

The Carrick Law Group P.C.  
350 South Grand Avenue, Suite 2930  
Los Angeles, California 90071

SEPTEMBER 27, 2006

NOTICE OF VIOLATION OF THE SAFE DRINKING WATER AND  
TOXIC ENFORCEMENT ACT OF 1986  
(California Health and Safety Code §25249.5 *et seq.*)

To

● AMERICAN INTERNATIONAL INDUSTRIES

**By Certified Mail – Return Receipt Requested**

American International Industries  
2220 Gaspar Avenue  
Los Angeles, CA 90040

Re: Hot Topic® and/or RAW® brand Facial, Skin and Hair Treatment Consumer Products

Dear Sir or Madam:

Vicky Hamilton (the “Noticing Party”) serves this Notice of Violation (“Notice”) upon American International Industries (A.I.I.) (“Noticed Company”) pursuant to and in compliance with California Health and Safety Code (“H&S Code”) § 25249.7(d) and 22 California Code of Regulations (“CCR”) § 12903. This Notice satisfies a prerequisite for Noticing Party to commence an action against the Noticed Company to enforce the Safe Drinking Water and Toxic Enforcement Act of 1986. The violations addressed by this Notice occur in every county and city in California. This Notice is being served upon each violator, the California Attorney General, the district attorney of every California county and the city attorney of every California city with a population (according to the most recent decennial census) of over 750,000. If the Noticed Company has a current registration with the California Secretary of State that identifies a Chief Executive Officer, President, or General Counsel, this Notice is being addressed to, and served upon, one of those persons.

Attached as Exhibit A to this Notice is a copy of “The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary.” The attached Summary was prepared by the California EPA and provides general information about the Safe Drinking Water and Toxic Enforcement Act of 1986. Copies of the Summary are not required to be, and are not being, provided to the public enforcement agencies.

Description of the Noticing Party, the Alleged Violator, and the Alleged Violations Addressed by this Notice:

- ◆ This Notice is provided by Vicky Hamilton. Ms. Hamilton is an individual who resides in Los Angeles county. Ms. Hamilton is acting in the public interest pursuant to H&S Code § 25249.7(d), and is acting to protect the environment, improve human health and support environmentally sound practices.

A Professional Corporation  
Telephone (213) 346-7930 / Fax (213) 346-7931  
www.carricklawgroup.com

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- ◆ The violator's name and address is:
  - o American International Industries (A.I.I.)  
2220 Gaspar Avenue  
Los Angeles, CA 90040
- ◆ The violations addressed by this Notice began on or after February 27, 1988, have occurred on numerous occasions each and every day since February 27, 1988, and are ongoing and continuing.
- ◆ This Notice of Violation covers the "warning provision" of Proposition 65, which is found at H&S Code § 25249.6.
- ◆ The name of each chemical that is listed pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986 involved in the violations addressed by this Notice is Lead (reproductive); and Lead and lead compounds (cancer); (the "Listed Chemicals"). The Listed Chemicals are listed (and have been so listed for more than twelve months) by the Governor of the State of California as being a chemical known to the State of California to cause cancer or reproductive toxicity, or both cancer and reproductive toxicity. See Exhibit B attached hereto.
- ◆ The routes of exposure for the violations addressed by this Notice are dermal due to direct contact with the skin, ingestion via hand-to-mouth touching, and inhalation during use of the Hot Topic® and/or RAW® brand facial, skin and hair treatment consumer products manufactured and/or distributed by the Noticed Company.
- ◆ The type of consumer products causing the exposures addressed by this Notice are Hot Topic® and/or RAW® brand facial, skin and hair treatment consumer products ("Products"), including but not limited to the following illustrative Products manufactured and/or distributed by the Noticed Company:

TABLE A	
SKU NO.	PRODUCT DESCRIPTION
259586000	RAW® Multi Glitter - Temporary Hair Color Spray
276447000	RAW® Pitch Black Color - brilliant demi-permanent hair color
269119000	RAW® Funky Fushcia Color - brilliant demi-permanent hair color
278602000	RAW® Pitch Black Spiking Gel - Temporary Color Spiking Gel
231510000	RAW® Black Cherry Permanent Hair Color (Powder)

- ◆ There are numerous sources of the exposures addressed in this Notice. These exposures occur in homes, the workplace and everywhere else in California where these Products are consumed. These exposures occur principally off the property of the Noticed Company.
- ◆ In the course of doing business, the Noticed Company knowingly and intentionally have exposed, and continues to expose, individuals (especially pregnant and post-partum women) to the Listed Chemicals in these Products. No clear and reasonable warning is or has been provided by the Noticed Company to individuals regarding this exposure to the Listed Chemicals or regarding the fact that the Listed Chemicals are known to the State of California to be a carcinogen and/or reproductive toxin.

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- ◆ These exposures have gone on from 1988 and are ongoing and continuing as Ms. Hamilton believes and so alleges that the Noticed Company has tolled the statute of limitations by fraudulent concealment of the constituents of the ingredients in its Products from those persons that required a warning in the stores where the Company's Products are sold for consumer use in California. The labels on these Products are further absent any warning that would meet the definition delineated at Title 22 CCR § 12601(b)(1)(A), nor do they comply with section (b)(3) and (b)(4)(B) of that regulation.
- ◆ The carcinogen and/or reproductive toxin, contained in the ingredients of the Products, and subject to the warning requirements of H&S Code §25249.6 and more specifically 22 CCR § 12601(b) *et seq.*, is listed below:
  1. Lead (reproductive)
  2. Lead and lead compounds (cancer)
- ◆ The aforementioned carcinogen is on the Governor's list (Prop 65 List) as expressed at 22 CCR § 12000. This chemical is known to the State of California to cause carcinogenic harm to humans requiring special warning labels and care in handling and use. The concentrations of these toxins in the subject Product exceed the No Significant Risk Level ("NSRL") threshold of 0.5 microgram per day and require a warning of the existence of this chemical danger by the manufacturer.
- ◆ The principal route of exposure is through a "consumer products exposure" via dermal due to direct contact with the skin, ingestion via hand-to-mouth touching, and inhalation during use of the Products. These exposures have gone on since February 27, 1988, and are ongoing and continuing at every place in California that the Products listed in TABLE A are offered for sale and use. All references to "exposure" in this notice shall be understood to be exposures to the Products, including but not limited to the specific Product lines in said TABLE and the ingredients of those Products. The sale of these Products constitutes a transfer of a known reproductive and/or carcinogenic chemical into the populous and the normal use of the Products by the purchaser or others will cause the exposure without a clear and reasonable warning.

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- ◆ The location of these alleged exposures are many and varied while occurring within the 58 counties of the state of California as evidenced by the District Attorneys addressed in the enclosed distribution list. Ms. Hamilton believes and so alleges that at least one of the jurisdictions identified had the Noticed Company's Products sold within that county by the Noticed Company wholesale or retail distributor and that sale caused the utilization of the Products and subsequent exposure. Further that usage caused exposures in that jurisdiction to the constituents of the Products as identified herein, and those exposures by the Noticed Company were allowed to take place without the prerequisite warnings as delineated by the applicable statutes specified in this notice.

Please direct any inquiries regarding this notice or any communication for the noticing party, Vicky Hamilton to:

Roger Lane Carrick, Esq.  
The Carrick Law Group, P.C.  
350 S. Grand Avenue, Suite 2930  
Los Angeles, CA 90071  
Tel.: (213) 346-7930  
Fax: (213) 346-7931

**EXHIBIT B**  
**NOTICED PARTY:**

● **AMERICAN INTERNATIONAL INDUSTRIES (A.I.I.)**

List Of Chemicals Contained In The Attached 60-Day Notice of Violation That Are Listed By The Governor Of The State Of California As Being Known To The State Of California To Cause Cancer Or Reproductive Toxicity

**REPRODUCTIVE TOXINS**

<u>Chemical</u>	<u>CAS No.</u>	<u>Date Added to List</u>
Lead	---	February 27, 1987

**CARCINOGENS**

<u>Chemical</u>	<u>CAS No.</u>	<u>Date Added to List</u>
Lead and lead compounds	---	October 1, 1992

**CERTIFICATE OF MERIT**  
**HEALTH AND SAFETY CODE SECTION 25249.7(d)**

- **LEAD**
- **LEAD AND LEAD COMPOUNDS**

**NOTICED PARTY:**

- **AMERICAN INTERNATIONAL INDUSTRIES (A.I.I.)**

I, Roger Lane Carrick, on behalf of Vicky Hamilton hereby declare:

1. This Certificate of Merit accompanies the attached sixty-day notice(s) in which it is alleged that the parties identified in the notices have violated California Health and Safety Code section 25249.6 by failing to provide clear and reasonable warnings.

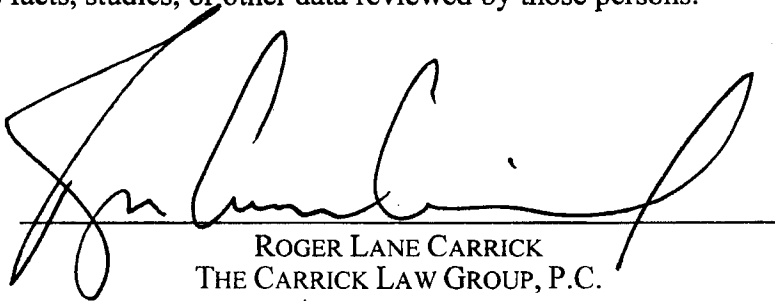
2. I am the attorney for the noticing party.

3. I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the exposure to the listed chemical(s) that is the subject of this action.

4. Based upon the information obtained through those consultations, and 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 private action" means that the information provides a credible basis that all the 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 and safety Code section 24249.7(h)(2), *i.e.*, (1) the identity of the person consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Date: September 27, 2006



ROGER LANE CARRICK  
THE CARRICK LAW GROUP, P.C.  
ATTORNEYS FOR  
VICKY HAMILTON

**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 350 S. Grand Avenue, Suite 2930, Los Angeles, CA 90071-3406.

On September 27, 2006, I served copies of the documents listed immediately hereafter by first class mail by placing same in sealed envelopes, fully preparing postage thereon, and depositing said envelopes in the U.S. Mail at Los Angeles, California. Said envelopes were addressed as follows:

**SEE ATTACHED DISTRIBUTION LIST**

*(sent via certified mail with applicable postage to those parties listed with an asterisk)*

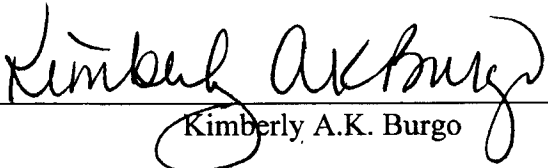
Documents mailed:

1. **NOTICE OF VIOLATION OF THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (California Health and Safety Code §25249.5 et seq.)**

**NOTICED PARTIES:**

- **AMERICAN INTERNATIONAL INDUSTRIES (A.I.I.)  
2220 GASPAR AVENUE  
LOS ANGELES, CA 90040**
2. **Exhibit A - THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY (only sent to those parties listed with an asterisk)**
  3. **Exhibit B - Details of Relevant Proposition 65 Chemical Listing**
  4. **CERTIFICATE OF MERIT – (attachments only sent to California Attorney General's Office)**

I declare under penalty of perjury under the laws of the state of California that the foregoing is true and correct, and that this declaration was executed on September 27, 2006, at Los Angeles, California.

  
\_\_\_\_\_  
Kimberly A.K. Burgo

**DISTRIBUTION LIST – NOTICED PARTY**  
**\*By Certified Mail – Return Receipt Requested**  
**60-Day Notice of Violation; Exhibit A - Summary of Prop. 65;**  
**Exhibit B - Details of Relevant Proposition 65 Chemical Listing;**  
**Certificate of Merit; and Certificate of Service**

\*Zvi Ryzman, President & CEO  
**American International Industries**  
2220 Gaspar Avenue  
Los Angeles, CA 90040

**By Certified Mail – Return Receipt Requested**

**DISTRIBUTION LIST – GOVERNMENT ENTITIES**  
**60-Day Notice of Violation; Exhibit B - Details of Relevant Proposition 65**  
**Chemical Listing; Certificate of Merit (w/atts. AG's office only); and Certificate of Service**

**CALIFORNIA ATTORNEY GENERAL**  
CA Department of Justice  
**PROP. 65 ENFORCEMENT REPORTING**  
Attn: Prop 65 Coordinator  
1515 Clay Street, Suite 2000  
Post Office Box 70550  
Oakland, CA 94612-0550

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

San Diego City Attorney's Office  
Civic Center Plaza  
1200 Third Avenue, 3<sup>rd</sup> Floor  
San Diego, CA 92101

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

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

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

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

Office of the District Attorney of  
Amador County  
708 Court Street, Room 202  
Jackson, CA 95642

Office of the District Attorney of  
Butte County  
Administration Building  
25 County Center Drive  
Oroville, CA 95965

Office of the District Attorney of  
Calaveras County  
County Government Center  
891 Mountain Ranch Road  
San Andreas, CA 95249

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

Office of the District Attorney of  
Contra Costa County  
PO Box 670  
Martinez, CA 94553

Office of the District Attorney of  
Del Norte County  
County Courthouse  
450 H Street, Suite 171  
Crescent City, CA 95531

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

Office of the District Attorney of  
Fresno County  
2220 Tulare Street, Suite 1000  
Fresno, CA 93721

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



Office of the District Attorney of  
Humboldt County  
825 Fifth Street  
Eureka, CA 95501

Office of the District Attorney of  
Imperial County  
County Courthouse, Rm. 202  
939 W. Main Street  
El Centro, CA 92243

Office of the District Attorney of  
Inyo County  
168 N. Edwards Street  
P.O. Drawer D  
Independence, CA 93526

Office of the District Attorney of  
Kern County  
1215 Truxtun Avenue, 4<sup>th</sup> Floor  
Bakersfield, CA 93301

Office of the District Attorney of  
Kings County  
Government Center  
1400 West Lacey Boulevard  
Hanford, CA 93230

Office of the District Attorney of  
Lake County  
255 N. Forbes Street, Ste. 424  
Lakeport, CA 95453

Office of the District Attorney of  
Lassen County  
County Courthouse  
220 S. Lassen Street, Ste. 8  
Susanville, CA 96130

Office of the District Attorney of  
Los Angeles County  
18000 Criminal Courts Building  
210 W. Temple Street  
Los Angeles, CA 90012

Office of the District Attorney of  
Madera County  
209 W. Yosemite Avenue  
Madera, CA 93637

Office of the District Attorney of  
Marin County  
3501 Civic Center Drive, Room 130  
San Rafael, CA 94903

Office of the District Attorney of  
Mariposa County  
5089 Bullion Street  
P.O. Box 730  
Mariposa, CA 95338

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

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

Office of the District Attorney of  
Modoc County  
County Courthouse  
204 S. Court Street, Room 202  
Alturas, CA 96101

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

Office of the District Attorney of  
Monterey County  
240 Church Street, Room 101  
Salinas, CA 93902

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

Office of the District Attorney of  
Nevada County  
Courthouse Annex  
201 Church Street, Suite 8  
Nevada City, CA 95959-2504

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

Office of the District Attorney of  
Placer County  
11562 "B" Avenue, DeWitt Center  
Auburn, CA 95603

Office of the District Attorney of  
Plumas County  
520 Main Street, Room 404  
P.O. Box 10716  
Quincy, CA 95971

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

Office of the District Attorney of  
Sacramento County  
901 "G" Street  
P.O. Box 749  
Sacramento, CA 95814

Office of the District Attorney of  
San Benito County  
419 4th Street, 2<sup>nd</sup> Floor  
Hollister, CA 95023-3801

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

Office of the District Attorney of  
San Diego County  
330 West Broadway, Ste. 1320  
San Diego, CA 92101

Office of the District Attorney of  
San Francisco County  
Hall of Justice  
880 Bryant Street, Room 325  
San Francisco, CA 94103

Office of the District Attorney of  
San Joaquin County  
222 E. Weber, Room 202  
P.O. Box 990  
Stockton, CA 95201

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

Office of the District Attorney of  
San Mateo County  
400 County Center, 3rd Floor  
Redwood City, CA 94063

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

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

Office of the District Attorney of  
Santa Cruz County  
701 Ocean Street, Ste. 200  
Santa Cruz, CA 95060

Office of the District Attorney of  
Shasta County  
1525 Court Street, Third Floor  
P.O. Box 1320  
Redding, CA 96001-1632

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

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

Office of the District Attorney of  
Solano County  
675 Texas Street  
Fairfield, CA 94533

Office of the District Attorney of  
Sonoma County  
Hall of Justice  
600 Administration Drive, Room 212-J  
Santa Rosa, CA 95403

Office of the District Attorney of  
Stanislaus County  
800 11<sup>th</sup> Street, Room 200  
P.O. Box 442  
Modesto, CA 95354

Office of the District Attorney of  
Sutter County  
Courthouse Annex Box 1555  
446 Second Street  
Yuba City, CA 95991

Office of the District Attorney of  
Tehama County  
County Courthouse  
P.O. Box 519  
Red Bluff, CA 96080-0519

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

Office of the District Attorney of  
Tulare County  
County Civic Center  
221 S. Mooney Boulevard, Room 224  
Visalia, CA 93291

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

Office of the District Attorney of  
Ventura County  
800 South Victoria Avenue, Rm. 314  
Ventura, CA 93009

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

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