



## ***Cardinal Distributing Co., Inc.***

*Complete Line Of Bulk Vending Supplies & Equipment*  
6801 QUAD AVENUE  
BALTIMORE, MARYLAND 21237

1-800-368-2062  
410-325-2121

September 10, 2007

Honorable Bobby Rush  
Chairman  
Room 2125  
Rayburn Office Building  
Washington, DC 20515

Dear Honorable Bobby Rush,

1. There have been no other products imported that exceed the C.P.S.C. levels.
2. Sample test reports included.
3. I do business with a broker. He purchases the products from factories. Then he invoices me for the product. His company name is Krishna Beads. A copy of the shipping documents with Krishna Beads address included.
4. We require test reports that must adhere to C.P.S.C. standards.
5. Our products are tested overseas by certified labs, and the results are sent to our company. To help insure an extra layer of protection, when new products arrive in our warehouse, we have some pieces retested by labs in the U.S.
6. After the 2004 recall, all the suppliers were put on notice about the lead problem. Most of the companies were very fast to react and help solve the problem. Since the 2004 recall, we are keeping very accurate records on all of our purchases. All the while, our main focus was on heavy concentration of lead in the metals and not so much the lead in the paint. The reason being is that, I like most other companies, thought the lead paint no longer existed.
7. We were notified by the C.P.S.C. on March 26, 2007. They visited the warehouse of one of my customers, 5 Star Distributing (see exhibit 1), and the agent pulled a variety of samples for testing.

The 3 mixes pulled from 5 Star Dist. are:

- Mix #1 – Sportswear mix. This mix was tested for lead paint. All the colors passed except the yellow paint (also, part of exhibit 1).
- Mix #2 – Lil Bling Jewelry. This mix was tested for the lead content in the metal. The testing determined that the levels of lead content were not harmful to children.
- Mix #3 – Silver Stone Rings. This mix was tested for lead content. This also passed.



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The C.P.S.C. also pulled some samples from Cardinal Distributing Warehouse. 4 or 5 items were taken. One item we recalled was Charm Bracelets. It was tested for lead in the paint. Excessive levels of lead paint were found in the green & pink paint. Of the 300,000 pieces of charm bracelets that were imported less than 3% or about 9,000 pieces exceeded the lead levels.

8. We sent a recall notice to all of our customers who purchased the recalled products and we asked them to return the products. We also have all the recalled items on our website. We only sent the information out in English.
9. Our items retail in vending machines for 50 cents or less. They are considered to be throw away items. We have had very little consumer response. There was a magazine article published about products in vending machines. We received 3 or 4 responses. The consumer was told to throw away the product and we sent them new toys to replace the old ones.

Sincerely,

Daniel Paszkiewicz  
President  
Cardinal Distributing Co.

DP/cjk

Consignor  
 [REDACTED] STATE,  
 [REDACTED] (W)

**MULTIMODAL TRANSPORT DOCUMENT**

MTD / B/L Number: **LT154/07-08**

Consignee (or order)  
**TO ORDER**



**Logic Transware (I) Pvt. Ltd.**  
 106-125, Sai Commercial Complex, Near Lakme,  
 B. S. Devahi Marg, Govandi (E), Mumbai - 400 088.  
 Tel: 2555 8023, 2548 1351, 2548 1352 • Telefax: 2555 8022  
 Email: logic@vsnl.com

Notify Address  
 1) CARDINAL DISTRIBUTING CO. INC.  
 BALTIMORE MD-21237 U.S.A.  
 2) IAN INTERNATIONAL WORLDWIDE-TRANSPORTATION

MTD / DGS / 427 / 2005

**COPY NON-NEGOTIABLE**

Notify Address 2  
 SERVICE, 7408 NEW RIDGE ROAD, SUIT # 14  
 P.O. 548 HANOVER MD-21078 UNITED STATES

Taken in charge in apparently good condition herein at the place of receipt for transport and delivery as mentioned above, unless otherwise stated. The MTD in accordance with the provisions contained in the MTD undertaken to perform or to procure the performance of the multimodal transport from the place at which the goods are taken in charge, to the place designated for delivery and assumes responsibility for such transport. One of the MTD (s) must be surrendered, duly endorsed in exchange for the goods. In witness where of the original MTD all of this tenor and the data have been signed in the number indicated below one of which being accomplished the other (s) to be void.

Vessel / Voyage No.  
**EVER DECENT V. [REDACTED]**

To Obtain Delivery Contact  
**FPA CUSTOMS BROKERS, INC.**  
 100-31 134TH AVENUE JAMAICA, NY 11434  
 TEL: 718-827-2280 FAX: 718 276-2280  
 CTC: BERNE GOLDBERG

Place of Acceptance  
**SHANGHAI**

Port of Loading  
**SHANGHAI**

Port of Discharge  
**BALTIMORE (MD)**

Place of Delivery  
**BALTIMORE (MD)**

Container No.(s)	Material Number	Number of packages, kind of packages, general description of goods	Gross Weight	Measurement
G.D.C. BALTIMORE 1 TO UP ITEM # : CAGE QUANTITY BAG QUANTITY COUNTRY OF ORIGIN: CHINA	[REDACTED]	80 PAGES LEAD, COUNT AND SEAL TO THE CONSIGNEE EIGHTY EIGHT BACKLACE AND EIGHTY EIGHT EIGHTY EIGHT EIGHTY EIGHT	Gr. Wt: 1KGS 8058.000	22.9800 CBM
UEBU230000022879 488CTNS 1X27 GP (CYCY)				

**CYCY**

**EXPORTERS CERTIFY THAT THIS SHIPMENT CONTAINS NO WOOD PACKAGING MATERIALS (WPM) WE HEREBY DECLARE THAT THE SHIPMENT CONTAINS NO WOOD PACKING MATERIAL**

**FCL/FCL**

**" FREIGHT COLLECT "**  
 Particulars above furnished by consignee / consignor

Freight amount  
 Freight payable at  
**DESTINATION**

Number of Original MTD / B/L (s)  
 Place and date of issue  
**9 APR 2007**

Other Particulars (if any)  
 B/L NO. SHAD708080

Weight and measurement of container not be included  
 (TERMS CONTINUED ON BACK HEREOF)

For Logic Transware (I) Pvt. Ltd.  
  
**AUTHORIZED SIGNATORY**

**CARDINAL DISTRIBUTING COMPANY, INC.  
6801 QUAD AVENUE  
BALTIMORE, MARYLAND 21237**

## **SAFETY RECALL NOTICE**

Dear Distributor or Retailer,

Cardinal Distributing Company, Inc. (Cardinal), importer of consumer bulk vending items, recently became aware of a possible safety issue with one of its painted jewelry products sold from January 2006 to March 2007. This recall includes both the bulk & capsuled items. The U.S. Consumer Product Safety Commission (CPSC) notified Cardinal that some sampled items contain the element lead, which may be hazardous to children.

This recall is limited to 1 item pictured on the following attached page or you can visit our recall-related website at [www.vendingdepot.com](http://www.vendingdepot.com). This item was used in the Sports Wear mix and limited quantities were mixed with the Flashing Jewelry.

Please take the following action with respect to Cardinal's items subject to recall:

1. **Items/Bags in stock.** Please review the item code on the bags or box. If you have any of these products in stock, please contact your Cardinal Representative for instructions on returning to us any units you have in inventory. **If you distribute these items to others for sale to the public, please forward this information on to those entities for similar action on their part. Please ensure that all of the inventory related to these items—down to and including that in the bulk vending machines—is returned to Cardinal.**
2. **Consumer Contact:** For additional information, contact Cardinal Distributing Company, Inc., at (800) 368-2062 between 9 a.m. and 5 p.m. ET Monday through Friday, or visit the firm's Web site at [www.vendingdepot.com](http://www.vendingdepot.com)

To confirm your receipt of this information and your awareness and understanding of this effort, please sign the acknowledgement at the end of this letter, and either mail it to us, fax it to us at 410-325-9010 or email an acknowledgement to [cardinaldist@aol.com](mailto:cardinaldist@aol.com). Your cooperation is most appreciated in the interest of consumer safety and our mutual commitment to customer service. Should you have any questions associated with this recall effort, please call Cardinal at 1-800-368-2062.

Sincerely,  
Cardinal Distributing Company, Inc.



**QAI CHINA  
TESTING REPORT**

JOB NO. : 9909

REPORT NO. : QAI073141

DATE: Jul 5, 2007

**TEST REPORT**

BUYER : KRISHNA BEADS INDUSTRIES  
 VENDOR : --  
 FACTORY : --  
 ITEM NO. : --  
 DESCRIPTION : 3 ASST NECK COPPER COLOR  
 SAMPLE SUBMITTED : 3 KINDS OF SAMPLES  
 SAMPLE RESOURCE : VENDOR  
 COUNTRY OF ORIGIN : CHINA  
 GOODS EXPORTED TO : U.S.A.  
 SERVICE LOCATION : HANGZHOU, ZHEJIANG, CHINA  
 RECEIVED DATE : JULY 2, 2007  
 TESTING PERIOD : JULY 2, 2007 TO JULY 5, 2007

*Copper  
Jewelry*

\*\*\*\*\*

**TESTS CONDUCTED:**

AS REQUESTED BY THE APPLICANT, TESTS WERE CONDUCTED ACCORDING TO FOLLOWING STANDARDS, FOR DETAILS REFER TO ATTACHED PAGES.

\*\*\*\*\*

**TESTING METHOD** CPSC - STANDARD OPERATING PROCEDURE FOR DETERMINING  
 LEAD (Pb) AND ITS AVAILABLE IN CHILDREN'S METAL JEWELRY

\*\*\*\*\*

<u>TESTING RESULT</u>		<u>COMMENT</u>
CASTINGS	CPSC - INTERIM ENFORCEMENT POLICY FOR CHILDREN'S METAL JEWELRY CONTAINING LEAD	PASS

\*\*\*\*\*

TO BE CONTINUED

Authorized by:  
For QAI China Laboratory

*Warren*

Warren Wang  
Supervisor



**QAI CHINA  
TESTING REPORT**

JOB NO. : 9909

REPORT NO. : QAI073141

DATE: Jul 5, 2007

**TEST REPORT**

**A) METAL – SCREENING TEST FOR TOTAL LEAD ANALYSIS**

AS PER REQUIREMENT OF UNITED STATES CONSUMER PRODUCT SAFETY COMMISSION'S ENFORCEMENT POLICY TO REDUCE THE POTENTIAL FOR HEALTH RISKS FROM LEAD IN CHILDREN'S METAL JEWELRY, TOTAL LEAD CONTENT ANALYSIS WAS CONDUCTED FOLLOWED CPSC STANDARD OPERATING PROCEDURE FOR DETERMINING LEAD (Pb) AND ITS AVAILABLE IN CHILDREN'S METAL JEWELRY,

	<u>TEST ITEM**</u>	<u>TEST METHOD</u>	<u>LIMIT</u>	<u>RESULT</u>		<u>COMMENT</u>
			(mg/kg)	(mg/kg)	(%)	
1)	Casting 1	CPSC SOP-I*	600	14	-	PASS
2)	Casting 2	CPSC SOP-I*	600	54	-	PASS
3)	Casting 3	CPSC SOP-I*	600	11	-	PASS

REMARK: CPSC SOP-I\* = Consumer Product Safety Commission Standard Operating Procedure for Determining Lead and Its Available in Children's Metal Jewelry.  
Part I: Screening Test for Total Pb Analysis.

\*\* = The tested items were required by vendor.

\*\*\*\*\*

TO BE CONTINUED





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6801 QUAD AVENUE  
BALTIMORE, MARYLAND 21237

1-800-368-2062  
410-325-2121

April 2, 2007

U.S. Consumer Product Safety Commission  
Office of Compliance & Field Operations  
Recalls and Compliance Division  
4330 East West Highway  
Bethesda, MD 20814

**EXHIBIT /**

Dear Mr. Hartman,

This letter confirms that Cardinal Distributing Company Inc., has received your letter dated March 26, 2007.

Cardinal understands that the U.S. Consumer Product Safety Commission (CPSC) staff has completed its analysis of samples obtained from Five Star/TJ King Vending in Niles, Illinois on February 16, 2007.

Your letter concludes that the yellow paint on the Sportswear mix contained high levels of lead in the paint.

Cardinal Distributing is taking the corrective actions that are required.

Best regards,

Dan Paszkiewicz  
President,  
Cardinal Distributing



COPY 9/1/07

U.S. CONSUMER PRODUCT SAFETY COMMISSION  
4330 EAST WEST HIGHWAY  
BETHESDA, MD 20814

OFFICE OF COMPLIANCE & FIELD OPERATIONS  
Recalls and Compliance Division  
Email: [jhartman@cpsc.gov](mailto:jhartman@cpsc.gov)

MAR 26 2007

Jason J. Hartman  
Compliance Officer  
Tel: 301-504-7591  
Fax: 301-504-0359

Certified Mail/Telefax 410-325-9010

Daniel Paszkiewicz  
President  
Cardinal Distributing Company  
6801 Quad Avenue  
Baltimore, MD 21237

RE: CPSC Sample Number 07-810-5128  
Children's "Sportswear" Necklaces, Item # 8261

Dear Mr. Paszkiewicz:

The U.S. Consumer Product Safety Commission ("CPSC") staff tested the above-referenced children's necklaces sold by your firm, Cardinal Distributing Company. Testing revealed that these products contain paint with a lead content in excess of 0.06 percent (test report enclosed). As a result, the "Sportswear" necklaces are banned hazardous substances under 16 Code of Federal Regulations ("C.F.R.") Part 1303 of the Consumer Product Safety Act ("CPSA"). Sale of these products is prohibited in the United States. The Commission staff requests that your firm take the corrective actions described below.

The children's "Sportswear" necklaces were collected by a CPSC Investigator from Five Star Distributing in Niles, Illinois on February 16, 2007. The products consist of metal pendants in the shape of various sports-themed objects, such as basketballs, baseballs, numbers and letters, which are painted in a variety of colors and hang from a black cord. The packaging is a plastic globe designed for vending machine distribution. These products were issued sample number 07-810-5128.

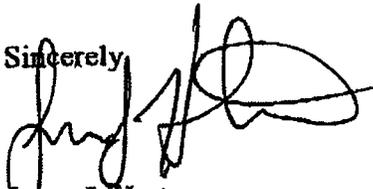
Analysis of the yellow paint on two units of the products indicated the following percentages of lead by weight:

1. 0.519 percent
2. 0.726 percent

Note that CPSC staff also collected and analyzed units of "Lil Bling" necklaces and bracelets, item # 8362 (sample 07-810-5126), and "Silver Stone" rings, item # 8325 (sample 07-810-5127), for the presence of accessible lead in the metal components. Testing indicated that these products did not contain lead levels that would be hazardous to children (test reports enclosed).

Please respond in writing within **10 working days** from the date that you receive this letter outlining the specific corrective actions you plan to take to address the violations described herein. If you seek assistance or have any questions, you may contact me at: 301-504-7591. Please address your correspondence to me at: Office of Compliance, U.S. Consumer Product Safety Commission, Room 710, 4330 East West Highway, Bethesda, MD 20814-4408.

Thank you for your cooperation in this matter.

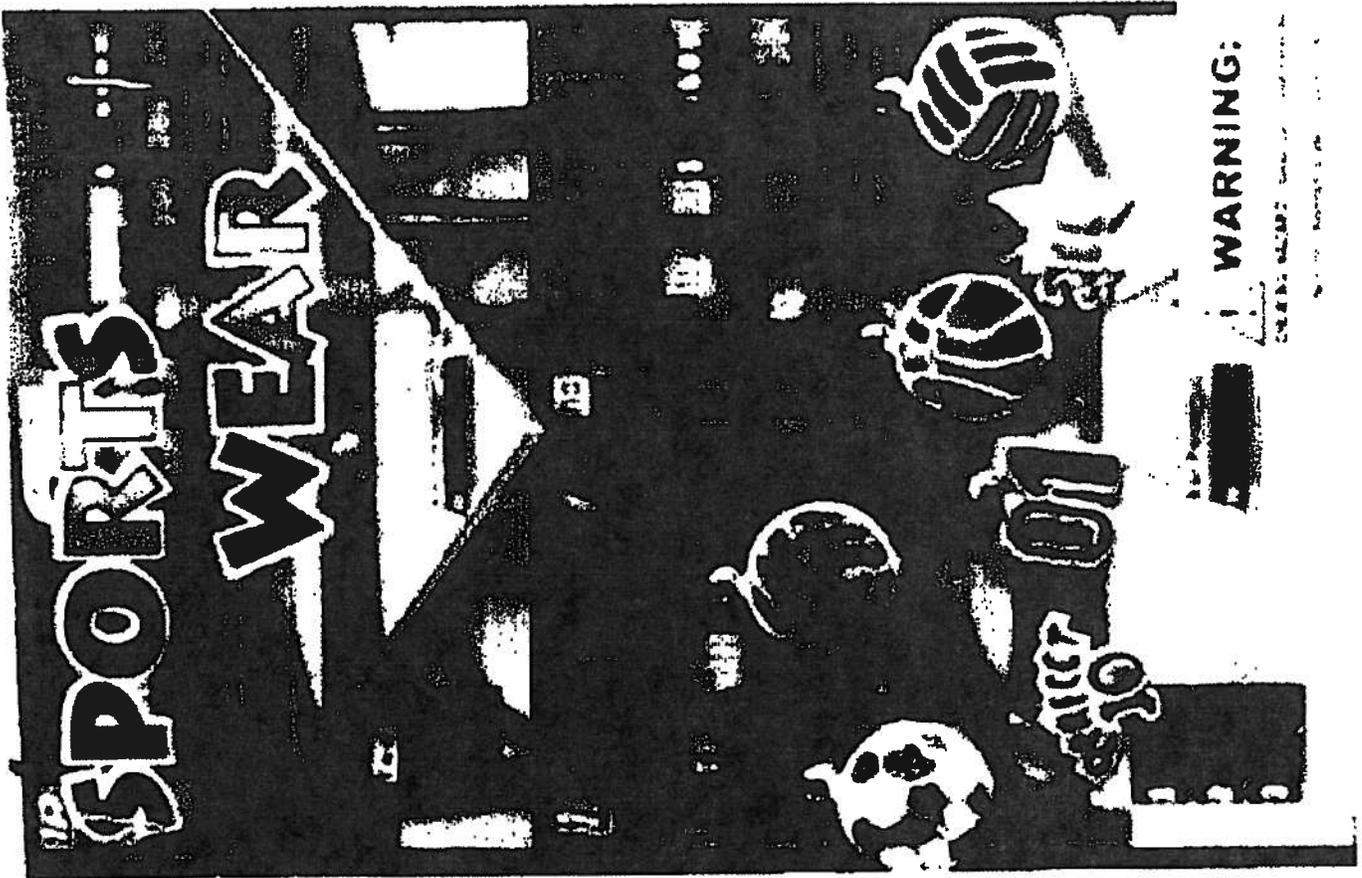
Sincerely,  
  
Jason J. Hartman

Enclosures:

*Regulated Products Handbook*  
Compilation of Statutes  
CPSC Laboratory Summaries

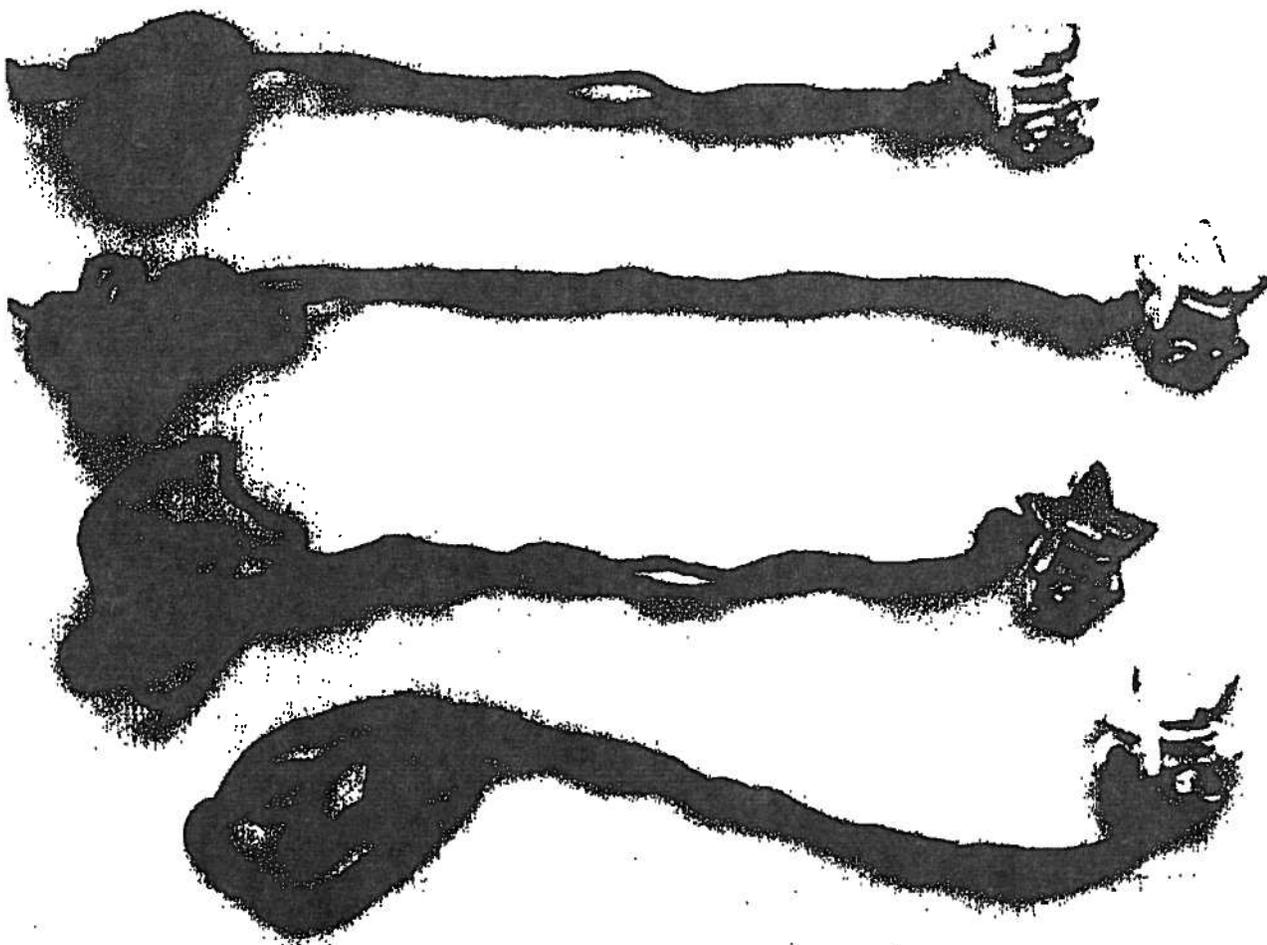
Cc:

Michael Fishman  
Owner  
Five Star Distributing  
663 Howard Street  
Niles, IL 60714



WARNING:

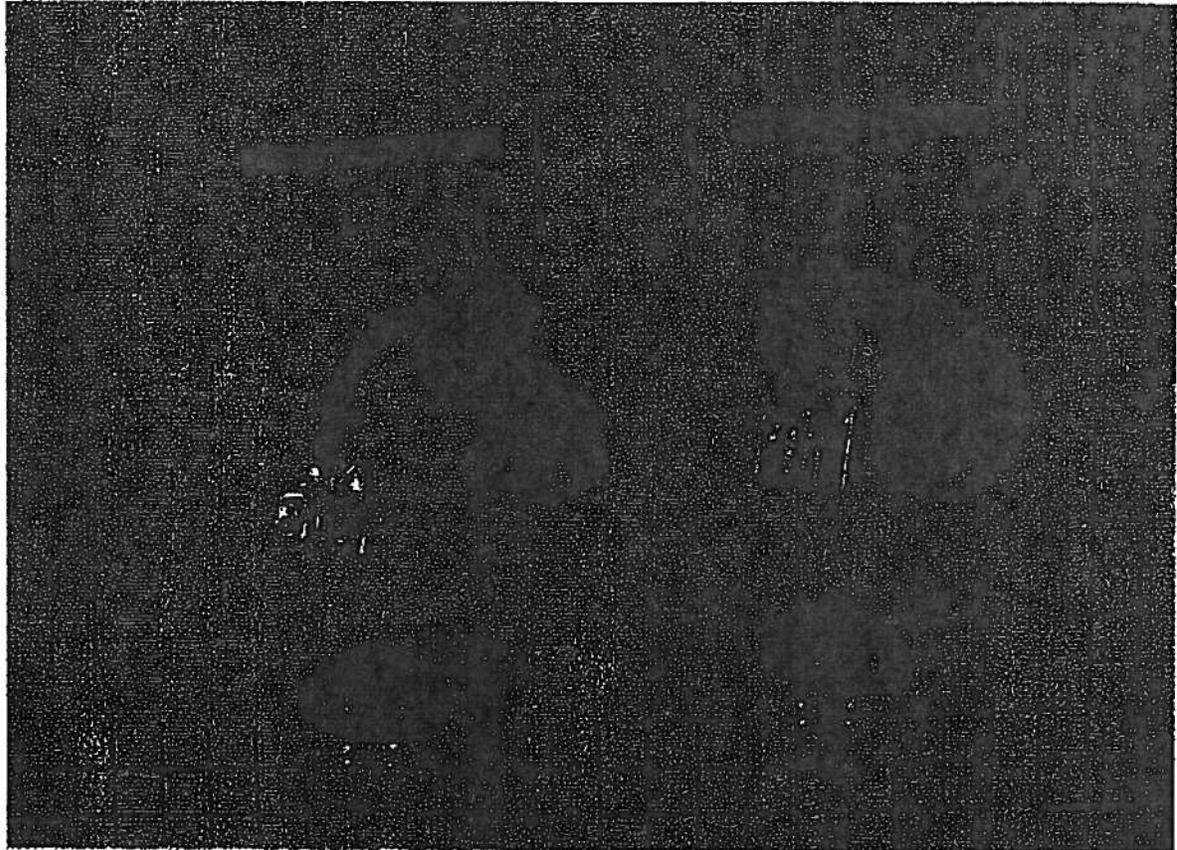
CAUTION: ...



ONLY THE ~~WEAR~~ YOU  
HAD LEAD. OTHER WORE &

Laboratory Continuation

Sample Number:  
07-810-5128



Analyst Signature

B. Bhoshan, chemist.

Date:

March 19, 2007

<b>Laboratory Report</b>	<b>Product:</b> Children's Metal Jewelry	<b>1. Sample Number:</b> 07-810-5128				
<b>2. Seals:</b> Intact	<b>3. Date Received:</b> 3/5/2007	<b>5. Laboratory:</b> LSC				
<b>6. Sample Description:</b> Six sub samples (01-06) were received in a plastic bag. The seal had the following information: 07-810-5128 dated 2/21/07, John Bobola, INV. The seal was broken by B.B. on 3/7/07.						
<b>7. Labeling:</b>	<b>8. Custom Entry #</b>	<b>9. Lot/Model #</b>				
<b>9. Product Description:</b> Each sub-sample is different. The sample consists of a black string necklace with metal pendant having painted surfaces of various colors.						
<b>10. Analytical Results:</b>						
Total Lead						
Sub #	Item Description	% Lead (w/w)	Sub #	Item Description	% Lead (w/w)	
02	Pendant	0.017	02	Red paint	0.049	
03	Pendant	0.004	03A	Purple paint	0.000	
04	Pendant	0.006	03B	Yellow paint	0.519	
05	Pendant	0.008	04	Orange paint	0.137	
			05A	Yellow paint	0.726	
			05B	Blue paint	0.011	
Extractable Lead						
Sub #	Item description	Dilution Factor	Lead extraction (µg)			Total Lead (µg)
			1 hr	2 hr	3 hr	1hr+2hr+3hr= 6 hr
02	Pendant	49.82	0.35	0.84	0.51	1.69
03	Pendant	54.04	2.63	2.56	1.67	6.86
04	Pendant	59.35	0.70	1.04	1.08	2.82
05	Pendant	43.63	0.14	0.43	0.69	1.26
<b>12. Reserve Sample:</b> The sample was packed in the same container and returned to sample custodian at SSF.						
<b>13. Analyst Signature:</b> <i>B. Bhoshan, chemist.</i>					<b>Date:</b> March 19, 2007	
<b>14. Check Analyst Signature:</b>					<b>Date:</b>	
<b>15. Report Checked by:</b> <i>Joel Recht</i>					<b>Date:</b> 3/19/2007	

**METHODS**

Each sub sample was analyzed for the availability of lead upon acid extraction.

The paint was loosened from the metal surface of these samples by soaking their surface with methylene chloride (about 0.5 to 1.0 ml). The paint was scraped from the sub sample and dried at room temperature. About 20 to 35 mg of the paint was used to determine total lead concentration in the paint, using AOAC Official Method 974.02. The metal part of the pendant was also analyzed for total lead concentration.

The procedure as described in "Standard Operating Procedure for Determining Lead (Pb) and Its Availability in Children's Jewelry Dated 2/3/2005" was used during these analyses. Each item was ground using a small hand drill and 35 to 45 mg of the ground material was used to determine the total concentration of lead in each Pendant. Acid extraction is done on intact item.

Sub #	Item description	Total weight of the item (g)	Weight of ground item for total lead analysis (mg)
02	Pendant	0.9964	40.0
03	Pendant	1.0807	50.2
04	Pendant	1.1870	39.5
05	Pendant	0.8725	38.0
02	Red paint		37.2
03A	Purple paint		20.7
03B	Yellow paint		32.6
04	Orange paint		33.4
05A	Yellow paint		14.3
05B	Blue paint		20.4
NIST # 54d			44.5
NIST # 1129			39.4
NIST # 1579	Leaded paint		35.6

After digestion, the solutions were analyzed for lead concentration by using Varian model VISTA-MPX CCD simultaneous ICP-OES Spectrometer. Standard solutions of lead were prepared by dilution of Fisher Reference Standard (1000 ppm). Calibration curves were prepared by analyzing standard solutions containing lead at 0, 1.0, 5.0, 10.0, and 25.0 ppm. The instrument conditions were as given below.

Plasma flow : 15.0 L/min  
Nebulizer flow : 0.75 L/min  
Pump speed : 15 rpm

Auxiliary gas flow : 1.5 L/min  
Wavelength : 220.353  
Power (kW) : 1.20

Analyst Signature

B. Bhoshan, chemist.

Date:

March 19, 2007

Laboratory Continuation

Sample Number:  
07-810-5128

RESULTS & CALCULATIONS

1. Total Lead Concentration in each Item

Sub #	Item description	Weight of item (mg)	Lead (ppm)	Volume (ml)	% Lead (w/w)
02	Pendant	40.0	0.2760	25.0	0.017
03	Pendant	50.2	0.0829	25.0	0.004
04	Pendant	39.5	0.0911	25.0	0.006
05	Pendant	38.0	0.1292	25.0	0.008
02	Red paint	37.2	1.8222	10.0	0.049
03A	Purple paint	20.7	-0.0034	10.0	0.000
03B	Yellow paint	32.6	4.2323	10.0	0.519
04	Orange paint	33.4	4.5810	10.0	0.137
05A	Yellow paint	14.3	2.5952	10.0	0.726
05B	Blue paint	20.4	0.2184	10.0	0.011
NIST # 54d		44.5	5.5562	50.0	0.624
NIST # 1129		39.4	2.9597	5000.0	37.559
NIST # 1579	Leaded paint	35.6	4.4017	1000.0	12.364
Blank			0.0004		

- NIST 54d contains 0.6 % lead; NIST 1129 contains 37.0 % lead; NIST 1579 contains 11.88 % lead.

2. Acid Extraction of Lead from intact Items

Sub #	Item description	Weight of item (g)	Lead extraction (ppm)		
			1 hr	2 hr	3 hr
02	Pendant	0.9964	0.0070	0.0169	0.0101
03	Pendant	1.0807	0.0487	0.0474	0.0309
04	Pendant	1.1870	0.0117	0.0176	0.0182
05	Pendant	0.8725	0.0032	0.0099	0.0158
	Blank		-0.0153		

Sub #	Item description	Dilution Factor	Lead extraction (µg)			Total Lead (µg) 1hr+2hr+3hr= 6 hr
			1 hr	2 hr	3 hr	
02	Pendant	49.82	0.35	0.84	0.51	1.69
03	Pendant	54.04	2.63	2.56	1.67	6.86
04	Pendant	59.35	0.70	1.04	1.08	2.82
05	Pendant	43.63	0.14	0.43	0.69	1.26

Analyst Signature

B. Bhoshan, chemist.

Date:

March 19, 2007