

M O N D O T T I C A

E Y E W E A R B R A N D P A R T N E R S

May 10, 2016

Dear Valued Customer:

As you may know, Proposition 65 (Prop 65) is a California initiative that became a state law in 1986 (updated in 2003) known as the Safe Drinking Water and Toxic Enforcement Act. This act sets out environmental regulations regarding toxic chemical substances that businesses are subject to when they sell merchandise in that State.

While some of the Prop 65 controls are intended to protect California's drinking water sources from contamination by these chemicals, others are more widely applicable and intended to allow California consumers, residents and workers to make informed choices and take precautions about the products they purchase and are exposed to which contain potentially hazardous chemicals.

Prop 65 requires the Governor of California to publish a list of chemical substances (over 800) that are known to the State of California to cause cancer, birth defects or other reproductive harm. The list contains a wide range of chemicals, including dyes, solvents, pesticides, drugs, food additives, byproducts of certain processes, or specialty chemicals used in industrial applications and may be naturally occurring or synthetic. The list is updated quarterly so businesses that are subject to Prop 65 should review the list on a quarterly basis to ensure that they are compliant.

California added bisphenol A (BPA) to the list of chemicals with an effective date of May 11, 2016 for providing warning. Enforcement of this requirement can commence on May 11, 2016 relating to products containing chemicals identified to be hazardous by Prop 65. BPA is commonly present in polycarbonate lenses and frames. Trace amounts of BPA may also be present injected molded frames, nose pads, temple tips and eyewear case adhesives. California has recently published a notice of its intent to propose an established safe harbor level of dermal exposure of BPA. This proposal is now open for public comment, and the State has until May 16, 2017 to review public comment and either adopt, reject or modify the proposed safe harbor level.

Civil action against Prop 65 law violators is normally brought by an Attorney General or District Attorney; however Prop 65 includes a private right of action which may be brought by any person in the public interest. The Vision Council has learned that tort lawyers in California are looking for and litigating Prop 65 claims against eyewear manufacturers and distributors and that several members of The Vision Council have recently been subject to such suits.

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E Y E W E A R B R A N D P A R T N E R S

Prop 65 applies to retail, mail order or internet sales of products in California. If you operate in California, or simply sell your products in California, then you are subject to this law. Any company with ten or more employees that operates within the State or sells products in California must comply with the requirements of Prop 65.

If a business sells in California a product containing a substance or substances that are on the Prop 65 list in excess of the minimum level for that substance, then a clear and reasonable warning must be provided to the public. The law allows for the warning to be provided by a variety of means, such as direct labeling of the product, posting signs at the workplace, or publishing notices in a newspaper.

Even if the producer or packager does not provide a warning label on its product's packaging, according to Prop 65 the warning requirements can still be satisfied if the retail outlet provides a sufficiently descriptive warning through shelf-labeling, signs, menus, or a combination thereof. So, for example, the retailer can post signage to the effect that:

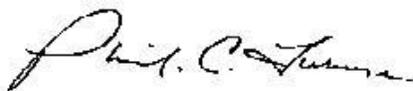
"WARNING: The following products contain a chemical known to the State of California to cause cancer and to cause birth defects or other reproductive harm." Please refer to the attached recommended signage found on the Vision Council website.

Please refer to the following links for more information on Prop 65:

<http://oehha.ca.gov>

<http://thevisioncouncil.org>

Sincerely,



Phil Turnage
President
Mondottica USA

WARNING

This product contains
a chemical known to
the State of California
to cause cancer and
birth defects or other
reproductive harm.