

**Re: California's New Proposition 65 Warning Regulations
Information and Expectations for Lowe's Vendor Partners**

What is Proposition 65 (Prop 65)?

- Proposition 65 requires “clear and reasonable” warnings about exposures to certain chemicals that California has determined cause cancer, birth defects or other reproductive harm. Products containing one or more Proposition 65 chemicals identified by California must be sold with a compliant on-product warning (*i.e.*, on the product's packaging for a packaged product, or otherwise affixed to the product for products that are not contained within packaging).

What are the new requirements?

- The new regulations include changes to listed chemicals and specific requirements for how warnings required for products containing identified chemicals must be provided. Your product may now need a Proposition 65 warning, even if a warning was not previously required. Your products that already have Proposition 65 warnings will need updated warnings to be compliant with the new requirements. The new regulations provide detailed specifications for how warnings must be provided on products.

***NEW* How will Lowe's collect information for digital warnings?**

- Currently all vendors are required to answer “Yes or No” if their product is impacted by Proposition 65. Any product that has a response of “Yes” will need to submit digital warning image.
- Lowe's will collect the required warning for applicable products through our 3rd party provider, Edgenet, as an additional attribute field.
- Warning(s) should match what will appear on the product/package.

***NEW* You state the on-product warning and the online warning must match. If the on-product warning is shown in several languages, do we submit the online warning in all the languages?**

- No. Since online product information is only in English, you only need to submit the online warning in English.

NEW What is the format requirement for digital warnings?

- Warnings must follow the following format:
 - Must be a pdf with black text on a white background
 - Warnings must have the yellow triangle/warning, outlined in black with a black exclamation point in the middle, as stated in the Proposition 65 regulations
 - Warnings must adhere to the regulation guidelines regarding size, font, color
 - Warnings are only needed in English even if the package has multiple languages
 - Please see examples of images attached with this document.

NEW My products will all have the same warning. Is there an easy way to upload the same warning for multiple products?

- Yes. Please see the attached instructions which will allow you as the vendor to upload your warning image to multiple products in one step.

NEW What happens if my product contains a chemical on the list and also produces wood dust? Or based upon the list of chemicals or a prior settlement, will require 2 warnings?

- Vendors should provide both warnings in one (1) pdf image upload. Do not combine the warnings into one. These will not be following the California Prop 65 guidelines.
- Please see examples of images attached with this document.

NEW If my product (circular saws, sanders, OSB, decking...) produces wood dust what action is required for warnings?

- Lowe's will address the in store wood dust warning by posting the approved California Proposition Wood Dust warning sign at POS locations.
- Vendors are required to identify products that can produce wood dust and provide the appropriate warning. Multiple warnings can be provided on one (1) pdf image upload.
- Impacted products are but not limited to circular saws, sanders, drill bits, saw blades, lumber, decking, All will need to be noted as producing wood dust.
- Even if you have provided a letter previously it is incumbent upon the vendor to identify the specific products impacted.

NEW What if my product is ordered from a display such as kitchen cabinets, appliances, carpet, tile....

- Regulations state that an on product/on package warning is required if one of the chemicals is present in the product as well as informing the customer prior to purchase. The vendor will need to address these products with a warning if applicable.

NEW What is the timeline for submitting digital warning information?

- Submission of digital warning images can begin as early as March.
- In July the digital image will be required if a “Yes” is selected for product impact from CA Prop 65. Item setup will not continue unless the image is provided.
- On August 27, 2018, if a “Yes” is selected for product impact from CA Prop 65 and there is not an image provided then the product will not be available for sale on any of Lowe’s digital channels.
- Lowe’s will begin reaching out to vendors that have not responded to the “Yes/No” regarding impact from CA Prop 65 as well as the warning image upload. Our goal is to ensure you update the required information to have products available for customers.

NEW Can I put a selling restriction in Edgenet to comply with Prop 65? Check a “Yes” for the attribute labeled *Item has Restrictions*?

- No. A selling restriction will make the product completely unavailable for sale in California. The product will still be stocked in the store with inventory available, however the registers will not allow the sale since it is restricted.

NEW Are vendor catalogs impacted by Prop 65?

- Yes. All vendors will need to provide updated catalogs that have CA Prop 65 warnings on applicable products.

NEW Are m2o catalogs impacted by Prop 65?

- Yes. All vendors that sell configurable products through m2o will need to provide updated catalogs that have CA Prop 65 warnings. Catalogs should be uploaded to Edgenet via <https://fileshare.edgenet.com>

NEW Are 2020 catalogs impacted by Prop 65?

- Yes. All vendors that sell products through 2020 will need to provide updated catalogs that have CA Prop 65 warnings. Catalogs should be uploaded to 2020 via <ftp://ftp.mks.net/>

NEW As a vendor I have less than 10 employees, so am I exempt from CA Prop 65?

- If you were selling directly to customers, according to OEHHA’s ruling you would be exempt. However once you are “distributing” through retailers you are not exempt and Prop 65 regulations will apply.

Where can I find additional information?

- The following are resources prepared by California regulators that you can use to learn more about Proposition 65 and the new warning requirements.
 - *Summary of Proposition 65 requirements:* <http://oehha.ca.gov/proposition-65/general-info/proposition-65-plain-language>
 - *Information on clear and reasonable notice requirements adopted in 2016 rulemaking:* <http://oehha.ca.gov/proposition-65/crn/notice-adoption-article-6-clear-and-reasonable-warnings>
 - *Information about chemicals and substances regulated by Proposition 65:* <http://oehha.ca.gov/proposition-65/proposition-65-list>
 - *Links to the statutory and regulatory text for Proposition 65:* <http://oehha.ca.gov/proposition-65/law/proposition-65-law-and-regulations>
 - *Link to the California approved warnings:* <https://www.p65warnings.ca.gov/warning-translations-businesses>

What are Lowe's expectations?

- Lowe's will rely on your substantial product expertise to identify products that fall under Proposition 65's requirements. As a retailer, Lowe's will not determine if a warning is or is not needed for your products.
- Lowe's expects that you will review the list of chemicals identified by the state of California to cause cancer, reproductive harm, or both, and make a determination about whether the products you provide to Lowe's must include a Proposition 65 warning or are otherwise impacted by the new regulatory requirements.
- Lowe's expects you to correctly label all of your products (and/or packaging) with the warning information required by Proposition 65. If your product contains chemicals triggering Proposition 65 warning requirements, you will be responsible for providing an on-product warning that complies with Proposition 65 for those products.

Are there product testing companies?

- If your company needs assistance with product testing, we recommend contacting a consultant with relevant Proposition 65 experience. One consultant Lowe's understands has such expertise is Bureau Veritas.

- http://www.bureauveritas.com/services+sheet/california-proposition-65-for-consumer-products_1753

Will private branded product be addressed differently?

- Lowe's will expect all products, including private branded products, to meet the new on-product warning requirements for Proposition 65. However due to the nature of Lowe's managing the logos of private branded products on the package design, you may need to provide and maintain separate Proposition 65 data about your products so product packaging designs can be updated. If you provide private branded products please look for an additional communication.

Will Lowe's post in-store signage to comply with Proposition 65 for my products?

- Lowe's will not post in-store signage or notices displaying warnings for your products in our California stores. As such, you should not provide Lowe's with proposed warning signs or notices designed or contemplated to be posted in Lowe's stores in lieu of an on-product warning.

I currently see some in-store signage. Can this be used for my products?

- Lowe's will be updating our current Proposition 65 notices in California stores. These notices relate to Lowe's operation of its premises and are for Lowe's adherence to Proposition 65 regulations only. These are not to be confused with vendor expectations for on-product warnings.

What is the deadline to have on product/package warnings compliant with the new regulations?

- Lowe's understands these new Proposition 65 regulations may require you to make rolling changes to products and packaging to update existing Proposition 65 warnings or to include new Proposition 65 warnings. Please complete required warning updates on your packaging well in advance of the legally required August 2018 deadline.

What will happen if my products do not have the required warning by August 2018?

- Consistent with our existing vendor agreements, if Lowe's receives notice of an alleged Proposition 65 violation concerning your product(s), we will forward that information to you and you will be required to resolve all allegations and fully reimburse Lowe's for any loss, including attorney's fees associated with the alleged violation.
- Online product(s) will be removed from sale until you provide compliant product data for display online, provide product(s) with the required warning and resolve the alleged violation.

- In-store product(s) will be removed from sale until such time as you provide product(s) with the required warning and resolve the alleged violation.

Who should I contact if I have any questions?

- Questions about this letter should be directed to contact Lowe's Authorized Agent at LowesMerchandisingOps@lowes.com . Only Lowe's Authorized Agent may respond to questions about Proposition 65. Lowe's merchandising team members or store personnel are not authorized to address questions about Proposition 65 compliance for your products.
- You should consult your product compliance or quality assurance staff or legal personnel if you have questions concerning the applicability of requirements necessary for adherence with Proposition 65 for your products. Lowe's will not provide legal guidance or recommendations.