

Susan M. Larsen, Ph.D
c/o Law Offices of Frank E. Goseco
194 N. Marina Drive
Suite 200
Long Beach, CA 90803
Telephone: (949) 923-5115
Facsimile: (562) 280-0484

April 3, 2014

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Dale Young, Jr.
CEO
Hixson Metal Finishing
829 Production Place
Newport Beach, CA 92663

California Attorney General's Office

Orange County District Attorney's Office

City Attorney of Newport Beach, California

Re: Notice of Violation

Dear Sirs and Madams:

My name is Susan Larsen. I am a citizen of the State of California acting in the interest of the general public. I seek to promote environmental awareness of exposures to toxic chemicals in California and, if possible, to improve human health by reducing or eliminating the concentrations of hazardous substances to which citizens are exposed.

This notice ("Notice") is provided to you ("Violators") and to the public agencies listed above pursuant to California Health & Safety Code Section 25249.6 *et seq.* ("Proposition 65").

The violations set forth in this Notice pertain to environmental and occupational exposures, routes of exposure, and type of harm potentially resulting from exposures to toxic chemicals, including hexavalent chromium.

Exposures to hexavalent chromium, a Proposition 65 – listed chemical, have been occurring without the required clear and reasonable warning dating back at least to April 3, 2011. In this case, the Hixson Metal Finishing facility ("Facility") has been emitting hexavalent chromium, and other Proposition 65 – listed chemicals, in the course of its manufacturing operations. These emissions have caused inhalation exposures to those present within and in the vicinity of the Facility, including other businesses, residences, a restaurant, a school (pre-kindergarten through

eighth grade) and a gym for elite athletes. Hexavalent chromium can cause lung cancer and other respiratory tract and other diseases.

Without a proper warning regarding the toxic effects of exposures to hexavalent chromium, California citizens lack the information necessary to make informed decisions on whether and how to reduce or eliminate the risk of exposure to hexavalent chromium from the emissions from the Hixson Metal Finishing facility.

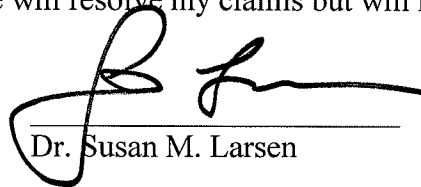
Please direct all questions and future communications regarding this notice to me through my counsel as follows:

Frank E. Goseco
Law Offices of Frank E. Goseco
194 N. Marine Drive
Suite 200
Long Beach, CA 90803
Telephone: (949) 923-5115
Facsimile: (562) 280-0484

For general information concerning the provisions of Proposition 56, please contact the Office of Environmental Health Hazard Assessment (“OEHHHA”) Proposition 65 Implementation Office at (916) 445-6900. For the Violators’ reference, I have attached a copy of “Proposition 65: A Summary” which has been prepared by OEHHHA.

Based on the violations set forth above, I intend to file a citizen enforcement lawsuit against the Violators unless such Violators enter into a binding agreement to cease the use and exposures of hexavalent chromium and other chemicals, provide clear and reasonable warnings to all persons exposed above Proposition 65 levels, and pay an appropriate civil penalty based on the factors enumerated in California Health & Safety Code Section 25249.7(b). Although you may contact my counsel should you wish to discuss a potential resolution of this matter, please be advised that neither I nor my counsel may finalize any settlement until after the 60-day notice period has expired or make any representation or agreement on behalf of any public agency or government attorney (including the Attorney General, the District Attorney and the City Attorney).

Therefore, any agreement reached with me will resolve my claims but will not necessarily satisfy the public prosecutors.



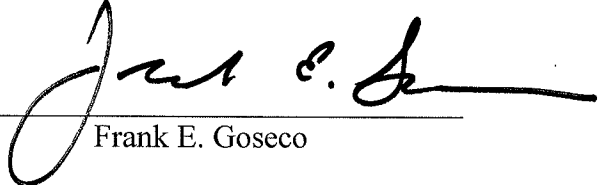
Dr. Susan M. Larsen

CERTIFICATE OF MERIT

I, Frank E. Goseco, hereby declare:

1. This Certificate of Merit accompanies the attached sixty-day notice letter in which it is alleged that the Violators identified therein violated California Health & Safety Code Section 25249.6 (by failing to provide clear and reasonable warnings).
2. I am the attorney for the noticing part.
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 this action.
4. Based on the information obtained through these 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 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.
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 information identified in Health and Safety Code Section 25249.7(h)(2) (*i.e.*, 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).

Dated: April 3, 2014


Frank E. Goseco

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 25000 through 27001.

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 chemical-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 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.

PROOF OF SERVICE

I, the undersigned, declare under penalty of perjury:

I am over the age of 18 and not a party to the within action: my business address is 327 Promontory Drive West, Newport Beach, CA 92660.

On April 3, 2014, I served the following documents:

60-Day Notice Letter Of Violation Sent In Compliance With Health & Safety Code Section 25249.7(d)

Proposition 65 – A Summary

Certificate of Merit; and

Certificate of Merit Attachments (Served Only On The Attorney General)

on the entities listed below via First Class Certified Mail through the United States Postal Service by placing a true and correct copy in a sealed envelope, addressed to the entities listed below and providing each envelope to a United States Postal. Service Representative:

Dale Young, CEO
Hixson Metal Finishing
829 Production Place
Newport Beach, CA 92663

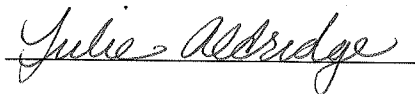
as well as providing copies of the above documents electronically uploaded to the public enforcers according to directions from their respective offices and/or by placing a true and correct copy in a sealed envelope, addressed to each party listed below, and served as follows:

The Attorney General of the State of California (electronically updated to the Attorney General's website and sent 2d day Air Service by placing such envelope in a Federal Express Drop-Off Box)

The Orange County District Attorney (by placing the envelope in a United States Postal Service mailbox, postage prepaid)

The City Attorney for the City of Newport Beach (by placing the envelope in a United States Postal Service mailbox, postage prepaid)

Executed on April 3, 2014, at Newport Beach, CA



Julie Aldridge