

RECEIVED FEB 25 2015

James R. Cauley  
General Counsel  
The Marley-Wylain Company  
400 S. Prairie Ave.  
Waukesha, WI 53186  
(262) 446-8430

February 20, 2015

VIA UPS NEXT DAY AIR

MR. DONN DIEBERT  
POLICY IMPLEMENTATION & SUPPORT BRANCH  
HAZARDOUS WASTE MANAGEMENT PROGRAM  
1001 "I" STREET  
SACRAMENTO, CA 95812-0806

Re: Proposed Negotiations for Settlement of Summary of Violations ("SOV")

Dear Mr. Diebert:

As mentioned in my voicemail from earlier today, I am writing on behalf of The Marley-Wylain Company ("Company") regarding the January 30, 2015 letter from the Department of Toxic Substances Control ("DTSC") that proposes negotiations with a subset of manufacturers in order to resolve the July 3, 2014 SOV issued by DTSC.

I called you on February 11, because you were the designated contact in the January 30 letter. I requested a 30-day extension of time for responding so that we have an opportunity to determine whether a representative group can be formed from members of the Thermostat Recycling Corporation for purposes of negotiations. I also stated that there was some interest in forming a representative group, but that it would take time, in part because some companies had not yet even received the January 30 letter. In our conversation, I mentioned that I had already sent a letter to you on the request for the 30 day extension. I understood that the 30 day extension was acceptable.

On February 19, I received a letter from Mr. Clyde West, Environmental Scientist, who was not mentioned in the January 30 letter and who I had not called. The February 19 letter says that "Per your request DTSC is hereby granting an extension to February 20, 2014.... we will not entertain any additional extensions." This amounts to an 8 day extension from when I received the January 30 letter.

The Company is interested in having a group negotiate an acceptable resolution. However, it takes some time for a group to be formed for that purpose. Efforts are underway to form a group. Please consider this to be the response demanded by Mr. West in the February 19 letter.

Also, notwithstanding the potential negotiations to settle the alleged violations, the Company continues to deny any and all alleged violations and reserves all rights to defend against any alleged violations and any assessment.

We do look forward to working to resolve these issues in a constructive manner, so that through the efforts of both DTSC and the Thermostat Recycling Corporation, we can help to recycle mercury thermostats. In light of the January 30 letter and February 19 letter, I am not certain who I should be dealing with at this point, but I am writing you because you are the designated contact in the January 30 letter.

Please call me so that we can address these concerns. My direct telephone number is (262) 446-8430.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Jim Cauley". The signature is written in a cursive style with a large initial "J".

James R. Cauley  
General Counsel