SIXTY-DAY NOTICE OF INTENT TO SUE FOR VIOLATION OF THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986

(Cal. Health & Safety Code § 25249.5, et seq.) ("Proposition 65")

March 6, 2009

Mohammad Aref Abedi Callahan Wholesale Hardware Company 139 S. Western Los Angeles, CA 90038 President/CEO Jennings & Agnew Hardware 5400 Pacific Blvd. Huntington Park, CA 90255

AND THE PUBLIC PROSECUTORS LISTED ON THE DISTRIBUTION LIST ACCOMPANYING THE ATTACHED CERTIFICATE OF SERVICE

Re: Violations of Proposition 65 concerning Lead Battery Terminals, including Part No. BT – 10

Dear Mr. Abedi, and to whom else this may concern:

Consumer Advocacy Group, Inc. ("CAG"), the noticing entity, serves this Notice of Violation ("Notice") upon Callahan Wholesale Hardware Company and Jennings & Agnew Hardware (collectively "Violators") pursuant to and in compliance with Proposition 65. Violator may contact CAG concerning this Notice through its designated person within the entity, its attorney, Daniel D. Cho, Esq., 3700 Wilshire Boulevard, Suite 480, Los Angeles, CA 90010, telephone no. (213) 382-3183, facsimile no. (213) 382-3430. This Notice satisfies a prerequisite for CAG to commence an action against Violator in any Superior Court of California to enforce Proposition 65. The violations addressed by this Notice occurred at numerous locations in each county in California as reflected in the district attorney addresses listed in the attached distribution list. CAG is serving this Notice upon each person or entity responsible for the alleged violations, the California Attorney General, the district attorney for each county where alleged violations occurred, and the City Attorney for each city with a population (according to the most recent decennial census) of over 750,000 located within counties where the alleged violations occurred.

- CAG is a registered corporation based in California. By sending this Notice, CAG is acting "in the public interest" pursuant to Proposition 65. CAG is a nonprofit entity dedicated to protecting the environment, improving human health, and supporting environmentally sound practices.
- This Notice concerns violations of the warning prong of Proposition 65, which states that "[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 . . ." Cal. Health & Safety Code § 25249.6.
- Lead Battery Terminals, including Part No. BT 10 contains lead, which is known to the State of California to cause both cancer and reproductive toxicity, female, male. On February 27, 1987, the Governor of California added lead and lead compounds to the list of chemicals known to the State to cause reproductive toxicity, reproductive, female, male, and on October 1, 1992, the Governor added lead to the list of chemicals known to the State to cause cancer. Both additions took place more than twenty (20) months before CAG served this Notice.

• This Notice addresses consumer products exposure A "[c]onsumer products exposure' is an exposure which results from a person's acquisition, purchase, storage, consumption, or other reasonably foreseeable use of a consumer good, or any exposure that results from receiving a consumer service." Cal. Code Regs. 27 § 25602(b).

Violators caused consumer product exposures in violation of Proposition 65 by producing or making available for distribution or sale in California to consumers Lead Battery Terminals, including Part No. BT – 10 ("Lead Terminal"). The packaging for Lead Terminal (meaning any label or other written, printed or graphic matter affixed to or accompanying the product or its container or wrapper) contains no Proposition 65-complaint warning. Nor did Violators, pertinent to Lead Terminal, provide a system of signs, public advertising identifying the system and toll-free information services, or any other system, which provided clear and reasonable warnings. Nor did Violators, pertinent to Lead Terminal, provide identification of the product at retail outlets in a manner that provided a warning through shelf labeling, signs, menus, or a combination thereof. Lead Terminal is for use on automobile batteries.

• This Notice also concerns an occupational exposure. An "[o]ccupational exposure' means an exposure to any employee in his or her employer's workplace." Cal. Code Regs. 25 § 25602(f).

Violators caused occupational exposures in violation of Proposition 65 by allowing employees to handle Lead Terminal without having first given clear and reasonable warnings to such employees that by handling Lead Terminal such employees would suffer exposures to lead and lead compounds. Violators' employees were exposed to lead by touching Lead Terminal with their bare skin at Violators' premises located at 139 S. Western Ave., Los Angeles, CA 90038 and 5400 Pacific Blvd., Huntington Park, CA 90255, among other locations where these activities take place. Violators did not provide any Proposition 65-compliant warnings on either the product or substance present or any sign or system of signs in the workplace.

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 California Attorney General.

• This Notice also addresses environmental exposures. An "[e]nvironmental exposure' is an exposure which may foreseeably occur as the result of contact with an environmental medium, including, but not limited to, ambient air, indoor air, drinking water, standing water, running water, soil vegetation, or manmade or natural substances, either through inhalation, ingestion, skin contact or otherwise. Environmental exposures include all exposures which are not consumer products exposures, or occupational exposures." Cal. Code Regs. 27 § 25602(c).

Violators caused environmental exposures by not providing any Proposition 65-compliant warnings at their facilities located at 139 S. Western Ave., Los Angeles, CA 90038 and 5400 Pacific Blvd., Huntington Park, CA 90255, among other locations where such exposures could foreseeably occur, to persons who could foreseeably come into contact with Lead Terminal. Such exposures also occurred beyond the property owned or controlled by Violators.

These violations occurred each day between March 6, 2006, and March 6, 2009, and are ever continuing thereafter.

The principal routes of exposure were through dermal contact, ingestion, and inhalation. Persons sustain exposures by handling Lead Terminal without wearing gloves or by touching bare skin or mucous membranes with gloves after handling Lead Terminal, as well as hand to mouth contact, or breathing in particulate matter emanating from Lead Terminal as part of the process of installing Lead Terminal on or removing Lead Terminal from an automobile battery.

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, CAG gives notice of the alleged violations to Violators and the appropriate governmental authorities. In absence of any action by the appropriate governmental authorities within 60 calendar days of the sending of this notice (plus five calendar days because the places of mailing and address are within the State of California), CAG may file suit.

Dated: March 6, 2009

Daniel D. Cho

Yeroushalmi & Associates

Attorneys for Consumer Advocacy Group, Inc.

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 27 of the California Code of Regulations, Sections 25000 through 27000.

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 735 chemicals have been listed as of November 16, 2001. 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 27, California Code of Regulations, Section 25903). 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.

\$27000.

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. Missing or unacceptable studies are identified
as data gaps. The studies are conducted to fulfill generic
data requirements of the Federal Insecticide, Fungicide,
and Rodenticide Act (FIFRA), which is administered by
the United Stated Environmental Protections Agency
(U.S. EPA). The studies are reviewed by CDPR

according to guidelines and standards promulgated under

FIFRA. Thus, older studies may not meet current

guidelines.

The existence of a data gap for a compound does not indicate a total lack of information on the carcinogenicity or reproductive toxicity of the compound. In some cases, information exists in the open scientific literature, but SB 950 requires specific, additional information. A data gap does not necessarily indicate that an oncogenic or reproductive hazard exists. For the purposes of this list, a data gap is still considered to be present until the study is reviewed and found to be acceptable.

Following is a listing of SB 950 data gaps for oncogenicity, reproduction, and teratology studies for the non-200 pesticidal active ingredients. This list will change as data gaps are filled by additional data or replacement studies.

[Final Paragraph and List Ommitted].

Lead Battery Terminals, including Part No. BT – 10

CERTIFICATE OF MERIT

Health and Safety Code Section 25249.7(d)

I, Daniel D. Cho, 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 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 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: March 6, 2009

By: DANIELD CHO

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.

ON THE DATE SHOWN BELOW, I SERVED THE FOLLOWING:

- 1) 60-Day Notice of Intent to Sue Under Health & Safety Code Section 25249.6
- 2) Certificate of Merit: Health and Safety Code Section 25249.7(d)
- 3) Certificate of Merit (Attorney General Copy): Factual information sufficient to establish the basis of the certificate of merit (only sent to Attorney General)
- 4) The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary

by enclosing copies of the same in a sealed envelope, along with an unsigned copy of this declaration, addressed to each person shown below and depositing the envelope in the U.S. mail with the postage fully prepaid. Place of Mailing: Los Angeles, CA

Name and address of each party to whom documents were mailed:

Mohammad Aref Abedi Callahan Wholesale Hardware Company 139 S. Western Los Angeles, CA 90038 President/CEO
Jennings & Agnew Hardware
5400 Pacific Blvd.
Huntington Park, CA 90255

Name and address of each public prosecutor to whom documents were mailed:						
See Distribution List	•					
I declare under per correct.	nalty of perjury under t	he laws of the S	State of Californ	nia that the foregoin	ig is true and	
Date of Mailing:	March 6, 2009	D				
		Ву:	(Suzana Solis		

Distribution List

Alameda County District	Los Angeles County District	Mono County District Attorney	
Attorney	Attorney	PO Box 617	
1225 Fallon St, Room 900	210 W Temple St, 18th Floor	Bridgeport, CA 93517	
Oakland, CA 94612	Los Angeles, CA 90012	Diagopoit, Cit 99317	
Alpine County District Attorney	Madera County District Attorney	San Joaquin County District	
PO Box 248	209 W Yosemite Ave	Attorney	
Markleeville, CA 96120	Madera, CA 93637	PO Box 990	
Warkiesvine, Ori 70120	ividuoid, Ori 95057	Stockton, CA 95201 -0990	
Amador County District Attorney	Mariposa County District	San Francisco County District	
708 Court, Suite 202	Attorney	Attorney	
Jackson, CA 95642	P.O. Box 730	850 Bryant St, Rm 322	
Judition, CIT 950 II	Mariposa, CA 95338	San Francisco, CA 94103	
Butte County District Attorney	Marin County District Attorney	San Diego County District	
25 County Center Dr.	3501 Civic Center Drive, #130	Attorney	
Oroville, CA 95965-3385	San Rafael, CA 94903	330 W. Broadway, Ste 1300	
0107110, 011 33303 3303	San randon, Gri 5 15 05	San Diego, CA 92101-3803	
Calaveras County District	Mendocino County District	San Bernardino County District	
Attorney	Attorney	Attorney	
891 Mountain Ranch Road	P.O. Box 1000	316 N Mountain View Ave	
San Andreas, CA 95249	Ukiah, CA 95482	San Bernardino, CA 92415-0004	
Office of the Attorney General	Los Angeles City Attorney	San Francisco City Attorney	
P.O. Box 70550	200 N Main St Ste 1800	# 1 Dr. Carlton B. Goodlett Place,	
Oakland, CA 94612-0550	Los Angeles CA 90012	Suite 234	
Oakiaiid, CA 94012-0550	Los Aligeles CA 90012	San Francisco, CA 94102	
Colusa County District Attorney	Inyo County District Attorney	Placer County District Attorney	
Courthouse, 547 Market St.	P.O. Drawer D	10810 Justice Center Drive	
Colusa, CA 95932	Independence, CA 93526	Suite 240	
001434, 071 93932	macpondence, Cri 93320	Roseville, CA 95678-6231	
Contra Costa County District	Orange County District Attorney	Merced County District Attorney	
Attorney	PO Box 808	650 W. 20 th Street	
725 Court St., Room 402	Santa Ana, CA 92702	Merced, CA 95340	
Martinez, CA 94553			
Del Norte County District	Nevada County District Attorney	Napa County District Attorney	
Attorney	201 Church St, Suite 8	PO Box 720	
450 "H" St.	Nevada City, CA 95959-2504	Napa, CA 94559-0720	
Crescent City, CA 95531	, , , , , , , , , , , , , , , , , , , ,		
El Dorado County District	Plumas County District Attorney	Riverside County District	
Attorney	520 Main Street, Rm 404	Attorney	
515 Main St.	Quincy, CA 95971	4075 Main St	
Placerville, CA 95667-5697		Riverside, CA 92501	
Fresno County District Attorney	Sacramento County District	San Benito County District	
2220 Tulare St, Ste. 1000	Attorney	Attorney	
Fresno, CA 93721	901 G Street	419 4th St	
	Sacramento, CA 95814	Hollister, CA 95023	
Glenn County District Attorney	San Luis Obispo County District	Siskiyou County District	
PO Box 430	Attorney	Attorney	
Willows, CA 95988	County Government Center, Rm	PO Box 986	
	450	Yreka, CA 96097	
	San Luis Obispo, CA 93408		

Humboldt County District	San Mateo County District	Solano County District Attorney
Attorney	Attorney	600 Union Ave
825 5th St., 4 th Floor	400 County Center	Fairfield, CA 94533
Eureka, CA 95501	Redwood City, CA 94063	
Imperial County District Attorney	Santa Barbara County District	Sonoma County District Attorney
939 W. Main St., 2 nd Floor	Attorney	600 Administration Dr.,
El Centro, CA 92243-2860	1112 Santa Barbara St.	Rm 212-J
	Santa Barbara, CA 93101	Santa Rosa, CA 95403
Kern County District Attorney	Santa Clara County District	Shasta County District Attorney
1215 Truxtun Ave.	Attorney	1525 Court St, 3rd Floor
Bakersfield, CA 93301	70 W Hedding St.	Redding, CA 96001-1632
	San Jose, CA 95110	
Kings County District Attorney	Santa Cruz County District	Sierra County District Attorney
Gov't Ctr, 1400 W Lacey Blvd	Attorney	PO Box 457
Hanford, CA 93230	PO Box 1159	Downieville, CA 95936-0457
,	Santa Cruz, CA 95061	,
Lake County District Attorney	Stanislaus County District	Trinity County District Attorney
255 N Forbes St	Attorney	PO Box 310
Lakeport, CA 95453-4790	PO Box 442	Weaverville, CA 96093
	Modesto, CA 95353	,
Modoc County District Attorney	Sutter County District Attorney	Yuba County District Attorney
204 S. Court Street	446 Second Street	215 5th St
Alturas, CA 96101-4020	Yuba City, CA 95991	Marysville, CA 95901
San Diego City Attorney	Lassen County District Attorney	Monterey County District
City Center Plaza	200 S Lassen St, Suite 8	Attorney
1200 3rd Ave # 1100	Susanville, CA 96130	PO Box 1131
San Diego, CA 92101		Salinas, CA 93902
Tuolumne County District	Tulare County District Attorney	Yolo County District Attorney
Attorney	County Civic Center, Rm 224	310 Second St
2 S Green St	Visalia, CA 93291	Woodland, CA 95695
Sonora, CA 95370		
Ventura County District Attorney	Tehama County District Attorney	San Jose City Attorney
800 S Victoria Ave	P.O. Box 519	151 W. Mission St.
Ventura, CA 93009	Red Bluff, CA 96080	San Jose, CA 95110
	, , , , , , , , , , , , , , , , , , , ,	
	<u> </u>	· · · · · · · · · · · · · · · · · · ·