60-DAY NOTICE OF VIOLATION

OF CALIFORNIA HEALTH & SAFETY CODE § 25249.7(d) (PROPOSITION 65)

Date: September 6, 2023

To: Tzu An Liu, Chief Executive Officer, Shason, 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: Keep America Safe and Beautiful

I. INTRODUCTION

Keep America Safe and Beautiful is a California nonprofit corporation acting in the interest of the general public, pursuant to California Health & Safety Code § 25249.7(d). Keep America Safe and Beautiful seeks to promote awareness of exposures to toxic chemicals in products sold in California and, if possible, to improve human health by eliminating hazardous substances contained in such items, promoting corporate responsibility.

This 60-Day Notice of Violation ("**Notice**") is being provided to the alleged violator, Shason, Inc. ("**Notice Recipient**"), as well as the California Attorney General's Office, the District Attorney's Offices for 58 Counties, and City Attorneys for San Francisco, San Diego, San Jose, Sacramento, and Los Angeles.

Keep America Safe and Beautiful provides this Notice after identifying 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**"), based on the failure to provide a clear and reasonable health hazard warning in connection with the sale or use of the products, listed below, in the State of California. The Notice Recipient is hereby given notice it violated and continues to violate Proposition 65 with respect to the warning requirement, codified at California's Health & Safety Code § 25249.6: "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 about the toxic effects of exposures to listed chemicals, 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 listed chemicals.

II. NATURE OF ALLEGED VIOLATIONS

<u>Product.</u> The specific type or category of products ("**Products**") that are the subject of this Notice are as follows:

Exemplar Product	Category/Type	Retailer	Manufacturer/Distributor
Waverly Inspirations 52"	Faux Leather	Walmart.com	Shason, Inc.
Faux Leather Upholstery	Upholstery		
Home Décor Solid Fabric,			
Pearl Taupe			
Mfg. Item # WS-B4444-260			

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

The Exemplar Product is identified for the Notice Recipient's benefit to assist in its investigation into the alleged violations that are the subject of this Notice. The specific identified Exemplar Product is not intended to be an exhaustive list of all such products potentially in violation of Proposition 65. It is Keep America Safe and Beautiful's position the Notice Recipient is now obligated to conduct a good faith investigation into other products within the category or of the type, identified above, that were manufactured, imported, sold or distributed for sale, or that have otherwise been in the Notice Recipient's custody or control during the relevant period, identified below, to ensure the requisite health hazard warnings are provided to individuals in California prior to purchase.

Listed Chemical. The chemical that is the subject of this Notice is di(2-ethylhexyl) phthalate ("**DEHP**"). The State of California listed DEHP as a chemical known to cause cancer on January 1, 1988, and as a chemical known to cause developmental and male reproductive toxicity on October 24, 2003.

Routes of Exposure. The exposures subject to this Notice result from the purchase, acquisition and handling of Products containing DEHP. Exposures occur when individuals, including children and women of childbearing age, handle, touch or otherwise utilize faux leather upholstery containing DEHP in accordance with the Products' reasonably foreseeable and intended uses, resulting in exposures through ingestion and dermal absorption. Individuals ingest DEHP when they touch or handle the Products, transferring the chemical from their fingers or hands to their mouths. Dermal absorption of DEHP occurs when individuals handle, touch, or utilize the Products in accordance with their reasonably foreseeable and intended uses.

The California State Plan for Occupational Safety and Health 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.

<u>Violations and Time Period of Exposure.</u> Keep America Safe and Beautiful alleges the Notice Recipient knowingly and intentionally exposed, and continues to knowingly and intentionally expose, individuals within the State of California to DEHP, without first giving a health hazard warning regarding the chemical's toxic effects, as required by Proposition 65, by failing to provide clear and reasonable warnings to consumers and users advising the Products can expose users to DEHP.

Exposures caused by the use of the Products have occurred each day since the Products were introduced into the California marketplace, but, at a minimum, since September 6, 2022, and, potentially, as far back as September 6, 2020. Because the Products lack clear and reasonable warnings regarding the toxic effects of exposures to DEHP, each Product sold during this period and not accompanied by a warning constitutes a violation by the Notice Recipient and/or other sellers of the Products, whether sold directly through retailers located in, or with locations in, California, via the internet, or through catalog purchases by customers and individuals located in California. Moreover, these exposures are ongoing and will continue either until clear and reasonable warnings are provided to protect consumers and users or until this known toxic chemical is removed from the Products or reduced to allowable levels.

III. RESOLUTION OF NOTICED CLAIMS

Consistent with the public interest goals of Proposition 65, Keep America Safe and Beautiful seeks to pursue a constructive resolution of this matter to quickly rectify ongoing violations of California law. To that end, based on the allegations set forth in this Notice and pursuant to Health & Safety Code § 25249.7(d), Keep America Safe and Beautiful 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 allegations. If the Notice Recipient seeks to resolve the claims alleged in this Notice without litigation, it may contact Keep America Safe and Beautiful's counsel at the address listed below.

It should be noted neither Keep America Safe and Beautiful or its counsel can: (1) finalize any settlement until after the expiration of the 60-day Notice period; or (2) speak for the California Attorney General or any District or City attorney in receipt of this Notice. Therefore, while reaching an agreement with Keep America Safe and Beautiful will satisfy its 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 Notice Recipient for its 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 Cal. Code. Regs. tit 11, § 3100, a Certificate of Merit is attached hereto. A copy of the Notice and Certificate of Merit is served on the California Attorney General and marked "Attorney General Copy: Contains Official Information Pursuant to Evidence Code Section 1040" with all supporting documentation, as required by Cal. Code. Regs. tit 11, § 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 Keep America Safe and Beautiful's counsel at the following address:

> Keep America Safe and Beautiful c/o Kimberly Gates Johnson, Esq. Seven Hills LLP 4 Embarcadero Center, Suite 1400 San Francisco, California 94111 Telephone: (415) 926-7247 Email: kimberly@sevenhillsllp.com

with a copy to: My Nguyen, Secretary Keep America Safe and Beautiful 14891 Boonev Street Westminster, California 92683

Telephone: (657) 621-3809

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

Printed on 100% Post-Consumer Recycled Paper.

CERTIFICATE OF MERIT

Health and Safety Code § 25249.7(d)

Re: Keep America Safe and Beautiful 's Notice of Proposition 65 Violations

- I, Kimberly Gates Johnson, 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 § 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 alleged exposure to and the lack of warnings for the listed chemical that is the subject of the notice.
- 4. Based on the information obtained through those consultations 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 noticing party's 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 California Health & Safety Code § 25249.7(h)(2), i.e., 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 6, 2023

Kimberly Gates Johnson

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. Seven Hills LLP's business address is 4 Embarcadero Center, Suite 1400, San Francisco, CA 94111.

On September 6, 2023, 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; and

CERTIFICATE OF MERIT

XXXX by **Certified First Class Mail** through the United States Postal Service by placing true and correct copies of the above documents in a sealed envelope, individually addressed to each alleged violator listed below and providing such envelope to a United States Postal Service Representative:

Tzu An Liu, CEO Shason, Inc. 5525 S. Soto Street Vernon, CA 90058

On September 6, 2023, I caused to be served true and correct copies of the following documents:

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

CERTIFICATE OF MERIT

XXXX by **First Class Mail** through the United States Postal Service by placing copies of the above documents in a sealed envelope, addressed to each entity on the attached "Service List" and providing such envelope to a United States Postal Representative, with correct postage.

XXXX via **Electronic Mail**, by sending copies of the above documents, addressed individually, to the Recipient listed on the attached "Electronic Mail Service List".

On September 6, 2023, I caused to be served true and correct copies of the following documents:

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

CERTIFICATE OF MERIT; and

CERTIFICATE OF MERIT ATTACHMENTS

XXXX via **Electronic Mail**, by uploading the documents, addressed to California Attorney General at their website address, listed under the "Electronic Upload Service List".

Executed on the 6th day of September, 2023, at Folsom, California.

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SERVICE LIST

The Honorable Michael Atwell	The Honorable Jackie Lacey	The Honorable Todd Riebe
Alpine County District Attorney		Amador County District Attorney
P.O. Box 248		708 Court Street, #202
Markleeville, CA 96120		Jackson, CA 95642
The Honorable Michael Ramsey		Del Norte County District Attorney
Butte County District Attorney		450 H street, Room 171
25 County Center Drive, Suite 245		Crescent City, CA 95531
Oroville, CA 95965	Colusa, CA 95932	3,7
The Honorable Vern Pierson	The Honorable Gilbert Otero	The Honorable Dwayne Stewart
El Dorado County District Attorney	Imperial County District Attorney	Glenn County District Attorney
778 Pacific Street		P.O. Box 430
Placerville, CA 95667	El Centro, CA 92243	Willows CA 95988
The Honorable Maggie Fleming	The Honorable Donald Anderson	The Honorable Lisa Green
Humboldt County District Attorney		Kern County District Attorney
825 5th Street, 4th Floor		1215 Truxtun Avenue
Eureka, CA 95501		Bakersfield, CA 93301
The Honorable Keith Fagundes	1 .	The Honorable David Linn
Kings County District Attorney 1400	Office of the City Attorney, Los Angeles	
West Lacey Blvd.		209 West Yosemite Avenue
Hanford, CA 93230		Madera, CA 93637
Trainord, CA 75250	Los Angeles, CA 90012	Widdera, CA 95057
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Modoc County District Attorney		
204 S. Court Street Room 202		
Alturas, CA 96101		

ELECTRONIC MAIL SERVICE LIST

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The Honorable Thomas Hardy	The Honorable Phillip J. Cline	The Honorable Clifford Newell
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San Jose, CA 96113	Fresno, CA 93721	
Proposition65notices@sanjoseca.gov	consumerprotection@fresnocountyca.gov	
r ropositionosnotices@sanjoseca.gov	consumer protection as it eshocounty ca. gov	

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