BASIC
AIR CONTAMINANT DISCHARGE PERMIT
Lane Regional Air Protection Agency
1010 Main Street
Springfield, OR 97477
(541) 736-1056

This permit is being issued in accordance with the provisions of LRAPA's Rules and Regulations and based on the land use compatibility findings included in the permit record.

ISSUED TO: Carothers & Son, LTD
71 S. Bertelsen Road
Eugene, Oregon 97402

INFORMATION RELIED UPON:
Application No.: 55081
Date Received: April 30, 2010

PLANT SITE LOCATION: 71 S. Bertelsen Road
Eugene, Oregon 97402

LAND USE COMPATIBILITY STATEMENT:
Approving Authority: City of Eugene
Approval Date: June 15, 2010

ISSUED BY THE LANE REGIONAL AIR PROTECTION AGENCY
Merlyn L. Hough, Director
Dated OCT 25 2010

Source(s) Permitted to Discharge Air Contaminants (LRAPA Section 37-0020):

<table>
<thead>
<tr>
<th>Table 1 Code</th>
<th>Source Description</th>
<th>SIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part A, 7</td>
<td>Surface coating operations whose actual or expected usage of coating materials is less than 250 gallons per month, excluding sources that exclusively use non-VOC and non-hazardous air pollutant containing coatings (e.g., powder coating operations).</td>
<td>3556</td>
</tr>
</tbody>
</table>
1.0 STATEMENT OF PURPOSE

1.1 Permitted Activities
The permittee is allowed to discharge air contaminants from processes and activities related to the air contaminant source(s) listed on the first page of this permit until this permit expires, is modified, revoked or rescinded as long as the permittee complies with the conditions of this permit.

2.0 EMISSION STANDARDS AND LIMITS

2.1 Emission units
Fugitive VOC emissions (EU-1) are predominantly from surface coating operations and miscellaneous solvent usage. A spray booth (EU-2) is used to control particulate emissions from surface coating. Particulate matter from metal working (EU-3).

2.2 Metal Fabrication NESHAP Standards
Beginning July 25, 2011 the permittee must follow the Area Source Standard for Nine Metal Fabrication and Finishing Source Categories NESHAP (40 CFR 63 Subpart XXXXXX) management, notification, reporting, and recordkeeping practices.

2.3 Production limits
The permittee is prohibited from using more than 3000 gallons of any VOC containing product a year without first notifying LRAPA.

2.4 Visible emission limits
Emissions from any air contaminant source must not equal or exceed 20% opacity for a period aggregating more than 3 minutes in any one hour. "Opacity" means the degree to which an emission reduces transmission of light and obscures the view of an object in the background.

2.5 Fugitive Emissions
The permittee must take reasonable precautions for preventing fugitive dust emissions.

2.6 Particulate Matter Fallout
The permittee must not cause or permit the emission of any particulate matter larger than 250 microns in size at sufficient duration or quantity, as to create an observable deposition upon the real property of another person. LRAPA will verify that the deposition exists and will notify the permittee that the deposition must be controlled.

2.7 Nuisance and Odors
The permittee must not cause or allow air contaminants from any source to cause a nuisance. Nuisance conditions will be verified by LRAPA personnel.

2.8 Other Regulations
In addition to the specific requirements listed in this permit, the permittee must comply with all other legal requirements enforceable by LRAPA.
3.0 RECORDKEEPING AND REPORTING REQUIREMENTS

3.1 Records

The permittee must maintain records of the information identified in Condition 3.2 for at least 2 years from the date of the record.

3.2 Reports

The permittee is required to report to LRAPA by February 15th of each year the following information:

a. Number of gallons of VOC containing coatings during the previous year; and

b. Written log of all air quality or nuisance complaints and how each complaint was handled.

3.3 Permit Renewal

An application to renew the permit is due 60 days prior to expiration of the permit.

3.4 Construction or Modification Notices

The permittee must notify LRAPA before making a physical change or change in operation of an existing stationary source that will cause an increase, on an hourly basis at full production, in any regulated pollutant emissions or constructing or modifying any air pollution control equipment.

3.5 Notice of Change of Ownership or Company Name

The permittee must promptly notify LRAPA of any change of mailing address, company name, or plant ownership. The permit will expire 60 days after a change in the legal entity owning/operating the facility unless application, with appropriate fees, is made to transfer the permit to the new entity.

3.6 Where to Send Reports and Notices

The reports and notices, with the permit number prominently displayed, must be sent to the LRAPA office identified on the cover page of the permit.

4.0 FEES

4.1 Fees

The Annual Fee specified in LRAPA Section 37-0020, Table 2, Part 2 for a Basic ACDP is due on December 1 of each year this permit is in effect. An invoice indicating the amount, as determined by LRAPA regulations, will be mailed prior to the above date.
5.0 GENERAL CONDITIONS

5.1 Masking of Emissions

The permittee must not cause or permit the installation of any device or use any means designed to mask the emissions of an air contaminant that causes or is likely to cause detriment to health, safety, or welfare of any person or otherwise violate any other regulation or requirement.

5.2 Open Burning

The permittee may not conduct any open burning except when approved by LRAPA in advance.

5.3 Asbestos

All activities involving asbestos-containing materials, including, but not limited to, demolition, renovation, repair, construction, and maintenance must be performed by persons certified for asbestos abatement projects. Accumulation of asbestos containing material is prohibited. If you have asbestos questions, contact the LRAPA office identified below.

5.4 Permit Availability

The permittee must have a copy of the permit available at all times.

5.5 LRAPA Inspections

The permittee must allow the LRAPA’s representatives access to the plant site and pertinent records at all reasonable times for the purposes of performing inspections, surveys, collecting samples, obtaining data, reviewing and copying air contaminant emissions discharge records and conducting all necessary functions related to this permit.

5.6 Legal Disclaimers

The issuance of this permit does not convey any property rights in either real or personal property, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of federal, state, or local laws or regulations.

5.7 Permit Revocation

This permit is subject to revocation for cause.

5.8 LRAPA Contact

Call the LRAPA office in Springfield at (541) 736-1056.
Lane Regional Air Protection Agency

BASIC
AIR CONTAMINANT DISCHARGE PERMIT
REVIEW REPORT

Carothers & Son, LTD
71 S. Bertelsen Road
Eugene, Oregon 97402

<table>
<thead>
<tr>
<th>Reports</th>
<th>Annual</th>
<th>Semi-annual</th>
<th>Excess Emissions</th>
<th>NSPS</th>
<th>NESHAP</th>
<th>Public Notice</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>X</td>
<td>N/A</td>
<td>X</td>
<td>N/A</td>
<td>(6X)</td>
<td>1</td>
</tr>
</tbody>
</table>

1. The proposed permit is a new permit for an existing source.

2. The permittee operates a pneumatic, mechanical, and gravity conveyance equipment manufacturing facility.

3. This facility qualifies for a Basic ACDP because surface coating operations actual or expected usage of coating materials is less than 250 gallons per month and do not use non-VOC and non-HAP containing coatings.

4. The source is located in an attainment area for all pollutants except for PM$_{10}$. The Eugene Springfield Air Quality Maintenance Area is a nonattainment area for PM$_{10}$.

5. LRAPA has determined that sources that qualify for a Basic ACDP will not have significant emissions. In most cases the emission will not exceed 5 tons of PM or PM$_{10}$ or 10 tons of any other pollutant. Therefore, the Basic ACDP does not include Plant Site Emission Limits and it is not necessary to estimate emissions for each individual source.

6. Pursuant to LRAPA Section 37-0056(4), issuance of a new or renewed Basic Air Contaminant Discharge Permit requires public notice in accordance with LRAPA Section 31-0030(3)(a). Therefore, there will be no prior notice or public participation. However, LRAPA will maintain a list of all permit actions processed under Category I and make the list available for public review.

MTL/rcl
10/21/2010
### Carothers and Son, LTD

<table>
<thead>
<tr>
<th>Usage</th>
<th>Usage</th>
<th>VOC reportable</th>
<th>Triethylamine (121448)</th>
<th>Ethylbenzene (100414)</th>
<th>Toluene (108883)</th>
<th>Xylene (1330207)</th>
<th>Total HAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAQD White Base 1 (758001)</td>
<td>1116</td>
<td>9.3</td>
<td>47.3%</td>
<td>4,933</td>
<td>1,042</td>
<td>1,042</td>
<td>30.0%</td>
</tr>
<tr>
<td>BARRIER III METAL-Primer Off-White</td>
<td>1116</td>
<td>10.7</td>
<td>42.4%</td>
<td>5,055</td>
<td>-</td>
<td>1,191</td>
<td>-</td>
</tr>
<tr>
<td>Acetone</td>
<td>6.6</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1116</strong></td>
<td><strong>5,055</strong></td>
<td><strong>2.53</strong></td>
<td><strong>0.52</strong></td>
<td><strong>0.60</strong></td>
<td><strong>0.52</strong></td>
<td><strong>2.38</strong></td>
</tr>
</tbody>
</table>

*Based on highest emission rate from primer or top coat based on total coating annual use submitted in application to determine applicable permit thresholds.

*Total Amount used at facility is 1116.