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FOR IMMEDIATE RELEASE

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O'Reilly Auto Parts to Pay \$9.86 Million in Hazardous Waste Case

Stores Throughout the State Improperly Disposed of Used Oil and other Hazardous Wastes

Woodland, CA – December 1, 2016 – Yolo County District Attorney Jeff Reisig, along with 50 other California District Attorneys, announced today that Alameda County Superior Court Judge Seligman has ordered the Missouri-based O'Reilly Auto Parts to pay \$9.86 million as part of a settlement of a civil environmental prosecution. The District Attorneys alleged O'Reilly mishandled hazardous waste.

The consent judgment agreed to by O'Reilly Auto Enterprises, LLC, O'Reilly Automotive, Inc., O'Reilly Automotive Stores, Inc., and Ozark Automotive Distributors, Inc., resolves allegations made in a civil enforcement lawsuit filed November 17, 2016 in Alameda County. The case was led by the District Attorneys of Yolo, Alameda, Ventura, San Joaquin, San Francisco, Monterey, Riverside, San Diego and Solano Counties. The lawsuit claimed that more than 525 O'Reilly stores throughout the state unlawfully handled, transported, and disposed of used oil, used oil filters, and various hazardous wastes and materials over a five-year period. Those hazardous wastes and materials included automotive fluids, alkaline batteries, electronic waste, aerosol cans, and other toxic, ignitable, and corrosive wastes.

"Today's settlement is a significant victory in our efforts to make the environment cleaner and safer for the citizens of Yolo County and throughout California," said District Attorney Reisig. "This settlement is another example of the effective partnership between our office, other district attorney offices, and environmental regulators statewide in enforcing California's environment laws."

During 2013 and 2014, investigators from multiple district attorney offices and environmental regulators statewide conducted a series of undercover inspections of waste bins originating at O'Reilly stores. The inspections revealed that O'Reilly had been routinely and systematically sending used oil, used oil filters, and hazardous wastes to local landfills throughout California that were not permitted to receive those wastes. The investigation also revealed that O'Reilly was routinely and unlawfully transporting hazardous wastes from its stores to its California distribution centers without required licenses. The statewide waste inspections revealed that 42 out of 43 O'Reilly stores and both O'Reilly distribution centers were in violation of state law.

O'Reilly was cooperative throughout the investigation and quickly responded to enhance its policies and procedures designed to eliminate the improper disposal of used oil, used oil filters, and hazardous waste products in California. Stores are required to properly manage used oil and automotive oil filters, and to retain their hazardous waste in segregated, labeled containers so as to minimize the risk of exposure to employees and customers and to ensure that incompatible wastes do not combine to cause dangerous chemical reactions. Hazardous waste produced by California O'Reilly stores through damage, spills, and returns is being collected by state-registered haulers, taken to proper disposal facilities, and properly documented and accounted for.

Under the settlement, O'Reilly must pay \$6.0 million in civil penalties and \$500,000 to reimburse the costs of the investigation. An additional \$1.51 million will fund supplemental environmental projects furthering consumer protection and environmental enforcement in California, and O'Reilly will fund hazardous waste minimization and enhanced compliance projects valued at \$1.85 million. The retailer will be bound under the terms of a permanent injunction prohibiting similar future violations of law.

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