICATE OF MERIT; "THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY"

On the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to the party listed below and depositing it in a US Postal Service Office for delivery by Certified Mail:

Current CEO or President Golden Gate Capital, L.P. One Embarcadero Center Floor 39 San Francisco, CA 94111

Harold O. Shattuck (Golden Gate Capital, L.P.'s Registered Agent for Service of Process) 431 Florence St. Suite 210 Palo Alto, CA 94301

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Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 Post Office Box 70550 Oakland, CA 94612-0550

On September 24, 2010, I served the following documents: NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 *ET SEQ.*; CERTIFICATE OF MERIT on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties on the Service List attached hereto, and depositing it with the U.S. Postal Service for delivery by Priority Mail.

Executed on September 24, 2010, in Fort Oglethorpe, Georgia.

Chris Heptinstall

District Attorney, Placer County 10810 Justice Center Drive, Ste 240 Roseville, CA 95678

District Attorney, Plumas County 520 Main Street, Room 404 Ouincy, CA 95971

District Attorney, Riverside County 4075 Main Street, 1st Floor Riverside, CA 92501

District Attorney, Sacramento County 901 "G" Street Sacramento, CA 9581

District Attorney, San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney, San Bernardino County 316 N. Mountain View Avenue San Bernardino, CA 92415-0004

District Attorney, San Diego County 330 West Broadway, Room 1300 San Diego, CA 92101

District Attorney, San Francisco County 850 Bryant Street, Room 325 San Francsico, CA 94103

District Attorney, San Joaquin County Post Office Box 990 Stockton, CA 95201

District Attorney, San Luis Obispo County 1050 Monterey Street, Room 450 San Luis Obispo, CA 93408

District Attorney, San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063

District Attorney, Santa Barbara County 1105 Santa Barbara Street Santa Barbara, CA 93101

District Attorney, Santa Clara County 70 West Hedding Street San Jose, CA 95110

District Attorney, Santa Cruz County 701 Ocean Street, Room 200 Santa Cruz, CA 95060

District Attorney, Shasta County 1525 Court Street, Third Floor Redding, CA 96001-1632

District Attorney, Sierra County PO Box 457 Downieville, CA 95936 District Attorney, Siskiyou County Post Office Box 986 Yreka, CA 96097

District Attorney, Solano County 675 Texas Street, Ste 4500 Fairfield, CA 94533

District Attorney, Sonoma County 600 Administration Drive, Room 212J Santa Rosa, CA 95403

District Attorney, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95353

District Attorney, Sutter County 446 Second Street Yuba City, CA 95991

District Attorney, Tehama County Post Office Box 519 Red Bluff, CA 96080

District Attorney, Trinity County Post Office Box 310 Weaverville, CA 96093

District Attorney, Tulare County 221 S. Mooney Avenue, Room 224 Visalia, CA 93291

District Attorney, Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney, Ventura County 800 South Victoria Avenue Ventura, CA 93009

District Attorney, Yolo County 301 2nd Street Woodland, CA 95695

District Attorney, Yuba County 215 Fifth Street Marysville, CA 95901

Los Angeles City Attorney's Office City Hall East 200 N. Main Street, Rm 800 Los Angeles, CA 90012

San Diego City Attorney's Office 1200 3rd Avenue, Ste 1620 San Diego, CA 92101

San Francisco City Attorney's Office City Hall, Room 234 1 Drive Carlton B Goodlett Place San Francisco, CA 94102

San Jose City Attorney's Office 200 East Santa Clara Street San Jose, CA 95113

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A HAN

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- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of the Notice.
- 4. Based on the information obtained through those consultants, and on other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute.
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Mile Freund

Dated: October 12, 2010

Michael Freund Attorney for Environmental Research Center

CERTIFICATE OF SERVICE

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States, over the age of 18 years of age, and am not a party to the within entitled action. My business address is 306 Joy Street, Fort Oglethorpe, Georgia 30742

On October 12, 2010, I served the following documents:

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Executed on October 12, 2010, in Fort Oglethorpe, Georgia.

Appli the

Chris Heptinstall

Service List

District Attorney, Alameda County 1225 Fallon Street, Room 900 Oakland, CA 94612

District Attorney, Alpine County P.O. Box 248 Markleeville, CA 96120

District Attorney, Amador County 708 Court Street, #202 Jackson, CA 95642

District Attorney, Butte County 25 County Center Drive Oroville, CA 95965

District Attorney, Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249

District Attorney, Colusa County 547 Market Street Colusa, CA 95932

District Attorney, Contra Costa County 900 Ward Street Martinez, CA 94553

District Attorney, Del Norte County 450 H Street, Ste. 171 Crescent City, CA 95531

District Attorney, El Dorado County 515 Main Street Placerville, CA 95667

District Attorney, Fresno County 2220 Tulare Street, #1000 Fresno, CA 93721

District Attorney, Glenn County Post Office Box 430 Willows, CA 95988

District Attorney, Humboldt County 825 5th Street Eureka, CA 95501

District Attorney, Imperial County 939 West Main Street, Ste 102 El Centro, CA 92243

District Attorney, Inyo County 230 W. Line Street Bishop, CA 93514

District Attorney, Kern County 1215 Truxtun Avenue Bakersfield, CA 93301 District Attorney, Kings County 1400 West Lacey Boulevard Hanford, CA 93230

District Attorney, Lake County 255 N. Forbes Street Lakeport, CA 95453

District Attorney, Lassen County 220 South Lassen Street, Ste. 8 Susanville, CA 96130

District Attorney, Los Angeles County 210 West Temple Street, Rm 345 Los Angeles, CA 90012

District Attorney, Madera County 209 West Yosemite Avenue Madera, CA 93637

District Attorney, Marin County 3501 Civic Center, Room 130 San Rafael, CA 94903

District Attorney, Mariposa County Post Office Box 730 Mariposa, CA 95338

District Attorney, Mendocino County Post Office Box 1000 Ukiah, CA 95482

District Attorney, Merced County 2222 M Street Merced, CA 95340

District Attorney, Modoc County 204 S Court Street, Room 202 Alturas, CA 96101-4020

District Attorney, Mono County Post Office Box 617 Bridgeport, CA 93517

District Attorney, Monterey County 230 Church Street, Bldg 2 Salinas, CA 93901

District Attorney, Napa County 931 Parkway Mall Napa, CA 94559

District Attorney, Nevada County 110 Union Street Nevada City, CA 95959

District Attorney, Orange County 401 Civic Center Drive West Santa Ana, CA 92701

District Attorney, Placer County 10810 Justice Center Drive, Ste 240 Roseville, CA 95678

District Attorney, Plumas County 520 Main Street, Room 404 Quincy, CA 95971

District Attorney, Riverside County 4075 Main Street, 1st Floor Riverside, CA 92501

District Attorney, Sacramento County 901 "G" Street Sacramento, CA 9581

District Attorney, San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney, San Bernardino County 316 N. Mountain View Avenue San Bernardino, CA 92415-0004

District Attorney, San Diego County 330 West Broadway, Room 1300 San Diego, CA 92101

District Attorney, San Francisco County 850 Bryant Street, Room 325 San Francsico, CA 94103

District Attorney, San Joaquin County Post Office Box 990 Stockton, CA 95201

District Attorney, San Luis Obispo County 1050 Monterey Street, Room 450 San Luis Obispo, CA 93408

District Attorney, San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063

District Attorney, Santa Barbara County 1105 Santa Barbara Street Santa Barbara, CA 93101

District Attorney, Santa Clara County 70 West Hedding Street San Jose, CA 95110

District Attorney, Santa Cruz County 701 Ocean Street, Room 200 Santa Cruz, CA 95060

District Attorney, Shasta County 1525 Court Street, Third Floor Redding, CA 96001-1632

District Attorney, Sierra County PO Box 457 Downieville, CA 95936 District Attorney, Siskiyou County Post Office Box 986 Yreka, CA 96097

District Attorney, Solano County 675 Texas Street, Ste 4500 Fairfield, CA 94533

District Attorney, Sonoma County 600 Administration Drive, Room 212J Santa Rosa, CA 95403

District Attorney, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95353

District Attorney, Sutter County 446 Second Street Yuba City, CA 95991

District Attorney, Tehama County Post Office Box 519 Red Bluff, CA 96080

District Attorney, Trinity County Post Office Box 310 Weaverville, CA 96093

District Attorney, Tulare County 221 S. Mooney Avenue, Room 224 Visalia, CA 93291

District Attorney, Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney, Ventura County 800 South Victoria Avenue Ventura, CA 93009

District Attorney, Yolo County 301 2nd Street Woodland, CA 95695

District Attorney, Yuba County 215 Fifth Street Marysville, CA 95901

Los Angeles City Attorney's Office City Hall East 200 N. Main Street, Rm 800 Los Angeles, CA 90012

San Diego City Attorney's Office 1200 3rd Avenue, Ste 1620 San Diego, CA 92101

San Francisco City Attorney's Office City Hall, Room 234 1 Drive Carlton B Goodlett Place San Francisco, CA 94102

San Jose City Attorney's Office 200 East Santa Clara Street San Jose, CA 95113



San Diego, CA 92108 619.309.4194

January 14, 2011

VIA CERTIFIED MAIL

Current CEO or President Golden Gate Capital, L.P. One Embarcadero Center Floor 39 San Francisco, CA 94111

Harold O. Shattuck (Golden Gate Capital, L.P.'s Agent for Service of Process) 431 Florence St. Suite 210 Palo Alto, CA 94301

Current CEO or President LTM Enterprises, Inc. 2089 Neways Drive Springville, UT 84663

Current CEO or President Neways International 2089 Neways Drive Springville, UT 84663

Christopher S. Crump (Neways International's Agent for Service of Process) 2089 Neways Drive Springville, UT 84663

Current CEO or President Neways, Inc. 2089 Neways Drive Springville, UT 84663

National Registered Agents, Inc. (Neways, Inc.'s Agent for Service of Process) 2875 Michelle Drive, Suite 100 Irvine, CA 92606

VIA PRIORITY MAIL

District Attorneys of All California Counties and Select City Attorneys (See Attached Certificate of Service)

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 P.O. Box 70550 Oakland, CA 94612-0550

Re: Notice of Violations of California Health & Safety Code Section 25249.5 et seq.

Dear Addressees:

I am the Executive Director of the Environmental Research Center ("ERC") in connection with this Notice of Violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986, which is codified at California Health & Safety Code Section 25249.5 *et seq.* and also referred to as Proposition 65.

ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

The names of the Companies covered by this Notice that violated Proposition 65 are:

Golden Gate Capital, L.P. LTM Enterprises, Inc Neways International Neways, Inc.

The products that are the subject of this Notice and the chemical in those products identified as exceeding allowable levels are:

Neways Inc. Pro thin Chitosorb 120 tablets - Lead Neways Inc. Emperor's Formula 240 Tablets - Lead

On February 27, 1987, the State of California officially listed lead as a chemical known to cause developmental toxicity, and male and female reproductive toxicity. On October 1, 1992, the State of California officially listed lead as chemical known to cause cancer.

This letter is a Notice to Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, Neways, Inc. and the appropriate governmental authorities of the Proposition 65 violations concerning the listed products. This Notice covers all violations of Proposition 65 involving Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, and Neways, Inc. currently known to ERC from the information now available. ERC may continue to investigate other products that may reveal further violations. A summary of Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, has been provided to the Noticed Companies with a copy of this letter.

Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, and Neways, Inc. have manufactured, marketed, distributed, and/or sold the listed products, which have exposed and continue to expose numerous individuals within California to the identified chemicals. The primary route of exposure to

these chemicals has been through ingestion, but may have also occurred through inhalation and/or dermal contact. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemicals. The method of warning should be a warning that appears on the product's label. Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, and Neways, Inc. have violated Proposition 65 because the Companies have failed to provide an appropriate warning to persons using these products that they are being exposed to the identified chemical.

Pursuant to Section 25249.7(d) of the statute, ERC intends to file a citizen enforcement action sixty days after effective service of this Notice unless Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, and Neways, Inc. agree in an enforceable written instrument to: (1) reformulate the listed products so as to eliminate further exposures to the identified chemicals; and (2) pay an appropriate civil penalty. Consistent with the public interest goals of Proposition 65 and ERC's objectives in pursuing this Notice, ERC is interested in seeking a constructive resolution to this matter. Such resolution will avoid both further unwarned consumer exposures to the identified chemicals and expensive and time consuming litigation.

Please direct all questions concerning this Notice to ERC's attorney, Michael Freund, address: 1915 Addison Street, Berkley, California, 94704-1101, telephone no.: 510-540-1992, e-mail: Freund1@aol.com.

Sincerely,

Support

Chris Heptinstall Executive Director Environmental Research Center

cc: Karen Evans

Attachments

Certificate of Merit Certificate of Service OEHHA Summary (to Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, Neways, Inc., and their Registered Agents of Process Only) Additional Supporting Information for Certificate of Merit (to AG only)

CERTIFICATE OF MERIT

Re: Environmental Research Center's Notice of Proposition 65 Violations by Golden Gate Capital, L.P., LTM Enterprises, Inc, Neways International, and Neways, Inc.

I, Michael Freund, declare:

- 1. This Certificate of Merit accompanies the attached sixty-day Notice in which it is alleged the party identified in the Notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
- 2. I am an attorney for the noticing party.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of the Notice.
- 4. Based on the information obtained through those consultants, and on other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute.
- 5. Along with the copy of this Certificate of Merit served on the Attorney General is attached additional factual information sufficient to establish the basis for this Certificate, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Michel Freund

Dated: January 14, 2011

Michael Freund Attorney for Environmental Research Center

CERTIFICATE OF SERVICE

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States, over the age of 18 years of age, and am not a party to the within entitled action. My business address is 306 Joy Street, Fort Oglethorpe, Georgia 30742

On January 14, 2011, I served the following documents:

NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE §25249.5 *ET SEQ.*; CERTIFICATE OF MERIT; "THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY" on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to the party listed below and depositing it in a US Postal Service Office for delivery by Certified Mail:

> Current CEO or President Golden Gate Capital, L.P. One Embarcadero Center Floor 39 San Francisco, CA 94111

Harold O. Shattuck (Golden Gate Capital, L.P.'s Agent for Service of Process) 431 Florence St. Suite 210 Palo Alto, CA 94301

Current CEO or President LTM Enterprises, Inc. 2089 Neways Drive Springville, UT 84663 Current CEO or President Neways International 2089 Neways Drive Springville, UT 84663

Christopher S. Crump (Neways International's Agent for Service of Process) 2089 Neways Drive Springville, UT 84663

Current CEO or President Neways, Inc. 2089 Neways Drive Springville, UT 84663

National Registered Agents, Inc. (Neways, Inc.'s Agent for Service of Process) 2875 Michelle Drive, Suite 100 Irvine, CA 92606

On January 14, 2011, I served the following documents:

NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 *ET SEQ.*; CERTIFICATE OF MERIT; ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE §25249.7(d)(1) on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to the party listed below and depositing it in a US Postal Service Office for delivery by Certified Mail:

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 Post Office Box 70550 Oakland, CA 94612-0550

On January 14, 2011, I served the following documents:

NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 *ET SEQ.*; **CERTIFICATE OF MERIT** on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties on the Service List attached hereto, and depositing it with the U.S. Postal Service for delivery by Priority Mail.

Executed on January 14, 2011, in Fort Oglethorpe, Georgia.

- for the start of

Chris Heptinstall

Service List

District Attorney, Alameda County 1225 Fallon Street, Room 900 Oakland, CA 94612

District Attorney, Alpine County P.O. Box 248 Markleeville, CA 96120

District Attorney, Amador County 708 Court Street, #202 Jackson, CA 95642

District Attorney, Butte County 25 County Center Drive Oroville, CA 95965

District Attorney, Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249

District Attorney, Colusa County 547 Market Street Colusa, CA 95932

District Attorney, Contra Costa County 900 Ward Street Martinez, CA 94553

District Attorney, Del Norte County 450 H Street, Ste. 171 Crescent City, CA 95531

District Attorney, El Dorado County 515 Main Street Placerville, CA 95667

District Attorney, Fresno County 2220 Tulare Street, #1000 Fresno, CA 93721

District Attorney, Glenn County Post Office Box 430 Willows, CA 95988

District Attorney, Humboldt County 825 5th Street Eureka, CA 95501

District Attorney, Imperial County 939 West Main Street, Ste 102 El Centro, CA 92243

District Attorney, Inyo County 230 W. Line Street Bishop, CA 93514

District Attorney, Kern County 1215 Truxtun Avenue Bakersfield, CA 93301 District Attorney, Kings County 1400 West Lacey Boulevard Hanford, CA 93230

District Attorney, Lake County 255 N. Forbes Street Lakeport, CA 95453

District Attorney, Lassen County 220 South Lassen Street, Ste. 8 Susanville, CA 96130

District Attorney, Los Angeles County 210 West Temple Street, Rm 345 Los Angeles, CA 90012

District Attorney, Madera County 209 West Yosemite Avenue Madera, CA 93637

District Attorney, Marin County 3501 Civic Center, Room 130 San Rafael, CA 94903

District Attorney, Mariposa County Post Office Box 730 Mariposa, CA 95338

District Attorney, Mendocino County Post Office Box 1000 Ukiah, CA 95482

District Attorney, Merced County 2222 M Street Merced, CA 95340

District Attorney, Modoc County 204 S Court Street, Room 202 Alturas, CA 96101-4020

District Attorney, Mono County Post Office Box 617 Bridgeport, CA 93517

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District Attorney, Shasta County 1525 Court Street, Third Floor Redding, CA 96001-1632

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District Attorney, Solano County 675 Texas Street, Ste 4500 Fairfield, CA 94533

District Attorney, Sonoma County 600 Administration Drive, Room 212J Santa Rosa, CA 95403

District Attorney, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95353

District Attorney, Sutter County 446 Second Street Yuba City, CA 95991

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District Attorney, Tulare County 221 S. Mooney Avenue, Room 224 Visalia, CA 93291

District Attorney, Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney, Ventura County 800 South Victoria Avenue Ventura, CA 93009

District Attorney, Yolo County 301 2nd Street Woodland, CA 95695

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