

.....

D&K Group, Inc.

August 11, 2009

Understanding the Consumer Product Safety Improvement Act

What is the Consumer Product Safety Improvement Act (CPSIA)?

The Consumer Product Safety Improvement Act aims to protect children by restricting lead, heavy metal, and certain phthalate ether content in children's products. The act requires final children's product manufacturers to certify that their products do not contain prohibited levels of restricted elements and chemicals and to also affix tracking labels on the end merchandise to help facilitate product recalls.

What Defines a "Children's Product?"

According to the Consumer Product Safety Commission (CPSC), "A 'children's product' means a consumer product designed or intended primarily for children 12 years of age or younger." Even when geared toward children, books are generally not considered a "children's product" unless they directly facilitate play, such as a plastic bathtub book.

What are D&K's Obligations Under the CPSIA?

D&K manufactures laminating films and adhesives, which are considered "component articles" that are used in conjunction with other materials to produce a final product. As such, D&K products do not require tracking labels or laboratory certification prior to sale. D&K can assume no liability for the final result of the application based on handling and processing variables that are beyond its control.

Do D&K Laminating Films and Adhesives Comply with CPSIA Requirements?

D&K Group, Inc. and its subsidiaries, including D&K Coating Technologies and D&K International, do not knowingly or intentionally add lead or any other heavy metals (including antimony, arsenic, barium, cadmium, chromium, mercury, and selenium) to any products, including laminating films and adhesives.

Phthalate ethers, including DEHP, DBP, BBP, DIDP, DnOP, DnHP, and DEP are also not known to be present in D&K products in concentrations above the current CPSIA limit of 0.1%.

August 11, 2009

Page 2

Can D&K Provide a Third Party Laboratory Analysis for my Laminating Films and Adhesives?

Third party lab analysis is only required when the laminating film/adhesive will be used on a children's product. Due to the numerous configurations available on D&K products and the unknown nature of the final application, you will need to speak with a representative to discuss obtaining a lab analysis for your specific products.

How Can I Learn More About CPSIA Provisions?

For more information, visit the Consumer Product Safety Commission website at <http://www.cpsc.gov>.

Sincerely,

D&K Quality Assurance Department
D&K Group, Inc.
Phone: 847-956-0160
Fax: 847-956-8214

This information is based on chemical analyses provided by D&K's raw material suppliers and is believed to be accurate. This information is presented for reference of general product characteristics and does not constitute a warranty or guarantee of any kind. It is the responsibility of the finished article manufacturer to meet all applicable regulatory standards and tracking label requirements. All material should be tested and verified by purchaser to determine final suitability.