

NICHOLAS & TOMASEVIC LLP

ATTORNEYS AT LAW

Tel: 619-325-0492

Fax: 619-325-0496

225 Broadway, 19th Floor

San Diego, CA 92101

July 29, 2019

Via Certified Mail

Sconza Candy Company
Deborah McConnell
One Sconza Candy Lane
Oakdale, CA 95361

Sconza Candy Company
Attn: Legal Department
One Sconza Candy Lane
Oakdale, CA 95361

Costco Wholesale Corporation
CT Corporation System
818 W. 7th St., Suite 930
Los Angeles, CA 90017

Costco Wholesale Corporation
Attn: Legal Department
P.O. Box 35005
Seattle, WA 98124

Re: Proposition 65 Notice of Violation

To Whom It May Concern:

We represent Kim Embry, a citizen of the State of California acting in the interest of the general public. This letter serves as notice that the parties listed above are in violation of Proposition 65, the Safe Drinking Water and Toxic Enforcement Act, commencing with section 25249.5 of the Health and Safety Code (“Proposition 65”). In particular, the violation alleged by this notice consist of types of harm that may potentially result from exposures to the toxic chemical Acrylamide. This chemical was listed as a carcinogen on January 1, 1990 and as a cause for developmental/reproductive harm on February 20, 2011.

The specific type of product that is causing exposures in violation of Proposition 65 is detailed below:

	<u>Product Name</u>	<u>Manufacturer</u>	<u>Retailer / Distributor</u>	<u>Item Number / UPC</u>
1.	Sconza Lemoncello Chocolate Almonds	Sconza Candy Company	Costco Wholesale Corporation	041668071926

The routes of exposure to the chemical(s) in violation include dermal absorption, ingestion, and inhalation by consumers. These exposures occur through the reasonably foreseeable use of the product. The sales of this product have been occurring since at least May of 2019, is continuing to this day and will continue to occur as long as the product subject to this notice is sold to and used by consumers.

Proposition 65 requires that a clear and reasonable warning is provided with this product regarding the exposures to Acrylamide caused by ordinary use of the product. The Parties are in violation of Proposition 65 by failing to provide such warning to consumers and as a result of the sales of this product, exposures to Acrylamide have been occurring without proper warnings.

Pursuant to Proposition 65, notice and intent to sue shall be provided to violators 60 days before filing a complaint. This letter provides notice of the alleged violation to the parties listed above and the appropriate governmental authorities. A summary of Proposition 65 is attached.

If you have any questions or wish to discuss any of the above, please contact me.

Sincerely,



Jake Schulte

Enclosures

Appendix A

OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT CALIFORNIA 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 and Toxic Enforcement Act 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 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 Regulations, Sections 250000 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 725 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 the 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 the listing of 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.

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; expect 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). Lawsuit 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 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

CERTIFICATE OF MERIT

I, Jake Schulte, hereby declare:

1. This Certificate of Merit accompanies the attached sixty-day notice in which it is alleged the parties identified in the notice have violated Health and 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 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: July 29, 2019



Jake Schulte, Attorney at Law

CERTIFICATE OF SERVICE

I, Zachary Moolenaar, declare that I am over the age of 18 years, and am not a party to the within action. I am employed in the County of San Diego, California, where the mailing occurs; and my business address is 225 Broadway, 21st Floor, San Diego, California 92101.

On July 29, 2019, I served the following documents: **(1) 60-DAY NOTICE OF VIOLATION SENT IN COMPLIANCE WITH HEALTH & SAFETY CODE SECTION 25249.7(d); (2) CERTIFICATE OF MERIT; (3) PROPOSITION 65: A SUMMARY; and (4) CERTIFICATE OF MERIT ATTACHMENT (served only on the Attorney General)** on the parties listed below by placing a true and correct copy thereof in a sealed envelope, addressed to each party and depositing it at my business address with the U.S. Postal Service for delivery by Certified Mail with the postage thereon fully prepaid:

Via Certified Mail

Sconza Candy Company
Deborah McConnell
One Sconza Candy Lane
Oakdale, CA 95361

Costco Wholesale Corporation
CT Corporation System
818 W. 7th St., Suite 930
Los Angeles, CA 90017

Sconza Candy Company
Attn: Legal Department
One Sconza Candy Lane
Oakdale, CA 95361

Costco Wholesale Corporation
Attn: Legal Department
P.O. Box 35005
Seattle, WA 98124

On July 29, 2019 I served the California Attorney General (via website Portal) by uploading a true and correct copy thereof as a PDF file via the California Attorney General's website.

On July 29, 2019 I transmitted via electronic mail the above-listed documents to the electronic mail addresses of the City and/or District Attorneys who have specifically authorized e-mail service and the authorization appears on the Attorney General's web site.


See Attached Service List

On July 29, 2019 I served the following persons and/or entities at the last known address by placing a true and correct copy thereof in a sealed envelope and depositing it at my business address with the U.S. Postal Service for delivery with the postage thereon fully prepaid, and addressed as follows:

See Attached Service List

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on July 29, 2019, in San Diego, California.



Zachary Moolenaar

E-Mail Service List

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
MONTERREY COUNTY
1200 Aguajito Road
Monterey, CA 93940
Prop65DA@co.monterey.ca.us

Allison Haley, District Attorney
NAPA COUNTY
1127 First Street, Ste. C
Napa, CA 94559
CEPD@countyofnapa.org

Paul E. Zellerbach, District Attorney
RIVERSIDE COUNTY
3072 Orange Street
Riverside, CA 92501
Prop65@rivcoda.org

Barbara Yook, District Attorney
CALAVERAS COUNTY
891 Mountain Ranch Rd.
San Andreas, CA 95249
Prop65Env@co.calaveras.ca.us

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

Eric J. Dobroth, Deputy District Attorney
SAN LUIS OBISPO COUNTY
County Government Center Annex, 4th Floor
San Luis Obispo, CA 93408
edobroth@co.slo.ca.us

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 Drive
Sonoma, CA 95403
jbarnes@sonoma-county.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. Reising, District Attorney
YOLO COUNTY
301 Second Street
Woodland, CA 95695
cfepd@yolocounty.org

Tori Verber Salazar, District Attorney
SAN JOAQUIN COUNTY
222 E. Weber Avenue, Room 202
Stockton, CA 95202
DAConsumer.Environmental@sjcda.org

Kathryn L. Turner, Chief Deputy City Attorney
CITY OF SAN DIEGO
1200 Third Avenue
San Diego, CA 92101
CityAttyCrimProp65@sandiego.gov

Jeffrey S. Rosell, District Attorney
SANTA CRUZ COUNTY
701 Ocean Street
Santa Cruz, CA 95060
Prop65DA@santacruzcounty.us

Dennis J. Herrera, City Attorney
CITY OF SAN FRANCISCO
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Valerie.lopez@sfcityatty.org

Christopher Dalbey, Deputy District Attorney
SANTA BARBARA COUNTY
1112 Santa Barbara St.
Santa Barbara, CA 93101
DAProp65@co.santa-barbara.ca.us

Nancy O'Malley, District Attorney
ALAMEDA COUNTY
7776 Oakport Street, Suite 650
Oakland, CA 94621
CEPDProp65@acgov.org

Barbara M. Yook, District Attorney
CALAVERAS COUNTY
891 Mountain Ranch Road
San Andreas CA 95249
Prop65Env@co.calaveras.ca.us

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
1127 First Street, Ste. C
Napa, CA 94559

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

District Attorney
RIVERSIDE COUNTY
3960 Orange Street
Riverside, CA 92501

District Attorney
SACRAMENTO COUNTY
901 G Street
Sacramento, CA 95812

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

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

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

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

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

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

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

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

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

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

District Attorney
SHASTA COUNTY
1355 West Street
Redding, CA 96001

District Attorney
SIERRA COUNTY
100 Courthouse Square
Downieville, CA 95936

District Attorney
SISKIYOU COUNTY
PO BOX 986
Yreka, CA 96097

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

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

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

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

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

District Attorney
TRINITY COUNTY
PO BOX 310
Weaverville, CA 96093

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

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

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

District Attorney
YOLO COUNTY
301 Second Street
Woodland, CA 95695

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

Mike Feuer
City Attorney
CITY OF LOS ANGELES
200 N. Main Street
Los Angeles, CA 90012

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

Richard Doyle
City Attorney
CITY OF SAN JOSE
200 East Santa Clara Street
San Jose, CA 95113

Dennis J. Herrera
City Attorney
CITY OF SAN FRANCISCO
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102