

**60-DAY NOTICE OF VIOLATION
OF CALIFORNIA HEALTH & SAFETY CODE § 25249.7(d)
(PROPOSITION 65)**

Date: August 29, 2018

To: Toy Investments, Inc.
Toysmith Group, Inc.
HomeGoods, Inc.
California Attorney General's Office;
District Attorney's Office for 58 Counties; and
City Attorneys for San Francisco, San Diego, San Jose, Sacramento & Los Angeles

From: The Center for Advanced Public Awareness, Inc.

I. INTRODUCTION

The Center for Advanced Public Awareness, Inc. ("CAPA") is a California non-profit organization acting in the interest of the general public, pursuant to California Health & Safety Code § 25249.7(d). CAPA seeks to further: protection of the environment; the elimination of toxic chemicals used in the manufacture of consumer products; improvement of human health, through increased public awareness of toxic chemicals; and the promotion of environmentally sound practices and corporate responsibility.

This 60-Day Notice of Violation ("Notice") is being provided to the alleged violators, Toy Investments, Inc., Toysmith Group, Inc., and HomeGoods, Inc. ("Notice Recipients"), as well as the California Attorney General's Office, The District Attorney's Office for 58 Counties, and the City Attorneys for San Francisco, San Diego, San Jose, Sacramento and Los Angeles.

This Notice is provided by CAPA who identified violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986, codified at California Health & Safety Code § 25249.5 *et seq.* ("Proposition 65"), with respect to the product listed below, based on a failure to provide a clear and reasonable health hazard warning in connection with the sale or use of the product in the State of California. The Notice Recipients are hereby given notice that they violated and continue to violate Proposition 65 with respect to the warning requirement, located at Section 25249.6 of California's Health & Safety Code, which states, "No 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 a clear and reasonable warning to such individual." Without proper warnings regarding the toxic effects of exposures to a listed chemical, consumers and citizens in California lack the information necessary to make an informed decision as to whether or how to eliminate or reduce their risk of exposure from the reasonably foreseeable use of products containing the listed chemical.

II. NATURE OF ALLEGED VIOLATIONS

Consumer Product. The specific type or category of products ("Product") that are the subject of this Notice are as follows:

Product/ Brand	Category/Type	Retailer	Manufacturer/Distributor
Toysmith Playground Classics Pink Hoppy Ball, Item #1633, UPC #0 85761 23470 3	Vinyl/PVC Inflatable Toy	HomeGoods, Inc.	Toy Investments, Inc.

Identified above is a specific example of a Product recently purchased and witnessed as being available for sale or use in the State of California, within the category of offending products covered by the Notice. The retailers, manufacturers and/or distributors of the Product are based on publicly available information.

The Product is identified for the Notice Recipients' benefit to assist in their investigation into the alleged violations that are the subject of this Notice. The specific identified Product is not intended to be an exhaustive list of all such products potentially in violation of Proposition 65. It is CAPA's position that the Notice Recipients are obligated to conduct, in good faith, an investigation into other products, within the category or type identified above, that may have been manufactured, imported, sold or distributed for sale, or otherwise have been in the Notice Recipients' custody or control during the relevant period, identified below, so as to ensure that the requisite health hazard warnings are provided to consumers in California prior to purchase.

Listed Chemical. The chemical that is the subject of this Notice is di-(2-ethylhexyl) phthalate ("DEHP" or "Listed Chemical"). On October 24, 2003, the State of California listed DEHP as a chemical known to cause birth defects, reproductive toxicity and cancer.

Routes of Exposure. The consumer exposures that are the subject of this Notice result from the purchase, acquisition and handling of Products containing DEHP. Exposures occur when consumers, including children and women of childbearing age, handle, touch or otherwise utilize the Toysmith Playground Classics Pinky Hoppy Ball, in accordance with the Product's intended use, resulting in exposures through dermal absorption and/or ingestion. Consumers ingest the DEHP through direct object-to-mouth contact. Consumers also indirectly ingest the Listed Chemical when they touch or handle the Product, transferring the chemical from their fingers or hands to their mouth, an activity that can occur for some time period after the initial contact with the Product occurs. Direct dermal absorption of the DEHP occurs when consumers and other individuals handle, touch or utilize the Product in accordance with its intended use.

Violations and Time Period of Exposure. The Notice Recipients knowingly and intentionally exposed, and continue to knowingly and intentionally expose, consumers within the State of California to DEHP, a chemical known to cause birth defects, reproductive toxicity and cancer, without first giving a health hazard warning regarding the chemical's toxic effects, as required by Proposition 65. Specifically, the Notice Recipients failed to provide clear and reasonable warnings to consumers that the Product can expose users to DEHP.

Exposures caused by the use of the Product have occurred each day since the products were introduced into the California marketplace, but, at a minimum, since August 29, 2017, and, potentially, as far back as August 29, 2015. Because the Product lacks a clear and reasonable warning regarding the toxic effects of exposures to the Listed Chemical, each Product sold during this period not accompanied by a warning constitutes a violation by the Notice Recipients and/or other sellers of the Product, whether sold directly through retailers in California, via the internet or through catalogue purchases to consumers located in California. Moreover, these exposures are ongoing and will continue until clear and reasonable warnings are provided to product consumers and users or until this known toxic chemical is either removed from the Product or reduced to allowable levels.

III. RESOLUTION OF NOTICED CLAIMS

Consistent with the public interest goals of Proposition 65, CAPA is interested in pursuing a constructive resolution to this matter to have the ongoing violations of California law quickly rectified. To that end, based on the allegations set forth in this Notice and pursuant to Health & Safety Code § 25249.7(d), CAPA intends to file a private enforcement action in the public interest sixty (60) days after effective service of this Notice, unless the appropriate public enforcement agencies have commenced and are diligently prosecuting an action to rectify these violations. If the Notice Recipients are interested in resolving the claims alleged in this Notice without the need for costly and protracted litigation, they may contact CAPA's counsel at the address listed below.

It should be noted that neither CAPA nor their counsel can: (1) finalize any settlement until after the expiration of the 60-day Notice period; or (2) speak for the Attorney General or any District or City attorney who is in receipt of this Notice. Therefore, while reaching an agreement with CAPA will satisfy CAPA's claims, the agreement may not satisfy any public prosecutors.

IV. GENERAL INFORMATION AND SUMMARY OF PROPOSITION 65

A copy of a summary of Proposition 65's provisions, prepared by the Office of Environmental Health Hazard Assessment ("OEHHA") is enclosed with the copy of the Notice served on the alleged Violators for their reference. For further general information concerning Proposition 65, contact OEHHA's Proposition 65 Implementation Office at (916) 445-6900.

V. CERTIFICATE OF MERIT

Pursuant to Health & Safety Code § 25249.7(d) and Title 11, C.C.R. §3100, a Certificate of Merit is attached hereto. A copy of the Notice and Certificate of Merit is served on the Attorney General and marked "Attorney General Copy: Contains Official Information Pursuant to Evidence Code Section 1040" with all supporting documentation, as required by Section 3102, attached thereto.

VI. CONTACT INFORMATION

Please direct all questions, issues or communications regarding this 60-Day Notice of Violation and its potential resolution to CAPA's counsel at the following address:

Center for Advanced Public Awareness
c/o Kimberly Gates
Gates Johnson Law
2822 Moraga Street
San Francisco, California 94122
Telephone: (628) 219-7750

Attachments: Certificate of Merit; Proof of Service; The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary (to Violators only); and Additional Confidential Supporting Information for Certificate of Merit (to AG only.)

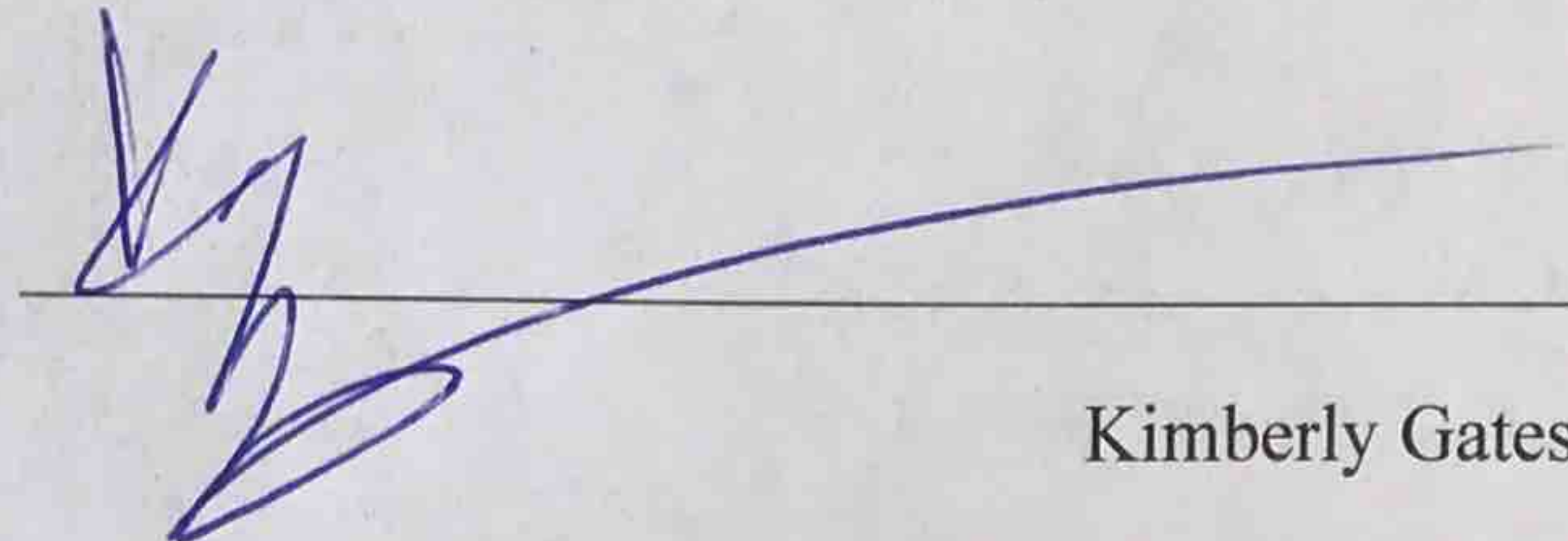
CERTIFICATE OF MERIT

Health and Safety Code Section 25249.7(d)

Re: Center for Advanced Public Awareness, Inc.'s Notice of Proposition 65
Violations

- 1, Kimberly Gates, hereby declare and certify:
1. This Certificate of Merit accompanies the attached sixty-day notice in which it is alleged the parties 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 and have assembled evidence attached to the copy for the California Attorney General as Exhibit 1 to this Certificate of Merit regarding the lack of warnings for the listed chemical that is the subject of the notice.
4. Based on the information obtained 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. 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 California Health & Safety Code § 25249.7(h)(2) (i.e. the identity of the persons consulted with and relied on by the certifier and the facts, studies and data reviewed by that person.)

Dated August 29, 2018.



Kimberly Gates

PROOF OF SERVICE

I, the undersigned, declare under penalty of perjury:

I am over the age of 18 years of age 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 2822 Moraga Street, San Francisco, CA 94122.

On August 29, 2018, I caused to be served the following:

60-DAY NOTICE OF VIOLATION SENT IN COMPLIANCE WITH
HEALTH & SAFETY CODE § 25249.7(d);

THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF
1986 (PROPOSITION 65): A SUMMARY;

CERTIFICATE OF MERIT; AND

CERTIFICATE OF MERIT ATTACHMENTS (SERVED ONLY ON THE
ATTORNEY GENERAL)

on the alleged violators and at the address(es) listed below, by placing a true and correct copy in a sealed envelope, addressed to the entities below and providing such envelope to a United States Postal Representative for First Class Certified Mail to:

Bud Ludeman, President
Toy Investments, Inc.
3101 W. Valley Highway E.
Sumner, WA 98390

Ernie L. Herman, President/ CEO
HomeGoods, Inc.
770 Cochituate Road, Suite 1
Framingham, MA 01701

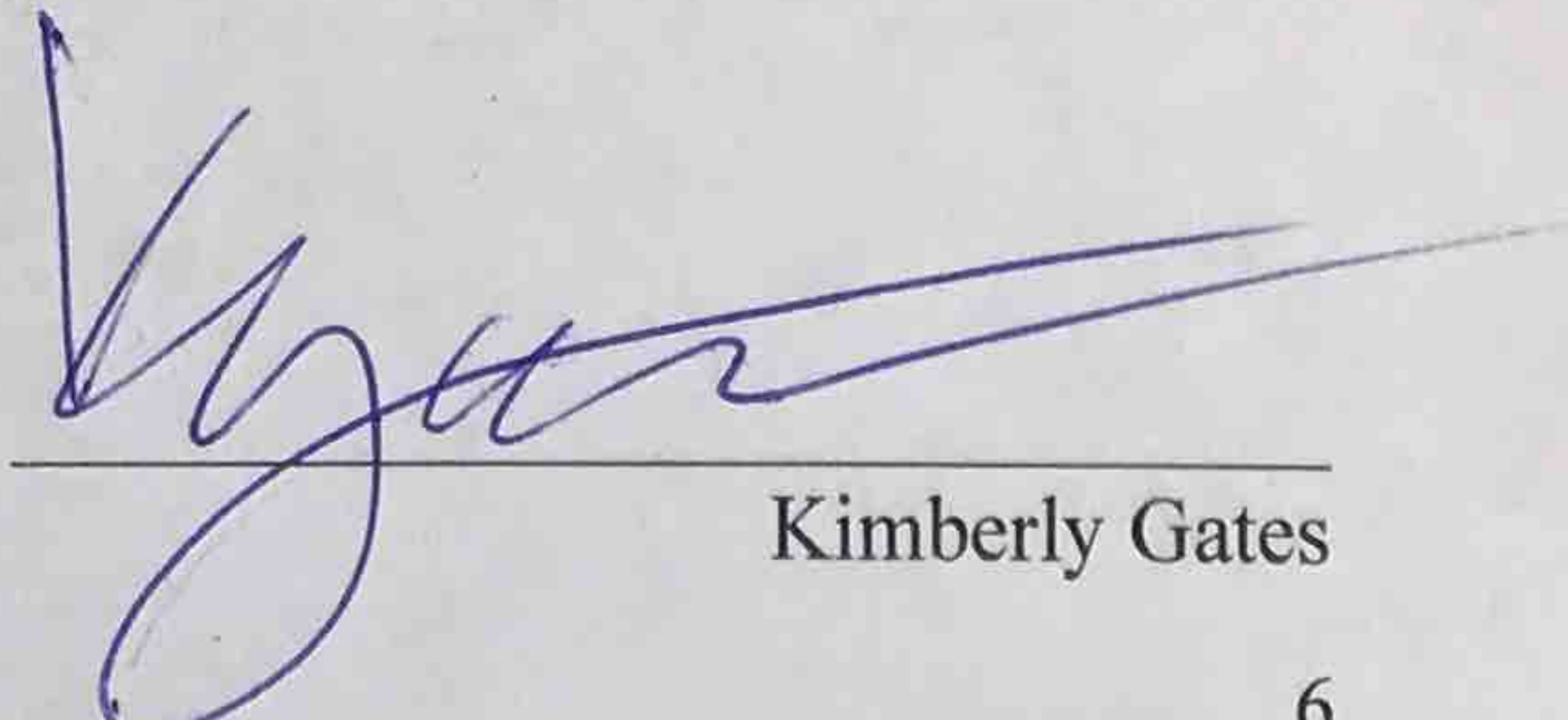
Jeff Bell, CEO
Toysmith Group, Inc.
3101 W. Valley Hwy. E.
Sumner, WA 98390

as well as by providing copies of the above documents, uploaded electronically, 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 of the following parties:

Electronically uploaded to The Attorney General of the State of California via the Attorney General's website; and

By placing a true and correct copy of the above-listed documents in a sealed envelope, with postage fully paid with the United States Postal Service and addressed and mailed to the parties listed on the attached Service List.

Executed on August 29, 2018, at San Francisco, California.



Kimberly Gates

SERVICE LIST

The Honorable Michael Atwell Alpine County District Attorney P.O. Box 248 Markleeville, CA 96120	The Honorable Jackie Lacey Los Angeles County District Attorney 211 West Temple Street, Ste 1200 Los Angeles, CA, 90012	The Honorable Todd Riebe Amador County District Attorney 708 Court Street, #202 Jackson, CA 95642
The Honorable Michael Ramsey Butte County District Attorney 25 County Center Drive, Suite 245 Oroville, CA 95965	The Honorable Barbar Yook Calaveras County District Attorney 891 Mountain Ranch Road San Andreas, CA 95249	The Honorable Matthew R. Beauchamp Colusa County District Attorney 346 5th Street, Suite 101 Colusa, CA 95932
Del Norte County District Attorney 450 H street, Room 171 Crescent City, CA 95531	The Honorable Vern Pierson El Dorado County District Attorney 515 Main Street Placerville, CA 95667	The Honorable Lisa Smittcamp Fresno County District Attorney 2220 Tulare street, Suite 1000 Fresno, CA 93721
The Honorable Dwayne Stewart Glenn County District Attorney P.O. Box 430 Willows CA 95988	The Honorable Maggie Fleming Humboldt County District Attorney 525 5 th street, 4 th Floor Eureka, CA 95501	The Honorable Gilbert Otero Imperial County District Attorney 940 West Main Street, Suite 102 El Centro, CA 92243
The Honorable Thomas Hardy Inyo County District Attorney 168 N. Edwards Street Independence, CA 93526	The Honorable Lisa Green Kern County District Attorney 1215 Truxtun Avenue Bakersfield, CA 93301	The Honorable Keith Fagundes Kings County District Attorney 1400 West Lacey Blvd. Hanford, CA 93230
The Honorable Donald Anderson Lake County District Attorney 255 N. Forbes Street Lakeport, CA 95453	The Honorable David Linn Madera County District Attorney 209 West Yosemite Avenue Madera, CA 93637	The Honorable Edward Berberian Marin County District Attorney 3501 Civic Center Drive, Room 130 San Rafael, CA 94903
The Honorable Thomas Cooke Mariposa County District Attorney P.O. Box 730 Mariposa, CA 95338	The Honorable C. David Eyster Mendocino County District Attorney P.O. Box 1000 Ukiah, CA 9548	The Honorable Larry Morse II Merced County District Attorney 550 West Main Street Merced, CA 95340
The Honorable Jordan Funk Modoc County District Attorney 204 S. Court Street Room 202 Alturas, CA 96101	The Honorable Tim Kendall Mono County District Attorney P.O. Box 2053 Mammoth Lakes, CA 93546	The Honorable Clifford Newell Nevada County District Attorney 201 Commercial Street Nevada City, CA 95959
The Honorable Tony Rackaukas Orange County District Attorney 401 Civic Center Drive West Santa Ana, CA 92701	The Honorable R. Scott Owens Placer County District Attorney 10810 Justice Center Drive Roseville, CA 95678	The Honorable David Hollister Plumas County District Attorney 520 Main Street, Room 404 Quincy, CA 95971
The Honorable Candace Hooper San Benito District Attorney 419 4th Street Hollister, CA 95023	The Honorable Michael Ramos San Bernardino County District Attorney 303 W. Third Street San Bernardino, CA 92415	The Honorable Summer Stephan San Diego County District Attorney 330 W. Broadway Street San Diego, CA 92101
The Honorable Stephen Wagstaffe San Mateo County District Attorney 400 County Center, Third Floor Redwood City, CA 94063	The Honorable Stephanie Bridgett Shasta County District Attorney 1355 West Street Redding, CA 96001	The Honorable Lawrence Allen Sierra County District Attorney 100 Courthouse Square Downieville, CA 95936
The Honorable James Kirk Andrus Siskiyou County District Attorney P.O. Box 986 Redding, CA 96097	The Honorable Krishna Abrams Solano County District Attorney 675 Texas Street, Suite 4500 Fairfield, CA 94533	The Honorable Birgit Fladager Stanislaus County District Attorney 832 12th street, Suite 300 Modesto, CA 95353
The Honorable Amanda Hopper Sutter County District Attorney 446 Second Street, Suite 102 Yuba City, CA 95991	The Honorable Gregg Cohen Tehama County District Attorney P.O. Box 519 Red Bluff, CA 96080	The Honorable Eric Heryford Trinity County District Attorney P.O. Box 310 Weaverville, CA 96093
The Honorable Laura Krieg Tuolumne County District Attorney 423 N. Washington Street Sonora, CA 95370	The Honorable Patrick McGrath Yuba County District Attorney 215 Fifth street, Suite 152 Marysville, CA 95901	The Honorable James Sanchez Office of the City Attorney, Sacramento 915 I Street, 4 th Floor Sacramento, CA 95814

The Honorable Mike Feuer Office of the City Attorney, Los Angeles Kames K. Hahn Hall East 200 North Main Street, 8 th Floor Los Angeles, CA 90012	The Honorable Dennis Herrera Office of the City Attorney, San Francisco City Hall, Room 234 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102	The Honorable Richard Doyle Office of the City Attorney, San Jose 200 East Santa Clara Street, 16 th Floor San Jose, CA 95113
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ELECTRONIC MAIL SERVICE LIST

Nancy O'Malley, District Attorney Alameda County District Attorney 7776 Oakport Street, Suite 650 Oakland, CA 94621 CEPDProp65@acgiv.org	Paul E. Zellerbach, District Attorney Riverside County 3072 Orange Street Riverside, CA Prop65@rivcoda.org	Phillip J. Cline, District Attorney Tulare County 221 S Mooney Blvd Visalia, CA 95370 Prop65@co.tulare.ca.us
Allison Haley, District Attorney Napa County 931 Parkway Mall Napa, CA CEPD@countyofnapa.org	Tori Verber Salzar, District Attorney San Joaquin County 222 E. Weber Avenue, Room 202 Stockton, CA DAConsumer.Environmental@sjcda.org	Stephan Passalacqua, District Attorney Sonoma County 600 Administration Drive Sonoma, CA 95403 jbarnes@sonoma-county.org
Gregory Alker, Assistant District Atty San Francisco County 732 Brannan Street San Francisco, CA 94103 Gregory.alker@sfgov.org	Jeffrey S. Rosell, District Attorney Santa Cruz County 701 Ocean Street Santa Cruz, CA 95060 Prop65DA@santacruzcounty.us	Dije Ndreu, Deputy District Attorney Monterey County 1200 Aguajito Road Monterey, CA 93940 Prop65DA@monterey.ca.us
Yen Dang, Supervising Deputy District Attorney Santa Clara County 70 W Hedding Street San Jose, CA 95110 EPU@da.sccgov.org	Jeff W. Reisig, District Attorney Yolo County 301 Second Street Woodland, CA 95695 cfepd@yolocounty.org	Mark Ankorn, Deputy City Attorney City of San Diego 1200 Third Avenue San Diego, CA 92101 CityAttyProp65@sandiego.gov
Gregory D. Totten, District Attorney Ventura County 800 S Victoria Avenue Ventura, CA 93009 daspecialops@ventura.org	Michelle Latimer, Program Coordinator Lassen County 2950 Riverside, Suite 02 Susanville, CA 96130 mlatimer@co.lassen.ca.us	Christopher Dalbey, Deputy District Attorney Santa Barbara County 1112 Santa Barbara Street Santa Barbara, CA 93101 DAProp65@co.santa-barbara.ca.us
Stacey Grassini, Deputy District Attorney Contra Costa County 900 Ward Street Martinez, CA 94553 sgrassini@contracostada.org	Eric J. Dobroth, Deputy District Attorney San Luis Obispo County County Govt Center Annex, 4 th Floor San Luis Obispo, CA 93408 edobroth@co.slo.ca.us	Anne Marie Schubert, District Attorney Sacramento County 901 G Street Sacramento, CA 95814 Prop65@sacda.org

ELECTRONIC UPLOAD SERVICE LIST

Office of the California Attorney General Proposition 65 Enforcement Reporting ATTN: Prop 65 Coordinator P.O. Box 70550 Oakland, CA 94612-0550 https://oag.ca.gov/prop65/add-60-day-notice
