



Thursday, December 22, 2016

Dear AOC Customer:

We wanted to ensure that you were aware of an update to the state of California's Prop 65 law. While you may not manufacture products in California, the law applies to all products *sold* in California, even if produced elsewhere. This letter will give you a very broad overview of the law and is not meant to cover all aspects of your obligations, nor is it intended to provide advice. If you have not done so, please seek expert legal assistance on the subject.

In summary, Prop 65 requires businesses to notify their California customers about certain chemicals that are contained in or that may have a certain threshold of emissions from the products they purchase. In addition, Prop 65 requires the State of California to publish a list of chemicals known to the state to cause cancer, birth defects or other reproductive harm. This list, which must be updated at least once a year, has grown to include approximately 800 chemicals since it was first published in 1987. Ethyl benzene, used to make styrene (which is found in some AOC resins), has been on the list since 2004. Styrene was added to the Prop 65 list in April 2016.

Broadly speaking, composite products made with unsaturated polyester or vinyl ester resins, even after the article has been cured, could emit trace amounts of styrene. These amounts of styrene generally are well below any established human exposure levels. Therefore, in most cases, the finished composite products do not require a Safety Data Sheet (SDS). However, under the provisions of Prop 65, a composite product made or sold in the State of California containing styrene requires a "warning" to consumers by the manufacturer if use of the product could result in exposures above a "No Significant Risk Level" as published by the state.

The requirement to provide consumers a warning will take effect April 22, 2017. As a manufacturer whose products may contain residual styrene and that are sold in California, you must provide a Prop 65 warning prior to the 2017 deadline. Failure to provide a Prop 65 warning could subject you to enforcement actions for products sold or used in California. Another option is to apply to the California Office of Environmental Health Hazard Assessment (CAL-OEHHA) for a "Safe Use Determination" (SUD). This could be a lengthy process and an application for a SUD should be submitted as soon as possible. <http://oehha.ca.gov/proposition-65/proposition-65-safe-use-determination-sud-process>

As your supplier of unsaturated polyester, vinyl ester resins or gelcoats, we wanted to alert you to the warning deadline and encourage you to evaluate your options in order to have a clear strategy in place prior to April 22, 2017. Again, if you have not done so, please seek expert legal advice on the subject. Thank you for your business.

Sincerely,
Frank Sizemore,
Director of Regulatory Affairs

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