

## Compliance with The California Safe Drinking Water and Toxic Enforcement Act of 1986 (Prop.65)

Dear Supplier:

The California Safe Drinking Water and Toxic Enforcement Act of 1986 (known as "Proposition 65") requires companies to provide a warning before knowingly exposing anyone to any of the 900+ chemicals listed now or in the future at <https://www.p65warnings.ca.gov/chemicals>. Recent amendments to the law clarify the content of warnings deemed compliant with Prop 65 and require manufacturers and suppliers to notify retailers of listed chemicals in their products or product packaging and to supply the requisite warnings.

If a product can expose a consumer to one or more listed chemicals, written warnings must include:

- (a) identification of one Prop 65 listed chemical for each applicable type of risk caused by the exposure (i.e., cancer, birth defects/reproductive harm);
- (b) a pictogram of a yellow triangle with an exclamation point inside (  ); and
- (c) language that the product "can expose" a person to cancer, birth defects/reproductive harm, or both.

The regulations are very specific regarding allowable warnings. Below is an example of the warning for a chemical that causes both cancer and birth defects or other reproductive harm:

 **WARNING:** This product can expose you to chemicals including <name of one or more chemicals>, which is [are] known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to [www.P65Warnings.ca.gov](http://www.P65Warnings.ca.gov).

The full list of allowable warnings is set forth at Title 27, California Code of Regulations § 25600, et seq.

Because the failure to provide proper warnings can result in penalties of \$2,500 USD for each item sold to someone in California without a warning, plus attorneys' fees, we insist on strict compliance with Proposition 65. Therefore, we require all suppliers to: (1) confirm in writing that the products they currently supply or will supply in the future to Silver Star Brands comply with Proposition 65 when sold to California consumers, (2) notify us of all products requiring a Proposition 65 warning, and (3) provide all necessary warning materials such as labels and tags, plus warning language for products sold on the internet, as required by Title 27, California Code of Regulations § 25600.2.

Please follow the steps below:

1. Reply to this letter no later than ten (10) days after receipt and acknowledge that you agree to comply.
2. No later than forty-five days (45) after receipt, complete and return the following two files:
  - Confirmation form contained on the last page of this letter
  - Excel Data Verification template providing detailed information on the contents of lead, phthalates, or other Proposition 65-listed chemicals (by SKU) for products you supply to Silver Star Brands. Please use the instructions provided to complete the data verification.

\*All responses should be emailed to [compliance@silverstarbrands.com](mailto:compliance@silverstarbrands.com)

You are obligated to be familiar with all provisions of the law and comply with the regulations. This letter should not be construed as providing notice or information on the extent, entirety, or breadth of the law. We recommend you conduct your own due diligence on Prop 65 and any changes in the law to ensure compliance now and in the future.

We require all suppliers to defend and indemnify Silver Star Brands against all fees, costs, claims, liabilities, civil penalties, and damages arising out of any actual or threatened claims for alleged failure of the supplier's products to comply with Prop 65.

We value our relationship and look forward to a mutually beneficial future for us both.

Regards,



Dated: May 1, 2021

### California Proposition 65 Confirmation Form

PLEASE PROVIDE THE INFORMATION REQUESTED IN THE SPACE PROVIDED. EMAIL THIS LETTER BACK TO: [compliance@silverstarbrands.com](mailto:compliance@silverstarbrands.com)

This confirms I have read and I am familiar with the information, instructions and materials concerning California Proposition 65 warnings and the extent Proposition 65 applies to the products we manufacture for Silver Star Brands.

Does the product(s) we supply Silver Star Brands expose consumers to any chemicals listed under California Proposition 65?

- The product(s) we supply Silver Star Brands expose consumers to chemicals listed under Proposition 65. Therefore, we are providing a list by SKU specifying the chemicals and content levels, and we are applying warning labels on all listed products. The information will be provided on the template provided along with this letter.
- The product(s) we supply Silver Star Brands do not expose consumers to chemicals listed under Proposition 65, so no warning label is required. We will continue to monitor Proposition 65 regulations for new chemicals, compare the raw materials in our finished products, and communicate to Silver Star Brands if warning labels are required.

We agree to defend (with counsel chosen by Silver Star Brands), indemnify, and hold harmless Silver Star Brands and all related entities against any claims, demands, notices, lawsuits, threatened lawsuits, penalties, damages, losses, or liabilities related to or arising out of the actual or alleged failure of any products supplied, directly or indirectly, by us to comply with Proposition 65.

Date:

Your Name:

Your Company Name:

Your Company Location:

Your Title:

Signature: