SCHWARTZ LAW, P.C.

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June 23, 2016

NOTICE OF VIOLATION OF CALIFORNIA HEALTH & SAFETY CODE SECTION 25249.5 *ET SEQ.* (PROPOSITION 65)

Dear Alleged Violator and the Appropriate Public Enforcement Agencies:

Schwartz Law represents the Center for Advanced Public Awareness, Inc. ("CAPA"), 180 Promenade Circle, Suite 300, Sacramento, CA 95834; CAPA is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, fostering and increasing the public awareness of chemicals used to manufacture consumer products, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

CAPA has identified violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), which is codified at California Health & Safety Code §25249.5 et seq., with respect to the product(s) identified below. These violations have occurred and continue to occur because the Alleged Violator identified below failed to provide required clear and reasonable warnings with these products. Section 25249.6 of the statute provides 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 providing a clear and reasonable warning to such individual ..." Without proper warnings regarding the toxic effects of exposures to this listed chemical that results from contact with this product, California citizens lack the information necessary to make an informed decision on whether and/or how to eliminate (or reduce) their risk of exposure to the listed chemical from the reasonably foreseeable use of the product.

This letter serves as a notice of these violations to the alleged Violator and the appropriate public enforcement agencies. Pursuant to Health and Safety Code Section 25249.7(d), CAPA intends to file a private enforcement action in the public interest 60 days after effective service of this notice unless the public enforcement agencies have commenced and are diligently prosecuting an action to rectify these violations.

Certificate of Merit and General Information about Proposition 65. Pursuant to Title 11 C.C.R. § 3100, a certificate of merit is attached hereto. Pursuant to Title 27, C.C.R. §25903(b), a copy of a summary of Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, is enclosed with this letter served to the alleged Violator identified below.

Notice of Violation of California Health & Safety Code §25249.5 et seq.

<u>Alleged Violator</u>. The name of the company covered by this notice that violated Proposition 65 (hereinafter the "Violator") is:

Michaels Stores, Inc.

<u>Consumer Products and Listed Chemical</u>. The products that are the subject of this notice and the chemical in those products identified as exceeding allowable levels are:

Imagin8 Vinyl Purple Purse - Di(2-ethylhexyl) phthalate ("DEHP") UPC: 886946896088

On January 1, 1988, the State of California listed DEHP as a chemical known to the State to cause cancer. On October 24, 2003, the State of California listed Di(2-ethylhexyl) phthalate (DEHP) as a chemical known to cause developmental male reproductive toxicity. Both additions took place more than twenty (20) months before CAPA served this Notice.

Violations. The alleged Violators knowingly and intentionally have exposed and continue to knowingly and intentionally expose consumers within the State of California to Di(2-ethylhexyl) phthalate (DEHP) at levels that, upon reasonable use of the product, exceed the No Significant Risk Level and the Maximum Allowable Dose Level without providing clear and reasonable warning of this exposure. In particular, the product does not warn that it contains chemicals known to the State of California to cause both cancer and reproductive toxicity, developmental, male.

Route of Exposure. The consumer exposures that are the subject of this notice result from the purchase, acquisition, handling and recommended use of the product. Consequently, a primary route of exposure to these chemicals is through dermal exposure. Consumers and other individuals, including women of childbearing age, are exposed to the listed chemical through direct dermal contact when they, among other activities, handle, touch or otherwise use the products. The potential exists for dermal exposure of DEHP through direct contact with the user's bare hands or other body parts when the tote bag is manipulated or contacted. Moreover, with children, mouthing of the product is a distinct possibility; and certainly some amount of exposure through ingestion can occur by touching the product with subsequent touching of the user's hand to mouth. By way of example, consumers and other individuals, including women of childbearing age, ingest the listed chemical when they, among other activities, touch the products and transfer the listed chemical from the products to their mouths through hand-to-mouth activities that may continue to occur for a significant period after contact with the products stops. If the tote bag is stored in a closed drawer with other materials DEHP that leaches from tote bag may contaminate other articles that may be ingested. More likely, the product may be used to carry items and materials that commonly come into contact with the mouth.

Examples include, but are not limited to, use of DEHP contaminated baby bottles and other beverage containers, and infant toys, that are placed in the mouth, and DEHP contaminated food products that are ingested, or DEHP contaminated napkins that are used to clean the user's mouth.

Approximate Time Period of Violations. Ongoing violations have occurred every day since a currently-unknown date but no later than April 23, 2016, as well as every day since the products were introduced into the California marketplace, and will continue every day until clear and reasonable warnings are provided to product purchasers and users or until this known toxic chemical is either removed from or reduced to allowable levels in the products. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemical. The method of warning should be a warning that appears on the product label. The Violator violated Proposition 65 because it failed to provide persons handling and/or using these products with appropriate warnings that they are being exposed to this chemical.

Consistent with the public interest goals of Proposition 65 and a desire to have these ongoing violations of California law quickly rectified, CAPA is interested in seeking a constructive resolution of this matter that includes an enforceable written agreement by the Violator to: (1) recall products already sold or undertake best efforts to ensure that the requisite health hazard warnings are provided to those who have received such products; (2) pay an appropriate civil penalty; and (3) provide clear and reasonable warnings compliant with Proposition 65 for products sold in the future or reformulate such products to eliminate further DEHP exposures. Such a resolution will prevent further unwarned consumer exposures to the identified chemical, as well as an expensive and time consuming litigation.

CAPA has retained Schwartz Law as legal counsel in connection with this matter. Please direct all communications regarding this Notice of Violation to my attention at the law office address and telephone number indicated herein.

Sincerely.

Joffway M Shwartz

Attachments

Certificate of Merit Certificate of Service

OEHHA Summary (to Michaels Stores, Inc.)

Additional Supporting Information for Certificate of Merit (to AG only)

Notice of Violation of California Health & Safety Code §25249.5 et seq.

CERTIFICATE OF MERIT

Re: CAPA's Notice of Proposition 65 Violations by Michaels Stores, Inc.

I, Jeffrey M. Schwartz, declare:

- 1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged that the party identified in the notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
- 2. I am an attorney for the noticing party.
- 3. 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 exposure to the listed chemical that is the subject of the notice.
- 4. Based on the information obtained through those consultants, and on 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 that 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. Along with the copy of this Certificate of Merit served on the Attorney General is attached additional factual information sufficient to establish the basis for this certificate, including the information identified in California 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.

chwartz

Dated: June 23, 2016

CERTIFICATE OF SERVICE

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States, over the age of 18 years of age, and am not a party to the within entitled action. My business address is 647 Camino de los Mares, Suite 225, San Clemente, CA 92673. I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail at San Clemente, California.

On June 23, 2016, I served the following documents: NOTICE OF VIOLATION OF CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; "THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY" on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to the party listed below and depositing it at a U.S. Postal Service Office with the postage fully prepaid for delivery by Certified Mail:

Mr. Carl S. Rubin, CEO Michaels Stores, Inc. 8000 Bent Branch Dr. Irving, TX 75063 Agent for Service of Process: CSC - Lawyers Incorporating Service 2710 Gateway Oaks Dr. Ste 150N Sacramento, CA 95833

On June 23, 2016, I verified the following documents NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE §25249.7(d)(1) were served on the following party when a true and correct copy thereof was uploaded on the California Attorney General's website, which can be accessed at https://oag.ca.gov/prop65/add-60-day-notice:

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 Oakland, CA 94612-0550 On June 23, 2016, I verified the following documents **NOTICE OF VIOLATIONS**, **CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.**; **CERTIFICATE OF MERIT** were served on the following parties when a true and correct copy thereof was sent via electronic mail to the party listed below:

Stacey Grassini, Deputy District Attorney Contra Costa County 900 Ward Street Martinez, CA 94553 sgrassini@contracostada.org

Michelle Latimer, Program Coordinator Lassen County 220 S. Lassen Street Susanville, CA 96130 mlatimer@co.lassen.ca.us

Dije Ndreu, Deputy District Attorney Monterey County 1200 Aguajito Road Monterey, CA 93940 Prop65DA@co.monterey.ca.us

Gregory Alker, Assistant District Attorney San Francisco County 732 Brannan Street San Francisco, CA 94103 gregory.alker@sfgov.org

Yen Dang, Supervising Deputy District Attorney Santa Clara County 70 W Hedding St San Jose, CA 95110 EPU@da.sccgov.org

Stephan R. Passalacqua, District Attorney Sonoma County 600 Administration Dr Sonoma, CA 95403 jbarnes@sonoma·county.org Gary Lieberstein, District Attorney Napa County 931 Parkway Mall Napa, CA 94559 CEPD@countyofnapa.org

Paul E. Zellerbach, District Attorney Riverside County 3960 Orange Street Riverside, CA 92501 Prop65@rivcoda.org

Anne Marie Schubert, District Attorney Sacramento County 901 G Street Sacramento, CA 95814 Prop65@sacda.org

Phillip J. Cline, District Attorney Tulare County 221 S Mooney Blvd Visalia, CA 95370 Prop65@co.tulare.ca.us

Gregory D. Totten, District Attorney Ventura County 800 S Victoria Ave Ventura, CA 93009 daspecialops@ventura.org

Jeff W. Reisig, District Attorney Yolo County 301 Second Street Woodland, CA 95695 cfepd@yolocounty.org

On June 23, 2016, I served the following documents: NOTICE OF VIOLATION, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties on the Service List attached hereto, and depositing it at a U.S. Postal Service Office with the postage fully prepaid for delivery by US First Class Mail.

Executed on June 23, 20<u>16,</u> in San Clemente, California.

Jeffrey M. Schwartz

District Attorney, Alameda County District Attorney, Madera County District Attorney, Santa Barbara 1225 Fallon Street, Suite 900 209 West Yosemite Avenue County 1112 Santa Barbara Street Oakland, CA 94612 Madera, CA 93637 Santa Barbara, CA 93101 District Attorney, Alpine County District Attorney, Marin County District Attorney, Santa Cruz County P.O. Box 248 3501 Civic Center Drive, Room 130 701 Ocean Street, Room 200 Markleeville, CA 96120 San Rafael, CA 94903 Santa Cruz, CA 95060 District Attorney, Amador County District Attorney, Mariposa County District Attorney, Shasta County 708 Court Street Post Office Box 730 1355 West Street Jackson, CA 95642 Mariposa, CA 95338 Redding, CA 96001 District Attorney, Butte County District Attorney, Mendocino County District Attorney, Sierra County PO Box 457 25 County Center Drive, Suite 245 Post Office Box 1000 Downieville, CA 95936 Oroville, CA 95965 Ukiah, CA 95482 District Attorney, Calaveras County District Attorney, Merced County District Attorney, Siskiyou County 891 Mountain Ranch Road 550 W. Main Street Post Office Box 986 San Andreas, CA 95249 Merced, CA 95340 Yreka, CA 96097 District Attorney, Colusa County District Attorney, Modoc County District Attorney, Solano County 346 Fifth Street Suite 101 204 S Court Street, Room 202 675 Texas Street, Ste 4500 Colusa, CA 95932 Alturas, CA 96101-4020 Fairfield, CA 9453 District Attorney, Del Norte County District Attorney, Mono County District Attorney, Stanislaus County Post Office Box 617 450 H Street, Room 171 832 12th Street, Ste 300 Crescent City, CA 95531 Bridgeport, CA 93517 Modesto, CA 95354 District Attorney, Nevada County District Attorney, Sutter County District Attorney, El Dorado County 446 Second Street 515 Main Street 201 Commercial Street Placerville, CA 95667 Nevada City, CA 95959 Yuba City, CA 95991 District Attorney, Fresno County District Attorney, Orange County District Attorney, Tehama County 2220 Tulare Street, Suite 1000 401 West Civic Center Drive Post Office Box 519 Fresno, CA 93721 Santa Ana, CA 92701 Red Bluff, CA 96080 District Attorney, Placer County District Attorney, Trinity County District Attorney, Glenn County 10810 Justice Center Drive, Ste 240 Post Office Box 430 Post Office Box 310 Willows, CA 95988 Roseville, CA 95678 Weaverville, CA 96093 District Attorney, Humboldt County District Attorney, Plumas County District Attorney, Tuolumne County 825 5th Street 4th Floor 520 Main Street, Room 404 423 N. Washington Street Eureka, CA 95501 Quincy, CA 95971 Sonora, CA 95370 District Attorney, Imperial County District Attorney, San Benito County District Attorney, Yuba County 940 West Main Street, Ste 102 419 Fourth Street, 2nd Floor 215 Fifth Street, Suite 152 El Centro, CA 92243 Hollister, CA 95023 Marysville, CA 95901 District Attorney, Inyo County District Attorney, San Bernardino Los Angeles City Attorney's Office City Hall East 230 W. Line Street Bishop, CA 93514 303 West 3rd Street, 6th Floor 200 N. Main Street, Suite 800 San Bernardino, CA 92415-0502 Los Angeles, CA 90012District Attorney, San Diego County San Diego City Attorney's Office District Attorney, Kern County 1215 Truxtun Avenue 330 West Broadway, Suite 1300 1200 3rd Avenue, Ste 1620 Bakersfield, CA 93301 San Diego, CA 92101 San Diego, CA 92101 District Attorney, Kings County District Attorney, San Joaquin County San Francisco, City Attorney City 1400 West Lacey Boulevard 222 E. Weber Ave. Rm. 202 Hall, 234 Hanford, CA 93230 Stockton, CA 95202 1 Dr. Carlton B Goodlett Pl San Francisco, CA 94102

District Attorney, Lake County 255 N. Forbes Street Lakeport, CA 95453

District Attorney, Los Angeles County 210 West Temple Street, Suite 18000 Los Angeles, CA 90012 District Attorney, San Luis Obispo County 1035 Palm St, Room 450 San Luis Obispo, CA 93408

District Attorney, San Mateo County 400 County Ctr., 3rd Floor Redwood City, CA 94063 San Jose City Attorney's Office 200 East Santa Clara Street, 16th Floor San Jose, CA 95113

Sacramento City Attorney's Office 915 I Street, 4th Floor Sacramento, CA 95814