



Dear Stein Mart Supplier:

Background: In 1986, California enacted the Safe Drinking Water and Toxic Enforcement Act (commonly referred to as “Proposition 65” or “Prop 65”). This law, which has been continually updated, requires warnings on products containing certain chemicals.¹ For Stein Mart to understand its obligations under this law, it needs to be informed by its Suppliers when any of these chemicals are present in any of the parts or products (including product packaging) supplied to Stein Mart. Please review the article entitled **“Your Webpage Is About to Violate the Law -- And Other Changes to Prop 65 Warning Requirements”** which is included as a separate attachment.

Recent revisions to Prop 65 have been enacted and will become effective August 30, 2018 (the “Revisions”). Those Revisions require the manufacturer or supplier of a product to 1) either provide a written certification to its retailers the product does not contain any chemicals listed on the Prop 65 Chemicals list (“Prop 65 list”) which exceed any safe harbor threshold or any listed chemicals that do not have stated safe harbor thresholds or 2) to advise its retailers in writing (a.) the product may result in an exposure to one or more listed chemicals; (b.) the exact name or description of the product (or UPC); and (c.) it is providing all necessary warning materials such as labels, labeling, shelf signs or tags and warning language for products sold on the internet, which satisfies Sections 25249.6 and 25600 et seq. of the Revisions. If warning documentation (labels, etc.) is to be provided, it must comply with the Revisions (see www.P65Warnings.ca.gov).

It is Stein Mart’s intention to limit the sale of products containing chemicals on the Prop 65 list to the greatest possible extent. As such, we expect our Suppliers to take every step possible to utilize materials in manufacturing and packaging that do not contain chemicals on the Prop 65 list.

It is the Supplier's responsibility, either to (1) certify that your products do not contain chemicals on the Prop 65 list or (2) notify Stein Mart if any of your products sold to Stein Mart contain any chemicals on the Prop 65 list as outlined in paragraph 2 above. Stein Mart is implementing some functionality of the OpenText Product Catalog in the near future. It is our expectation our Suppliers will advise us via this catalog data exchange [using the proper GS1 Extended Attributes]² whether or not each item sold to Stein Mart is subject to Prop 65 warning requirements. For any item containing a chemical on the Prop 65 list, the Supplier must use the product catalog data exchange to advise Stein Mart of the chemical(s) and to provide Stein Mart the specific warning[s] information required by the Prop 65 regulations. If this information is not

¹ General information regarding Prop 65 can be found at <https://oehha.ca.gov/proposition-65>. The Prop 65 chemical list can be found at <https://oehha.ca.gov/proposition-65/proposition-65-list>.

²GS1 Guideline - Best Practice Guideline for Exchanging Product Images and Attributes, Release 3.1 – Copy Attached



provided, Stein Mart will assume the Supplier is thereby certifying the product being sold to Stein Mart does not contain chemicals on the Prop 65 list. Until the time Stein Mart implements the OpenText Product Catalog, we are requesting all Suppliers send written notice to the Buyer if any item currently on-order is subject to California's Proposition 65 warning requirements.

Indemnification: Pursuant to Paragraphs 5 and 9 of Stein Mart's Standard Terms and Conditions of Purchase, be advised that Supplier shall indemnify and hold Stein Mart harmless from any liability and/or losses arising out of any breach of, misstatement in, or omission from, this certification or any other liability arising under Prop 65 with respect to the products supplied by Supplier to Stein Mart, including the failure of the Supplier to place warnings on the products or to provide Stein Mart with the necessary warnings and information.

Revisions to Prop 65: Supplier acknowledges that OEHHA continually revises and updates its list of chemicals. Supplier acknowledges that Prop 65 requires Supplier to monitor this list for updates that are relevant to its products and that Supplier will notify Stein Mart if any change is imminent that may affect Supplier's obligations to provide warnings. See 27 C.F.R. 25600.2(c).

We are requiring all vendors to acknowledge receipt of this emailed memo via return email no later than September 7, 2018. These acknowledgement emails should be sent to SMRTProp65@steinmart.com. You must include all Stein Mart vendor names and related vendor numbers for which you are replying in this email response.

Thank you for your cooperation and support in this matter.

Best regards,

A handwritten signature in black ink, appearing to read "MaryAnne Morin".

MaryAnne Morin
President