



June 1, 2015

ALL,

I want to provide an update on our change of labeling and SDS sheets to the new GHS standard. As you know, there is a requirement that manufacturers ship compliant product by Monday, June 1, 2015, and that distributors ship compliant product by December 1, 2015.

Carroll Company's ability to comply is dependent on receiving GHS compliance information from its upstream chemical manufacturers and distributors, which they are not required to supply until June 1, 2015! Obviously this creates an impossible situation for us. It is physically impossible to assimilate the information provided, design new labels, and have them printed by that same June 1, 2015. For that reason, ISSA petitioned OSHA in an attempt to extend the deadline for compliance (see attached "ISSA Petition"). They were unsuccessful in moving the deadline, but did get certain assurances regarding enforcement (see attached "Enforcement").

Fortunately, most of our suppliers did provide their GHS information before the June 1 deadline, so we have mostly completed the label re-design, and have placed orders for most new labels. However, as you might imagine, with every chemical manufacturer in the country scrambling to print new labels, it has created a bit of a backlog for the printers. Consequently, lead times have been extended recently beyond their normal levels.

We expect to have compliant labels in hand within a few weeks. However, in the meantime, we will ship your products with their legacy labels. Since the date for distributor compliance is not until December 1, 2015, **THERE IS NO COMPLIANCE ISSUE FOR THE DISTRIBUTOR.** Furthermore, we have been assured by representatives at OSHA that they have no plans to enforce penalties against suppliers that have made substantial efforts to comply.

We will convert to GHS compliant labels as quickly as we receive the new labels. In the unlikely instance that non-compliant items that we ship you after June 1 remain in your inventory on December 1, we will work with you to get those items relabeled to comport to the GHS standard.

Best regards,

A handwritten signature in black ink that reads "K Ogden". The signature is stylized and cursive.

Kyle Ogden
President & CEO