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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ALAMEDA

ANTHONY FERREIRO,

Plaintiff,

v.

LYLE ENTERPRISES, INC.,

Defendant.

Case No.: RG17857025

COMPLAINT FOR CIVIL PENALTIES AND INJUNCTIVE RELEIF

(Violation of Health & Safety Code §25249.5 *et seq.)*

Plaintiff Anthony Ferreiro ("Plaintiff" or "Ferreiro"), by and through his attorneys, alleges the following cause of action in the public interest of the citizens of the State of California.

BACKGROUND OF THE CASE

1. Plaintiff brings this representative action on behalf of all California citizens to enforce relevant portions of Safe Drinking Water and Toxic Enforcement Act of 1986, codified at the Health and Safety Code § 25249.5 *et seq* ("Proposition 65"), which reads, in relevant part, "[n]o 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 …". Health & Safety Code § 25249.6.

2. This complaint is a representative action brought by Plaintiff in the public interest of the citizens of the State of California to enforce the People's right to be informed of the health hazards caused by exposure to Di(2-ethylhexyl) phthalate (DEHP), a toxic chemical found in See Your Stuff Storage Bags sold and/or distributed by defendant Lyle Enterprises, Incorporated ("Lyle" or "Defendant") in California.

3. DEHP is a harmful chemical known to the State of California to cause cancer and reproductive toxicity. On January 1, 1988, the State of California listed DEHP as a chemical known to the State to cause cancer and it has come under the purview of Proposition 65 regulations since that time. Cal. Code Regs. Tit. 27, § 27001(c); Health & Safety Code §§ 25249.8 & 25249.10(b). On October 24, 2003, the State of California listed DEHP as a chemical known to cause reproductive toxicity.

4. Proposition 65 requires all businesses with ten (10) or more employees that operate within California or sell products therein to comply with Proposition 65 regulations. Included in such regulations is the requirement that businesses must label any product containing a Proposition 65-listed chemical with a "clear and reasonable" warning before "knowingly and intentionally" exposing any person to it.

5. Proposition 65 allows for civil penalties of up to $2,500.00 per day per violation to be imposed upon defendants in a civil action for violations of Proposition 65. Health & Safety Code § 25249.7(b). Proposition 65 also allows for any court of competent jurisdiction to enjoin the actions of a defendant which "violate[s] or threaten[s] to violate" the statute. Health & Safety Code § 25249.7.

6. Plaintiff alleges that Defendant produces, manufactures, distributes, imports, sells, and/or offers for sale, without the required warning, See Your Stuff Storage Bags, UPC No. 7 66516 14001 1 ("Product" or "Products") in California containing DEHP.

7. Defendant's failure to warn consumers and other individuals in California of the health hazards associated with exposure to DEHP in conjunction with the sale, manufacture, and/or distribution of the Product is a violation of Proposition 65 and subjects Defendant to the enjoinment and civil penalties described herein.

8. Plaintiff seeks civil penalties against Defendant for its violations of Proposition 65 in accordance with Health and Safety Code § 25249.7(b).

9. Plaintiff also seeks injunctive relief, preliminarily and permanently, requiring Defendant to provide purchasers or users of the Product with the required warnings related to the dangers and health hazards associated with exposure to DEHP pursuant to Health and Safety Code § 25249.7(a).

PARTIES

10. Plaintiff is a citizen of the State of California acting in the interest of the general public to promote awareness of exposures to toxic chemicals in products sold in California and to improve human health by reducing hazardous substances contained in such items. He brings this action in the public interest pursuant to Health and Safety Code § 25249.7(d).

11. Defendant Lyle, through its business, effectively manufactures, imports, distributes, sells, and/or offers the Product for sale or use in the State of California, or it implies by its conduct that it manufactures, imports, distributes, sells, and/or offers the Product for sale or use in the State of California. Lyle maintains an agent for service of process at c/o Steve R. Lyle, 5920 E. Seltice Way, Suite 1, Post Falls, ID 83854.

12. Defendant Lyle is a "person" in the course of doing business within the meaning of Health & Safety Code sections 25249.6 and 25249.11.

VENUE AND JURISDICTION

13. Venue is proper in the County of Alameda because one or more of the instances of wrongful conduct occurred, and continue to occur in this county and/or because Defendant conducted, and continues to conduct, business in the County of Alameda with respect to the Product.

14. This Court has jurisdiction over this action pursuant to California Constitution Article VI, § 10, which grants the Superior Court original jurisdiction in all causes except those given by statute to other trial courts. Health and Safety Code § 25249.7 allows for the enforcement of violations of Proposition 65 in any Court of competent jurisdiction; therefore, this Court has jurisdiction over this lawsuit.

15. This Court has jurisdiction over Defendant because it is either a citizen of the State of California, has sufficient minimum contacts with the State of California, is registered with the California Secretary of State as foreign corporations authorized to do business in the State of California, and/or has otherwise purposefully availed itself of the California market. Such purposeful availment has rendered the exercise of jurisdiction by California courts consistent and permissible with traditional notions of fair play and substantial justice.

SATISFACTION OF NOTICE REQUIREMNTS

16. On October 14, 2016, Plaintiff gave notice of alleged violation of Health and Safety Code § 25249.6 (the "Notice") to Lyle concerning the exposure of California citizens to DEHP contained in the Product without proper warning, subject to a private action to Lyle and to the California Attorney General's office and the offices of the County District attorneys and City Attorneys for each city with a population greater than 750,000 persons wherein the herein violations allegedly occurred.

17. The Notice complied with all procedural requirements of Proposition 65 including the attachment of a Certificate of Merit affirming that Plaintiff's counsel had consulted with at least one person with relevant and appropriate expertise who reviewed relevant data regarding DEHP exposure, and that counsel believed there was meritorious and reasonable cause for a private action.

18. After receiving the Notice, and to Plaintiff's best information and belief, none of the noticed appropriate public enforcement agencies have commenced and diligently prosecuted a cause of action against Lyle under Proposition 65 to enforce the alleged violations which are the subject of Plaintiff's notice of violation.

19. Plaintiff is commencing this action more than sixty (60) days from the date of the Notice to Lyle, as required by law.

FIRST CAUSE OF ACTION

(By Plaintiff against Defendant for the Violation of Proposition 65)

20. Plaintiff hereby repeats and incorporates by reference paragraphs 1 through 19 of this complaint as though fully set forth herein.

21. Defendant has, at all times mentioned herein, acted as manufacturer, distributer, and/or retailer of the Product.

22. The Product contains DEHP, a hazardous chemical found on the Proposition 65 list of chemicals known to be hazardous to human health.

23. The Product does not comply with the Proposition 65 warning requirements.

24. Plaintiff, based on his best information and belief, avers that at all relevant times herein, and at least since September 1, 2016, continuing until the present, that Lyle has continued to knowingly and intentionally expose California users and consumers of the Product to DEHP without providing required warnings under Proposition 65.

25. The exposures that are the subject of the Notice result from the purchase, acquisition, handling and recommended use of the product. . Consequently, the primary route of exposure to these chemicals is through dermal absorption. Dermal absorption of DEHP can occur through direct skin contact with the clear window of the zippered pouch during routine use when the pouch is grasped, opened, or manipulated with bare hands, which can result in an increased exposure risk to the user, which may include both children and adults. The clear window can be expected to emit gas phase DEHP into the air over the lifetime of the product. Concentrations of gas phase DEHP can be expected to build within the small, enclosed interior of the pouch. This gas phase DEHP can potentially be absorbed to the surface of the interior contents of the pouch 3hich can include any number of small items. When handled, these items can provide an indirect source of dermal transfer of DEHP to the user's bare hands. If the pouch is stored or transported in a carrier, or a drawer, DEHP that leaches from the pouch may contaminate other articles contained within the carrier bag or drawer that are subsequently handled by the user. Finally, while mouthing of the product does not seem likely, some amount of exposure through ingestion can occur by touching the product with subsequent touching of the user's hand to mouth, or if the interior contents should become contaminated with DEHP that has leached from the clear window and these contents subsequently come into contact with the user's mouth or are ingested.

26. Plaintiff, based on his best information and belief, avers that such exposures will continue every day until clear and reasonable warnings are provided to Product purchasers and users or until this known toxic chemical is removed from the Product.

27. Defendant has knowledge that the normal and reasonably foreseeable use of the Product exposes individuals to DEHP, and Defendant intends that exposures to DEHP will occur by their deliberate, non-accidental participation in the manufacture, importation, distribution, sale and offering of the Product to consumers in California

28. Plaintiff has engaged in good faith efforts to resolve the herein claims prior to this Complaint.

29. Pursuant to Health and Safety Code § 25249.7(b), as a consequence of the above described acts, Defendant is liable for a maximum civil penalty of $2,500 per day per violation.

30. Pursuant to Health and Safety Code § 25249.7(a), this Court is specifically authorized to grant injunctive relief in favor of Plaintiff and against Defendant.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment against Defendant and requests the following relief:

A. That the court assess civil penalties against Defendant in the amount of $2.500 per day for each violation in accordance with Health and Safety Code § 25249.7(b);

B. That the court preliminarily and permanently enjoin Defendant mandating Proposition 65 compliant warnings on the Product;

C. That the court grant Plaintiff reasonable attorney's fees and costs of suit.

D. That the court grant any further relief as may be just and proper.

Dated: April 17, 2017

BRODSKY & SMITH, LLC

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