

ADAMS BROADWELL JOSEPH & CARDOZO

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

601 GATEWAY BOULEVARD, SUITE 1000
SOUTH SAN FRANCISCO, CA 94080-7037

TEL: (650) 589-1660
FAX: (650) 589-5062

rdrury@adamsbroadwell.com

SACRAMENTO OFFICE

1225 8th STREET, SUITE 550
SACRAMENTO, CA 95814-4810

TEL: (916) 444-6201
FAX: (916) 444-6209

DANIEL L. CARDOZO
RICHARD T. DRURY
THOMAS A. ENSLOW
TANYA A. GULESSERIAN
MARC D. JOSEPH
OSHA R. MESERVE
SUMA PEESAPATI
GLORIA D. SMITH

FELLOW
KEVIN S. GOLDEN

OF COUNSEL
THOMAS R. ADAMS
ANN BROADWELL

June 30, 2006

BY U.S. FIRST CLASS MAIL

Philip White, CEO
National Express Corporation
9011 Mountain Ridge Drive, Suite 200
Austin, TX 78759

Current CEO or President
Durham School Services
Executive Towers West
1431 Opus Place, Suite 200
Downers Grove, IL 60515

CT Corporation
Agent for Service of Process for
Durham School Services, L.P.
818 West 7th Street
Los Angeles, CA 90017

Current CEO or President
Durham School Services, L.P.
9011 Mountain Ridge Drive, Suite 200
Austin, TX 78759

Re: Notice of Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65), Section 25249.6 of the California Health and Safety Code, for Exposing Passengers on Diesel School Buses to Diesel Engine Exhaust Without a Warning

Dear Mr. White and Sir or Madam:

The Environmental Law Foundation ("ELF") is a California non-profit organization dedicated to the preservation and enhancement of human health and the environment. Our Children's Earth Foundation ("OCE") is a California non-profit organization dedicated to protecting the public, especially children, from the harmful effects of air and water pollution. Communities for a Better Environment ("CBE") is an environmental health and justice non-profit organization dedicated to promoting clean air, clean water and the development of toxin-free communities. ELF, OCE and CBE each have a long-standing interest in reducing health hazards to the public posed by toxic chemicals.

This letter constitutes notice that the entities listed below have violated and continue to violate provisions of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code sections 25249.5 *et. seq.* Specifically, these entities have violated and continue to violate the warning requirement at section 25249.6 of the California Health and Safety Code, 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..."

Alleged Violators:

National Express Corporation
Durham School Services
Durham School Services, L.P.

School buses owned and operated by these entities in the State of California emit diesel engine exhaust, a chemical known to the State to cause cancer. The State of California listed diesel engine exhaust as a carcinogen on the Proposition 65 list in 1990, effective October 1, 1991. On each and every day from October 1, 1991 through the present, these entities have exposed and continue to expose passengers on the buses they operate within the State of California to high levels of diesel engine exhaust, a toxic chemical emitted by the entities' diesel buses. Exposure has occurred through inhalation of the diesel engine exhaust from the buses. In addition, components of diesel engine exhaust may have precipitated out of the air and been ingested or absorbed through passengers' skin.

Because diesel engine exhaust is listed in Proposition 65 as a cancer causing chemical, pursuant to Health and Safety Code § 25249.6 these entities were, and are, required to provide clear and reasonable warnings to all passengers on their buses before exposing the passengers on the bus to diesel engine exhaust emitted by their diesel buses. The warnings must state that the diesel buses emit a chemical known by the State of California to cause cancer. Pursuant to Health and Safety Code section 25249.7(d), ELF, OCE and CBE intend to bring suit in the public interest against the above named entities sixty days hereafter to correct the violation occasioned by the failure to warn all passengers on the buses of the exposure to diesel engine exhaust.

Pursuant to 22 California Code of Regulations § 12903(b)(1), attached is a copy of "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," a summary of Proposition 65 prepared by the Office of Environmental Health Hazard Assessment of the California Environmental Protection Agency.

Pursuant to Health and Safety Code § 25249.7(d)(1), the undersigned also include the attached Certificate of Merit, which certifies that the undersigned have consulted with one or more persons with relevant and appropriate experience or expertise who has or have reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of this notice, and that, based on that information, the undersigned believe there is a reasonable and meritorious case. Factual information sufficient to establish the basis of this Certificate of Merit is included with the notice that is served on the Attorney General and is provided to that office in confidence, not to be disclosed except according to law.

While violations are occurring throughout the State of California, the noticing parties believe, but at this time are unable to confirm whether, violations are occurring in all of the 58 counties in California. Therefore, pursuant to 22 California Code of

Regulations § 12903(c)(3), the noticing parties are providing this notice to the district attorney for each of the 58 counties in California. Further, the noticing parties provide this notice to the California Attorney General and the city attorneys for the cities of Los Angeles, San Diego, San Francisco and San Jose.

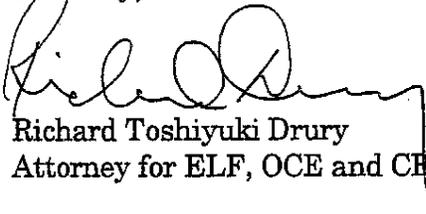
ELF is located at 1736 Franklin, 9th Floor, Oakland, California 94612, telephone (510) 208-4555. OCE may be contacted at 100 First Street, Suite 100-367, San Francisco, California, 94105, telephone (415) 948-7409. CBE is located at 1440 Broadway, Suite 701, Oakland, CA 94612, telephone (510) 302-0430. ELF, OCE and CBE are represented in this matter by the law firm of Adams Broadwell Joseph & Cardozo. All communications concerning this matter should be directed to:

James Wheaton
Environmental Law Foundation
1736 Franklin, 9th Floor
Oakland, California 94612
Telephone: (510) 208-4555
Facsimile: (510) 208-4562

Tiffany Schauer
Our Children's Earth Foundation
100 First Street, Suite 100-367
San Francisco, California, 94105
Telephone: (415) 948-7409
Facsimile: (815) 642-9181

Shana Lazerow
Communities for a Better Environment
1440 Broadway, Suite 701
Oakland, CA 94612
Telephone: (510) 302-0430, ext. 18
Facsimile: (510) 302-0437

Sincerely,


Richard Toshuyuki Drury
Attorney for ELF, OCE and CBE

RTD:bh

Enclosures

cc: (without "Proposition 65: A Summary" attachment):

Attorney General of California

(with attached confidential factual information supporting Certificate of Merit)

Los Angeles City Attorney

San Diego City Attorney

City Attorney of San Francisco

San Jose City Attorney

District Attorneys for California's 58 Counties

(see attached certificate of service)

CERTIFICATE OF MERIT
Health & Safety Code Section 25249.7(d)

I, Richard Drury, declare:

1. This Certificate of Merit accompanies the attached notice of violation in which it is alleged that the parties identified in the notice have violated Health & Safety Code section 25249.6 by failing to provide clear and reasonable warnings.

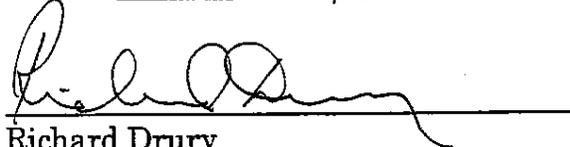
2. I am an attorney representing the Environmental Law Foundation, Our Children's Earth Foundation and Communities for a Better Environment.

3. I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the alleged 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 served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health & Safety Code section 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.

Dated: June 30, 2006



Richard Drury
Attorney for Environmental Law Foundation,
Our Children's Earth Foundation and
Communities for a Better Environment

CERTIFICATE OF SERVICE

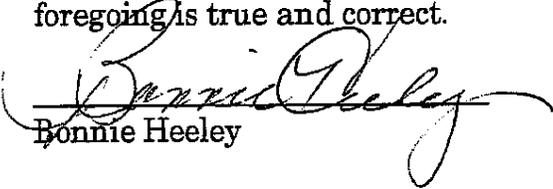
I am employed in the City of South San Francisco in the County of San Mateo, California. I am over the age of eighteen years and not a party to the within action. My business address is 601 Gateway Blvd., Suite 1000, South San Francisco, California 94080.

On June 30, 2006 I served the following document(s):

NOTICE OF VIOLATION OF THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65), SECTION 25249.6 OF THE CALIFORNIA HEALTH AND SAFETY CODE, FOR EXPOSING ALL PASSENGERS ON DIESEL SCHOOL BUSES TO DIESEL ENGINE EXHUAST WITHOUT A WARNING

by UNITED STATE FIRST CLASS MAIL by placing a true and correct copy thereof in an envelope addressed to each of the persons named below at the address shown, and by sealing and depositing said envelope in the United States mail at South San Francisco, California, with postage fully prepaid to:

Executed on this 30th day of June, 2006 at South San Francisco, California. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.


Bonnie Heeley

SERVICE LIST

Philip White, CEO
National Express Corporation
9011 Mountain Ridge Drive
Suite 200
Austin, TX 78759

Current CEO or President
Durham School Services
Executive Towers West
1431 Opus Place, Suite 200
Downers Grove, IL 60515

CT Corporation
Agent for Service of Process for
Durham School Services, L.P.
818 West 7th Street
Los Angeles, CA 90017

Current CEO or President
Durham School Services, L.P.
9011 Mountain Ridge Dr., Ste 200
Austin, TX 78759

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

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

District Attorney of Imperial
County
939 Main Street
El Centro, CA 92243

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

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

District Attorney of Lassen
County
220 S. Lassen St., Ste 8
Susanville, CA 96130

District Attorney of Contra Costa
County
725 Court Street, Room 402
Martinez, CA 94553

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

District Attorney of Inyo County
P.O. Drawer D
Independence, CA 93526

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

District Attorney of Glenn County
P.O. Box 430
Willows, CA 95988

District Attorney of Los Angeles
County
210 W. Temple Street, Room
345
Los Angeles, CA 90012

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

District Attorney of Kings County
1400 West Lacey
Hanford, CA 93230

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

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

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

District Attorney of Kern County
1215 Truxtun Avenue
Bakersfield, CA 93301

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

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

District Attorney of Marin County
3501 Civic Center Dr., Room
183
San Rafael, CA 94903

June 30, 2006

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District Attorney of Mono County
P.O. Box 617
Bridgeport, CA 93517

District Attorney of Mariposa
County
P.O. Box 730
Mariposa, CA 95338

District Attorney of Monterey
County
PO Box 1131
Salinas, CA 93901

District Attorney of Mendocino
County
P.O. Box 1000
Ukiah, CA 95482

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

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

District Attorney of Nevada
County
201 Church St., Suite 8
Nevada City, CA 95959

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

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

District Attorney of Placer
County
11562 "B" Avenue
Auburn, CA 95603

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

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

District Attorney of San Diego
County
330 West Broadway, Suite 1320
San Diego, CA 92112

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

District Attorney of San
Francisco County
850 Bryant Street, Rm 325
San Francisco, CA 94103

District Attorney of Sacramento
County
901 "G" Street
Sacramento, CA 95814

District Attorney of San Joaquin
County
P.O. Box 990
Stockton, CA 95201

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

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

District Attorney of San Mateo
County
400 County Ctr, 3rd Fl
Redwood City, CA 94063

District Attorney of Sierra County
Courthouse, P.O. Box 457
Downieville, CA 95936

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

District Attorney of Siskiyou
County
P.O. Box 986
Yreka, CA 96097

District Attorney of Solano
County
600 Union Avenue
Fairfield, CA 94533

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

District Attorney of Santa Cruz
County
701 Ocean Street, Room 200
Santa Cruz, CA 95061

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

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

District Attorney of Stanislaus
County
800 11th Street, Room 200
Modesto, CA 95353

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

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District Attorney of Ventura
County
800 South Victoria Ave
Ventura, CA 93009

District Attorney of Tehama
County
P.O. Box 519
Red Bluff, CA 96080

District Attorney of Yolo County
301 Second Street
Woodland, CA 95695

District Attorney of Trinity County
P.O. Box 1310
Weaverville, CA 96093

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

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

District Attorney of Tuolumne
County
2 South Green
Sonora, CA 95370

San Jose City Attorney's Office
151 West Mission Street
San Jose, CA 95110

Los Angeles City Attorney's
Office
Room 1800, City Hall East
200 N. Main Street
Los Angeles, CA 90012

San Diego City Attorney's Office
1200 3rd Avenue, 12th Floor
San Diego, CA 92101

San Francisco City Attorney's
Office
City Hall, Room 234
San Francisco, CA 94102

Ed Weil, Deputy Attorney
General
California Attorney General's
Office
1515 Clay Street
Oakland, CA 94612