OPERATING PERMIT

In accordance with provisions of the Air Pollution Control Act, the act of January 8, 1960, P.L. 2119, as amended, and after due consideration of an application received under Chapter 127 of the Rules and Regulations of the Department of Environmental Protection, the Department hereby issues this permit for the operation of the air contamination source(s) described below:

Permit No. OP-15-0030
Owner NVF Company
Address Kennett and Mulberry Streets
Kennett Square, PA 19348
Attention William Witt, P.E.
Director of Corporate Engineering

This permit is subject to the following conditions:

1. That the source(s) and any associated air cleaning devices are to be:
   a. operated in such a manner as not to cause air pollution;
   b. operated and maintained in a manner consistent with good operating and maintenance practices.
   c. in compliance with the specifications and conditions of all applicable Plan Approvals issued.

2. This permit is valid only for the specific equipment, location and owner named above.

(SEE ADDITIONAL CONDITIONS ATTACHED)

Failure to comply with the conditions placed on this permit is a violation of Section 127.444. Violation of this or any other provision of Article III of the Rules and Regulations of the Department of Environmental Protection will result in suspension or revocation of this permit and/or prosecution under Section 9 of the Air Pollution Control Act.

Issued 4/13/1999
Expires 4/13/2004

cc: Division of Permits, RCSOB
    Administration
    SEFO
    Re (SMC)245-4
CONDITIONS (continued):

3. This Operating Permit incorporates Reasonably Available Control Technology (RACT) determinations as required by Title I provisions of the Clean Air Act Amendments and 25 Pa. Code Sections 129.91 through 129.95 for the sources at NVF Company's Kennett Square facility. This Operating Permit also supersedes all conditions in the Operating Permits, No. 15-313-008 with respect to eleven (11) process ovens, No. 15-302-051 with respect to Cleaver-Brooks Boiler, and No. 15-309-004 with respect to AISCO #1 and AISCO #2 thermal oxidizers.

4. This Operating Permit is issued to NVF Company for the operation of following sources:
   - One 29.3 MMBtu/hr, No. 6 oil-fired, Cleaver-Brooks (Model CB-600-700) boiler
   - One No. 6 oil-fired HIRT thermal oxidizer
   - Two natural gas-fired (AISCO #1 and AISCO #2) thermal oxidizers
   - Seven coaters and ovens used for Phenolite Operations (101A - 107A)
   - Four coaters and ovens used for Circuitry Operations (109A, 110A, 120, & 121)
   - Two coaters and ovens used for Multi-Layer Department (122 & 123)
   - Six Storage Tanks (No. T-6, T-7, T-9, T-10, T-12, & T-13)
   - Eight Mixing Tanks (No. M-2 through M-9)
   - Eight hot presses

5. Pursuant to the presumptive RACT provisions of Section 129.93 (b)(2), (3), (4) and (5) of Article III of the Rules and Regulations of the Department of Environmental Protection, the company shall comply with the annual tune-up, maintenance, operating and recordkeeping requirements specified in those sections with respect to one 29.3 MMBtu/hour Cleaver-Brooks boiler identified in Condition 4. The first annual tune-up on this source shall be performed no later than 180 days following the issuance of this operating permit.

6. The Company shall properly maintain the Cleaver-Brooks boiler by following the steps listed below:
   (a) The Company shall conduct an annual adjustment or tune-up on the combustion unit. This adjustment shall include, but not limited to the following:
      (1) Inspection, adjustment, cleaning or replacement of fuel-burning equipment, including the burners and moving parts necessary for proper operation as specified by the manufacturer.
      (2) Inspection of the flame pattern or characteristics and adjustments necessary to minimize total emissions of NOx and to the extent practicable minimize emissions of CO.
CONDITIONS (continued):

(3) Inspection of the air-to-fuel ratio control system and adjustments necessary to ensure proper calibration and operation as specified by the manufacturer.

(b) The company shall record each adjustment conducted under the procedures in paragraph (a) in a permanently bound log book or other method approved by the Department. This log shall contain, at a minimum, the following information:

(1) The date of the tuning procedure.

(2) The name of the service company and technicians.

(3) The final operating rate or load.

(4) The final CO and NOx emission rates.

(5) The final excess oxygen rate.

7. RACT for clean-up solvents shall be the following:

a. Virgin and waste solvents shall be stored in covered containers.

b. The cover of the solvent containers shall be closed after each use.

c. Used solvents shall be stored in closed containers prior to disposal.

d. Spillage and splashing during the transfer of solvent from containers shall be minimized by all practical means.

e. Cleaning of the dips tanks shall occur only when the air pollution capture and control system is operating.

8. The potential to emit volatile organic compounds from each of the following source categories shall never exceed 3 pounds per hour, 15 pounds per day or 2.7 tons per year (as determined by the Department). Should any of these limitations ever be exceeded for any of the source categories listed below, a detailed RACT analysis which meets the criteria specified in Section 129.92 of Chapter 129 of Article III of the Rules and Regulations of the Department of Environmental Protection must be submitted to the Department for each source contained in the respective source category.

a. Six Storage Tanks
CONDITIONS (continued):

b. Eight Mixing Tanks

c. Eight Hot Presses

9. Pursuant to the presumptive RACT provisions of Section 129.93 (c)(4) of Chapter 129 of Article III of the Rules and Regulations of the Department of Environmental Protection, the HIRT incinerator, AlSCO incinerator #1, and AlSCO incinerator #2 shall be maintained and operated in accordance with manufacturer's specifications as well as in accordance with good air pollution control practices.

10. Pursuant to the RACT provisions of Sections 129.91 through 129.95 of Chapter 129 of Article III of the Rules and Regulations of the Department of Environmental Protection, Cleaver-Brooks boiler, three thermal oxidizers, fourteen tanks, and three hot presses described in condition 4 shall be operated and maintained in accordance with manufacturer's specifications and in accordance with good air pollution control practices.

11. Pursuant to the RACT provisions of Sections 129.91 through 129.95 of Chapter 129 of Article III of the Rules and Regulations of the Department of Environmental Protection, 7 coaters and ovens used for Phenolite Operations, 4 coaters and ovens used for Circuitry Operations, and 2 coaters and ovens used for Multi-Layer Department shall comply with the provisions of 25 Pa. Code Section 129.52.

12. Recordkeeping and Reporting Requirements:

A. The company shall maintain records of the weight of products produced for each coating line for each production run.

B. The company shall maintain monthly records of solvent usage.

C. Using the production records, monthly solvent usage and a representative coating formulation, the company shall estimate on a monthly basis the gallons of coating used, density before and after the addition of diluents, gallons of diluents used, density of diluents, and weight percent of organic volatiles in the coating.

D. The company shall maintain all records for two years and shall submit to the Department personnel upon request.
E. The company shall maintain the records in accordance with the minimum requirements of 25 Pa. Code, Section 129.95.

Conditions 13 through 15 herein pertain to No. 6 oil-fired (waste derived liquid fuel-fired) Cleaver Brooks Boiler previously operated pursuant to operating permit No. 15-302-051 and No. 6 oil-fired (waste derived liquid fuel-fired) Hirt Thermal Oxidizer for Coating Lines operated pursuant to operating permit No. 15-313-008.

13. The waste derived liquid fuel shall not exceed the following limitations:

<table>
<thead>
<tr>
<th>Constituent/Property</th>
<th>Limitation Level</th>
<th>Analytical Technique</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arsenic</td>
<td>5 ppm</td>
<td>Atomic Absorption</td>
</tr>
<tr>
<td>Cadmium</td>
<td>2 ppm</td>
<td>Atomic Absorption</td>
</tr>
<tr>
<td>Chromium</td>
<td>10 ppm</td>
<td>Atomic Absorption</td>
</tr>
<tr>
<td>Lead</td>
<td>100 ppm</td>
<td>Atomic Absorption</td>
</tr>
<tr>
<td>PCB</td>
<td>10 ppm</td>
<td>H2SO4 Extraction/GC</td>
</tr>
<tr>
<td>TX</td>
<td>1000 ppm</td>
<td>ASTM D-808-81</td>
</tr>
<tr>
<td>Ash</td>
<td>0.7%</td>
<td>ASTM D-482</td>
</tr>
<tr>
<td>Sulfur</td>
<td>0.5% wt.</td>
<td>X-Ray Diffraction</td>
</tr>
</tbody>
</table>

14. The fuel may not contain detectable levels of pesticides and/or herbicides.

15. No fuel shipments may be blended into existing fuel or burned by itself unless an analysis has been performed for constituents/property of condition 13 and a copy of the analysis is available demonstrating that none of the levels are exceeded. The company shall maintain records of the analysis and consumption of waste fuel by the source for a period of not less than five years. These records shall be made available to the Department on request.

16. An annual report is to be submitted to the Regional Air Quality Manager containing quarterly consumption data and copies of analyses required in Condition 13. The report for the previous calendar year is due no later than March 15 of each year.

17. The company shall make provisions for personnel of the Department to take samples of the waste derived liquid fuel at any time.

Condition 18 herein pertains to natural gas-fired AISCO #1 & AISCO #2 treater ovens (incinerators) previously operated pursuant to operating permit No. 15-309-004.
CONDITIONS (continued):

18. The company shall limit the total volatile organic emissions from the two treater ovens (thermal oxidizers) to the following:

   a. 16.5 lbs/hr
   b. 363 lbs/day
   c. 50 tons/year

19. If at any time the Department has cause to believe that air contaminant emissions from the aforementioned source(s) may be in excess of the limitations specified in, or established pursuant to, any applicable rule or regulation contained in Article III of the Rules and Regulations of the Department of Environmental Protection, the company shall be required to conduct whatever tests are deemed necessary by the Department to determine the actual emission rate(s). Such testing shall be conducted in accordance with the provisions of Chapter 139 of the Rules and Regulations of the Department of Environmental Protection, where applicable, and in accordance with any restrictions or limitations established by the Department at such time as it notifies the company that testing is required.

20. The company within one hour of occurrence, shall notify the Department of Environmental Protection, at (610) 832-6241, of any malfunction of the source(s) or associated air cleaning device(s) which results in, or may possibly be resulting in, the emission of air contaminants in excess of the limitations specified in, or established pursuant to, any applicable rule or regulation contained in Article III of the Rules and Regulations of the Department of Environmental Protection. A written report shall be submitted to the Department within five working days following the incident describing the malfunctions and corrective actions taken.

21. This Operating Permit is valid for a limited period of time and may be renewed before its expiration. Requests for an Operating Permit renewal must be in writing and must be accompanied by the appropriate permit application processing and annual permit administration fees as specified in Section 127.703 of the Rules and Regulations of the Department of Environmental Protection. These fees shall be paid in the form of a check payable to the "Commonwealth of Pennsylvania Clean Air Fund". The request should be made using the appropriate application form and must be received by the Department along with a completed Air Pollution Control Act Compliance Review form no later than 30 days prior to the expiration date.

   An annual operating permit administration fee is also due pursuant to Section 127.703 no later than 30 days prior to the expiration date. The administration fee is to be submitted with an Annual Operating Permit Administration Fee Transmittal form.
22. All necessary forms can be obtained from the Department upon request.

23. The company shall not impose conditions upon or otherwise restrict the Department's access to the aforementioned source(s) and/or any associated air cleaning device(s) and shall allow the Department to have access at any time to said source(s) and associated air cleaning device(s) with such measuring and recording equipment, including equipment recording visual observations, as the Department deems necessary and proper for performing its duties and for the effective enforcement of the Air Pollution Control Act.

24. The company shall provide at least 41 hours of introductory training to new employees and 25 hours per year of refresher training on the proper operation and maintenance of the source/control device. The company shall keep records of the type and amount of training provided to each operator. The records shall be kept for a minimum of five years and made available to the Department upon request.

25. The source and control device must be operated and maintained in a manner consistent with the Operation and Maintenance Instructions (O&M). Operators must follow the O&M instructions and or checklists and sign off daily. The records shall be kept for a minimum of five years and made available to the Department upon request.

26. The company shall conduct a stack test once every five years to determine the overall destruction efficiency of the control device. The company shall use the test methods and procedures approved by the Department's Source Testing and Monitoring Section. The test shall be conducted within the final year before the operating permit expires. Results shall be submitted to the Department for review at least 60 days prior to the expiration of the operating permit.

27. Coating composition and usage records (RACT calculations) in condition 12.C. are required for the Rule Effectiveness Program. These records shall be submitted to the Department once every six months.

28. The expiration date shown on the Operating Permit is for state purposes. For Federal enforcement purposes the RACT provisions of the Operating Permit shall remain in effect as part of the State Implementation Plan (SIP) until replaced pursuant to 40 CFR 51 and approved by the U.S. Environmental Protection Agency (EPA).