

VIA U.S. MAIL

CEO/President/Owner
Ford Motors Company
One American Road
Dearborn, MI 48126
Attn: William C. Ford, Jr.

CEO/President/Owner
Ford Motors Company, Inc.
17601 Brookpark Road
Cleveland, OH 44142-1518

CEO/President/Owner
Ford Motors Company, Inc.
2600 Oakwood
Dearborn, MI 48120-8120

CEO/President/Owner
Ford Motors Company, Inc.
37625 Michigan Avenue
Wayne, MI 48184-1070

May 16, 2003

60-Day Notice of Intent to Sue Under Health & Safety Code Section 25249.6

This notice is given by Consumer Advocacy Group, Inc. 9899 Santa Monica Boulevard, # 225, Beverly Hills CA 90212. The noticing party must be contacted through the following entity: Reuben Yeroushalmi; 3700 Wilshire Blvd., Ste. 480 Los Angeles, CA 90010; 213-382-3183. This notice is an amendment of the notice sent by Consumer Advocacy Group, Inc. to Ford Motors Company, Inc. on December 31, 2001. This letter constitutes notification that Proposition 65, The Safe Drinking Water and Toxic Enforcement Act (commencing with Health & Safety Code Section 25249.5) has been violated by the following company and/or entity (hereinafter, "the violator[s]") and during the time period referenced below:

FORD MOTORS COMPANY

PERIOD OF VIOLATION
From: 5/16/99 Through 5/16/03 And continuing thereafter.

Consumer Exposures

While in the course of doing business, each and every day, during the time period referenced above, the violator(s) has been and is knowingly and intentionally manufacturing and/or selling and/or storing and/or distributing brake pad products in the State of California including, but not limited, to:

Ford Brake Pad (98AB 2K021 AD) in Ford Focus

and thereby exposing consumers and the general public to chemicals listed below and designated by the State of California to cause cancer, without first giving clear and reasonable warning of that fact to the exposed persons (Health & Safety Code Section 25249.6). A "consumer product exposure" is an exposure, which results from a person's acquisition, purchase, storage, consumption, or other reasonably foreseeable use and/or misuse of a consumer good, or any exposure that results from receiving a consumer service. Ford Brake Pad (98AB 2K021 AD) in Ford Focus is a consumer product, which contains chemicals listed below and designated by the State of California to cause cancer. The manufacture and/or sale and/or storage and/or distribution and/or purchase and

the reasonably foreseeable use and/or misuse of Ford Brake Pad (98AB 2K021 AD) in Ford Focus result in exposure to chemicals listed below and designated by the State of California to cause cancer through dermal contact (by touching the brake pad with the naked skin [e.g., hand, face, body, etc.]), ingestion (by touching food or placing fingers in the mouth without thoroughly washing them first, after touching the brake pad with the naked hand), inhalation (by sniffing the brake pad or its resulting debris/particles), and absorption.

All persons in the course of doing business, who manufacture, produce, assemble, process, handle, distribute, store, sell or otherwise transfer a consumer product must comply with Health & Safety Code Section 25249.6. Specifically, the violator(s) has been manufacturing, producing, handling, distributing, storing or otherwise transferring brake pad products including, without limitation, Ford Brake Pad (98AB 2K021 AD) in Ford Focus, in violation of Health & Safety Code Section 25249.6. Furthermore, a Proposition 65 notice of violation is not required to contain the specific retail outlet or time or date at which any product allegedly violating the Act was purchased. (California Code of Regulations Section 12903(b)(4)(A).)

Environmental Exposures

While in the course of doing business at, but not limited to:

Ford Motors Company, One American Road, Dearborn, MI 48126
Ford Motors Company, Inc., 2600 Oakwood, Dearborn, MI 48120-8120
Ford Motors Company, Inc., 37625 Michigan Avenue, Wayne, MI 48184-1070
Ford Motors Company, Inc., 17601 Brookpark Road, Cleveland, OH 44142-1518

during the time period referenced above, the violator(s) has been and is knowingly and intentionally exposing its customers and/or end users and the public including, but not limited to, neighbors of the premises at which Ford Brake Pad (98AB 2K021 AD) in Ford Focus is manufactured and/or sold and/or stored and/or serviced and/or deposited and/or recycled, family members, friends, acquaintances and intimate partners of consumers and/or users of said brake pad products, to chemicals listed below and designated by the State of California to cause cancer without first giving clear and reasonable warning of that fact to the exposed persons (Health & Safety Code Section 25249.6). The source of exposure is Ford Brake Pad (98AB 2K021 AD) in Ford Focus and/or other chemicals listed below and designated by the State of California to cause cancer. The locations of the exposures include, but are not limited to, the area in and around the violator's place(s) of business, inside shops and stores where Ford Brake Pad (98AB 2K021 AD) in Ford Focus is/are sold and/or used and/or stored and/or serviced and/or demonstrated and/or collected for disposal/recycling, as well as any location at which consumers and/or users of Ford Brake Pad (98AB 2K021 AD) in Ford Focus come into contact with members of the public including, but not limited to, their family members, friends, acquaintances and intimate partners.

The route of exposure for environmental exposures to the chemicals listed below and designated by the State of California to cause cancer has been through dermal contact, ingestion, inhalation and absorption.

Occupational Exposures

While in the course of doing business at, but not limited to:

Ford Motors Company, One American Road, Dearborn, MI 48126
Ford Motors Company, Inc., 2600 Oakwood, Dearborn, MI 48120-8120
Ford Motors Company, Inc., 37625 Michigan Avenue, Wayne, MI 48184-1070
Ford Motors Company, Inc., 17601 Brookpark Road, Cleveland, OH 44142-1518

during the time period referenced above, the violator(s) has been and is knowingly and intentionally exposing employees of the violator(s) to Ford Brake Pad (98AB 2K021 AD) in Ford Focus and other chemicals listed below and designated by the State of California to cause cancer without first giving clear and reasonable warning of that fact to the exposed person (Health & Safety Code Section 25249.6). The sources of exposures include Ford Brake Pad (98AB 2K021 AD) in Ford Focus and other chemicals listed below.

The employees exposed to said chemicals include, but are not limited to, sales persons, contractors, maintenance workers, service personnel, and security personnel. Said exposures took place in locations including, but not limited to, inside the stores where the Ford Brake Pad (98AB 2K021 AD) in Ford Focus products have been sold, inside the storage facilities where the Ford Brake Pad (98AB 2K021 AD) in Ford Focus has been stored, inside the garage areas at the violator's place(s) of business, on, in and in the vicinity of work vehicles, at the addresses at which the Ford Brake Pad (98AB 2K021 AD) in Ford Focus has been sold and/or delivered and/or serviced and/or collected for disposal/recycling, and the area along the route traveled between said place(s) of business and the addresses at which the Ford Brake Pad (98AB 2K021 AD) in Ford Focus has been sold and/or delivered and/or serviced and/or collected for disposal/recycling.

The route of exposure for occupational exposures to the chemicals listed below and designated by the State of California to cause cancer has been through dermal contact, ingestion, inhalation and absorption.

This notice alleges the violation of Proposition 65 with respect to occupational exposures governed by the California State Plan for Occupational Safety and Health. The State Plan incorporates the provisions of Proposition 65, as approved by Federal OSHA on June 6, 1997.

This approval specifically placed certain conditions with regard to occupational exposures on Proposition 65, including that it does not apply to (a.) the conduct of manufacturers occurring outside the State of California; and (b.) employers with less than 10 employees. The approval also provides that an employer may use any means of compliance in the general hazard communication requirements to comply with Proposition 65. It also requires that supplemental enforcement be subject to the supervision of the California Occupational Safety and Health Administration. Accordingly, any settlement, civil complaint, or substantive court orders in this matter must be submitted to the Attorney General.

The route of exposure for consumer exposures and/or environmental exposures and/or occupational exposures to the chemicals listed below and designated by the State of California to cause cancer has been dermal contact, ingestion, inhalation, and absorption. For each such type and means of exposure, the violator(s) has exposed and is exposing the above-referenced persons to:

CARCINOGENS



Antimony oxide

Proposition 65 requires that notice and intent to sue be given to the violator(s) 60 days before the suit is filed. With this letter, Consumer Advocacy Group, Inc. gives notice of the alleged violations to the violator(s) and the appropriate governmental authorities. This notice covers all violations of Proposition 65 that are currently known to Consumer Advocacy Group, Inc. from information now available to it. With the copy of this notice submitted to the violator(s), a copy of the following is attached: The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary.

Consumer Advocacy Group, Inc. is still hopeful that Ford reformulates the Ford Brake Pad (98AB 2K021 AD) in Ford Focus, as discussed and negotiated with Ford ever since Consumer Advocacy Group, Inc. sent the first notice on December 31, 2001, to eliminate any possible human exposure to Antimony oxide. In consideration for such formulation, Consumer Advocacy Group, Inc. would agree to forego all monetary recovery for the Proposition 65 violations described herein, once Ford has implemented its reformulation.

Dated: 5/16/03

Appendix A

OFFICE OF ENVIRONMENTAL HEALTH
HAZARD ASSESSMENT
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

THE SAFE DRINKING WATER AND TOXIC
ENFORCEMENT ACTION 1986
(PROPOSITION 65): A SUMMARY

The following summary has been prepared by the Office of Environmental Health Hazard Assessment, the lead agency for the implementation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as "Proposition 65"). A copy of this summary must be included as an attachment to any notice of violation served upon an alleged violator of the Act. The summary provides basic information about the provisions of the law, and is intended to serve only as a convenient source of general information. It is not intended to provide authoritative guidance on the meaning or application of the law. The reader is directed to the statute and its implementing regulations (see citations below) for further information.

Proposition 65 appears in California law as Health and Safety Code Sections 25249.5 through 25249.13. Regulations that provide more specific guidance on compliance, and that specify procedures to be followed by the State in carrying out certain aspects of the law, are found in Title 22 of the California Code of Regulations, Sections 12000 through 14000.

WHAT DOES PROPOSITION 65 REQUIRE?

The "Governor's List." Proposition 65 requires the Governor to publish a list of chemicals that are known to the State of California to cause cancer, or birth defects or other reproductive harm. This list must be updated at least once a year. Over 550 chemicals have been listed as of May 1, 1996. Only those chemicals that are on the list are regulated under this law. Businesses that produce, use, release, or otherwise engage in activities involving those chemicals must comply with the following:

Clear and Reasonable Warnings. A business is required to warn a person before "knowingly and intentionally" exposing that person to a listed chemical. The warning given must be "clear and reasonable." This means that the warning must: (1) clearly make known that the chemical involved is known to cause cancer, or birth defects or other reproductive harm; and (2) be given in such a way that it will effectively reach the person before he or she is exposed. Exposures are exempt from the warning requirement if they occur less than twelve months after the date of listing of the chemical.

Prohibition from discharges into drinking water. A business must not knowingly discharge or release a listed chemical into water or onto land where it passes or probably will pass into a source of drinking water. Discharges are exempt from this requirement if they occur less than twenty months after the date of listing of the chemical.

DOES PROPOSITION 65 PROVIDE ANY EXEMPTIONS?

Yes. The law exempts:

Governmental agencies and public water utilities. All agencies of the federal, State or local government, as well as entities operating public water systems, are exempt.

Businesses with nine or fewer employees. Neither the warning requirement nor the discharge prohibition applies to a business that employs a total of nine or fewer employees.

Exposures that pose no significant risk of cancer. For chemicals that are listed as known to the State to cause cancer ("carcinogens"), a warning is not required if the business can demonstrate that the exposure occurs at a level that poses "no significant risk." This means that the exposure is calculated to result in not more than one excess case of cancer in 100,000 individuals

exposed over a 70-year lifetime. The Proposition 65 regulations identify specific "no significant risk" levels for more than 250 listed carcinogens.

Exposures that will produce no observable reproductive effect at 1,000 times the level in question. For chemicals known to the State to cause birth defects or other reproductive harm ("reproductive toxicants"), a warning is not required if the business can demonstrate that the exposure will produce no observable effect, even at 1,000 times the level in question. In other words, the level of exposure must be below the "no observable effect level (NOEL)," divided by a 1,000-fold safety or uncertainty factor. The "no observable effect level" is the highest dose level which has not been associated with an observable adverse reproductive or developmental effect.

Discharge that do not result in a "significant amount" of the listed chemical entering into any source of drinking water. The prohibition from discharges into drinking water does not apply if the discharger is able to demonstrate that a "significant amount" of the list chemical has not, does not, or will not enter any drinking water source, and that the discharge complies with all other applicable laws, regulations, permits, requirements, or orders. A "significant amount" means any detectable amount, except an amount that would meet the "no significant risk" or "no observable effect" test if an individual were exposed to such an amount in drinking water.

HOW IS PROPOSITION 65 ENFORCED?

Enforcement is carried out through civil lawsuits. These lawsuits may be brought by the Attorney General, any district attorney, or certain city attorneys (those in cities with a population exceeding 750,000). Lawsuits may also be brought by private parties acting in the public interest, but only after providing notice of the alleged violation to the Attorney General, the appropriate district attorney and city attorney, and the business accused of the violation. The notice must provide adequate information to allow the recipient to assess the nature of the alleged violation. A notice must comply with the information and procedural requirements specified in regulations (Title 22, California Code of Regulations, Section 12903). A private party may not pursue an enforcement action directly under Proposition 65 if one of the governmental officials noted above initiates an action within sixty days of the notice.

A business found to be in violation of Proposition 65 is subject to civil penalties of up to \$2,500 per day for each violation. In addition, the business may be ordered by a court of law to stop committing the violation.

FOR FURTHER INFORMATION...

Contact the Office of Environmental Health Hazard Assessment's Proposition 65 Implementation Office at (916) 445-6900.

§14000. Chemicals Required by State or Federal Law to Have been Tested for Potential to Cause Cancer or Reproductive Toxicity, but Which Have Not Been Adequately Tested As Required.

(a) The Safe Drinking Water and Toxic Enforcement Act of 1986 requires the Governor to publish a list of chemicals formally required by state or federal agencies to have testing for carcinogenicity or reproductive toxicity, but that the state's qualified experts have not found to have been adequately tested as required [Health and Safety Code 25249.8)(c)].

Readers should note a chemical that already has been designated as known to the state to cause cancer or reproductive toxicity is not included in the following listing as requiring additional testing for that particular toxicological endpoint. However, the "data gap" may continue to exist, for purposes of the state or federal agency's requirements. Additional information on the requirements for testing may be obtained from the specific agency identified below.

(b) Chemicals required to be tested by the California Department of Pesticide Regulation.

The Birth Defect Prevention Act of 1984 (SB 950) mandates that the California Department of Pesticide Regulation (CDPR) review chronic toxicology studies supporting the registration of pesticidal active ingredients

CERTIFICATE OF MERIT

Health and Safety Code Section 25249.7(d)

I, Reuben Yeroushalmi, hereby declare:

1. This Certificate of Merit accompanies the attached sixty-day notice(s) in which it is alleged the party(s) identified in the notice(s) has violated Health and Safety Code section 25249.6 by failing to provide clear and reasonable warnings.
2. I am the attorney for the noticing party.
3. I have consulted with at least one person with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of the action.
4. Based on the information obtained through those consultations, and on all 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 plaintiffs' case can be established and 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. The copy of this Certificate of Merit has been served on the Attorney General.

Dated: _____

May 16, 03

CERTIFICATE OF SERVICE

I am over the age of 18 and not a party to this case. I am a resident of or employed in the county where the mailing occurred. My business address is 3700 Wilshire Boulevard, Suite 480, Los Angeles, CA 90010.

I SERVED THE FOLLOWING:

- 1.) 60-Day Notice of Intent to Sue Under Health & Safety Code Section 25249.6
- 2.) The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary (only sent to violator(s))

by enclosing a true copy of the same in a sealed envelope addressed to each person whose name and address is shown below and depositing the envelope in the United States mail with the postage fully prepaid.

Date of Mailing: 5/16/03
Place of Mailing: Los Angeles, CA

NAME AND ADDRESS OF EACH PERSON TO WHOM DOCUMENTS WERE MAILED:



CEO/President/Owner Ford Motors Company One American Road Dearborn, MI 48126 Attn: William C. Ford, Jr.
CEO/President/Owner Ford Motors Company, Inc. 17601 Brookpark Road Cleveland, OH 44142-1518

CEO/President/Owner Ford Motors Company, Inc. 2600 Oakwood Dearborn, MI 48120-8120

CEO/President/Owner Ford Motors Company, Inc. 37625 Michigan Avenue Wayne, MI 48184-1070



See also attached hereto entities and addresses listed in Exhibit A

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: 5/16/03

SERVICE LIST

Imperial County District Attorney Courthouse, 939 Main St. El Centro, CA 92243-2860	Santa Barbara County District Attorney 1105 Santa Barbara St. Santa Barbara, CA 93101	Sonoma County District Attorney 600 Administration Dr., Rm 212-J Santa Rosa, CA 95403
Kern County District Attorney 1215 Truxtun Ave. Bakersfield, CA 93301	Santa Clara County District Attorney 70 W Hedding St. San Jose, CA 95110	Shasta County District Attorney 1525 Court St, 3rd Floor Redding, CA 96001-1632
Kings County District Attorney Gov't Ctr, 1400 W Lacey Blvd Hanford, CA 93230	Santa Cruz County District Attorney PO Box 1159 Santa Cruz, CA 95061	Sierra County District Attorney PO Box 457 Downieville, CA 95936-0457
Lake County District Attorney 255 N Forbes St Lakeport, CA 95453-4790	Stanislaus County District Attorney PO Box 442 Modesto, CA 95353	Trinity County District Attorney PO Box 310 Weaverville, CA 96093
Modoc County District Attorney PO Box 1171 Alturas, CA 96101	Sutter County District Attorney P.O. Box 1555 Yuba City, CA 95992	Yuba County District Attorney 215 5th St Marysville, CA 95901
San Diego City Attorney City Center Plaza 1200 3rd Ave # 1100 San Diego, CA 92101	Lassen County District Attorney 200 S Lassen St, Suite 8 Susanville, CA 96130	Monterey County District Attorney PO Box 1131 Salinas, CA 93902
Tuolumne County District Attorney 2 S Green St Sonora, CA 95370	Tulare County District Attorney County Civic Center, Rm 224 Visalia, CA 93291	Yolo County District Attorney 310 Second St Woodland, CA 95695
Ventura County District Attorney 800 S Victoria Ave Ventura, CA 93009	Tehama County District Attorney P.O. Box 519 Red Bluff, CA 96080	San Jose City Attorney 151 W. Mission St. San Jose, CA 95110

SERVICE LIST

Imperial County District Attorney Courthouse, 939 Main St. El Centro, CA 92243-2860	Santa Barbara County District Attorney 1105 Santa Barbara St. Santa Barbara, CA 93101	Sonoma County District Attorney 600 Administration Dr., Rm 212-J Santa Rosa, CA 95403
Kern County District Attorney 1215 Truxtun Ave. Bakersfield, CA 93301	Santa Clara County District Attorney 70 W Hedding St. San Jose, CA 95110	Shasta County District Attorney 1525 Court St, 3rd Floor Redding, CA 96001-1632
Kings County District Attorney Gov't Ctr, 1400 W Lacey Blvd Hanford, CA 93230	Santa Cruz County District Attorney PO Box 1159 Santa Cruz, CA 95061	Sierra County District Attorney PO Box 457 Downieville, CA 95936-0457
Lake County District Attorney 255 N Forbes St Lakeport, CA 95453-4790	Stanislaus County District Attorney PO Box 442 Modesto, CA 95353	Trinity County District Attorney PO Box 310 Weaverville, CA 96093
Modoc County District Attorney PO Box 1171 Alturas, CA 96101	Sutter County District Attorney P.O. Box 1555 Yuba City, CA 95992	Yuba County District Attorney 215 5th St Marysville, CA 95901
San Diego City Attorney City Center Plaza 1200 3rd Ave # 1100 San Diego, CA 92101	Lassen County District Attorney 200 S Lassen St, Suite 8 Susanville, CA 96130	Monterey County District Attorney PO Box 1131 Salinas, CA 93902
Tuolumne County District Attorney 2 S Green St Sonora, CA 95370	Tulare County District Attorney County Civic Center, Rm 224 Visalia, CA 93291	Yolo County District Attorney 310 Second St Woodland, CA 95695
Ventura County District Attorney 800 S Victoria Ave Ventura, CA 93009	Tehama County District Attorney P.O. Box 519 Red Bluff, CA 96080	San Jose City Attorney 151 W. Mission St. San Jose, CA 95110