60 DAY NOTICE OF VIOLATION

SENT IN COMPLIANCE WITH CALIFORNIA HEALTH & SAFETY CODE §25249.7(d)

DATE: February 19, 2013

To: Orchard Supply Hardware, and National Manufacturing Company;

California Attorney General's Office;

District Attorney's Office for 58 Counties; and

City Attorney's Office for Los Angeles, San Diego, San Jose and San Francisco.

From: AFS Enterprises LLC

I. INTRODUCTION

Our name is AFS Enterprises LLC. We are citizens and a Limited Liability Company of the State of California acting in the interest of the general public. We seek to promote awareness of exposures to toxic chemicals in products sold in California and, if possible, to improve public health and safety by reducing the hazardous substances contained in such items. This Notice is provided to the parties listed above pursuant to California Health & Safety Code §25249.6, et seq. ("Proposition 65"). The violations alleged by this Notice consist of product exposures, routes of exposures, and types of harm that may potentially result from exposures to the toxic chemical ("listed chemical") identified below:

Product Exposure:

See Section VII, Exhibit A

Listed Chemical:

Lead and Lead Compounds

Routes of Exposure:

Touch, Oral

Types of Harm:

Carcinogen, Causes Birth

Defects and Other Reproductive Toxicity

II. NATURE OF ALLEGED VIOLATION (PRODUCT EXPOSURE)

The specific type of product that is causing consumer and occupational exposures in violation of Proposition 65, and which is the subject of this Notice, is listed under "Product Category/Type" in Exhibit A in Section VII below. All products within the type covered by this Notice shall be referred to hereinafter as the "products." The sales of these products in California dating at least as far back as February 08, 2013 are subject to this Notice. As a result of the sales of these products, exposures to the listed chemical have been occurring without clear and responsible warnings as required by Proposition 65. Without proper warnings regarding the toxic effects of exposures to the listed chemical, resulting from contact with the products, California citizenry lack the information necessary to make informed decisions on whether and how to eliminate (or reduce) the risk of exposure to the toxic chemical from the reasonably foreseeable use of the products.

Through the act of buying, acquiring and using the products, citizens of California are exposed to the listed chemical in homes, workplaces and elsewhere throughout California where these products are used. Exposure to consumers includes, but is not limited to, when handling the product Lead comes off on the hands and is then absorbed through the skin or ingested via inhalation, hand to mouth contact, hand to food to mouth contact, or through hand to cigarette to lung contact. Exposure may continue to occur for a significant period after the initial contact. These activities cause women, pregnant women, and women of child bearing age to be exposed directly through migration of the listed chemical from the products. People likely to be exposed are women, men, infants and children. These violations and threatened violations pertain to Proposition 65 chemicals that are listed as carcinogens and as reproductive toxins.

III. CONTACT INFORMATION

Please direct all questions concerning this notice to me through my counsel's offices at the following address:

AFS Enterprises LLC c/o Daniel N. Greenbaum, Esq. 1467 South Holt Avenue #2 Los Angeles, CA 90035 Phone: 310.200.2631

IV. PROPOSITION 65 INFORMATION

For general information concerning the provisions of Proposition 65, please feel free to contact the Office of Environmental Health Hazard Assessment ("OEHHA") in the Proposition 65 Implementation Office at (916) 445-6900. For the alleged Violator(s), I have attached a copy of "Proposition 65 in Plain Language" which has been prepared by OEHHA.

V. RESOLUTION OF NOTICED CLAIMS

Based on the allegations set forth in this Notice, I intend to file a citizen enforcement lawsuit against the alleged Violator(s), unless such Violator enters into a binding written agreement to: (1) recall products already sold or undertake best efforts to ensure that the requisite health hazard warnings are provided to those whom have received such products; (2) provide clear and reasonable warnings for products sold in the future, or reformulate such products to eliminate the lead exposures; and (3) pay an appropriate civil penalty based on the factors enumerated in California Health & Safety Code §25249.7(b).

If the alleged Violator is interested in resolving this dispute without resorting to time-consuming and expensive litigation, please feel free to contact my counsel identified in Section III. It should be noted that neither my counsel nor I can: (1) finalize any settlement until after the 60-day Notice period elapses; nor (2) speak for the Attorney General or any District Attorney or City Attorney who received

this Notice. Therefore, while reaching an agreement that will resolve my claims, such as agreement may not satisfy the public prosecutors.

VI. ADDITIONAL INFORMATION

Product

Retailer(s)

Manufacturer(s)/Distributor(s)

Gallery surface bolt

Orchard Supply Hardware

National Manufacturing Co.

Identified above is a specific example of a product recently purchased and witnesses as being available for purchase or use in California that is within the category or type of offending product covered by this Notice. Based on publicly available information, the retailers, distributors and/or manufacturers of the example within the category or type of product are also provided below. I believe and allege that he sale of the offending products also has occurred without the requisite Proposition 65 "clear and reasonable warnings" at one or more locations and/or via other means including, but not limited to, transactions made over-the-counter, business to business, through the internet, and/or via catalog by the alleged Violator(s) and other distributors and retailers of the product.

VII. EXHIBIT A

Hardware

Product Category/Type

Specific Product¹

Gallery surface bolt;

UPC 038613198012

Toxins

Lead and Lead Compounds

¹ The specific example identified above is of the type of product which is the subject of this Notice. I am identifying herein for all recipients' benefit to assist in its investigation of, among other things, the magnitude of potential exposure to the listed chemical from other items within the product category/type listed in Exhibit A. It is important to note that this example does not represent an exhaustive or comprehensive identification of any or all specific products of the type listed under "Product Category/Type" in Exhibit A. Further, it is this citizen's position that the alleged Violator(s) are obligated to continue to conduct in good faith an investigation into other specific products within the type or category described above that may have been manufactured, distributed, sold, shipped, stored (or otherwise within the alleged Violator(s)' custody or control) during the relevant period so as to ensure that the requisite toxic warnings are provided to California citizens prior to purchase.

Mailing List—Interested Parties

Gregory Gluchowski, President National Manufacturing Co. 19701 DaVinci Lake Forest, CA 92610

National Manufacturing Co. c/o CT Corporation System 208 So. LaSalle St., Suite 814 Chicago, IL 60604

Orchard Supply Hardware Stores Corporation Attn: Legal 6450 Via Del Oro San José, CA 95119

Orchard Supply Hardware Stores Corporation c/o CT Corporation System 818 Seventh St. Los Angeles, CA 90017

Mailing List—District and City Attorneys Continued on Next Page

District Attorney ALAMEDA COUNTY 1225 Fallon Street, Room 900 Oakland, CA 94612 District Attorney ALPINE COUNTY PO Box 248 Markleeville, CA 96120

District Attorney AMADOR COUNTY 708 Court Street #202 Jackson, CA 95642

District Attorney
BUTTE COUNTY
25 County Center Drive — Administration
Building
Oroville, CA 95965

District Attorney CALAVERAS COUNTY 891 Mountain Ranch Road San Andreas, CA 95249 District Attorney COLUSA COUNTY 346 5th Street, Suite. 101 Colusa, CA 95932

District Attorney
CONTRA COSTA COUNTY
900 Ward Street
Martinez, CA 94553

District Attorney
DEL NORTE COUNTY
450 H Street
Room 171
Crescent City, CA 95531

District Attorney
EL DORADO COUNTY
515 Main Street
Placerville, CA 95667

District Attorney FRESNO COUNTY 2220 Tulare Street, Suite. 1000 Fresno, CA 93721 District Attorney GLENN COUNTY PO Box 430 Willows, CA 95988 District Attorney HUMBOLDT COUNTY 825 5th Street Eureka, CA 95501

District Attorney IMPERIAL COUNTY 940 West Main Street Suite. 102 El Centro, CA 92243

District Attorney INYO COUNTY 168 North Edwards Independence, CA 93526 District Attorney KERN COUNTY 1215 Truxtun Avenue Bakersfield, CA 93301

District Attorney KINGS COUNTY 1400 West Lacey Blvd. Hanford, CA 93230 District Attorney LAKE COUNTY 255 N. Forbes Street Lakeport, CA 95453 District Attorney LASSEN COUNTY 220 S. Lassen Street Suite. 8 Susanville, CA 96130

District Attorney LOS ANGELES COUNTY 210 W. Temple Street Los Angeles, CA 90012 District Attorney MADERA COUNTY 209 West Yosemite Avenue Madera, CA 93637

District Attorney MARIN COUNTY 3501 Civic Center Drive Room 130 San Rafael, CA 94903

District Attorney MARIPOSA COUNTY PO BOX 730 Mariposa, CA 95338 District Attorney MENDOCINO COUNTY PO BOX 1000 Ukiah, CA 95482

District Attorney MERCED COUNTY 550 West Main Street Merced, CA 95340

District Attorney MODOC COUNTY 204 S. Court Street Room 202 Alturas, CA 96101 District Attorney MONO COUNTY PO BOX 2053 Mammoth Lakes, CA 93546 District Attorney MONTEREY COUNTY PO BOX 1131 Salinas, CA 93902

District Attorney NAPA COUNTY PO BOX 720 Napa, CA 94559 District Attorney NEVADA COUNTY 110 Union Street Nevada City, CA 95959 District Attorney ORANGE COUNTY 401 Civic Center Drive West Santa Ana, CA 92701 District Attorney PLACER COUNTY 10810 Justice Center Drive Roseville, CA 95678

District Attorney SACRAMENTO COUNTY 901 G Street Sacramento, CA 95812

District Attorney SAN DIEGO COUNTY 330 W. Broadway, Suite 1300 San Diego, CA 92101

District Attorney SAN LUIS OBISPO COUNTY Courthouse Annex, 4th Floor San Luis Obispo, CA 93408

District Attorney SANTA CLARA COUNTY 70 West Hedding Street, West Wing San Jose, CA 95110

District Attorney SIERRA COUNTY 100 Courthouse Square Downieville, CA 95936

District Attorney SONOMA COUNTY 600 Administration Drive Room 212J Santa Rosa, CA 95403

District Attorney TEHAMA COUNTY PO BOX 519 Red Bluff, CA 96080

District Attorney TUOLUMNE COUNTY 423 No. Washington Street Sonora, CA 95370

> District Attorney YUBA COUNTY 215 Fifth Street, Suite. 152 Marysville, CA 95901

District Attorney PLUMAS COUNTY 520 Main Street Room 404 Quincy, CA 95971

District Attorney SAN BENITO COUNTY 419 4th Street Hollister, CA 95023

District Attorney SAN FRANCISCO COUNTY 880 Bryant Street, Third Floor San Francisco, CA 94103

District Attorney SAN MATEO COUNTY 400 County Center, Third Floor Redwood City, CA 94063

District Attorney SANTA CRUZ COUNTY 701 Ocean Street Room 200 Santa Cruz, CA 95060

District Attorney SISKIYOU COUNTY PO BOX 986 Yreka, CA 96097

District Attorney STANISLAUS COUNTY 832 12th Street Suite. 300 Modesto, CA 95353

District Attorney TRINITY COUNTY PO BOX 310 Weaverville, CA 96093

District Attorney VENTURA COUNTY 800 South Victoria Avenue Ventura, CA 93009

Carmen Trutanich City Attorney CITY OF LOS ANGELES 200 N. Main Street Los Angeles, CA 90012 District Attorney RIVERSIDE COUNTY 3960 Orange Street Riverside, CA 92501

District Attorney SAN BERNARDINO COUNTY 303 W. Third Street San Bernardino, CA 92415

District Attorney SAN JOAQUIN COUNTY PO BOX 990 Stockton, CA 95202

District Attorney SANTA BARBARA COUNTY 1112 Santa Barbara Street Santa Barbara, CA 93101

> District Attorney SHASTA COUNTY 1355 West Street Redding, CA 96001

> District Attorney SOLANO COUNTY 675 Texas Street Suite. 4500 Fairfield, CA 94533

District Attorney SUTTER COUNTY 446 Second Street, Suite 102 Yuba City, CA 95991

District Attorney TULARE COUNTY 221 South Mooney Blvd., Suite 224 Visalia, CA 93291

District Attorney YOLO COUNTY 301 Second Street Woodland, CA 95695

Jan Goldsmith
City Attorney
CITY OF SAN DIEGO
1200 Third Avenue, 3rd Floor
San Diego, CA 92101

CERTIFICATE OF MERIT

- I, Daniel N. Greenbaum, hereby declare:
- (1) This Certificate of Merit accompanies the attached sixty-day notice(s) in which it is alleged the parties identified in the notices have 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 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 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: $\frac{2}{2}$ | 13

(Signature)