LAW OFFICES

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September 20, 2019

esmith@brodskysmith.com

Member/Manager	Member/Manager	
Global Goodwill Holding, LLC	Global Goodwill Holdings, LLC	
c/o Jin-Fung Liu	c/o Jin-Fung Liu	
155 W. Wistaria Ave.	155 W. Wistaria Ave.	
Arcadia, CA 91007	Arcadia, CA 91007	
Member/Manager	Member/Manager	
Global Goodwill Holding, LLC aka Global	Home Depot Product Authority, LLC	
Goodwill Holdings, LLC	c/o CSC of Cobb County, Inc.	
16236 Wayfarer Lane	192 Anderson Street S.E., Suite 125	
Huntington Beach, CA 92649	Marietta, GA 30060	
Member/Manager	President/CEO	
Home Depot Product Authority, LLC	The Home Depot, Inc.	
c/o Corporation Service Company Which Will Do	c/o Corporation Service Company	
Business In California as CSC – Lawyers	251 Little Falls Drive	
Incorporating Service	Wilmington, DE 19808	
2710 Gateway Oaks Drive, Suite 150N		
Sacramento, CA 95833		

AND THE PUBLIC PROSECUTORS LISTED ON THE DISTRIBUTION LIST ACCOMPANYING THE ATTACHED CERTIFICATE OF SERVICE

Re: Notice of Violation of California Health & Safety Code §25249.6, et seq. ("Proposition 65")

To Whom It May Concern:

Brodsky & Smith, LLC ("Brodsky Smith") represents Anthony Ferreiro ("Ferreiro"), a citizen of the State of California acting in the interest of the general public to promote awareness of exposures to toxic chemicals in products sold in California and to improve human health by reducing hazardous substances contained in such items.

Through this Notice of Violation (this "Notice"), Ferreiro is acting "in the public interest" pursuant to Proposition 65, and seeks to reduce and/or eliminate exposures to di(2-ethylhexyl) phthalate (DEHP) by consumers and workers from exposure to DEHP from use of Restaurant Essentials pizza bags manufactured, distributed, offered for sale and/or sold by Global Goodwill Holding, LLC, Home Depot Product Authority, LLC and The Home Depot, Inc. among other retailers.

This Notice constitutes written notification that Global Goodwill Holding, LLC, Home Depot Product Authority, LLC and The Home Depot, Inc. (the "Noticed Parties") have violated the warning requirements of Proposition 65, the Safe Drinking Water and Toxic Enforcement Act (codified at Cal.

Health & Safety Code §25249.5, et seq.). The product subject to this Notice of Violation and the chemical in the specified product identified as exceeding allowable levels is the following:

• Restaurant Essentials Pizza Bag, UPC# 789313564217 – DEHP (the "Product")1

The Noticed Parties have manufactured, marketed, distributed, offered for sale and/or sold the Product which has exposed, and continues to expose, numerous individuals within California to DEHP, DEHP was listed pursuant to Proposition 65 has a chemical known to the State of California to cause cancer and reproductive toxicity.

In addition to use by consumers, the Product is used in California occupationally by pizza and food delivery workers among others working in the food service and/or restaurant industry. Pursuant to Title 8, C.C.R Section 338(b), please be advised that in addition to exposure to consumers in a non-occupational capacity, "[t]his notice alleges the violation of Proposition 65 with respect to occupational exposures governed by the California State Plan for Occupational Safety and Health. The State Plan incorporates the provisions of Proposition 65, as approved by Federal OSHA on June 6, 1997. This approval specifically placed certain conditions with regard to occupational exposures on Proposition 65, including that it does not apply to the conduct of manufacturers occurring outside the State of California. The approval also provides that an employer may use the means of compliance in the general hazard communication requirements to comply with Proposition 65. It also requires that supplemental enforcement is subject to the supervision of the California Occupational Safety and Health Administration. Accordingly, any settlement, civil complaint, or substantive court orders in this matter must be submitted to the Attorney General."

With respect to the Product, the violation commenced on the <u>latter</u> of the date that the Product was first offered for sale in California or the date upon which California law codified the allowable level of DEHP surpassed by the Product; has continued every day since the relevant date the violation commenced; and will continue every day henceforth until DEHP is removed from the Product, reduced to allowable levels, or until a "clear and reasonable" warning is provided to consumers, including occupational users, by the Noticed Parties in accordance with the law. The primary route of exposure to DEHP from use of this Product is through dermal absorption as explained more fully below.

Proposition 65 requires that a "clear and reasonable" warning be provided prior to exposure to certain listed chemicals. The Noticed Parties have failed to provide a warning to consumers, including occupational users, that they are being exposed to DEHP. While in the course of doing business, the Noticed Parties are "knowingly and intentionally" exposing consumers, including occupational users, to DEHP without first providing a "clear and reasonable" warning. See Cal. Health and Safety Code Section 25249.6. The Noticed Parties have not provided any Proposition 65 warnings on the Product or any other appropriate warnings that persons handling and/or otherwise using the Product are being exposed to DEHP.

Proposition 65 requires that notice and intent to sue be provided to a violator 60-days before a suit is filed in connection therewith. With this Notice, Ferreiro gives written notice of his intent to sue the Noticed Parties for alleged violations of Proposition 65, and to notify the appropriate governmental authorities of his intent. This Notice covers all violations of Proposition 65 that are currently known to the noticing party from information now available as specifically related to the violating product sold through

¹ The specifically identified example of the type of product that is subject to this Notice is for the recipient's benefit to assist in its investigation of, among other things, the magnitude of potential exposures to the listed chemical from other items within the product category. It is important to note that this example is not meant to be an exhaustive or comprehensive identification of each specific offending product of the type listed under "Product." Further, it is Ferreiro's position that the alleged Violator is 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 notice recipient's custody or control) during the relevant period so as to ensure that the requisite toxic warnings were and are provided to California citizens prior to purchase.

the Noticed Parties, and other manufacturers, distributors and/or retailers. Ferreiro is continuing his investigation that may reveal further violations.

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 "The Safe Drinking Water and Toxic Enforcement Action of 1986 (Proposition 65): A Summary" is also enclosed.

Consistent with the public interest goals of Proposition 65 and desire to have these ongoing violations of California law quickly rectified, Ferreiro is interested in seeking a constructive resolution of this matter without engaging in costly and protracted litigation.

Alleged Violators:

Global Goodwill Holding, LLC Home Depot Product Authority, LLC The Home Depot, Inc.

<u>Listed Chemical</u>: This violation involves exposure to the chemical DEHP. 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 DEHP as a chemical known to cause developmental male reproductive toxicity. Both additions took place more than twenty (20) months before Ferreiro served this Notice.

<u>Violations</u>: The Noticed Parties knowingly and intentionally exposed, and continue to knowingly and intentionally expose, consumers and occupational users within the State of California to 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 DEHP, a chemical known to the State of California to cause cancer and reproductive toxicity.

Route of Exposure: The exposures that are the subject of this notice result from the purchase, acquisition, handling and recommended use of the product. Consequently, the primary route of exposure to these chemicals is through dermal absorption. Users can be exposed to DEHP by dermal absorption through direct skin contact with the clear plastic during routine use when contacted with bare hands. If the pizza bag is stored or transported in a carrier, DEHP that leaches from the item may contaminate other articles contained within these closed spaces are subsequently handled, worn, mouthed, or consumed. Finally, while direct mouthing of the product does not seem likely, some amount of exposure through ingestion can occur by touching the product with subsequent touching of the user's hand to mouth.

<u>Duration of the Violations</u>: Each of these ongoing violations has occurred on every day since at least July 3, 2019; as well as every day since the product was introduced to the California marketplace and following the one-year anniversary date of the listing at issue; and will continue every day until clear and reasonable warnings are provided to product purchasers and users or until this known toxic chemical is removed from the product.

Ferreiro has retained me as legal counsel in connection with this matter. Please direct all communications regarding this Notice of Violations to my attention at the law office address and telephone number indicated on the letterhead.

Evan J. Smith

Attachments

Certificate of Merit

Certificate of Service The Safe Drinking Water and Toxic Enforcement Action of 1986 (Proposition 65): A Summary

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 action. My business address is 2 Bala Plaza, Suite 510, Bala Cynwyd, Pennsylvania. I am employed in Montgomery County where the mailing occurred.

On September 20, 2019, 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 Action of 1986 (Proposition 65): A Summary on the following entities and individuals listed below by placing a true and correct copy thereof in a sealed envelope, addressed to the person or entity listed below and depositing it in a US Postal Service Office with postage fully prepaid for delivery by Certified Mail:

Member/Manager	Member/Manager	
Global Goodwill Holding, LLC	Global Goodwill Holdings, LLC	
c/o Jin-Fung Liu	c/o Jin-Fung Liu	
155 W. Wistaria Ave.	155 W. Wistaria Ave.	
Arcadia, CA 91007	Arcadia, CA 91007	
Member/Manager	Member/Manager	
Global Goodwill Holding, LLC aka Global	Home Depot Product Authority, LLC	
Goodwill Holdings, LLC	c/o CSC of Cobb County, Inc.	
16236 Wayfarer Lane	192 Anderson Street S.E., Suite 125	
Huntington Beach, CA 92649	Marietta, GA 30060	
Member/Manager	President/CEO	
Home Depot Product Authority, LLC	The Home Depot, Inc.	
c/o Corporation Service Company Which Will Do	c/o Corporation Service Company	
Business In California as CSC – Lawyers	251 Little Falls Drive	
Incorporating Service	Wilmington, DE 19808	
2710 Gateway Oaks Drive, Suite 150N		
Sacramento, CA 95833		

On September 20, 2019, 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 Action of 1986 (Proposition 65): A Summary on each of the individuals on the service list attached hereto as Appendix B by placing a true and correct copy thereof in a sealed envelope, addressed to the person or entity listed below and depositing it in a US Postal Service Office with postage fully prepaid for delivery by Priority Mail.

Executed on September 20, 2019 in Bala Cynwyd, Pennsylvania.

Evan J. Smith

CERTIFICATE OF MERIT

Health & Safety Code Section 25249.7(d)

I, Evan J. Smith, 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 & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
- (2) I am the attorney for the noticing party, Anthony Ferreiro.
- (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 chemicals that are the subject of the action. The facts, studies and other data derived through this investigation demonstrate that the alleged violators expose persons, including workers, to DEHP.
- (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 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(s) 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 & 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: September 20, 2019

Evan J. Smith

Attorney for Anthony Ferreiro

SERVICE LIST

The Honorable Nancy O'Malley	The Honorable Stacey Montgomery	The Honorable Candice Hooper	The Honorable Gregg Cohen
Alameda County District Attorney	Lassen County District Attorney	San Benito County District Attorney	Tehama County District Attorney
1225 Fallon Street, Room 900	220 South Lassen Street, Ste. 8	419 4th Street, Second Floor	444 Oak Street, Room L
Oakland, CA 94612	Susanville, CA 96130	Hollister, CA 95203	Red Bluff, CA 96080
The Honorable Terese Drabec	The Honorable Jackie Lacey	The Honorable Michael Ramos	The Honorable Eric Heryford
Alpine County District Attorney	Los Angeles County District Attorney	San Bernardino County District Attorney	Trinity County District Attorney
270 Laramie Streel, PO BOX 248	211 West Temple Street, Suite 1200	303 West 3rd Street, 6th Floor	P.O. Box 310
Markleeville, CA 96120	Los Angeles, CA 90012	San Bernardino, CA 92415-0502	Weaverville, CA 96093
The Honorable Todd Riebe	The Honorable David Linn	The Honorable Bonnle Dumanis	The Honorable Tim Ward Tulare County District Attorney 221 South Mooney Boulevard, Rm 224 Visalia CA 93291-4593
Amador County District Alturney	Madera County District Attorney	San Diego County District Attorney	
708 Court Street	209 West Yosemile Avenue	330 W. Broadway Street	
Jackson, CA 95642	Madera CA 93637	San Diego, CA 92101	
The Honorable Michael Rainsey	The Honorable Edward Berberian	The Honorabla George Gascon	The Honorable Laura Kriag
Butte County District Attorney	Marin County District Attorney	San Francisco County District Attorney	Tuolumne Gounty District Attorney
25 County Center Drive	3501 Civic Center Drive, Room 130	850 Bryant Street, Room 322	423 North Washington Street
Oroville, CA 95965	San Ralael, CA 94903	San Francisco, CA 94103	Sonora, CA 95370
The Honorable Barbara Yook	The Honorable Thomas Cooke	The Honorable Torl Verber Salazar	The Honorable Gregory Totten Ventura County District Attorney 800 South Victoria Avenue Ventura, CA 93009
Calaveras County District Attorney	Mariposa County District Attorney	San Joaquin County District Attorney	
891 Mountain Ranch Road	5101 Jones Street, P.O. Box 730	222 East Weber Avenue, Room 202	
San Andreas, CA 95249	Mariposa, CA 95338	Stockton, CA 95201	
The Honorable John Poyner	The Honorable C, David Eyster	The Honorablo Dan Dow	The Honorable Jeff Reisig
Colusa County District Attorney	Mendocino County District Attorney	San Luis Obispo County District Atty	Yoko County District Altomey
346 Fitth Street	100 North State Street, P.O. Box 1000	1035 Palm Street, 4th Floor	301 Second Street
Colusa, CA 95932	Ukiah, CA 95482	San Luls Obispo, CA 93408	Woodland, CA 95695
The Honorable Mark Peterson	The Honorable Larry Morse II	The Honorable Stephen Waystaffe	The Honorable Patrick McGrath
Contra Costa County District Attorney	Merced County District Attorney	San Mateo County District Attorney	Yuba County District Attorney
900 Ward Street	550 W, Main Street	400 County Center, Third Floor	215 Fifth Street
Martinez, CA 94553	Merced, CA 95340	Redwood City, CA 94063	Marysville, CA 95901
The Honorable Dale Trigg	The Honorable Jordan Funk	The Honorable Joyce Dudley	The Honorable Mike Feuer Office of the City Altomey, Los Angelos 800 Cily Hall East 200 North Main Street Los Angeles, CA 90012
Del Norte County District Attorney	Modoc County District Attorney	Santa Barbara County District Attorney	
450 H Street, Room 171	204 S, Courl Street, Suite 202	1112 Santa Barbara Street	
Crescent City, CA 95531	Alturas, CA 96101	Santa Barbara, CA 93101	
The Hunorable Vern Pierson	The Honorable Tim Kendall	The Honorable Jeffrey Rosen	The Honorable James Sanchez
El Dorado County District Attorney	Mono County District Attorney	Santa Clara County District Altomey	Office of the Cily Attomey, Sacramento
778 Pacific Street	P.O. Box 617	70 West Hedding Street, West Wing	915 I Street, 4th Floor
Placerville, CA 95667	Bridgeport, CA 93517	San Jose, CA 95110	Sacramento, CA 95814
The Honorable Lisa Smittcamp Fresno County District Attorney 2220 Tulare Street, #1000 Fresno, CA 93721	The Honorable Dean Flippo	The Honorable Jeff Roself	The Honorable Jan Goldsmith
	Monterey County District Allorney	Santa Cruz County District Attorney	Office of the Cily Allomey, San Diego
	P.O. Box 1131	701 Ocean Street, Room 200	1200 Third Avenue, Suite 1620
	Salimas, CA 93502	Santa Cruz, CA 95060	San Diego, CA 92101
The Honorable Dwayne Stewart Glenn County District Attorney P.O., Box 430 Willows, CA 95988	The Honorable Allison Haley Napa County District Attorney 1127 First Stroet, Suito C Napa, CA 94559	The Honorable Stephen Carllon Shasta County District Attorney 1355 West Street Redding, CA 96001	The Honorable Donnis Herrera Office of the City Attorney, San Francisco 1 Dr. Carlton B. Goodlelt Place San Francisco, CA 94102
The Honorable Maggie Fleming	The Honorable Clifford Newell	The Honorable Lawrence Allen	The Honorable Richard Doyle
Humboldt County District Attorney	Nevada County District Attorney	Sierra County District Altorney	Office of the City Attorney, San Jose
825 5th Street, Fourth Floor	201 Commercial Street	100 Counthouse Square	200 East Santa Clara Street, 15th Floor
Eureka, CA 95501	Nevada City, CA 95959	Downieville, CA 95936	San Jose, CA 95113
The Honorable Gilbort Otero Imperial County District Attorney 940 West Main Street, Suite 102 El Centro, CA 92243	The Honorable Tony Rackauckas Orange County District Attorney 401 Civic Center Drive West Santa Ana, CA 92701	The Honorable James Kirk Andrus Siskiyou County District Attorney P.O. Box 986 Yreka, CA 95097	Office of the Caldomia Altomey General Proposition 65 Enforcement Reporting ATTN; Prop 65 Coordinator 1515 Clay Street, Suite 2000 Oakland, CA 94612-0550
The Honorable Thomas Hardy	The Honorable R. Scott Owens	The Honorable Krishne Abrams	
Inyo County District Attorney	Placer County District Attorney	Solano County District Attorney	
P.O Drawer D	10810 Justice Center Drive, Suite 240	675 Texes Street, Suite 4500	
Independence, CA 93526	Roseville, CA 95678	Fairfield, CA 94533	
The Honorable Lisa Green	The Honorable David Hollister	The Honorable Jill Ravitch	
Kern County District Attorney	Plumas County District Altorney	Sonoma County District Attorney	
1215 Truxtun Avenue	520 Main Street, Room 404	600 Administration Drive, Room 212J	
Bakersfield, CA 93301	Quincy, CA 95971	Santa Rosa, CA 95403	
The Honorable Keith Fagundas	The Honorable Michael Hestrin	The Honorable Birgit Fladager	
Kings County District Altorney	Rivereide County District Attorney	Stanislaus County District Attorney	
1400 West Lacey Boulevard	3960 Orange Street	832 12th Street, Suite 300	
Hanford: CA 93230	Rivereide, CA 92501	Modesto, CA 95354	
The Honorable Donald Anderson	The Honorable Anne Marie Schubert	The Honorable Amanda Hopper	
Lake County District Attorney	Sacramonto County District Attorney	Suffer County District Attorney	
255 North Forbes Street	901 G Street	463 Second Street, Suffe 102	
Lakeport CA 95453	Sacramento CA 95814	Yuba City CA 95991	

APPENDIX A

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 California Office of Environmental Health Hazard Assessment (OEHHA), 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 OEHHA implementing regulations (see citations below) for further information.

FOR INFORMATION CONCERNING THE BASIS FOR THE ALLEGATIONS IN THE NOTICE RELATED TO YOUR BUSINESS, CONTACT THE PERSON IDENTIFIED ON THE NOTICE.

The text of Proposition 65 (Health and Safety Code Sections 25249.5 through 25249.13) is available online at: http://oehha.ca.gov/prop65/law/P65law72003.html. 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 of Regulations, sections 25102 through 27001.1 These implementing regulations are available online at: http://oehha.ca.gov/prop65/law/P65Regs.html.

WHAT DOES PROPOSITION 65 REQUIRE?

The "Proposition 65 List." Under Proposition 65, the lead agency (OEHHA) publishes a list of chemicals that are known to the State of California to cause cancer and/or reproductive toxicity. Chemicals are placed on the Proposition 65 list if they are known to cause cancer and/or birth defects or other reproductive harm, such as damage to

All further regulatory references are to sections of Title 27 of the California Code of Regulations unless otherwise indicated. The statute, regulations and relevant case law are available on the OEHHA website at: http://www.oehha.ca.gov/prop65/law/index.html.

female or male reproductive systems or to the developing fetus. This list must be updated at least once a year. The current Proposition 65 list of chemicals is available on the OEHHA website at: http://www.oehha.ca.gov/prop65/prop65 list/Newlist.html.

Only those chemicals that are on the list are regulated under Proposition 65. Businesses that produce, use, release or otherwise engage in activities involving listed 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 unless an exemption applies. 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 to that chemical. Some exposures are exempt from the warning requirement under certain circumstances discussed below.

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. Some discharges are exempt from this requirement under certain circumstances discussed below.

DOES PROPOSITION 65 PROVIDE ANY EXEMPTIONS?

Yes. You should consult the current version of the statute and regulations (http://www.oehha.ca.gov/prop65/law/index.html) to determine all applicable exemptions, the most common of which are the following:

Grace Period. Proposition 65 warning requirements do not apply until 12 months after the chemical has been listed. The Proposition 65 discharge prohibition does not apply to a discharge or release of a chemical that takes place less than 20 months after the listing of the chemical.

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. This includes all employees, not just those present in California.

Exposures that pose no significant risk of cancer. For chemicals that are listed under Proposition 65 as known to the State to cause cancer, a warning is not required if the business causing the exposure 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" (NSRLs) for many listed carcinogens. Exposures below these levels are exempt from the warning requirement. See OEHHA's website at:

http://www.oehha.ca.gov/prop65/getNSRLs.html for a list of NSRLs, and Section 25701 et seq. of the regulations for information concerning how these levels are calculated.

Exposures that will produce no observable reproductive effect at 1,000 times the level in question. For chemicals known to the State to cause reproductive toxicity, a warning is not required if the business causing the exposure 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" divided by 1,000. This number is known as the Maximum Allowable Dose Level (MADL). See OEHHA's website at: http://www.oehha.ca.gov/prop65/getNSRLs.html for a list of MADLs, and Section 25801 et seq. of the regulations for information concerning how these levels are calculated.

Exposures to Naturally Occurring Chemicals in Food. Certain exposures to chemicals that naturally occur in foods (i.e., that do not result from any known human activity, including activity by someone other than the person causing the exposure) are exempt from the warning requirements of the law. If the chemical is a contaminant² it must be reduced to the lowest level feasible. Regulations explaining this exemption can be found in Section 25501.

Discharges that do not result in a "significant amount" of the listed chemical entering 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 pass into or probably pass into a source of drinking water, 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" level for chemicals that cause cancer or that is 1,000 times below the "no observable effect" level for chemicals that cause reproductive toxicity, if an individual were exposed to that amount in drinking water.

² See Section 25501(a)(4).

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. 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. The notice must comply with the information and procedural requirements specified in Section 25903 of Title 27 and sections 3100-3103 of Title 11. A private party may not pursue an independent enforcement action under Proposition 65 if one of the governmental officials noted above initiates an enforcement 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 to stop committing the violation.

A private party may not file an enforcement action based on certain exposures if the alleged violator meets specific conditions. For the following types of exposures, the Act provides an opportunity for the business to correct the alleged violation:

- An exposure to alcoholic beverages that are consumed on the alleged violator's premises to the extent onsite consumption is permitted by law;
- An exposure to a Proposition 65 listed chemical in a food or beverage prepared and sold on the alleged violator's premises that is primarily intended for immediate consumption on- or off-premises. This only applies if the chemical was not intentionally added to the food, and was formed by cooking or similar preparation of food or beverage components necessary to render the food or beverage palatable or to avoid microbiological contamination;
- An exposure to environmental tobacco smoke caused by entry of persons (other than employees) on premises owned or operated by the alleged violator where smoking is permitted at any location on the premises;
- An exposure to listed chemicals in engine exhaust, to the extent the exposure occurs inside a facility owned or operated by the alleged violator and primarily intended for parking non-commercial vehicles.

If a private party alleges that a violation occurred based on one of the exposures described above, the private party must first provide the alleged violator a notice of special compliance procedure and proof of compliance form.

A copy of the notice of special compliance procedure and proof of compliance form is included in Appendix B and can be downloaded from OEHHA's website at: http://oehha.ca.gov/prop65/law/p65law72003.html.

FOR FURTHER INFORMATION ABOUT THE LAW OR REGULATIONS...

Contact the Office of Environmental Health Hazard Assessment's Proposition 65 Implementation Office at (916) 445-6900 or via e-mail at P65Public.Comments@oehha.ca.gov.

Revised: May 2017

NOTE: Authority cited: Section 25249.12, Health and Safety Code. Reference: Sections 25249.5, 25249.6, 25249.7, 25249.9, 25249.10 and 25249.11, Health and Safety Code.

APPENDIX B

OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): SPECIAL COMPLIANCE PROCEDURE

This Appendix B contains the notice of special compliance procedure and proof of compliance form prepared by the California Office of Environmental Health Hazard Assessment (OEHHA), the lead agency for the implementation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as "Proposition 65"). Under the Act, a private party may not file an enforcement action based on certain exposures if the alleged violator meets specific conditions. These exposures are:

- An exposure to alcoholic beverages that are consumed on the alleged violator's premises to the extent onsite consumption is permitted by law;
- An exposure to a Proposition 65 listed chemical in a food or beverage prepared and sold on the alleged violator's premises that is primarily intended for immediate consumption on- or off-premises. This only applies if the chemical was not intentionally added to the food, and was formed by cooking or similar preparation of food or beverage components necessary to render the food or beverage palatable or to avoid microbiological contamination;
- An exposure to environmental tobacco smoke caused by entry of persons (other than employees) on premises owned or operated by the alleged violator where smoking is permitted at any location on the premises;
- An exposure to listed chemicals in engine exhaust, to the extent the exposure
 occurs inside a facility owned or operated by the alleged violator and primarily
 intended for parking non-commercial vehicles.

A private party may not file an action against the alleged violator for these exposures, or recover in a settlement any payment in lieu of penalties any reimbursement for costs and attorney's fees, if the alleged violator has done *all* of the following within 14 days of being served notice:

- Corrected the alleged violation;
- Agreed to pay a civil penalty of \$500 (subject to change in 2019 and every five years thereafter) to the private party within 30 days; and

 Notified the private party serving the notice in writing that the violation has been corrected.

An alleged violator may satisfy these conditions only one time for a violation arising from the same exposure in the same facility or on the same premises. The satisfaction of these conditions does not prevent the Attorney General, a district attorney, a city attorney of a city of greater than 750,000 population, or any full-time city prosecutor with the consent of the district attorney, from filing an enforcement action against an alleged violator.

When a private party sends a notice of alleged violation that alleges one or more of the exposures listed above, the notice must include a notice of special compliance procedure, and a proof of compliance form to be completed by the alleged violator as directed in the notice.

The notice and proof of compliance form is reproduced here:

Date: Page 1

Name of Noticing Party or attorney for Noticing Party

Address:

Phone number:

PROOF OF COMPLIANCE

You are receiving this form because the Noticing Party listed above has alleged that you are violating California Health and Safety Code §25249.6 (Prop. 65).

The Noticing Party may <u>not</u> bring any legal proceedings against you for the alleged violation checked below if:

- (1) You have actually taken the corrective steps that you have certified in this form.
- (2) The Noticing Party has received this form at the address shown above, accurately completed by you, postmarked within 14 days of your receiving this notice.
- (3) The Noticing Party receives the required \$500 penalty payment from you at the address shown above postmarked within 30 days of your receiving this notice.
- (4) This is the first time you have submitted a Proof of Compliance for a violation arising from the same exposure in the same facility on the same premises.

PART 1: TO BE COMPLETED BY THE NOTICING PARTY OR ATTORNEY FOR THE NOTICING PARTY

The alleged violation is for an exposure to: (check one)

Alcoholic beverages that are consumed on the alleged violator's premises to the extent on-site consumption is permitted by law.
A chemical known to the state to cause cancer or reproductive toxicity in a food or beverage prepared and sold on the alleged violator's premises for immediate consumption on or off premises to the extent: (1) the chemical was not intentionally added; and (2) the chemical was formed by cooking or similar preparation of food or beverage components necessary to render the food or beverage palatable or to avoid microbiological contamination.
Environmental tobacco smoke caused by entry of persons (other than employees) on premises owned or operated by the alleged violator where smoking is permitted at any location on the premises.
Chemicals known to the State to cause cancer or reproductive toxicity in engine exhaust, to the extent the exposure occurs inside a facility owned or operated by the
alleged violator and primarily intended for parking noncommercial vehicles.

IMPORTANT NOTES:

- (1) You have no potential liability under California Health and Safety Code §25249.6 if your business has nine (9) or fewer employees.
- (2) Using this form will NOT prevent the Attorney General, a district attorney, a city attorney, or a prosecutor in whose jurisdiction the violation is alleged to have occurred from filing an action over the same alleged violations, and that in any such action, the amount of civil penalty shall be reduced to reflect any payment made at this time.

Date: Page 2

Name of Noticing Party or attorney for Noticing Party:

Address:

Phone number:

PART 2: TO BE COMPLETED BY THE ALLEGED VIOLATOR OR AUTHORIZED REPRESENTATIVE

Certification of Compliance

Accurate completion of this form will demonstrate that you are now in compliance with California Health and Safety Code §25249.6 for the alleged violation listed above. You must complete and submit the form below to the Noticing Party at the address shown above, postmarked within 14 days of you receiving this notice.

I hereby agree to pay, within 30 days of completion of this notice, a civil penalty of \$500 to the Noticing Party only and certify that I have complied with Health and Safety Code §25249.6 by (check only one of the following):

[] Posting a warning or warnings about the alleged exposure that complies with the law, and attaching a copy of that warning and a photograph accurately showing its placement on my premises; [] Posting the warning or warnings demanded in writing by the Noticing Party, and attaching a copy of that warning and a photograph accurately showing its placement on my premises; OR				
[] Eliminating the alleged exposure, and attaching a statem how the alleged exposure has been eliminated.	ent accurately describing			
My statements on this form, and on any attachments to it, are true, complete, and correct to the best of my knowledge and belief and are made in good faith. I have carefully read the instructions to complete this form. I understand that if I make a false statement on this form, I may be subject to additional penalties under the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65).				
Signature of alleged violator or authorized representative	Date			
Name and title of signatory				

FOR FURTHER INFORMATION ABOUT THE LAW OR REGULATIONS...

Contact the Office of Environmental Health Hazard Assessment's Proposition 65 Implementation Office at (916) 445-6900 or via e-mail at P65Public.Comments@oehha.ca.gov.

Revised: May 2017

NOTE: Authority cited: Section 25249.12, Health and Safety Code. Reference: Sections 25249.5, 25249.6, 25249.7, 25249.9, 25249.10 and 25249.11, Health and Safety Code.