

**NOTICE OF VIOLATION
CONSUMER EXPOSURE TO LEAD IN TOYS**

**60-Day Notice of Intent to Sue Under Proposition 65
for Failure to Warn Public About Chemicals Listed Under Health and Safety Code Section 25249.6
(California Safe Drinking Water and Toxic Enforcement Act)**

September 24, 2007

This Notice of Violation is provided to you pursuant to and in compliance with California Health and Safety Code Section 25249.7(d) of California's Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly referred to as "Proposition 65"). Proposition 65 requires that notice of intent to sue be given to a violator 60 days before the suit is filed.

This Notice is provided by the Environmental Law Foundation ("ELF"), a California non-profit organization dedicated to the preservation and enhancement of human health and the environment. ELF has a long-standing interest in reducing health hazards to the public posed by toxic chemicals and protecting the public from harmful substances. Any inquiries regarding this Notice of Violation may be directed to James Wheaton, President of ELF, 1736 Franklin Street, 9th Floor, Oakland, CA 94612, (510) 208-4555.

This Notice constitutes notice that the entities identified in Exhibit 1 have violated and continue to violate the "warning provision" of Proposition 65, which is found at California Health and Safety Code Section 25249.6. This Notice has been served on the entities identified in Exhibit 1 and the appropriate governmental authorities. Under Section 25249.7, any person that violates or threatens to violate Proposition 65's warning provision may be enjoined in any court of competent jurisdiction.

The businesses identified in Exhibit 1 have exposed and continue to expose consumers to lead, a chemical known to the State of California to cause cancer and reproductive toxicity, without providing a clear and reasonable warning. The category of products that is subject to this Notice is toys manufactured in China that contain lead and are manufactured, distributed or sold by the entities identified in Exhibit 1 ("Toys"). Non-exclusive examples of the Toys subject to this Notice are identified in Exhibit 2.

Consumers are exposed to lead when they place the Toys in their mouths, which children commonly do, or when they handle the Toys and then place their hands in or near their mouths. The route of exposure for these violations is ingestion. These exposures occur in homes, schools, workplaces and everywhere else throughout California where these Toys are sold and/or used. No clear and reasonable warning is provided with these Toys regarding the carcinogenic hazards and reproductive toxicity of lead. These violations have been occurring since at least September 24, 2004 and are continuing to this day.

Pursuant to Health and Safety Code § 25249.7(d)(1), ELF included the attached Certificate of Merit, to wit, that ELF has consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding exposure to lead and

that, based on that information, ELF believes that there is a reasonable and meritorious case. Factual information sufficient to establish the basis of the Certificate of Merit is included with the Notice that is served on the Attorney General and is provided to that office in confidence and is not to be disclosed, except according to law.

For general information regarding the California Safe Drinking Water and Toxic Enforcement Act, please see the attached Appendix A, entitled "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary", which was prepared by the Office of Environmental Health Hazard Assessment of the California Environmental Protection Agency. (A copy is not provided to the public enforcement agencies which receive this notice.)

EXHIBIT 1 - LIST OF VIOLATORS

Notice of Violation California Safe Drinking Water and Toxic Enforcement Act

CONSUMER EXPOSURE TO LEAD IN TOYS

Mattel, Inc.
333 Continental Blvd.
El Segundo, CA 90245

Costco Wholesale Corporation
999 Lake Drive
Issaquah, WA 98027

Fisher-Price, Inc.
636 Girard Avenue
East Aurora, NY 14042

A & A Global Industries, Inc.
17 Stenersen Lane
Cockeysville, MD 21030, USA

Michaels Stores, Inc.
8000 Bent Branch Drive
Irving, TX 75063

RC2 Corporation
111 W. 22nd Street, Suite 320
Oak Brook, IL 60532

Toys "R" Us, Inc.
One Geoffrey Way
Wayne, NJ 07470-2030

Wal-Mart Stores, Inc.
702 S.W., 8th Street
Bentonville, AR 72716

Target Corporation
1000 Nicollet Mall
Minneapolis, MN 55403

Sears Holdings Corporation
3333 Beverly Road
Hoffman Estates, IL 60179

Sears, Roebuck and Co.
3333 Beverly Road
Hoffman Estates, IL 60179

KB Toys, Inc.
100 West St.
Pittsfield, MA 01201

**EXHIBIT 2 - Non-Exclusive Examples of Products
NOTICE OF VIOLATION
California Safe Drinking Water and Toxic Enforcement Act
LEAD IN TOYS**

NON-EXCLUSIVE EXAMPLE OF PRODUCT CATEGORY	DEFENDANTS	SKU
Barbie® Accessory Sets, including Barbie® Dream Puppy House™ Barbie® Dream Kitty Condo™ Playset Barbie® Table and Chairs Kitchen Playset Barbie® Bathtub and Toilet Playset Barbie® Living Room Playset Barbie® Desk and Chair Bedroom Playset Barbie® Living Room Playset	Mattel Inc., Wal-Mart Stores, Inc., Sears Holdings Corporation, Sears, Roebuck and Co., Target Corporation, Toys "R" Us, Inc.	K8609, K8608, K8607, K8606, K8613, J9485, J9486
GeoTrax™ Engine	Mattel Inc., Fisher-Price, Inc., Wal-Mart Stores, Inc., Target Corporation, Toys "R" Us, Inc.	H5705, K3013
It's a Big Big World™ Big – Big World 6-in-1 Bongo Band toys	Mattel Inc., Fisher-Price, Inc., Wal-Mart Stores, Inc., Target Corporation, Toys "R" Us, Inc.	K9343
Pixar Cars Sarge -- "Sarge" die cast toy cars	Mattel Inc., Wal-Mart Stores, Inc., Sears Holdings Corporation, Sears, Roebuck and Co., Target Corporation	H6414, M1253, K5925, L6294, L4051
Fisher-Price Toys, including, but not limited to: 33662 Elmo Light Up Musical Pal, 33664 Big Bird Light Up Musical Pal, 39038 Elmo Tub Sub, 87946 Elmo Keyboard, 90609 Elmo Collectible, 90612 Zoe Collectible, 90614 Big Bird Collectible, 93068 Elmo Boom Box, 93307 Press N Go Elmo, 93492 Cookie Saxophone, 93615 Splash Tub Puzzle, B7554 Count To Beat Elmo, B7987 Elmo In The Giggle Box, B9620 Dora's Talking House, C6908 Dora, Backpack, Perrito Figure Pack, C6909 Diego Figure Pack, C6911 Boots, Tico Figure Pack, G5112 Sing With Elmo's Greatest Hits, H2943 Grow With Me Elmo Sprinkler, H3344 Birthday Dora, H5570 Elmo & Pals (Elmo, Zoe, Bigbird), H4628 Water Fun Tote, H8237 Blue 3 Pack Figures In Tube, H9124 Chef Dora, H9186 Giggle Grabber Ernie, J0338 Diego Talking Field Journal, J0344 Go Diego Go Deep Sea Rescue, J0346 Go Diego Go Talking Rescue 4 X 4, J5936 Giggle Grabber Chef Cookie Monster, J6537 Sesame Street Giggle Toolbelt, J6763 Royal Boots And Tico, J7983 Sesame Street Tub Pots & Pans, J9692 Dora's Talking Pony Place	Mattel Inc., Wal-Mart Stores, Inc., Sears Holdings Corporation, Sears, Roebuck and Co., Target Corporation, Toys "R" Us, Inc., KB Toys, Inc.	33662, 33664, 39038, 87946, 90609, 90612, 90614, 93068, 93307, 93492, 93615, B7554, B7987, B9620, C6908, C6909, C6911, G5112, H2943, H3344, H5570, H4628, H8237, H9124, H9186, J0338, J0344, J0346, J5936, J6537, J6763, J7983, J9692

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<p>K4140 Toucan Motorcycle Rescue, L3194 Surprise Inside Diego Eggs, L3488 Sesame Street Birthday Figure Pack, L3507 Sesame Street - Super Boom Box, L5202 Birthday Dora, L8905 Pablo & Pals, M0352 Dora Figures Diego & Bear, M0527 Sesame Street Giggle Doodler, M2051 Lets Go Rescue Center, 33663 Ernie Light Up Musical Pal, 34658 Elmo Stacking Rings, 39054 Sesame Street Shape Sorter, 90267 Ernie Splashin' Fun Trike, 90611 Cookie Collectible, 90613 Ernie Collectible, 90745 Construction Playset, 93107 Action Fire Engine, 93308 Rev & Go Cookie Monster, 93493 Elmo's Guitar, 93780 Music And Lights Phone, B7888 Shake, Giggle & Roll, B7989 Silly Parts Talking Elmo, C6910 Swiper Figure Pack, G3825 Dora Talking Vamonos Van, G9717 Giggle Doodler, H3343 Cousin Daisy, H5569 Elmo & Pals (Elmo, Cookie, Ernie), H4187 Dora Figures In Tube, H8236 Dora 3 Pack Figures In Tube, H8238 Sponge Bob 3 Pack Figures In Tube, H9125 Bedtime Dora, H9188 Giggle Grabber Oscar The Grouch, J0343 Go Diego Go Antarctic Rescue, J0345 Go Diego Go Mountain Rescue</p>	<p>Mattel Inc., Fisher-Price, Inc., Wal-Mart Stores, Inc., Sears Holdings Corporation, Target Corporation, Toys "R" Us, Inc., KB Toys, Inc.</p>	<p>K4140, L3194, L3488, L3507, L5202, M0352, M0527, M2051, 33663, 34658, 39054, 90267, 90611, 90613, 90745, 93107, 93308, 93493, 93780, B7888, B7989, C6910, G3825, G9717, H3343, H5569, H4187, H8236, H8238, H9125, H9188, J0343, J0345</p>
<p>J5935 Giggle Grabber Soccer Elmo, J6762 Queen Mami, J6765 Prince Diego, J9518 Sesame Street Giggle Drill, K0617 Twins Nursery, K3571 Go Diego Go Mobile Rescue Unit, K4139 Go Diego Go Dinosaur Rescue, L0305 Dora Figure, L3215 Sesame Street Elmo Jack-In-The-Box, L5813 Diego Tub Trike, M0351 Dora Figures Dora & Kitty, M0524 Go Diego Go Talking Gadget, M0732 Dora's Talking House, M2052 Fairytale Castle, K3414 Diego - Talking Gadget Belt, K3580 Fairytale Adventure Dora</p>	<p>Mattel Inc., Wal-Mart Stores, Inc., Sears Holdings Corporation, Sears, Roebuck and Co., Target Corporation, Toys "R" Us, Inc., KB Toys, Inc.</p>	<p>J5935, J6762, J6765, J9518, K0617, K3571, K4139, L0305, L3215, L5813, M0351, M0524, M0732, M2052, K3414, K3580</p>
<p>James the Red Engine, Lights & Sounds James, Adventures of James Skarloey, Old Slow Coach, Fire Crew, Musical Caboose, Sodor Line Caboose, Conductor's Figure 8 Set, Knapford ridge Figure 8 Set (Michaels), 2006 Day Out with Thomas Box Car, Oval Set, Deluxe Fire Station, Thomas Battery Operated Track Rider add-on Pack sold exclusively at Toys "R" Us, Conductor's Figure 8 Set, Oval Set, Bridge & Crane Figure 8 Set, Great Adventure Set (A.C. Moore), Smelting Yard, Ice Cream Factory, Hard at Work Percy & Mail Car</p>	<p>RC2 Corporation, Wal-Mart Stores, Inc., Toys "R" Us, Inc., Sears Holdings Corporation, Target Corporation, Michaels Stores, Inc., KB Toys, Inc., Costco Wholesale Corporation - (product #s 204475, 166501, 119197)</p>	<p>LC99005, LC99041, LC99134, LC99070, LC99030, LC99196, LC99043, LC99050, LC99535, LC99557, LC09996, LC99561, LC99380, 35524, LC99535, LC99561, LC99567, LC09748, LC99369, LC99374, LC99045</p>

**EXHIBIT 2 - Non-Exclusive Examples of Products
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NON-EXCLUSIVE EXAMPLE OF PRODUCT CATEGORY	DEFENDANTS	SKU
Children's "Groovy Grabber" Bracelets	A&A Global Industries, Inc., Sears Holdings Corporation, Sears, Roebuck and Co.	none available
Children's "Kidsite" Necklace and Earring Sets	A&A Global Industries, Inc., Sears Holdings Corporation	none available
Imaginarium Wooden Coloring Cases	Toys "R" Us, Inc.	none available
"Elite Operations" Toy Sets	Toys "R" Us, Inc.	087286, 920625, 773967

CERTIFICATE OF MERIT

California Health and Safety Code Section 25249.7(d)

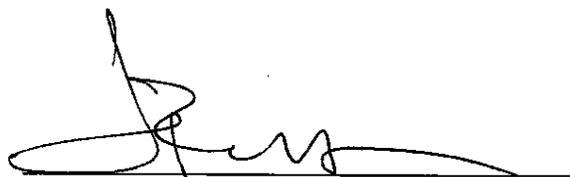
I, James Wheaton, hereby declare:

This Certificate of Merit accompanies the attached sixty-day Notice of Violation in which it is alleged that the parties identified in the Notice have violated Health and Safety Code §25249.6 by exposing individuals to a chemical known to the State of California to cause cancer and birth defects without providing a clear and reasonable warning. This Certificate of Merit is submitted pursuant to and in compliance with California Health and Safety Code §25249.7(d).

I am an Attorney representing the Environmental Law Foundation ("ELF"), which is the party providing the Notice of Violation. 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 exposures to the listed chemical that is the subject of this Notice of Violation. Based on the 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 the information did not prove that the alleged violators will be able to establish any of the affirmative defenses set forth in the statute.

The copy of the Certificate of Merit that is served on the Attorney General includes factual information sufficient to establish the basis for this Certificate, including the information identified in 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. This information is provided to that office in confidence and is not to be disclosed, except according to law.

Dated: September 24, 2007



James R. Wheaton
Attorney for Environmental Law Foundation

CERTIFICATE OF SERVICE BY MAIL

I, Nicole Feliciano, declare that:

I am employed in Oakland, California. I am over the age of 18 years and not a party to the within cause; my business address is 1736 Franklin Street, 9th Floor, Oakland, CA 94612.

I am readily familiar with my firm's practice for collection and processing of correspondence for mailing with the United States Postal Service, to wit, that correspondence is deposited with the United States Postal Service the same day in the ordinary course of business.

On September 24, 2007, I served true copies of the following documents on the parties and governmental authorities listed in the attached service list by placing true and correct copies of the same in sealed envelopes with first class postage fully prepaid thereon and deposited in the United States Mail at Oakland, California:

NOTICE OF VIOLATION OF CALIFORNIA SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT;

EXHIBIT 1 - LIST OF VIOLATORS WITH NON-EXCLUSIVE EXAMPLES OF THE PRODUCTS SOLD;

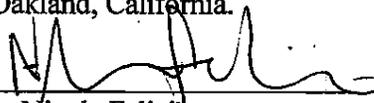
EXHIBIT 2 - EXAMPLES OF PRODUCTS; and

CERTIFICATE OF MERIT;

APPENDIX A - THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY (only sent to those on service list marked with an asterisks).

I certify under penalty of perjury that the foregoing is true and correct, and that this certification was executed on September 24, 2007, at Oakland, California.

Signed:


Nicole Feliciano

SERVICE LIST

District Attorney of Alameda County 1225 Fallon Street, Room 900 Oakland, CA 94612	District Attorney of Butte County 25 County Center Drive Oroville, CA 95965	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 Imperial County 939 Main Street El Centro, CA 92243	District Attorney of Kings County 1400 West Lacey Hanford, CA 93230
District Attorney of Los Angeles County 210 W. Temple Street, Room 345 Los Angeles, CA 90012	District Attorney of Mariposa County P.O. Box 730 Mariposa, CA 95338	District Attorney of Modoc County 204 S Court Street Alturas, CA 96101-4020
District Attorney of Napa County 931 Parkway Mall Napa, CA 94559	District Attorney of Alpine County P.O. Box 248 Markleeville, CA 96120	District Attorney of Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249
District Attorney of Del Norte County 450 H Street, Ste 171 Crescent City, CA 95531	District Attorney of Glenn County P.O. Box 430 Willows, CA 95988	District Attorney of Inyo County P.O. Drawer D Independence, CA 93526
District Attorney of Lake County 255 N. Forbes Street Lakeport, CA 95453	District Attorney of Madera County 209 West Yosemite Avenue Madera, CA 93637	District Attorney of Mendocino County P.O. Box 1000 Ukiah, CA 95482
District Attorney of Mono County P.O. Box 617 Bridgeport, CA 93517	District Attorney of Nevada County 201 Church St., Suite 8 Nevada City, CA 95959	District Attorney of Amador County 708 Court Street, #202 Jackson, CA 95642
District Attorney of Colusa County 547 Market Street Colusa, CA 95932	District Attorney of El Dorado County 515 Main Street Placerville, CA 95667	District Attorney of Humboldt County 825 5th Street Eureka, CA 95501
District Attorney of Kern County 1215 Truxtun Avenue Bakersfield, CA 93301	District Attorney of Lassen County 220 S. Lassen St., Ste 8 Susanville, CA 96130	District Attorney of Marin County 3501 Civic Center Dr., Room 183 San Rafael, CA 94903

District Attorney of Merced County 2222 "M" Street Merced, CA 95340	District Attorney of Monterey County PO Box 1131 Salinas, CA 93901	District Attorney of Orange County 401 Civic Ctr Drive West Santa Ana, CA 92701
District Attorney of Placer County 11562 "B" Avenue Auburn, CA 95603	District Attorney of Sacramento County 901 "G" Street Sacramento, CA 95814	District Attorney of San Diego County 330 West Broadway, Suite 1320 San Diego, CA 92112
District Attorney of San Luis Obispo County 1050 Monterey St, Room 450 San Luis Obispo, CA 93408	District Attorney of Santa Clara County 70 West Hedding Street San Jose, CA 95110	District Attorney of Sierra County Courthouse, P.O. Box 457 Downieville, CA 95936
District Attorney of Sonoma County 600 Administration Drive, Room 212J Santa Rosa, CA 95403	District Attorney of Tehama County P.O. Box 519 Red Bluff, CA 96080	District Attorney of Tuolumne County 2 South Green Sonora, CA 95370
District Attorney of Yuba County 215 Fifth Street Marysville, CA 95901	District Attorney of Plumas County 520 Main Street, Room 404 Quincy, CA 95971	District Attorney of San Benito County 419 Fourth Street, 2 nd Floor Hollister, CA 95023
District Attorney of San Francisco County 850 Bryant Street, Rm 325 San Francisco, CA 94103	District Attorney of San Mateo County 400 County Ctr, 3 rd Fl Redwood City, CA 94063	District Attorney of Santa Cruz County 701 Ocean Street, Room 200 Santa Cruz, CA 95061
District Attorney of Siskiyou County P.O. Box 986 Yreka, CA 96097	District Attorney of Stanislaus County 800 11 th Street, Room 200 Modesto, CA 95353	District Attorney of Trinity County P.O. Box 1310 Weaverville, CA 96093
District Attorney of Ventura County 800 South Victoria Ave Ventura, CA 93009	Los Angeles City Attorney's Office Room 1800, City Hall East 200 N. Main Street Los Angeles, CA 90012	District Attorney of Riverside County 4075 Main Street, 1st Floor Riverside, CA 92501
District Attorney of San Bernardino County 316 N. Mountain View Avenue San Bernardino, CA 92415-0004	District Attorney of San Joaquin County P.O. Box 990 Stockton, CA 95201	District Attorney of Santa Barbara County 1105 Santa Barbara Street Santa Barbara, CA 93101

District Attorney of Shasta County 1525 Court Street, Third Floor Redding, CA 96001-1632	District Attorney of Solano County 600 Union Avenue Fairfield, CA 94533	District Attorney of Sutter County 446 Second Street Yuba City, CA 95991
District Attorney of Tulare County 221 S. Mooney Ave, Room 224 Visalia, CA 93291	District Attorney of Yolo County 301 Second Street Woodland, CA 95695	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	San Jose City Attorney's Office 151 West Mission Street San Jose, CA 95110	Ed Weil, Deputy Atty. General Office of the Attorney General Prop. 65 Enforcement Reporting Coordinator 1515 Clay Street, Ste. 2000 Oakland, CA 94612
* President or Current CEO Mattel, Inc. 333 Continental Blvd. El Segundo, CA 90245	*President or Current CEO Fisher-Price, Inc. 636 Girard Avenue East Aurora, NY 14042	*President or Current CEO Michaels Stores, Inc. 8000 Bent Branch Drive Irving, TX 75063
*President or Current CEO Toys "R" Us, Inc. One Geoffrey Way Wayne, NJ 07470-2030	*President or Current CEO Wal-Mart Stores, Inc. 702 S.W., 8th Street Bentonville, AR 72716	*President or Current CEO Target Corporation 1000 Nicollet Mall Minneapolis, MN 55403
*President or Current CEO Sears Holdings Corporation 3333 Beverly Road Hoffman Estates, IL 60179	*President or Current CEO Sears, Roebuck and Co. 3333 Beverly Road Hoffman Estates, IL 60179	*President or Current CEO KB Toys, Inc. 100 West St. Pittsfield, MA 01201
*President or Current CEO Costco Wholesale Corporation 999 Lake Drive Issaquah, WA 98027	*President or Current CEO A & A Global Industries, Inc. 17 Stenersen Lane Cockeysville, MD 21030	*President or Current CEO RC2 Corporation 111 W. 22nd Street, Suite 320 Oak Brook, IL 60532

APPENDIX A

OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 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.

Discharges 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 listed 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.