MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION

May 15, 2007 Revised June 15, 2007

PERMIT TO INSTALL

No. 307-92A

ISSUED TO

Armaly Brands

LOCATED AT

1900 Easy Street Walled Lake, Michigan 48390

IN THE COUNTY OF

Oakland

STATE REGISTRATION NUMBER

N3409

The Air Quality Division has approved this Permit to Install, pursuant to the delegation of authority from the Michigan Department of Environmental Quality. This permit is hereby issued in accordance with and subject to Section 5505(1) of Article II, Chapter I, Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Pursuant to Air Pollution Control Rule 336.1201(1), this permit constitutes the permittee's authority to install the identified emission unit(s) in accordance with all administrative rules of the Department and the attached conditions. Operation of the emission unit(s) identified in this Permit to Install is allowed pursuant to Rule 336.1201(6).

DATE OF RECEIPT OF ALL INFORMATION REQUIRED BY RULE 203:			
4/23/2007			
DATE PERMIT TO INSTALL APPROVED:	SIGNATURE:		
5/15/2007			
DATE PERMIT VOIDED:	SIGNATURE:		
DATE PERMIT VOIDED.	SIGNATURE.		
DATE PERMIT REVOKED:	SIGNATURE:		

PERMIT TO INSTALL Common Abbreviations / Acronyms

AQD Air Quality Division Btu British Thermal Unit ANSI American National Standards Institute BACT Best Available Control Technology CAA Clean Air Act Pollutant/Measurement Abbreviat Btu British Thermal Unit °C Degrees Celsius CO Carbon Monoxide dscf Dry standard cubic foot	
ANSI American National Standards Institute °C Degrees Celsius BACT Best Available Control Technology CO Carbon Monoxide	
BACT Best Available Control Technology CO Carbon Monoxide	
CEM Continuous Emission Monitoring dscm Dry standard cubic meter	
CFR Code of Federal Regulations °F Degrees Fahrenheit	
COM Continuous Opacity Monitoring gr Grains	
EPA Environmental Protection Agency Hg Mercury	
EU Emission Unit hr Hour	
FG Flexible Group H₂S Hydrogen Sulfide	
GACS Gallon of Applied Coating Solids hp Horsepower	
GC General Condition Ib Pound	
HAP Hazardous Air Pollutant m Meter	
HVLP High Volume Low Pressure * mg Milligram	
ID Identification mm Millimeter	
LAER Lowest Achievable Emission Rate MM Million	
MACT Maximum Achievable Control Technology MW Megawatts	
MAERS Michigan Air Emissions Reporting System ng Nanogram	
MAP Malfunction Abatement Plan NOx Oxides of Nitrogen	
MDEQ Michigan Department of Environmental Quality PM Particulate Matter	
MIOSHA Michigan Occupational Safety & Health PM- Particulate Matter less than 10 r	nicrons
Administration 10 diameter	
MSDS Material Safety Data Sheet pph Pound per hour NESHA National Emission Standard for	
P Hazardous Air Pollutants ppm Parts per million	
NSPS New Source Performance Standards ppmv Parts per million by volume	
NSR New Source Review ppmw Parts per million by weight	
PS Performance Specification psia Pounds per square inch absolut	е
PSD Prevention of Significant Deterioration psig Pounds per square inch gauge	
PTE Permanent Total Enclosure scf Standard cubic feet	
PTI Permit to Install sec Seconds	
RACT Reasonably Available Control SO ₂ Sulfur Dioxide	
ROP Renewable Operating Permit THC Total Hydrocarbons	
SC Special Condition tpy Tons per year	
SCR Selective Catalytic Reduction µg Microgram	
SRN State Registration Number VOC Volatile Organic Compounds	
TAC Toxic Air Contaminant yr Year	
TEQ Toxicity Equivalence Quotient	
VE Visible Emissions * For High Volume Low Proceure (HVLP) applicators, the proceure measured at the HVLP guin a	

^{*} For High Volume Low Pressure (HVLP) applicators, the pressure measured at the HVLP gun air cap shall not exceed ten (10) pounds per square inch gauge (psig).

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GENERAL CONDITIONS

- 1. The process or process equipment covered by this permit shall not be reconstructed, relocated, or modified, unless a Permit to Install authorizing such action is issued by the Department, except to the extent such action is exempt from the Permit to Install requirements by any applicable rule. (R 336.1201(1))
- 2. If the installation, construction, reconstruction, relocation, or modification of the equipment for which this permit has been approved has not commenced within 18 months, or has been interrupted for 18 months, this permit shall become void unless otherwise authorized by the Department. Furthermore, the permittee or the designated authorized agent shall notify the Department via the Supervisor, Permit Section, Air Quality Division, Michigan Department of Environmental Quality, P.O. Box 30260, Lansing, Michigan 48909, if it is decided not to pursue the installation, construction, reconstruction, relocation, or modification of the equipment allowed by this Permit to Install. (R 336.1201(4))
- 3. If this Permit to Install is issued for a process or process equipment located at a stationary source that is not subject to the Renewable Operating Permit program requirements pursuant to R 336.1210, operation of the process or process equipment is allowed by this permit if the equipment performs in accordance with the terms and conditions of this Permit to Install. (R 336.1201(6)(b))
- 4. The Department may, after notice and opportunity for a hearing, revoke this Permit to Install if evidence indicates the process or process equipment is not performing in accordance with the terms and conditions of this permit or is violating the Department's rules or the Clean Air Act. (R 336.1201(8), Section 5510 of Act 451, PA 1994)
- 5. The AQD District Supervisor shall be notified, in writing, of a change in ownership or operational control of the stationary source or emission unit(s) authorized by this Permit to Install pursuant to R 336.1219. The notification shall include all of the information required by R 336.1219(1)(a) and (b). In addition, a new owner or operator must submit a written statement pursuant to R 336.1219(1)(c), agreeing to and accepting the terms and conditions of this Permit to Install, and shall notify the AQD District Supervisor of any change in the contact person for this Pemit to Install. (R 336.1219)
- 6. Operation of this equipment shall not result in the emission of an air contaminant which causes injurious effects to human health or safety, animal life, plant life of significant economic value, or property, or which causes unreasonable interference with the comfortable enjoyment of life and property. (R 336.1901)
- 7. The permittee shall provide notice of an abnormal condition, start-up, shutdown, or malfunction that results in emissions of a hazardous or toxic air pollutant which continue for more than one hour in excess of any applicable standard or limitation, or emissions of any air contaminant continuing for more than two hours in excess of an applicable standard or limitation, as required in Rule 912, to the Department. The notice shall be provided not later than two business days after start-up, shutdown, or discovery of the abnormal condition or malfunction. Written reports, if required, must be filed with the Department within 10 days after the start-up or shutdown occurred, within 10 days after the abnormal conditions or malfunction has been corrected, or within 30 days of discovery of the abnormal condition or malfunction, whichever is first. The written reports shall include all of the information required in Rule 912(5). (R 336.1912)

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- 8. Approval of this permit does not exempt the permittee from complying with any future applicable requirements which may be promulgated under Part 55 of 1994 PA 451, as amended or the Federal Clean Air Act.
- 9. Approval of this permit does not obviate the necessity of obtaining such permits or approvals from other units of government as required by law nor does it affect any liability for past violations under the Natural Resources and Environmental Protection Act, 1994 PA 451.
- 10. Operation of this equipment may be subject to other requirements of Part 55 of 1994 PA 451, as amended and the rules promulgated thereunder.
- 11. Except as provided in subrules (2) and (3) or unless the special conditions of the Permit to Install include an alternate opacity limit established pursuant to subrule (4) of R 336.1301, the permittee shall not cause or permit to be discharged into the outer air from a process or process equipment a visible emission of density greater than the most stringent of the following. The grading of visible emissions shall be determined in accordance with R 336.1303. (R 336.1301)
 - a) A six-minute average of 20 percent opacity, except for one six-minute average per hour of not more than 27 percent opacity.
 - b) A visible emission limit specified by an applicable federal new source performance standard.
 - c) A visible emission limit specified as a condition of this Permit to Install.
- 12. Collected air contaminants shall be removed as necessary to maintain the equipment at the required operating efficiency. The collection and disposal of air contaminants shall be performed in a manner so as to minimize the introduction of contaminants to the outer air. Transport of collected air contaminants in Priority I and II areas requires the use of material handling methods specified in R 336.1370(2). (R 336.1370)
- 13. The Department may require the permittee to conduct acceptable performance tests, at the permittee's expense, in accordance with R 336.2001 and R 336.2003, under any of the conditions listed in R 336.2001. (R 336.2001)

SPECIAL CONDITIONS

Emission Unit Identification

Emission Unit ID	Emission Unit Description	Stack Identification		
EU-FOAMING	Slab-stock TDI polyurethane foam production. The	SV-1		
	foam product is cut to size to produce sponges.	SV-2		
EU-CLEANING	Denatured alcohol cleaning of production equipment.	NA		
EU-TDISTORAGE TDI storage tank. Vapor balance is an integral part of the process to prevent TDI from reacting with		NA		
	moisture in the air.			
Changes to the equipment described in this table are subject to the requirements of R 336.1201,				
except as allowed by R 336.1278 to R 336.1290.				

Flexible Group Identification

Flexible Group ID	Emission Units Included in Flexible Group	Stack Identification
FG-FACILITY	All process equipment at the facility including	SV-1
	equipment covered by other permits, grand-	SV-2
	fathered equipment and exempt equipment.	

The following conditions apply to: FG-FACILITY

Description: Polyurethane foam sponge manufacturing.

Emission Unit IDs: EU-FOAMING, EU-CLEANING, EU-TDISTORAGR

Emission Limits

	Pollutant	Limit	Time Period	Equipment	Testing/ Monitoring Method	Applicable Requirement
1.1a	Total HAPs	. ,	0	FG-FACILITY	SC 1.7	R 336.1205(3)
			time period*			
	*12-month rolling time period, as determined at the end of each calendar month.					

Material Usage Limits

- 1.2 The permittee shall not produce more than 788,400 linear feet of slab stock per 12-month rolling time period, as determined at the end of each calendar month. (R 336.1205(3), R 336.1702(a))
- 1.3 The permittee shall not use more than 473,040 pounds of catalyst per 12-month rolling time period, as determined at the end of each calendar month. (R 336.1205(3), R 336.1702(a))
- 1.4 The permittee shall not use any cleaning material containing more than 5 percent HAP by weight. (R 336.1205(3))
- 1.5 The permittee shall not use more than 1,620 pounds of cleaning solvent per 12-month rolling time period, as determined at the end of each calendar month. The permittee may determine the pounds of cleaning solvent used on a "net usage" basis. "Net usage" is defined as the

amount of cleaning solvent used less any amount of cleaning solvent recovered as waste. (R 336.1205(3))

Recordkeeping/Reporting/Notification

- 1.6 The permittee shall complete all required calculations in a format acceptable to the AQD District Supervisor by the 15th day of the calendar month, for the previous calendar month, unless otherwise specified in any recordkeeping, reporting or notification special condition. (R 336.1205(3), R 336.1702(a))
- 1.7 The permittee shall keep, in a satisfactory manner, records of the total HAP emissions rates for FG-FACILITY for each month and 12-month rolling time period, as determined at the end of each calendar month. The permittee shall keep all records on file at the facility for a period of at least five years and make them available to the Department upon request. (R 336.1205(3))
- 1.8 The permittee shall keep, in a satisfactory manner, records of the linear feet of slab stock produced for each month and 12-month rolling time period, as determined at the end of each calendar month. The permittee shall keep all records on file at the facility for a period of at least five years and make them available to the Department upon request. (R 336.1205(3), R 336.1702(a))
- 1.9 The permittee shall keep, in a satisfactory manner, records of the pounds of catalyst used for each month and 12-month rolling time period, as determined at the end of each calendar month. The permittee shall keep all records on file at the facility for a period of at least five years and make them available to the Department upon request. (R 336.1702(a))
- 1.10 The permittee shall keep, in a satisfactory manner, records demonstrating that the HAP content of each cleaning material used is less than 5 percent by weight. The permittee shall keep all records on file at the facility for a period of at least five years and make them available to the Department upon request. (R 336.1205(3))
- 1.11 The permittee shall keep, in a satisfactory manner, records of the pounds of cleaning material used in FG-FACILITY for each month and 12-month rolling time period, as determined at the end of each calendar month. The permittee shall keep all records on file at the facility for a period of at least five years and make them available to the Department upon request. (R 336.1205(3))

Stack/Vent Restrictions

	Stack & Vent ID	Maximum Diameter (inches)	Minimum Height Above Ground Level (feet)	Applicable Requirement		
1.12a	SV-1	12	33	R 336.1901		
1.12b	SV-2	12	33	R 336.1901		
	The exhaust gases shall be discharged unobstructed vertically upwards to the ambient air.					