

July 15, 2010

Ms. Margaret Kenny
Director General
Environment Canada
Chemical Sector
351 St Joseph Blvd
Gatineau, Quebec K1A 0H3
Canada

Re: Voluntary Phase Out of DecaBDE

Dear Ms. Kenny:

This letter confirms our commitment to phase out all imports of Decabromodiphenyl ether (DecaBDE) to Canada as part of the voluntary Environment Canada Industry DecaBDE Phase-Out Initiative that has resulted from recent discussions between the major manufacturers and importers of decaBDE and Environment Canada staff.

Three-Year Phase-Out Schedule for Most Uses

We intend to focus initially on imports and sales for electrical and electronic equipment. We intend to discontinue imports and sales into those uses by December 31, 2010.

We intend to phase out imports and sales for all other uses by December 31, 2012, subject only to the exception for transportation and military uses noted below.

The pace of the phase out will vary from customer to customer. In some cases, individual users may transition to alternative materials ahead of the schedule set forth above.

Transportation and Military Uses

Transportation (e.g., automobiles, air planes, certain warehousing and shipping equipment) and military uses may require an additional year to complete the phase out. This is primarily because of the complexity of these uses (cars and planes have a very large number of parts that rely on flame retardant chemistry) and lead times for qualifying new materials. We are committing to phase out these uses on or before December 31, 2013.

We have not identified any uses that might require more time, but will notify Environment Canada if we do. Similarly, if we identify any essential uses for which an exemption to the phase out is required, we will report that to Environment Canada. At this point in time, we are not aware of any such uses.

Annual Reporting

We will submit an annual progress report to Environment Canada using publicly available import data for the previous year and comparing those figures to a 2008 baseline. Because we will use publicly available data, it will not be necessary to treat the information as confidential business information. The first such report will provide information on 2010 imports. The reports will not include information about individual customers.

Unsold Inventory

While we intend to cease all imports of DecaBDE as of the end of 2012 (excluding transportation and military uses, as described), it is possible that we will have some unsold inventory on hand as of that date. We would expect to sell any such remaining inventory within the first six months after the end of the import phase out period. If for any reason we require more time, we will notify Environment Canada. We do not intend to stockpile product either before or during the initiative – we simply wish to make clear that we may need to sell out ordinary inventory beyond the commitment period. .

Resale of Products and Use of Recycled Materials

In anticipation of questions from customers, we wish to state our understanding that the voluntary phase out of DecaBDE will not affect the sale, resale, reuse, disposal or continued use of finished products made with pre-phase out DecaBDE. Additionally, recycling of products that contain DecaBDE will not be affected, and sale of products made from recycled materials will not be affected. These are important points, as absent such an understanding, companies may feel compelled to send to landfills thousands of products that currently are being recycled.

Conclusion

Along with this commitment we are also issuing a public statement announcing our plans to phase out DecaBDE. In that statement, we reaffirm our belief in the safety of DecaBDE as a high quality and effective flame retardant. DecaBDE has been used widely as a flame retardant for many years, and we believe it is safe. However, having developed alternatives to meet customer needs, we are undertaking this voluntary phase out.



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We understand that this letter and our later progress reports will be posted on Environment Canada's web site, along with our final letter confirming that all import of DecaBDE has been discontinued.

Thank you.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Nissim Adar".

Nissim Adar
CEO , ICL – Industrial Products

Cc: Ms. Cynthia Wright, Assistant Deputy Minister, Environmental Stewardship
Dr. Vincenza Galatone, Executive Director, Chemical Management Division
Ms. Maya Berci, Chief, Toxics Control Unit, Chemicals Management



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