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IN THE SUPREME COURT OF CALIFORNIA

FLAVIO RAMOS et al.,
Plaintiffs and Appellants,

v.

BRENNTAG SPECIALTIES, INC., et al.,
Defendants and Respondents.

AFTER A DECISION BY THE COURT OF APPEAL,
SECOND APPELLATE DISTRICT, DIVISION FOUR
CASE NO. B248038

REPLY BRIEF ON THE MERITS

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REPLY BRIEF ON THE MERITS

INTRODUCTION

The opening brief on the merits explained the legal support for, and public policies behind, a rule that limits liability for injuries sustained in a manufacturing process to the manufacturer who controls that process. Liability should not be imposed on raw material suppliers who, like Alcoa Inc., sell a non-dangerous material or component part that the manufacturer chooses to use in the manufacturing process. It is the purchaser of such raw materials/component parts who designs the end product, and is in the best position to guarantee the safety of the manufacturing processes. Imposing liability on suppliers "would force them to scrutinize the buyer-manufacturer's manufacturing process and end products in order to reduce their exposure to lawsuits. This would

require many suppliers to retain experts in a huge variety of areas, especially if the product components are versatile raw materials." (*Maxton v. Western States Metals* (2012) 203 Cal.App.4th 81, 89 (*Maxton*); accord, Rest.3d Torts, Products Liability § 5, com. c, p. 134.)

In their answer brief plaintiffs assert the case is to be decided based on semantics, arguing that the "component parts doctrine" applies solely to injuries alleged to have been caused by "finished products," not processes using raw materials such as those sold by Alcoa. Plaintiffs then conclude that because their complaint did not characterize Alcoa's and the other defendants' products as finished components, the inquiry should end, as though there is "literally nothing left for this Court to review." (ABOM 4.)

The attempt to evade resolution of the recurring and important issue presented here is sophistry. The question squarely framed by the facts, briefed by the parties throughout this litigation and addressed in the Court of Appeal opinion is whether *Maxton* correctly evaluated the scope of any potential liability on the part of those who supply aluminum or other multi-use raw materials that the purchaser of the materials subjects to a manufacturing process. Specifically, if the materials are not dangerous when they left the hands of the supplier, can the supplier nonetheless be liable for injuries sustained during the purchaser's manufacturing processes? There is no reason for this Court to turn away from that issue. (See *People v. Braxton* (2004) 34 Cal.4th 798, 809 (*Braxton*) ["At the outset we are met with defendant's argument that the Attorney General has forfeited the issues he seeks to raise on review because

he did not make the same contentions in the Court of Appeal. [¶] . . . [¶] When this court granted review, by a unanimous vote of its seven justices, we necessarily determined that the issues the Attorney General raised have sufficient statewide importance to warrant an opinion from this court, and that this case presents those issues."].)

Plaintiffs further attempt to sidestep the issue here by arguing against all common sense that Alcoa's aluminum was "special" in some unidentified way not illuminated by any *facts* pleaded in the complaint. (ABOM 8.) Nothing in the record here distinguishes the materials at issue here from those in *Maxton*, which held "[t]he metal products at issue here are clearly raw materials," and subject to the doctrines that apply to component parts and raw materials. (*Maxton*, *supra*, 203 Cal.App.4th at p. 92.) Again, the legal question presented on this record is just what those doctrines should be.

On the merits of that question, plaintiffs contend that raw material and component suppliers should be responsible for any injuries caused by the "intended uses" of the materials they supply. (ABOM 11-13.) But plaintiffs do not deny that there is nothing dangerous about the aluminum tubing and ingots in the form supplied by Alcoa, which can be used in any number of ways to make any number of other products; the only potential danger is from the purchasing manufacturer's actions in how the materials are manipulated. Just as a sugar supplier should not be responsible for burns caused to a candy company employee who, as intended by the supplier, melts the sugar to make taffy, and a lumber supplier

should not be liable for sawdust inhalation by workers making baseball bats, aluminum suppliers should not be responsible for injuries caused by foundry operations that decide to melt the supplied aluminum to make some other product, unless the supplier exerts some control or influence over the manufacturing process. Because the record contains no allegations that Alcoa had any such control or influence over Flavio Ramos's employer's foundry operations, it is not as a matter of law responsible for plaintiffs' claimed injuries.

Finally, this Court should alternatively reverse the decision of the Court of Appeal because it fails to recognize that a supplier of raw materials has no duty to warn an injured worker where the purchaser of the materials was a sophisticated manufacturer whose *own operations* posed the hazard at issue. Plaintiffs hardly contest this point, instead arguing that Alcoa did not raise this issue and that it involves factual issues. But the issue was addressed by the Court of Appeal, raised in the petition for review, turns on undisputed facts, and is thus appropriately before this Court.

LEGAL ARGUMENT

I. AS THE SUPPLIER OF MULTI-USE RAW MATERIALS, ALCOA IS NOT RESPONSIBLE FOR INJURIES ALLEGEDLY CAUSED BY MR. RAMOS'S EMPLOYER'S OWN MANUFACTURING PROCESS.

A. Sound public policy supports the no-liability rule adopted in *Maxton*.

As a general rule, the suppliers of "raw materials, bulk products, and other constituent products sold for integration into other products" are not liable for postsale injuries. (Rest.3d Torts, Products Liability § 5, com. a, pp. 130-131; see also *Jimenez v. Superior Court* (2002) 29 Cal.4th 473, 480 [suppliers of component parts ordinarily are not liable unless their components were defective when they "left the factory"].) This Court should reaffirm the principle that the only exception to this rule is where the raw material or component part is itself defective or the supplier exerts some control over the hazard-producing aspect of the manufacturing process. (*Ibid.*)

The rationale for this rule is that the purchaser of the raw materials or components is in the best position "to guarantee the safety of the manufacturing process" that it oversees, and the safety of the "end product" it then places into the stream of commerce. (*Maxton, supra*, 203 Cal.App.4th at p. 89; *Taylor v. Elliott Turbomachinery Co. Inc.* (2009) 171 Cal.App.4th 564, 584, quoting

Springmeyer v. Ford Motor Co. (1998) 60 Cal.App.4th 1541, 1554 [the purchasing manufacturers " 'know exactly what they intend to do with a component or raw material and therefore are in a better position to guarantee that the component or raw material is suitable for their particular applications' "].) Moreover, the purchasing manufacturers are in the best position to make sure that workplace injuries are compensated, through workers' compensation benefits that workers receive without having to show fault by anyone.

The essence of the raw materials/component parts doctrine is to assign responsibility to the party that caused the alleged injury, not to the suppliers of non-defective materials that have no control over a myriad of manufacturing processes and finished end use products. (*Artiglio v. General Electric Co.* (1998) 61 Cal.App.4th 830, 837 (*Artiglio*) [" 'making suppliers of inherently safe raw materials and component parts pay for the mistakes of the finished product manufacturer . . . would impose an intolerable burden on the business world' "]; accord, *Maxton*, *supra*, 203 Cal.App.4th at p. 89 ["Imposing liability on suppliers of product components would force them to scrutinize the buyer-manufacturer's manufacturing process and end products in order to reduce their exposure to lawsuits. This would require many suppliers to retain experts in a huge variety of areas, especially if the product components are versatile raw materials."]; Rest.3d Torts, Products Liability § 5, com. c, p. 134 ["To impose a duty to warn would require the seller to develop expertise regarding a multitude of different end-products

and to investigate the actual use of raw materials by manufacturers over whom the supplier has no control"].)

As this Court explained in *O'Neil*, tort liability should be imposed only on those entities that exercise control over the circumstances or products giving rise to injury. (*O'Neil v. Crane Co.* (2012) 53 Cal.4th 335, 349 (*O'Neil*) ["It is fundamental that the imposition of liability requires a showing that the plaintiff's injuries were caused by an act of the defendant or an instrumentality under the defendant's control"] quoting *Sindell v. Abbott Laboratories* (1980) 26 Cal.3d 588, 597.)[1]

Plaintiffs cite a series of asbestos cases decided by the intermediate appellate courts to argue that there is no protection for suppliers of "raw materials" that are alleged to cause an injury during a manufacturing process. (ABOM 7-8, citing *Garza v. Asbestos Corp., Ltd.* (2008) 161 Cal.App.4th 651; *Arena v. Owens-Corning Fiberglas Corp.* (1998) 63 Cal.App.4th 1178; *Jenkins v. T&N PLC* (1996) 45 Cal.App.4th 1224.) But asbestos is unique in that courts have found it to be unreasonably dangerous in the form it takes when supplied to the intermediate manufacturer. (See, e.g., *Jenkins*, at pp. 1228-1231.) Aluminum tubing and ingots are not inherently dangerous as supplied.

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[1] Following the lead of the Court of Appeal, plaintiffs' primary argument is to concede that well-established law limits liability for raw material suppliers, but that by definition the limitation of liability applies only to "finished products," not processes involving the raw materials themselves. (Typed opn. 21; ABOM 6.) But reliance on definitions is decidedly unhelpful where the very question presented to this Court is *whether* liability exists in cases like this—no matter what label is given to the applicable doctrine.

Plaintiffs further argue, without any support or citation, that Alcoa's argument regarding the need for control over the injury-producing process is supported by "no legal authority other than *Maxton*" (ABOM 11.) But Alcoa explained at length in its opening brief how decisions like *Maxton*, *Artiglio*, and *Taylor* state longstanding legal principles—captured in the Restatement Third of Torts—dictating that that liability lies only against those entities that control the products and conditions giving rise to injury. (See OBOM 9-10 [explaining how this Court's precedents, beginning with *Escola v. Coca Cola Bottling Co.* (1944) 24 Cal.2d 453, 462 (conc. opn. of Traynor, J.) establish no basis for imposing liability on the suppliers of multi-use raw materials that become dangerous only when subjected to the purchaser/manufacturer's industrial processes over which the raw material supplier has no control].)

Plaintiffs next argue that a defendant's lack of control over the manufacturing process that is alleged to have caused injury is irrelevant where the manufacturing process, and not just the end use product, incorporates the defendant's own product. (ABOM 11-13.) According to plaintiffs and the Court of Appeal, although raw material and component parts suppliers are *not* duty bound to know the myriad potential dangers of finished end use products, they *are* tasked with knowing each and every "intended use" of the material or component along the way to the making of a finished product. The distinction plaintiffs make is wholly artificial. Raw materials and component parts are no more and no less "intended" to be used in manufacturing processes than to be incorporated into finished end use products—in both situations the supplier of materials that

are safe when they left the supplier's hands should not be liable if the supplier did not itself participate in the purchaser's manipulation of the material. The illogic of plaintiffs' contrary argument is demonstrated by the hypotheticals posed in the opening brief, to which plaintiffs offer no rebuttal: No policy justifies holding an aluminum supplier responsible for injuries to an employee in a manufacturing facility that makes cans from aluminum purchased directly from the supplier, when the supplier would *not* be responsible (even under plaintiffs' analysis) for injuries arising from exactly the same process in a facility that makes aluminum cans from recycled items that were originally made from the defendant's raw material.

Plaintiffs' "intended use" standard would hold suppliers of raw materials responsible for all of the workplace injuries caused by manufacturing processes that incorporate raw materials, no matter how benign the raw material supplied. Under plaintiffs' proposed rule, the employer responsible for making the workplace safe is protected by workers' compensation laws, but the supplier who provides raw materials to the employer is on the hook for unlimited tort liability because it fails to provide warnings that perfectly safe raw materials—metals, water, sugar, timber, cotton, grain and so forth—can cause burns or emit respirable dusts or fumes when manipulated during the purchaser's manufacturing processes involving those materials. There is no sound policy justification for such a rule.

B. There are no disputed facts that would support liability here.

"Whether a duty of care exists in a particular case is a question of law to be resolved by the court." (*Beacon Residential Community Assn. v. Skidmore, Owings & Merrill LLP* (2014) 59 Cal.4th 568, 573, internal quotation marks omitted; see also *O'Neil, supra*, 53 Cal.4th at p. 363 ["the existence of duty is a pure question of law"].) This Court treats a " ' "demurrer as admitting all material facts properly pleaded, but not contentions, deductions or conclusions of fact or law." ' " (*Zelig v. County of Los Angeles* (2002) 27 Cal.4th 1112, 1126 [demurrer order reinstated].)

Plaintiffs in their complaint alleged that (1) Alcoa sold its raw aluminum materials to Mr. Ramos's employer, Supreme Casting, (2) the employer subjected Alcoa's raw aluminum materials to industrial processes in its foundry, and (3) Mr. Ramos's alleged injury arose as a result of being exposed to fumes allegedly created when Alcoa's raw aluminum was "melted during the casting process," which was controlled solely by the employer. (Typed opn. 17.) Plaintiffs did not allege that Alcoa's raw aluminum was "tainted" or otherwise defective, that it gave rise to a danger to Mr. Ramos *before* the employer subjected it to industrial processes entirely beyond Alcoa's control, or that Alcoa had any control over or role in Supreme Casting's foundry operation. These facts taken together conclusively establish that Alcoa could not be held responsible for plaintiffs' injuries.

Plaintiffs, without citations, respond that "the characterization of a product as 'raw' or 'multi-use' is a factual question." (ABOM 8.) But as explained in *Maxton*, it does not take a jury to decide that aluminum, one of the most abundant and versatile materials on Earth, is a multi-use raw material. (See *Maxton, supra*, 203 Cal.App.4th at p. 85 [observing that aluminum is used in "innumerable ways" in modern society].)

Plaintiffs argue that this Court is bound by the conclusory allegations in the complaint asserting that Alcoa's raw aluminum materials were somehow "specialized" material "melted as specifically designed and intended by defendants." But the complaint offers no facts to explain that conclusion. Creative pleading does not turn unfounded contentions and conclusions into disputed issues for trial. Despite plaintiffs' attempt to characterize Alcoa's materials as "specialized," common sense confirms that the "design" of a metal ingot or tube does not make any difference to the alleged hazard at issue here when the material is being melted for the purpose of manufacturing other products. Thus it is not surprising that plaintiffs' alleged conclusions are contradicted by the *facts* alleged in the complaint. For example, plaintiffs' complaint acknowledges that Supreme Casting issued no design specifications to Alcoa defining the characteristics of any so-called "specialized" aluminum. (9 AA 2449:14-25.) And the idea that Alcoa's aluminum was "special" is belied by the allegation that Alcoa supplied the same aluminum "products" as at least four other defendants (9 AA 2275-2280), and by the absence of any allegation

that Alcoa's aluminum was used only by Mr. Ramos's employer, Supreme Casting.

Accordingly, as in *Maxton*, *supra*, 203 Cal.App.4th at page 85, there are no disputed issues of fact here that would preclude the sustaining of a demurrer.

C. Plaintiffs' assertion that review should be dismissed because Alcoa has raised a "new" argument for review is frivolous.

Plaintiffs' first argument to this Court—before engaging in any discussion of the merits—is that review should be dismissed because, plaintiffs contend, the component parts doctrine by definition applies only to liability for injury caused by "finished products," and according to plaintiffs, Alcoa has abandoned that doctrine to pursue instead a new and different argument based on the raw materials doctrine, which applies to the sale of raw materials used in a manufacturing process. (ABOM 1; 6-7.) The argument is frivolous for many reasons.

First, the question presented to this Court stated: "Is a supplier of multi-use raw material responsible for injuries allegedly caused while the material is subjected to manufacturing processes by an intermediary purchaser, without any input from or control by the supplier?" (PFR 1; OBOM 1.) There is thus no question that the arguments Alcoa made in its opening brief are embraced within the scope of this Court's grant of review. (*Powers v. City of Richmond* (1995) 10 Cal.4th 85, 114-115 [this Court's "role in the

judicial system is to settle 'important questions of law' " and "in the words of Chief Justice Marshall, it is 'emphatically . . . the province and duty of the judicial department . . . to say what the law is' "]; see also *Goldstein v. Superior Court* (2008) 45 Cal.4th 218, 225, fn. 4 (*Goldstein*) ["we 'may decide any issues that are raised or fairly included in the petition or answer' "]; *Braxton, supra*, 34 Cal.4th at p. 809 ["When this court granted review, by a unanimous vote of its seven justices, we necessarily determined that the issues the Attorney General raised have sufficient statewide importance to warrant an opinion from this court, and that this case presents those issues"].)

Second, there is nothing new about the issues being raised. In the trial court, Alcoa relied principally on *Maxton*, *supra*, 203 Cal.App.4th at page 92, which held that aluminum suppliers were not potentially liable for injuries caused during the manufacturing process because aluminum is a non-dangerous, multi-use raw material. That is the issue the parties briefed, because that is the issue framed by the facts of this case. The trial court followed *Maxton,* and the Court of Appeal reversed, disagreeing with *Maxton* and holding that the component parts doctrine applies only to finished products. Thus, the very heart of the conflict in the trial court and the Court of Appeal is the one briefed in Alcoa's opening brief on the merits: whether a raw material supplier is potentially liable for injuries that occur during a manufacturing process that incorporates the defendant's material.

Third, whatever labels have been used by courts in different scenarios implicating the "component parts" and "raw materials"

doctrines, they are simply different formulations of the same principles limiting liability on the part of those that supply non-dangerous raw materials or components that are used to make something else. Even plaintiffs concede the doctrines are "related." (ABOM 7.) A multi-use raw material is simply one type of component that is incorporated into a final finished product or a process that produces such a product, and supplying such materials is addressed under what has broadly been termed the component parts doctrine. (*Maxton, supra*, 203 Cal.App.4th at p. 88 ["A comment of the Restatement Third provides: 'Product components include raw materials, bulk products, and other constituent products sold for integration into other products.' (Rest.3d, Torts, Products Liability § 5, com. a, p. 130.)"].)

As the *Maxton* court recognized, suppliers of such multi-use raw materials are entitled to even broader protection than the suppliers of more complex component parts because such intermediate raw materials can be used in "innumerable ways." (*Maxton, supra*, 203 Cal.App.4th at p. 94; see also *In re TMJ Implants Products Liability Litigation* (8th Cir. 1996) 97 F.3d 1050, 1056 [applying component parts doctrine to product component that constituted a "building-block material suitable for many safe uses"].) Whether an injury results from a manufacturing process or the end product made by it, the injury flows from the *purchasing* manufacturer's decisions as to whether and how to use raw materials *after* the supplier relinquished control of a safe raw material. Both situations call for application of the general rule that raw material suppliers are not responsible for post-sale injuries

absent certain conditions that are not implicated by the record here. (Rest.3d Torts, Products Liability § 5, com. a, pp. 130-131 [supplier is liable if it provided a defective raw material or exercised control over the purchaser's use of the raw material].)

Plaintiffs conflate the component part/raw material doctrine, which is the basis of the decision in *Maxton* and at issue here, with the related "bulk supplier" doctrine, which applies only to Alcoa's alternative argument addressing the sophisticated purchaser doctrine. (See ABOM 1, 7-8; cf. typed opn. 11-12 [contrasting the "bulk supplier" doctrine with the component part/raw material doctrine and explaining that the former may apply to claims that a product seller should have warned an intermediary purchaser of certain hazards related to the product]; accord, *Artiglio*, *supra*, 61 Cal.App.4th at pp. 838-840 [recognizing the same distinction].) A product supplied "in bulk" may be a raw material, a component part *or* an end use product. At the same time, a raw material or component part might not be supplied in bulk, in which case a supplier's potential liability would be subject only to analysis under the raw material/component parts doctrine, and not the bulk supplier doctrine. The fact that the latter may apply independently in some cases (like this one) does not mean the former is not also applicable. The rules governing the legal responsibility for supplying raw materials or component parts are, and have always been, at the heart of *Maxton*, section 5 of the Restatement Third of Torts, and this appeal.

II. THE SOPHISTICATED PURCHASER DOCTRINE ALSO BARS PLAINTIFFS' CLAIMS.

Under the sophisticated purchaser doctrine, a bulk supplier of a raw material, even one that is considered unsafe in its raw form (unlike aluminum), has no duty to warn the purchaser of risks already known to the purchaser. (*Johnson v. American Standard, Inc.* (2008) 43 Cal.4th 56, 67 (*Johnson*).) "The rationale supporting the defense is that 'the failure to provide warnings about risks already known to a sophisticated *purchaser* usually is not a proximate cause of harm resulting from those risks . . . .' " (*Id.* at p. 65, emphasis added, quoting Owen, Products Liability Law (2005) § 9.5, p. 599; *Billiar v. Minnesota Mining and Mfg. Co.* (2d Cir. 1980) 623 F.2d 240, 243.)

Plaintiffs' response, like their response to the previous argument, is more about procedural quibbling and unsupported factual distinctions than substance. Plaintiffs first argue that the issue was not raised in the lower courts, other than in a "general," and not a "specific," way. (ABOM 9.) But the sophisticated purchaser doctrine was addressed by the Court of Appeal. (Typed opn. 18 [noting plaintiffs' allegations relating to Supreme Casting's sophistication, which anticipated a defense based on the sophisticated purchaser doctrine]; *ibid.*, fn. 17 [citing and addressing *Johnson*, and also addressing the fact that, as Alcoa observed, "several out-of-state courts, applying the sophisticated purchaser doctrine, have found suppliers of sand and similar materials to employers not liable for injuries to employees engaged

in making end products"].) And it was advanced in the petition for review. (PFR 1, 18-19.) Thus, this Court clearly has the authority to address the issue regardless of how "specifically" it was raised in the lower court. (See, e.g., *Goldstein*, *supra*, 45 Cal.4th at p. 225, fn. 4.)

On the merits, plaintiffs do not deny the validity of the sophisticated purchaser doctrine in concept; they simply argue there are factual questions here regarding the sophistication of Mr. Ramos's employer, in terms of whether the employer knew of the alleged dangers of melting the aluminum and whether Alcoa reasonably relied on the employer to protect workers such as Mr. Ramos. (ABOM 9-10.) But the sophisticated purchaser doctrine applies not just to what the purchaser *actually* knew but to what the purchaser "should have known." (See *Johnson*, *supra*, 43 Cal.4th at pp. 61, 71.)

On the record here, this Court can and should conclude as a matter of law that the nature of the claim—alleging injury at a foundry from fumes emanating from the melting of metal products—requires a finding that Supreme Casting *should have known* about ensuring a safe environment for its workers. Supreme Casting's very business was to melt metal into other products, so issuance of fumes during the melting process was inherently within its expertise. (See, e.g., *Johnson*, *supra*, 43 Cal.4th at p. 74 ["HVAC technicians could reasonably be expected to know of the hazard of brazing refrigerant lines"].) It had a nondelegable, statutory duty to learn of any dangers in the workplace and to keep its employees safe. (See *Bonner v. Workers' Comp. Appeals Bd.* (1990) 225

Cal.App.3d 1023, 1034 [noting the "duty to maintain a safe workplace exists as a matter of statute"]; *Devens v. Goldberg* (1948) 33 Cal.2d 173, 178, citing *Cordler v. Keffel* (1911) 161 Cal. 475, 479 ["The duty of a master to his servant requires him to make a reasonably careful inspection at reasonable intervals to learn of dangers not apparent to the eye, to which the servant may be exposed while engaged at the place where he is directed to work"].)

Regardless of its size, Supreme Casting had statutory and common law duties that made it a "sophisticated purchaser" as a matter of law. Thus, this Court should reject plaintiffs' unsupported assertion that the defense cannot be resolved absent the "resolution of multiple factual issues." (ABOM 10.) Here, Supreme Casting was inarguably in a better position than anyone else to appreciate and address the hazards posed by its own foundry operations.

For these reasons, this Court should hold the sophisticated purchaser doctrine applies as a matter of law and further supports the trial court's granting of Alcoa's demurrer.

CONCLUSION

For all of the reasons stated above and in Alcoa's opening brief, the Court should reverse the Court of Appeal and uphold the trial court's sustaining of the demurrer and dismissal of plaintiffs' claims with prejudice.

February 13, 2015

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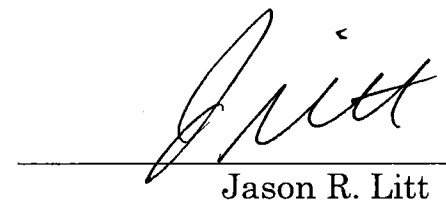
CERTIFICATE OF WORD COUNT

(Cal. Rules of Court, rule 8.520(c)(1).)

The text of this brief consists of 4,385 words as counted by the Microsoft Word version 2010 word processing program used to generate the brief.

Dated: February 13, 2015



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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Los Angeles, State of California. My business address is 15760 Ventura Boulevard, 18th Floor, Encino, California 91436-3000.

On February 13, 2015, I served true copies of the following document(s) described as **REPLY BRIEF ON THE MERITS** on the interested parties in this action as follows:

SEE ATTACHED SERVICE LIST

BY MAIL: I enclosed the document(s) in a sealed envelope or package addressed to the persons at the addresses listed in the Service List and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with Horvitz & Levy LLP's practice for collecting and processing correspondence for mailing. On the same day that the correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

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

Executed on February 13, 2015, at Encino, California.

/s/

Jan Loza

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