

September 24, 2021

Re: Adherence to California Proposition 65 & Future California Toxics in Cosmetics law AB 2762

To All Amscan & Party City Vendors,

As you know, Party City Holdco Inc., Party City Holdings Inc., Party City Corporation, Halloween City and Amscan Inc. [collectively, "PC"] requires all of its suppliers to adhere to all federal, state, and local laws and regulations as a condition of doing business with and/or supplying products to PC. Recently, the state of California also passed AB 2762 also known as California's Toxic-Free Cosmetics Act. Cosmetic products are broadly defined as "an article for retail sale or professional use intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body for cleansing, beautifying, promoting attractiveness, or altering the appearance." This regulation prohibits manufacturing or selling any cosmetics containing as an intentionally added ingredient any of 24 specified chemicals. Maryland has also passed House Bill 643 banning similar chemicals in cosmetics as of January 1, 2025. These chemicals are commonly employed in manufacturing and packaging or as processing aids or preservatives and also includes emerging chemicals such as perfluorooctanoic acid (PFOA) and perfluorooctane sulfonate (PFOS). AB 2762 is effective January 1, 2025. Below are the chemicals prohibited in the regulation.

Chemical Name	CAS#	Chemical Name	CAS#
(1) Dibutyl phthalate(DBP)	84-74-2	(2) Diethylhexyl phthalate(DEHP)	117-81-7
(3) Formaldehyde	50-00-0	(4) Paraformaldehyde	30525-89-4
(5) Methylene glycol	463-57-0	(6) Quaternium-15	51229-78-8
(7) Mercury	7439-97-6	(8) Isobutylparaben	4247-02-3
(9) Isopropylparaben	4191-73-5	(10)m-Phenylenediamine and its salts (PPD)	108-45-2
(11) o-Phenylenediamine and its salts			95-54-5
(12) long-chain per- and polyfluoroalkyl substances (PFAS) and their salts:			
(A) Perfluorooctane sulfonate (PFOS); heptadecafluorooctane-1-sulfonic acid			1763-23-1
(B) Potassium perfluorooctanesulfonate; potassium heptadecafluorooctane-1-sulfonate			2795-39-3
(C) Diethanolamine perfluorooctane sulfonate			70225-14-8
(D) Ammonium perfluorooctane sulfonate; ammonium heptadecafluorooctanesulfonate			29081-56-9
(E) Lithium perfluorooctane sulfonate; lithium heptadecafluorooctanesulfonate			29457-72-5
(F) Perfluorooctanoic acid (PFOA)			335-67-1
(G) Ammonium pentadecafluorooctanoate			3825-26-1
(H) Nonadecafluorodecanoic acid			355-76-2
(I) Ammonium nonadecafluorodecanoate			3108-42-7
(J) Sodium nonadecafluorodecanoate			3830-45-3
(K) Perfluorononanoic acid (PFNA)			375-95-1
(L) Sodium heptadecafluorononanoate			21049-39-8
(M) Ammonium perfluorononanoate			4149-60-4

Please confirm with an email reply to at least one of the following choices regarding cosmetic items being sold to PCHI by your company.

- a) Cosmetic items do not contain any regulated PFOA/PFOS currently on Prop 65 list in toxic amounts.
- b) Cosmetic items may contain 1 or more PFOA/PFOS currently on Prop 65 list and will confirm with suppliers of compliance with California limits.
- c) Cosmetic items do not contain any future regulated AB2762 chemicals listed in future California law effective 2025.
- d) Cosmetic items may contain 1 or more future regulated AB2762 chemicals listed in future California law effective 2025.



In addition, **SB 312** was passed in California as well. **SB 312** is the Cosmetic Fragrance and Flavor Ingredient Right to Know Act of 2020. Effective January 1, 2022, SB 312 requires manufacturers selling cosmetic products in California to report certain (deemed) hazardous fragrance and flavor ingredients to the Department of Public Health's (DPH) Safe Cosmetics Program. Please review your ingredients if you manufacture products that require disclosure and confirm that you will prepare and submit the required information by January 1, 2022 or confirm to PCHI that your company will comply with the above regulation by the effective date.

PCHI and its affiliates continue to expect vendors to adhere to all legal requirements for products supplied including any applicable PFAS compliance standards and to defend and indemnify PCHI and its affiliates for any claims asserted concerning products supplied by vendor consistent with the PCHI vendor manual and other contract documentation and applicable legal principles.

If you have any questions regarding this, please feel free to reach out to us.

Sincerely,
Party City Product Compliance Team



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